

REVISED MINUTES

Grand Junction Housing Authority
Board of Commissioners' Meeting
Special July Meeting

Friday, July 10, 2015
Linden Pointe Community Center
8:00 a.m.

1. Call to Order

Board Chair Chris Launer called to order a special July Meeting of the Grand Junction Housing Authority (GJHA) at 8:01 a.m. with the following in attendance: Board Members Scott Aker and Chris Mueller; Board Members participating by telephone included Tami Beard and Chuck McDaniel with Barbara Traylor Smith joining the Meeting later; and GJHA staff members CEO Jody Kole, COO Lori Rosendahl, and Executive Assistant Kristine Franz. Participating Board Members represented a quorum. Jerry Schafer did not attend.

2. 8 Foresight Circle

Jody Kole began her presentation on 8 Foresight Circle by stating that a considerable amount of effort went into further refining the budget without losing building quality/integrity and still constructing a nice professional-looking office building.

Not opting for short-sighted cuts, Jody Kole cited examples of items eliminated to decrease costs but that are not detrimental to the building. Items eliminated included a number of windows in conference rooms and the maintenance building multi-purpose room; trimmed the number and quality of furnishings; and saved \$54K in framing costs, for a grand total of roughly \$167K in costs. Because of the exclusion of several windows, Jody Kole addressed Scott Aker's concern of reducing natural light, especially affecting staff areas. Windows excluded are in large meeting rooms. The windows around the atrium in the core of the building and raised ceilings help to balance out the building's natural light.

Barbara Traylor Smith joined the Meeting at 8:03 a.m. by a telephone conference call.

Barbara Traylor-Smith expressed concern about whether all local office furniture companies had the opportunity to bid on office furniture. She has been contacted by a local vendor.

In response, Jody referred the group to a letter dated July 6, 2015 from the project architect Chip Melick of Melick Associates, outlining the process he led to select office furniture. Board Members received this document in the Board Packet for this Meeting. Melick, Kole and Rosendahl toured 6 office furniture businesses, two in Grand Junction and four in Denver. Given that each furniture vendor sells different lines with various designs and styles, the group worked hard to compare like quality pieces with comparable finishes. One vendor in Denver and one vendor in Grand Junction were eliminated as not having comparable quality furniture to offer. Bids were solicited from the remaining vendors. Staff has worked hard to re-use the majority of the existing furniture at the

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1011 North Tenth building, and sought new furnishings that would be of comparable quality and reasonably compatible with the existing furnishings. The bid received from the local vendor was actually higher than the Denver vendors' bids.

In support of general construction opportunities for local subcontractors/vendors, Chris Launer referenced the letter from Mr. Sam Meyer of Shaw Construction dated July 7, 2015 that stated Shaw anticipates awarding 90% of the contracts to subcontractors and vendors from Mesa County and/or surrounding communities (Garfield County, Delta, Montrose). The Board Packet information contained this document.

Chris Launer requested that a long-term file be retained of all subcontractor/vendor bids submitted to GJHA and Shaw Construction for 8 Foresight Circle. Staff concurred.

Additional topics discussed included:

- The purchase price/renovation square footage cost, excluding furniture and moving costs of existing furniture, is \$210/square foot
- Comparisons of square footage cost to similar community acquisition/renovation projects
 - Elements driving 8 Foresight Circle square footage cost includes demolishing the interior; replacing the heating, ventilating, and air conditioning (HVAC) system; raising ceilings; and reconstructing the parking lot
- Longevity of the building, furniture/fixtures/equipment (FF&E)
- Building an addition to accommodate the entire maintenance staff

Jody Kole discussed the Sources and Uses document included in the Board Packet documentation for both 8 Foresight Circle and The Highlands. She explained the proposed financing and clarified Board questions. Financial topics discussed included:

- Proposed financing sources/amounts for both properties
- Cash flows
- Selling the Voucher Service Center building at 1011 N. 10th Street
- After the proceeds of the sale of 1011 N. 10th Street is applied to the loan, 8 Foresight Circle will have an forecasted long-term permanent loan amount of \$1.2M with a monthly payment amount of \$5,536/month at 2.75% interest for 25 years with a 5-year interest reset

With inquiries, clarification, and discussion completed, Scott Aker made a motion to authorize Part B of the Design-Build Contract with Shaw Construction in the amount of \$2,927,859, and to authorize the Board Chair and CEO to sign loan documents with the Bank of Colorado pertaining to this transaction. Tami Beard seconded the motion and it passed unanimously.

3. Other Business

Chris Launer requested a review of the Executive Session process. These rules are covered in the guidelines under the "Colorado Sunshine Act -- Open Meeting Law. Brief conversation ensued covering suggested topics to be addressed for clarification. This process review is an Agenda item for the July 27, 2015 Board Meeting. Jody Kole will invite Grand Junction City Attorney John Shaver to attend the meeting and advise the Board.

Note: The July 27, 2015 Board Meeting was re-scheduled for August 5, 2015.

Tami Beard and Barbara Traylor Smith ending their telephone conference call participation at 8:50 a.m. A quorum remained.

Chris Launer asked that an Executive Compensation Committee meeting be scheduled. Committee members will be polled for availability.

Note: This Meeting is scheduled for July 21, 2015 at 11:00 a.m. at Linden Pointe.

4. Adjourn

The special July GJHA Board Meeting adjourned at 8:52 a.m.