Approved

**Board of Directors – Regular Business Meeting**

**425 N. Capital Ave., Idaho Falls, ID 83402**

**Wednesday, 4 October 2017, 7:00 a.m.**

**Minutes:**

 *In Attendance: Chariman Terri Gazdik, Board Members Doug Swanson, Jill Kirkham, Bob Nitschke, John LuBuono, IFAD Legal Counsel Mark Fuller, Chip Schwarze, James West, Kevin Trevellyan, Kassy Shepherd, Brent Bates, Tara Burke, Mike Clements, Blake Davis, Kevin Greene, Kerry Mantor and Eric Isom*

1. **Call to Order**

Conducted by Chairperson Gazdik, the meeting was called to order at 7 a.m.

II. - Board participation: Chair opens up the meeting to gather board’s thoughts on forming a business advisory committee. John states he believes the Auditorium District should have one. He proposed three business leaders last meeting: Park Price, Frank VanderSloot, Tim Hopkins and Steve Carr. Five to seven members suggested. Board members asked to suggest three names each and send to John. Candidates should possess leadership in the community that can help direct the board…be a resource. Pathways suggested BAC be a group comprised of business leaders in the community. Terri will follow up with Pathways for list of names of those surveyed that expressed a willingness to offer assistance to the board and project.

III. – Strategic Planning and Brainstorming: Terri reviews items from Pathways feasibility report and recommendations to improve on and expectation of fundraising ability. Suggestion to improve upon public relations and form a Public Relations Committee. Chip provided a number of suggestions of what the board could do. John suggests that the BAC and PRC should be one and in the same. Doug expressed interest in being involved with the PRC. Doug doesn’t want to leave thoughts in the community of his involvement to somebody else. Doug agrees that last week’s vote to terminate the ED was a difficult turning point, and although he believes

the board did the right thing, Doug knew leaving the room that the decision would influence the projects role/perception in the community. Doug states Cindy is a good person, and has worked very hard on the project. John recognizes Cindy’s extensive knowledge of the project, probably knows more than anyone else, and would like to keep her involved in some capacity. Terri states that the PR report was going to be addressed at the 11 October 2017 meeting. Only two board members are allowed on a subcommittees: John and Jill are currently on the PR committee with Chip. Jill offers her seat to Doug. Doug accepts. Chip will check when he can meet next. Feasibility Report continued. Jill asks if anybody else is disturbed by Pathways’ suggestion of amount of funds needed to be raised by the community - eight to ten million. Terri points out Laura’s additional suggestions on how to raise funds for the project.

IV - Project Management Plan: John suggests getting a basic plan on what we can afford for the project. He suggests a five to ten million dollar plan. John expresses concern that hotel revenue has been the only source of funds. He would like to see three possible scenarios proposed based on degree of donations. What we can and cannot do with the advice from team partners. It will be a three to five year project and the project is currently at 54.3 million dollars now and cost will continue to go up. Operations, construction and finance are the three basic pilars of the project. John would like the business plan to illustrate the operation and profitability of a forty-five hundred seat facility. Perhaps the scope could have three alternate phases based on the level of funds raised. John states ERA report is nearly ten years old. Doug believes Centennial made the argument for the success of the project and hockey team in our community. Mr. Green states that the same level of success can be expected

for the hockey team as is expected for the Chuckers baseball team. Mr. Green clarifies that the hockey team would have Friday and Saturday games, and that we can expect attendance to be twenty-five hundred filled seats per event. Terri asks if it would be beneficial to the board to visit the Maverick Center as Kevin suggested. Jill states that she would like to have more information that supports the viability of the project, not just from the current ERA study. She would like to see an updated report from Centennial Management, including an updated expense report, for example: how much will it cost to run the facility? What exactly are we paying for? Doug references page 11 of the Executive Summary, siting fundraising, operations, construction and finance objectives. Terri proposes contacting Centennial and Kevin for further understanding of some of these points. Jill volunteers to follow up with Centennial and takes on the assignment. Information should be available by the 1 December 2017.

V. - Discussion of contract termination of ED. In review of the statute, Legal Counsel believes that the board was within the guidelines of the agenda and executive session and that there was not a technical violation in his opinion. During the executive session, the board can discuss items, but cannot vote on them. Votes are conducted during public session. The Post Register’s position that the agenda was inaccurate is in opposition of the opinion of legal counsel. Counsel’s recommendation is a re-vote today on the matter of the ED’s contract termination, to avoid any possible future challenges of procedure as suggested by the legal opinion of the said Post Register commentary piece. Bob suggests motion to re-vote on the termination of the ED.

Jill has prepared a motion to resolve dispute per cure procedures in Idaho, Code: 174-208, Section 7. Jill moves to re-vote. Doug seconds.

Open for discussion: Terri states she comes from a different perspective than the other board members. Terri has been with the project for more than four years, and was not part of the previous discussion or vote. She has been on the board when there was no Executive Director with Cindy volunteering hundreds of hours. She went through the process of hiring the first ED and then went through the process of finding another ED after the first one resigned after a year. Cindy possesses the experience and knowledge of the project from the beginning. She has been involved in promoting the project in the community and developing relationships with individuals. She has been involved from a political stand point. She has represented us in Boise. She helped to implement changes in the law that has helped move this project along. She lobbied on behalf of project. She developed relationships with other AD Board members. She brought potential donors to the Pathways project. Her time has been spent solely on this project for at least seven years. By removing her from the project, we remove all of those relationships and sever ties with those people and have to start rebuilding them with other people. We don’t have anyone to turn the lights on or do administrative functions. With the motion and the vote that took place last week, we have shut down all of the operations until we find somebody else. Terri believes it takes more than one person to run the project. We have partners with whom we have contracted. We may want to consider contracting with partners possessing required expertise. It is a fifty-five million dollar project. She feels like we are losing a skill set that we desperately need, and relationships, and starting at ground zero. John agrees and would like to see Cindy still involved. Terri asks how the board would like to see Cindy involved. Doug struggles with the fact that the board is unable to make a decision, knowing how much time Cindy has put into the project, and questions how we can terminate somebody and then expect them to still want to be involved. Terri states that leadership starts with the board. Doug asked if it may be difficult for Cindy to proceed with the project in a different capacity. Terri says it would be difficult for Terri based on what has transpired, but not for Cindy as she is a professional.

Legal Counsel requests a roll call vote. Jill rereads motion to vote on the termination of Cindy Ozaki as Executive Director.

Mark conducts roll call:

Bob: Yay. Jill: Yay. Doug: Yay. John: Yay. Terri: Nay.

Motion passes four to one. Legal Counsel suggests that the motion be included verbatim.

VI - Regarding the position of Administrative Assistant, Terri says she will call Ms. Hope to see if she will continue on an interim basis. Proposal to begin the search for a new Executive Director. Terri agrees to make contact with previous executive search company. Bob agrees to help refine the job description before next board meeting. Two board members will be absent at next board meeting on the 11 November, 2017. Job description for the position of Administrative Assistant should be written as well. Terri will ask Cindy for help in writing the description. It is expected that the new ED will hire the new Administrative Assistant.

VII - Expectations for office move expenses. Legal Counsel suggests using professional movers due to the risk involved in moving. Terri states that these are our assets and that we have a responsibility to move our things in a safe and responsible manner without cause for damage to said property or new office space. Jill states she is working on her Ph. D and is more than willing and capable to move the items and save tax payer money, which is sacred, in her words. Legal Counsel states that the board does not question Jill’s capabilities, but it is a liability issue. Terri moves to hire a moving company to move assets to the new office space to retain liability coverage in the event of accident or injury during the move. Moving company possesses liability insurance. Motion passes.

VIII - **Report and Update**

1. **Public Relations Committee –** Request to have PRC to help the board see what the steps moving forward are. Bob asks if the board should have a proclamation to sign to show the board’s commitment to the project in light of public scrutiny of the board member commitment levels to the project. Board members have a responsibility to question process and development of the project without being questioned about commitment, suggests Bob. Bob ran for the board as he stated because he would like to see an Events Center in Idaho Falls. He would be happy to sign such a proclamation. Bob agrees to draft the proposed proclamation to be signed by the IFAD Board of Directors as agreed upon.
2. **Legal –** Legal counsel, Mark Fuller, states documents have been submitted to Pioneer Front Properties. Mark states that he has not received signed documents back,as of yet, but expects receipt in the next couple of days. Recently received a tax return from the City of Idaho Falls. Tax is due and was filed late. Applicable assessment is

5% and 4% interest. Process is to submit the penalty assessment to the provider and then at the request of the provider to grant an abatement at which time the board will vote to waive or not to waive the fee. Regarding delinquent accounts: Mark has calculated penalty and interest and expects receipt by Friday on larger entity. The larger entity item is due to corporate practice. The smaller entity is due to budget issues. The board collects up to a thousand dollars a month in late fees. Dot with WIPFLI has historically helped with deposits. Mark suggests that Dot assumes that responsibility since the ED is not available to do these tasks. Terri will ask Dot.

1. **Administrative –** Meeting next Wednesday, 11 October 2017. Terri requests that Agenda items be submitted by the Friday, prior to the next board meeting.

**IX - Calendar and Announcements**

**Upcoming IFAD Meeting/Events**

1. **Next Board Meeting on 11 October 2017 –** Phone lines are discussed. Call in is suggested for absentee board members**.**
2. **Announcements and Minor Questions**

**V - Adjournment –**

*Action: Terri calls for motion to adjourn. Jill motions to adjourn. Motion* seconded to adjourn the meeting.

*Result:* The vote was unanimous in the affirmative. Meeting was adjourned at 8:19 a.m.