

**Board of Directors Business Meeting**

**Tuesday, December 14, 2021, 7:00 a.m.**

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

[**https://us06web.zoom.us/j/87941016059**](https://us06web.zoom.us/j/87941016059)

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

**Participants: Terri Gazdik, Rob Spear, Bob Nitschke (via Zoom), Mike Carpenter, Steve Vucovich, Mike Clements, Alex Oritz, Bryan Laske, Mark Fuller, Ken Wheadon (via Zoom), Blake Davis, Malone Bullock, Kevin Greene, Chad Hammond, Kevin Bruder.**

**Agenda**

1. **Action Item** - Call to Order 7:00 AM
2. **Action Item** – Accept Agenda. Carpenter moved to accept the agenda, Vucovich seconded. Motion passed.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes – 11-23-21
	2. Review of Payables/Financials Payables totaling $88,346.19. Spear explained that the checks for some of the payables had already been sent because of the new payment process through bill.com. Spear said in the future he will not approve any noncontractual payment online until the Board has had a chance to approve the payment. Nitschke asked whether CRSA issues any reports detailing their efforts on the project to justify payment. Spear said CRSA is involved in responding to RFI’s (Requests for Information), reviewing submittals from subcontractors and answering other questions. Gazdik said CRSA also provided information on color schemes. Wheadon commented that CRSA has also assisted with Food and Beverage submittal (Kitchen Equipment), provides ASI (Architects Supplemental Information) to the contractor and coordinates all the activity of CRSA’s consultants. Nitschke wondered if CRSA was being compensated in accordance with time spent performing the duties of the job. Spear reminded the Board that the A&E agreement was a fixed price, and a percentage of the contract ($528,000) was for construction administration (CA). Wheadon stated that CRSA has completed 44% of the CA which is on track. Gazdik suggested that Nitschke could review the CRSA invoices if needed. Spear briefly reviewed the financial statements and focused on the YTD actuals to budget. Spear said the District had already met its revised revenue budget for the year by the end of October with one month remaining in the fiscal year.
4. **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.
5. **Action Item –**Receive a construction schedule update from Mike Clements of Bateman Hall and Ken Wheadon of CRSA and approve timeline for Pre-opening Services to begin. Clements reviewed the latest schedule with the Board and said over the last 3-4 weeks Bateman Hall has had good conversations with subcontractors about getting the project back on the original schedule. Clements said over the next five months the schedule does not reflect the original milestone dates but then moves toward the original milestone date which is the end of October 2022. However, weather is going to be the biggest obstacle in meeting the October 28, 2022, deadline.

Clements said they understand the importance of getting a 2022 hockey season. Clements said he will have a better timeline by mid-April because the facility will be dried in. Carpenter asked about the impact of snow days. Clements said it is important the lower roof in the bowl is decked and the second-floor concourse poured before the main roof trusses can be placed. The pouring of the second floor must be completed in stages in order to remove the tilt-panel bracing. The first pour is intended to be completed before Christmas. The sequencing of these steps is complex and critical, and snow can certainly impact this sequencing. Moisture will certainly impact the safety of the roofing and decking process. Clements said they can handle cold and wind, but moisture creates issues. Carpenter asked if nicer days occur on weekends if subcontractors are willing to work to make up for snow days. Clements said that the subcontractors are willing to make those adjustments.

Clements said long lead time items have been identified and he believes they are in good shape. Clements said there are some concerns with Ice Builders and equipment that needs to be ordered.

Fuller asked if the schedule was based on no snow occurring over the next few months. Clements said the schedule has three weeks of bad weather added to the end of the construction timeline.

Clements said Bateman Hall has allocated some of its contingency to pay acceleration costs to meet the schedule. For example, the steel erector (ISI) is working 6 nine-hour days, ISI also brought in another crane that is costing an additional $5K.

Gazdik asked if the job site would be shut down between Christmas and New Year’s day. Clements said subcontractors will continue to work with the exception of Keller concrete.

Gazdik wanted clarification on the issue with Ice Builders. Spear explained that CRSA’s consultant has raised questions about having adequate space around the motors/filters to perform maintenance. Spear said he thought a new submittal would need to be made. Clements and Ortiz said submittals would only be required on the revised items. Clements stated Ice Builders would revise and resubmit those items within the next four weeks. Since the longest lead time for any ice rink equipment items is 12 weeks, Clements said the timeline for the resubmittal process is doable.

Gazdik asked about the status of the painting rebid. Clements said despite being in contact with four prospective bidders, none of them submitted bids. Clements said since no one bid, State of Idaho procurement law allows Bateman Hall to negotiate with paint companies. Clements is concerned the rebid cost could be significantly higher. Clements said there are no local companies that have the capacity to perform this job, although it could be possible to separate out pieces of the job. Clements said it is critical to get the high points in the arena painted before the ice rink is installed. One critical piece of the painting process is Dry Fall. Dry Fall is a type of paint coating used for surfaces such as steel beams. Dry Fall is now very hard to get and CRSA and Bateman Hall are looking at alternative products. Clements and Ortiz said Google and Tesla have purchased all the Dry Fall. Wheadon said because the decision was made to use galvanized steel, any change may require a paint primer. Blake Davis stated that it is better that the steel is galvanized because of the moisture in the facility.

Clements summarized the conversation and said with weather delays built into the schedule, it pushes substantial completion into Thanksgiving week of 2022. Clements said he would like to revisit again in mid-April.

Spear asked if it would be possible for the hockey team to temporarily occupy the space. Clements said there could be some areas that could be turned over early but those would be back of house areas (office, locker room, loading dock).

Spear stated that this agenda item is an action item, and the Board needs to decide on the pre-opening services part of the Centennial Management contract. Kevin Bruder said the biggest hurdle is deciding when events can be booked and said with the Christmas holidays, he recommended a pre-opening start in January. Gazdik suggested this be an agenda item for the January 11, 2022, Board meeting. Bruder agreed that this would work but stated he is concerned about the hockey team and recruitment of players and coaches. Kevin Green said he was meeting with the hockey league on 12-15-21 but thought he could make it work. Fuller said the Centennial Management contract regarding the pre-opening services date of December 15, 2021, needs to be amended. Bruder was in favor of such an extension. Fuller asked Bruder to communicate that approval to Richard Catten.

Gazdik asked that a motion be made to approve the extension of the pre-opening services date from December 15, 2021, to January 11, 2202. Carpenter made the motion, Vucovich seconded. Motion passed.

Ortiz communicated to the Board that we have issues on the Audio Visual (AV) side similar to painting. Chip shortages are causing issues on the AV side and that he and Spear will be reaching out to AV companies. WJWH (AV consultant) is also looking at other products.

1. **Discussion Item** – Review and discuss FF&E financing plan. Spear expressed concern with the company that IFAD had signed a proposal with because they arbitrarily raised the interest rate by 100 basis points. Spear said he is now actively discussing FF&E financing opportunities with several other companies.

Spear then reviewed the status of the video board and said another company has proposed an alternative video board product that has a better resolution at a better price. Ortiz said he is working with WJHW to review the quality of the boards and was surprised at the price. Oritz said Daktronics has indicated an issue with being able to deliver in a timely manner. Ortiz suggested going back to Daktronics and asking for a best and final price. Fuller advised the Board it would be better to reject and rebid. Clements said because this is a specialty item, it is possible to do a two-week advertising and get this ready by the middle of January. Clements said a hard bid date is required and there needs to be two advertisings with one being within 7 days of the bid opening. Ortiz said he would contact the three bidders and state that the videoboards would be rebid. Clements said he would assist with the advertising paperwork.

Vucovich asked if the specifications could be increased. Fuller said they could, but you need to be careful that it doesn’t become a sole source.

Gazdik asked about IFAD’s FF&E financial commitments as it awaits an FF&E financing plan. Spear said the only obligation right now is an $81K payment due to CKS for kitchen equipment. Spear also said 40% of the $352K ice rink system is due once the contract with Ice Builders is executed. Spear said IFAD currently has enough funds to make those payments and reimburse itself once FF&E funding is acquired.

**Report and Updates**

1. **Discussion Item** - Executive Director Report
	1. Fundraising/Cash Flow Update – Spear said that IFAD has a contract out for the naming of the mezzanine level and that there is an opportunity for getting the parking lot named. Spear said seat sales, especially in the second level, have been strong. Spear also expected to close a donor wall donation within the next week. Spear said that IFAD will meet its fundraising goal and that should assist with the FF&E financing plan. Spear said he would be reaching out to donors to offer a hardhat tour of the event center. Carpenter indicated John Wagner of INL has expressed interest in a tour as well.
	2. State Tax Commission Reports – Spear did not provide an update
	3. Construction Update – Provided in agenda item V.
	4. Action Items
		1. Work on FF&E financing
		2. Videoboard rebid
		3. Prepare for special board meeting if necessary

Fuller asked about inviting media to the site to do a story. Hammond said he would coordinate but wanted to make sure Bateman Hall was supportive. Clements said Bateman Hall would support this as long as they had enough lead time to prepare.

1. **Discussion Item** - Legal Report. Fuller stated that last week IFAD received an assessment from the county for the real property at its agricultural value. For some reason, the assessor's office has divided the parcel in the property into two parcels: one south of the canal and one north. One parcel is four acres, and the other parcel is 20+ acres. Fuller said in his view any property owned by the state is not subject to tax. The County can't tax the State and IFAD is subdivision of the State.

Vucovich asked about personal property tax. Fuller explained that is not as clear an issue. In Fuller’s opinion, the statute specifically addresses only the real property, but Fuller believes the same argument applies.

Fuller said he would proceed with filing the paperwork for the property tax exemption.

 C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on January 11, 2021**
2. **Discussion Item** - Announcements and Minor Questions
3. **Discussion Item** - Agenda Items for January 11, 2022 meeting

Gazdik suggested adding a standard report from Kevin Bruder on what is happening during the pre-opening services phase and from Kevin Greene on ticket sales.

Meeting adjourned at 9:34 AM