

**Board of Directors Business Meeting**

**Tuesday, July 9, 2019, 7:00 a.m.**

**Location: Idaho Falls Auditorium District Office**

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

**Attendees: Terri Gazdik, Bob Nitschke, Steve Vucovich, Mark Fuller, Rob Spear, Tana Barney, Blake Davis, Mike Clements, Kevin Greene, Rebecca Casper, Chad Hammond, Kevin DeKold (phone)**

**Minutes:**

1. Call to Order – 7:02 a.m.
2. **Action Item** - Accept the Consent Agenda – Gazdik suggested removing the action item listed to approve the naming rights campaign. Spear suggested changing the project management plan from an action item to a discussion item. With those changes, there was a motion to approve the agenda for the meeting. Seconded. Motion passed.
	1. Meeting Minutes – 6/25/19
	2. Financials and Payables

Nitschke asked if his changes were reflected in the minutes. Spear confirmed that the changes were incorporated. Gazdik reviewed the payables and Nitschke asked about the CRSA payable and asked if CRSA was staying within budget. Spear indicated the CRSA contract was a fixed fee. The only increases to the CRSA contract are when there are additions to the scope. An example is the early civil submittal package for the foundation. There were no changes for the consent agenda. Motion to accept the consent agenda. Seconded. Motion passed.

1. **Discussion Item** - Public Comment – none.

1. **Discussion Item** – Design Schedule update – CRSA – Kevin DeKold explained that the date for completing the 60% design is set for mid-August and that CRSA is on track to have it completed by then. Vucovich said there are still lots of outstanding questions on how to value engineer the project. At this time there hasn’t been anything presented to the building committee from CRSA that is going to significantly cut cost. Vucovich is having his contacts review the solar proposal to see if it can provide any significant financial benefit to the project. Spear brought up the administrative area that needs to be discussed with Centennial Management. Kevin Greene shared that there was only one small change with the office area. Spear said he would communicate that back to CRSA. Spear also mentioned that a review of the FFE and costs is necessary. The FFE and budget has not been updated since 2016. It is important that these costs are reviewed and controlled since they account for $3.5M in the most current budget. He said it will require a meeting with the building committee and Centennial Management. Kevin DeKold said he thinks the Board needs to revisit the completion date and cost. Spear said he would arrange that meeting between the building committee, Mike Clements, and Kevin DeKold as well. Nitschke asked about the 30% design spec package. DeKold explained that it would be reviewed by the team today and that Bateman-Hall took a deep look at it.

1. **Action Item** - Approve Pioneer Road Phase II – Spear shared a spreadsheet with the Board identifying the total costs to complete the road improvements, $1.47M, costs that could be completed in the fall, $1.055M and costs that could be deferred to a later date, $489K. Spear recommended performing the $1.055M portion of the project this fall because it will likely save the district money because HK is already on site and they agreed to honor unit prices in their original bid to Ball Ventures. Motion to approve $1,055,000 to move forward with the construction of Pioneer Road. Nitschke asked about having the city help out with the cost of the road construction. Spear replied that it is in his plans to meet with the Mayor to discuss the options.

Tana Barney asked about a potential canal walking bridge that isn’t included in the budget for Pioneer Road. Some structure is needed to support the water line across the canal. The water line is included in the original budget, but the structure is not included. Mike Clements estimated the costs for the water line support structure/walking bridge to be $20k for the support. Additional items included $10k for testing and $37K for Pioneer Road w contingency. Nitschke asked if it would be an attractive place to cross so that people will actually use it. He suggested checking the “Connect our Community” plan to see what the possibilities are. Barney indicated the connection could be moved closer to the current roadway and become part of a bike path if that were preferred. Clements asked if it could be completed during construction instead of as part of the early building plan and if it could be considered a separate cost. Barney said that was a possibility as well. Barney also mentioned that they haven’t spent as much on Event Center Drive as was expected (rock removal costs were less than expected), so there could be some available resources available from Event Center Drive to help with Pioneer Road costs. Barney also mentioned that there may be resources available to cover the $10k for testing. Fuller suggested the Board request an estimate of the actual cost to construct the support structure (bridge) before accepting the total package, but that the $1.055 million be accepted in order to finish the blasting that is required. Nitschke moved to approve the new estimated cost of $1,122,305 amount. Vucovich seconded. Gazdik asked Clements to provide an updated cost estimate for the bridge structure before work begins. Motion passes.

1. **Action Item** – IFAD Naming Policy – Fuller passed out copies of the document to everyone on the board. He indicated that he received changes from Nitschke and incorporated them into the policy. He explained that this document is designed to provide guidelines for all naming right agreements. The policy was developed using information gathered from half a dozen other cities with similar donor situations. Gazdik questioned the sentence that explains that the Board will have the capability of changing the agreement with individual donors as necessary, and makes it sound that the other party doesn’t have the option. Fuller suggested deleting the sentence completely so as not to raise those issues, then accepting the policy with the change. Motion to adopt the policy as amended. Seconded. Motion passed.
2. **Action Item** – IFAD Donation Agreement – This is a generic template for future donations. Nitschke suggested a number of edits to the document and Fuller made those corrections and updates. Gazdik asked if there was a need to approve the format of this agreement when it was just a template. Fuller clarified that there was no action needed, he just wanted everyone to be aware of the document. Fuller indicated Exhibit A of the document would change for each donor to reflect the negotiated naming right benefits.

1. **Action Item** - Flow Testing Proposal – Spear provided a flow testing proposal from CRSA via Van Boerum & Frank and Associates. Spear provided a picture of a fire hydrant that was located on the corner of Event Center Drive and Pioneer Road that would serve the Event Center. He said this test would determine if there was enough flow capacity to eliminate the need for a fire pump (estimated to be $75k). Fuller explained that having this properly tested may reduce the cost of the builder’s risk insurance policy. Spear recommended to approve the proposal for flow testing. Motion to approve the policy. Seconded. Motion passed.

1. Report and Updates

1. Executive Director Report
	1. **Discussion Item** – Action Plan – Action Item Checklist has been updated. There are still issues with the Google Drive, but Salem Thomas is working to help the Board with those. Spear has been unable to contact Doug Swanson in order to ask him to be part of the strategic committee. The RFP for the Owner’s Representative was posted in the legal notices section of the newspaper. It was recommended that this be moved to the Help Wanted area. Spear will make this adjustment.
	2. **Discussion Item** – Project Management Plan – Spear said it is near completion. There have been many suggestions made that have been incorporated. Nitschke requested the current document to make more suggestions. Nitschke indicated the Quality Control section would not be written based on some existing quality control guidelines but would list the specific areas that the Board would review for quality control. Gazdik asked about when the State will be taking over the collection of the tax collection. Spear said that it would probably be in January because of the relocation and remodeling of the State Tax Collection Offices. Spear briefed the Board on additional revenues collected by the hoteliers that are subject to Auditorium District tax (meeting rooms, pet charges, etc.) He shared the document that explained all the Auditorium District taxable charges to a customer. Fuller said he would like to review the document and see if there were any significant changes. Nitschke suggested sending out the document afresh to all the current hoteliers. Spear indicated this was included in the most recent correspondence sent to a new hotelier. Spear asked if there was anything he needed to change about his executive director reports. Nitschke stated he was very pleased with the progress. Nitschke asked about where the Board was with the naming rights proposal. Spear said that the Board would receive information soon. Fuller said the last draft was sent to the legal counsel of the potential donor last evening. Nitschke asked what the largest issue is and Fuller explained that there are only minor items. The discussion has been completed and the legal counsel review is almost complete.

1. **Discussion Item** – Legal Report – Fuller explained that the two frequently late hotels are the only ones behind in payment, but they should be up-to-date soon. The Centennial Management agreement is almost complete. What they are doing now is determining the methodology for public vs. privates use. There are essentially three ways to determine private use: square footage, the cost of construction, and allocation of donation amounts. Fuller indicated that this board may seek reimbursement of non-private use expenses so that those funds can later be used for private use funds. He also mentioned the amount invested on Pioneer Road and Event Center Drive that will be an obvious benefit the public. Currently the review is being based on sq. ft. numbers supplied by CRSA as the basis for this private/public analysis. Nitschke suggested there were other ways to review this like time and use. Fuller explained we don’t have this data available now, but when the Event Center is operational this data will be tracked. Fuller stated that Centennial Management is aware of the regulations and monitors the number of hours of public use at the Maverick Center. Gazdik said she feels pretty confident in being able to meet the public use requirements. This is an important piece to the tax-exempt status of the Certificates of Participation. Fuller indicated the Centennial Management agreement will contain attachments for the hockey team and concessionaire. Although it is likely that Centennial will contract with Diamond Creations for food service, the hockey team/ownership entity has not been established yet, so negotiation of contract terms is not possible.
2. Calendar and Announcements
	1. Upcoming IFAD Meeting/Events – **Next Meeting on July 23, 2019 Discussion Item** - Announcements and Minor Questions
	2. **Discussion Item** - Agenda Items for July 23rd meeting
3. **Action Item** - Adjournment from Public Session – moved to adjourn at 8:06 a.m. Seconded. Motion passed.

Action Items:

Set up FFE meeting with Building committee and CM

Clements provide an estimate for the bridge/ waterline structure