



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

Minutes of the Regular Meeting of the Procurement Policy Board

November 5, 2015

Chairman Vala called the regular meeting of the Procurement Policy Board, held in room 349C 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 November 5, 2015 to order at 10:00 a.m. The Pledge of Allegiance was taken. Roll call was taken by Director Blount and Chairman Vala and Member Bedore, and Member Black were all present in Springfield. Member Morales was present in Chicago. Member Ivory was participating via telephone. Member Bedore made a motion to allow Member Ivory to attend the meeting via telephone as he was out of town on business, which was seconded by Member Black. The motion was unanimously approved by roll call vote. Member Bedore made a motion to approve the minutes of the previous meeting held October 8, 2015, which was seconded by Member Black. A roll call vote was taken and the meeting minutes were unanimously approved.

The Board held follow up discussion on the Veterans Business Program. Member Bedore expressed his disappointment that there was no one from CMS to answer the questions the members had concerning the program. Member Morales agreed that he too was disappointed and indicated that he was concerned with the email from CMS Director Tyrell stating that the Veterans Business Program is not a PPB issue. Member Black then spoke about the State's obligation and responsibility to the veterans and the lack of communication to the veterans concerning this program. Chairman Vala offered to meet with the CMS Director as the representative of the Board, with all of the members' agreement.

The Board agreed to put the Energy Savings Resolution on hold for 2 months to allow additional time for the CPO's Office and the universities to review and comment.

The Board held discussion about the lease renewal at 87th and Greenwood in Chicago that was objected to by the Board at the October 8th meeting. Mr. Mike Bass, the Senior Associate Vice President for Business and Finance and the Deputy Comptroller, Dan Crawmer, with Real Estate Assets, Bruce Walden, the Head of Real Estate and Harry Clore, the head of Extension for the University of Illinois. Member Bedore stated his concerns about paying the full property taxes for this lease renewal considering the upcoming tax increase in the City of Chicago. Bruce Walden stated that the State is responsible for a pro-rated amount of the taxes, due to the University occupying only 50% of the building. Members Black and Morales questioned the condition of the facility, with Mr. Bass affirming that the condition was still good or the University would not want to stay there. Member Bedore made a motion to object to the lease and was seconded by Chairman Vala. With Chairman Vala, Member Bedore and Member Ivory voting yes the motion carried.

The Board received testimony from Ms. Susan Florence from Central Management Services and Ms. Cindy Mills from the Department of Children and Family Services regarding lease #5592 in Peoria. With the lease presented at \$12/per square foot all inclusive, Member Morales made a motion for no objection and was seconded by Member Ivory. The motion was unanimously approved by roll call vote and a Certification of No Objection was issued.



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The rules for the Chief Procurement Officer for Higher Education Procurement Rules were presented to the Board, with CPO Bagby and IPHEC Executive Director Aaron Carter making comments. Member Black made a motion for no objection that was seconded by Member Bedore. The motion was unanimously approved by roll call vote and a Certification of No Objection was issued

Next the proposed change to the Potential Conflict of Interest Review process was reviewed. The change would eliminate duplicate reviews for the same vendor as well as adding efficiencies to the process. Present in Springfield were CPO Bagby for Higher Education, CPO Grunloh for Department of Transportation and CPO Lawton for Capital Development Board, also present in Chicago was CPO Daley for General Services. After brief discussion, Member Bedore made a motion of support for the process changes with Member Morales seconding. The motion was unanimously approved by roll call vote.

The Small Purchase Limits were reviewed next with the four Chief Procurement Officers giving their testimony in support of increasing the limits. Board staff recommended that the CPOs establish set levels of informal competition for small purchases. Staff also recommended that agencies actively seek opportunities to contract with small businesses, veteran-owned and service disabled veteran-owned as well as BEP vendors. Member Ivory voiced concerns on the effect raising the threshold would have on minority participation with all four CPOs assuring minority inclusion. CPO Bagby spoke on the efficiencies that would be realized by increasing the limits. IPHEC Director Carter stated that the small purchase for General Services and Higher Education on construction with the Consumer Price Index (CPI) included is already at \$78,300 so that is where the increase to \$100,000 would be most helpful. Member Ivory recommended withholding the vote on the proposed increase until he could get a better understanding of the impact the increase would have. Member Ivory made a motion to table the matter until the next Board meeting with Member Morales seconding. The motion was unanimously approved by roll call vote.

The Chief Procurement Officers presented proposed legislation that is an effort to help streamline the procurement process to the Board for the Board's concurrence. After discussion Member Bedore made a motion to recommend that the CPOs move forward with the legislative change with the Board's support and was seconded by Member Morales. The motion was unanimously approved by roll call vote.

Chairman Vala asked if anyone from the public had any comments. IPHEC Director Carter spoke to the tremendous amount of flexibility an increase to the professional and artistic small purchase limit would add to the process and asked for the Board's support of an increase. CPO Grunloh commented that the increase is included on the proposed legislation the Board supported.

Member Bedore made a motion to adjourn and was seconded by Member Morales. The motion was unanimously approved by roll call vote and the meeting was adjourned at 11:28 a.m.