

**Board of Directors Business Meeting**

**Tuesday, January 26, 2021, 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, Mike Carpenter, Rob Spear, Mark Fuller, Tom Wills, Rebecca Casper, Mike Clements, Blake Davis, Kevin Greene, Kevin DeKold**

**Agenda**

1. **Action Item** - Call to Order 7:10a
2. **Action Item** – Swear in new Board Member. Gazdik introduced Mike Carpenter as a candidate to complete the term of former Board member John LoBuono. Gazdik said that Carpenter has been active with the IFAD Business Advisory Committee and will occupy the vacant seat until May. At that time Carpenter will determine if he runs for reelection. Nitschke stated that the Board had a meeting two weeks ago and there was no discussion of filing the vacancy or how the Board would go about filling the vacancy. Nitschke said he didn’t want to discuss Carpenter’s qualifications but was more concerned about the process. Gazdik asked Fuller about the process for filling a vacant Board seat. Fuller said it does not require voter approval and that Board can appoint a member until that seat is up for election. Gazdik said that because there is a relatively short time frame before the seat is up for reelection, actually seven meetings, she felt it was important to appoint someone that understands the project and that Carpenter met that criteria. Spear mentioned that the vacancy was discussed with the Business Advisory Committee and the committee as in favor of having Carpenter join the Board. Nitschke said this is not about Carpenter’s capabilities, the question is how we go about things. There is always a rush. When we put family and friends on the Board, we lose independence and diverse thought. We exclude the opportunity to include other people. Gazdik said Nitschke’s point is well taken and that the Board does not have to approve Carpenter’s appointment today and can elect to extend it to next meeting. Gazdik said it is her intention to call for a vote. Gazdik asked Carpenter to talk about his interest in the Board position. Carpenter said he appreciates the confidence displayed by members of the Business Advisory Committee and from Board members. Carpenter said he wants to see this project move forward and to take advantage of the recent donations. Carpenter said he is very familiar with fundraising and with Boards. Gazdik called for a motion. Vucovich made the motion. Gazdik seconded. Motion approved unanimously.

Mark Fuller swore in Mike Carpenter for the Board position vacated by the late John LoBuono.

1. **Action Item** - Accept the Agenda. Vucovich moved to accept the agenda as amended. Nitschke seconded. Motion passes.
2. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes 1-12-21
	2. Review of the Payables/Financials – Gazdik asked about the payment to Snake River Landing for the annual assessment. Spear explained this was the estimated annual assessment that was reduced by $2492 because the District overpaid las year. Spear explained the fee is based on the percent of acreage. The District has a little more than 8% of the acreage and pays 8% of the total assessment. Vucovich moved to accept the consent agenda. Nitschke seconded. Motion passes.
3. **Discussion Item** –Public Comment (Any member of the public is welcome to take three minutes and share concerns or questions with the Board). Nitschke updated the Board on the Museum of Idaho reopening and the two new exhibits; The Way Out West and Body Worlds: Animal Inside Out. Russ Stenquist briefed the Board on his desire to become a Board member. Russ said he has lived in Idaho Falls area for seventeen years and recently moved from Ammon into Idaho Falls. He has been very active in fundraising for community youth organizations. Stenquist said he wants to see this project come to fruition. Gazdik asked Stenquist to provide a bio for the Board to review.

1. **Discussion Item** – Tom Wills of Bonham Wills and Associates will update the Board on BWA fundraising progress. Wills updated the Board on the last 30 days of BWA activity. Wills explained that BWA is working with several companies on a local and regional level and said there is a handful of industry categories, especially in healthcare, that are very hot in terms of sponsorship. Wills said they are excited about the healthcare. Wills said BWA is working with regional members that IFAD had relationships with from Idaho. Wills said he and Spear have a meeting later this week with a group based in Boise that he believes has a strong interest in the healthcare arena. Wills said they are working more at a national levels with companies that have a presence at the local level and making progress. Overall, BWA has 5 to 10 really warm irons in the fire and Wills said BWA is making progress and the future looks promising. With the work Spear is doing on the back end, that he doesn’t need our help with, Wills thinks we're going to be really close to completing the budget shortfall. Nitschke said that Spear sent out a pretty document that was prepared by BWA and wanted to know how the table in the document was derived. Wills explained the document was designed for the intended audience and that is the City Council for Idaho Falls, which is the Board of Idaho Falls Fiber. Wills said from his end it is a lot less pretty because the table is generated from 35 Excel spreadsheets that BWA reviews. Wills said he is happy to talk about each of those exposure elements and provide information on where those numbers come from. Overall, BWA’s evaluation system has been used many times and has gone through a number of different revisions and transitions as it has helped BWA achieve $12 billion in sponsorships. BWA evaluates the individual assets within the package, for example, the logo on the ice that is high value. BWA has a proprietary system that breaks down all these different exposure elements. Wills says the estimates used are conservative because when they get into a situation with a smart marketing director or an analytics person, BWA can justify and defend the numbers. So, yes, it looks very pretty but it's certainly not pretty when we're pulling it all together. BWA’s philosophy is to provide an evaluation that they can justify.

Nitschke said he appreciates that and said if BWA just showed the table to him, they wouldn’t get very far. However, if your audience is comfortable with it, he is not going to question it. Wills responded that different audiences have different questions and different levels of interest in mind. The valuation was designed with Idaho Falls Fiber in mind and Wills said he would be available to discuss the details and numbers with anyone. Wills cited an example of negotiating with Toyota and how the analytics person questioned everything. After two days they were able to get a deal done because BWA could justify where the numbers came from. Wills said the bottom line is that BWA can justify the numbers.

Nitschke said that he might come up with specific questions to give to Spear to relay to Wills. Wills said he is happy to set up a call to further discuss the numbers.

1. **Discussion Item** – Kevin DeKold will update the Board on the departure of Trenton Saxton and reassignment of duties. DeKold informed the Board that Trenton Saxton left CRSA and is taking some time, up to a year, to assess his future goals. DeKold felt they had a good plan to move the project forward in the pre-bid phase. DeKold said he will be assisted by Danny Carmen who has done a lot of the 3D modeling on the project and is familiar with the project. Carmen will focus on review of the design standards and guidelines to assist DeKold with the project. Carmen is a licensed architect. CRSA has started a job search immediately and are actively looking for candidates. They hope to have Saxton’s position filled within a month. DeKold said he has been committed to this project for over ten years. Fuller asked who is the main CRSA contact, face of the project? DeKold said that he will be the face of the project at least until the project is sent out for bid.

1. **Action Item** – Review and adopt a process for accepting Donations/Gifts and approve IFAD assets to be included in current and future proposals. Gazdik presented the policy and asked if Spear received any comments back from Board members. Spear indicated that he has not received any comments from Board members. Spear said he updated the policy based on the discussions from the 1-12-21 Board meeting. The biggest change was removing any confidentiality reference in the policy. Spear stated the policy would require establishment of a Donation Acceptance Committee.

Carpenter commented that he understands the need to have a balanced approach and have the correct due process, but he said it is important that the Executive Director have some flexibility in making decisions when negotiating with prospects. Fuller stated that the way the policy is drafted, it requires the review of the Donation Acceptance Committee. Although the Committee has to authority to approve the process, any contract must be approved by the full board. So, the Donation Acceptance Committee can only accept a donation that is contingent on full board approval. Fuller said the policy is well founded and provides the guidance necessary to avoid the breakdown that occurred before the holidays regarding the Teton Auto proposal. Carpenter asked if the Board members, on the Donation Acceptance Committee, need to be the same members every time. Fuller said that the policy provides flexibility and allows any Board member to participate on the Committee. Gazdik asked if the Board members could rotate on and off the committee, Fuller said that is correct.

Nitschke said that he has comments written that he intends to provide to Spear. Nitschke also said that Exhibit K from the management agreement should be referenced in the document. Nitschke likes that information is included in the weekly Executive Director report but he still wants to see any documents before they are given to prospective donors. Because once something is out there, it's always hard to go back once the donation is accepted. Nitschke said he doesn’t want to be too prescriptive on which donations to accept but there are definitely causes or groups, which IFAD would not want to be associated with, whether it's insurgency or white supremacy or Proud Boys. So Nitschke thinks there needs to be language that prohibits the Board from accepting donations from just anyone. Gazdik pointed out the policy states the Board can accept and that it doesn’t have to accept a donation. Fuller said he would draft some language to include.

Gazdik said the two changes are to add Exhibit K and also add a sentence on donation acceptance. Fuller said he thinks he can use the community standard language, in the management agreement, for this policy. Nitschke agreed and said a statement that no donations would be accepted that violate community standards should be sufficient. Carpenter recommended removing the statement, “For example, providing category exclusivity to a prospective donor could impact IFAD’s ability to attract other donations.”

Nitschke recommended to wait and approve the policy for the next meeting. Gazdik asked Spear if he had any concerns on the timing for approving the policy. Spear said that he brought this to the Board's attention two weeks ago because he wanted guidance on how he is supposed to move forward with his negotiations with prospective donors. Spear said he will continue to inform the board through his weekly reports and when we get into a situation where he is going to send out a proposal, he will send the proposal out to the board for review. Spear did say it was important for the Board to be diligent in reviewing proposals quickly because it is important to provide information to the client quickly and be responsive. Spear doesn’t want to hold up his ability to be responsive.

Nitschke said he appreciates that and to use a football analogy he understands that as long we have a pre -approved game plan and if it is 4th and 1 with 30 seconds left in the game, that Spear does have the authority to finish that deal.

Spear said he would make updates to the policy and bring it back to the Board for approval on 2-9-21.

**Report and Updates**

1. **Discussion Items** - Executive Director Report
	1. Fundraising/Financing - Spear said he hopes the Board finds that his Executive Director reports appropriately keep the Board informed of fundraising progress and progress being made by BWA. Spear said he has been impressed with Tom Wills and that Wills has been very responsive. Spear said it is really obvious that BWA has connections, the right connections. Spear said hopefully this week he will be able to close some additional gifts. Spear expressed his frustration with the apparent lack of urgency to move forward with a financing plan and the delay in getting the term sheet to Raymond James. Spear said he would contact Raymond James and ask if they need any more time. Gazdik and Fuller agreed with Spear’s concerns and Gazdik said that she and Spear would contact Lewis to discuss the steps forward.
	2. State Tax Commission Reports – Spear said he sent the detail for the month of November and is following up with Host Compliance on how best to identify other short-term rentals because the State has no interest. Spear said he is also concerned with the $20k delinquent TRT remittances from one entity.

Nitschke asked if the bid documents have been sent out. Spear said they have not and will not be sent out until a financing plan has been identified and approved by the Board.

* 1. Action Items
		1. Approve gift acceptance policy.
		2. Review and discuss financing plan.
		3. Review December TRT revenues
		4. Contact Scott Bond about engagement letter.
1. **Discussion Item** - Legal Report. Nothing to report.

 C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on February 9, 2021**
2. **Discussion Item** - Announcements and Minor Questions
3. **Discussion Item** - Agenda Items for February 9, 2021 meeting

Meeting adjourned 8:11a