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**Board of Directors Business Meeting**

**Tuesday, August 13, 2019, 7:00 a.m.**

**Location: Idaho Falls Auditorium District Office**

**467 Constitution Way, Idaho Falls, Idaho 83402**

**Attendees:** Terri Gazdik, John LoBuono, Bob Nitschke, Steve Vucovich, Rob Spear, Mark Fuller, Salem Thomas, Blake Davis, Dave Jones, Leith Sheets, Kevin Greene, Mike Clements, Tana Barney, Eric Isom, James West, Chad Hammond, Chip Swarzee, Kevin DeKold (by phone).

1. Call to Order - At 7:01 a.m. Motion to accept the agenda as presented. Seconded. Motion passed.
2. **Action Item** - Accept the Consent Agenda - Motion to accept the consent agenda. Seconded. Motion passed.

**A.** Meeting Minutes – 7/23/19 were reviewed and approved.

**B.** Financials and Payables – Gazdik noted that revenues are comparatively flat compared to last year. Gazdik indicated that James West commented that fewer international travelers are able to get visas to visit the US this year. In addition, travel in a year before the presidential election is historically slower.

1. **Discussion Item** - Public Comment - None.

1. **Discussion Item** – Design Schedule update - CRSA - Kevin DeKold explained that CRSA will have the 60% design completed before the deadline. Gazdik asked what the Board will see on August 15. DeKold said that CRSA will submit the drawings and a complete draft of specifications. Nitschke asked if there would be a printed copy to review. DeKold said they could provide a printed copy if needed. After some discussion, Gazdik requested one printed copy along with the electronic copies. Spear asked DeKold to summarize the conversation they had yesterday concerning the security evaluation. DeKold explained that they conducted the review based on the AIA sections B206-2007 (Security Evaluation and Planning). DeKold said the exterior of the building is a very strong structure. There are few windows other than at the entries. There are films that will cover the windows so they splinter less if they were to break. If the Operator and the Board want, magnetometers could be installed. The building could easily be placed in lockdown. There are ways to escape the building if necessary. There will be a security room. DeKold recommended that if further evaluation is needed there are other companies that specialize in security evaluations.

Gazdik asked what action item would come from this security evaluation. Spear explained he just wanted to make sure the whole Board had an understanding that a security evaluation was conducted by CRSA and this was more informational. The Building Committee discussed the plan during its meeting and this agenda item was intended to brief the entire board. Spear said he will have a further discussion with Centennial Management to see if this was up to their standards and covered all their bases.

In a public comment, Chad Hammond explained that doing research and having a plan for concealed carry is important for this state. They have to control actions concerning concealed carry at the State Fair at all times. Fuller said he would do some research to find out the statutes on concealed carry in Idaho as applied to public facilities.

Spear asked DeKold what it would cost to have the magnetometers installed. DeKold explained that this building would probably need around 5 to be effective and that it would be around $60,000 to install them.

Nitschke commented that he was more concerned about the security risks from individuals than attacks on the building since that is where there is potential for greater harm.

1. **Discussion Item –** Fundraising Update - Dave Jones shared his compliments to everyone involved with the announcement event of the Mountain America Center. The general strategy moving forward is two-fold: Continue to build the current excitement, and identify more potential donors. The business advisory committee has decided to host an event for people interested in the event center at 5 p.m. on August 27. There will be another opportunity for an event for the Event Center Drive opening around the beginning of September. Once the road is open there will be new sign erected.

Jones indicated the BAC is actively looking for prospective donors. There are several companies that are good prospects and others they know they haven’t talked with. There are several really significant prospects Pathways is still working with. If all seven of them were to come through, there would be about $6.5 million donated from these seven prospects. Jones likes the idea of leveraging suites sales with a contribution toward the construction of the facility.

LoBuono asked about accepting the lower level donations from the community members by selling pavers. Jones explained that it is important to do community building activities like that, but they should be held off until the end of the fundraising phase.

1. **Discussion Item –** TRT Revenues and Short-term stays - Mark Fuller said he was contacted a couple of weeks ago by Eric Tobias who performs accounting duties for a nursing home-operator client. Tobias asked if the Board was taxing care facilities that are generally long term, but occasionally house patients for short term stays. Fuller found the statutes state; “The rentals of rooms by hospitals, nursing homes and similar institutions to nonpatients are subject to the tax unless exempted under the provisions of rule 016.” 016 says, “Hospitals means a nonprofit institution licensed as a hospital by any state. This exemption does not include hospitals that operate for profit, nursing homes, or similar institutions.” Tobias originally asked if they begin paying the tax now, does IFAD have a forgiveness program for not paying in the past. Fuller suggested responding with a “yes.” The Board then would have to reach out to the rest of the care facilities in the area to collect the tax from them as well. Nitschke explained that he doesn’t feel comfortable taxing the local residents and feels that if the Board were to collect the tax, it would generate far more ill-will than revenue. Gazdik said since the State Tax Commission is taking over in January, the Board should not concern itself over care facilities in the next six months. The Board can allow the State Tax Commission to handle it as they see fit. Fuller will inform Tobias of the Board’s decision.

1. **Report and Updates**

**A.** Executive Director Report

a. **Discussion Item** – Power on Parking Lot Poles - Spear explained that the Board will need to decide how much and what kind of power they want to have available in the parking lot. Kevin Greene said he could get a list from Kevin Bruder to see what events they have done in Salt Lake that use those outlets in the parking lot. Mike Clements said that in a nutshell, the Board just needs to decide which poles they want to have power and where in the parking lot it is needed. Tana Barney explained that they have outlets in the poles in the parking lot of the Waterfront and that they would need to be GFI outlets. Kevin Greene said it might be enough to have outlets on one side of the parking lot instead of all sides. He said he would talk to Centennial Management to decide what he would recommend. Chad Hammond explained that it isn’t expensive to rent a large generator if it was needed for a specific event.

b. **Discussion Item** – Suite Sizes - Spear explained that he didn’t know beforehand that the suites would be varying sizes. The smallest are 13 seaters, and the largest are 23 seats. There are 10 suites in total plus two party suites that can accommodate 43 people. Spear just wanted the Board to know the current plan for the suites and the opportunity to consider having more suites of a smaller size. He felt they should be aware. Kevin Greene explained that small suites are just too small for large corporations. He thinks the four large suites, at 23 seats, are going to be sold very quickly.

c. **Discussion Item** - IFAD Community Memberships - Spear explained how the Board is an integral part of the community and he wants to be involved with many organizations. Spear personally filled out a form to be part of the Rotary Club and the Board is a Chamber of Commerce member. Nitschke suggested bringing each opportunity to be discussed before the Board. Gazdik said she is not opposed to having memberships, but each one will have to be brought to the Board and decided on individually.

d. **Discussion Item** – Early Project Start - the Board is going to have to make a decision on the start date of the project. LoBuono said he would like to start the project in the fall, but only if the Board is able to get the pledges for enough money. LoBuono said he doesn’t necessarily want to start without pledges for the certificates of participation. Mike Clements explained that if the Board wants to do this early project start, they will have to have a special meeting to get things going because they would have to go out to bid on August 21. If they do that, they would be able to start building on September 30 and construction would be completed in time for the 2021 hockey season. Kevin Greene said that now might be a good time to ask for the in-kind donation from HK Builders. Gazdik said there may be a need to have a special meeting held on Tuesday, August 20.

e. **Discussion Item** – Owner’s Representative - There has been one response to the RFP from a group that Spear is familiar with. The person is highly qualified. Spear will distribute the information to the rest of the Board. The current proposal is for the Owner’s Rep to be paid at about 1.4% of the project cost. Typically, Owner’s Reps charge between 2% and 3% of the total project cost. The proposal is for a part-time Owners Rep.

f. Action **Item** – Project Management Plan Approval - Spear explained that Nitschke has been very helpful with the PMP. It has been reviewed and updated a number of times. Nitschke was okay with the Board approving it as is, and then updating it as necessary. One issue he still has is the storage of hard-copies. Nitschke wants to further review the quality and risk management section. Motion to accept the project management plan as presented and modify as needed. Seconded. Motion passed.

g. Action **Item** – Approval for Collateral Material for Fundraising - Spear explained that as fundraising continues, there is a need for better collateral materials. Someone at the business advisory committee meeting explained that renderings are kind of old school and the Board actually needs some 3-D walkthroughs of the building. Gazdik suggested a budget for collateral materials instead of approving each individual proposed material. DeKold said they are working with Google to create a digital walkthrough of the building. They are also putting together a budget for what it will cost to do the 3-D walkthrough among other things. Chad Hammond asked if it would be possible to take screenshots of the animation to add the photos to a PowerPoint. DeKold said it could be fine, but he worries that it would be fairly pixelated. The Board discussed the options of approving a budget today or waiting until the special meeting. DeKold offered to have a proposal ready by the end of the day tomorrow (August 14) so they could discuss it at the special meeting next week.

h. **Action Item** – Approval of Mountain America Banking Services - As part of IFAD’s agreement with Mountain America we have to move our services over. There is need to get a few more signatures on the account. Gazdik and LoBuono will both be signatories. LoBuono asked if we were going to keep the account we currently have and Gazdik said no. Gazdik explained that this is not an action item.

**B.** **Discussion Item** – Legal Report - Fuller updated the Board on the status of the Centennial Management agreement negotiations. He tried to speed up the process of the negotiations, but a key stakeholder in the negotiations has been gone for the last two weeks. There are modifications to the contract that have been reviewed, but all hands are actively working on the contract. Nitschke said he has a few comments on the contract as well and he said he would give them to Spear to share with Fuller as needed.

1. Calendar and Announcements

**A.** Upcoming IFAD Meeting – **Next Meeting on August 27, 2019 Discussion Item** - Announcements and Minor Questions - None

**B.** **Discussion Item** - Agenda Items for August 27th meeting

 Special Meeting tentatively scheduled on August 20 at 7:00 a.m.

1. **Action Item** - Adjournment from Public Session - Motion to adjourn. Seconded. Meeting adjourned at 8:28 a.m.

**Action Items**

Spear complete the Mountain America Account transition

Spear to visit with Centennial Management about the security plan and power to parking lot poles

Spear to get proposal from CRSA for collateral materials

Further discussion for magnetometers