



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

### **Minutes – February 3, 2016**

Present in Springfield: Ed Bedore  
Bill Black

Present in Chicago: Rick Morales

Via Telephone: Frank Vala

Absent: Larry Ivory

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 February 3, 2016 to order. Roll call was taken by Director von Behren. Member Bedore and Member Black were present in Springfield. Member Morales was present in Chicago. Chairman Vala was participating via telephone. Member Bedore made a motion to allow Member Vala to participate on the telephone. The motion was seconded by Member Black. All Members voted in favor by saying, “aye” and the motion carried. Member Morales makes a motion to approve present the minutes of the December 2, 2015 meeting as printed. Member Bedore seconded the motion. All Members voted in favor saying “aye” and the motion carried.

Director von Behren introduced the Board to the temporary Chief Procurement Officer for the Capital Development Board, Margaret van Dijk. CPO van Dijk introduced herself to the Board Members and provided a background on her experience. Member Bedore was happy to have CPO van Dijk aboard. Member Black hoped that CBD could find some source of fund in order to build things. Chairman Vala stated that he would appreciate it if the new CPO would follow the board’s leadership as far as moving the Veteran’s and Minority business participation forward. CPO van Dijk stated that she has been involved in the past with our Veterans business program and is a big advocate of promoting diverse small, and Veterans business. Chairman Vala was thankful to hear that.

Susan Florence from CMS was present answer any questions the Board may have regarding real estate leases. Lease 4648 for DHS at 4105 W. Chicago Ave. in Chicago was presented to the Board. Mrs. Florence stated that this location houses the Northwest FCRC for DHS and is one of their busy offices with over 600 customers a day. The proposed lease has reduced the sq. ft. by just over 4400 sq. ft. and does offer 2 years of firmness and exchange for so other concessions the total direct cost is below the market range. Member Bedore commend CMS on this lease and stated that it was a very reasonable lease and he had no objection what so ever. Member Morales questioned whether there was any current danger with the sprinkler system? Mrs. Florence stated that they had some minor problems with leakage. Mrs. Florence also clarified for Member Morales that the landlord was going to deep clean the existing carpet and new carpet will come at the beginning of the renewal term if we exercise it. Member Bedore made a motion to issue a letter of no objection and Member Morales seconded the motion. A roll call vote was held, all Members voted “aye” and the motion carried.



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Member Bedore had a question about Lease 6358 in Maywood, IL. Member Bedore asked why were paying three, four dollars more in Maywood as compared to Chicago? Mrs. Florence stated that the renewal with pre-negotiated 5 years ago and that CMS did get decreases in the rental term as written in the 3% annual increases we were able to reduce those down to 1½%. Member Bedore stated that he would think that the cost for a building in Chicago would cost more then what it would in Maywood. Mrs. Florence stated that these are two different entirely buildings with different owners I'm sure they have different owners different operating costs. Member Morales stated that he agreed that there is no comparison in terms of where these buildings are located at in the marketing pricing. Member Morales recognized that these rates were negotiated as mentioned early on and that CMS recognized with the renewal those rates were high and tried to negotiate them down. Member Morales question was could CMS do better? Mrs. Florence stated that leases include language that CMS has the right to re-negotiate any rates prior to exercising any option. Member Bedore stated that under CMS's own omission, the lease price was above the regional portfolio range. Mrs. Florence agreed. Member Bedore stated that he thought this lease could be re-negotiated better. Mrs. Florence clarified for Member Black that this was the exercise of the renewal option and not a new bid and given the fact that this landlord hasn't seen any rent since June, she doubted if CMS would be able to get any further decreases but that they could ask. Member Bedore made a motion to object to this lease with the idea that CMS go back and renegotiate with the landlord. Member Morales seconded that motion and all Members voted "aye" and the motion carried.

Member Bedore stated that he would certainly like to discuss House Bill 4644. Member Bedore stated that this administration ought go back many years and look at the minutes of this Board and that this Board has saved the State of Illinois and the tax payers tens of millions of dollars. Member Bedore stated that if the Governor wants to help vendors, he shouldn't be talking about elimination this Board, he ought to talk about getting the budget passed. Member Bedore clarified that by saying 'the Governor' he meant his staff. Member Bedore stated that this Board was desperately needed and proved its weight in gold. Member Bedore strongly urged that the Board go on record and vehemently oppose this legislation. Chairman Vala agreed that the Board, with its experience in various jurisdictions should continue.

Member Black stated that the Governors staff should do some basic research as to why this Board was promulgated and how much money the Board can point to that was saved. Member Black agreed with Member Bedore that the Board should object to this legislation. Chairman Vala stated that his experience on this Board short term has shown that there was a total disregard for this Board. Member Morales stated with all due respect to the Governor, he was very disappointed. Member Morales agree with all the comments that have been made. Member Morales stated the Board was put in place because something was wrong, and for whatever its worth, we came up with some solutions and in doing so, the Board save millions of dollars for the State. Chairman Vala stated that they had such a diverse Board, and how could the Board not be logical and experienced. Member Bedore stated that to completely wipe out the CPOs and the Procurement Board oversight was dangerous. Member Bedore made a motion to object to this legislation and also that the Board's staff should pull up information to provide to the Governor's staff. Member Morales seconded that motion. All Members voted in favor of the motion by saying "aye" and the motion carried.

Future meeting of the Board was announced to be Thursday March10, 2016. Chairman Vala moved to table the Executive Session until a later meeting. Member Black seconded and the motion carried.



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Member Bedore made a motion to adjourn and Member Black seconded. All members voted in favor saying “aye” and the motion to adjourn carried.