

**Board of Directors Business Meeting Minutes**

**Tuesday, December 8, 2020, 7:00 a.m.**

**Location: Idaho Falls Auditorium District Office****/Zoom Videoconference**

<https://zoom.us/j/8694715148>

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

**Attendees: Terri Gazdik, Bob Nitschke, Steve Vucovich, Rob Spear, Mark Fuller, Rebecca Casper, Mike Clements, Kevin Greene, Chad Hammond, Trenton Saxton, Spencer Howell, Mack Moulton, Mike Clements, Blake Hogan**

**Agenda**

1. **Action Item** - Call to Order 7:05a
2. **Action Item** - Accept the Agenda. Vukovich moved to accept the agenda. Nitschke seconded. Motion passes.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes
	2. Review of the Payables/Financials. Spear indicated that not all the payables have been processed by WIPFLi. Spear indicated that there were several outstanding payables: Two invoices from CRSA for construction services; Invoice #17 for $4,759.99 (this was stated incorrectly at the meeting. Invoice #17 is for $8,628.74) Invoice #18 for $7,832.69 (this was also incorrectly stated. Invoice #18 is for $44,389.52. Both Invoice 17 and Invoice 18 will be presented at the 12-11-20 special board meeting). There is another invoice for legal services in the amount of $4,825 and a reimbursement for Spear for Zoom 14.99 and Adobe of $14.99. Gazdik indicated the new payable total was $390,542.90. Spear indicated the payable to Bateman Hall included the final two pay applications for Pioneer Road, Event Center Drive, the September General Conditions, and the final installment for the critical submittal items. Spear summarized and compared the final pay applications as described below:

 

Spear indicated that no financial statements were available but reported to the Board the October revenues were $162,862 or 91.7% of October 2019. Spear thinks this includes the outstanding Airbnb amounts.

Vukovich moved to approve the consent agenda, Nitschke seconded. Motion passed.

1. **Discussion Item** – Review HVAC study prepared by Spencer Howell of VBFA. Gazdik asked Spencer Howell to walk the Board through the report. Howell acknowledged that the document was technical and that they strived to write it with the end user in mind. Howell clarified how the building was broken up. The building was separated into Arena space and Events Center (conference space). Because of their high occupancy, these two spaces are of particular interest in mitigating the spread of infectious pathogens. Howell said the baseline was outside air. Because ASHRAE classifies outdoor air ventilation to be a primary strategy at controlling the spread of infectious pathogens, the Arena and Event Center were analyzed against the goal of achieving Indoor Air Quality (IAQ) equal to 100% outdoor air delivered to the spaces. To accomplish this Howell said they used two ASHRAE Standards; ANSI/ASHRAE Standard 62.1 Ventilation for Acceptable Indoor Air Quality (Standard 62.1) , which is the standard for commercial buildings and NSI/ASHRAE/ASHE Standard 170, Ventilation of Healthcare Facilities (Standard 170) which is the standard for healthcare facilities.

Nitschke asked why Howell didn’t use the base design as the basis to compare mitigation strategies rather than comparing to achieving the outside air IAQ? Howell stated that not all of the technologies are in the building so basing off the current design did not seem like the right common thread. Howell said what Nitschke was requesting was contained in the report but from an efficacy standpoint it was better to have the comparison to outside air. Howell said there are a couple of mitigation strategies defined that get you close to the outside air criteria. Nitschke asked what mitigation strategy does not involve the design baseline. Howell said by comparing to outside air we get a consistent measurement between all the strategies VBFA reviewed and would give you the same information as if they used the design baseline. Howell said using either method to compares, baseline design or outside air, would not change the report or its results.

Howell continued on and said the HVAC is designed to support the Arena and the Conference Space events. The Events Center is considered to be Banquet Rooms and all associated spaces directly surrounding the Banquet Rooms. All other spaces in the building are considered to be part of the Arena. Nitschke asked, how many different sub systems apply to the event center compared to the Arena? Howell asked Moulton to explain and Moulton said there are four air handlers serving the main Arena with two of those serving the concourse, two air handlers serving the lofts and staging areas and two serving the Event Space. One for the banquet room and one for the commissary area. Nitschke said that was informative and it seems like it is important to look at each one of these areas when making comparisons. Howell said the reason for the breakdown is that the areas operate the same way. If the arena is in operation, all the other air handlers will be operating the same way. Breaking out the Event Space from the Arena is a natural break point. Howell said they will make tables available for reference. Nitschke said the HVAC performance may be different in the concourse vs meeting rooms vs luxury boxes and it is important for safety reasons to have those sub systems to be compliant. You can roll everything up collectively and you can show they comply but maybe there is a spot that is underperforming. Howell said they have done the calculations down to the air handler level but for the report they have simplified the results into the two main areas. Howell said he would provide a summary of each air handler unit. Nitschke said he would like a summary of the reports referenced in the study. Howell said the final report will contain a bibliography that references the reports and appropriate summaries.

Howell discussed the five mitigation strategies that will be discussed in the report. Those five include increasing ventilation air, building outside air flushes, improved filtration, ultraviolet germicidal irradiation (UVGI), and air ionization. Howell explained the increased ventilation air and said ASHRAE classifies outdoor air ventilation to be a primary strategy at controlling the spread of infectious pathogens. Howell said they relied on the ASHRE 170 to give them a target. ASHRAE Standard 170 specifies that patient rooms must be ventilated at a rate that results in a minimum of two outdoor air changes per hour (ach). Howell said they evaluated the current design with the minimum of two outdoor air changes per hour. In general, the design is meeting the two outdoor air changes per hour with the exception of the Arena. Basically, because the Arena is a large, cavernous space, it is a large volume of air to change out. Nitschke wanted clarification on the statement in the report, “While the Arena also has a high occupant density, the amount of ach’s is reduced because of its large volume.” Howell said, the main thrust is the amount of ach that is reduced because of the large volume. When the Arena is full with people, the amount of ventilation air is high compared to other space types, but because you have such a high volume, that ventilation air is diluted into the large volume and reduces the speed of which you are replacing that volume of air with outside air. Howell said the design is not based on volume; it is based on number of people. Howell said because they used the number of people when developing the basic design they were not addressing the volume, so by bringing the volume into the equation, VBFA realized they needed to increase the air ventilation to meet the minimum of two outdoor air changes per hour. Nitschke asked what was the design requirement if it wasn’t two air changes? Howell said they would add another table into the document that referenced ASHRAE 62 which is the standard the original design was based on. Moulton said he didn’t include the specific ventilation numbers in the document. Howell said outside air is determined by a rate per person and rate per area. The rate per area is usually very small, it is .06 cfm per square foot for the arena and then the ventilation rate per person is usually in the range of five to seven and a half cfm per person. Nitschke said the explanation was helpful and if you have the supporting analysis this would go a long way.

Howell said the details of the increased ventilation air is contained in table 2 which summarizes and lists VBFA’s self-imposed target of two outdoor air changes per hour, with a total air change of six per hour. The difference on that is four of those changes are recirculated air and only two of them are outside air. Howell said the Arena comes up just a little bit short. The current design is only 1.9 outside air changes per hour versus our goal of 2 or total ach of 5.22 total air changes in the space. So, 120,000 CFM of current airflow in the arena, it only changes the air (total air changes) by 5.22 times in an hour. The goal is 6. So, it's a little bit short in the air circulation rate. The Event Center is almost double the outdoor air change rate when compared to what is recommended for patient rooms based on our research.

Nitschke said it appears HVAC for the Event Center is almost over designed, greatly exceeding that which is required for a patient room. One of the definitions of quality is that you meet a requirement not vastly exceed it. Howell responded that you must keep in mind the basis of design is the Commercial Code required ventilation. As you look at Table 1 and the minimum ventilation rate as determined by ASHRAE 62.1, VBFA is actually meeting the requirement and not over designing with respect to code ventilation.

Howell then discussed the Unoccupied Air Flush mitigation strategy. Stating that as VBFA dug into this strategy they found that unoccupied air flush is not a standalone technology. The intent of an unoccupied air flush is trying to remove any lingering biomass that's left in the air when the building becomes unoccupied. So, you basically are working really hard to clear the whiteboard of the last meeting’s scribbles before you start the next meeting. Unoccupied Air Flush is not doing anything to improve occupied indoor air quality. It's just hitting the reset button on the space before your next event. By that definition, it doesn't have a metric that we can measure against the outdoor air baseline.

Howell then described the Improved Filtration strategy. This is the most tried and true technology. ASHRAE recommends using a MERV 13 which is basically an efficiency measure. There is a whole ASHRAE standard that describes the rating of all the filters. Howell did not want to include in the report but will reference in the bibliography. A MERV 13 is capable of removing 74% of the airborne particulates that are being targeted in the air streams that are being evaluated. Howell said this includes some dilution because there is still the designed outside air coming in and removing some of that recirculated particulate airborne pathogen. The MERV 13 filter is capable of removing 60% particles greater than .5 micron. The actual coronavirus itself and most viruses are down around .1 micron, they're much smaller than that. In general, the viruses are hitching a ride on other stuff. It's not the virus itself that is being captured, the ride (the airborne water droplets or dust particles) is being captured. By capturing particulates 5 microns and above with a MERV 13 filter, the IAQ will be 60% of the outside air. When this treated air is mixed with replacement air from the outside, the resultant IAQ in the Arena or Event Center will be 74% of the outside air.

Nitschke stated that it seems counterintuitive, that the MERV 13 filter would be changed less frequently than an MERV 8 filter. Howell said the MERV 13 has more filter area than a MERV 8. The MERV 8 is two inches deep compared to the MERV 13 that is four inches deep. The MERV 13 is more than doubling the amount of surface area for the filter to load up.

Howell then described the Ultraviolet Germicidal Irradiation strategy. UVGI has an extensive track record in this type of application. Howell stated that we are not disinfecting surfaces we are disinfecting the air stream. That is an important distinction because disinfecting surfaces does not require nearly the amount of ultraviolet radiation as disinfecting the air stream. With this strategy we are just disinfecting the air stream not the surface area. Basically, the entire air stream supply is exposed to the intense UVGI light. This is very impactful because you can't look at UVGI light directly without hurting your eyesight. This system would be encapsulated and would also have safety switches to prevent anyone from opening that section of the air handler. UVGI has an effectiveness of disinfecting the air stream of approximately 94%. So, 94% of the airborne pathogens passing through that area are killed. When comparing to outside air being 100%, the efficacy of this strategy is significant. Almost as good as outside air with respect to airborne pathogens.

UVGI also has the benefit of inhibiting the growth of biofilm on the cooling coils reducing maintenance and improving coil heat transfer.

The UVGI lights would need to be replaced on a regular basis to maintain the efficacy. You have to do regular maintenance on replacing the lamps. Vucovich asked about lamp replacement and if there is one lamp per the nine air handler units? Howell said there are multiple UVGI lamps and the table reflects the total replacement cost. Vucovich asked if the UVGI units come with hour meters so you know when to replace them? Howell said they can build that into the control sequence. It's an easy thing to include in your building management system to monitor. It is also possible to have the UGVI lights not come on when the building is unoccupied. Vucovich also asked about the impact on the life of the units if they are only on for four hours (two-hour event and two hours after) and then off the remainder of the time. Howell said he is certain that the manufacturers have some input on how often the UVGI units should be replaced and again, that is something that should be incorporated in your building management system to monitor how many hours a unit has been operational.

Nitschke asked if $8,000 was the annual cost based on how many three-hour events are conducted and stated the need to explain the basis in the table. Howell said they would add this to the table and explained the $8,000 is based on 9000 operation hours. Vucovich stated if you ran an event, once a week, over fifty-two weeks, multiplied by a 10-hour runtime, that equals 520 hours of run time. Divide that by 9000 hours, you come out with an 18-year lifespan which seems like a long time. When you factor that over $8,000 that's pretty cheap operation cost. Nitschke agreed. Howell cautioned that lamps will fail and need to be replaced and the 9000 hours is an average. Comparing to a hospital environment, where these are running 24/7, the UGVI lights would only last a year.

Howell proceeded to explain the Photohydroionization (PHI) mitigation strategy. Howell said VBFA was given the halo model device from RGF to evaluate. Unfortunately, that specific device is not large enough to fit in the air handling units recommended for the event center. Howell said they reviewed a different device called the PHI unit. This device does similar things and is a difficult technology to describe. It is proprietary and has several factors. It has a UVC light array, which is impacting a surface and acting as a catalyst to ionize the air. Per the company’s documentation, they believe this has a 99.9% efficacy rate at eliminating airborne pathogens. Howell cautioned that although this technology has been used for years, it hasn't necessarily been used on this scale. Any impact on smaller spaces, may not carryover to the larger spaces and higher airflows that are in the arena. Howell said the technology really doesn't have a whole lot of supporting data on the Arena size scale. On small scales PHI is hugely effective. Howell stated that ASHRAE has strongly recommended that more than one technology be adopted to effectively mitigate airborne pathogens.

Gazdik asked about the timing for a Board decision. Nitschke said he would provide feedback to Spear on some housekeeping items and any other items that need clarification. Gazdik encouraged any comments be provided to Spear within the next 48 hours.

DeKold said with a 1-4-21 deadline to get information to Bateman Hall for the rebid package, they need decisions soon. Decisions made will likely involve additional services by VBFA, approval by the IFAD Board and then actually getting the work done by January 4. Howell said VBFA is already faced with redesigning the air handling units because the units originally designed for the project are no longer available.

Vucovich had one last question on the equipment cost increase for the improved filtration going to the MERV 13. It says $850 and Vucovich wondered if the fan size capacity would need to be increased. Howell said they reviewed that and realize they need to make sure the nameplate motor horsepower is capable of dealing with that increased pressure drop. Howell said that it is common to install larger motors than needed. Since motors are only made in certain sizes, it is likely that if you need a 32 horsepower motor based on design, the likelihood is that you would install a 40 horsepower motor because that's the closest motor size that will provide the 32 horsepower needed in the design.

Gazdik said she is hearing that we need to make a decision based upon the recommendations from the VBFA report on what we're intending to implement for this facility in a very short amount of time.

Howell, again said they would need about two weeks for the redesign of the air handler units. Howell said there will also need to be some structural changes. Once final equipment is identified, Howell is not sure how much time structural needs to react but thinks two weeks is adequate. DeKold said it is possible that structural may not be able to provide their information until after 1-4-21 and asked Clements how he felt about that. Clements said they would make it work.

DeKold said it is important for the Board to make a decision on mitigation strategies by 12-11-20.

Spear asked a question about whether the two mitigation strategies; increased filtration and UVGI lights are dependent upon the increased ventilation air. Howell said each mitigation strategy has been evaluated on its own. Spear asked how much more redesign would it take in addition to the already needed redesign. Howell said they would need to go back and adjust the numbers based on the air handling equipment selected. That is where the added cost comes in.

Spear asked Howell for his professional opinion on the mitigation strategies presented. Since the efficacy rates of the UVGI are 94% and the improved filtration is at 74%, those two combined seem to be significant. Is it necessary to invest in the increased air ventilation? Howell said in his opinion, no. Howell said if you look at table 2 in the report, the only space coming up short, is only coming up short by a small amount. The design already places the air changes at almost 2 per hour. Howell said increasing ventilation air is not a priority when comparing to the increased filtration and UVGI. Spear said the term state-of-the-art is used on occasion and wanted to know if implementing UVGI and increased filtration would make this facility state-of-the-art, in regard to the HVAC function, when comparing it to other event centers across the county. Howell said he would think so. There are not any other arenas that are taking these steps. If you contrast this with the health care industry, this is what they have been doing for years and years. Howell said, except for critical care facilities, hospitals are not implementing the UVGI lights.

Gazdik suggested that a Special Board meeting needs to be scheduled for 12-11-20. Spear asked if an updated report could be available for the meeting. Howell said they could accommodate that request.

1. **Action Item** – Approve Idaho Falls Auditorium District Board meeting dates for 2021. December 7 was modified to December 14, 2021. Nitschke moved to accept the 2021 meeting dates. Vucovich seconded. Motion passes.
2. **Action Item –** Review proposal from Bonham Wills for determining naming right valuations and assistance in a national sales campaign. Spear briefed the Board on the proposal. Spear said that he wanted to position the Board to have the resources necessary to proceed forward once the new GMP was accepted. Spear also said that Jason Smith from Mountain America recommended the engagement of Bonham Wills (BWA), especially to develop valuations for naming rights. Spear provided the following specifics:
	* + BWA, will conduct comprehensive sponsorship and naming rights analyses and valuations
		+ BWA, will conduct an exclusive sponsorship and naming rights sales campaign, (Campaign), for the MAC
		+ The term would run through May 31, 2021 and would require a $5k monthly retainer that would be reimbursed upon a successful sales campaign.
		+ If BWA is successful in closing an agreement with some of IFAD’s outstanding proposals BWA will be paid a success fee of $12,500 for any agreement of $500,000 and under of the total value of the agreement and a success fee of $17,500 for every agreement over $500,000 (Success Fees). If BWA provides the lead for the successful negotiations, BWA shall be paid a seven-and-a-half percent (7.5%) commission, (Commission), of the total value of the Agreement. If IFAD provides the lead for the successful negotiations, BWA shall be paid a three-and-a-half percent (3.5%) commission, (Reduced Commission), of the total value of the Agreement.

Gazdik asked about any out of pocket costs they might incur. Spear said he did not think it would be significant because of the pandemic and most interactions would be done via Zoom. Spear said there could be a request for more collateral materials. Gazdik believes approving this contract is necessary to move the project forward. It is small cost to get them started and on board. Gazdik asked if the Board was willing to move forward pending Fuller’s review of the contract. Nitschke stated that he has not had an opportunity to review the proposal and is not comfortable with proceeding at this time. Fuller said he has reviewed the proposal twice and has some issues. Fuller suggested that since the Board is meeting on 12-11-20 that this be added to the agenda and have a representative from BWA participate.

Gazdik suggested this be added to the 12-11-20 Special Board meeting and include a representative from BWA. Spear said he would ask Tom Wills to participate.

1. **Discussion Item –** Review communication strategy for Certificates of Participation (COPS). Spear said that he has visited with Chad Hammond and that the recommendation is that the Board not issue any type of press release. It does not appear the City has received any negative feedback on its recently adopted position to sell COPS. Spear said the communication piece could be utilized if needed and explained that the document discussed:
	* + The Idaho Falls Auditorium District (IFAD) will utilize an Idaho Supreme Court approved financing plan to help construct the Mountain America Center. Certificates of Participation will be sold as part of IFAD’s financing strategy and will not result in increased taxes to Idaho Falls taxpayers. No Idaho Falls citizen will pay any tax toward the event center unless they spend the night in a local motel.
		+ Public officials are not allowed to deficit spend and can’t commit future revenues to pay for current expenses. Certificates of Participation are sold based on the promise that government securities will be repaid from year to year. Every year the budget process starts over, preventing current public officials from committing future public officials to long term debt which has not been approved by the voters.
		+ The IFAD the Board will rely upon donations and the sale of Certificates of Participation to fund the event center without any financial risk to Idaho Falls citizens.

Hammond said he does not think the Board needs to do anything right now. If something does come up the document would need to be modified to address any specific concerns. Nitschke agreed and doesn’t see a reason to proceed with this communication.

**Report and Updates**

1. **Discussion Items** - Executive Director Report
	1. Fundraising and Budget Update. Spear indicated that the 2020 budget would finish stronger than anticipated and the District should end the year with a fund balance of $9.5M. For 2021 assuming a 75% tax collection rate, Spear estimates IFAD should have $11M fund balance at the end of 2021. With October revenues being strong, Spear estimates revenues will end the year at 67% of 2019 levels.
	2. State Tax Commission Collections Update. Spear said October gross receipts were received and he is expecting to receive the details around the 10th of the month.
	3. Action Items
		1. Nitschke to provide questions on HVAC study
		2. Spear to prepare for a special board meeting on 12-11-20 and invite BWA to attend.
2. **Discussion Item** - Legal Report

 C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on January 12, 2021**
2. **Discussion Item** - Announcements and Minor Questions
3. **Discussion Item** - Agenda Items for January 12, 2021 meeting

Meeting Adjourned 8:50a