

**Board of Directors — Regular Business Meeting**

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

**Tuesday, 24, April 2018, 7:00 a.m.**

**Location: The large conference room in Offices of Fuller & Beck**

**410 Memorial Drive**

**Suite 201, Idaho Falls, Idaho 83402**

*In Attendance: Board members Chair Terri Gazdik, Jill Kirkham, Bob Nitschke, Executive Director Chip Scott, Legal Counsel Mark Fuller, James West, Liza Leonard, Mike Clements, Kevin Greene, Kevin DeKold and Isabella Alves*

1. Call to Order – Meeting is called to order at 7 a.m.

Prior to moving to the agenda, Mr. Nitschke questioned why all of his agenda items are not listed. Chair Gazdik asked Mr. Nitschke about the submitted items and asked if he had talked to Chip about them. Mr. Nitschke replied no, he had just arrived and talked with Director Scott and by then, it was too late to amend the agenda. Chair Gazdik responded by saying it was a long list of items. She explained we went through and we included some of them and, some of the other topics that were on Mr. Nitschke’s list were included under certain items like the fundraising campaign and the C.S.L study. She further replied, that the other couple of items that he had suggested would be addressed at the next meeting. Board member Kirkham asked if Mr. Nitschke wanted to amend the agenda meeting for that? Mr. Nitschke replied that he would like to amend the agenda. Chair Gazdik asked where he would want Director Scott to address that. Mr. Nitschke agreed to talk about design requirements under item 8. Board member Kirkham suggested if we get to number eight and Mr. Nitschke wanted, he could amend the agenda meetings. Chair Gazdik responded by saying that every board member is able to submit agenda items, whether they all get included on each agenda, it’s a matter of determination by herself and the executive director. The goal is to accommodate everybody but also to try to make sure that we’re addressing things when they need to be addressed. Mr. Nitschke questioned this by asking where is it written that the Chair and Executive Director alone decide what's on the agenda? Legal Counsel Mark Fuller stated that the chairman's control of the agenda is standard practice in these kinds of entities, giving a board member the opportunity to move to amend. The normal practice is to submit a request in advance as was done, then as the agenda is prepared, the Chair selects those items appropriate. Then in a meeting a board member may move to amend the agenda and to add additional items.” That's the policy. Director Scott indicated that five of the eight items submitted had been included in some fashion. He felt the rest would be included in subsequent meetings. Legal Counsel Fuller directed the Chair to ask for a vote to approve and close the agenda subject to subsequent amendment. Chair Gazdik asked for a motion to accept the agenda. Mr. Nitschke so moved. Board member Kirkham seconded. All in favor, motion passed.

Chair Gazdik asked about revisions to the March 27th minutes which were sent out in advance. Director Scott indicated he had not received any amendments to the minutes. Chair Gazdik asked if there were any amendments to the minutes. Mr. Nitschke asked that Under the Centennial management contract discussion, he wanted something included that he said during the March meeting. He made a point that having two people that already think Centennial and Centennial alone can operate the event center is not the best to negotiate a contract protecting the interests of the community or the taxpayers. His statement was added to the minutes as requested. Further, Mr. Nitschke wanted to add his statements under the event center design requirements discussion. -- The determination of a successful design is based on whether the customer's requirements are met not exceeded or fails to meet them. The standard definition of quality is it meets requirements, not that it exceeds it or fails to meet.

He also pointed out that the contract with C.S.L already required that the owners, the board, provide these requirements and have a written program set forth. He feels where we get into trouble is, we don't have agreement on what the requirements for the design are, until we do, what we're dealing with is really obscenity in the sense that it's in the eyes of the beholder. You think it's good, I think it's not good. It’s only good or bad based on the requirements. That’s what he tried to capture repeatedly during that session.

He asked to get those two thoughts in there as well as the fact that it appears we don't have a document that specifies design. Chair Gazdik concluded this discussion by saying the minutes would be amended and brought to the May 8 meeting for approval.

1. Adoption of the Consent Agenda – Motion to accept the consent agenda. All in favor. Motion passed.
	1. Meeting Minutes – 3/27/18 –
	2. Approval of IFAD Payables –
	3. Approval of Financial Statement - Chair Gazdik stated that as of February 28 we had total assets at 9,269.000 for the first quarter was up 6% to the prior year.
2. Public Comment – There is no public comment.
3. Feasibility Study and Status Report from CSL -

Chair Gazdik stated we are underway with the Study and asked if CSL had provided an update for the Board. Director Scott replied that they did submit a report and that everybody should have a copy. Director Scott highlighted that last week two representatives from CSL were here and conducted 22 separate interviews, with all of the board interviewed, as well as just about everybody in this room. Board Member Kirkham asked if Doug Swanson had been interviewed. Director Scott indicated that he had. He further replied that he wanted to thank everyone for taking the time to participate in those interviews. They were very informative, really started the conversation he said in a lot of different areas. Director Scott asked Mr. Nitschke if he wanted to comment at all about his session or time at all? Mr. Nitschke replied not particularly but was wondering since Director Scott sat through all 22, what were his major takeaways from the interviews and what were CSL’s as well?

Director Scott indicated he felt they didn’t have any takeaways as yet but did say that CSL had indicated that this was not going to be as simple a study as they had thought, based on the input and what they were hearing, just initially. Director Scott said he would share his impression under the next agenda item.

Director Scott indicated that he had supplied all of the establishing documents for the auditorium district. He also provided a spreadsheet listing of all the Hotel tax payments, month to month, year to year. They have the architectural drawings also. Mr. Nitschke again asked to be kept informed as it is his sense that this data is a key part of the analysis. Chair Gazdik asked if it was possible to place documents for CSL into a file that could be shared on Google Drive. Director Scott said that a file already existed and that he would add the board members to the shared list of reviewers.



1. Timing of Fundraising Campaign & Coordination with Feasibility Study –

Chair Gazdik stated the next item on the agenda was the timing of the Fundraising campaign. She said that a presentation by Pathways for this morning had been postponed and that Director Scott would like to talk about the timing of this and how to utilize the CSL study to help with the campaign. Director Scottbegan by addressing Mr. Nitschke’s question in regards to his impressions and takeaways from the initial study interviews. Scott said It was very interesting to hear the variety of opinions and thoughts, directions, everything from the design of the facility to how it's funded. He said, as the three days went by, that with the Pathways fundraising campaign supposed to start now that he began to feel a little bit uneasy about going ahead with the campaign while we're in the middle of the feasibility study. He stated he thinks we may find that CLS’s recommendations are perhaps different than what it looks like right now. He said he expects we will see some suggestions and changes that will make it very difficult for us to be able to speak about what it is we're raising money for. He indicated he had spoken with Pathway just to get an impression from them. Director Scott then said he would like to make a recommendation to the board that the fundraising campaign and items associated, be postponed until the feasibility study is complete. Scott felt we needed to get through that process, see the end result from the Study so that we potentially and ideally as a board can all agree on the next steps forward for the Center. Chair Gazdik asked Director Scott if there were items that Pathways could accomplish in the meantime, items that could be completed to a point, basically guaranteeing that once the Study had concluded, Pathway would make final adjustments and start the campaign immediately. Director Scott responded yes, work can continue with our graphic designer on the development of the marketing piece. Specific inserts can be set up and edited based on the results of the study, without any delay. He said that work can continue with our business advisory committee and on the prospect list so when the study concludes, we have a project that we can intelligently talk about as we raise needed funds. Chair Gazdik asked if we knew if Pathway was at 75% of their contract or 90%? Director Scott said that they were at 50% and were on hold until we had a target date for the Studies completion. Mr. Nitschke asked that there is a hold pending a determination by the board today? Director Scott said yes. Board Member Kirkham said she thought we would run out the clock. Legal Counsel Fuller responded that if the board approves this, his recommendation would be to actually modify the contract and just extend the dates, stop that work from going forward and don't raise money until we're absolutely sure what direction the building design is going to go. Board member Kirkham asked if all of the printing had been completed for the marketing piece. Director Scott said that nothing had been printed to date, that the draft was in progress. He further stated that some work can continue to but there will be inserts specifically that we will want to wait on until the study is finished. Mr. Nitschke stated he would be more comfortable to just put it in limbo rather than have them limp along and maybe have to do some other repeat work or so forth. He stated he was totally supportive of holding off on beating the fundraising drum until we've got some other more basic issues resolved and he thinks the best thing is to put it in limbo. Legal Counsel Fuller asked if Pathways was amenable to this. Director Scott indicated that he had a long discussion with them and had received an email from Phyllis Hockett, who after discussing this with their staff, agreed that we should postpone the campaign**.** Board member Kirkham asked if we wanted a motion to amend the contract to temporarily halt Pathways progress and then continue at a later date? Director Scott replied yes. Kirkham made a motion to amend the contract to pause Pathways fundraising campaign and to extend the contract date. Mr. Nitschke seconded. Chair Gazdik said we have a motion and a second. Counsel Fuller said the motion is to amend the Pathway contract and negotiate a delay of performance until the feasibility study is completed. He said it would be in the form of a negotiation, but that there was no guarantee Pathway would accept. He further stated he felt Pathway would be agreeable. He asked for clear understanding that the board would act subsequently to renew the contract and have them begin performance again at a later date. Board member Kirkham said yes and so moved. Mr. Nitschke gave the second. Chair Gazdik said it's been moved and seconded and asked for all in favor by indicating aye. All in favor, motion passed. Board member Nitschke stated he was going to propose to the board that one way to do that is to have a work session of all the board members. Get the public involved and schedule that work session after we have shaken the public trees in forms of surveys, or questionnaires and poll register or something. We have a community base derived requirements, not just members of the board. Then, at that point, we can proceed. He moved that we schedule a work session for the derivation of design requirements for the event center. Board Member Kirkham asked if he wanted a motion. Mr. Nitschke said yes. Chair Gazdik indicated she didn't know if it's was the appropriate time to do that. She was going to wait until the next meeting to talk about design requirements. She felt at the next meeting we would make a decision to set up your work session. Mr. Nitschke reminded Chair Gazdik that he had made a motion so it was on the table. Board member Kirkham asked when we would want to have a work session and Mr. Nitschke said we would work with Director Scott to decide a proper time. Legal Counsel Fuller said it was a way for us to reach out to the public. Mr. Nitschke indicated he wanted to have public input prior to the work session and then have the public there as well. Kirkham asked if we wanted to have a work session first to figure out how to address the public and then a second work session? Mr. Nitschke said he was open to that. Chair Gazdik shared that she thinks we need to find out what the feasibility study comes back with. She indicated she wasn’t opposed to having the board sit down and discuss design requirements. She also thinks that we're going to get some good input from this company on what works and what doesn't. Board member Kirkham seconded the motion. Legal Counsel Fuller asked to input two points. “For clarity of the record, I know you use the word work session, city council uses the word work session. There's no difference, it's a public meeting. It requires the same requirements. It's sort of a matter of how the agenda is set up”, said Fuller. Mr. Nitschke said he thought it's how the meeting was conducted and agreed Fuller. “It's going to have the notice and have an agenda. I would like it to be a more free-flowing dialogue with the public, as opposed to right now we give them three minutes and then ask them to be very quiet and then maybe at the end”, said Nitschke. Mr. Nitschke was asked to repeat his motion. “The motion before is that we would like to set up a work session to specify the design requirements for the Idaho Falls Event Center. We'd like to schedule that at such time that we have received public input to support that work session.” Chair Gazdik said we have a motion, and asked for any other discussion. No comment was made and the vote was called for. Motion passed 2 to 1 in favor.

1. Public Relations Committee PR RFP Recommendation –

Chair Gazdik said that board member LoBuono was going to present the information and he was prepared to do that tomorrow. He got his dates mixed up and was wondering if we can reschedule this--what he's asking for is a special meeting to discuss this recommendation-- Actually, the group recommendation. Mr. Fuller asked to clarify that Mr. Lobuono wanted to hold this meeting before the May 9 board meeting. Chair Gazdik stated that was her understanding. Board member Kirkham explained that she was really busy. Mr. Nitschke questioned the urgency. "We've already decided that we're going to cool our jets with regards to plowing forward with existing work”, he stated. Director Scott said he felt in all fairness to the firms that had submitted RFPs and were awaiting a response, and even though we're waiting on the feasibility study, there is still a contract to be negotiated, planning in advance. Board member Kirkham asked Chair Gazdik if she knew what the recommendation was going to be. Director Scott said that the committee comprised of Chip Schwarze, Eliza Leonard, John LoBuono and himself went through each of the proposals, used a scoring sheet with specific criteria and after much discussion, individual tallies were made. It was a unanimous clear decision as to who the committee wanted to recommend. Of the three that were submitted, the one local firm IEP productions was selected unanimously by the committee and, was what John was going to recommend to the board that we accept their proposal. Board member Kirkham asked if she could see the proposal. Chair Gazdik replied that she thought that John wanted to walk the board through the process, explain how the committee got to its conclusion. She indicated that the final decision was up to the board. Director Scott said the committee spent a good bit of time individually, in advance with all the proposals and as well during the meeting with very good active debate and discussion. He felt it was a very good process for making a selection. Director Scott said he saw no reason why the board could not accept the PR Committee's recommendation at this time. Board member Kirkham said she was happy it was a local firm. Mr. Nitschke recommended we move to May 9th and have the presentation and vote on it then. Board member Kirkham said she was not opposed to getting outside help when we need outside help. Kirkham asked is there a negotiating space for when there are some months that we might need them. Some months we don't need them. Do we have to have a retainer all the time? Counsel Fuller felt that was a point that could be negotiated. He further stated that “What the board does is approve-- If the board approves the recommendation, then we enter into contract negotiations. You give me some direction as to what you want to do. I take that proposal to them, come back with a contract for your approval. This is simply it. If we are unsuccessful in negotiating, then we move to another vendor. Kirkham said she feels unsure about what we want. It feels like for the fair, they have a very specific vision. We have a date, we have a thing, we need to get the public aware of our events and sponsors happening at the fair. What are we? Counsel Fuller said he thinks the intent on this was to select a firm that we felt qualified to be able to handle its public relations and then from that put together with them and with input from everyone a complete plan as to what those details specifically would be. Counsel Fuller agreed with the recommendations Bob made to delay this until May 9th. Chair Gazdik said that John wanted to be here to explain the process and the outcomes. She agreed we probably need to wait until the next meeting. Board member Kirkham shared “Well, I'm fine with the process. You came to the person I wanted. I don't know if I need to hear the whole. We had seven plus, seven minus, seven-plus like-- I know I don't know if I need to hear that. I'm happy with the process into the conclusion you came with. Now, it's like, "Okay, we got the conclusion we came with, but what exactly are we wanting from that?" That's what I want to talk about”. She continued “If John has things to talk about that, I'm fine. I'm happy with the outcome. I don't need to hear the-- What I want to know is what is it that you think that we are buying? That’s what I want to know. Because we talk in these just abstracts. They’ll write things for the post. What is it that we're hoping? What will they write about in the post? What will they do? Does this fee cover the fee to write something in the post? Is that part of what we're paying for with the retainer that they'll then covered the cost? Is it monthly things? Is that something that we could be doing in-house? I know if the museum, that's something that like Jeff Carl does. It’s his job”. Chair Gazdik said that she agreed with Jill. She was appreciative of the subcommittee's work on selecting the company. “I don't have the expertise to certainly provide any information on that and I'm willing to accept their recommendation. I think on our meeting agenda for the May 9 that we do have an item on there about how we outline what circumstances they want them to provide” she said. Kirkham suggested we invite I.E. Productions to the meeting. Mr. Nitschke made a motion that the item be moved to the next meeting and that I.E. Productions be asked to make a presentation. Motion was seconded by Kirkham. Vote was called. All in Favor, motion passed unanimously.

Board Meeting Cancellation Policy – Chair Gazdik said this item was requested by Mr. Nitschke. He requested a discussion about a cancellation policy for board meetings. Legal Counsel Fuller indicated we don't have a requirement to have a formally written cancellation. He looked through the bylaws and the organizational documents. This issue has just not come up previously. There's nothing in the bylaws that address when a meeting can be canceled, what notice is required. “We made certain when the meeting was canceled two weeks ago that notice was sent out as much as possible to the public, to the media, to all the board members. We put a notice on both doors. I put a notice on my personal door just in case somebody somehow got all the way up there to be certain", Fuller said. Mr. Nitschke shared his surprise because the decision to cancel was like two days before, but it wasn't much more than that. He said, “Because I think part of what bothered me it was after what I thought the deadline to have the agenda out when I got notified that had been canceled. That’s why I wanted to discuss exactly how this is going on. Obviously, there are reasons, but I'd like to know what they are and how that-- Who gets to decide”. Mr. Nitschke said he looked at the website and the agenda wasn’t on it. “The agenda for today's meeting wasn't on the website. I don't think we're doing a good job getting the message out for this either, but that's a different topic. My primary interest is how we're going to decide to cancel it, who gets to do it, what input needs to be prior to counseling because as you see I had to say of items to talk about then I'm told, well, we can't talk because we got the meeting too long when we miss a meeting. That’s why it's more frustrating to me”, he shared. Counsel Fuller said, “I don’t know off the top of my head or recall why the last meeting was canceled. Obviously, if there's not going to be a quorum, there's little point having two people come. That is also not possible to have a meeting to vote to cancel the meeting. The ultimate responsibility has to rest with the chair unless the board makes some other decision. Generally, the responsibility for cancellation has to fall to the board chair”, he concluded. Mr. Nitschke continued, “I don't disagree with that, I just would like to have an understanding of what would necessitate after it's been scheduled. Director Scott said he recommended to Terry that the meeting be canceled based on no actionable items and no input from anyone regarding the agenda. We have no agenda items basically. Chair Gazdik said the reason it was canceled, we didn't have any items on the agenda. She stated, “Now, we have a full agenda for this meeting. We've lots of things that we needed to talk about, but nothing for that meeting. Based on Chip's recommendation, we just canceled it. Certainly, if we had items that we needed to talk about on the agenda we would have held the meeting. Again, I'm conscious that everybody's a volunteer and I want to make the best use of everybody's time. That was the reason for the cancellation. You wanted to discuss policy. Our policy has been to hold the meetings unless there's a reason not to. Again, no quorum or no items to talk about, I guess is really why it was canceled.”

Counsel Fuller made thenote that, as he recalled, the bylaws provided for a monthly meeting with additional special meetings available. The board has worked to a point where they've been meeting every other week just as a matter of tradition. The bylaws themselves only require a monthly meeting. Mr. Nitschke stated he understood that but that wasn’t his issue. He stated, “I just want the understanding of what process is going to be used to do and if there is nothing to talk about, I'm the last one to want to sit in the meeting. The irony to me was in the note that I got to talk about all the work is that is going on. To me right there, there's agenda items for we can weigh in, what's the progress, what changes could be made, so forth. There is irony there as well as what's going.

Legal Counsel Fuller at this point stated that we've talked about this matter and it doesn't appear to be a formal motion for change of that policy, but it can be considered at a subsequent meeting on a specific motion.

1. Board Meeting Agendas – Chair Gazdik directed the item to Mr. Nitschke who

said, “. At one time, I suggested before that every meeting should have a line item, agenda items for the next meeting. That's the first time we talk about agenda items for the following meeting. We ask and we could even ask the public what would they be interested in hearing at our next meeting. The second thing I would recommend that when the notice goes out to the public that formally announces it, that Chip send the draft agenda which includes the items that we requested in the previous meeting, as well as, the ones that maybe he and Terry, the chairman think are appropriate with that notice. That's the five days that give the board members a day or two to respond back and say, "Hey, I'd like to include these additional items." Then they take that and issue the final agenda the two days before. We at least have checkpoints in there that happens every time according to a clock. We'll get to know when to send our comments ahead because I could send agenda items for next month right now, but I realize it'd be better to have them structured. I would defer to our council on the best way to try to implement if the board agrees that that's a nice structure to follow”. Counsel Fuller

saidthat sound reasonable. It sounds more like these are requests for information directed to the director. We would not send out a formal draft agenda to the media and the general public, we send just to the board members. Counsel Fuller said, “I guess the only point I would correct is you seem to indicate that it’s your intention with regard to the last item on this week's agenda being what's going to be on the next week's agenda? Your recommendations, even the board direct recommendation doesn't necessarily mean that item will be on the next agenda.These are the things we're going to talk about first, next time on unfinished business for lack of a better term. I would have no objection to that. I don't think either one of those would require a formal motion or action. I think are both good recommendations”. To clarify, Chip would send out a draft agenda at the same time of the meeting notice, five days in advance of the meeting, that draft agenda would be sent only to the board members, would allow them to comment, and add, and get back to Chip with additional agenda items they wish to be included on the final agenda notice, which has to go out 48 hours before the meeting.

1. Reports and Updates

Executive Director’s Report – As you have obviously noticed, Brandace is not here today and has decided to move on to other challenges, bigger and better things. She has worked her notice. I spent some time with her going over some of her duties just to make sure that I had a good understanding of what she had been doing in that position. As we write a new job description and look for a new admin assistant, then we incorporate everything and then some-- Per Terry's direction to me, I will be listing the job description and hiring someone here in the near future. Mr. Nitschke asked what help was wanted from the board –he stated that he has not been here like a year and we've had three different admin assistants and wanted to know if there something we should know about? Director Scott explained he had no history and couldn’t comment. He said he would send the job description to all board members but that he was comfortable going ahead and hiring someone. Board member Kirkham asked about the number of hours for this position. Director Scott indicated 15. Mr. Nitschke asked if that was good, bad or are we getting poor candidates because it's insufficient labor? Or is that all the days and time you need? Director Scott said he felt 15 was good for now with the current workload. He said he had discussed this with Chair Gazdik. Board member Kirkham said this was something that was decided before we were hiring an executive director was that Brandice said that she was only going to stay on until the executive director got here. Director Scott concluded this item by saying he would take any assistance you want to give. “I will submit the job description to you and to the board and any input is obviously welcome," he said. Scott then stated the only other thing that he had in his report was referencing something that Bob had wanted on the agenda and that was a review of the executive director's weekly board reports. Mr. Nitschke replied, “I would like to make this a standard practice that for instance, what you're doing is next week. The board might have some input, say you're going to meet with the mayor as you did in the past. It would be nice once the board knows that, we would say, "Well Chip, if there's an opportunity to ask the mayor this question, this is what we'd like to ask." We would help arm you with some of the board's interest. I mean you traveled to Boise to the auditorium district. The board might have a couple of questions that would make your trip more productive for the board, as well as yourself. My intent is to use your weekly report, which shows exactly how busy you are and you’re doing a lot of good work, no problem there. That we help prepare the board's interest and concurring the things that you're doing in the next week or two instead of others, as well as discuss in more detail. For instance, this thing says a conference call with Laura Lewis and Stephanie Bonnie. I think we ought to talk about what the subject of that is and, does the board have other issues we would like you to address with Stephanie and Laura”. He further said, “I would like during your weekly report that you spend a little more time with those and then with the board and then ask for input or something on some items. Then we could ask follow-up questions on-- You met with Mario Hernandez regarding the business committee and fundraising. Well, what happened? What did he say? What did you learn? What should the board know? I mean these are just sound bites that leave me somewhat empty. I think there's a lot more there and I don't want to go through every one of them with each board member. Like I said in the note, may have one that picks their interest and so forth. It's creating an opportunity for us to better understand and better direct the activities. Chair Gazdik asked if it would it be something that we would communicate with our executive director one on one when we receive the report just to gather more information. “Because what might be of interest to me, might not be of interest to everybody else. I’m just asking the question for communication on what's taking place or what's going to take place. Should it be an email or phone call or at the board level”? Mr. Nitschke replied by saying he preferred the board level just because he’s interested in what's important to the other board members. “I'm interested to hear what the answer is direct, rather than the email that could ensue. Jill may ask a question that picks my interest and I'll have a follow-on question, but that wouldn't happen if Jill alone sent it to Chip and the answer came back. I think it's worth creating that opportunity if it doesn't work out or is burdensome, then we can go to another mechanism. Right now, I'm unsatisfied with missing the opportunities to learn more about items, as well as input weigh in on the direction”, he said. “Then the following what he's doing the next two week then and then the board concurs, "Yes, Chip." See, I might say, “Chip, you're doing this, why aren't you doing that?” It's just a mechanism for-- Then the board gets the way on there. I don't want Chip pretending that I'm directing what he's doing. I'm interested in what's interesting to the other board members what's important. It helps us work together. I think it's a better way of-- Just sending these things out and there's no active dialogue”. Chair Gazdik responded by saying she thinks under the executive director’s report, the board does have the opportunity to have dialogue at this point. Chip goes over his report for the week. We have the opportunity now to talk about what he's done and what he's going to do. Counsel Fuller asked if Mr. Nitschke had any specific questions now. Mr. Nitschke said he had suggested we go back for the last three and it got poo-pooed. His message now is let's create the opportunity, let's spend three more minutes here. Let Chip go through and say this was the most important thing that happened two weeks ago.

Chair Gazdik stated that she did hear from somebody else on another board that we may need to be more specific on our agenda items in terms of those things that require action. She asked Counsel Fuller to check in to that and see if there’s been any change in how we identify our agenda items? Mr. Fuller said he would check.

Legal report – Mark Fuller -. Mr. Fuller shared a statute that was adopted late in the session that I give you more for future notice to include with your other materials.

This is designed to prevent the use of public tax funds to either support a candidate or to support a specific issue. You'll see in 74604 it says neither a public entity nor its employees shall make nor shall a public official make or authorize an expenditure from public funds to advocate for or against a candidate or a ballot measure. It has exclusions down in the next section. It doesn't prevent the public official from using personal money, provided no public funds are used.

The public entity, the public official, or the employee may use neutral encouragement to vote. Basically, if the time comes when this board determines to go to a vote on a bond, you can use public funds to tell people about the date to encourage people to vote. You can't encourage them to vote one way or the other. It does allow you to use public funds to put out an objective statement explaining the purpose and effect of the ballot measure.

My reading of that would allow the board, for example, to purchase an item in the local newspaper, explaining the purpose and effect of the ballot measure what it will cost. You can't use public funds to encourage people one way or the other. It's very clear that it does not affect your own individual First Amendment rights to use your own money to do whatever you wish, even though you're a board member. This was just adopted at the very tail end of the last legislature. It wasn't since the last meeting, but it just came to my attention since the last meeting. Board member Kirkham asked if this was a whole bill number or was it just an amendment to this? Mr. Fuller stated this was a brand new chapter. He states, “, it was the rule, now it's the law. It was a recommendation made by the attorney general's office regarding a contract, regarding election financing, but it was not a specific criminal statute. You'll notice it now imposes penalties, makes it a violation subject to a civil penalty depending on if you do it one time, when you don't know you've done it, it's $250. If you know you did it, it's $1,500. If you do it again in 12 months, it's $2,500 and it allows the attorney general to enforce the chapter.

What they've done is quantify, I use the word criminal, it's not a criminal statute, but it imposes civil penalties where that was not the case before. The only other item I've mentioned is I have had some additional communication from the state tax commission. They had held off any negotiations regarding potentially taking over collections until after they got funding.

I got an email just the end of last week from Mark Poplar, indicating that they now have the funding, would like to begin negotiations. They said they would like to wait a month or two, they're involved with other things. Then we'll schedule some time, they want to come over and meet with staff members, get a better understanding so that we can work towards creating an MOU if that's what is decided. Board member Kirkham asked if Counsel had been following the Supreme Court case with Airbnb. Airbnb in the state right now has a case that's going to be heard by the Supreme Court that's discussing on whether states can require these internet companies to collect the tax. One of the things that they're doing is the sales tax. Can we collect-- Maybe it's Wayfair. It's Wayfair who's at the decision right now. It's like does Wayfair, does Amazon do these internet companies have to collect the sales tax? I think the outcome of that decision will affect states everywhere. Kirkham stated, “Yes. That might affect other things like can states require Airbnb, for example, to collect that tax depending on the outcome of the US Supreme Court case”. She continued, “I think it's Wayfair that is the issue and I think that case is coming up, which is another reason why I think going with the state tax would be just one more. If that happens, then we need to have a backup plan”.

Fuller states, "It would not be an objection. I have an objection when performing this as long as they are capable of providing the level of service that you need. In the past, they've always said, "Yes, we will talk to you in a year." It seemed unwise to make a commitment to them now. In two weeks, I'll try to find answers to both the Wayfair case and further communication with the tax commission, he said. That's all my report, Madam Chair.

Chair Gazdik said she appreciated Counsel Fuller continuing to follow through and keeping in contact with them. “If they can do this for us, it certainly makes sense to pursue it. I'm interested to see if they come back as far as the proposal”, she said.

Counsel Fuller said he agreed they haven't identified any numbers as the negotiations have progressed over almost five years. Each time we have talked the numbers have been less than the previous conversations. We're a lot better than when we started.



1. Calendar and Announcements - The next meeting is on May 9th. Chair Gazdik asked if there are there any other announcements or other questions? Board member Kirkham stated that she liked Tuesday meetings better than Wednesday meetings and asked if people had an objection to just moving meetings to Tuesdays." Do people have an objection to just moving meetings to Tuesdays, since we've been doing it", she asked? Chair Gazdik asked Director Scott to confirm Board member's John LoBuono and Doug Swanson's availability for Tuesday meetings. If free, meeting will move to Tuesday's from now on.
	1. Upcoming IFAD Meeting/Events – **Next Meeting on Tuesday, May 8, 2018**
	2. Announcements and Minor Questions – None.
2. Adjournment – Meeting adjourned at 8:07 a.m.