



Chairman: Frank J. Vala

Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

Minutes of the Regular Meeting of the Procurement Policy Board

December 2, 2015

Chairman Vala called the regular meeting of the Procurement Policy Board, held in room 500½ of the Stratton Office Building at 401 South Spring Street in Springfield and connected via video to room 14-612 at the James R. Thompson Center at 100 West Randolph Street in Chicago on December 2, 2015 to order at 10:00 a.m. Roll call was taken by Assistant Director Floyd. Chairman Vala, Member Bedore, Member Black and Member Ivory were all present in Springfield. Member Morales was participating via telephone. Member Bedore made a motion to allow Member Morales to participate on the telephone due to business he cannot be present. The motion was seconded by Member Ivory. All Members voted in favor by saying, “aye” and the motion carried. Member Morales made a motion to approve the minutes of the previous meeting held November 5, 2015, which was seconded by Member Bedore. All Members voted in favor by saying, “aye” and the motion carried. Member Ivory made a motion to approve the minutes of the previous special meeting held November 23, 2015, which was seconded by Member Bedore. All Members voted in favor by saying, “aye” and the motion carried.

The Board decided to move up the agenda item regarding small purchase limits. Chief Procurement Officers Grunloh, Bagby, Daley and Lawton were present. Member Ivory was concerned about the impact of the small purchase limit on minority business. CPO Grunloh made the statement that you could argue that raising the threshold could actually improve minority participation rather than hurt it. CPO Daley stated that she was in the process of filing a report with the General Assembly and that at this point it looked like 52% of the dollars spent on small business went to minority business. Member Bedore suggested raising the threshold for construction to \$100,000 and for supplies and services to \$80,000. He had concern about doubling the threshold for supplies and services from \$50,000 to \$100,000. After some discussion the four CPO’s agreed that the threshold should be \$80,000 for supplies and services contracts and \$100,000 for constructions contracts. Member Bedore made a motion to raise the small purchase threshold for supplies and services to \$80,000 and for the construction up to \$100,000. Member Ivory seconded the motion. A clarification was made that the motion includes the CPI currently in law. All Members voted in favor by saying, “aye” and the motion carried.

The Board held a discussion on the Veteran Business Program with the Capital Development Board. Executive Director from CDB, Paula Golden was present along with Jessie Martinez, the Fair Employment Practices Administrator and CPO Lawton. Member Bedore stated that the number of certified vendors seemed to constantly be in the 70’s and 80’s range. Director Golden stated that CDB does constant outreach but for one reason or another, veteran vendors are not getting certified. Several board members echoed Member Bedore’s displeasure with the lack of growth in the program. The CPO and the Director of CDB expressed a desire to grow the program but citing current work stoppage and ongoing state budget issues as barriers to growth. Chairman Vala stated that while the program is growing slowly, the Board is always going to like to see more work being done. Member Ivory suggested celebrating successes as a possible way to grow the program. CPO Lawton states that she appreciated the Boards feedback and will continue to collaborate with CDB in the future.



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The Board received testimony from Bryan Zises, Acting Director of the Illinois Housing Development Authority. The Housing Authority was presenting a new proposed lease to the Board. Member Bedore questioned why IHDA had to be in downtown Chicago while also questioning the boundary map used in the solicitation for new space. Acting Director Zises sited the Authority work as major player in the banking community as well as commuting patterns and public transportation as reason for the preference boundaries. He also stated that the Authority went with best and lowest cost offer received. Chairman Vala stated that he was concerned about spending over \$13 million dollars on this lease when the State has a \$100 billion deficit in the retirement system and \$8.1 billion worth of bills sitting out there unpaid. Director Zises replied this isn't tax payer dollars, this is the dollars the Housing Authority earns by issuing bonds. Member Bedore was also concerned about the Housing Authority paying for its portion of real estate taxes and not having a cap in light the recent news of the future large tax increases in the City of Chicago. Director Zises said that they tried to negotiate a cap but the landlord would not agree to one. Member Morales asked if the sizable build out for the turn-key space would be controlled by landlord and if the landlord could hire whoever he wants for that build out. Director Zises stated that was correct. Chairman Vala then made a motion to object to the lease in writing and it was seconded by Member Bedore. All Members voted in favor by saying, "aye" and the motion carried.

The Board then heard from the Illinois Power Agency regarding their proposed administrative rules. Present for the Power Agency was Chief Legal Counsel Mr. Brian Granahan. Mr. Granahan and Member Black discussed the possibility of the Power Agency constructing a new building in the future and the possibility of new future technology with regard to energy production. Member Bedore made a motion to issue a certificate of no objection to the Power Agency's proposed rules. Chairman Vala seconded the motion. All Members voted in favor by saying, "aye" and the motion carried.

CPO Grunloh then presented the proposed IDOT rules to the Board. CPO Grunloh stated that most of the proposed changed were clean up language to address legislative changes. Member Bedore asked about any specific changes to the Veterans' Program. CPO Grunloh stated that these rule changes did not affect the Veterans' Program but that he also agrees with the Boards concern regarding lack of participation. Member Ivory expressed his concern with how P and A exemptions might affect minority business. Member Bedore made a motion to issue a certificate of no objection to the proposed rule changes and it was seconded by Member Morales. All Members voted in favor by saying, "aye" and the motion carried.

Member Bedore made a motion for the board to go into an executive section to discuss personal employment and appointment of individuals. Chairman Vala seconded the motion. All Members voted in favor by saying, "aye" and the motion carried.

Chairman Vala made motion to come back into regular session and Member Bedore seconded. On the motion to come back into regular session all Members voted in favor by saying, "aye" and the motion carried.

Member Black made a motion to offer the position of Executive Director of the Procurement Policy Board to Mr. Matt Von Behren. Member Morales seconded. All Members voted in favor by saying, "aye" and the motion carried.

Member Ivory made a motion to adjourn and it was seconded by Member Bedore. The motion was unanimously approved by saying "aye" and the meeting was adjourned at 12:55 p.m.