



GaryChicago
International Airport

**MINUTES
REGULAR BOARD MEETING
MAY 11, 2015**

CALL TO ORDER:

Vice-President Dillard called the Regular Board Meeting to order at 11:45 a.m.

PLEDGE OF ALLEGAANCE:

Vice-President Dillard led the Pledge of Allegiance.

EXECUTIVE SESSION STATEMENT:

VICE-PRESIDENT DILLARD STATED THAT PURSUANT TO I.C.5-14-1.5-6(D) THE BOARD OF DIRECTORS OF GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY HEREBY CERTIFIES THAT IT DISCUSSED NO SUBJECT MATTER IN THE EXECUTIVE SESSION OTHER THAN THE SUBJECT MATTER SPECIFIED IN THE PUBLIC NOTICE.

ROLL CALL:

Present: Denise Dillard, James Cooper, Shontrai Irving, Alesia Pritchett and David Fagan.

Absent: Stephen Mays.
A quorum was represented.

Executive Session Attendance:

Denise Dillard, James Cooper, Shontrai Irving, Alesia Pritchett and David Fagan.

ATTENDEES:

Mayor Karen Freeman-Wilson
Attorney Michael Tolbert
Delbert Brown
Hank Mook
Bill Outlar
Dee Scott
Bo Kemp, City of Gary
Shirley Stanford, Gary Sanitary District
Dan Vicari, Gary Sanitary District
John Lukas, AECOM
Ken Ross, NGC
Steve Sandefur, NGC

Emily Tapia-Lopez, Resolute Consulting
 Dan Foreman, Rieth-Riley Construction
 Mike Partin, Gary Jet Center
 Mark Jackson, Boeing Inc.
 Mike Doyne, Citizen
 Rufus Purnell, Citizen
 Jim Nowacki, Citizen
 Lu Ann Franklin, The Times
 Christin Nance Lazerus, Post-Tribune
 Cpl. Terry Lee, GPD

MINUTES:

IT WAS MOVED AND SECONDED TO APPROVE THE BOARD MEETING MINUTES OF APRIL 13, 2015.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

DIRECTOR'S REPORT:

► **Attorney Update**

Attorney Tolbert announced that since Ms. B. R. Lane left the airport to pursue other endeavors, the airport was left without a Director. He expressed that Ms. Lane provided dedicated service and excellent work for GYY. Attorney Tolbert recommended a motion to appoint Daniel F. Vicari as Interim Airport Director.

IT WAS MOVED AND SECONDED TO EXECUTE A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN GCLAA AND GARY SANITARY DISTRICT (DANIEL VICARI AS INTERIM AIRPPORT DIRECTOR), CONTINGENT UPON REVIEW AND APPROVAL BY CHAIRMAN STEPHEN MAYS.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Attorney Tolbert recommended approval of a motion to ratify a Project Manager Agreement between GCIAA and Daniel F. Vicari.

IT WAS MOVED AND SECONDED TO RATIFY A PROJECT MANAGER AGREEMENT BETWEEN GCIAA AND DANIEL VICARI CONTINGENT UPON REVIEW AND APPROVAL BY CHAIRMAN MAYS.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Relative to request to ratify petition to intervene in pending lawsuit, Attorney Tolbert stated that the suit involved the City of Gary, Peter Coulopoulos, Peter Coules and Summit, Inc. He briefly explained that contaminants were detected in the vicinity of the Defendants' property at elevated levels, which affected the airport's use of their property and hindered the runway expansion project. The airport decided to have someone intervene in this litigation on the airport's behalf to ensure the protection of the airport. Attorney Frank Deveau was retained as environmental counsel. Further, Attorney Deveau requested permission to file a petition to intervene in the lawsuit. Attorney Tolbert's recommendation was to approve a motion ratifying the decision to allow Attorney Frank Deveau to file a complaint and petition to intervene in the pending case brought against Peter Coulopoulos, Peter Coules and Summit, Inc. by the City of Gary.

IT WAS MOVED AND SECONDED TO RATIFY THE DECISION TO ALLOW ATTORNEY FRANK DEVEAU TO FILE A COMPLAINT PETITION TO INTERVENE IN THE PENDING LAWSUIT BROUGHT AGAINST PETER COULOPOULOS, PETER COULES AND SUMMIT, INC. BY THE CITY OF GARY.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari thanked the board for putting their trust in him as Interim Airport Director. He added that it was an honor that he looked forward to.

► **Runway Expansion Project Update**

Dan Vicari highlighted the scope of work and presented Reith Riley Construction Co., (CM) #16 (REP-009) in the amount of \$98,400.00 for approval. The additional scope of work included increase in length of gas line removal and restoration of the area impacted by removal of the gas line.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #16 IN THE INCREASE AMOUNT OF \$98,400.00.

Alesia Pritchett clarified that this was through the contingency. Dan Vivari replied yes and added that the contract was 100% complete for the gas main.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari highlighted and presented Reith Riley Construction Co., (CM) #21 (REP-009) in the increase amount of \$115,000.00. This item entailed the additional scope of audio visual capability to West gate #1, bollard installation to protect keypad equipment, and additional reflective warning signage on, and in advance of the new gates/fences to advise motorists of restricted access roadway conditions. He added that the changes to the security system reflected in/out monitoring of the expansion area as it related to the Chicago Avenue access road. This section would now be used as public access with a new security gate at the west end of Chicago Ave.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #21 IN THE INCREASE AMOUNT OF \$115,000.00.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	(Out of Room)
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari highlighted and presented (CM) #31 (REP-009) in the increase amount of \$356,203.00. The scope of work for this contract modification is for completion of two of the three areas of “clay cap” by Reith-Riley’s subcontractor Dyer Construction. Dyer will supply, transport, spread and compact approximately 20% of clay cap across the “clay cap area” as determined by AECOM over the former Conservation Chemical property.

James Cooper questioned the contract modification language of 20% “clay cap cost”. He wanted to know if 20% was correct, noting that \$356,203.00 was not 20% of the contract. Dan Vicari, John Lukas and Ken Ross provided clarification.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #31 IN THE INCREASE AMOUNT OF \$356,203.00.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari highlighted and presented (CM) #32 (REP-009) in an increase amount of \$19,034.35. This involved necessary seeding required to stabilize the four new stockpiles in the construction staging area and seeding additional railroad berm area removed for fill (west of the Boeing Hangar). The airport needed a seed that established quickly and stabilizes the soil to control runoff in order to stay in compliance with IDEM standards.

IT WAS MOVED AND SECONDED TO APPROVED (CM) #32 IN THE INCREASE AMOUNT OF \$19,034.35.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari highlighted and presented (CM) #23 (REP-009) in an increase amount of \$181,528.11. The scope of work for this contract modification is for work required to stockpile the old railroad berm ballast from the top and sides to stockpiles per IDEM/EPA. Since all the ballast could not be utilized for good clean fill, more berm had to be harvested for good brown fill sand.

Alesia Pritchett questioned the area to be covered. John Lukas and Ken Ross supplied answer to this question.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #23 IN THE INCREASE AMOUNT OF \$181,528.11.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari highlighted and presented and requested approval of (CM) #30 (REP-009) in an increase amount of \$32,250.00 to install fencing on the property line between GYY and the southern and eastern edges of the Summit property to prevent trespassing and protect GYY property.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #30 IN AN INCREASE AMOUNT OF \$32,250.00.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

Dan Vicari presented and requested approval of (CM) #29 (REP-009) in an increase amount of \$4,961.90. This contract modification includes revising specific line items in the Rieth-Riley schedule of values due to work being completed nearly two years later than originally contracted to complete in the fall of 2013. Since then material prices have increased, labor rates have increased, additionally mobilizations are required and the window of time they have in which to complete their contract work has been drastically reduced. The largest cost increases were for concrete and asphalt materials. Additionally a time extension is requested from June 30, 2015 to September 30, 2015.

Dan Vicari presented and requested approval of (CM) #02 (REP-022) in the increase amount of \$179,143.08. The reason for the change is because regulated friable asbestos containing material was identified in portions of the debris pile and must be handled by specialized crew and specialized procedures to adequately protect the workers and surrounding community from the risks associated with asbestos exposure.

IT WAS MOVED AND SECONDED TO APPROVE (CM) #02 IN THE INCREASE AMOUNT OF \$179,143.08.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

On behalf of the Board, Vice-President Dillard thanked Dan Vicari for all his work and due diligence.

► **Operations Update**

Delbert Brown highlighted the April 2015 B.O.B. Dashboard. The following areas were highlighted:

- ➔ Budget – Overall revenues up by 3%, expenses down by 2% for April 2015 vs April 2014. Aircraft landing fee revenue up by 79%, fuel flowage fee revenue rose by 216% and is attributable to increased operations and sales. Overall operations increased 30% over April of last year. Total growth for 2015 is 43%.
- ➔ Compliance – The daily inspection and preventative maintenance program is effective. The quarterly audit of recordkeeping yielded undesirable results. While practices yielded results, the documentation was substandard. Corrective actions have been implemented. The results were not desirable but were caught internally, prior to external (FAA) review with ample time to cure these issues. Work order completion rate is 98% for the month of April. Extensive removal of brush to reduce cover for deer and wildlife continues. Preparations continue for the airports Live Emergency Disaster Exercise this summer.
- ➔ Staff Development – Logged 36 hours of training relative to powered truck operations, FAA Part 139, procurement, airport construction and teambuilding. The monthly “big pot” was held, whereas the Airport Manager prepares lunch and discussion focuses on airport challenges, safety and ways to improve the work environment.
- ➔ Outreach and Promotion – Will meet with four airlines June 1-3 through the Jumpstart Conference. Jumpstart offers an opportunity to meet and network with airline route planning staff and build relationships and look at merging opportunities.
- ➔ Meeting with Ivy Tech in Fort Wayne to understand their Airframe & Power plant Program and learn what opportunities for higher education partnerships may exist for GYY.

- Submittal of an application by B. Coleman Aviation to be included in the DCA Access Standard Security Plan, which would allow GYY to serve as a gateway to Washington Reagan Airport once their application is approved.
- Plans continue for the Gary Airshow. GYY will be the staging area for the Airshow, which will occur July 11th & 12th from 10:00 a.m. to 3:00 p.m. at Marquette Park Beach. Airfield tenants will be kept updated via e-mail and phone calls regarding construction progress, pending changes and how their operations may be effected.
- Attendance at Northwest Indiana Trade Alliance Luncheon where it was learned from Jose Peral, from Pro-Mexico Ministry of Economy, of his desire to expand trade and investment with NW Indiana.
- Meeting with NW Ind Forum to get familiar with their services and the value of a relationship with this organization.
- Procurement – The draft procurement policy was submitted to Attorney Tolbert for his review/comments relative to compliance with applicable Federal, State & Local requirements. Outreach regarding procurement policies has been strengthened to be more accessible to DBE vendors.
- Site work construction bids for the fuel farm were received. In the process of working with the lowest bidder to ensure they can complete the specified work on schedule.
- Customs – Continue to work with all parties to establish US Customs services for GYY customers. The new facility will cost an estimated \$750k.

Delbert Brown recommended approval of a contract with Burling Builders, Inc. in the amount of \$162,891.70 for site work to expand the GYY fuel farm to accommodate two 20,000 gallon above ground fuel tanks. This work would be reimbursed by East Lake Development. David Fagan questioned if Burling Builders felt comfortable with their bid. He noted that their bid was approximately 40% under other bidders. He mainly was concerned if airport staff was comfortable that bidding was done according to the specs and if Burling was aware of their obligation under the specs. Dan Vicari responded that it was a responsible bid. Ken Ross added that Burling understood that there would not be any deviation from the specs. Ken Ross also responded to Alesia Pritchett's question relative to meaning of mobilization/demobilization.

IT WAS MOVED AN SECONDED TO APPROVE A CONTRACT WITH BURLING BUILDERS, INC. IN THE AMOUNT OF \$162,891.70 FOR FUEL FARM SITE CIVIL CONSTRUCTION.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye
Mr. Fagan	Aye

MOTION CARRIED.

[David Fagan had to leave after this vote].

FINANCIAL REPORT:

Bill Outlar presented and requested approval of the Purchase Order Approval Lists/Register of Claims for all funds dated May 11, 2015.

IT WAS MOVED AND SECONDED TO APPROVE THE PURCHASE ORDER APPROVAL LISTS/REGISTER OF CLAIMS FOR ALL FUNDS DATED MAY 11, 2015.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye

MOTION CARRIED.

Bill Outlar presented and requested approval of Construction Draw Request No. 9 in the amount of \$1,820,993.86.

IT WAS MOVED AND SECONDED TO APPROVE CONSTRUCTION DRAW REQUESTS NO. 9 IN THE AMOUNT OF \$1,820,993.86 AND TO AUTHORIZE GCIAA BOARD OFFICERS TO EXECUTE THE PAYMENT REQUISITION FORM DIRECTING THE TRUSTEE TO PAY THE TRANSACTION COSTS.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye

MOTION CARRIED.

Per request at the last board meeting, Bill Outlar provided an update relative to remaining funds present in the escrow/bond funds.

IT WAS MOVED AND SECONDED TO ACCEPT THE FINANCIAL UPDATE RELATIVE TO THE ESCROW / BOND FUNDS.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye

MOTION CARRIED.

NEW BUSINESS:

▶ **Proposed Execution of Transfer Agreement**

Dan Vicari requested approval of a Transfer Agreement per the FAA for their owned equipment, which is housed at the airport.

IT WAS MOVED AND SECONDED TO APPROVE THE TRANSFER AGREEMENT WITH THE FAA.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye

MOTION CARRIED.

▶ **GAAP Audit**

Bill Outlar presented and recommended approval for Crowe Horwath, LLP to perform advisory services in connection with financial statement and audit preparation services. He proceeded to explain the need for this and noted that it was a two part process. Crowe Horwath was recommended to perform the conversion in the amount of \$47,000.00.

IT WAS MOVED AND SECONDED TO APPROVE CROWE HORWATH'S SCOPE OF WORK AS OUTLINED IN THEIR MAY 10, 2015 LETTER FOR AUDIT PREPARATION SERVICES IN AN AMOUNT NOT TO EXCEED \$47,000.00.

ROLL CALL

Ms. Dillard Aye
Mr. Cooper Aye
Mr. Irving Aye
Ms. Pritchett Aye

MOTION CARRIED.

Bill Outlar stated that the second part of this process involved the completion of a GAAP audit after Crowe Horwath presented the completed audit preparation. He noted that only one company submitted a proposal, Whittaker & Company, in an amount not to exceed \$30,000.00.

IT WAS MOVED AND SECONDED TO ENGAGE WHITTAKER & COMPANY TO COMPLETE A GAAP AUDIT, NOT TO EXCEED \$30,000.00 AFTER COMPLETION OF THE AUDIT PREPARATION TO BE DONE BY CROWE HORWATH.

ROLL CALL

Ms. Dillard Aye
Mr. Cooper Aye
Mr. Irving Aye
Ms. Pritchett Aye

MOTION CARRIED.**► Sycamore Advisors Engagement Letter**

Bill Outlar requested approval of Sycamore Advisors Engagement Letter for Post Issuance Compliance Policy in an amount not to exceed \$12,450.00. Sycamore was previously approved by the board but the amount has increased due to additional work performed.

IT WAS MOVED AND SECONDED TO APPROVE SYCAMORE ADVISORS ENGAGEMENT LETTER IN AN AMOUNT NOT-TO-EXCEED \$12,450.00.

ROLL CALL

Ms. Dillard Aye
Mr. Cooper Aye
Mr. Irving Aye
Ms. Pritchett Aye

MOTION CARRIED.

► **Adoption of Minimum Standards**

Attorney Tolbert provided brief background relative to adoption of minimum standards stating that this process was ongoing. Part of the Settlement Agreement between the airport and B. Coleman required that GYY revise the minimum standards. This process has been going on for quite a while with two previous extensions. He noted that there were two primary issues remaining that needed finality, which required more time. He requested a 60-day extension as opposed to 30 days.

IT WAS MOVED AND SECONDED TO APPROVE A 60-DAY EXTENSION TO ADOPT MINIMUM STANDARDS.

ROLL CALL

Ms. Dillard	Aye
Mr. Cooper	Aye
Mr. Irving	Aye
Ms. Pritchett	Aye

MOTION CARRIED.

PUBLIC INPUT:

Jim Nowacki, 2nd District, commented on Gary being the second largest city in the State of Indiana. He noted that the airport started in 1948. He ended his comments by referring to the number of and amounts of change orders.

Bo Kemp, Executive Director Gary Economic Development Corporation and Advisor to Mayor Karen Freeman-Wilson commented on some of the very positive things happening in the City of Gary.

ADJOURNMENT:

The meeting was adjourned at 1:15 p.m.


MINUTES TRANSCRIBED BY D. SCOTT

File: REGMIN.MAY 11, 2015

Attachment:

1. Purchase Order Approval Lists/Register of Claims dated May 11, 2015

MINUTES APPROVED BY
GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY


Denise C. Dillard, Vice-President


Alesia Pritchett, Secretary