

**MINUTES  
PARK RIDGE PUBLIC LIBRARY**

20 S. Prospect Avenue, Park Ridge, IL 60068  
Budget and Finance Committee of the Whole Meeting of the Board of Trustees  
held via videoconference  
Tuesday, July 14, 2020 at 7:00 p.m.

**CALL TO ORDER**

Treasurer Dobrilovic called the meeting to order at 9:17pm.

Trustee Somheil made a

**MOTION:** to approve the minutes of May 12, 2020

President Kennedy seconded the motion.

Roll Call Vote: Yes: Burkum, Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Reardon, Somheil

**Motion passed.**

**Final payment for CSI for 2018 renovation**

Director Smith explained that this had been included in payments for last period in June. She was reminded by Treasurer Dobrilovic that it had been practice of Board to approve all change orders over \$5,000, and that COR #37a for \$37,095 required further Board discussion. Smith had approved the last allowance authorization which included the demolition, understanding this to be her next step to closeout the project. It was determined by Treasurer Dobrilovic and President Kennedy that this information should be brought to the Board for their consideration. As Director Smith has already approved the allowance authorization, she hopes to obtain the Board's support for issuing final payment to CSI as indicated.

Treasurer Dobrilovic explained that this change order has been the subject of much discussion. This was the change order in which Studio GC gave the go ahead to CSI to demolish shelving without formal approval by Library. There was a lot of discussion regarding value of the change order. It was the impression of Treasurer Dobrilovic and other members of the Board that the amount seemed excessive for demolition of shelving. The subject was discussed with Library attorneys, who determined that the Library would likely be held responsible for the fair market value of work. He stated that the question in his mind is if \$37,000 is fair market value, and the fact that it was not properly approved, CSI began the demolition without obtaining proper approval. He stated that the whole procedure was improper.

Director Smith stated that Studio GC did a market assessment of that cost and they felt that it was fair market value. That and the fact that the attorneys explained that the Library would be responsible for those costs was what led to her understanding that the matter was resolved and she should move forward with closing out the project.

Treasurer Dobrilovic stated that there was discussion at a Board meeting in June or July of last year. He suggested at that time as a compromise to pay the \$37,095 provided that CSI closed out punch list by July 15 or 31, 2019– made suggestion as way to negotiate the value of the change order that was improperly approved to finish the punch list in a timely manner. He did not view the matter as being closed.

Trustee Lamb pointed out that the original contract was \$1.2 million and was increased to \$1.5 million. From his perspective, Studio GC's opinion that it was a fair value was not accurate, that the cost seemed way out of line. He stated that this last bill –is 2% of the total construction costs.

Trustee Reardon said that Treasurer Dobrilovic's comments were right on. He pointed out that as there is a signed document in the packet – if Director Smith approved the change order, the question is moot. Trustee Lamb agreed that the Library is bound by that document. Director Smith stated that she signed and returned the document to Studio GC and CSI.

## MINUTES

### PARK RIDGE PUBLIC LIBRARY

20 S. Prospect Avenue, Park Ridge, IL 60068

Budget and Finance Committee of the Whole Meeting of the Board of Trustees

held via videoconference

Tuesday, July 14, 2020 at 7:00 p.m.

Director Smith did raise this issue with both Studio GC and CSI. Any requested additional credits were not approved. They did work to whittle things down and did get \$10,000 in concessions. She suggested that she could speak with Studio GC and attorneys and pursue what the options would be.

Trustee Burkum did recall the issue but that through negotiations we were able to get some concessions. She agreed that it was inappropriately handled by subcontractor but her recollection was that through extensive discussion she thought it had been worked out in the end.

Vice President Rapisand asked if the punch list is complete. Director Smith replied that it was, but it took 1 year to get there and get this resolution.

Trustee Reardon wants to review the minutes. He remembers the meeting where Studio GC thought numbers were fair. Has same process issue as Steve, but does not recall what the consensus of trustees was.

President Kennedy made a

**MOTION:** to approve final payment for CSI for 2018 renovation

Trustee Burkum seconded the motion.

Roll Call Vote: Yes: Burkum, Kennedy, Kiem, Lamb, Rapisand, Somheil

No: Dobrilovic, Hanba, Reardon

**Motion passed.**

#### **FY20 Budget transfer for unemployment**

Director Smith explained that the Board passed a budget transfer for this item previously this year. Staff thought it was budgeted appropriately but the timing was off and another payment was posted to FY20. It basically came down to a timing issue. The amount of the transfer is \$2,533 from Administration Regular Salaries to Unemployment.

Secretary Kiem made a

**MOTION:** to approve a budget transfer in the FY20 Operating Budget for \$2,533 for added Unemployment costs

Trustee Reardon seconded the motion.

Roll Call Vote: Yes: Burkum, Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Reardon, Somheil

The meeting was adjourned at 9:47pm.