

**Board of Directors Business Meeting**

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

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

[**https://us06web.zoom.us/j/88176370767**](https://us06web.zoom.us/j/88176370767)

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

**Participants:** Terri Gazdik, Rob Spear, Bob Nitschke (via Zoom), Steve Vucovich, Mike Carpenter, Ron Warnecke (via Zoom), Mike Clements, Mark Fuller, Kevin Greene (via Zoom), Kevin Bruder (via Zoom), Alex Ortiz (via Zoom), Bryan Laske (via Zoom), Matt Dopp (via Zoom), Roger Campbell (via Zoom), Tyler Robinson (via Zoom).

**Agenda**

1. **Action Item** - Call to Order 7:00 AM
2. **Action Item** – Accept Agenda – Gazdik said Action Item VIII would change to a discussion item and agenda item VII would not be reviewed because Fuller still needs to complete his review of the contract. Vucovich moved to accept the agenda. Carpenter seconded. Motion passed.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes – 2-22-22
	2. Review of Payables/Financials – A payables list totaling $474,823.19 was reviewed and approved. Spear explained the large payments to Commercial Kitchen Supply and to Idaho Electric signs were for FF&E items that will be reimbursed from FF&E financing once that is secured. Spear reviewed the January financials and reviewed the budget to actual schedule and pointed out that actual revenues for December and January have exceeded budgeted amounts by $60K. Spear said he expects future monthly TRT revenues to increase but will be more in line to what is budgeted. Spear expressed some concern that increasing gas prices could impact future revenues. Spear said he is working with Wipfli to ensure the expenditure classification for CRSA, and Nations Group expenditures are accurate. Gazdik said that since the income statement and balance sheet are in balance that those expenditures might be capitalized under construction. Warnecke moved to accept the consent agenda. Nitschke 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 updated the Board and said the bulk of the big metal is in place with only a few cross beams to be placed. 50% of the roof decking is complete. Clements was hoping 2/3rds of the decking would be completed by now but said labor shortages are impacting the steel erector. Clements said weather permitting, the roof decking should be complete by the end of the week. Framing of the exterior walls has started. That is the next major step to get completed so roofing can start. Completed dry-in is scheduled to be finished by the end of April. Clements said Forterra has begun installing the pre-cast seating and explained that these concrete seats would be installed on the raker beams in the bowl area. Clements explained that one of the strategies to keep on schedule was to get the roof on and utilize a smaller crane inside the facility to place the pre-cast. Clements encouraged the Board to check out that process and estimated that 6-8 pieces per day will be installed. Clements said they will install by quadrant starting at the northeast quadrant and working west. As soon as the pre-casts are in, then concrete can start being poured for the first level concourse and then restroom and concession walls can go up. Clements said this will start alleviating the bottleneck. Clements said they still need to get the bowl dried in (completely roofed) because the painter needs to start spraying the dryfall using a lift. This needs to be complete before the ice rink can be installed. In addition, all the overhead work must be complete (catwalk, duct work, fire sprinkler, electrical runs). The plan is to get IceBuilders in by late May or early June. Clements said they are sequencing down to the day for the next 60 days and is concerned the inclement weather expected this week may impact productivity.

Clements said they have resolved the paint substitution from Sherwin Williams to Rodda but still need CRSA to update it’s materials reflecting this change. The reason for the change was that Sherwin Williams could not guarantee they could supply the material on this project in time and Rodda could. Clements said they are also awaiting direction on how all the HVAC, fire sprinkler, and electrical runs can fit in a crowded space. One solution is to lower the ceiling.

The critical path is to get the roof decked, walls up and roofed. The next critical path is to complete pre-cast installation. Once this happens the current bottleneck can open up, and things should proceed smoothly. The biggest impact will be windy days which occur frequently in the spring.

Because the painting process requires the temperature to be 50 degrees or higher, Clements indicated they were planning on getting the roof top units (RTUs) up and running to heat the bowl area and would purchase an extended warranty on the RTUs.

Gazdik asked if the middle of April still holds for providing a more solid opening date. Clements said it is but wished he had another 30 days beyond that.

1. **Discussion Item –** Presentation by Revel TV on audio visual plan for the Mountain America Center. Matt Dopp provided an overview of IPTV and explained that IPTV is basically taking a broadcast channel and taking it over the internet and dispersing it through all the TVs in the facility. This allows the venue to have more advertising opportunities like utilizing the wrap around on the television while the broadcast is going on. The system reduces the failure points by just utilizing the display that is hanging and the software embedded in the TV. IPTV eliminates the unnecessary hardware that causes problems and more breakage. Dopp said they will use Samsung displays. The overall system is fairly simple. From a user's perspective it looks like a TV.

In the suites, the system allows the operator the ability to lock down TV’s when performers require them to be off. From one location the user can actually change channels from their phone or a computer. It's very high-tech technology, which is going into your high-tech facility.

Carpenter asked if this system could allow streaming of an event that was sold out. Dopp said the system has the technical ability to do this. Dopp then said Revel has installed or are installing IPTV in the facilities used by the Rams, Jazz, San Antonio Spurs and Brooklyn Nets.

Tyler Robinson of Poll Sound addressed the Board and started by showing a 3D rendering that recreated the MAC using sound modeling software. The software allows Poll Sound to determine which loudspeakers are going to provide the MAC with the most even coverage and most consistent coverage to every seat in the venue. This ensures all patrons purchasing tickets have a good experience.

Robinson explained that if the model shows high deviations in color, this will indicate an inconsistent experience. Robinson showed that the difference in decibels from bottom (95 decibels) to the top (91 decibels). This 3-4 decibel swing is a very moderate swing in sound pressure level from top to bottom. In the corners of the arena, the decibels are 92-93. So the arena is within one decibel from front to back to the sides.

Robinson said Poll Sound has been in business since 1924 and is almost a 100-year-old company. Poll has installed sound systems in major sporting venues across the state of Utah, such as, the BYU Marriot Center, the University of Utah Huntsman basketball arena, and Utah State University Maverick football stadium.

Robinson said the product that they recommend be installed is L-Acoustics. L-Acoustics is a French company, and they are known in the industry as being the top player for loudspeakers and the quality of the components they manufacture. All of the components in this design will have a five year no questions asked warranty on the hardware. If any of these loudspeakers get blown or fail, or the amplifiers have a failure, and it's within five years of your purchase, the equipment will be replaced. There is no other manufacturer that offers that kind of warranty on their equipment. Additional coverage can be extended through maintenance agreements.

Robinson said there are more economical ways to provide sound into the facility but if you eliminate corner speakers, you will lose the quality in this area. Poll recommends that you install quality now and preserve the functionality of your arena.

Carpenter asked about a concert configuration and the sound coverage. Robinson said they upgraded the facility to where each array is individually controllable. Each node in the system allows us to build different time alignment values to augment a concert sound system. For example, if you have a concert stage, you want them to bring in either a floor supported or flown system to create what is called directivity. It is important for the audience to stare at the entertainment and not up at the ceiling. The way the sound system for this facility is designed allows for each array to be put into concert mode. Traveling entertainment would not have to bring in as big sound system because they would only need to worry about covering the floor. The event center sound system would kick in and cover the back of the bowl.

Robinson stated when you say that you have an L-Acoustic sound system in your venue, there is not an entertainment act out there that will not play in your arena. Many promoter requests require an L-Acoustic’s sound system.

Roger Campbell added clarification and said that a coverage map that is within three or four decibels is barely perceptible by human beings.

Spear asked about the lead time for getting this equipment. Robinson said he already has a purchase order in with L-Acoustics and the bulk of the critical equipment will be on-site by mid-August to ensure a functioning system by October.

Robinson summarized and said the entire sound system package is great concert package, which means it's very musical.

Nitschke asked if the model includes any interference from the roof structure, HVAC and other noises that may be present. Robinson said the model is a sound pressure level only model and he has not completed a model that show room acoustics. There would be a cost to supply this data. However, based on Poll’s experience with putting these types of systems into these types of venues, you are going to have a very high intelligibility score. This venue won’t be less than a .7 intelligibility score. Because the system is throwing the sound where it needs to be, the array series loudspeaker has a very high directivity that is pointing straight down.

Campbell said to think of a flashlight where the lens can be turned to tighten the beams. That is exactly the way the audio aspect of this system will work. You can tighten up the array to really tune in the system. Robinson added that if you can reflect away from the roof or hard surface, your intelligibility is going to go way up.

Nitschke stated that he would like assurance that the sound is not subject to a lot of disruption. Robinson said it is possible to purchase acoustic paneling for up in the ceiling or add later.

Robinson said if IFAD chose the original JBL option, it would getting more reflections and less even coverage and less intelligibility. The system being proposed allows for controlled directivity, the flashlight that can tighten the beam, which is what these loudspeakers are. This is the best-case scenario if you don't have any acoustic treatment. Robinson suggested contacting CRSA to see if there was any acoustical studies done.

Robinson said as far as the intelligibility score goes, there are concert halls that don’t have a .7 intelligibility score. Nitschke thought it is important to consider the cost of acoustic treatments to ensure a quality visitor experience.

Vucovich asked if the system software provides immediate feedback on a loudspeaker that is not working or do you need to walk around to figure that out. Robinson said there is a feature in the software called load checker. It allows you to check each loudspeaker and the entire system and measure the impedance and health of the loudspeakers. A report can be generated that indicates three lights. A green light is good, a yellow light might be a problem and red light indicates there is definitely a problem. Once you click on the associated color, detailed specifications are provided.

Dopp then walked the Board through Revel TV experience room that showed the functionality available through IPTV. This included the ability to advertise on the same screen as the live feed. Dopp showed how each suite holder can individually brand the suite television with its logo. Dopp said IPTV will allow the venue to maximize its sponsorship/advertisement revenue.

Powell said that peoples at home entertainment, Netflix, Roku, etc. is the future and installing the IPTV system instead of the old coax cable is preparing this event center for the future. In five years everything will be accessed via the cloud, referred to as the digital sunset. This system prepares the center for the future.

 Warnecke asked if the system could be accessed and serviced remotely. Dopp indicated that the system can be accessed remotely. Robinson said from a sound system perspective as long as there is an internet drop to Poll Sound’s control computer, they can offer full remote service.

Robinson said after the one-year warranty period, Poll offers hybrid managed services or full managed services. For full managed services, our operators operate every event. Robinson said their operators are highly trained and experienced engineers that are out in the field, working with the equipment every day and it saves the training cost of in-house operators. For hybrid solutions, Poll trains event center staff on how to use the sound system. For more complex events, Poll will work in tandem with house operators.

Warnecke asked if there are options for support. Robinson said for the first year you get complimentary remote support and beyond one year the center can decide what level of service it wants. Robinson said they will have an operator present for the first three uses of the space for each type of event. Dopp said that also applies to IPTV, except the warranty is for three years.

Greene asked if he could get some support on packaging sponsorships and preparing graphics for potential sponsors. Dopp agreed to sit down with Greene within the next two weeks.

1. **Action Item** – Approve Revel TV contract for IPTV and Audio Visual. This agenda item was not discussed, and no action was taken.
2. **Action Item –**Review and approve FF&E financing plan from Governmental Capital. Spear said communications with Government Capital continue but he has reached out to three other funding sources that have familiarity with the project. Nitschke asked how long it will be before the lack of an FF&E financing plan becomes an issue. Spear said that because the Board just approved about $340K of FF&E expenditures, this should allow IFAD about two months to secure FF&E financing.

**Report and Updates**

1. **Discussion Item –** Pre-Opening Services Report and review of Pre-Opening Services budget. Gazdik reminded Bruder that the Board is expecting an updated budget by the 3-22-22 meeting but asked for an update. Bruder said they are finalizing arrangements for the GM to start on March 21-22. Erik Hudson has been hired to be the GM.

Bruder said he is in the process of finalizing the pre-opening task schedule, reviewing the FF&E, and looking at the onboarding of personnel. Over the next two weeks duties will be decided between corporate staff and event center staff. The majority of the pre-opening budget is hiring full time staff and the onboarding process. Bruder expects to have the permanent staff hired by Labor Day.

Bruder indicated he has had some tremendous calls with a variety of promoters, ice show, food festival, local school districts, a Broadway Show, and comedies.

1. **Discussion Item** - Executive Director Report
	1. Fundraising/Cash Flow Update – Spear said he was still awaiting the FF&E financing package and for the mezzanine naming to be finalized. Spear has developed multiple scenarios forecasting future projections based upon where the FF&E financing costs may end up and is comfortable that IFAD will be in a good position moving forward. Spear said it is important that TRT revenues continue on a positive progression. Spear said he expects to have all the suites and loge boxes sold by the end of the week. Spear also presented a preliminary drawing of the marquee sign and expected IFAD’s share of the cost to be around $115K.
	2. State Tax Commission Reports – January TRT revenues were $138K which is 149% above January 2021.
	3. Construction Update/Change Orders – Spear said he continues to monitor with Nations Group.
	4. Action Items
* Finalize FF&E
* Work with Bruder on pre-opening budget
1. **Discussion Item** - Legal Report – Fuller said he has begun his review of the Revel IPTV contract and most of his requested changes have been made but the document is lacking Attachment A. Fuller indicated there was a call at 4 pm on 3-8-22 for the purpose of reviewing the contract with Revel.

 C**alendar and Announcements**

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

Meeting adjourned at 8:35 AM