Approved \_\_\_\_\_

**Board of Directors – Regular Business Meeting**

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

**Tuesday, 18 September 2017, 6:00 p.m.**

**Minutes:**

*In Attendance: Chariman Terri Gazdik, Board Members Doug Swanson, Jill Kirkham, Bob Nitschke, John LuBuono., Executive Director Cindy Ozaki, Administrative Coordinator Jo Nelson, IFAD Legal Counsel Mark Fuller, Mike Clements, Blake Davis, Kevin Greene, Kevin DeKold, Eric Isom, Tana Barney, James West, Kassy Shepherd, Rusty Landon, Leith Sheets, Clint Boyle, Al and Deby Yeman*

1. **Call to Order**

Conducted by Chairman Gazdik, the meeting was called to order at 6:00 p.m.

1. **Adoption of Agenda**
2. **Public Comment –**

James West, Hampton Inn general manager, encouraged the Board to pass the design phase for the roads and bridges and move forward with the project that was voted on.

Dana Bracknell, Candlewood Suites, discussed her part in the startup of the Event Center project including helping to collect signatures. She echoed what Mr. West said and pleaded with the Board to stay on track and move forward with the event center as planned.

Kevin Greene also supported what others said, in addition to stating that at this point the Board needs to move forward and if any one of them votes no, it means that person does not want this project to move forward.

1. **Discussion of Development Agreement, Roads and Bridges** – Ms. Gazdik discussed the need to move forward with this project. The Executive Director discussed the areas that needed to be discussed with the developers. The roads and bridges need to be designed before the cost of construction can be calculated. Ms. Ozaki suggested paying half of the design fees and moving forward with the design so the construction can start on time, if the project did not move forward after paying the design work, the money will be reimbursed upon resale of the property to Pioneer Front Properties. The last discussion with Ball Ventures for division of road and bridge costs was for IFAD to pay half.

A discussion was held on the donation agreement with the development of the land subject to the donation agreement.

A discussion was held on the amount of monies estimated for design completion and which part of the road project IFAD is responsible for.

A discussion was held on risking the money if the project proves to be too expensive. It was stated that if IFAD determines not to construct the Event Center on the donated property, the money would be returned or the property would stay with IFAD and they could sell the land.

Eric Isom – Pioneer Front Properties stated they are fronting the costs today at no risk to the Idaho Falls Auditorium District. The water in the canal is the issue. The bridge design and construction are all determined by the canals. The design is already a week behind and needs to start now to move forward. Waiting puts it in jeopardy and if the engineers don’t have time to finish the designs, Pioneer Front Properties will not begin construction of the roads and bridges in 2018. Ms. Kirkham expressed concern regarding project costs of the Events Center, shortfall in fundraising, lack of fundraising in Bonneville County in this amount by any prior effort, concerns with naming rights sales, ability to pay bond costs, whether the Event Center operations would be feasible after construction, and the consequences of a default if the Event Center was not successful and bond holders did not get paid. Numerous references were made to the ERA study prepared before the Auditorium District was organized. Discussion occurred regarding concerns addressed.

Action: Motion made and seconded to adopt IFAD motion on Civil Engineering costs as follows:

MOTION:

I hereby move that the Board approve an Addendum to the June 19, 2015 Donation Agreement between Idaho Falls Auditorium District and Pioneer Front Properties, LLC. I move that Paragraph 5.4 of the Agreement be modified to include the following language:

IFAD’s share of the costs for design of roads in the amount of not more than $240,205.00 and for bridge structures in the amount of not more than $37,350.00 (collectively the “Civil Engineering Costs”) shall be reimbursed by Donee (1) at Closing and recordation of the Special Warranty Deed or (2) upon completion of all design work on the roads and bridges, whichever occurs last.

I further move that Exhibit ‘C’ to the Donation Agreement, “Memorandum of Repurchase Option and Right of First Refusal”, be amended as to Paragraph 2.3 to include the “Civil Engineering Costs” in the total amount of $277,555.00 as part of the repurchase price for the property, in the event the planned Events Center is not constructed within the time specified in Exhibit ‘C’.

*Result:* The vote was affirmative with 3 yay and 2 nay.

1. **Adjournment**

*Action:* Motion made and seconded to adjourn the meeting.

*Result:* The vote was unanimous in the affirmative. Meeting was adjourned at 6:45p.m.