

**Board of Directors Business Meeting**

**Tuesday, August 24, 2021, 7:00 a.m.**

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

[https://us06web.zoom.us/j/86933494761?pwd=bWsyTWpPOGkzaGlVZ0FndStGaGtNdz09](https://us06web.zoom.us/j/86933494761?pwd=bWsyTWpPOGkzaGlVZ0FndStGaGtNdz09%20)

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

**Participants: Terri Gazdik, Bob Nitschke (via Zoom), Steve Vucovich, Mike Carpenter, Ron Warnecke, Mike Clements, Chris Nations, Mark Fuller, Kevin Greene, Blake Davis, Rebecca Casper**

**Agenda**

1. **Action Item** - Call to Order 7:07 AM
2. **Action Item** – Accept Agenda. Carpenter moved to accept the revised agenda, Warnecke seconded. Motion approved.
3. **Action Item** - Accept the Consent Agenda
   1. Meeting Minutes – 8-10-21
   2. Review of Payables/Financials - A payables list totaling $44,644.18 was reviewed and approved. Warnecke made the motion to approve the consent agenda, Vucovich seconded. Motion approved.

1. **Discussion Item** –Public Comment (Any member of the public is welcome to take three minutes and share concerns or questions with the Board). There were no public comments.
2. **Discussion Item –** Discuss construction timeline and impact on Pre-opening Services and Opening of the Event Center. Spear provided the Board with an image showing the placing of the brick liners into the forms. Mike Clements then provided an update to the Board. Clements said the forecast on the project delay is holding true, especially since the liners and bricks are now 1 ½ weeks later than anticipated. Clements said this is based on the worse-case scenario that the event center bowl will not be dried in before winter. It is unclear how much work Bateman Hall will be able to do around the concourse area this winter, especially in December, January, February and March. Beginning in April, construction activity will pick up. Unfortunately, Clements said he can't provide a better forecast from the current schedule forecast that moved completion into January 2023. Clements said he thinks the December 15 date is a good date to relook at the schedule and see where things are. Clements said he will not know the impact of the additional 10-day brick delay until his meeting with Keller on Thursday. Clements said it is possible that setting the back half of the arena tilt panels could start on October 4, but it looks like erecting panels is delayed until the end of October.

Clements said by starting on the back of house, it gives the steel erector someplace where he can start and gives the mason an opportunity to start there as well. There is a lot of work in the back of house where they can be productive.

Clements said they have started to secure the weather protection equipment that will be needed because they may be hard to get this year. This includes locking down rentals and purchasing blankets, etc., in order to get in front of the supply and demand curves.

Fuller asked about starting and constructing the convention space. Clements said this is included in the back of house. Back of house also includes team locker rooms and office space and this will be the focus through the winter and then in the spring all the focus will go toward the arena.

Gazdik asked how long it will take to put a wall together. Clements explained that because the walls are a sandwich panel, there are two pours for every wall. Clements explained the sequence and said that as the liner goes down the brick is then placed in the liner and then a wire mesh is placed along with the embeds. The first concrete pour is a small three inch pour over the brick, brick liner and wire mesh. Then the insulation is placed along with rebar and then another 8-inch concrete pour takes place. Because you have two concrete pours/layers that takes time. Because the brick is a long thin brick it's going to be a pretty meticulous process getting that first pour down. Clements said originally the schedule called for the tilt panels to be prepared starting in the middle of August and concluding on October 4 when the panels would start being erected. The panels take seven days to cure, and the tilt panel contractor has three weeks to set tilt panels.

Warnecke asked if there was any extra brick ordered. Clements said that is one of the reasons Interstate was being careful with the brick snapping because they wanted to make sure they had enough extra brick. Clements said he knows between Interstate and the supplier, enough brick was ordered, and he is comfortable there is a cushion. Clements indicated that the black bricks were more prone to breaking and Interstate had people snapping the bricks who did not know what they were doing. Until Interstate was able to employ people who knew what they were doing, Interstate needed to ensure there was enough extra brick.

Fuller asked if there were any issues with concrete supply. Clements said this has not been an issue yet and stated the project is at the top of the list when it comes to getting concrete in town. Clements said there are a few footings and the ice pit left to pour. However, some big concrete pours will happen in the future with the second tilt panel pour and the second-floor slab. Clements said this is when they will really know about concrete supply.

Spear asked when the first tilt panel would be erected. Clements said he thought around the first of October. Clements said he would know more after his 8-26-21 meeting with Keller when he is provided Keller’s updated schedule. Keller has established crews and will be working overtime until panels start being set. Clements said Keller has enough people but because of the technical work upfront, Keller is very particular who will be performing that work. Clements said they have offered more manpower, but Keller is very particular of about having employees who know exactly what they are doing during the technical stage.

Clements said between the footings, precast and tilts there are 5200 embeds. A big chunk of these are in the tilt panels and there is going to be a lot of Quality Control (QC) involved in this process because they do not want a problem down the road.

Gazdik asked if there is a liner for each wall and if the liners can be reused. Clements said the liners are not reusable and the plan is to pour as many tilts as possible at one time. Leaving the forms and liners sit the way they are now leaves them at risk from weather. You don’t want these filling up with water.

Clements thought if weather and brick availability allow Keller to pour 7-12 panels all at once, he is going to do it. This will allow the rebar to be placed and then get the panels ready for the second pour.

Gazdik said it appears we need all the brick now. Clements agreed and said they will have enough to get going but if there is another delay on the tail end, this will be a problem. Once the liner starts being placed down, they will go all around the building. It is important that these do not start filling up with water. Clements said they have enough brick for two weeks.

Carpenter asked if there would be any overlap with the brick deliveries, thus allowing work to continue uninterrupted. Clements said he is hopeful, but Interstate has not been very reliable on providing delivery dates for this project. However, the brick should be at a point to where they are just going through the waxing process. Historically, Interstate has been one of the better companies in meeting delivery dates. If everything goes well, we won't have another gap.

Vucovich asked about the process for the waxing. Davis said it is a spray (one line) that goes across the brick. Clements said the brick corners will be waxed on-site with a soapy mixture.

Spear asked Clements if he could put together a budget impact for having to deal with weather and winter conditions? The current budgeted amount of $145,000 does not appear adequate. Clements said weather issues will require a lot more labor-intensive processes and the winterization budget could be doubled or tripled. Initially the budget was intended to heat large spaces but given the scheduling challenges there will be a more labor-intensive process because smaller spaces will be involved. One option is to just keep the arena free from snow and not deal with it until spring. If heating is going to be too expensive then this might be the smart thing to do, rather than spend another $200,000 on top of what we were planning on spending for weather related issues. Clements said they will have a clearer picture by December 15.

Spear said if the possibility exits that the 2022-23 hockey season will be missed then it may be in the financial best interests of the project to shut it down for the winter. Clements said they still could work on the back of house, but that may be a smart move because it gets kind of inefficient when you have that much labor and that much equipment running through the winter.

Fuller asked about the effect on quality of pushing through the winter. Clements said there is risk to quality if they continue with the big concrete pours. But they will shrink those down in order to manage and properly maintain them throughout the winter.

Clements said the flip side is pushing the steel guy back and the cost of remobilizing cranes. Clements said Intermountain Erectors (IEI) has already placed them on notice that if there are days when IEI can’t work, the cranes and men are on standby, and this will have a cost impact to the project. Clements said there are a lot of different factors to look at right now, but they are progressing as if we're going to get those big trusses installed and the bowl decked. At the same time, Clements said they are planning for the worst-case scenario and that is not getting the bowl dried in this year. Clements said they will keep progressing on the hope that the bowl will be closed in before winter but that is hard to predict. Clements said everything, besides the brick, seems to be falling into place and that they have done an outstanding job of managing all of the materials. Especially the materials that were pre-ordered.

Fuller stated that the operator is committed to the project and that he is currently working with Centennial on draft language if there is no hockey season in 2022-2023. Fuller said the only reason this will work is that the Board is not relying on operational profits to finance construction. If IFAD was dependent upon December Christmas programs to pay the January bill, this would be a big problem. Even if there is no 2022-2023 hockey season, the facility will be built. All agreed this was a good financial position to be in.

Gazdik asked Davis if he has any update on supply issues. Davis said things are starting to loosen up a little bit but that they are very cautious with the COVID resurgence. Davis said they have been able to work out concrete deals on all of their jobs because it seems like Hogan has enough priority on their jobs. Davis added that concrete supply issues have appeared to slow down since the housing market has cooled a little bit. Steel studs are always a concern and is the next supply issue because steel prices are still moving and increasing every week. If they don’t increase one week, they increase double the next week. Davis said that if delivery issues become a reason for brick delay, Hogan has a fleet of trailers they would be willing to offer to get the brick picked up and delivered. However, the mason seems to be on top of that.

Davis said we are far enough ahead on steel procurement for this job and doesn’t foresee any issues with future steel pricing that would impact this job. Clements added that a lot of the steel is on site right now. Clements commended the Board for its decision to order steel early, well before construction began.

1. **Discussion Item** - Discussion Item – Discuss marketing and communications plan for the Mountain America Center. Spear said he met with Chad Hammond and Katie Burke and that Burke developed a calendar of events for social media posts. Spear displayed the schedule and said that the Board will have access to the schedule and will have the ability to suggest social media posts and add to the schedule. Spear said this will provide a structure and strategy for social media interaction with the public and that this process will also utilize the social media sites of influencers (sponsors). Spear said this is a collective process and that all the domain names have been secured. Spear said the trigger point for when all of this kicks off could be the erection of the first tilt panels. Spear said Burke will come and present this strategy to the Board at its 9-14-21 meeting.

Vucovich and Carpenter suggested that a message be developed in case there is a winter shut down and cite supply chain issues as a reason. Warnecke said it would be a reprioritization of activities.

Fuller commented that maybe having an event coinciding with the first tilt-up panel being erected would be a good idea. Clements said that could certainly create some positive press and running a drone every day is something to consider. Warnecke cautioned that the tilt up work is dangerous and would recommend not having a lot of the general public involved in an event.

1. **Action Item** – Review and approve second amendment to Mountain America Events Center Management Agreement that extends the certification date of when the arena will be hockey ready to December 15, 2021. Fuller briefed the Board on the second amendment to the management agreement. Fuller said the August date was moved to December 15, 2021, and that the following sentences were added. “During the months of September, October and November 2021, the Parties agree to meet and confer to discuss the progress of the Arena construction and the feasibility of proposed Hockey Ready dates. In any case, IFAD agrees to certify a Hockey Ready date no later than December 15, 2021, as set forth above.” Fuller stated that Centennial Management has already signed the amendment. Fuller said it will be important to engage Centennial Management, once a month, for discussions at a Board meeting and that a final decision be made no later than December 15, 2021.

Warnecke moved to accept the amendment. Carpenter seconded. Motion passed unanimously.

1. **Action Item –** Review and approve process for procuring Furniture, Fixture, and Equipment. Spear said that Chris Nations is working with three companies and should have term sheets available by the end of the week. Spear also said he is expecting a term sheet from Laura Lewis, and he would forward to the Board. Spear said one question the Board may need to answer is whether to pledge future sponsorship revenues to support any FF&E financing in order to receive better terms. Spear said he is striving to get a three-year interest only period followed by a ten-year term. Spear expected to have something for the Board to review and approve for the 9-14-21 Board meeting.

**Report and Updates**

1. **Discussion Item** - Executive Director Report
   1. Fundraising/Cash Flow Update – Spear said things are moving in a positive direction and that this week he intends to follow up with some of the outstanding term sheets and follow up with other businesses. Spear said he is looking forward to visiting with Tom Wills and getting an update on the large fundraising opportunity that is outstanding and the malt beverage pouring rights agreement. Carpenter asked if there is any follow-up with past businesses who have declined. Spear said he has circled back and will continue to reach out.
   2. State Tax Commission Reports – Spear said he should have July data available for the Board at the 9-14-21 meeting. Spear also briefed the Board on the large $10K credit that appeared on the last report. Spear said this was a credit given to Shilo Inn, but he has not been able to get clarification as to why this was given. Gazdik said it could be the result of a bounced check. Spear said he will continue to seek out more information. Gazdik suggested contacting someone at the State Tax Commission to express our concerns.
   3. Construction Update – Spear said the Board needs to have an update from CRSA on the interior color schemes that were selected. Clements said the Board should have received and approved a color board and that the specifications have included colors and these colors were bid by the suppliers. Gazdik and Fuller said they have never seen a color scheme nor approved one. It was decided to invite CRSA to present the color schemes to the Board at the next meeting.

Clements mentioned the Mondo flooring issue needed to be resolved. Davis said he has contacted Wall to Wall, and he is going to get a number that should be what Wall to Wall previously provided. A brief discussion ensued about whether there should be carpet in the home team locker room versus Mondo flooring.

* 1. Action Items
     1. FF&E Financing
     2. Project Timeline Evaluation

1. **Discussion Item** - Legal Report. Fuller explained there is a September 1, 2021, deadline that requires Centennial Management to enter into a hockey licensing agreement in order to satisfy the investor, Nuveen. Although the agreement is between Centennial Management and the hockey club and IFAD will not be a signatory to that agreement, it is obviously affected by it. Fuller indicated he went through and identified a lot of editing issues and sent a full page of suggested changes to Centennial Management. Spear forwarded the licensing agreement and Fuller’s changes to the Board.

Fuller said he is also working with Clements on developing a timeline to help him understand the delays CRSA caused in the delivery of the brick.

C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on September 14, 2021**
2. **Discussion Item** - Announcements and Minor Questions – Board members communicated their availability for future Board meetings. It was decided to move the 9-28-21 Board meeting to 9-27-21. Nitschke asked why CRSA was not present at this meeting. Spear said an invitation was sent and he did not know why CRSA did not participate.
3. **Discussion Item** - Agenda Items for September 14, 2021, meeting
   1. FF&E Financing
   2. Presentation by Katie Burke
   3. CRSA color scheme presentation
   4. Wipfli new contract fee

Meeting adjourned at 9:16 AM