

CHICAGO INFRASTRUCTURE TRUST  
BOARD MEETING  
CITY OF CHICAGO

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BOARD MEMBERS:

- ALDERMAN JOHN POPE, Chairman
- MR. JAMES BELL  
(appeared telephonically)
- MS. DIANA FERGUSON
- MR. DAVID HOFFMAN
- MR. JORGE RAMIREZ

ADVISORY BOARD MEMBERS:

- MS. MARYSUE BENNETT
- MR. DAMON SILVERS
- MR. DAVID DOHNALEK

EXECUTIVE DIRECTOR:

- MR. STEPHEN BEITLER

April 3, 2013  
10:00 a.m.

222 W. Merchandise Mart  
Plaza  
Suite 1212  
Chicago, Illinois

1                   CHAIRMAN POPE: Good morning, everyone.

2                   It's a little bit after 10 a.m. We  
3 are now calling to order the Chicago Infrastructure  
4 Trust. With us today as far as Board members are  
5 Diana Ferguson, and joining us by telephone is  
6 James Bell.

7                   James, can you hear us?

8                   MR. BELL: I can hear you. Can you hear  
9 me?

10                  CHAIRMAN POPE: Yes, we can. Thank you.

11                  I'd like to take this opportunity  
12 also to ask the Advisory Board members to take a  
13 moment and stand, introduce themselves for the  
14 public and for the record beginning with Dave.

15                  MR. DOHNALEK: Sure. I'm Dave Dohnalek,  
16 Vice-President and Treasurer of the Boeing Company.

17                  MS. BARRETT: Marysue Barrett,  
18 Metropolitan Planning Council, President. Thanks.

19                  MR. SILVERS: Damon Silvers. I'm the  
20 National Policy Director of the AFL/CIO.

21                  CHAIRMAN POPE: Thank you, ladies and  
22 gentlemen, for your service and volunteerism.

23                  Also I'd like to recognize our new  
24 Executive Director. Stephen Beitler, would you

1 please stand and introduce yourself as well?

2 MR. BEITLER: Hi. I'm Steve Beitler.

3 Nice to meet you.

4 CHAIRMAN POPE: Thank you.

5 At this time we'd like to move on to  
6 organizational matters.

7 The first item there is the approval  
8 of the minutes from our January 10th, 2013 meeting.

9 MR. BELL: So moved.

10 CHAIRMAN POPE: Motion by James.

11 Secoded?

12 MS. FERGUSON: Secoded.

13 CHAIRMAN POPE: All in favor?

14 MS. FERGUSON: Aye.

15 CHAIRMAN POPE: The ayes have it.

16 Also we have several resolutions  
17 that have been presented to us including the  
18 Freedom of Information Act Officer and Certified  
19 Public Accountants, all the way down to the Annual  
20 Report. If we can just take a moment, Board  
21 members and others, to review those.

22 I think of special interest is the  
23 annual report. Among other things, this is  
24 required through our legislation.

1                   And I want to thank Steve for  
2 summarizing these milestones.

3                   So if we have no questions or  
4 comments, do I hear a motion?

5                   MS. FERGUSON: So moved.

6                   CHAIRMAN POPE: So moved by Diana.

7                   Seconded?

8                   MR. BELL: Seconded.

9                   CHAIRMAN POPE: All in favor?

10   (A chorus of ayes.)

11                   Opposed?

12   (No response.)

13                   The ayes have it.

14                   Moving on to Item C, that is the  
15 2013 Board of Directors' schedule.

16                   MR. BEITLER: Since we're missing two,  
17 why don't we do it by e-mail?

18                   CHAIRMAN POPE: Okay. We will hold  
19 this matter for now, but just for the record, we  
20 have been in conversation with one another to  
21 establish a calendar for the remaining of this year  
22 2013 and moving on to 2014.

23                   Our efforts are to get standing  
24 meetings quarterly as we've talked about in the

1 past, but with two of the other members not being  
2 here, we're not going to take a vote on it. That  
3 information is available, and we'll look to take  
4 action on that at the next meeting.

5 Item Number 3 is the CEO's first 43  
6 days. So at this point, Stephen, if you'd like to  
7 enlighten us, please.

8 MR. BEITLER: Sure. So I've been on the  
9 job for a whopping 43 days at this point.

10 CHAIRMAN POPE: Let the record show that  
11 we're joined by David Hoffman, another Board  
12 member.

13 MR. BEITLER: Basically I've been  
14 working on many things that you can already see on  
15 the agenda. Since we'll be discussing these today  
16 as we go through the agenda, I won't discuss them  
17 again.

18 In addition, I've over the last 43  
19 days been attempting to hire interns, and there are  
20 five associates with us here today from Booth  
21 School of Business at the University of Chicago who  
22 will be assisting the Trust going forward for this  
23 next quarter, and there are actually two sections  
24 of Kellogg class where the students will also be

1 assisting the Trust. They're not here at the  
2 moment obviously.

3 We've also been involved in working  
4 on finance activities, so with the hiring of an  
5 accounting firm, we'll now be able to go full bore  
6 and report on those for the next Board meeting.

7 Also been involved with a lot of  
8 legal activities, particularly with the assistance  
9 of David Winters at the City and Kirkland & Ellis  
10 through their kind efforts, and you've seen a lot  
11 of those results and some of the policies in  
12 particular.

13 I've also spent a lot of time  
14 meeting -- So I've literally had I believe it's  
15 fair to say hundreds of meetings over the last 43  
16 days, many with the City, many with not-for-profit  
17 groups, many with investment bankers and private  
18 equity firms.

19 I also attended one infrastructure  
20 conference where I got to hear Lois Scott talking  
21 about the Midway project which was interesting, and  
22 then we've spent a lot of time looking at best  
23 practices which Adam Helman who is here today will  
24 talk to us a little bit about, working with World

1 Business Chicago, working on the web which we will  
2 have a relaunched web site which we'll discuss at  
3 the next Board meeting, various administrative  
4 matters and also on grant guides which Matt Schmitz  
5 who has been working with us will talk to us a  
6 little bit about in terms of different types of  
7 grants we might apply for to act sort of as  
8 leverage for the deals that we do in the future.

9 So that's more or less what I've  
10 been working on. I just would appreciate taking a  
11 moment now to introduce the various volunteer staff  
12 and interns who are working with the Trust.

13 CHAIRMAN POPE: I think that would be  
14 wonderful. I want to comment and thank you,  
15 Stephen, for looking in Chicago for a lot of the  
16 home-grown talent. We certainly pride ourselves on  
17 the universities and colleges that we have here in  
18 Chicago and try to keep it as local as possible, so  
19 to tap into some of the local resources is  
20 appreciated.

21 MR. BEITLER: We'll be doing that more.  
22 We had to start someplace, so we started with two  
23 schools, but we'll be expanding further.

24 CHAIRMAN POPE: Very good.

1 MR. BEITLER: So first is Adam Helman.

2 MR. HELMAN: Hello. My name is Adam  
3 Helman. I'm a volunteer. I've been working with  
4 Steve on our procurement strategy, on our  
5 procurement manual and our best practices so far.

6 MR. HOFFMAN: Welcome. I'm David  
7 Hoffman. Really appreciate everything. Can you  
8 just tell us a little bit about your background?

9 MR. HELMAN: Sure. I am a native of  
10 Chicago. Went to business school at Northwestern,  
11 worked in advertising and then worked at Coca-Cola  
12 for about 15 years in a combination of marketing  
13 and strategy jobs.

14 MR. HOFFMAN: Thank you.

15 MR. BEITLER: Matt.

16 MR. SCHMITZ: Hi. My name is Matthew  
17 Schmitz. Also a native of Chicago, West Beverly.  
18 I'm a recent graduate of University of Illinois  
19 down in Urbana Champaign in urban planning.

20 And basically what I've been working  
21 on as Steve mentioned is I've been developing a  
22 manual to serve as a guide for government funding  
23 opportunities.

24 Basically so far we have a master



1       guide that aligns with the Trust strategies that we  
2       will eventually digitally publish and just an  
3       example of how a typical grant entry would look  
4       with your basic information, related promotional  
5       materials and also recent success stories.

6                     Thank you.

7                     CHAIRMAN POPE: Thank you.

8                     MR. BEITLER: I'd like everyone from the  
9       U of C just if you would stand and introduce  
10      yourselves.

11                    MR. MORRIS: Richard Morris from the  
12      University of Chicago Booth School of Business.

13                    MR. ATRI: Daniel Atri from the  
14      University of Chicago School of Business.

15                    MR. KARAM: Hi. I'm Wadi Karam. I'm  
16      from the University of Chicago Booth School of  
17      Business.

18                    MS. CASTRO: Hi. I'm Maira Castro from  
19      University of Chicago.

20                    MS. CARVALHO: Hi. Anna Carvalho from  
21      University of Chicago.

22                    MR. HOFFMAN: Quick question. Everybody  
23      students at Booth?

24                                     (A chorus of yeses.)

1                   Are people from different countries?

2   (A chorus of yeses.)

3                   What countries? Because I think  
4 your experience might end up being relevant.

5                   MS. CARVALHO: So six years experience  
6 as a strategy consultant from Rio De Janeiro,  
7 Brazil.

8                   MS. CASTRO: I'm from Paulo, Brazil, and  
9 I have experience as a consultant.

10                  MR. KARAM: I'm from Mexico, and I have  
11 four years of experience in family health  
12 specializing in energy infrastructure.

13                  MR. ATRI: I'm Daniel. I'm from Mexico.  
14 I have three years of experience in consulting and  
15 two years of experience of project development.

16                  MR. MORSE: I'm Richard Morse recently  
17 from California.

18                  MR. HOFFMAN: We consider that another  
19 country.

20                  MR. BEITLER: I think it's interesting  
21 to point out that in terms of infrastructure  
22 experience among the students basically that  
23 experience principally lay with people who don't  
24 live in the United States initially but who do live

1 here now and go on to school at Booth, so we're  
2 leveraging that experience.

3 CHAIRMAN POPE: Wonderful.

4 Let the record show that we're  
5 joined by Jorge Ramirez. Welcome, Jorge.

6 MR. RAMIREZ: Thank you.

7 MR. HOFFMAN: I had mentioned to Diana,  
8 Alderman, that -- I know I missed the section on  
9 resolutions, but I had some comments and questions  
10 when it's an appropriate time to go back. I  
11 apologize for asking for that.

12 CHAIRMAN POPE: We'll let it slide this  
13 time.

14 MR. HOFFMAN: Thank you very much.

15 CHAIRMAN POPE: We'll go back to Item  
16 Number 2, the approval of the resolutions.

17 David, some questions or comments  
18 for the CEO?

19 MR. HOFFMAN: I do. First of all, our  
20 first meeting with you as CEO, and I know you gave  
21 an introduction I'm sure before I got here, and I  
22 walked in in the middle of it.

23 So welcome. I'm thrilled. I know  
24 we all are. It instantly and dramatically changes

1 who we are and what we're able to do, so just  
2 thrilled.

3 And the interns is only one example  
4 but a great example of, you know, something  
5 tremendous you brought to this. Appreciate all the  
6 efforts of everyone who is volunteering.

7 Quick question for Kirkland, for  
8 Scott on conflict of interest policy. You and I  
9 had worked on that. I wanted to let you know that  
10 having reviewed it I'm comfortable with and believe  
11 that it's appropriate and has the right terms.

12 These things are always I think --  
13 You need to always be looking back at them in light  
14 of experience, so I think that over the months as  
15 situations come up we have the ability to tweak it  
16 if necessary, and no conflict of interest policy is  
17 perfect, but I'm satisfied.

18 I just want to hear from you. We  
19 haven't really talked about it. Make sure you were  
20 on board and this represented a work product you  
21 were comfortable with.

22 MR. FALK: It does, David. As you know,  
23 for 501(3)(c) organizations which we've applied and  
24 qualify as, the IRS publishes conflict of interest

1       template policies. This meets those standards and  
2       goes beyond that.

3                       So it is -- It supplements the basic  
4       policy, so it meets all IRS guidelines and does --  
5       And it takes it sort of an ethical step further to  
6       a level which I think is appropriate for a body  
7       with a relationship with the City of Chicago  
8       government as we have, so I'm very comfortable that  
9       this is as it is now in appropriate form.

10                      As you say, it's got to be a living,  
11       breathing document, and it may well evolve. If  
12       issues come up, obviously the good thing about  
13       having a nimble board like this is we're able to  
14       adjust quickly if we need to.

15                      MR. HOFFMAN: We're getting older.

16                      David, did you have a chance to  
17       review this?

18                      MR. WINTERS: Absolutely. I shared  
19       whatever comments I had with Kirkland & Ellis.  
20       We're fine with it.

21                      MR. HOFFMAN: Steve, I assume --

22                      MR. BEITLER: Just to be clear, Kirkland  
23       & Ellis and the City represented by David Winters  
24       have reviewed all of the resolutions and agreed

1 with all the resolutions.

2 MR. HOFFMAN: So the Board members know,  
3 because I know we've had some prior discussion  
4 about this, I'm comfortable as well, so I  
5 appreciate that and don't have any further  
6 comments. I just wanted to make sure we put that  
7 on the record.

8 One of the ones before -- Was there  
9 any discussion about the Washington, Pittman and  
10 McKeever group and bringing them in?

11 MR. BEITLER: No, there was not.

12 MR. HOFFMAN: Can you give a real quick  
13 explanation for why we're bringing them in, what  
14 your anticipation is of the scope, cost, that sort  
15 of thing?

16 MR. BEITLER: Well, we will actually  
17 wind up bringing in I believe two accounting firms.  
18 This firm is the first to do accounting let's say,  
19 so normal accounting as opposed to auditing, and  
20 then there will be a second firm that gets selected  
21 for purposes of auditing which we'll consult with  
22 the first firm Washington, Pittman and McKeever, to  
23 help select an auditor.

24 But this firm was selected to

1 basically assist the Trust in doing its accounting,  
2 so chart of accounts, complying with the chart of  
3 accounts, filing tax returns, you know, filing  
4 expense reports for staff, working with the  
5 treasurer to make sure that the executive director  
6 is doing what he's supposed to be doing from a  
7 financial standpoint, also providing the levels of  
8 authority that are necessary so that we can do  
9 forms correctly, right, so that I don't have to  
10 sign off on a form for myself. Kind of -- There's  
11 two levels of review essentially -- the treasurer  
12 and the accounting firm and then eventually an  
13 audit firm.

14 MR. HOFFMAN: Okay. They're not pro  
15 bono, I assume?

16 MR. BEITLER: They are not pro bono. We  
17 are paying them. We are working on a strictly time  
18 and materials basis with them because we're kind of  
19 a penny ante account, so the agreement is just to  
20 do time and materials at the moment.

21 MR. HOFFMAN: How were they chosen? Was  
22 there some process?

23 MR. BEITLER: Well, we did go through a  
24 process, but we did not go through an RFQ process.

1 We went through a process where we canvassed most  
2 of the larger accounting firms in the city looking  
3 for smaller accounting firms. And there's not a  
4 good way to do this because it's not like there's a  
5 list you can go to somewhere that says these are  
6 small accounting firms, blagh, blagh, blagh, blagh.

7 So I canvassed the larger accounting  
8 firms to try to find smaller accounting firms to  
9 interview and then selected this particular  
10 accounting firm and then conferred with the  
11 treasurer and the chairman and asked for their  
12 concurrence and then came to the Board with a  
13 resolution.

14 MR. HOFFMAN: And I'm comfortable with  
15 the -- I mean the process you're describing is  
16 basically a highly discretionary process where  
17 there's the process you just described but it's not  
18 as formalized or procedural as other procurement  
19 processes we might see. I think that's appropriate  
20 given who we are and where we are in the time  
21 frame.

22 I would suggest though that we  
23 should probably put just as a practical matter some  
24 reasonable time limit on it for sort of a refresh,



1       either 6 or 12 months, because I think that odds  
2       are going forward, I think you're going to have  
3       good thoughts on this as well, my guess is in the  
4       future we'll want to use a different, more  
5       formalized process.

6               MR. BEITLER:   So here would be my  
7       response.  One, we have an engagement letter.  It's  
8       for one year.  Again, the treasurer has seen the  
9       engagement letter and has agreed it's a good  
10      engagement letter, so the attorneys have seen the  
11      engagement letter, also agreed that it's an  
12      appropriate engagement letter, so that would meet  
13      your requirement of one-year time frame.  It's a  
14      one-year engagement.

15               I think what we will find, however,  
16      is that doing everything competitively is going to  
17      be easier said than done.  Part of the problem is  
18      is that business life is just changing in certain  
19      respects.  So certain services, for example, are  
20      now offered as software as a service, and it's just  
21      largely impossible to do competitive bids for  
22      software as a service because there's nobody to  
23      whom to submit a competitive bid.  It's on line  
24      services, and so basically if we want to say do a

1 payroll service -- You know, Quick Books, for  
2 example, it's \$30 a month.

3 MR. HOFFMAN: Let me short circuit this.  
4 Even governments, and we're not a government, even  
5 governments choose professional services firms,  
6 accounting firms and law firms without the same  
7 kind of competitive process. I'm not describing  
8 that process.

9 MR. BEITLER: Got you. Okay.

10 MR. HOFFMAN: I just think that going  
11 forward following some process that describes --  
12 That is -- Describes the process at a Board meeting  
13 or otherwise, talks about the type of other firms  
14 that were considered so that there's some  
15 explanation for how they were chosen I think would  
16 be great. I think this is just fine for now.  
17 We're a start-up basically.

18 MR. BEITLER: And I kind of needed an  
19 accountant.

20 MR. HOFFMAN: None of this is intended  
21 to slow anything down because the fact that we're  
22 moving more quickly now is really appreciated by me  
23 and I know everyone else.

24 MR. BEITLER: Point taken.

1 MR. HOFFMAN: Thank you.

2 Did you guys talk about the  
3 investment policy at all?

4 MR. BEITLER: No, we didn't really --

5 MR. HOFFMAN: Can you give a  
6 60-second -- I read it. I was comfortable with it,  
7 but if you could on the record sort of give a  
8 60-second explanation why you in your experience  
9 think it's appropriate, I think it would be  
10 helpful.

11 MR. BEITLER: To have an investment  
12 policy?

13 MR. HOFFMAN: This particular -- I  
14 assume that you --

15 MR. BEITLER: This particular investment  
16 policy is actually kind of unusual, but the thing  
17 that makes it unusual is not the type of investing  
18 with one exception. So the Trust has to be able to  
19 make investments in the projects which it manages  
20 on behalf of the City or the Trust.

21 So as the Trust does projects and  
22 presumably earns fees or gets money through those  
23 projects, it needs to be able to reinvest that  
24 money into the future projects. In an organization

1 of this type -- Now, I've never run an organization  
2 of this type before. They've been much larger  
3 typically or for-profit start-ups. This is a  
4 not-for-profit start-up, but in a not-for-profit  
5 start-up, typically you would have an extremely  
6 conservative investment policy and would preclude  
7 the ability to make an investment in an  
8 infrastructure project of the type that we were  
9 just discussing.

10                   However, the purpose of the Trust is  
11 to make investments in infrastructure projects of  
12 this type, so the policy is unusual in that it's  
13 perfectly appropriate for the Trust but it allows  
14 us to make infrastructure investments in projects  
15 that we will manage or manage for the City, and a  
16 start-up of this type would ordinarily not be  
17 making those investments. However, it's critical  
18 to the functioning and the mission of the Trust  
19 that we do that.

20                   Other than that, there is I would  
21 say no difference in the investment policy from any  
22 other investment policy.

23                   MR. BELL: Let me comment on that,  
24 David.

1                   David, you recall we had the  
2                   \$2,000,000 in fee money. I think it would be  
3                   important for us to have a policy around how we  
4                   would use that money and restrict how that money  
5                   could be actually used in terms of investment, and  
6                   I think the policy tries to capture that.

7                   Once again, this is the first  
8                   writing of it. I think, again, as we learn more  
9                   and we understand more, the possibility of that  
10                  being modified to accommodate what that knowledge  
11                  turns out to be and whether we would want to be  
12                  aggressive, we would come back to the Board and  
13                  look at where that needs to be modified. But  
14                  starting out I think that we can afford to have  
15                  something for now on how we would use that initial  
16                  piece of it.

17                  MR. HOFFMAN: My reaction in reading it  
18                  was consistent what you just said, James, and what  
19                  Steve said which was that it looks very  
20                  conservative in terms of the financial instruments  
21                  that the Trust is allowed to invest in, and then  
22                  there's this other element which is what we do, and  
23                  that's what I heard you say.

24                  MR. BEITLER: Yeah.

1                   CHAIRMAN POPE: Damon.

2                   MR. SILVERS: I'm Damon Silvers. I'm an  
3 advisory member of the Board.

4                   I want to add to what other people  
5 have said, that this is I think a very  
6 appropriately constructed policy. There are two  
7 sort of questions I had about it but I think maybe  
8 in the line of just, you know, areas you might want  
9 to look at with that conservative piece in mind.

10                  One is the provision for investing  
11 in mutual funds. You might want to look at whether  
12 that really makes sense because it's possible to  
13 invest in mutual funds that could circumvent your  
14 prohibition. It's not clear to me why you would be  
15 investing anything in a mutual fund other than a  
16 money market mutual fund which is separately  
17 listed.

18                  The other point -- Again -- And this  
19 may be a point where the staff understands this  
20 better than I do, but there's a list for  
21 firm-specific investments and commercial paper that  
22 are A-rated. I'm not sure why you'd want to do  
23 that rather than go through a diversified money  
24 market, but if you did, you might want to consider

1 a higher rating threshold.

2 A is not risk free. You might want  
3 to look at triple A. The question is whether or  
4 not there's triple A paper available in the market.  
5 Your staff would know better than I.

6 MS. FERGUSON: Just for clarification,  
7 long-term bond ratings are in the triple A, double  
8 A vernacular. The rating scale for commercial  
9 paper is actually A1.

10 MR. SILVERS: As long as you're at the  
11 top of the scale, that's fine. That's my concern.

12 MS. FERGUSON: Yes. Commercial paper  
13 rating scale A1 P1 is the highest rating, so I  
14 think what's -- I think your point is well taken,  
15 but it is at an appropriately high threshold, and  
16 it's what we would have used in the corporate  
17 sector, so it's perfectly comfortable I think from  
18 a risk standpoint.

19 MR. HOFFMAN: Comments from Diana or  
20 Steve about the money market point -- I'm sorry --  
21 I mean the mutual fund point.

22 MR. BEITLER: I think it's an  
23 interesting comment. We'll have to review it. The  
24 Trust really doesn't have any money to invest right

1 now.

2 MR. HOFFMAN: It all is hypothetical,  
3 isn't it?

4 MR. BEITLER: We'll be careful about it  
5 when it starts raining, and I think we will  
6 continue to review the investment policy as we go  
7 forward.

8 MR. HOFFMAN: I assume that --

9 MR. BELL: Let me comment on that.

10 I think, David, that what was talked  
11 about there is cash on hand. It's sitting in a  
12 bank account with no interest. You have to have a  
13 way that for income purposes you really want to  
14 utilize that cash for the reasons organized, where  
15 would you park it and get something for return  
16 where the instrument is highly rated and has a  
17 reasonable yield. I mean there would be no other  
18 reason to be in a money market fund other than  
19 parking cash --

20 MR. HOFFMAN: My understanding, Steve  
21 and Diana, would be that to the extent that you,  
22 Steve, think that an appropriate investment in a  
23 mutual fund is right that you'd be consulting with  
24 Diana or at least you'd be making the decision and



1 Diana would know about it, so that together if  
2 either of you had a concern regarding what Damon  
3 raised that that would get flushed out. Is that  
4 right?

5 MS. FERGUSON: Yeah. I think it's a  
6 great point you raised.

7 MR. BELL: I need to make one comment of  
8 all these resolutions.

9 CHAIRMAN POPE: James, can you speak up  
10 as much as possible? It's difficult to hear you.

11 MR. BELL: Is this better? Can you  
12 hear me now?

13 CHAIRMAN POPE: Yes. Thank you.

14 MR. BELL: I think the one point we want  
15 to make is that we're in the infancy stages of our  
16 organization, and we're looking at a lot of things  
17 that we need to have in place for governance  
18 purposes.

19 And since we don't have a lot of  
20 experience in them and we haven't really started  
21 operating fully, you know, a lot of what we've done  
22 in terms of these policies probably don't have --  
23 Don't reflect what reality we will be, you know, a  
24 year downstream, but we felt it was important to

1 start getting some of these things in place, and  
2 they will be in documents. We will have to change  
3 them as we know more and understand more. But I  
4 think today we need to start off with some sort of  
5 framework that governs how we operate.

6 MR. HOFFMAN: I compliment Steve and  
7 everyone else for taking the initiative. It's  
8 great to receive this document. You know, we need  
9 to put in place as we've discussed our own  
10 infrastructure.

11 The only other comment I have on the  
12 other resolutions is the procurement and  
13 confidentiality policy. I do have some at least  
14 initial concern about part of that one. Let me  
15 turn to it here. It's C.

16 I'm interested in comments either  
17 from Steve Beitler or Scott Falk or David on this,  
18 and it's the issue of when we can close a meeting  
19 and what can be confidential.

20 As we all know, we -- There's an  
21 executive ordinance that says we have to operate in  
22 accordance with the Open Meetings Act. There's no  
23 question that as a practical matter to engage in  
24 the kind of discussions with potential financial

1 partners, bidders and so on that there's a need for  
2 confidentiality of those discussions because  
3 otherwise you just can't have them.

4 How those two things mesh is there's  
5 a way to do that. But reading this, since I didn't  
6 see any explicit reference to the Open Meetings Act  
7 and since that's something that we have to follow  
8 and reading the language it felt so highly  
9 discretionary about when we can close something for  
10 what I think is generally a legitimate purpose but  
11 I was concerned about the -- Whether it was really  
12 consistent with the OMA procedures that I wanted to  
13 ask about it.

14 I gotta tell you my initial reaction  
15 was I did not have a comfort level with this one  
16 and thought that maybe it just needs a little bit  
17 of extra editing here and language relating to the  
18 Open Meetings Act. I wanted to ask because you may  
19 have gone down this road in a way that I hadn't  
20 thought about it.

21 MR. BEITLER: Let me start off and then  
22 I will defer lawyers to lawyers. Basically to  
23 start off, there is a reference to Open Meetings  
24 Act, to the Open Meetings Act in one of the other

1 policies, which my opinion was as a non-attorney  
2 that that was adequate for purposes that you're  
3 describing in terms of covering us from the  
4 perspective of whether or not we need to comply  
5 with the Open Meetings Act. So nobody doesn't  
6 think we need to comply with the Open Meetings Act.

7 MR. HOFFMAN: Sure.

8 MR. BEITLER: So in terms of this  
9 particular policy, basically I think it's obvious  
10 to everybody that we can't conduct procurements in  
11 public because there's sensitive information  
12 involved with a procurement that must remain  
13 private if the public is to get the best deal that  
14 it is entitled to, so -- And then there are issues  
15 around intellectual property and proprietary  
16 information that belong to corporations or others  
17 that also we have to respect the requirements as  
18 you know for that information.

19 As we're conducting procurement,  
20 it's important to keep the Board informed of those  
21 procurements. At this point it's unfortunate  
22 because we don't have the procurement manual  
23 written yet. So if you were to have a procurement  
24 manual fully written in concert with this, there

1 would be a lot more procedure that would be spelled  
2 out, and there would be a lot more concrete  
3 information in terms of the interaction with the  
4 Board and the staff and the people that are  
5 involved with the procurement and so on, so we're  
6 in the process of developing that, and I suspect  
7 that we will be really in the process of developing  
8 that for the next two years because we'll do the  
9 procurement manual and then we'll go uh-oh, that  
10 doesn't even work. I have an experience with that  
11 today. We have an unsolicited proposal from a  
12 member of the public today.

13 So in the procurement manual draft  
14 that we've written so far which is just the table  
15 of contents and which we will go over here shortly,  
16 basically -- And the research that we're doing --  
17 We didn't actually have a section for unsolicited  
18 proposals from the public who are not providing  
19 financing. We have something for unsolicited  
20 proposals for firms that are providing financing  
21 but not somebody -- So, you know, here we are. The  
22 manual isn't even published yet and there's already  
23 a change that we are going to have to make, so I  
24 suspect we will encounter many changes that we have

1 to make.

2 I don't know yet how the interaction  
3 between the Board and a procurement and when it's  
4 time to talk about it publicly, when it's time to  
5 not talk about it publicly will actually play out.  
6 We're going to find out starting today and so --

7 MR. BELL: Steve?

8 MR. BEITLER: Yes, sir.

9 MR. BELL: You know, just in responding  
10 to David's point, I think it is appropriate to add  
11 a sentence in the purpose of this policy that  
12 basically says the decision to go in closed session  
13 will be consistent with the Open Meetings Act.  
14 There's no problem putting it in there and making  
15 that clear.

16 MR. BEITLER: It's in the first  
17 paragraph.

18 MR. HOFFMAN: Did we get a different  
19 version e-mail?

20 MR. RAMIREZ: It's in the last line.

21 MR. BEITLER: Yeah, there was an updated  
22 e-mail. It was in the updated.

23 MS. FERGUSON: It's in the last sentence  
24 of the opening paragraph.

1                   MR. HOFFMAN: The one in the book in  
2 front of us is different than the one that was  
3 e-mailed to us.

4                   MR. BELL: Okay. So it is in there?

5                   CHAIRMAN POPE: Yes, the last sentence  
6 of the first paragraph.

7                   MR. HOFFMAN: To short circuit this --  
8 I'm sorry. Scott Falk, you wanted to say  
9 something.

10                  MR. FALK: I just wanted to help  
11 complete the resuscitation of your comfort level.

12                  MR. HOFFMAN: Yes.

13                  MR. FALK: So in addition to that  
14 sentence at the end of the opening paragraph,  
15 there's also -- Sort of the money sentence is in  
16 2.1.1 which cross references to the provisions of  
17 the bylaws that require our compliance with the  
18 Open Meetings Act, so Article 5 of the bylaws is  
19 the Open Meetings Act.

20                         Sections 5.1.2 which is referenced  
21 at the end of 2.1.1 is, in fact, a reference to our  
22 obligation to comply with the Open Meetings Act  
23 except as permitted under Section 2 of the Open  
24 Meetings Act, so that cross reference in 5 to 5.1.2

1 is intended to convey that we can only make  
2 exceptions to the Open Meetings Act as allowed by  
3 that Section 5.1.2 which, in turn, is constrained  
4 by the flexibility in Section 2 of the Open  
5 Meetings Act to closed meetings when appropriate.

6 So the language in Section 2.1.1 of  
7 this investment -- Of the procurement  
8 confidentiality policy tracks the language in  
9 Section 2 of the Open Meetings Act. It gives  
10 flexibility to the Board to close meetings under  
11 circumstances where the Board determines in its  
12 reasonable discretion that it would not be in the  
13 best interest of the Trust to allow that discussion  
14 to occur.

15 MR. HOFFMAN: Got it. So, in other  
16 words, the reference to Section 5.7.1.2 and the  
17 other reference to Section 5.1 says that we have to  
18 act in accordance with the Open Meetings Act.

19 MR. FALK: Correct.

20 MR. HOFFMAN: So with that understanding  
21 which I did not have -- I just read the numbers. I  
22 know I need to memorize our bylaws. It's on my  
23 to-do list. I think that's fine. I do think that  
24 a reader -- I would consider -- I don't think it



1 matters for our going forward, but I would consider  
2 editing that to make this more transparent about  
3 that point because I wouldn't want a future reader  
4 of this who's not as versed in exactly what the  
5 sections mean to come to the wrong conclusion, and  
6 I think a reader of this could come to the wrong  
7 conclusion which is that it's just fully  
8 discretionary for us.

9 I agree with you, Steve, that seeing  
10 how this goes is exactly the right approach with an  
11 eye toward the Open Meetings Act and what makes  
12 sense as a practical matter and we're just -- You  
13 know, the fact that we're going to see how it goes  
14 is exactly right. I think that's going to be a --  
15 There's going to be a sensitivity regarding that,  
16 and I would want anyone watching this and reading  
17 this to know that part of the clear intent here is  
18 to follow the Open Meetings Act.

19 MR. FALK: We can go back and look at  
20 that. I would just point out that as a matter of  
21 drafting economy in all of these policies we  
22 reference to the bylaws section that inspires the  
23 policy, so there are -- So all these policies are  
24 integrated part and parcel with the bylaws. You

1 can't really read them separate and apart from the  
2 obligations under the bylaws. If more explicit  
3 references are appropriate, we can certainly look  
4 at that.

5 MR. BEITLER: Got it.

6 MR. HOFFMAN: I'm comfortable. Thank  
7 you.

8 CHAIRMAN POPE: Damon.

9 MR. SILVERS: Just, again, a piece of  
10 advice to the Board. It seems to me that the real  
11 issue here is the possible perception that this is  
12 other than what it really is which is a vital  
13 measure to protect the public. All right. So you  
14 might want to -- This conversation has drawn that  
15 out; that you must have something like this in  
16 order for the procurement process not to be  
17 compromised.

18 You might want to put a sentence in  
19 that makes clear that that is, indeed, the purpose.  
20 I understand the reason why counsel would advise in  
21 drafting economy, but it might be possible to craft  
22 a single sentence that doesn't -- That just  
23 clarifies the purpose here.

24 MR. HOFFMAN: I agree. I think that

1 would be a very helpful point.

2 If I could ask Steve and Scott when  
3 we have the next Board meeting to give us an edited  
4 version. I think this is perfectly appropriate for  
5 now, but I think it would be improved with those  
6 suggestions.

7 MR. BEITLER: We'll do that.

8 MR. HOFFMAN: Thank you very much.

9 Other than that, thank you for  
10 indulging my diversion here on the resolutions, and  
11 I think the other policies are fine.

12 Thank you.

13 CHAIRMAN POPE: Since we were joined by  
14 the additional Board members, I'd just like to  
15 backtrack here for a moment and ask for your  
16 concurrence, Jorge and David, on Item A, the  
17 approval of the minutes.

18 So it can be recorded as such if  
19 there's no questions or objections.

20 MR. HOFFMAN: I approve.

21 CHAIRMAN POPE: No objections.

22 Also, the resolutions, again, if  
23 there are no objections --

24 MS. FERGUSON: I'll move approval.

1                   CHAIRMAN POPE: Thank you.

2                   All in favor?

3   (A chorus of ayes.)

4                   Opposed?

5   (No response.)

6                   The ayes have it.

7                   We did want to address Item C as  
8 well since all the Board members are here. I don't  
9 know if, Stephen, you'd like to address that.  
10 That's with respect to our schedule for the  
11 remaining portion of 2013 as well as 2014.

12                   MR. BEITLER: Okay. So these are new  
13 schedules for 2013 and 2014. You can see the old  
14 Board meeting on January 10th, today on April 3rd,  
15 proposed for July 11th and October 11th.

16                   Now there are two Board members at  
17 least that cannot make those dates, so I'd like to  
18 know if we can go to Tuesday the 9th or October the  
19 8th or we need to go into the next week, in which  
20 case I'd keep it on the Thursday and go to the 19th  
21 or the 18th.

22                   CHAIRMAN POPE: Again we're talking  
23 about October 11th which does not work for at least  
24 two Board members so moving that to another date?

1                   MR. BEITLER: Right. So moving that to  
2                   the -- Let's say the 18th. Is that an appropriate  
3                   date for everyone?

4                   MR. BELL: Give me the dates, Steve. I  
5                   don't have them.

6                   CHAIRMAN POPE: Right now the schedule  
7                   calls for October 11th as our meeting.

8                   MR. BEITLER: We would move that to  
9                   October 18 and July 11 and we would move that to  
10                  July 18.

11                  CHAIRMAN POPE: Again, the current  
12                  schedule calls for July 11th of this year which is  
13                  a Thursday. The proposal per Steve is to move to  
14                  one week later to the 18th.

15                  MS. FERGUSON: I cannot do the 18th.

16                  MR. BEITLER: Okay. Are you available  
17                  that week or --

18                  MS. FERGUSON: Yeah.

19                  MR. BEITLER: So the 17th.

20                  CHAIRMAN POPE: I would prefer not a  
21                  Wednesday.

22                  MR. BEITLER: No, the 17th of October.

23                  MS. FERGUSON: I thought we were in  
24                  July. I'm sorry.

1 MR. BEITLER: I'm sorry. July. I'm  
2 sorry. Are you available the 16th?

3 MS. FERGUSON: Yes.

4 MR. BEITLER: Yeah, we're not going to  
5 do Wednesdays because those are City Council  
6 meetings.

7 CHAIRMAN POPE: The proposal is to move  
8 the July 11th scheduled date which is a Thursday to  
9 the 9th?

10 MR. BEITLER: The 16th.

11 CHAIRMAN POPE: I'm sorry. The 16th  
12 which is a Tuesday.

13 MR. BELL: I can't do the 16th.

14 Steve, what I would recommend is we  
15 take this off line and let's just work it a little  
16 harder and then be prepared to come in in the last  
17 meeting because I think we'll spend a lot of time  
18 trying to find dates.

19 MR. BEITLER: I'm sure we will. We'll  
20 continue to do it off line.

21 MR. BELL: And maybe it would be better  
22 if we sent you -- If all the Board members sent the  
23 available dates they had in the month that we want  
24 to hold the meeting and then maybe we can find

1 something that matches.

2 MS. FERGUSON: Right. We're trying to  
3 avoid Wednesdays; right?

4 MR. BEITLER: Not Wednesdays.

5 MS. FERGUSON: That's fine. We'll send  
6 you dates.

7 MR. BEITLER: All right. Perfect. All  
8 right. Thank you.

9 CHAIRMAN POPE: Stephen, we were on Item  
10 3 at this point.

11 We've introduced the volunteers and  
12 interns and talking with in the news.

13 MR. BEITLER: So in the books there is a  
14 series of articles that were graciously prepared by  
15 Culloton Strategies going back since the beginning  
16 of the Trust that you can take a look at if you  
17 care to. There are some very interesting articles,  
18 and I'd just like to point out for anybody that  
19 cares to look, on the 16th of March there was a  
20 lead editorial in the Economist that mentions the  
21 Trust, and that's pretty nice. Basically you can  
22 peruse these articles as you care to, and they're  
23 available for you.

24 CHAIRMAN POPE: Great.

1 MS. FERGUSON: Steve, will you continue  
2 to keep the Board apprised of news media as it  
3 comes up?

4 MR. BEITLER: Yes.

5 MS. FERGUSON: So that will be a regular  
6 part of our --

7 MR. BEITLER: Yes. I will actually  
8 start distributing it on a more regular basis.

9 MS. FERGUSON: Great. Thank you.

10 CHAIRMAN POPE: Moving on to Item Number  
11 4, the procurement manual, best practices.

12 MR. BEITLER: I'd like to ask Adam  
13 Helman to address the Board.

14 MR. HELMAN: Okay. Thank you.

15 So what you have here is really a  
16 draft right now of what we've been doing to create  
17 a table of contents for the manual. So what you  
18 see in these two columns on your left, you see the  
19 table of contents, and then on the right we've  
20 sourced where we've been pulling our best practices  
21 from for procurement, and we've been looking at  
22 difference sources that have a lot of experience  
23 and a lot of success in the track record in the  
24 area of public and private partnerships. We've



1 looked at Canada and particularly Ontario, the  
2 State of Virginia, the Virginia Department of  
3 Transportation as well as Texas, the State of Texas  
4 and the Texas Facilities Commission.

5 So starting from the top,  
6 definitions of project elements and then some  
7 potential terms that we'd like to ultimately define  
8 as best practices, project selection and some of  
9 our influences there, and there's a wealth of  
10 really strong strategic work that's been done for  
11 the City and by some of the departments and  
12 agencies over the last few years, and we've really  
13 been looking at priorities identified there to help  
14 us really identify our project list.

15 Then some standard areas around  
16 developing conflict of interest and then creating  
17 announcements to publicize projects or  
18 opportunities, the selection process, and as Steve  
19 just mentioned earlier, we have a new entrant in  
20 that now where we've got an unsolicited idea coming  
21 up from a citizen and working that in.

22 Our evaluation strategy, how we will  
23 negotiate contracts, rights and obligations and  
24 then how we work through awarding contracts, how we

1 would handle protests and then ultimately design  
2 construction and project acceptance as projects get  
3 turned over from concessionaires or project owners  
4 to the City when they're substantially completed.

5 MR. BEITLER: Now I'd like to point out  
6 we have a long way to go in the preparation of  
7 this, and there are a lot of people that we will be  
8 needing to consult with in order to bring this  
9 manual to fruition, but we will be working  
10 diligently on it with the City as well as many  
11 other entities.

12 We have chosen places where they  
13 have best practices and have conducted excellent  
14 procurements as sort of role models, if you will,  
15 and Canada in particular is -- At Infrastructure  
16 Ontario and in British Columbia are two locations  
17 where that's the case. Interestingly, in the  
18 United States, Virginia and Puerto Rico are two  
19 places where they've done this exceedingly well.

20 And so we are looking at the places  
21 that have a reputation for doing this well and have  
22 a significant amount of published materials that to  
23 some degree we can either rip off, which I use  
24 politely and appropriately, I mean we'll borrow

1 with permission but, or expand upon for purposes of  
2 use in our environment, specifically in the City of  
3 Chicago.

4 CHAIRMAN POPE: I know I'm stating the  
5 obvious, but as was mentioned in the procurement  
6 and confidentiality policies, our adherence to the  
7 City's MBE/WBE program which is -- I just want to  
8 make sure --

9 MR. BEITLER: I think it's in here  
10 somewhere.

11 CHAIRMAN POPE: It is.

12 MR. BEITLER: Yes, we will adhere to  
13 that from the spirit of it as well as the legality  
14 of it, so --

15 CHAIRMAN POPE: I think you mentioned,  
16 Stephen, too your meeting with various  
17 representatives including the City, Park District,  
18 CPS given some of the initial projects that have  
19 been proposed. Obviously the procurement leads in  
20 those entities would be helpful.

21 MR. BEITLER: So, yes, we will be  
22 meeting with all of them, and also Jamie Rhea who  
23 is the head of procurement for the City will have  
24 significant input in this to make sure that we are

1 doing everything correctly from a regulatory  
2 standpoint, so -- As well as David Winters to make  
3 sure we're doing everything correctly from a legal  
4 standpoint as well as the Kirkland attorney and so  
5 on.

6 I think the list is just potentially  
7 so long in terms of people that we'll get a chop on  
8 this that --

9 CHAIRMAN POPE: I just want to I guess  
10 remind us that for our annual reports or any kind  
11 of reporting we'll include these type of  
12 procurement numbers, not just dollar amounts but  
13 participation. I think that's very helpful and  
14 necessary as part of the transparency to show what  
15 we're doing to meet those various goals that are in  
16 place.

17 MR. BEITLER: Measurement is a very  
18 important part. I'm not exactly sure what all the  
19 measurement numbers should be yet. I will need  
20 help on that, so I will look to you and others to  
21 provide me guidance for that.

22 CHAIRMAN POPE: Wonderful.

23 Any questions by the Board?

24 MR. HOFFMAN: Yes.

1                   CHAIRMAN POPE: David.

2                   MR. HOFFMAN: Adam, have you or Steve  
3 looked at -- First of all, really appreciate that  
4 you have someone, Steve, who's diving in on this  
5 topic, I think had some experience diving in on  
6 this particular policy topic. It can be mind  
7 numbing. There's a lot out there, and it's hard to  
8 know what is best practices, so I think it's a  
9 great idea that you got someone who's focused on  
10 it.

11                   I hadn't seen your resume, Adam, so  
12 I appreciate how much experience you bring to this  
13 from the corporate world.

14                   Have you -- I know they do a lot of  
15 Victoria in Australia. Is that one of the places  
16 that you've looked at as well?

17                   MR. HELMAN: Yes.

18                   MR. HOFFMAN: And Europe as well. As  
19 Rory said, I think that's right. Although it  
20 sounds like you're sweeping widely and looking at  
21 these places.

22                   One document I would encourage you  
23 to look at that, you know, we're -- You're looking  
24 to governmental sources, and you're also looking to

1 public/private partnership sources.

2 MR. HELMAN: Right.

3 MR. HOFFMAN: When I was a member of the  
4 Illinois Reform Commission in 2009 -- And this was  
5 an effort to make recommendations to the State on  
6 ethics and anti-corruption measures, and one of the  
7 six topics we examined and held public hearings on  
8 was procurement, and we issued a report that had a  
9 variety of findings and recommendations and  
10 discussed what experts around the country we had  
11 tapped into and what we had found were best  
12 practices and obviously a different context  
13 because -- Not relating to the kind of specific  
14 projects that is our goal, but I would look at that  
15 because I think that one context is public/private  
16 partnerships, and look around the world for best  
17 practices, and another context is that it's  
18 happening in Illinois and Chicago, and we have some  
19 experience in trying to put in best practices to  
20 guard against the kind of manipulation that has  
21 happened in the past.

22 I'm highly confident that we're  
23 going to put in place the right procedures and that  
24 that's not going to be a -- That we're going to be

1           able to manage that process in a good fashion, but  
2           I would take a look at that as well.

3                       I'd be happy to have other on line  
4           discussions with you if you think that would be  
5           helpful.  Otherwise, I look forward to reading the  
6           product.

7                       MR. HELMAN:  Great.  Thanks very much  
8           for the input.  Absolutely.

9                       MR. BEITLER:  Just to be clear in terms  
10          of reading the product, it's going to be an  
11          iterative product.

12                      MR. HOFFMAN:  Clearly.  And nor should  
13          there be an attempt to only say final, wrapped in a  
14          bow.

15                      MR. BEITLER:  We will be asking you to  
16          read it more than once.

17                      MR. HOFFMAN:  Absolutely.

18                      CHAIRMAN POPE:  Any other questions,  
19          comments?

20   (No response.)

21                      Moving on to the next item, the PACE  
22          discussion -- Property Assessed Clean Energy.

23                      MR. BEITLER:  So I don't have an  
24          intention of going through all the materials that

1 are in the book today about PACE. They're simply  
2 there as a guide for going forward in terms of  
3 familiarization for everyone.

4 Staff believes that this is an  
5 excellent next project. We discussed it with the  
6 City and are continuing to discuss it with the  
7 City.

8 There seems to be a lot of  
9 opportunity. There are some issues around PACE  
10 because of the fact that it is a property assessed  
11 capability.

12 Basically the federal -- Freddie  
13 Mae -- Fannie Mae, Freddie Mac have some issues  
14 around lien structure and who's first, who's second  
15 and so forth in the structure. So right now we can  
16 do this for commercial property and for  
17 non-conforming mortgages but have to hold off on  
18 residential until legislation is passed in the  
19 State legislature.

20 We will look toward creating a  
21 program that residential could be done when it's  
22 available to do so in this state, but meanwhile  
23 we're talking with Chris Meister at the Illinois  
24 Finance Authority, and the Trust and the IFA are



1 looking at proceeding jointly on this for the  
2 purpose of the Trust proceeding in the City of  
3 Chicago and the IFA proceeding in the rest of the  
4 State but with the same program.

5 So it's kind of interesting from  
6 that perspective particularly for me that it could  
7 be a joint program and would have the State and the  
8 City behind it, and it could be a very good program  
9 for the businesses and the residents of the City  
10 when we get everything ironed out and are able to  
11 do it for commercial and residential properties.

12 CHAIRMAN POPE: Stephen, in the  
13 information you provided it does show that there's  
14 enabling legislation within Illinois, and you  
15 reference the work that the State's doing. Any  
16 idea in terms of timetable when they hope to be on  
17 line?

18 MR. BEITLER: I don't know. It's one of  
19 the things that Chris Meister and I will be  
20 investigating going forward, and I'll get an answer  
21 for you on that question.

22 I believe that Lou Lang has  
23 legislation pending at this point, and I haven't  
24 read the specific legislation yet. Although I'm

1       aware of it. I have to coordinate with the City in  
2       order to see about going forward and getting  
3       that -- Whatever the City does to get legislation  
4       moved on which is part of my future education, but  
5       I think it's an excellent program.

6                       We are very lucky in that PFM which  
7       has provided one of the exhibits in the book is  
8       probably the leading firm having done the programs  
9       in California and Florida on this particular  
10      program, and so we're extremely lucky to be working  
11      with PFM already and have them available as a  
12      resource for this purpose.

13                     MR. HOFFMAN: Just to be clear, the  
14      legislation that exists in Illinois allows for this  
15      kind of program to be used for commercial  
16      properties currently? There's no legislative  
17      change? You could do it --

18                     MR. BEITLER: Let me restate that. I  
19      don't know if there is legislation that exists to  
20      allow for commercial or nonconforming.

21                     My understanding at this point is  
22      simply that commercial and nonconforming are  
23      eligible. I don't think there's such a thing as  
24      implementing legislation to make them eligible.

1 Just under the current laws they are eligible.

2 MR. HOFFMAN: I guess my point is that  
3 if the Infrastructure Trust and IFA went forward  
4 with the program you're describing --

5 MR. BEITLER: Yes, and the City.

6 MR. HOFFMAN: And the City.

7 MR. BEITLER: Yes.

8 MR. HOFFMAN: -- does there need to be  
9 State legislation to make that program effective  
10 for commercial properties?

11 MR. BEITLER: I can't answer 100 percent  
12 at this point.

13 MR. HOFFMAN: I'm seeing Tom, your  
14 advisor there, is --

15 MR. MORSCH: No, that -- If you want me  
16 to jump in.

17 CHAIRMAN POPE: For the record, Tom, can  
18 you introduce yourself for the court reporter?

19 MR. MORSCH: My name is Tom Morsch with  
20 PFM.

21 There is -- The State law does allow  
22 for deductions of -- What this is is energy  
23 improvement projects financed via deduction on your  
24 property tax bill. So just like you have a

1 deduction for your school district, your park  
2 district, et cetera, there's another line on the  
3 property tax that says energy improvement, so you  
4 get that in your home and you pay your tax bill.  
5 It pays that bill as well. Obviously that gives  
6 comfort to financiers that your probability of  
7 payment is better and drives down the financing  
8 cost.

9                   Where it sits in terms of a lien is  
10 this topic of current legislation in Illinois. The  
11 bankers do not -- Are not very kind of prone to  
12 liking people ahead of their mortgage lien and,  
13 therefore, there's some resistance from the banking  
14 community for residential loans which are packaged  
15 and sold to Freddie Mae and Ginnie Mae, et cetera,  
16 so that's the issue there.

17                   But currently the State does have a  
18 statute that allows for that deduction. The County  
19 would be instructed by the City to do that  
20 deduction, and that can be done today. How  
21 financeable it is is the topic that we're all  
22 working on, and that's where the Trust would come  
23 into play.

24                   MR. HOFFMAN: Sure. So assuming for the

1       sake of argument the General Assembly does nothing,  
2       this still could go forward as the way you describe  
3       it. Whether it ends up being practically effective  
4       or feasible is another question.

5               MR. MORSCHE: Right. Certainly for  
6       commercial and nonconforming which are not loans  
7       that are packaged up and sold in the secondary  
8       market, that would certainly -- And I see our great  
9       labor guy here getting some further advice which  
10      would be great. Jump in.

11              MR. SILVERS: I think it might be  
12      clarifying to note that the problem that you're  
13      hearing about is not actually -- It's not a  
14      statutory problem. It's the problem that the GSEs  
15      won't -- The GSEs and the banks as private  
16      parties -- I'm sorry. The GSEs are Fannie Mae and  
17      Freddie Mac. The GSEs and the banks as private  
18      parties will not agree, as prior lien holders will  
19      not agree to the property owner of one of their  
20      loans entering into a PACE arrangement currently in  
21      the State of Illinois. It is a private party  
22      problem.

23              Now I gather that they're trying to  
24      negotiate a legislative solution that will give

1       them comfort but you've got this much -- You've got  
2       this other large space in commercial and  
3       nonconforming loans that -- Where -- And are  
4       non-syndicated. The loans have not been sold to  
5       the GSEs, to Fannie and Freddie, where you can do  
6       it now, and I would just say that this is something  
7       that the labor movement has looked at nationally,  
8       the PACE program, and that we're very interested in  
9       and I think is something that has a lot of promise.

10                   And the challenge has been -- I  
11       think this goes right to the potential role for  
12       this institution, the Trust. The challenge has  
13       been to some degree the problem that -- They're  
14       cost of capital issues, that it's a new idea and  
15       that some of the people who have been involved in  
16       trying to put these projects together have not been  
17       able to access capital at an appropriate cost given  
18       the fact that what you actually have is a tax, is a  
19       tax obligation.

20                   This institution may be able to help  
21       solve that problem. I think the staff has really  
22       come upon something that's really quite promising  
23       and deserves to be, you know, developed.

24                   MR. HOFFMAN: Steve, are these -- The

1 two documents that we were given, the one from PFM  
2 and the one from some institute of Johnson  
3 Controls, are those public documents?

4 MR. BEITLER: Yes. The second document  
5 is actually from a -- Sort of the PACE  
6 organization.

7 MR. HOFFMAN: Institute for Building  
8 Efficiency?

9 MR. BEITLER: Yeah. They publish -- I  
10 think Johnson Controls sponsors the document  
11 through this PACE organization. We are working  
12 with the City and our attorneys and the State and  
13 the PACE Institute as well as PFM, and we'll  
14 eventually come up with a structure hopefully that  
15 is appropriate for everybody, makes everybody  
16 happy, you know, meets all of whatever the  
17 regulatory wicketts are and then whatever the  
18 processes are that we need to abide by for the  
19 State and the City to go through the legislative  
20 process which is something I have to learn. I  
21 understand it federally but I'm learning locally.

22 MR. HOFFMAN: Ten minutes.

23 MR. BEITLER: Ten minutes. One thing I  
24 know is nothing takes ten minutes.

1                   MR. HOFFMAN: I was interested in  
2                   hearing from the City to -- Even if in a  
3                   preliminary way. I just -- I don't have a sense of  
4                   whether the City has any views on this, has made  
5                   any decisions. I see David and Lois -- I'm not  
6                   sure if Lois is still here, but I can't tell  
7                   whether this is a Trust-driven idea, a City-driven  
8                   idea, joint, whether the City thinks -- Is on board  
9                   already, is just trying to decide.

10                  MR. WINTERS: Trying to decide.

11                  MR. HOFFMAN: Got it.

12                         Have there been any significant  
13                         internal discussions or, you know, meeting for  
14                         progress on this prior to our bringing this up as a  
15                         potential --

16                  MR. WINTERS: Not that I'm aware of.

17                  MR. HOFFMAN: Good. So the City's in  
18                         the midst of figuring it out.

19                         Not to spend more than a couple  
20                         minutes on this, but the PFM document was very  
21                         good, helpful. At the end you had four funding  
22                         options.

23                         If we're talking, Steve, if we're  
24                         talking about the -- Steve and Tom, if we're



1 talking about the potential implementation of this  
2 idea assuming everyone gets on board, which one of  
3 these buckets are we in? Are we in -- There's  
4 defined funding. I assume that's not open market  
5 funding. Is this City/County funded? Is it  
6 taxable bonds? Is it a different bucket that's not  
7 described here?

8 MR. MORSCH: That's a good question,  
9 Dave.

10 MR. HOFFMAN: No need for any further  
11 answer. I feel great now.

12 MR. BEITLER: David, we haven't  
13 really --

14 MR. MORSCH: You know, obviously  
15 depending on the level of government sponsorship,  
16 and I use that in a very broad statement, will help  
17 kind of drive the cost of capital issue that was  
18 identified earlier.

19 There is a real opportunity here  
20 when you're making loans which effectively this is.  
21 It's like any other loan program that a bank would  
22 do -- Is that when you make loans you're able to  
23 make a lot of loans and, therefore, you diversify a  
24 portfolio. Therefore, you spread risk, and,

1           therefore, you drive down interest costs over time.

2                         So there is a real opportunity to  
3           potentially create a program like that, especially  
4           with, you know, like finance authority which also  
5           has access to capital and has access and credit  
6           that it could bring to the table to potentially  
7           enhance this transaction.

8                         What's kind of also interesting  
9           about it I think it allows for -- Alderman, you  
10          might like this because it allows for projects  
11          throughout the City. You know, this is not defined  
12          to a geography, and it is not defined to a  
13          commercial district or whatever. It's really  
14          something that would be applicable in each and  
15          every neighborhood of the City and I think really  
16          merits I think everybody's attention here.

17                        MR. HOFFMAN: That's fine. I'll look  
18          forward to hearing more about it in the future.

19                        As reading these four options, it  
20          looked like -- As we try to assess what the risk  
21          would be to the public, one of my take-aways was it  
22          depends on what -- Which of the four buckets you're  
23          in.

24                        MR. MORSCH: Sure.

1                   MR. HOFFMAN: It sounds like we don't  
2 really know where we are with that yet, so I'll  
3 just be -- Part of the way I'll be approaching it  
4 is I'll be asking questions about, well, what would  
5 the potential risk to the public be, and it sounds  
6 like it depends, so I look forward to hearing more  
7 about it.

8                   MR. BEITLER: We've tried to spell it  
9 out. We'll address those as we go.

10                  CHAIRMAN POPE: Can I just remind  
11 everyone, for the ease of the court reporter, if  
12 you're going to speak, just remind us of your name  
13 so that she can accurately record that.

14                         With that, Marysue.

15                  MS. BARRETT: Marysue Barrett.

16                         Question for Tom. The PFM case  
17 studies here, in California and in Florida, did  
18 they turn to a legislative fix to get over this  
19 lien subordination problem?

20                  MR. MORSCH: Yes. In California they  
21 did, yeah, and they have that legislative.

22                  MS. BARRETT: And in Florida, was it  
23 needed?

24                  MR. MORSCH: I don't believe so. I

1 don't believe so. And it's directly -- I mean it's  
2 really kind of an ease of implementation issue.

3 MS. BARRETT: Sure.

4 MR. MORSCH: Otherwise, you have to kind  
5 of craft a solution that drives down interest costs  
6 given the lien situation, so that's really what's  
7 happening.

8 MS. BARRETT: Thanks.

9 MR. MORSCH: Again, these programs are  
10 about a year old. There's beginning to be a track  
11 record to them, performance record to them.  
12 There's beginning to be more market awareness about  
13 them, and there's beginning to be kind of a  
14 collection of best practices I think that we could  
15 bring to the table here for the Trust.

16 CHAIRMAN POPE: Any other comments or  
17 questions regarding the PACE program?

18 (No response.)

19 All right. Then moving on to the  
20 Retrofit Chicago update.

21 Stephen.

22 MR. BEITLER: Steve Beitler.

23 Basically, again, if you look in the  
24 book at that section, it's just one page, so we've

1 received responses to the RFQ from 13 firms. The  
2 13 firms are listed here.

3 Since receiving those responses  
4 we've actually had and continue to have meetings  
5 with those firms in preparation for presumably  
6 producing an RFP, so the City and the Trust have  
7 been involved in those meetings.

8 This is sort of where we get to the  
9 discussion that we were having earlier in terms of  
10 ensuring that the public gets the best deal and the  
11 confidentiality of the RFQ and RFP process, and so  
12 that's the extent of the information at this point  
13 that we can address publicly.

14 From a process standpoint -- And,  
15 again, I don't quite understand yet. As we go  
16 through this, we'll have a better understanding of  
17 when our sort of, if you will, the fire breaks  
18 where information can be released for a point in  
19 the process where we're done. As we come to those  
20 points in this process, we will release the  
21 information that's appropriate to release to not in  
22 any way impact an ongoing procurement. At the  
23 moment this is an ongoing procurement, and we would  
24 discuss that in executive session after we finish

1 the public portion of the meeting.

2 CHAIRMAN POPE: And, Stephen, that was  
3 brought up at the last meeting, kind of the  
4 timetable here. If a firm wishes to respond say  
5 today or in the next few weeks to this RFQ, what  
6 opportunity do they have at this point or is the  
7 window closed?

8 MR. MORSCH: I think consistent with  
9 what --

10 CHAIRMAN POPE: Tom.

11 MR. MORSCH: -- the Board indicated --  
12 Tom Morsch with PFM.

13 -- in the past that we would always  
14 consider, you know, proposals as long as they met  
15 the basic requirements that are set forth regarding  
16 the City and compliance with the economic  
17 disclosure statements and other requirements.

18 They simply won't be as ahead of the  
19 process as other parties but that's -- We don't  
20 want to close that door.

21 CHAIRMAN POPE: Very good.

22 MR. BEITLER: And we will hear more from  
23 Tom later.

24 CHAIRMAN POPE: David.

1                   MR. HOFFMAN: In terms of what -- In  
2 terms of the public discussion, I know that when we  
3 talked about the point of the RFQ before we put it  
4 out there, there were two points. One was to, from  
5 sort of more a procurement standpoint, start  
6 hearing from specific financial partners about what  
7 they would propose and what their interest level  
8 was and start to have a discussion with those who  
9 are interested but also as a -- More like an RFI to  
10 get informed ourselves as to what feedback we were  
11 hearing.

12                   Without getting into anything that  
13 would be more appropriate at the confidential  
14 discussion that's sort of partner specific -- And I  
15 don't know whether you'll say no. I think  
16 everything to be said in this needs to be discussed  
17 confidentially, but to the extent that there can be  
18 information discussed publicly about lessons we've  
19 learned or feedback we've received from having  
20 these discussions -- And I'm looking at Tom in  
21 particular but it could be anyone. Are there  
22 things that we've heard that have changed our mind  
23 on anything about -- Or that have validated that  
24 we're on the right track and this is a project

1           that's likely to receive significant interest and  
2           is likely to work?

3                         MR. BEITLER:   Steve Beitler.

4                         I think really that at this point  
5           the purpose of the RFQ was a request for  
6           qualification, and there's information in those  
7           RFQs that are basically at this point confidential  
8           and should not be made known to the other parties  
9           that responded to the RFQ, so that unfortunately it  
10          isn't an RFI and, therefore, that we should discuss  
11          it in executive session and not really discuss it  
12          publicly.

13                        Frankly, I'm not sure that I  
14          understand enough at this point to make those  
15          distinctions.  It would be an interesting exercise  
16          to go through with the Board at some point, all the  
17          information after the fact and maybe have a  
18          postmortem and say, hey, in my opinion, meaning in  
19          your opinion, I would have done this differently or  
20          I would have done this differently.  Part of doing  
21          that differently might have been that we would have  
22          had to write the RFQ a little bit differently  
23          upfront in order to be able to be responsive to the  
24          way you're asking the question at the moment, so I



1 have a hard time separating information at the  
2 moment between the bid and some of the lessons  
3 learned.

4 MR. HOFFMAN: Let me try again. I'll  
5 try to -- More sort of a macro level because I  
6 appreciate what you just said, and it makes perfect  
7 sense what you said. I do think part of the intent  
8 from the Board perspective was also to seek  
9 information and one of the -- And this is -- I'm  
10 asking these questions in part to try to provide  
11 some information to the public that's appropriate,  
12 that's consistent with keeping confidential, what  
13 you just said, information gleaned from specific  
14 partners.

15 Here's the question. One thing that  
16 the public could potentially conclude from the fact  
17 that there were 13 people who responded, entities  
18 that responded, was that there's some interest. It  
19 could have been zero or it could have been one.  
20 So, one, is it proper, therefore, to at least  
21 conclude in the very general sense that this RFQ  
22 appears to be on the right track in terms of  
23 receiving some significant interest; that whether a  
24 deal will be reached obviously depends on the

1 process but that there should be -- There should  
2 not be significant pessimism about this because we  
3 received significant responses? Anyway, is that  
4 sort of very general --

5 MR. BEITLER: I would characterize it  
6 like this I think: The Trust is new, and so this  
7 is a new experience for the Trust. The City is a  
8 much older obviously organization and has been  
9 doing procurement for a long time. Actually, the  
10 City is a very experienced -- One of the most  
11 experienced organizations in the United States in  
12 terms of doing public/private partnership deals  
13 since about 1981 or thereabouts, 1991 or  
14 thereabouts.

15 However, the City has not really  
16 done a P3 type deal for what we are discussing here  
17 in terms of the specific subject of retrofit, you  
18 know, putting in new light bulbs or replacing water  
19 plants and so on, pumping stations.

20 So one of the things that the RFQ  
21 gets to is how to conduct business. The banks and  
22 other financial organizations that have responded  
23 to the RFQ have basically suggested that they have  
24 more or less let's say standard mechanisms by which

1       they conduct business, and they would like to  
2       conduct business within the framework of those  
3       standard mechanisms and then get specific about  
4       what the standard mechanism is for them.

5                   The City -- And I don't want to  
6       presume to speak for the City but will just briefly  
7       say that the City and the Trust now have to learn  
8       what are the standard mechanisms for them.  Until  
9       we've talked through all of that and tried to  
10      figure that out individually and together, it's  
11      kind of hard to answer that question.

12                   There's a symbiotic relationship  
13      here also.  The Trust can't answer that question  
14      without the City and vice versa.

15                   Basically we're working through it  
16      and don't really have a good answer to that  
17      question and I also --

18                   MR. BELL:  Let me try, David.

19                   CHAIRMAN POPE:  James.

20                   MR. BELL:  David, the good news is we  
21      got significant response.  You know, we had 13  
22      companies that responded, but I think it's fair to  
23      say that the RFQ as written will be -- Will need to  
24      be modified to some extent.  In some cases, it may

1 be to a large extent. It just depends, and we will  
2 figure that out if we have discussions with them.

3 But we have to work our way through  
4 that piece of it, David. Clearly the response  
5 there that the way the RFP is currently written  
6 will have to change to some degree before the  
7 market is going to be receptive to the retrofit  
8 project.

9 MR. HOFFMAN: That's very helpful. I  
10 see Tom raising his hand. If you don't mind,  
11 Mr. Chairman, it would be great to hear from him  
12 too.

13 CHAIRMAN POPE: Tom.

14 MR. MORSCH: We'll talk about some of  
15 the details in executive session, but for the more  
16 public part, I guess your question was about -- I  
17 would echo James' comments. Thirteen responses is  
18 good, and the parties are engaged in active  
19 discussions and will be with us, and we are moving  
20 forthwith with a very determined and deliberate  
21 schedule to get to a point of making  
22 recommendations back to you at the Trust on how and  
23 whether to proceed, so I think that's encouraging.  
24 I would agree with James.

1 MR. HOFFMAN: Thank you.

2 CHAIRMAN POPE: Marysue.

3 MS. BARRETT: Marysue Barrett.

4 I also want to connect the  
5 discussion about Retrofit Chicago responses back to  
6 our earlier review of the table of contents of the  
7 procurement manual.

8 We heard several comments about how  
9 this is going to need to be a living document as we  
10 learn from each experience, but once the  
11 procurement manual is sketched out -- I think  
12 another perspective that's very important for this  
13 group is its value as far as, you know, squeezing  
14 maximum benefit at lowest cost of standardization.  
15 We don't have that today. We're working with what  
16 we've got, but we'll learn from this, improve the  
17 procurement manual, and that will have economic  
18 benefits both to the public and to the operations  
19 in the future that I think is going to be very  
20 valuable and it will make this -- You know, we'll  
21 have answers to some of these questions from  
22 experience in the future.

23 MR. BEITLER: To amplify that, I also  
24 think that it will answer some of the questions

1 from a Board interaction standpoint and a public  
2 interaction standpoint. We'll spell those out in  
3 the procurement manual.

4 MR. HOFFMAN: Thank you.

5 CHAIRMAN POPE: Any other comments  
6 regarding Retrofit Chicago?

7 (No response.)

8 All right. Moving on to the next  
9 item, Opportunity for Public Comment.

10 MR. BEITLER: Mr. Chairman, if we may,  
11 one individual Allan Mellis has submitted an  
12 unsolicited project which was very interesting, and  
13 so I would ask that you ask him to discuss his  
14 project.

15 CHAIRMAN POPE: Allan, could you come to  
16 the front and, first of all, introduce yourself and  
17 provide a brief summary of your proposal?

18 MR. MELLIS: Mr. Chairman and members of  
19 the Committee, my name is Allan Mellis, and I've  
20 been a Lincoln Park community leader for over 35  
21 years. I am retired, the former director of  
22 planning and development for the Forest Preserve  
23 District of Cook County where I first met Alderman  
24 Pope and a 30-year IBM employee. Also, I was the

1 former president of the Friends of the Fullerton El  
2 and a member of the CTA Brown Line Task Force.

3 I do feel comfortable being in this  
4 room since both my sons graduated from the Illinois  
5 Math and Science Academy, so thank you.

6 For a long time I've had the idea of  
7 a monorail that would connect the Roosevelt CTA  
8 Superstation, the Red, Green and Orange Lines, with  
9 the lakefront amenities of the Field Museum, Shedd  
10 Aquarium, Adler Planetarium, Northerly Island and  
11 Soldier Field, and you have very much home drawn  
12 map in your handout of that route.

13 Three events have encouraged me to  
14 come here today to suggest this potential  
15 infrastructure project. One, seeing the plans for  
16 a natural environmentally sensitive restoration of  
17 Northerly Island but with the requirement that many  
18 people get there by driving their automobiles to  
19 enjoy nature.

20 Two, the call for big ideas from the  
21 Chicago Tourism Group to Chicago.

22 And, three, the expansion of the  
23 Charter One Pavilion at Northerly Island that was  
24 presented at the last Chicago Planning Commission

1 hearing.

2 I testified in favor of the proposal  
3 but was concerned about access. The Charter One  
4 promoters echoed my concerns about access.

5 I am submitting a brief outline of  
6 my ideas in the hope that the Infrastructure Trust  
7 Committee will consider this project. I have no  
8 financial interest in this suggestion.

9 I just hope that it will provide an  
10 environmentally friendly access to our lakefront  
11 attractions and bring more tourists and residents  
12 to the area.

13 A successful implementation of this  
14 project will hopefully lead to other projects like  
15 a monorail connecting the CTA Grand Avenue Subway  
16 Stations with Navy Pier.

17 Thank you for your consideration. I  
18 know this is something new and I know I've only  
19 been to the first meeting but I hope that you do  
20 solicit -- I have no financial interest. I haven't  
21 gone and done any kind of studies like everyone  
22 here does. I'm not an expert in this.

23 I just think it's a good idea. I've  
24 been talking to people for a long time, and maybe



1           this group is one that can get this going along  
2           with maybe the new tourism group that was formed.

3                           Thank you very much.

4                           CHAIRMAN POPE: Allan, a quick question.  
5           So your proposal assumes that the public way would  
6           just be utilized for this monorail?

7                           MR. MELLIS: Yes.

8                           CHAIRMAN POPE: And strictly electric  
9           powered?

10                          MR. MELLIS: I believe it is, yeah. I  
11           mean it would be environmentally friendly. That's  
12           why I added -- There's a couple of things that were  
13           from the Monorail Society which I have no idea what  
14           they are -- They're on the web -- that answered  
15           some of those questions.

16                          CHAIRMAN POPE: Any questions?

17                          MR. HOFFMAN: I don't have any  
18           questions, but I would thank you. I would give you  
19           praise and encouragement for bringing this forward  
20           to us.

21                          You know more about this than I do.

22                          MR. MELLIS: Not much.

23                          MR. HOFFMAN: I don't have any way of  
24           assessing it, but I think that from a broader

1       standpoint the -- And Steve and I have discussed  
2       this, and I know Steve feels exactly the same way,  
3       is very strongly on board on this -- The idea that  
4       we are -- Can serve as a vehicle to encourage these  
5       kinds of proposals to come forward whether from  
6       experts or members of the general public which is  
7       really important both because we -- Neither we nor  
8       our experts will have a monopoly on the best ideas,  
9       so you never know where the best idea is going to  
10      come from.

11                   And also just from the value of  
12      participatory -- Of being a participatory  
13      institution. Citizens can participate is really  
14      important as well, so we've talked about in the  
15      future there may be some easy mechanism through the  
16      web site for citizens to propose things.

17                   It will be up to Steve and the staff  
18      to sort of assess whether they're good or bad and  
19      then to talk with the City about them.

20                   So I thank you for coming. Thank  
21      you for presenting this to us, and I hope that we  
22      see more of these from members of the public.

23                   MR. MELLIS: Thank you for listening.

24                   CHAIRMAN POPE: Thank you, Allan.

1 Appreciate it.

2 MR. BEITLER: So if I may.

3 CHAIRMAN POPE: Please.

4 MR. BEITLER: On behalf of the Board, I  
5 will ensure that we respond to Mr. Mellis and  
6 coordinate his idea which will be the first time we  
7 are going to go through a process to do this and  
8 see how it works and get back to him to -- With a  
9 response eventually.

10 MR. HOFFMAN: As we've discussed and  
11 James and I and others I think have discussed at  
12 length, you know, we are not part of the City  
13 government, but, on the other hand, obviously the  
14 point is to be doing infrastructure projects that  
15 relate to the City of Chicago government.

16 Knowing the City's views initial,  
17 and they may change, but knowing the City's views  
18 is obviously a critical important early step. You  
19 know, nothing's monolithic, and so if you think  
20 that there's a great idea on something and you're  
21 getting resistance from the City, I would, you  
22 know, encourage you to continue pushing with them  
23 seeing if they can be persuaded, and maybe they're  
24 right, maybe they're not.

1                   I think that dynamic, public trust  
2                   and City dynamic of discussion, will end up being,  
3                   could end up being one of the great engines of  
4                   innovation for us, so I would want to encourage it  
5                   as much as possible.

6                   MR. BEITLER: I think I should say at  
7                   this point that the City has been nothing but  
8                   supportive and extraordinarily helpful in my  
9                   whopping 43 days on the job so far and nothing but  
10                  encouraging.

11                  I think that the City is getting  
12                  used to the idea that we've become more active in  
13                  figuring out for itself how to interact with a  
14                  trust that is more active, but I don't think  
15                  there's anything negative about that. I think  
16                  that's all a positive, and I think that we're in  
17                  the process, the Trust and the City, of figuring  
18                  out how to interact with each other, and we'll  
19                  continue to develop that and now have a case study.  
20                  Again, the procedures that we develop will  
21                  formalize a lot of that.

22                  MR. HOFFMAN: Thank you.

23                  CHAIRMAN POPE: Steve, certainly feel  
24                  free to use me and my position as we've met and

1 spoken many times. We can facilitate some  
2 communication.

3 MR. BEITLER: I think the City  
4 Council -- When I say the City, I certainly -- And  
5 I guess I'm not sure again what's proper, but  
6 meaning the City and the City Council as partners.

7 CHAIRMAN POPE: Any other public comment?

8 (No response.)

9 At this point we are going to  
10 executive session and we're going to utilize this  
11 room, so we're going to ask members of the public  
12 to please excuse us.

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