



Chairman: Frank J. Vala
Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

Minutes – July 13, 2016

Present in Springfield: Frank Vala
Ed Bedore
Bill Black

Via Telephone: Rick Morales

The July meeting of the Procurement Policy Board was called to order at 10:00am. Present in Springfield were Chairman Vala, Member Bedore and Member Black. Present via telephone was Member Morales. Member Bedore made a motion to allow Member Morales to participate via telephone. Chairman Vala seconded the motion. All members voting in favor by saying “aye” and the motion carried.

The first agenda item was the approval of the June 15, 2016 meeting minutes. Member Black made a motion to accept the minutes as presented. Member Bedore seconded the motion. All members voting in favor by saying “aye” and the motion carried.

Next on the agenda, Cindy Mills from DCFS was present to answer questions regarding the agency’s strategy towards lease consolidation moving forward. Ms. Mills stated that with regard to the Metro East area, the Department has made the decision to move forward to consolidate three of their sites, Wood River, Granite City, and Alton, all of which are in Madison County. Ms Mills stated that the agency plan was to submit a space request to CMS, and request that they search for a building for about 45 people in Madison County. Member Bedore stated that at the Board’s previous meeting, CMS had no space request and that this consolidation effort has been going on for quite awhile. Member Bedore was glad that the Agency was moving forward. Ms. Mills stated that she thought there were some concerns with the Legislative District down there. Member Bedore stated that he expected that. Ms. Mills stated that they were not being specific as to what city the agency needed to be located in Madison County, just looking for something in Madison County to serve the clients.

Susan Florence was present from CMS to answer any questions regarding the proposed leases. The first two leases were Harris I and Harris II. The Harris I lease is a 5 year lease with an option to renew for another 5 the rate is \$13 with 2% increases every other year. The landlord is providing pretty intensive improvements between the two buildings at a cost of about \$1.6 million dollars. Member Bedore asked about the removal of the escalator and whether that was going to disrupt any service to areas to our employees. Ms. Florence stated that work would only be completed during non business hours. Member Bedore asked about the lighting upgrade to the Harris Building and how they would compare to the Bloom Building upgrade which has saved the State thousands of dollars. Ms. Florence stated the landlord would be installing T8 lighting similar to the Bloom Building. Member Bedore asked why we need 3 security guards. Ms. Florence stated that those decisions usually are left up to the agency and unfortunately no one from DHS could be present to answer that question. Member Bedore questioned why we need a guard at night. Ms. Florence stated that they have call center in Harris I and perhaps a night guard was for staff working all night. She stated that she would be happy to get that information and



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provide it to the Board. Member Bedore expressed his disappointment that DHS did not have somebody here and wondered why there was not a replacement if one or more individuals could not attend. Chairman Vala asked if there were any other questions before a vote was held to issue a letter of no objection. Member Bedore made a motion to issue a letter of no objection, but with the understanding that DHS has to be here at the next meeting and answer these questions even though the leases are being approved today. Member Black seconded the motion and all Members voted in favor of issuing a letter of objection by saying “aye” and the motion carried.

Chairman Vala asked if there something the Board could do to require the agency to be present at future meeting. Ms. Florence stated that typically they are here, but this was one of the situations where no one was available to attend. Member Bedore stated that he was not criticizing DHS staff that could not be present but someone certainly must have been available to take their place. Member Morales stated that any department that is presenting a lease should have some kind of representation other than CMS. Director von Behren stated that this issue has been brought up in past meeting and the Board already has established a standard for agency staff to be present when presenting a lease.

Next on the agenda were two Northern Illinois University leases. Michelle Danza, Director of Procurement Services in Northern Illinois and Gayle Rosenwinkel, Program Administrative Assistant, were present via telephone. Ms Danza stated that the first lease in DeKalb was an art studio and it was chosen because of its location within a 1 ½ mile radius of downtown DeKalb and because the University wanted to give the art from their students as much visibility as possible. The landlord is very tuned to our needs and gave us a decrease in rent. Member Bedore makes a motion to enter a letter of no objection. Member Black seconded the motion. All Members present voted in favor by saying “aye” and the motion carried.

The next lease for Northern Illinois University is in Rockford, IL. Ms. Danza stated that the Rockford lease houses a law clinic where our students are able to get some real time, and real world experience, at assisting the citizens of Rockford with some of their needs. The lease is located within one mile of walking distance from the Downtown Court House in Rockford. Member Bedore had several questions regarding the current rate and the amount of the increase to the proposed rate. There was a discrepancy between the various versions of the white paper of what the actual rate was and what the new rate was going to be. The Board Members had documentation stating the current rate was \$7.50 a square foot with a proposed rate of \$8.00 a square foot, representing a fifty cent increase. Ms. Danza stated that those numbers were not accurate. Director von Behren stated the white paper that was originally received said \$7.50 for the base rent, and that the University sent an updated white paper that was only updating the dates. Ms. Danza stated that the updated white paper did update the numbers to the current rates being paid today. Member Morales asked whether they had the correct information. After some discussion regarding the correct numbers it was determined that the Board did not have the most up to date and accurate numbers. Ms. Danza said she would be happy to provide the Board with the updated numbers. Member Morales stated that it’s kind of hard to make a decision based on information we don’t have. Director von Behren states that packets for Board Meeting go out a week in advance and the update received after that date did not get reflected in the Member’s packet because he was under the impression that only the dates had changed. Member Bedore asked whether the current proposed rate was \$8.00 or \$8.02. Ms. Danza stated that it was \$8.02 per sq ft for the entire three years. Member Morales asked if 13,050 sq ft was the correct area and Ms. Danza replied that it was. Member Morales stated that according to the math he was doing, the rate comes out to \$8.16 per square foot. Member Bedore made a



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motion that to postpone the vote on the lease until the next meeting so that everyone could get the accurate numbers and be on the same page. Attorney Jurgens stated it would be a good idea to do a formal objection then reserve the right to come back in August ns withdraw that objection if the questions are answered. Member Bedore then made a motion that we enter a letter of objection and Member Morales seconded the motion. On the motion to issue a letter of objection, all Members presented voted by saying “aye” motion carried.

Director von Behren then provided an update from Illinois Housing Development Authority regarding the completion of work and the occupancy date at the new building. Director von Behren stated that the Housing Authority is not taking occupancy till sometime in November when the work will be done, that the agency is not paying anything until they move in and once they move in they have a 10 month abatement on their base rent. Chairman Vala stated that this abatement is on the new lease and we’re still paying double on the old lease. Member Bedore agreed that even though they are not doubling paying two different rents they are doubling the rate there paying currently. Chairman Vala stated that we were just at the contractor’s mercy as to when the project would be completed. Member Bedore questioned what the build out was going to look like and whether each employee would have their own personal office. Member Bedore asked that Director von Behren contact the Housing Authority, and asked if we can see a set of their plans and what’s the breakdown of sq ft per employee and how many private offices and conference rooms are they going to have. Member Black stated that this has been an exercise in futility. Director von Behren stated that he would reach out to them and get some plans on their build out, the per person sq ft and the number of offices and conference rooms.

The next agenda item provided for a Legislation update. Director von Behren stated that besides the stop-gap budget that was recently approved there were not any bills that had any effect on Procurement Code or that affected this Board. Both Chairman Vala and Member Bedore had questioned regarding the Boards operating budget and if we received enough money to reach the end of the calendar year. Director von Behren stated that yes there was enough appropriated for the rest of the year. Member Bedore asked if there was an allowance to pay CMS for computer and software updates. Director von Behren stated that we would be paying CMS for our portion of the new accounting program being implemented State wide. Member Bedore asked if our \$25,000 appropriating covered employee salaries. Director von Behren said no, employee salaries are still being paid because of the St. Clair County Judge order. The next meeting is scheduled for August 18, 2016. Member Bedore made a motion to adjourn until August 18th and Member Morales seconded the motion. All Members voted in favor by say “aye” and the motion carried. The Procurement Policy Board meeting for July was adjourned.