

**Board of Directors Special Meeting**

**Monday, October 14, 2019, 3:30 p.m.**

**Location: Idaho Falls Auditorium District Office**

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

**Attendees: Terri Gazdik, John LoBuono, Bob Nitschke, Doug Swanson, Rob Spear, Mark Fuller, Salem Thomas, Mike Clements, David Lee**

**Minutes:**

1. Call to Order – at 3:36 p.m. Motion to accept the agenda as presented. Seconded. Motion passes.
2. Action Item – Accept the Consent Agenda – Thomas explained that only the 9/16 minutes had been fully updated. The 9/24 and 10/8 minutes are still waiting on comments from Nitschke. Nitschke said his comments on the 9/16/19 minutes were mainly for clarification. It was decided to not approve the minutes today because there had not been sufficient time to review and edit them. Motion to approve the payables. Seconded. Motion passes.
	1. Meeting Minutes – 9/16/19, 9/24/19, 10/8/19
	2. Payables/Financials
3. **Discussion Item** - Public Comment – None.
4. **Action Item** – Owner’s Rep Contract – Nation’s Group –The scope detail was updated as the Board requested. It is also clear that the Board is not obligated to progress with phase II if they choose to move forward with phase I. Fuller got clarification on the termination date. Nations Group was willing to change the contract to a 30-day termination notice for phase I. They are not willing to change the termination time for phase II. They require the full 90 days of termination notice in advance. Gazdik asked if the Board was going to have to actually make a termination call in order to complete phase I, or if the Nations Group would simply complete the project. Fuller clarified that the Nations Group would complete Phase I unless the Board terminated the contract before March 1, 2020. Spear said that using Nations Group during Phase II is predicated on securing all the donations necessary to start vertical construction.

Spear indicated that the Nations group would be devoting many of their efforts during phase I to the Furniture, Fixtures, and Equipment. Swanson asked if Spear thought he could do everything an owner’s rep would do without Nations Group. Spear said that he could, but he isn’t sure how much value he could add compared to Chris Nations who has tremendous expertise in this area and claims he can substantially reduce total project cost. Swanson asked Mike Clements if he thought it would be beneficial to use the Nations Group. Clements said it would have been nice to have had his services six months ago, but anything he suggests changing now will be difficult because the plans are approaching 90% completion. Nitschke pointed out it’s always much cheaper to make design changes before construction begins regardless of design completion status. Gazdik said that this is such a unique building that she would prefer to have someone who knows the industry well to review it before the Board moves forward. LoBuono said he isn’t just hoping for $250,000 in savings in order to pay for the five months of work, but also his valuable opinion and input on all of the building. Fuller suggested the Board not be so focused on whether the Board thinks Nations will be able to save the Board more than the cost of Nation’s Contract. It is important to have assurance that the Board is managing all aspects of the project wisely. LoBuono moved to approve the contract of Phase I with Nations Group. Nitschke seconded. Gazdik clarified that the contract contains both phases, but the motion is to accept only phase I at this time. Swanson asked where the previous FFE cost estimate came from. Clements said that it came from Centennial Management in 2016. The Board voted unanimously to move forward with completing the negotiations with the Nations Group to be the owner’s rep for IFAD through March 30, 2020.

1. **Action Item** – Knife River Contract Amendment – Rock Removal – Spear explained that the Knife River request for an amendment to modify unit price costs for rock quantities if actual amounts vary by 15% up or down must be resolved. Spear presented the Board with language from AIA General Conditions that appears to acknowledge the issue if rock removal quantities materially change. Fuller explained that this is a common element in contracts such as this. It helps protect the contractors if there is too much more or too much less work than was planned upon. Fuller commented that 25% may be a better percentage than 15%. Gazdik asked why Fuller was suggesting a 25%-unit amount change instead of a 15% change. Fuller explained it would probably settle at 20% which would be less of a price change for the Board, but would still help Knife River if they needed it. Nitschke asked why we are trying to address a situation that hasn’t happened yet and may not. He also was concerned the proposal change would compromise their original bid proposal. That bid amount is one of the reasons they were selected, so he feels it is unfair to allow the unit price to be recalculated. LoBuono said he feels good about it because they are a local company and it makes sense to pay them what they are worth. Gazdik asked about only changing the percentage if the actual amount of rock is under the proposed amount. Clements said that he had never seen a one-sided proposal. The Board agreed that it would be good to offer the price point changes on both the high end and low end of the proposal. Clements agreed to negotiate with Knife River on the percentages.
2. **Action Item** - Yesco Video Board/Ribbon Board – David Lee with Yesco showed the Board a couple of pieces the ribbon board. The company that makes them had a production error, so they are selling it at around 30% off. Gazdik asked how Lee thought the technology would change in the next couple of years before the video boards would be installed in the event center. Lee said he couldn’t see the technology changing any time soon.

Lee said that the Jazz video board is using a smaller than 10mm, and their ribbon board is at 10mm. LoBuono asked about the Maverik Center and Lee said he thinks it also is a 10 mm board.

Fuller reminded that Board that they will need to competitively bid any purchase of video boards. Lee said that Yesco is in a unique position where they can get competitive bids from a number of companies, so the Board doesn’t have to put out the proposal. Fuller said that is not an option, but a donor could purchase these specific boards and donate them. If that were to happen, they wouldn’t have to bid at all.

Nitschke asked if the 26 in. height would be visible for the event center. Lee shared a video that shows the Ravens stadium which has a video board at 4 ft. high. Lee shared that the 26 in. would likely be large enough, but if the Board wanted a larger board, they could get it, but there are only so many panels available with the internal face plate at the discounted price. He said the Board could build the event center the way it has been planned and then reevaluate in a few years to determine if they want to complete the wrap around the arena. Spear said he was thinking it would be best to use the 10 mm board for the ribbon board and the 16 mm for the video board. Lee offered to get a competitive bid, but Fuller clarified that the Board will have to comply with the competitive bid statute. Gazdik said that she thinks it would be wise to move forward with this option. Fuller said he would see if there was anyway this specific purchase could be exempted from the competitive bid requirement, but he did not believe that was possible.

1. **Action Item** – Chamber of Commerce Hospitality/Tourism Industry Award – Spear read the email explaining the award the Board had received. Spear offered congratulations to the Board, then suggested that the Board should have a presence at the awards ceremony on November 1. Gazdik said she felt that as many Board members as could be there should attend. The Board was in favor of having a presence and many said they would be willing to be there. Fuller and Spear reviewed the marketing budget for 2019. There are still sufficient funds in the budget to cover the awards dinner expense. Gazdik moved to expend $500 to pay for a table at the award ceremony and Spear will be accepting the award. Seconded. Motion passed.
2. Calendar and Announcements
	1. Upcoming IFAD Meeting/Events – **Next Meeting on October 22, 2019**
	2. **Discussion Item** - Announcements and Minor Questions – Gazdik announced that she and Spear would be attending a meeting with senators and legislators later in the day for a 2020 legislative review.
	3. **Discussion Item** - Agenda Items for October 22nd meeting
3. **Action Item** - Adjournment from Public Session – Motion to adjourn. Seconded. Motion passes. Adjourned at 5:14 p.m.