

**Board of Directors Special Meeting**

**Thursday, August 20, 2019, 7:00 a.m.**

**Location: Idaho Falls Auditorium District Office**

**467 Constitution Way, Idaho Falls, Idaho 83405**

**Attendees:** Terri Gazdik, John LoBuono, Bob Nitschke, Doug Swanson, Steve Vucovich, Rob Spear, Mark Fuller, Salem Thomas, James West, Tana Barney, Chad Hammond, Mike Clements, Blake Davis

1. Call to Order – at 7:01 a.m. Motion to approve the agenda. Seconded. Motion passes.
2. **Discussion Item** - Public Comment – None.
3. **Action Item** - Pioneer Road Bid Authorization – Spear explained that we have received a work order from Pioneer Front Properties for the removal of three power poles. Pioneer Flat Properties and Rocky Mountain Power have been in discussion for a year on the best option. This option is the most cost effective. The invoice was discussed and agreed upon to proceed with by the Building Committee. As it is a required action to move forward, Spear recommended the Board approve the work order. LoBuono asked why it has been decided to use Rocky Mountain Power. Tana Barney said that the poles were already there before Snake River Landing was annexed into the City and belong to Rocky Mountain Power. Motion to approve the $4383 to proceed. Seconded. Motion passes.

The Board received further clarification on the bid status of Pioneer Road. Bateman-Hall has been putting together a package for all of Pioneer Road, and for just the water line project. Since it was confirmed that Bateman-Hall is the CM/GC, they can now move forward with the bidding process. Tana Barney determined that Snake River Landing is not prepared at this point to move forward with the bidding process because they are not experienced with the Public Works competitive bidding process. Spear clarified to the Board that since Bateman-Hall is the GC they can move forward with the bidding process.

1. **Action Item** – Early Construction Start Approval – Spear reviewed the pros and the cons of an early project start date. The main purpose of the early start date is to help the project stay on schedule for an October 2021 opening. With the early start dedicated to the building pad and if vertical construction starts in March 2020, there is a good chance the Event Center will be complete by October 1, 2021. It was communicated to the Board that the actual hockey season starts September 15. There is a con with the idea that if it is formally announced that the construction has started and then has to be delayed, the public will be upset that the funding wasn’t in place before construction began. It could be a PR nightmare. Spear suggested that one way to combat this would be to not have a formal announcement or ground breaking ceremony. Spear indicated that there is no risk to the Board at this point to approve the bidding process, because if all of the funds are not in place by March 2020, the Board can still decide to delay the project. Any costs to maintain the pad and secure the site would be minimal. If the Board decided to shut down the site for a year, the costs would be about $2,000 per month to rent a fence, and around $2,500 for a one-time fee to sterilize the pad.

Gazdik referred to a couple of things that had to be addressed between the last meeting and today in order to proceed with the early package. She first referred to the CM/GC contract issue which had been resolved. She then asked about the waterline and problems with going vertical and asked how those issues had been resolved. Spear explained that the waterline would be part of Bateman Hall’s plans. Mike Clements commented that they have been working with the city engineer to figure out the fire hydrants and waterlines that are to go in along Pioneer Road. They have been discussing going vertical in the spring of 2020 and it is possible that the two fire hydrants already in place may be sufficient to proceed.

Mike Clements shared what the estimate for the building pad included. It includes cuts, fills, utilities (sewer line, water line, storm line), rock excavation, etc. He said the main goal would to be to get all the rock blasted this fall, stub in all site utilities, and construct a building pad and parts of the parking lot up to subgrade structural fill. Clements also shared that the current market conditions in the construction industry in Idaho Falls will make it difficult to complete the project in the original time frame without the early start date. All construction companies are short on qualified workers. Clements said it will be more money to start the project early but if it doesn’t happen construction isn’t likely to be completed on time. Fuller said that Centennial Management is pushing to have the building delivered to them by August 15, 2021. They want to have four week access to the building in order to make sure everything is ready for the season and that they can have a well-planned grand opening. Fuller continued that Gazdik had suggested a provision in the contract that the Board have until August 15, 2020 to determine if the Mountain America Center will open to accommodate a 2021 hockey season. At that point, it will only be one year away from the anticipated opening date and there will be more information available to help determine a more realistic opening date. Centennial Management will need to secure a hockey franchise by September 1, 2020 in order to start the 2021 season.

Vucovich asked what repercussions would occur if, when August 2020 comes around, and the Board explains to Centennial Management that the building will not be complete in time for the 2021 hockey season. Gazdik said Centennial would probably wait to obtain a franchise license until 2021 and focus on other events. Fuller said that Kevin Greene explained the first hockey game would be September 15, 2021. Gazdik said that by August 15, 2020 the building will be well underway and the Board should have a good idea of when the building will be open.

Fuller briefed the Board on the expectations of individuals who will purchase certificates of participation. Purchasers will prefer the Board to have the maximum assets to cover the certificates of participation. With the donation from Mountain America Credit Union, there is more than $14 million in the IFAD account. This preliminary estimate of the early start package is at $5.8M

Clements explained that Bateman-Hall will break down the bid process into three areas. The first bid item would be all of Pioneer Road including the water line structure. The second package for only for the water line and structure over the canal. The third package is for everything to get the building pad and utilities in place. After the bids come back in, Bateman-Hall will come back to the Board for approval in mid-September.

Spear offered two points of clarification. He responded to a question from Nitschke about the cost of the water loop. He said that the Board initially approved $1,055,000 to complete Pioneer Road which didn’t include the water loop. It was increased to $1,122,000 to include the estimate of the support structure of $67,305. Secondly, the hockey season runs from September to the beginning of March, and the playoffs would be after that.

Gazdik acknowledged the Board had approved the $1,122,000 previously, but questioned what exactly the new Pioneer Road bidding package includes. Fuller answered that the approval of this early start project would allow Bateman Hall to prepare the packages as they had presented to the Board in this meeting which includes Pioneer Road, early project start and the water loop.

Gazdik asked if the Board was required, as a municipality, to accept the lowest bid. Fuller explained that the Board must accept the bid from the “lowest responsible bidder”. Clements said it is challenging to eliminate someone who has a public works license and performance bond who is the low bidder. Fuller explained there are ways to establish and document a bidder who may be non-responsible.

Clements explained that now is not a bad time to go out for bid because many projects are ending as the summer closes.

LoBuono said he doesn’t see any risk in moving forward with sending bids packages out this week. In three weeks, the Board will come back and decide on moving forward with the proposals or not. He asked for Spear’s recommendation. Spear reiterated what Fuller stated that an early start is necessary to meet the October 2021 opening. Spear indicated that there is no risk to the Board at this time and that the Board will have more information after the bids are secured. Nitschke commented that he is concerned that the Board’s current funding situation is not on target. He explained that he continues to hear about fundraising prospects without commitments. Gazdik explained that the Board could potentially turn down all the bids after they come in, if the Board thinks they are all too high or if the Board decides to proceed more cautiously.

LoBuono moved to approve Bateman Hall/Hogan to develop the bid packages for Pioneer Road, the water loop and the early construction phase LoBuono asked what the estimated cost for Pioneer Road is. Spear reminded him of the more than $1.22M they approved last month for the road. However, the new cost estimates may come in higher. Motion seconded. Motion passes unanimously.

1. Calendar and Announcements
	1. Upcoming IFAD Meeting/Events – **Next Meeting on August 27, 2019**
	2. **Discussion Item** - Announcements and Minor Questions
	3. **Discussion Item** - Agenda Items for August 27th meeting – Review the Centennial Contract in more detail. Spear said the Board should establish community standards for the event center (what kind of events the community wants to have in the center) and be prepared to discuss the term of the proposed agreement.

Nitschke reminded the Board that Bill Kruger offered to review the contract with Centennial Management.

There will be a meeting immediately following the August 27 Board meeting concerning the 60% Design review. It will likely last more than 4 hours.

1. **Action Item** - Adjournment from Public Session – Motion to adjourn at 8:08 a.m. Seconded. Motion passes.

Action Items

None.