

# Idaho Falls Auditorium District

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Board of Directors — Business Meeting  
Hampton Inn, 2500 Channing Way, Idaho Falls, ID 83404  
16 April 2012  
8:00 a.m.

## Minutes

**In Attendance:** IFAD Board Members: Robb Chiles, Bob Everhart, and Kris Meek. Board Members Cindy Ozaki and Jeff Sayer were excused. Also in attendance: Mark Fuller (legal counsel), Kevin DeKold (Architectural Firm, CRSA), and Rebecca Casper (consultant).

### I. Call to Order.

Conducted by Vice-Chairman Meek, the meeting was called to order at 8:11a.m.

### II. Adoption of the Agenda.

*Action:* Mr. Everhart moved to amend and adopt the agenda.

*Action:* Mr. Chiles seconded the motion.

*Result:* All members present voted in the affirmative.

### III. Approval of the Minutes from Previous Meeting.

*Action:* Mr. Chiles made a motion to accept the minutes from the public meeting on March 12<sup>th</sup>.

*Action:* Mr. Everhart seconded the motion.

*Result:* All members present voted in the affirmative.

### IV. Approval of IFAD Payables.

*Background:* Written copies of contractor invoices are submitted to individual board members in advance of consideration on the agenda.

*Action:* Mr. Everhart made a motion to pay the invoice from Fuller & Beck dated April 2<sup>nd</sup>.

*Action:* Mr. Chiles seconded the motion.

*Result:* All members present voted in the affirmative.

### V. State Tax Commission Negotiations re: Tax Collection and Hotel Audits.

*Background:* Mr. Fuller has been in touch with the State tax Commission. Their approval for this year runs through June 2-12. But even if they started working on this now, no collections would begin until January of 2013 at the earliest if full payment (approx \$60K) were to be made by the IFAD now—prior to the end of the fiscal year. This delay is in part due to the installation of a new “optical” software system. The new system would, however, allow for increased efficiency through bill scanning. An STC estimate from the IT staff for

the work involved comes in at 900 hours—this large amount of time accounts for the lengthy time frame and cost. In light of this, Mr. Fuller’s recommendation to the IFAD Board is to seek an MOU (at no cost) and hold onto it for a year until the new system is up and running and has all of the problems worked out. This strategy may serve to bring the cost down—assuming the STC will have found some other way to pay for the 900 hours involved in installing the new system (which is now only used by the GBAD). This would require obtaining JFAC approval again next year. Mr. Poppler and the STC understand that seeking the MOU in no way commits the IFAD to using the STC services. It would merely outline such a relationship if it were to be established.

*Additional background.* One of the primary reasons the IFAD Board wished to pursue state collection of taxes is because the STC is legally empowered to place a tax lien on property when taxes become delinquent. Mr. Fuller reported that the hotel room taxes for the IFAD largely have been paid voluntarily and collected without real controversy thus far. Mr. Everhart indicated that having a year’s worth of data from self-collection might be instructive before entering into a contract with the STC. Mr. Fuller has also determined that there are alternatives to tax liens which can be as effective. If this is the case, then rushing into a relationship with the STC might not be prudent or expedient.

*Action:* No action was taken.

## **VI. Contract Renewal.**

*Background:* The consulting contract with Ms. Casper expires in April.

*Action:* Mr. Everhart made a motion to extend the support services contract on a month-to-month basis and to change the name of the contractor from Rebecca Casper to the name of her business, Omnia Strategies.

*Action:* Mr. Chiles seconded the motion.

*Discussion:* The contract calls for the consultant to assist with the job search for an executive director. The Board members felt that a preliminary job description should be prepared for an upcoming meeting very soon so that this discussion may begin. Mr. Everhart said it may be time to consider obtaining office space.

*Result:* All members present voted in the affirmative.

## **VII. Training Opportunities.**

*Background.* Chairwoman Ozaki has identified two difference training seminars coming up that might be relevant for members of the IFAD board to attend: 1) Social media workshop, April 19<sup>th</sup> from 9-4 at the Shilo at a cost of \$40 per person; and 2) Idaho PRIMA (Public Risk Management) for public government agencies, on May 3<sup>rd</sup> 8:30-4 at a cost of \$35 per person.

*Action:* Mr. Everhart made a motion to approve attendance and pay for registration for those board members desiring to attend these training workshops.

*Action:* Mr. Chiles seconded the motion.

*Discussion.* Anyone interested in attending must contact Ms. Ozaki to get event details and make arrangements for registration and payment.

*Result:* All members present voted in favor of the motion.

## **VIII. Updates and Reports:**

**A. Discussion with Development Company.**

*Report and Discussion.* As directed by the Board, Mr. Meek spoke with the Development Company in Rexburg to investigate the possibility of obtaining grant funds for the Event Center. What he learned was that the kind of grant funding available for government projects was modest and therefore better suited to special projects later in the development process rather than for footing construction costs now. He specifically discussed CDBG funds that the city administers and CDC grants. EB-5 is the only large-scale funding source provided by the federal government—it is not a grant.

**B. Meeting with Nick Miller, Bond Attorney.**

*Report and Discussion.* Mr. Fuller and Ms. Ozaki met on April 11<sup>th</sup> with IFAD bond counsel, Nick Miller, and Eric Herringer, of Seattle Northwest Securities Corporation, a bond underwriter. It was an amiable meeting and was primarily just a follow-up to a letter previously submitted by Mr. Miller to the IFAD. They briefly discussed some possible options for finding revenue for the development. Mr. Fuller will summarize the content in memorandum at a future meeting.

**C. Meeting with SRL Management.**

*Report and Discussion.* Mr. Everhart, Mr. Fuller, and Mr. Chiles met with Eric Isom and Tana Barney at Snake River Landing about defining the piece of land to be used for the Event Center and determining how it was to be transferred over. Much discussion of this nature was held during the feasibility study phase before the IFAD even existed. However, as none of those talks or decisions is binding upon the IFAD Board, the issues must be addressed anew. They jointly determined to continue the discussion on May 3<sup>rd</sup> at which time SRL would be bringing in their land-use developers, Law Kingdon Architects, to participate in the discussion. The board determined that Mr. Fuller did not need to be a part of the discussion of land use issues but that Mr. DeKold probably did need to be present whenever land use and design was being discussed. Mr. Fuller's expertise would come back into play once the transfer of the parcel was imminent.

**D. E-Center Research Possibilities.**

*Report and Discussion.* Ms. Casper reported a conversation that she had had with Mr. Corey Smith—who had also been discussing with Mr. Sayer the possibility of having an E-Center student consulting team provide background research for the IFAD in the area of financing for example. The Board members discussed the idea of contracting with the team and determined to form a subcommittee known as the "Fiscal Donor Marketing Committee" to investigate this further. Mr. Meek appointed himself and elected to invite Chairwoman Ozaki and/or Mr. Sayer to sit on or advise the committee. Mr. Meek asked Ms. Casper to assist the committee.

*Action:* Mr. Everhart made a motion that the committee be empowered to investigate funding sources and determine the most effective means of investigating/researching these sources, and that the committee be authorized to expend up to \$3000 to conduct the research—without any further board approval.

*Action:* Mr. Chiles seconded the motion.

*Result:* All members present voted in the affirmative.

## **IX. Architecture Update.**

*Report and Discussion.* The difficulty of not having a final budget presents design difficulties. After consulting with Mr. Fuller, the Architecture team determined to create a design that hits the \$24M mark and then create a \$4M schedule of "additive or deductive alternates." This \$20M-\$28M range would allow for a wide range of design options to be considered—at cost value—when final budget numbers become more focused. This will provide the desired flexibility when final decisions must be made and cost less than creating 3 different designs. Mr. DeKold also mentioned the importance of making this Event Center a true multi-purpose facility. Doing so requires some base design features that, while not necessarily readily perceived by the naked eye, must be in place to facilitate a broad range of uses—reinforcements, certain types of flooring, etc. To guide the design team, Mr. DeKold asked the Board to weigh in on what some of the minimal multi-use functions should be. The board responded with the following: 1 ice sheet (hockey), concerts, theatrical events, trade shows, and conventions w/breakout meeting space/loge seating. Mr. DeKold was going to look into "dirt" events and determine if they required different structure requirements.

*Additional Discussion.* Regarding CMGC (Construction Manager General Contractor Methodology), Mr. Fuller shared a brief memo. In sum: the state of Idaho requires that all construction be bid out to the lowest responsible bidder. However, the legislature in 2006 made an exception to this rule wherein they recognized the existence of alternative construction delivery methods including the CMGC approach when they adopted something very similar to it when renovating the capitol building. However, the statute allowing the exception had very clear intent as to the one-time nature of the exception. Mr. Fuller has not yet been able to discuss this with any of the primary authors of this bill. For now, Mr. DeKold feels that when public money is involved, all projects must go through the DPW (Department of Public Works.) If, however, the money collected by the IFAD is not determined to be state money, then the Event Center may be excluded from DPW. Mr. Meek pointed out that while all district money is state money, if the source of the money is the hotels, then perhaps it could be argued that the IFAD is an exception. The Board directed Mr. Fuller to report back after he is able to speak with those involved.

*Additional Discussion.* Mr. DeKold spoke about the additional work that needs to be done. There is so much more to be accomplished that working together on every aspect will be impossible,. He suggested that the Board consider "figure-heading" the tasks—and tackling each area separately-as individuals and as committees. He recommended the formation of the Money committee (already accomplished) and another-the "Building and Planning Committee." These committees could help to make decisions about budgeting, planning scheduling, project management, bookkeeping, recordkeeping, contact management, building systems, materials construction methodologies, value engineering. And all of these functions will vary by Phase. Programming needs to be addresses and an operator is needed for that along with determining scheduling, maintenance, etc. Mr. DeKold expects that the subcommittee will begin bringing information to the board. It will be important to form that committee at the next meeting when Ms. Ozaki and perhaps Mr. Sayer can be in attendance. Mr. DeKold pointed out another possible committee: The FF&E Committee. FF&E is typically figured as a "soft" cost.

*Resolution:* IFAD Board members agreed to the goal of approving/forming the Building and Planning Committee at the April 30<sup>th</sup> meeting as well as to approve the CRSA contract at that time. This would allow CRS to begin leading out on the first of May. This would allow 2 full months of work to be done before July 1<sup>st</sup> canal design work must begin. The plans to meet with Snake River Landing on May 3<sup>rd</sup> dovetails nicely into this schedule. The concept of a *Charette* was also discussed—this is an intense design project—for the first few days of May. Finally, the notion of going before the public in Mid-May was also laid out as a goal.

## **X. Calendar & Announcements.**

**A. April 30<sup>th</sup> Meeting.** Fairfield Inn, 8 a.m.

**B. May Meeting Dates.** Mr. Chiles suggested that the IFAD begin to meet in other hotel locations as well and in each new location the hotel managers be invited to take a few minutes of time at the beginning of a meeting to discuss their facility. The dates of May 14<sup>th</sup>, May 29<sup>th</sup>, June 11<sup>th</sup> and June 25<sup>th</sup> were identified as possible future meeting dates—subject to change.

**C. Public Meetings.** Tentatively desired in Mid-to-late-May.

**D. Announcement.** All PR communication with media needs to be routed to Cindy Ozaki—the designated spokesperson for the IFAD Board.

## **XI. Public Comment.**

There was no public comment.

## **XII. Adjournment.** At 10:15 a.m.

*Action:* Mr. Everhart made a motion to adjourn.

*Action:* Mr. Chiles seconded the motion.

*Result:* All members present voted in the affirmative to adjourn at 10:15 am.