

JOE AIELLO
SANGAMON COUNTY CLERK



SANGAMON COUNTY COMPLEX
200 SOUTH NINTH STREET - ROOM 101
SPRINGFIELD, ILLINOIS 62701
TELEPHONE: 217-753-6700/FACSIMILE: 217-535-3233
WEBSITE: www.co.sangamon.il.us

MINUTES

SANGAMON COUNTY BOARD

JUNE 12, 2007

The Sangamon County Board met in Special Session on June 12, 2007 in the County Board Chambers. Chairman VanMeter called the meeting to order at 7:00 p.m. Mr. Montalbano gave the Invocation and Mr. Moore led the Board in the Pledge of Allegiance.

ROLL CALL

Chairman VanMeter asked the Clerk to call the roll. There was 21 Present – 4 Absent. Mr. Buecker, Mr. Preckwinkle, Mr. Stephens, and Mrs. Turner were all excused.

RESOLUTION 1

1. Resolution authorizing Sangamon County to begin contract negotiations for the construction of the Public Health Facility.

A motion was made by Mr. Goleman, seconded by Mr. Moore, for the adoption of Resolution 1.

A motion was made by Mrs. Long, seconded by Mr. Moss, to amend Resolution 1. The date in the last paragraph of the resolution should be changed from the 5th day of June, 2007 to the 12th day of June, 2007. A voice vote was unanimous.

A motion was made by Mrs. Long, seconded by Mr. Bunch, for the Board to dissolve into a Committee of the Whole for the purpose of considering Resolution 1 and to hear public testimony. A voice vote was unanimous.

PUBLIC COMMENT

Mr. Goleman, Chairman of the Public Health Facilities Committee, stated that they are here to consider recommendations to enter into contract negotiations for the construction of the new Public Health Facility and to enter into contract negotiations with the Springfield East Venture. This property will be located at 2109 East Clearlake Avenue in Springfield. He explained this has been a long 14 months that they have been involved in this. There have been three public hearings and two month long surveys of the clients who have talked to the Special Public Health Facilities Committee. This Committee was made up of County Board and Board of Health members and they held 11 public meetings to arrive at this recommendation. Mr. Goleman introduced the members and they are: Tim Moore, Rosemarie Long, Bill Moss, Doris Turner, Dr. Jeffrey Bierman, Frank McNeil, and Andy Goleman, Chairman.

Mr. Goleman stated that they believe this is a great location because it is close to the population who would most use the clinic services, and there is easy access for people traveling within the City of Springfield and from the rural areas. They are improving a section of Clearlake Avenue and this will be a major entryway to the City with a direct route to the Presidential Museum. This was the best price from all the proposals and is a clear commitment from the developer and the construction manager. Another major point in the negotiations is they will be using local minorities for the construction. The location is also on a bus route and is within a medically underserved area, which is a commitment they made and will continue to make. The total construction costs are estimated at \$6.7 million with annual lease payments of \$541,000. This will also include space for the Sangamon County Community Resources Department because they serve similar clientele. They will combine the current three offices of the Public Health Department into this one building and will use current rent expenses of those three offices to offset the proposed lease amount. They will continue to make the combined health department more efficient and will expect to realize additional efficiencies when operations are combined in one location.

Mr. Goleman explained why they postponed adopting the resolution at the last meeting of the County Board. They wanted to further look into questions and concerns from the Committee members. It was at a special meeting yesterday afternoon that they made the final recommendation to come in front of the full County Board tonight. They did receive financing commitments to ensure sure the financers understood all backgrounds of the issues of the partners in this proposal. They have ensured proper zoning petitions and requests have been filed with the City of Springfield. They hope to start the construction in August 2007 with move in as early as March 1, 2008. Mr. Goleman stated that he speaks from the heart when he tells them that the Committee took its job very seriously during this long process, and they did work very well together. They have asked the tough questions and have had full deliberations. In the final analysis it was a unanimous vote and they feel confident about it. They did their job and believe this will be a nice facility where they can serve all the residents of Sangamon County.

Ryan McCrady, County Administrator, addressed the Board on this project. He explained the time line and the process they went through for the request for proposal. They advertised the request for proposals on April 16, 2007 through April 18, 2007 and made it available on hard copies in the County Board Office on Sangamon County's and the Public Health's websites for the public to look at. There was also a pre-bid meeting with those interested parties on May 11, 2007 at the current Public Health Facility on North Dirksen Parkway. They took questions from the bidders and reduced those questions to writing and sent responses and complete transcript of that meeting to all those who attended. The due date for the proposals was May 23, 2007 at Noon in the County Board Office. There were three proposals received. One proposal was from South Grand and Associates for a 59,000 square foot facility for \$10,150,000; one proposal from Pittman Enterprises, Inc. for a 59,700 square foot facility for \$9.7 million; and a proposal from Springfield East Venture for a 52,060 foot facility for \$6,696,924. He explained they cannot release the details of the proposals that were not selected because it is proprietary information put together by that partnership.

The proposal before the Board tonight is for property located at 2109 East Clearlake and there are two maps available for the Board to look at. There are a few structures on the property now with a mobile home park nearby. There are a few structures that will have to be eliminated to make room for the construction of this facility, but the mobile home park will not have to be re-located. The Community Resources Department, currently residing on the 3rd floor of the County Building, will also have offices in this new facility. Community Resources and the Public Health Department both serve a lot of the same clients so this will create some efficiency having those departments in the same building. This will also provide services to people with children to help them grow up healthier and to hopefully enhance their lives too. It's an opportunity to create a one-stop location for some social services offered by the County.

As the Committee began their deliberations on May 24th through May 30th there were several things that came to mind. The County made a promise to continue to hire minorities when they first did the merger of the health departments. They made that promise and continue to make that promise. The Committee felt the Springfield East Venture was the only proposal that had a concrete and specific plan for achieving this goal. The construction manager also has a history of honoring this commitment on other projects he has completed in the community. That was a big point of review for the Committee. They did check into the backgrounds of the major players in the partnership and talked to the financing companies to make sure they were aware of the background of the partners. They have also received new fresh up-to-date financing commitments, not only from GE Capital, but also from United Community Bank who lent their name to this project. Mr. McCrady stated that he talked with Joe Gooden at the City Zoning Department to ensure property zoning petitions were in place. The property is currently zoned I for Industrial and needs to be down-zoned to B-1. The City Council will be considering this within the next couple months.

Mr. McCrady reminded the Board that this resolution only authorizes them to enter into contract negotiations with this partnership. They do not have the exact bottom

line on everything, but it will come as they go through contract negotiations. They do not anticipate big variations on the submitted proposal. The request for proposal was specific enough as far as square footage, office locations, and other types of things to avoid variables in those discussions. The annual lease payment for this facility is estimated at \$541,000 per year for a 20 year lease. If all scheduled lease payments are made for the entire 20 years the total cost would be \$11.6 million with the construction cost at approximately \$6.7 million.

Mr. Bunch stated that he is concerned there is nothing on the resolution about the price of the property or the address of the property. He asked if they would be leasing or buying it. Mr. McCrady explained that this is what's called a design bill concept where the developer in the partnership brings to the County a full package. The developer is in charge of finding the real estate; designing the structure; and getting the contractors, architects, and engineers in place. They will then come to the County and say you can have this including the land for this much per year for 20 years. It is similar to a contract for deed situation. They would be buying the building and land, but won't be writing a check for them. They will make an annual lease payment to the developer and at the end of 20 years they will own it. At the end of every five years the County will have a buy out option to buy out the remaining lease if they are able.

Mr. Goleman pointed out that the architect, Chuck Pell, who helped out with all this and was involved in the whole process is sitting in the audience tonight. Also, this project is in conjunction with organized labor.

Mr. McCrady mentioned that others involved in this process were Hanson Professional Services and the State's Attorney's Office.

Mr. Moss asked if the maintenance on the facility is a part of this 20 year agreement. Mr. McCrady stated that the annual lease payment does include maintenance on the facility.

Mr. Wieland asked if this facility would generate any new taxes. Mr. McCrady stated that they would be able to afford this facility without any new tax increases.

Mrs. Long asked Mr. McCrady to report on the due diligence the Committee made on the principal owners of this project. Mr. McCrady explained that at one point there was concern about criminal backgrounds of those involved in the partnership. All of the information was shared with the financing bodies of the project and they were all very comfortable with the situation as it exists. They did approve the financing and sent a fresh financing commitment letter to prove their support of this project.

Mr. Kamper asked what existing buildings on the site would be moved. Mr. McCrady stated they did discuss this with the developer and are working with them. There are very few residents in the four or five structures that are there. There are no eminent domain issues because the County is not purchasing the property at this time.

The developer is purchasing the property and has assured them they are making arrangements to help re-locate anyone who resides there. There is an appropriate time frame to where they can give them time to re-locate. The Community Resources Department does provide some of those services so this would be a good opportunity for them to help these people find new residences.

Mr. Smith asked if they would own everything inside the boundary shown at the end of this lease purchase. Mr. McCrady stated they would own everything outlined on the map when the 20 year lease is paid off.

Mr. Fulgenzi asked if some engineering company would be advising the Board to assure all the goals are being met while this construction is going on. Mr. McCrady confirmed that they would work with a professional firm to help review what is going on to make sure the County's and the taxpayer's best interests are still being met.

Mr. McCrady mentioned that it is typical in a proposal for a developer to mention several firms that provide different services within a proposal. He clarified that the proposal they outlined as far as facilities management was Garrison Group and they have now eliminated Garrison Group from contention for property and facility maintenance on this project.

Chairman VanMeter asked for comments from members of the Committee. He asked Dr. Jeffrey Bierman who is also the Chairman of the Board of Health to address the Board. Mr. Bierman explained that the Committee did exhibit due diligence in going over the requests for proposal and they felt very good on the proposal they have brought forth to the County Board. They also did accept what they thought was the lowest and most solid bid and are extremely satisfied with the location. This is also going to be a wonderful relationship with Community Resources. As President of the Board of Health, he assured the Board they are 100% behind this project and look forward to having a new home in the months to come. There were three public hearings and the Board of Health feels they will be keeping their promises to those who had expressed interest during the hearings. He asked the County Board to adopt this resolution and put them in a new building.

Chairman VanMeter asked for other members of the public to come forward if they wanted to address the Board.

Silas Johnson, Pastor of Calvary Baptist Church, addressed the Board. He stated that he serves as the Chair of the Economic Committee for the Springfield Ministry Alliance and is speaking on behalf of them. He thanked the Committee who worked on this project for their due diligence and for sticking to their East Side proposal to serve the underprivileged and for maintaining a bus route for those who would really need it.

Mr. Johnson stated that he also really likes the fact that they will be hiring minorities. On behalf of Dr. McNeese, their President, he thanked the Board for this project.

Chairman VanMeter stated that the Committee was also careful to make sure this location was easily accessible to the rural community.

Mr. Moore stated that Doris Turner asked him to comment on her behalf regarding their promise to the community and to the district she represents for this project. He explained that this location satisfied all their issues and concerns for serving the medically underserved area of the County. They looked for a facility that would accommodate easy access to the outlying areas of Sangamon County and one that was on a bus line and they have now met those criteria. He stated that he is really proud of this project location. A lot of clients in that area will also be able to walk to the facility. He asked the Board to support this project on behalf of himself and Doris Turner.

Mr. Goleman stated that they do believe this location will be easily accessible to the rural areas of Sangamon County. This has been a long and challenging process and they do take it very seriously. This was delayed just so they could address any and all questions. This will be a nice facility that all the residents of Sangamon County can utilize. He urged the Board to vote in favor of this.

Chairman VanMeter stated that when you spend \$11 million you take those kinds of decisions very carefully. The best you can do is take the most careful due diligence that time and effort will allow and hope your friends and neighbors will approve of the job you did.

Mr. Bunch stated that with his 29 years on the Board and of representing this district he is very proud of this location and will vote in favor.

Chairman VanMeter asked for a roll call vote on Resolution 1. Upon the roll call vote, there were 18 Yeas – 1 Nay – 1 Present. Mr. Stumpf voted Nay and Mr. Wieland voted Present.

Mr. Mendenhall explained that there were still a lot of questions he did not have answered, but he has a lot faith in the Committee and trust they know what he does not, so he will put his faith in them.

A motion was made by Mrs. Long, seconded by Mr. Bunch, that the Board dissolve the Committee of the Whole. A voice vote was unanimous.

**MOTION CARRIED
RESOLUTION ADOPTED**

RECESS

A motion was made by Mr. Bunch, seconded by Mrs. Long, to recess the meeting to July 10, 2007 at 7:00 p.m. A voice vote was unanimous.

**MOTION CARRIED
MEETING RECESSED**