

Members Present

Mr. Olthoff, Mr. Stauffenberg, Ms. McBride, Ms. Barber, Mr. Washington, Ms. Schmidt, Mr. James, Mr. Tholen, and Mr. Tripp

Members Absent

Mr. Hess and Mr. Hubert

In Attendance

• **Board Members**

Mr. Bossert, Mr. Liehr, and Mr. Vickery

Department Heads

Mike Van Mill

• **Media**

Leigh Marcotte

Dimitrios Kalantzis

1. Call to Order

The meeting was called to order by the Chairman, Mr. Olthoff, at 10:00 a.m. at the Pembroke Power Center. Quorum present.

2. Public Comment

3. Tour of Pembroke Power Center

Mr. Franco and Mr. Gibbs gave the committee a tour of the Power Center.

Ms. Schmidt stated that she had the original EDA grant papers and it says that the roof is part of the project.

Mr. Franco stated that by addendum it was taken off prior to this. The inspection was done on the roof and the EDA was satisfied that the life expectancy of the roof was over 20 years.

Ms. Schmidt asked why the roof had to be repaired.

Larry Kwolek, a consultant, stated that it was the gutter issue. The gutters were one part of the bid and the repair was another part of the bid.

Ms. Schmidt asked why the insurance on the building did not cover the repairs.

Mr. Kopek stated that they are in the process right now of checking with their insurance company to find out if they will cover it. Originally, one of the requirements for the EDA grant was that they provide insurance on the building, which they did. What they are requesting of the insurance company is to find out if in fact any of the water issue or roof issue is covered. They don't know the answer yet.

Mr. Franco stated that when the project was bid there was a base bid for the construction work and the roof was an alternate. The owner has the right to accept it or not to accept it.

Mr. Kwolek stated that it also gives the EDA the option to include it or to not include it and because of the way they approached it, it was not included in the EDA grant.

Mr. Franco stated the roof was not in the base bid number; there was an alternate number.

Ms. Schmidt asked when the gutter problem was discovered.

Mr. Kwolek stated that it was a few months ago.

Mr. Gibbs stated that it was not discovered until they got a lot of rain.

Mr. Franco stated that the building had been vacant for five years. They discovered the leaks as they were working in the building and brought attention to it.

Ms. Schmidt asked if they knew when the gutters had been filled.

Mr. Kwolek stated that probably whoever installed the roof did it.

Ms. Schmidt asked how old the building was. She asked if lead based paint was an issue.

Mr. Kwolek stated that it is 35 years old. When the environmental group came in they never found any lead based paint. They only discovered two things – one was asbestos in the ceiling tiles and they were told if they didn't disturb it there was nothing to worry about and the second one was the counter tops in the lab. They contained a substance that is a kin to asbestos. They were told that they could remove them or store them.

Ms. Schmidt asked what the purpose of the addition was.

Mr. Kwolek stated that the purpose of the addition was to add to the building so that they could rent it to hopefully a small manufacturer that would use it for storage. At the time that they did the economic development plan, one of the things that would benefit the area was to have this building converted into a small business incubator. Along with the small business incubator, it was to their advantage to have the extra space available for rent.

Ms. Schmidt asked what the total cost of the new building was.

Mr. Franco stated that it was \$400,000.

Mr. Franco stated that one of the accusations was that there was no bidding process out here. That is totally false; five contractors bid on it. Anyone who wants to look at the bids is welcome to do so.

Mr. Enz asked if the addition is going to be completely finished or is it only going to a certain point until they find out how it is going to be used.

Mr. Franco stated that it is speced for a warehouse – heat, lights, and fire protection.

Ms. Barber asked what their wireless capabilities are out here.

Mr. Kwolek stated that they have AT&T right now but they applied for a grant to put in a wireless system.

Ms. Barber asked if they have any perspective renters.

Mr. Van Mill stated that they have taken a couple perspective companies through the facility. As the process gets closer to completion they will start to see what that interest is again.

Ms. Barber asked what the target date was for completion.

Mr. Franco stated about three or four weeks.

Mr. Franco stated that they tried to emulate here what they did at the Roper building in Bradley. That building is full now; it was an incubator, also. They have already demonstrated that it can be done. They have brought people through this facility and when it is finished they want to see again. Understand that Pembroke on many occasions have had a lot of promises made to them that have never been delivered. Some people out here do not even want this but he thinks it is going to be a great attraction for the community and it will provide jobs.

Mr. Barber asked how many acres does Hopkins Park own that surround this building.

Mr. Kwolek stated that there are 10.2 acres.

Mr. James asked about the bathroom facilities – he only saw one facility.

Mr. Kwolek stated that there would be a central one and some single bathrooms upstairs. Each suite will not have one.

Ms. Schmidt asked if all the subcontractors have been paid so far.

Mr. Franco stated that they had. They submit an invoice on a monthly basis to Larry Kwolek and typically the turn around is about five weeks for payment. There have been a lot of rumors in town that nobody is paying them. The State has actually been very good; the federal side has been a little slower. The August draw had issues - one draw was lost. They have another \$200,000 to \$300,000 to draw from EDA. They did shut down construction for about three weeks because of the federal side of the grant money – they were behind. It had nothing to do with the township; they have been great. They are current as of right now.

Mr. Kwolek stated that there was never any upfront money that was given to Pembroke Township. Pembroke Township is responsible to issue the checks once the money comes in either from the State or EDA; this must be done within ten days. The money cannot be held in a checking account in advance for anything; they are not permitted to do that. The checking accounts must be at or near \$0.

Ms. Schmidt asked where the people who cleaned the mold in the building are located.

Mr. Kwolek stated that the company was Sir John out of Pembroke. He will get her their phone number. One of the EDA requirements is that they have to have a clean building so State money paid for that. An environmental group came in first and told them that there was mold on the walls. They asked them what had to be done to satisfy their findings and they said that the walls had to be power washed with bleach which is what was done. When that was done, they called the environmental group back and had them come out and check it. There was still one spot so they had Sir John come back and clean it again. The environmental group came out again and they were given a mold free clearance letter which they

submitted to EDA along with the fact that the building was cleaned out and that satisfied one of the requirements. It cost them between \$70,000 & \$80,000 to clean the building out. Mr. Stauffenberg asked where the land is that they were looking to purchase.

Mr. Gibbs stated that it is right in front. It would open up the front.

Ms. Barber asked if Sir John's was the only trade used locally in terms of Pembroke.

Mr. Kwolek stated that another company cut down some trees, a company was used for guard service, and a laborer was used. They tried to avail themselves to as much local business as they could support. Their supplies came mostly from Kankakee County.

Richard Michniak from the Code Enforcement Office of Hopkins Park stated that he never saw the manifest for the asbestos abatement and he stated that there was still mold on some walls.

Mr. Gibbs asked if he had equipment to test for mold and if he has the credentials to do so. They have a signed letter from a company that had credentials to do that and it states that the building is clear of mold. This building is in the Hopkins Park Village limits but it is not owned by the village. This is a government entity and this is a federally funded project.

Ms. Schmidt asked if this building was given to the township.

Mr. Gibbs stated that it was not. It was built in 1973 and was the old cannery. It was done through a grant and after a certain period of time that the grant is satisfied it reverts to the township.

Ms. Schmidt stated that her paperwork says that there is \$277,000 for value of the property for the grant. Did they receive that money?

Mr. Gibbs stated that they were not given that money. This building sat here for 30 some years; an appraisal was done on the building. The value of the building was \$277,000 prior to construction. That goes into the total amount of the grant award but none of that money is given to anybody. They have to have invoices for everything. No money comes from EDA or DECO without an invoice.

5. Adjournment

A motion to adjourn the meeting at 10:50 a.m. was made by Mr. Stauffenberg and seconded by Mr. Washington. Motion carried.

Bill Olthoff, Chairman
Joanne Langlois, Executive Coordinator