

**Board of Directors Business Meeting**

**Tuesday, February 8, 2022, 7:00 a.m.**

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

[**https://us06web.zoom.us/j/87457666594**](https://us06web.zoom.us/j/87457666594)

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

**Participants: Steve Vucovich, Rob Spear, Bob Nitschke** **(via Zoom), Mike Carpenter, Ron Warnecke (via Zoom), Mike Clements, Blake Davis, Mark Fuller, Kevin Greene (via Zoom), Kevin Bruder (via Zoom), Rebecca Casper (via Zoom), Bryan Laske (via Zoom), Ken Wheadon (via Zoom).**

**Agenda**

1. **Action Item** - Call to Order. Vice Chair Steve Vucovich called meeting to order at 7:00 AM.
2. **Action Item** – Accept Agenda – Carpenter moved to accept the agenda, Warnecke seconded. Motion passed.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes – 1-25-22
	2. Review of Payables/Financials. A payables list totaling $50,312.61 was reviewed and approved. Spear reviewed the December 2021 financial statements and pointed out that TRT revenues for December were $130,103 which is 54% higher than 2020 and $29,082 higher than budgeted. Spear stated that net income for December was $227,039 which includes a donation income of $132,742. Spear also provided a breakdown of TRT revenues by remitter and showed the TRT revenues from third party marketplace facilitators. Spear said third party marketplace facilitators account for about 12% of the TRT revenues. Nitschke moved to accept the consent agenda. Carpenter seconded. Motion passed.
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. **Discussion Item –**Receive a construction schedule update from Mike Clements of Bateman Hall and Ken Wheadon of CRSA. Clements provided a construction update and said that the third truss for the bowl roof was set on 2-7-22 and stated the steel erector was making progress. Clements said January was a tough month due to weather and COVID-19 issues and several more construction days were lost but the timeline for completion has not changed. Clements again stated that the bowl needs to be dried in before a more defensible opening date can be provided. It is possible some of the lost construction days can be made up.

Clements said the last section of the second-floor slab will be poured on 2-10-22 and once it cures over the next five days, the remainder of the trusses can be installed by the end of next week. For the remainder of this week about two more trusses will be installed. Clements said it takes 2-3 days to install the cross bracing for each truss.

The next biggest sequencing event is to pour concrete on the lower roof area to provide a base for the walls to be framed and placed. Clements said they are in a position to start locking in dates for the bowl seating pre-cast installation and for the remaining concrete floors (ice rink, lower concourse) to be poured.

Clements cautioned the Board that wind could impact schedule and how important it is going to be to close in the southeast entry way area.

Clements said the Board will see a lot of activity in the back of the house during its tour. Clements reiterated how the cold weather is taking its toll on the steel workers. Spending day after day in the cold assembling steel is hard on bodies.

Clements said it is nice that the trusses are being placed because that has reduced crane down time. Clements said after the trusses are set the large crane will no longer be needed.

1. **Action Item –**Review and approve FF&E financing plan from Governmental Capital. Spear said that there was nothing for the Board to approve at this time and said Governmental Capital was working with another lender because the previous lender wanted the transaction backed by the City of Idaho Falls. Spear said he is working with another entity for FF&E financing. Spear is expecting that a special board meeting will need to be scheduled to finalize the FF&E financing and to finalize the Revel TV contracts for Audio Visual (AV) and IPTV. Spear said it is critical that the contracts for IPTV and AV be signed to give Revel ample time to order equipment.

Vucovich asked about the status of the kitchen equipment. Spear said they are still awaiting a final submittal. Ken Wheadon said CRSA still needs to issue an RFI (Request for Information) on the value engineering items that were accepted.

1. **Action Item –** Discuss amendment for legal services contract. Fuller explained that this agenda item did not meet the criteria to be discussed in an Executive Session. Fuller said his reasoning for submitting this amendment for board review was as follows:
* Fuller said upon the establishment of IFAD in July of 2011, there would be no TRT revenue until November of 2011. Fuller said at that time he emphasized to the Board that IFAD would be his number one client to ensure IFAD was set up properly.
* Fuller said up until two years ago his firm collected all the TRT revenues.
* Fuller said his firm has not asked for a fee increase for the last 10 ½ years even though rates for other clients have been increased four times over that period.
* Fuller said at certain times his firm has made IFAD business a priority over other clients and his firm has negotiated all the contracts the IFAD has entered into.
* It is important that IFAD rates be increased to the standard rate for all of his clients.

Board members discussed Fuller’s proposal and expressed a variety of opinions and are summarized below:

* Board members respected Fuller’s services and expertise since IFAD was founded.
* Having Fuller’s historical knowledge of IFAD was positive.
* Consideration should be given to issuing another RFP for legal services to see if the hourly rate can be reduced.
* Whether legal fees for attending meetings, reviewing meeting minutes and executive director reports should be charged at a lower rate. For example, expending $600 for attending a board meeting does not seem like a good use of taxpayers’ money. However, separating these costs may be inefficient because they don’t take much time and to some extent (meeting minutes) are permanent legal documents.
* A new RFP may not result in a lower rate and that $300 per hour is a reasonable rate.
* Stability moving forward for legal fees is important.
* The Executive Director needs to monitor the workflow provided to Fuller.
* There is more value in retaining than bringing on new legal expertise. The amount spent familiarizing a new firm could be significant.
* Once the project is operational, the hours spent, workload and scope of the board and executive director status will change and legal costs would most likely be reduced.

Vucovich called for a motion. Warnecke made the motion to accept the amendment for legal services. Carpenter seconded. Vucovich, Warnecke and Carpenter voted to accept the amendment. Nitschke abstained. Motion passed.

**Report and Updates**

1. **Discussion Item –** Pre-Opening Services Report. Bruder said that they will be submitting a pre-opening services budget and plan later this week. Bruder said 66 candidates have applied for the General Manager position and he has discussed the position with 15 of them. Four Zoom interviews will take place this week with Spear and Kevin Greene participating. Bruder said he hopes to narrow this down to two finalists and wants the Board to participate in the interview process.

Bruder said he participated in the Revel TV presentation and commended IFAD for having the vision for the IPTV concept. The technology will allow the center to unite the community and small business. Bruder said the Maverik Center recently held a show “Tool” that maxed out the rigging capacity of the Maverik Center of 140,000 lbs. Bruder said he was pleasantly surprised to find out the rigging capacity of the MAC was 150,000 lbs. over the entire facility. Bruder also said they are seeing a huge bounce back of entertainment. Bruder said “Tool” just broke merchandise sales record by 50%.

Bruder said he is working closely with Spear on FF&E purchasing and mentioned that the Maverik Center has a third Zamboni that was originally purchased for the MAC that could be utilized as a back-up Zamboni. Bruder said an ice deck is also available.

Fuller asked about progress on the pre-opening services budget and business plan. Bruder said they would have those by the end of the week and the plan will show the various checklist items and tasks that need to be performed.

1. **Discussion Item** - Executive Director Report
	1. Fundraising/Cash Flow Update – Spear showed the Board the most recent fundraising update and pro forma. Spear said he has submitted this information to Laura Lewis to update the term sheet for FF&E financing.
	2. State Tax Commission Reports – Discussed as part of the financial statements.
	3. Construction Update – Spear said the Board will need to make a decision on the selection of an AV vendor. Spear then showed some schematics detailing sound coverage for Danley and L-Acoustics. Spear said the difference in price is $75K but pointed out that L-Acoustics is recognized a premier AV system. Spear said it will be important for Revel to have its technical people present to the Board the details of the coverage and differences in product. Bruder said L-acoustics is recognized as a better product. Given what he sees in the design layout, graduations and trade shows may not have the coverage desired. However, it is common for groups to bring in their own sound systems. Bruder said the AV plan in place is solid and IFAD is working with the right people.

Nitschke asked about the MAC website and why it wasn’t active. Spear said he expected it to be live and that he would find out the status. Nitschke also suggested that it would be beneficial to keep a suite or loge available for nightly rental. This would ensure everyone can have an opportunity to use the facility and experience premium seating. Nitschke thought once the IFAD Foundation is up and running, it could possibly purchase a loge box for this purpose.

Kevin Greene suggested using the NW loge and NW club areas for this purpose because those attendees will have the same experience as loge box and suite holders. Greene said he will not be selling these seats to any individuals and will make these seats available to groups.

Fuller asked why the last three loge boxes haven’t sold and wondered if it was due to location. Spear showed the location and said these are actually good seats for hockey. Spear stated that during the tour, the Board will see that there is not a bad seat in the entire arena.

* 1. Action Items
		1. FF&E Financing
		2. IPTV/AV
1. **Discussion Item** - Legal Report. Fuller said he had nothing further to report and was working on the Revel TV contract. Vucovich thanked Fuller for his service and willingness to continue on as IFAD’s attorney.
2. **Discussion Item -** Tour the Construction Site. Spear, Vucovich, Nitschke, Carpenter and Fuller toured the site with Clements and Malone Bullock.

 C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on February 22, 2022**
2. **Discussion Item** - Announcements and Minor Questions
3. **Discussion Item** - Agenda Items for February 22, 2022, meeting

Carpenter announced he would not be able to participate in the 2-22-22 meeting.

Meeting adjourned out at the building site at 10:00A.