

**Minutes of Special Meeting
County Clerk
December 2, 2015
10:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Dan Green, Commissioner Marc Eberlein, and Commissioner David Stewart met to discuss the following agenda item. Also present were Clerk Jim Brannon, Chief Deputy Clerk Pat Raffee, Finance Director Sondra Emerson, Staff Accountants Nancy Curotto and Melissa Merrifield, Assessor Mike McDowell, Prosecutor Barry McHugh, Grants Management Office (GMO) Director Jody Bieze, Airport Director Greg Delavan, Deputy Director Phil Cummings, Administrative Assistant Mary Hopkins, and Deputy Clerk Alicia Lynch. Also present were Airport Advisory Board Members D. John Adams, James M. Thorpe, Joan Genter, Nolan Wiley, T-O Engineers Representatives Ben Weymath and JR Norwell, citizen Greg Cook, and Coeur d'Alene Press staff writer Brian Walker.

- A. Call to Order:** Chairman Dan Green called the meeting to order at 10:00 a.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. New Business:**

Discussion of the Airport Grants Administration Research

Chairman Green reminded those present that the discussion was a result of the Board's request for the Auditor's office to clarify amounts expended on grants administration activities for the Airport's grants. He said the direction given to the Auditor's office was to quantify the amounts spent over several years, and to estimate how much would have been spent if the County handled more functions internally through the GMO as opposed to using an outside contractor. Chairman Green emphasized that this exploration was not due to any concerns about wrong doing on the part of T-O Engineers.

Clerk Jim Brannon stated the research presented to the Board was not an audit. The Board asked some clarifying questions, and Staff Accountant Nancy Curotto noted the data presented were conservative estimates. She said the estimates were based on the T-O Engineers' invoices, and conversations with T-O Engineers. She stated that not all Airport's grant administration expenditures could be precisely quantified, but those T-O administrative hours which were able to be segmented were used as the multiplier with GMO staff wage rates to create the hypothetical comparable costs of the County's performing similar tasks in-house.

Chief Deputy Clerk Pat Raffee responded to several questions regarding data sources, and affirmed that T-O Engineers' personnel had been cooperative and forthcoming.

Clerk Brannon said that his office had fulfilled the request made by the Board concerning two of the Board's departments. He said additional information could be provided if the Board desired, and that while the Auditor's office had relayed some opinions in the research memo based on the information gathered, any decisions to be made were the Board's.

Airport Administrative Assistant Mary Hopkins exited the meeting at 10:21 a.m.

Airport Director Greg Delavan said his understanding from Montana airports was that Counties could not be reimbursed by grant funds for administrative fees, that only outside contractors could be paid administrative fees through grant funds.

Prosecutor Barry McHugh exited the meeting at 10:29 a.m.

Commissioner David Stewart asked if Federal Aviation Administration (FAA) certification was required to administrate these grants and if GMO had the technical expertise to handle the maintenance and administration (M & A) of the grant.

GMO Director Jody Bieze stated that her office would not be taking on technical aspects of the grants, but handling the M & A portion was the work they do for the Transit grants funded by the Federal Transit Administration (FTA). She added that if the Board directed her she would forward her team's credentials to the FAA to see if they meet FAA standards or if any certification was available.

Prosecutor Barry McHugh and Administrative Assistant Mary Hopkins rejoined the meeting at 10:32 a.m.

Commissioner Stewart inquired if GMO was currently staffed appropriately to handle additional work on the Airport's grants. He wondered if additional personnel would need to be hired, or if not, perhaps the GMO was currently over-staffed.

Mr. Delavan said his opinion was that all parts of the Airport grants were technical and he was concerned with losing FAA funding if the grants were not managed by T-O Engineers. Mr. Delavan provided the Board copies of an email chain between FAA's Gary Gates and Ms. Bieze, which contained a query regarding Indirect Cost Rates that was initiated by Ms Bieze.

In response to the Board's question, Prosecutor Barry McHugh clarified that "inconsistent contract provisions" which surfaced during the review was regarding some travel expense items listed in Airport contracts but not in Sheriff contracts with T-O Engineers. He said it might be appropriate in the future to review what the County can ask of a contracted vendor.

Commissioner Stewart asked for some specifics regarding the Airport Sustainability Plan numbers, which Clerk Brannon said would be provided to the Board. Commissioner Stewart was also concerned with losing FAA funding if grant management responsibilities were changed.

Commissioner Marc Eberlein stated any discussion of change would be moot if it was not possible for GMO to be reimbursed for their work the same as an outside contractor would be. He wanted to know definitively if it was or was not possible.

The Board made no decisions.

E. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing.

Citizen Greg Cook stated that while he was with Panhandle Area Council (PAC), going through the County’s GMO added extra time and effort for PAC staff, without additional income. He encouraged the Board to keep the functions as they are now.

Chairman Green adjourned the meeting at 11:26 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

DANIEL H. GREEN, CHAIRMAN

BY: _____
Alicia Lynch, Deputy Clerk
