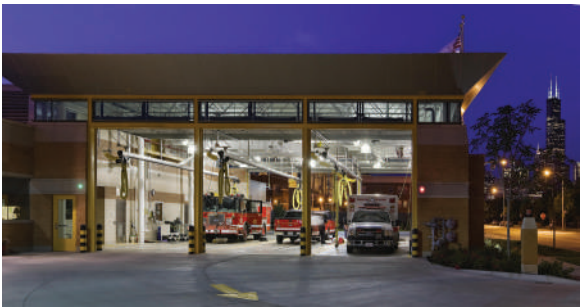




PUBLIC BUILDING COMMISSION MID YEAR REPORT 2 0 0 9



Mayor Richard M. Daley,
Chairman

Erin Lavin Cabonargi,
Executive Director



2009 OPENING SCHEDULE

14 projects in total are slated to open in 2009 as follows:

- *Engine Company 102 Firehouse*
(Opened: January 10, 2009)
- *7th District Police Station*
(Opened: March 21, 2009)
- *Beverly Branch Library*
(Opened: June 27, 2009)
- *Norwood Park Senior Center*
- *Jesse Owens Fieldhouse*
- *Taylor-Lauridsen Fieldhouse*
- *Westinghouse High School*
- *Skinner Elementary School*
- *Langston Hughes Elementary School*
- *Irene C. Hernandez Middle School*
for the Advancement of the Sciences
- *Dr. Jorge Prieto Math and Science Academy*
- *Western Boulevard Vehicle*
Maintenance Facility
- *Bontemps School Campus Park*
- *South Water Purification Plant*

ENVIRONMENTAL SUSTAINABILITY SUMMARY:

L.E.E.D.

The PBC has 42 projects registered with the USGBC:

- 25 Public Schools
- 2 Firehouses
- 2 Police District Stations
- 5 Branch Libraries
- 3 Park Fieldhouses
- 5 other unique projects

19 additional projects have already achieved LEED certification

MICHAEL REESE HOSPITAL CAMPUS FEATURE PROJECT

In June 2009, the **Public Building Commission (PBC)**, on behalf of the **City of Chicago** and **Chicago 2016**, issued three (3) separate Target Market Invitation for Bids (IFB) for the following services: Rodent Control, Temporary Fencing and Security Guard Services for the demolition and abatement of the Michael Reese Hospital property, the proposed Olympic Village site for the 2016 Olympic and Paralympic games.

Target Market bids are restricted to currently certified Minority- and Women-Owned Business Enterprises (M/WBEs). Extensive outreach to the community of MBE and WBE firms was conducted, encouraging companies certified as providing services in the relevant areas of specialty to bid. For **Temporary Fencing Services**, the award was made to Pan-Oceanic, an Asian-owned MBE. For **Security Guard Services**, the award was made to Skytech Enterprises, Ltd, an African-American-owned MBE. For **Rodent Control Services**, the award was made to The Bug Man Inc., an Hispanic woman-owned MBE/WBE.

Also in June 2009, the PBC released bid documents for the **Abatement and Demolition** of four groups of buildings consisting of a total of 24 structures on the Michael Reese Hospital campus. Bids on the four groups (which were designated as Group B, Group C, Group D and Group E) were received on July 8, 2009. The PBC awarded a \$7,980,000 contract to Brandenburg Industrial Service Company, who submitted the lowest of seven bids on Group B and the lowest of five bids on Group E. A \$3,194,300 contract was awarded to Heneghan Wrecking Company, who submitted the lowest of seven bids on both building groups C and D. The Brandenburg contract for groups B and E includes a **44.66% commitment for the participation of Minority- and Women-owned Business Enterprises**. The Heneghan contract for groups C and D includes a commitment to **46.96% M/WBE participation**.

Both contracts call for at least **50% of project labor to be performed by City residents** and for **15% of project labor to be performed by community residents**. The PBC estimates that the Michael Reese Hospital demolition program will generate up to **150 jobs, including more than 22 jobs for community residents**.

Under the Michael Reese Demolition Program, a total of \$12.7 million worth of work has been awarded by the PBC. Some 50.9% of these contract dollars, equaling almost \$6.47 million, has been committed to minority- and women-owned businesses.

2009 MID YEAR REPORT

EXECUTIVE SUMMARY

At its regular Board meeting on August 11, 2009 the Board of Commissioners of the Public Building Commission of Chicago accepted the Quarterly Staff Report*, highlighting the program accomplishments through the second quarter of 2009.

Having awarded close to \$137 million in construction work during 2009, the Commission reported strong progress with 21 projects in construction, 25 projects in design and another 20 in planning. The PBC is especially thrilled to be near completion on five new schools that will be open for the first day of class on September 8, 2009.

The PBC manages a program of projects with a total value of \$1.6 billion in various phases of development on behalf of our clients: Chicago Public Library, Chicago Public Schools, Chicago Park District, and the City of Chicago among others. The program currently tracks a projected surplus of over \$56 million, when compared to budgeted values.

Since beginning a large phase of capital work in 2007, close to \$620 million of construction work has been bid and awarded. To date in 2009 alone, the Public Building Commission has awarded five general construction contracts valued at over \$121 million as well as job order contracting work orders with a total value of close to \$16 million. The commitment on the newly awarded work, valued at \$136,924,296.07 in total, was 30.25 percent for minority-owned business enterprises which represents \$41.4 million. The women-owned business enterprise commitment for construction work awarded in 2009 was 4.23 percent, or \$5.8 million.

During the first two quarters of 2009 the PBC completed two construction projects valued at a total of \$27.9 million. To date these projects have achieved actual M/WBE participation of 46.1 percent which represents \$11.7 million to minority- and women-owned business enterprises.

The Public Building Commission had great success with the bid award for the demolition of the Michael Reese Hospital Campus. Refer to the "Feature Project" section for details.

Also in the second quarter of 2009, the PBC made 42 awards totaling close to \$1.8 million to pre-qualified specialty consultants, in areas such as surveying, commissioning, environmental consulting and construction materials testing. Forty percent of the work was assigned to MBE firms and five percent of the work was assigned to WBE firms.

Program wide change order statistics reflect a well managed project development process. The Q2 quarterly staff report relayed that the change orders on current projects reflect a 1.8 percent value for vertical construction. Further, change orders reflect only 2.5 percent on average for all construction processes, including the abatement and demolition phase, the site preparation phase as well as the vertical construction phase, all of which compares favorably to industry standards.

In comparison to 2008, construction costs have dropped and appear to have reached a plateau. Timely payment activities and improved development processes, coupled with the change in the market, have caused more bidders to bid on PBC work, increasing the competition and lowering the cost of construction work, when compared to bids of the prior year, by approximately 20 percent.

During the second quarter of 2009, the PBC celebrated a major milestone in terms of environmentally sustainable development practices. We registered our 60th project under the L.E.E.D. program (Leadership in Energy and Environmental Design), promulgated by the United States Green Building Council. Fourteen of the 61 currently registered projects have already achieved certification.

The PBC monitors all project delivery activities on a regular basis, continuously assessing and improving operational effectiveness. These figures illustrate an agency with a strong delivery approach and a strong commitment to diversity and capacity building. The PBC project development process is one that is transparent and responsible in the application of public funds. This year started strong, and we expect the rest of 2009 to continue to exhibit the same track record of exemplary project delivery and community benefit.

***A full copy of the Second Quarter Staff Report is available at pbcchicago.com**

PROCUREMENT

OPPORTUNITIES

SIGN UP FOR “E-MAIL ALERT NOTICES”

You can now sign up for a free service that notifies you by e-mail each time a new construction contract is offered for bid, or professional service qualifications are being sought. Notices help companies pre-qualify for bidding opportunities as well as find sub-contracting opportunities.

Other features on the PBC’s web site can help you identify opportunities for your company and include:

- *News and information about current and past projects, including architect appointments and general contractor awards.*
- *Lists of all general contractors that have picked up bid documents or attended pre-bid meetings for all pending contracts.*
- *Complete listing of all contracts awarded by the PBC, including commitments to use minority-owned and woman-owned business enterprises.*
- *Names, contact information and ownership data for all general contractors, construction managers and specialty consultants that are pre-qualified to bid on PBC contracts.*
- *Bid tabulations for all general contracts awarded by the PBC.*
- *General contractor pay applications with sub-contractor pay amounts.*
- *Listings of all official actions taken by the PBC Board of Commissioners.*
- *The PBC’s annual report and financial statement, available to download.*

To register, go to www.pbcchicago.com

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