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DEKALB COUNTY PUBLIC BUILDING COMMISSION

A MUNICIPAL CORPORATION AND BODY POLITIC ORGANIZED PURSUANT TO THE "PUBLIC BUILDING COMMISSION ACT." ILLINOIS REVISED STATUTES 1977 CHAPTER 85, SECTION 1031 THROUGH SECTION 1054 AND CURRENTLY UNDER ILLINOIS COMPILED STATUTES 50 ILCS 20/1 et seq.

MEETING OF TUESDAY, NOVEMBER 13, 2018

A regular meeting of the Board of Commissioners of the DeKalb County Public Building Commission (hereinafter "Commission") was held Tuesday, November 13, 2018, at 8:30 a.m. in the Administration Building's Conference Room East in Sycamore, Illinois pursuant to written notice to each Commissioner as required by the By-Laws.

ROLL CALL

Chairman Matt Swanson called the meeting to order at 8:30 a.m. and requested the Secretary to call the roll. Those Commissioners present were Mr. Mike Larson, Vice Chairman Larry Lundgren, Mr. Chuck Shepard, and Chairman Matt Swanson. Ms. Cheryl Nicholson was absent. A quorum was established with four Commissioners present and one absent.

Others that were present included: Commission Treasurer Gary Hanson, County Facilities Management Director Jim Scheffers, Sheriff Roger Scott, Chief Joyce Klein, County Board Member Jeff Whelan, Steve O'Bryan, Gary Winschel, two representatives from Larson & Darby, and two representatives from Ringland-Johnson, and Commission Secretary Tasha Sims.

APPROVAL OF AGENDA

Mr. Larson moved to approve the agenda as presented. Vice Chairman Lundgren seconded the motion and it was approved unanimously by voice vote.

APPROVAL OF MINUTES

Mr. Shepard moved to approve the minutes for the Tuesday, October 23, 2018 meeting. Mr. Larson seconded the motion and it was carried unanimously.

PUBLIC COMMENTS

There were no comments from the public.

JAIL EXPANSION PROJECT

E-Cube Pay Request

Chairman Swanson and Mr. Hanson both expressed that neither of them had received any communication back from Mr. Singh or E Cube, Inc. since last month's meeting.

Resolution of Any Open Items

Mr. Scheffers shared that the items that were identified last month were still being sorted out. The water softener issue was thought to be closely resolved. An issue with water draining out of one of the RTUs on the roof may still have an issue but wouldn't know until it rained again. Mr. Scheffers and Chief Klein shared that there were still ongoing hot water issues.

Vice Chairman Lundgren expressed his views on industry standards verses their standards in keeping a building operating properly.

NURSING HOME EXPANSION PROJECT

Review of Professional Services Contracts

Mr. Gary Winschel, Vice President of Finance & Management of Management Performance Associates (Mangers of the Rehab & Nursing Center) reviewed with the PBC Commissioners that they have reviewed and vetted the Construction Manager and the Architect Engineering contracts already but they had not reviewed the Project Managers contract which is with MPA and had been approved by the DeKalb County Rehab & Nursing Center Operating Board. Mr. Winschel summarized what MPA's roles and responsibilities are as the Project Managers of the Expansion Project.

MPA, as the Project Manager is charged with overseeing the overall start up and finish of the overall project and coordinate the activity of the Home itself. This includes the selection of the Design Team and negotiating successful contracts with the Architect and Construction Manager. MPA additionally hired the C.O.N. Consultant to help through the review process, the developing and updating of future models, to maintain the project's targets, and to assist in issuance of long-term bonds in order to see what their debt services could actually cover as far as part of construction. MPA is also overseeing the IDPH process, and take the project to the start of construction and work with the PBC and Team to ensure there are regular progress updates provided. Mr. Winschel shared that he would get the official contract out to the Commissioners to review. He also shared that MPA's fee is 2.75% of the project costs, except on capitalized interest and Project Management Fee.

It was reiterated that there are no property tax dollars going into this project. The County Board approved this as a not to exceed \$15 million project with a not to exceed \$14 million bond issuance. The bonds will be repaid from Nursing Home Operating Funds and the Nursing Home has additionally committed \$2 million in cash to the project.

Mr. Hanson noted that he believes the general message from this point forward is that the PBC does not want any costs after the fact. If they have to throw more money on the table, the PBC wants to approve that before it happens. He wanted to ensure the Project Manager, the Construction Manager and the Architect all understands that, as they were all in attendance.

Mr. Greg Kladar, Vice President of Ringland-Johnson joined the Commissioners to explained that they have a complete set of construction documents from Architects Larson & Darby and Ringland-Johnson is responsible for meeting the specifications that the Architect has called for. The Architect will inspect the specs after the fact as well. Ringland-Johnson has a long history of doing things this way and has a long history in healthcare projects which is hopefully why Ringland was approved to be the Construction Manager of the Nursing Home Expansion Project, Mr. Klader shared. This all leads to the Guaranteed Maximum Price (GMP). Ringland has gone out to the marketplace and called for bids on the project. The bids have all been reviewed and some small adjustments have been made since the bid opening from Ringland-Johnson. They then sat down with all the major subcontractors to ensure they understand how the documents were to be interpreted and all clarifications needed were made. This is how the GMP was established. Mr. Kladar explained that as it stands right now, Ringland-Johnson has to deliver the project, within the approved plans and specs, for the GMP. Change orders can be capped in a couple different ways, the first way would be an owners decision (if alternates were to be added) which would be an increase to the GMP, and the second way could be if they were to find constructability issues (not able to build something the way the plans called for it to be built) or unforeseen conditions (which can occur when working on an existing facility). Within the GMP there is a 3% contingency built in for those two issues. The contingency list will be tracked, logged, and any dollars not used will be reduced from the GMP at the end of the project. This is under Ringland's control by contract. It is also Ringland's expectation is that they will not go over the GMP. Mr. Kladar shared that he thinks their risk of change orders is there and that the PBC's questions are incredible valid but the 3% is a historic number that they have used and it has been found to be very manageable. The other advantage in this project is that Ringland was brought in early on and they worked with the Project Architect, Larson & Darby Group

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many times and Ringland was able to have a lot of input in the drawings. The collaborative effort between the Architect and the Construction Manager and Nursing Home Facilities Director Steve O'Bryan has been a huge advantage for this project to hopefully reduce the number of change orders to a very minimum.

Mr. Hanson wanted to clarify that if obviously the owner asks for a change, they pay for it. But if it is an unforeseen condition or a construction issue he questioned who was responsible for those costs. Mr. Kladar answered that if an unforeseen condition it could be added to the GMP or it could be covered by the contingency. Ringland is responsible for the documents and the specifications and when they go outside that, it is the owner's risk. Mr. Hanson also questioned that if the Architect has a design issue that they messed up on who would pay for that. Mr. Kladar answered that if it were a small issue it could come out of the construction contingency but if it were a significant or major issue (more than the 3% or all) he would defer to Larson & Darby Group.

Larson & Darby explained that if an issue comes up with an omission, that if it would have been in the drawings to begin with and costs associated with it, it would be the owner's responsibility. Any costs that would not have been there, if it had been in the drawings, would be the Architect's responsibility. Chairman Swanson repeated for clarification, that if it should have been in the drawings and it had costs to it, that is the owner's responsibility on the costs but questions that if it were a change order and it would have an additional cost to it. It was answered that the additional cost that the Architect feels is happening (10-15%) would be the Architect's responsibility. 85-95% of those costs would have been there in the original bid package and therefore would be the owner's responsibility. Chairman Swanson clarified that the additional percentage which was a result of the change order would be the Architect's responsibility.

The construction timeline is estimated to take about 18 months. If everything is approved today, the project is anticipated to begin the Monday after Thanksgiving, Mr. Kladar expressed. Weather is always an issue as well.

Zoning Issue

Mr. Hanson questioned if zoning would hold up the start of construction. Mr. Winschel indicated that the zoning petition through the City of DeKalb could hold up start of the project. This could be a 60-90 day set back to the start of construction. Larson & Darby described that the City of DeKalb put a Zoning Ordinance together back in 1998 when the Nursing Home was constructed and now they are asking for an amendment of that Ordinance because the building is being added to. Petitioning for the Zoning Ordinance Amendment would have to go through the City of DeKalb's Planning Commission which would take 60-90 days before final approval is reached.

Mr. Kladar indicated that if there were to be a 60-90 delay, it wouldn't even worth it to begin construction until the spring when the ground is thawed back out. Ringland would also have to see if the subcontractors would stand by their numbers since they bid on a project that had a November start date.

APPROVAL OF BID AWARDS: DEKALB COUNT REHAB & NURSING CENTER

The Commissioners reviewed the Construction Bid Results which as a result established the \$11,797,207 Guaranteed Maximum Price.

Additionally, the Commissioners reviewed three alternates that were presented to them.

Alternate #1	(\$9,087)	Seeding instead of sodding.	Accepted
Alternate #2	\$161,393	Addition of the front canopy.	Accepted
Alternate #3	\$637,430	Nurses Stations/Resident Common Areas.	Accepted

With the alternates accepted, the new Guarantee Maximum Price Amendment total would be \$12,587,489.

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Mr. Kladar briefly explained a few changes that were made to certain bids on the bid tab sheet verse the final bid approval price.

Mr. Shepard moved to approve the bids for the Additions & Renovations for the DeKalb County Rehab & Nursing Center Project as well as Alternates #1, #2, and #3 generating the Guarantee Maximum Price of \$12,587,489 and further authorizes Chairman Swanson to sign AIA Document A133 with Ringland-Johnson, Inc. Mr. Larson seconded the motion. A roll call vote was taken and the motion carried with four Commissioners voting yea, none opposed, and Ms. Nicholson absent.

HVAC SYSTEMS FOR PUBLIC SAFETY BUILDING

Mr. Scheffers shared that they are still on track for demo starting on December 4th. Everything has been ordered and they are just in a holding position right now. He clarified again that One Source out of DeKalb was the lowest bidder on the project.

EXECUTIVE SESSION

Not needed.

ACTION ITEMS FROM EXECUTIVE SESSION

None.

OLD BUSINESS / NEW BUSINESS

None.

NEXT MEETING DATE

The next Public Building Commission Meeting was scheduled for Tuesday, December 4th.

ADJOURNMENT

A motion to adjourn was made by Mr. Larson, seconded by Chairman Swanson and was approved unanimously. The meeting was adjourned at 10:08 a.m.

Matt Swanson, Chairman

Tasha Sims, Secretary

<u>Commissioners</u>	<u>Expiration of Term</u>	<u>Office</u>	<u>Original Appointment</u>
Mr. Mike Larson	September 30, 2020	Commissioner	November 17, 2010
Mr. Larry Lundgren	September 30, 2019	Vice Chairman	April 2, 2010
Ms. Cheryl Nicholson	September 30, 2023	Commissioner	August 19, 2015
Mr. Charles Shepard	September 30, 2021	Commissioner	October 1, 2011
Mr. Matt Swanson	September 30, 2022	Chairman	September 19, 2007
<u>Non-Voting Officers</u>			
Ms. Tasha Sims	September 30, 2019	Secretary	October 4, 2016
Mr. Gary H. Hanson	September 30, 2019	Treasurer	February 18, 1984

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