

**Board of Directors Business Meeting**

**Tuesday, October 11, 2022, 7:00 a.m.**

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

[**https://us06web.zoom.us/j/86338468844**](https://us06web.zoom.us/j/86338468844)

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

**Participants:** Rob Spear, Terri Gazdik, Bob Nitschke, Steve Vucovich, Ron Warnecke (via Zoom), Mike Carpenter (via Zoom), Andy Birch, Kevin Bruder (via Zoom), Mike Clements (via Zoom), Ken Wheadon (via Zoom), Erik Hudson, Mark Fuller (via Zoom), Rebecca Casper (via Zoom), Blake Davis (via Zoom), Kevin Greene, Chris Hall.

**Agenda**

1. **Action Item** - Call to Order 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 – 9-27-22
	2. Review of Payables/Financials. A payables list totaling $99,973.02 was reviewed and approved. Spear commented that IFAD is receiving two utility bills for water and one for electricity from Idaho Falls Utilities for event center operations. Gazdik commented that TRT revenues were down for August but for the year TRT revenues are up 7%. 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 update from Mike Clements of Bateman Hall and Ken Wheadon of CRSA. Clements updated the Board by highlighting the following:
	* 1. Focus is on the main concourse and completing one restroom and one concession at a time, starting in quad 1. Quad 4 contains the last concession stand and will be completed last.
		2. Despite the tight timeline to complete everything and issues arising every week, Clements said they are on schedule.
		3. Exterior- the last pavement section on the south will be done by 10-17-22 and will allow access to building. The north lot paving will start toward the end of the week of 10-17-22 with all paving complete within the next two weeks.
		4. Landscape had a great week last week and will continue into this week.
		5. Clements said by the end of October the exterior of the building should be in good shape.
		6. Second floor-starting to drop ceilings and place ceiling tile.
		7. Seating install continues
		8. Speaker installation starts this week
		9. Mechanical system start-up is this week.
		10. In three weeks owner training will begin.
		11. Ice building is scheduled after the first of November
		12. Tile installers had a good week. The goal is to be complete with tile in 2½ weeks.
		13. Window installation will not be complete until the first or second week of November.
		14. Two out of three elevators are in. The concrete base for the service elevator was repoured on 10-10-22.

Greene asked about seating and any changes. Clements did not think there were any changes, and it was consistent with the latest seating manifest.

Gazdik asked about tours. Clements said it was important to have tours limited to Fridays. The Board will tour the facility on 10-25-22.

Wheadon said CRSA continues to expedite Requests for Information (RFI’s) as they come in. Clements said there are no outstanding items. Clements said two areas that will cause concern are the cleanup and punch lists. Clements said they want to complete punch lists by section. Wheadon agreed with this approach.

Clements said the exterior cleaning of the concrete panels is about 50% complete and it is looking good. There still needs to be a resolution on fixing corner panels on the conference space. Clements said the concrete panels would not be sealed. Warnecke agreed that sealing was not necessary.

Gazdik asked about early turnover. Clements that 11-21-22 needs to remain as the occupancy date. Too much work needs to be completed and early occupancy would need approval from the City with the City Fire Marshall being the key. Warnecke asked if the City has sent personnel to the site. Clements said there have been many City employees, including the Fire Marshall, inspecting the facility.

Warnecke asked about status of fire sprinkling system testing and the faulty coupler. Clements said there was no damage, and the water was quickly dried up and fans placed in the area of the leak.

1. **Action Item –** Revise and adopt 2022 IFAD budget to reflect updated revenues and expenditures. Spear summarized the changes:
	* 1. Reviewed summary of revenues and expenditures through 2028.
		2. Reviewed fundraising numbers. Spear explained that approximately $400K will be collected once the facility opens. Nitschke asked if the total number of seat plaques sold would be 700. Spear said that is the current goal.
		3. Updated TRT revenues through August and lowered September estimate by $10K. Gazdik asked if there has been any information on September revenues. Spear said he only had anecdotal information from James West of InnTrusted who said September was a solid month for his company. Spear estimates total 2022 TRT revenues will be $2.85M.
		4. Updated salary line
		5. Updated attorney fees to reflect FF&E Financing legal costs
		6. Updated website expenditures to reflect website work.
		7. Inspection Fees updated to reflect actual costs.
		8. FF&E costs included.
		9. Debt Financing budget added because there is not enough capitalized interest remaining to fund the entire November payment.
		10. Provided an update on where the original $1,350,000 contingency dollars would be spent. Spear reduced the number to $1.25M which includes donor wall budgeted under FF&E. Expenses included construction costs, building fees, donor wall, marquee sign, basketball court/stanchions, and brick installation.
		11. Marketing expenses increased to reflect payments for Cal-Ranch and Silver Star seats.

 Gazdik asked about the building fees. Spear showed the different fees assessed by the City. Warnecke asked if there is enough contingency. Spear said that he was comfortable with what is budgeted.

Warnecke made the motion to approve the revised 2022 operating budget. Nitschke seconded. Motion passed.

1. **Action Item –** Adopt 2023 IFAD operating budget. Spear said this budget needs to be approved as part of the Intent to Renew requirements. Spear highlighted the 2023 budget items.
2. Revenues were held constant (same as 2022). Spear said he did anticipate additional room night revenue from the opening of the arena. Gazdik asked about the total revenue calculation. Spear said for 2023 moving forward, only the difference between TRT revenues and the debt payment is included for TRT revenues.
3. Insurance costs increased because of the addition of building insurance.
4. Marquee sign rental was added at $1500 per month.

Greene asked if advertising space on the sign could be rented. Spear said he understands that only entities located within the complex can have advertisement. Hudson said this is a U.S. Department of Transportation requirement. Bruder said this should be explored further. Spear displayed the most recent schematic. Gazdik asked about the allocation of the time on the Board. Spear said MACU gets 2 spots, Hero 1, Blue Cross 1, Silver Star 1, and IFAD/Mountain America Center 1. Each spot runs for 4 seconds in length every 48 seconds.

Vucovich moved to adopt the 2023 budget. Nitschke seconded. Motion passed.

1. **Action Item –** Per Sec. 5.1(b) of Annual Appropriation (Construction) Lease, renew the Appropriation Lease for an additional Renewal Term. Gazdik briefed the Board and said this was for the Board to formally approve the appropriation of FY 2023 funds to pay the FY 2023 debt service payment. Carpenter moved to approve the Form of Notice of Renewal. Vucovich seconded. Motion passed.
2. **Action Item –** Per Sec. 2.2 (b) of Annual Appropriation (FF&E) Lease, renew the FY 2023 Appropriation Lease for a FY 2023 Renewal Term. Nitschke moved to approve the Notice of Renewal. Vucovich seconded. Motion passed.
3. **Discussion Item –** Discuss how IFAD should be represented in the Mountain America Center. Spear suggested three ways to represent IFAD in the facility: Donor Wall, Flagpole, Logo on Ice. Hudson stated it was important to have IFAD recognized because without the IFAD, the building would not have been built. Nitschke suggested a plaque. Carpenter thought a nice-looking brass plaque would be appropriate. There was not much support for a flag or logo on the ice. Carpenter suggested the plaque include the mission of IFAD. Spear said he would get samples and costs for 3 plaques to be placed at the two main entry ways and the convention/conference space.
4. **Discussion Item –** Discuss Board Member schedules for upcoming Board Meetings. Gazdik informed the Board that she was not available for the 10-25-22 and 11-8-22 Board meetings. It was decided to keep the meetings as scheduled.

**Report and Updates**

1. **Discussion Item –** Update from Erik Hudson and Kevin Bruder on Hero Arena at the Mountain America Center operations and pre-opening activity. Hudson updated the Board on the following items:
2. Hudson shared his experience at a recent Venues Now conference he attended in Austin, TX. Hudson said he focused on attending sessions related to the opening of a new arena and referenced a session on “keeping the life of a facility over 30 years” and “converting holds into sellouts”.
3. Angie Freer is attending a conference in New York City meeting with event holders across the country to promote the Blue Cross of Idaho Conference Center to bring in national conferences. This was paid for by a grant from the Yellowstone Teton Territories.
4. Hudson will present the 2023 operating budget to the IFAD Board at the next meeting.
5. Operations team is coordinating delivery of FF&E items. Stage will be delivered on November 16th. Working on policies and procedures.
6. Box Office – working on selling tickets to events. Hudson said they have already had to open up more seats for the Brian Regan show. Over 1800 tickets have been sold in less than a week. Nitschke asked how more seats can be made available. Hudson said they just change the configuration. 3000 Lindsey Stirling tickets have been sold. Several other major event announcements are forthcoming.
7. Seat Plaque campaign is gaining traction
8. Marketing is planning the grand opening event and testing of all systems and showcasing the back of house. After November 28th, the back of house will not be available for tours.
9. Participation in recent job fairs. Hudson said after the first one there were 200 applicants for part-time positions. After the career fair on 10-12-22, Hudson expects another 150 applicants. Bjornlie has set up an electronic hiring system that expedites the hiring process. Birch said the experience level of applicants is very promising. Nitschke asked about the incentives that people might have to apply for these part-time positions. Hudson said one incentive is that these jobs provide a way for interested students and retirees to subsidize their income. Birch said people are excited to work at some of the events scheduled and that helps the hiring process.
10. Front of house and operations will start providing training once staff is hired.
11. Hudson commended the corporate promotion of Greene’s staff on selling sponsorship opportunities in the event center. Hudson said the Daktronics video Board will give the center many opportunities to advertise for sponsors.
12. Working on a process to track hotel nights attributable to center operations. Hudson said he utilized the STARS system in the past and is looking at working with hoteliers to find a correlation between events and hotel stays.
13. Hudson said he is going to bring information back to the Board on insurance costs for conference space users for discussion at the next Board meeting. Current general liability policy requirements are too expensive for some users of the conference center.
14. Hudson invited Board to witness the ice installation currently scheduled for 11-14-22.
15. Discussions with the Idaho State Activities Association have gone well, and Hudson will be submitting proposals for high school state championships.

 Gazdik suggested that hoteliers have the ability to promote events to customers who are booking a room.

Nitschke asked about the number of event days that are scheduled. Including hockey, the initial/estimated number was 83 per year. The number of event days booked for 2023 currently stands at 105 event days. This does not include Christmas parties or banquets already scheduled in the conference space.

1. **Discussion Item** – Update from Kevin Greene on Spudkings Hockey. Greene provided the following updates**:**
	1. Introduced Chris Hall, Assistant General Manager, for the Spudkings. Hall is responsible for the website, selling sponsorships and other hockey related activities.
	2. Greene briefed the Board on sponsorship sales and said they have sold many different packages unique to hockey:
		1. Penalty Box is going to be called the “Sin Bin” sponsored by a waste management company
		2. Dental Company has the “Big Hit”
		3. Shoot to Win will be a fan promotion
		4. Three Star Selection
		5. Offsides – Blue Line
		6. Icing
		7. Noise Meter
		8. Tee shirt tosses
		9. Flex Cam
		10. Clear bag sponsor
		11. Sold 21 of 29 dashboards
	3. Goal is to get $300K in sponsorship revenue with 70% returned to venue.
	4. Season seats are capped at 2,000 with only 22 seats left. This does not include suites and loge boxes.
	5. Greene estimates that season seats will vary from year to year, with a likely drop after the first year.
	6. For each game, hockey will pay $4K in rent, $1 dollar for parking space, and $1 for each ticket sold.
	7. Bingham Healthcare is the opening night sponsor
	8. Greene said he has been working with a number of groups on group sales
	9. Planning for a media blitz in the next 3-4 weeks
	10. Hockey team is now located in Idaho Falls and working out. All players have host families.
	11. There have been a lot of player moves with five new players being signed including players from Great Britain and Russia.
	12. Hired Marty Quarters as Director of Operations who is responsible for player evaluation and recruitment. Goal is to increase competitiveness over next seven weeks. Nitschke asked about the number of players, the Spudkings website says there are 15 players, while the USPHL website says there are 28. Greene said the coach is supposed to provide this information. Hall said there are 24 current players. Hall said they are interviewing for a social media manager who will be responsible for the website.
	13. The merchandise part of the website recently went live and there have been orders across 15 States. Spear displayed the website. Nitschke asked if there is a way to allow non-Facebook users access to the Facebook page. Hall said there is, and they are working on linking social media sites, so people aren’t required to have a Facebook account.

Nitschke asked how a person can find out how the team is doing. Greene said he is wanting to see more improvement before reporting on each game. Hall said the social media manager will be responsible for chronicling games moving forward and working with team photographers. Nitschke said he looks forward to going to the website to find out how the team is doing, and good communication should not depend on how the team is performing.

1. **Discussion Item** - Executive Director Report
	1. Fundraising/Cash Flow Update – No update. Covered in agenda VI.
	2. State Tax Commission Reports – No update. Covered under consent agenda.
	3. Construction Update – Covered in Agenda item V.
	4. Action Items
2. **Discussion Item** – Fuller said he needs a signature on the Centennial Management Amendment IV.

 C**alendar and Announcements**

1. Upcoming IFAD Meeting – **Next Meeting on October 25, 2022**
2. **Discussion Item** - Announcements and Minor Questions – Gazdik stated she would not be present for the 10-25-22 and 11-8-22 Board meetings and that Vucovich would conduct the meetings.
3. **Discussion Item** - Agenda Items for October 25, 2022, meeting
	1. Board Tour of Events Center
	2. Centennial 2023 Budget Presentation
	3. Hudson to present Liability Insurance Costs
	4. Hudson to discuss use of preopening cost funding.

Meeting adjourned 8:52 AM