

POCATELLO DEVELOPMENT AUTHORITY
Board of Commissioners Meeting
June 11, 2002
11:00 a.m.

City Hall
911 North 7th Avenue

11:00 a.m. Council Chambers

Call to Order – Chairman Neuhardt

Acknowledge Guests of Board, if any

Disclosure of Conflicts of Interest, if any

Agenda - Add or Delete Action or Discussion Items

Action and Discussion Items

Minutes for May 14 – Motion to Approve and/or Amend

Financial Report: May Income and Expenses

Cheyenne Corridor Pay Request

South Cliffs Project

Stormwater Sewer Project Update
Requisition #E-4

Update on AMIS Project

Executive Session, if required

Pocatello Development Authority
Cash Budget - 2002

	Actual January	Actual February	Actual March	Actual April	Actual May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Current Estimate 2002	Approved 2002
Beginning Balance	\$437,260.09	\$1,062,556.26	\$1,095,462.46	\$617,692.04	\$767,041.98	\$770,322.16	\$765,806.15	\$3,314,948.15	\$963,724.15	\$965,077.16	\$1,083,305.15	\$1,087,700.15	\$422,060.09	\$416,260.13
SOURCES OF FUNDS														
Kress District	2,280.44	0.00	0.00	0.00	0.00	0.00	3,073.00	0.00	0.00	0.00	0.00	0.00	\$5,353.44	\$6,473.00
Newtown District	23,750.03	25.55	1,289.05	0.00	0.00	0.00	34,000.00	0.00	0.00	0.00	0.00	0.00	\$59,064.63	\$66,000.00
Al Ricken Drive District	390,155.58	0.00	0.00	88.86	0.00	0.00	1,671,276.00	0.00	0.00	0.00	0.00	0.00	\$2,061,521.44	\$2,071,286.00
Old Town District	1,484.56	6,189.04	13,282.54	7,180.46	5,052.58	0.00	190,000.00	0.00	0.00	0.00	0.00	0.00	\$223,169.18	\$193,000.00
North Main District	34,062.22	0.00	22,829.01	0.00	0.00	0.00	98,737.00	0.00	0.00	0.00	0.00	0.00	\$155,848.23	\$133,737.00
Roosevelt District	172,825.41	845.14	5,421.16	16.68	1,031.70	0.00	214,338.00	0.00	0.00	0.00	0.00	0.00	\$394,478.09	\$364,338.00
Central Corridor District	4,485.15	27,838.33	81.43	139,184.72	10,675.04	0.00	358,491.00	0.00	0.00	120,000.00	0.00	0.00	\$660,755.87	\$483,491.00
General Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,542.00	0.00	\$2,542.00	\$2,542.00
Interest Income	1,118.00	987.71	1,756.28	1,629.32	1,182.33	1,000.00	4,500.00	4,500.00	1,500.00	1,500.00	2,000.00	2,000.00	\$23,864.64	\$30,000.00
TOTAL	630,182.39	35,885.77	44,859.47	148,281.04	17,851.65	1,000.00	2,574,415.00	4,500.00	1,500.00	121,500.00	4,542.00	2,000.00	\$3,566,417.32	\$3,339,866.00
CASH AVAILABLE	\$1,067,442.48	\$1,098,442.03	\$1,140,121.93	\$765,973.08	\$774,993.63	\$771,322.15	\$3,330,220.15	\$3,319,448.15	\$965,224.15	\$1,088,577.15	\$1,087,847.15	\$1,089,700.15	\$4,008,477.41	\$3,766,116.13
APPLICATION OF FUNDS														
Kress District	0.00	2,760.41	0.00	0.00	0.00	0.00	0.00	3,073.00	0.00	0.00	0.00	0.00	\$5,833.41	\$6,473.00
Newtown District	0.00	0.00	23,897.31	0.00	0.00	0.00	0.00	34,000.00	0.00	0.00	0.00	0.00	\$57,897.31	\$66,000.00
Al Ricken Drive District	0.00	0.00	390,155.58	0.00	0.00	0.00	0.00	1,671,276.00	0.00	0.00	0.00	0.00	\$2,061,431.58	\$2,416,302.88
Old Town District	0.00	0.00	15,967.42	0.00	0.00	0.00	0.00	190,000.00	0.00	0.00	0.00	0.00	\$205,967.42	\$193,000.00
North Main District	0.00	0.00	34,062.22	0.00	0.00	0.00	0.00	98,737.00	0.00	0.00	0.00	0.00	\$132,819.22	\$82,333.00
Roosevelt District	1,810.00	0.00	5,400.00	5,700.00	4,530.00	15,370.00	12,000.00	0.00	0.00	0.00	0.00	182,169.00	\$226,779.00	\$267,539.00
Central Corridor	0.00	0.00	52,866.77	0.00	0.00	0.00	0.00	358,491.00	0.00	0.00	0.00	0.00	\$411,357.77	\$363,491.00
General Funds	3,228.88	171.31	113.15	3,171.66	84.23	90.00	3,215.00	90.00	90.00	3,215.00	90.00	90.00	\$13,660.33	\$13,680.00
Bank Charges	46.24	47.85	47.44	59.44	47.25	57.00	57.00	57.00	57.00	57.00	57.00	57.00	\$647.22	\$684.00
TOTAL	4,886.22	2,979.57	522,429.89	8,931.10	4,871.48	15,517.00	15,272.00	2,355,724.00	147.00	3,272.00	147.00	182,316.00	\$3,116,293.26	\$3,397,402.88
ENDING BALANCE	\$1,062,556.26	\$1,095,462.46	\$617,692.04	\$767,041.98	\$770,322.16	\$765,806.15	\$3,314,948.15	\$963,724.15	\$965,077.16	\$1,083,305.15	\$1,087,700.15	\$907,384.15	\$892,184.15	\$368,713.25

Pocatello Development Authority
Cash Budget - 2002

	Actual January	Actual February	Actual March	Actual April	Actual May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Current Estimate 2002	Approved 2002
Beginning Balance	\$437,260.09	\$1,062,556.26	\$1,095,462.46	\$617,692.04	\$757,041.98	\$770,322.16	\$765,805.16	\$3,314,948.15	\$963,724.15	\$965,077.15	\$1,083,306.15	\$1,087,700.15	\$422,060.09	\$416,250.13
SOURCES OF FUNDS														
Kress District	2,280.44	0.00	0.00	0.00	0.00	0.00	3,073.00	0.00	0.00	0.00	0.00	0.00	\$5,353.44	\$6,473.00
Newtown District	23,750.03	25.55	1,289.05	0.00	0.00	0.00	34,000.00	0.00	0.00	0.00	0.00	0.00	\$59,064.83	\$56,000.00
Al Ricken Drive District	390,155.58	0.00	0.00	89.88	0.00	0.00	1,671,276.00	0.00	0.00	0.00	0.00	0.00	\$2,061,521.44	\$2,071,285.00
Old Town District	1,484.56	6,189.04	13,282.54	7,160.46	5,052.58	0.00	190,000.00	0.00	0.00	0.00	0.00	0.00	\$223,169.18	\$193,000.00
North Main District	34,082.22	0.00	22,829.01	0.00	0.00	0.00	98,737.00	0.00	0.00	0.00	0.00	0.00	\$155,648.23	\$133,737.00
Roosevelt District	172,825.41	845.14	5,421.18	16.68	1,031.70	0.00	214,338.00	0.00	0.00	0.00	0.00	0.00	\$394,478.09	\$364,338.00
Central Corridor District	4,485.15	27,838.33	81.43	139,184.72	10,675.04	0.00	358,491.00	0.00	0.00	120,000.00	0.00	0.00	\$660,755.67	\$483,491.00
General Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,542.00	0.00	\$2,542.00	\$2,542.00
Interest Income	1,119.00	987.71	1,756.28	1,829.32	1,192.33	1,000.00	4,500.00	4,500.00	1,500.00	1,500.00	2,000.00	2,000.00	\$23,884.64	\$30,000.00
TOTAL	630,182.39	35,885.77	44,659.47	148,281.04	17,951.65	1,000.00	2,574,415.00	4,500.00	1,500.00	121,500.00	4,542.00	2,000.00	\$3,586,417.32	\$3,339,866.00
CASH AVAILABLE	\$1,067,442.48	\$1,098,442.03	\$1,140,121.93	\$765,973.08	\$774,993.63	\$771,322.15	\$3,330,220.15	\$3,319,448.15	\$965,224.15	\$1,088,577.15	\$1,087,847.15	\$1,088,700.15	\$4,008,477.41	\$3,756,116.13
APPLICATION OF FUNDS														
Kress District	0.00	2,760.41	0.00	0.00	0.00	0.00	0.00	3,073.00	0.00	0.00	0.00	0.00	\$5,833.41	\$6,473.00
Newtown District	0.00	0.00	23,897.31	0.00	0.00	0.00	0.00	34,000.00	0.00	0.00	0.00	0.00	\$57,897.31	\$56,000.00
Al Ricken Drive District	0.00	0.00	390,155.58	0.00	0.00	0.00	0.00	1,671,276.00	0.00	0.00	0.00	0.00	\$2,061,431.58	\$2,415,302.88
Old Town District	0.00	0.00	15,867.42	0.00	0.00	0.00	0.00	190,000.00	0.00	0.00	0.00	0.00	\$205,867.42	\$193,000.00
North Main District	0.00	0.00	34,082.22	0.00	0.00	0.00	0.00	98,737.00	0.00	0.00	0.00	0.00	\$132,819.22	\$82,333.00
Roosevelt District	1,610.00	0.00	5,400.00	5,700.00	4,530.00	15,370.00	12,000.00	0.00	0.00	0.00	0.00	182,169.00	\$228,779.00	\$267,539.00
Central Corridor	0.00	0.00	52,868.77	0.00	0.00	0.00	0.00	358,491.00	0.00	0.00	0.00	0.00	\$411,357.77	\$363,491.00
General Funds	3,229.98	171.31	113.15	3,171.88	84.23	80.00	3,215.00	90.00	90.00	3,215.00	90.00	90.00	\$13,860.33	\$13,680.00
Bank Charges	46.24	47.85	47.44	59.44	47.25	57.00	57.00	57.00	57.00	57.00	57.00	57.00	\$847.22	\$684.00
TOTAL	4,888.22	2,879.57	522,429.89	8,931.10	4,671.48	15,517.00	15,272.00	2,355,724.00	147.00	3,272.00	147.00	182,318.00	\$3,116,293.26	\$3,397,402.88
ENDING BALANCE	\$1,062,556.26	\$1,095,462.46	\$617,692.04	\$757,041.98	\$770,322.15	\$765,805.16	\$3,314,948.15	\$963,724.15	\$965,077.15	\$1,083,306.15	\$1,087,700.15	\$907,384.15	\$892,184.15	\$359,713.25

**Pocatello Storm Water Improvements
Halliday Street Phase II Construction
May 2002 Progress Report**

Owner: Pocatello Development Authority
Engineer: Schiess & Associates
General Contractor: HK Contractors Inc.
Report No. 2 (Work through May, 2002)

Bids Opened:	Feb. 28, 2002
Notice to Proceed:	May 20, 2002
Original Contract Time (days):	90
Original Substantial Completion Date:	Aug. 17, 2002
Approved Time Extensions (days):	0
Current Substantial Completion Date:	Aug. 17, 2002
Current Final Completion Date:	Sept. 16, 2002
Contract Time Elapsed	12 %
Original Contract Amount:	\$433,679.50
Approved Change Order Amount (No.'s 1 through 1):	(\$3100.00)
Total Change Order (No.'s 1 through 1), % of Original Contract:	(.7) %
Current Contract Amount:	\$430,579.50
*Amount Earned	\$90,000 (est.)
Percent of Contract Earned	21 %
Estimated Total Contract Cost	\$430,579.50

*The amount earned and percent of contract earned are estimated.

See next page for Contractor pay request and change order time and cost summary and Engineer budget cost summary. The third page consists of photos from recent construction activities.

**Pocatello Stormwater Improvements, Phase II
 Cadet Field Diversion
 Schiess & Associates Project Numbers 01023/02021/02045
 Monthly Report**

Contractor Time and Cost Summary

Contractor: HK
 Start Date: 5/20/02

Change Order Data

	Contract Amount	Cumulative Contract Amount	Contract Time (Days)	Cumulative Contract Time (Days)	Substantial Completion End Day	Final Completion End Day
Original Contract	\$433,679.50	\$433,679.50	90	90	8/17/02	9/16/02
Change Order 1	(\$3,100.00)	\$430,579.50	0	90	8/17/02	9/16/02
Change Order 2						
Change Order 3						

Total Change Order	(\$3,100.00)		0			
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Pay Request Data

Pay Request No.	Date	Gross Amount Earned	Cumulative Retainage Amount	Amount Due	Cumulative Amount Due
1					
2					
3					
Final					

Engineer Construction Management Costs

Budget: \$37,785

End of Month	Expected Cumulative Monthly Cost	Actual Cumulative Monthly Cost	Remaining Budget	Budget Status
February, 2002	\$1,067	\$1,500	\$36,285	good
March	\$2,133	\$2,200	\$35,585	good
April	\$3,200	\$3,225	\$34,560	good
May	\$9,350	\$9,683	\$28,102	good
June	\$17,946			
July	\$24,793			
August	\$31,839			
September	\$37,785			

PHASE II CONSTRUCTION



PIPE OPERATIONS ON 9TH AVE. BY CARTER ST.



STREET REPAVING PREPARATIONS ON 9TH AVE.

Pocatello Development Authority

ISU Research and Business Park
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

An urban renewal agency for the City of Pocatello, Idaho

June 5, 2002

Mark Hughes, President
Greater Pocatello Lodging Association
P.O. Box 626
Pocatello, ID 83204

Re: Your undated letter to Pocatello Development Authority on Project HOPE

Dear Mark:

My apologies for the tardiness of this response, but I did want you to know that copies of your letter were distributed to the members of the PDA at the Board meeting held May 14, 2002.

However, the Board had already approved the setting aside of six million dollars of TIF money for the project, contingent upon a number of conditions being met. The first was that the City Council approve an amendment to their original monetary limit for the project, which PDA understood was in itself contingent upon a majority vote in favor of the project at the May 28th election. Additionally, funding was contingent upon proof of the receipt of one million dollars in private donations for the facility. Without the majority vote, our understanding is that the Council will not amend the ordinance.

On behalf of the Board, I would like to express appreciation for your willingness to explain your concerns to the PDA, but I should also point out that one of your statements indicates that your association shares a common misconception about urban renewal areas and TIF provisions. TIF money is available to an urban renewal agency for carrying out an approved urban renewal plan and projects in any urban renewal area. The State Code provides a long list of items eligible for this funding, including recreational facilities, "nonresidential uses . . . necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives."

Sincerely,



Harry Neuhardt, Chairman
Pocatello Development Authority

HN/rv

Greater Pocatello Lodging Association

P.O. Box 626
Pocatello, Idaho 83204

Mr. Harry Neuhardt
Chairman
Pocatello Development Authority
C/o City of Pocatello
911 N. 7th Ave.
Pocatello, Idaho 83201

Dear Mr. Neuhardt,

As President of the Greater Pocatello Lodging Association, please allow me this opportunity to express our majority concerns regarding project HOPE. Feel free to share our thoughts with your PDA board.

Challenging economic times have fallen upon Pocatello as they have on much of our great nation. Despite the best efforts of our community, we have lost high paying jobs in several sectors. We have built libraries, swimming pools, high schools and skateboard parks. We have invested millions of tax dollars into our downtown area, yet continue to lose jobs to downsizing, utility costs and the advancement of technology and procedures.

Few if any of us would oppose the building of a skating rink and entertainment center if private investments or surplus tax funds were being used. Since such facilities have little or any chance of cash flowing, the chance of private investment funding is slim, and at least in Pocatello, the term "surplus" and "tax" should never be used in the same sentence. In HOPE's original proposal, they offered several million dollars in private donations as a funding source, a figure they have significantly reduced. If they once thought the donation dollars were there, do they now believe the public's interest has lessened or are they simply going after easy TIF dollars?

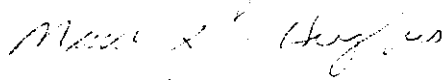
TIF monies are earmarked for economic development. While we view the project HOPE primarily as an entertainment facility, the element of economic development may be an offshoot—and then again it may not. Our local and state economic development experts tell us incentives, infrastructure and a strong work force attract business—not skating rinks and apparently not libraries, swimming pools, high schools and skateboard parks. We do not underestimate the value of "quality of life" but wonder if this new facility will improve Pocatello's overall appeal enough to be a "deal maker."

The six million dollars project HOPE is requesting is most, if not all, of our available funding for economic development over the next several years. If indeed the PDA chooses to fund the project, we sincerely hope you are convinced this is the ABSOLUTE BEST USE OF OUR LIMITED ECONOMIC DEVELOPMENT DOLLARS IN OUR

EFFORT TO ATTRACT JOBS TO OUR COMMUNITY. If not, perhaps we should invest in the issues that are proving to attract businesses to other cities in our region. If we invest in the HOPE project and then loose an attractive employer because we lack the funds to assist them, who will be to blame.

We appreciate your efforts on behalf of the betterment of our community and thank you for considering our comments.

Sincerely,

A handwritten signature in cursive script that reads "Mark G. Hughes".

Mark G. Hughes

President

The Greater Pocatello Lodging Association

**Pocatello Storm Water Improvements
Halliday Street Phase I Construction
May 2002 Progress Report**

Owner: Pocatello Development Authority
Engineer: Schiess & Associates
General Contractor: HK Contractors Inc.
Report No. 9 (Work through May, 2002)

Bids Opened:	May 3, 2001
Notice to Proceed:	June 11, 2001
Original Contract Time (days):	210
Original Contract Completion Date:	January 7, 2001
Approved Time Extensions (days):	140
**Substantial Completion Date Achieved by Contractor	May 16, 2002
Current Final Completion Date:	June 15, 2002
Contract Time Elapsed	100 %
Original Contract Amount:	\$4,460,913.28
Approved Change Order Amount (No.'s 1 through 5):	\$516,034.06
Total Change Order (No.'s 1 through 5), % of Original Contract:	11.6 %
Current Contract Amount:	\$4,976,947.34
*Amount Earned	\$5,145,000.00
*Percent of Contract Earned	1.03 %
Estimated Total Contract Cost to Finish Project	\$5,190,000.00

*The amount earned and percent of contract earned are estimated.

**The substantial completion form is prepared for signature by PDA

See next page for Contractor pay request and change order time and cost summary. See the third page for the current Engineer budget and cost summary. The last page contains recent pictures from construction.

Pocatello Stormwater Improvements, Phase I
Schiess & Associates Project Numbers 00033/01029/02034
Monthly Report

Contractor Time and Cost Summary

Contractor: HK
 Start Date: June 11, 2001

Change Order Data

	Contract Amount	Cumulative Contract Amount	Contract Time (Days)	Cumulative Contract Time (Days)	Substantial Completion End Day	Final Completion End Day
Original Contract	\$4,460,913.28	\$4,460,913.28	210	210	1/7/02	2/6/02
Change Order 1	\$1,133.80	\$4,462,047.08	7	217	1/14/02	2/13/02
Change Order 2	\$474,754.07	\$4,936,801.15	7	224	1/21/02	2/20/02
Change Order 3	\$16,956.93	\$4,953,758.08	7	231	1/28/02	2/27/02
Change Order 4	\$12,196.27	\$4,965,954.35	0	231	1/28/02	2/27/02
Change Order 5	\$10,992.99	\$4,976,947.34	119	350	5/27/02	6/26/02
Total Change Order	\$516,034.06		140			

Pay Request Data

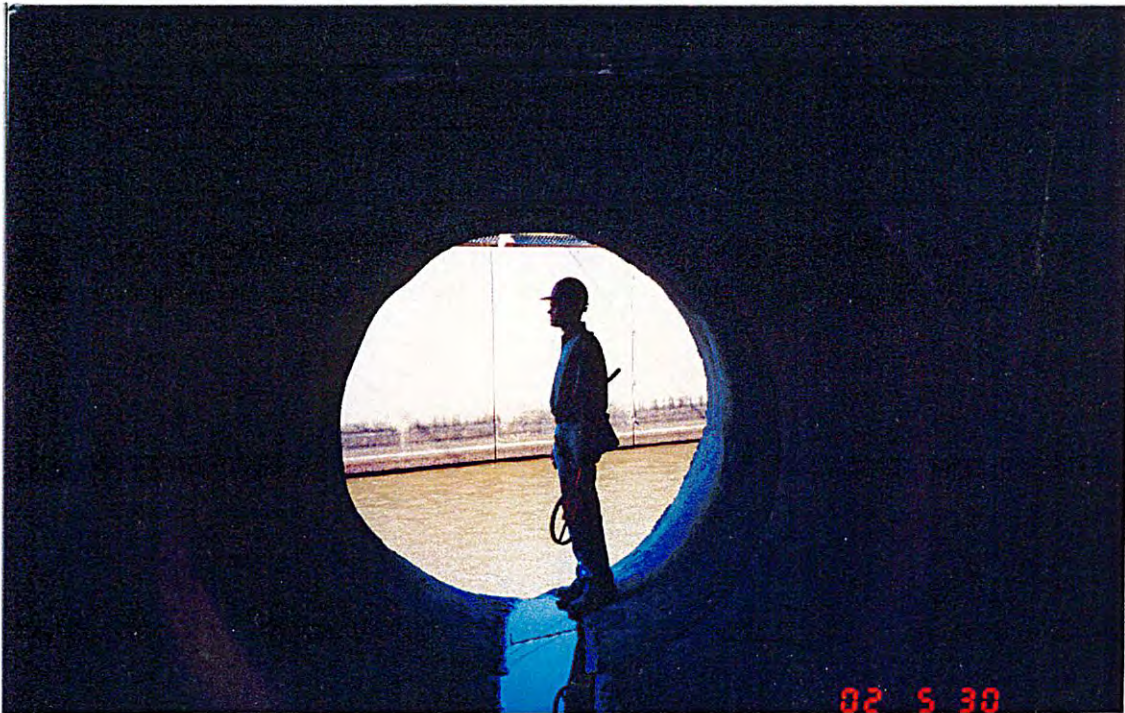
Pay Request No.	Date	Gross Amount Earned	Cumulative Retainage Amount	Amount Due	Cumulative Amount Due
1	6/25/01	\$176,305.48	\$8,815.27	\$167,490.21	\$167,490.21
2	7/25/01	\$728,755.63	\$36,437.78	\$524,827.64	\$692,317.85
3	8/25/01	\$1,310,029.07	\$65,501.45	\$552,209.77	\$1,244,527.62
4	9/25/01	\$2,149,451.77	\$107,472.59	\$797,451.57	\$2,041,979.19
5	10/25/01	\$3,014,087.52	\$150,704.38	\$821,403.95	\$2,863,383.14
6	12/7/01	\$3,607,465.74	\$180,373.29	\$554,582.24	\$3,417,965.38
7	2/25/02	\$4,347,293.85	\$217,364.69	\$711,963.78	\$4,129,929.16
8	3/25/02	\$4,687,288.47	\$234,364.42	\$322,994.89	\$4,452,924.05
9	4/25/02	\$4,844,961.46	\$242,248.07	\$149,789.34	\$4,602,713.39
10 (Estimated)	5/25/02	\$5,145,000.00	\$40,000.00	\$542,286.61	\$5,105,000.00
Final					

Engineer Construction Management Costs

Budget:	Accumulated costs above contract up to April 21, 2002:	\$3,748
	Anticipated costs after April 21, 2002:	\$9,820
	Total expected costs above contract amount:	\$13,568

Period	Expected Cumulative Costs	Actual Costs For Period	Actual Cumulative Costs	Remaining Budget
Before April 21, 2002	-----	\$3,748.00	\$3,748.00	\$3,748
April 22 through May	\$9,000	\$5,143.00	\$8,891.00	?
June	\$13,568			

PHASE I CONSTRUCTION



OUTFALL TO RIVER, INSIDE PIPE.



NEW RAILS AND STREET WORK IN FRONT OF WASHINGTON SCHOOL.

CONFIDENTIAL

This request and information is confidential and recipients are asked to honor the confidential nature of this information.

South Cliffs Business Park

Twenty eight acres located on the South Fifth Avenue off ramp of I-15 between Fifth Avenue and I-15 is ready to become the core area for commercial development in South Pocatello.

The business park can expand to sixty five acres in the future. This property is located in the Central Corridor Urban Renewal Area Plan.

Pocatello has been trying for years to encourage commercial development to go South and remain with Pocatello's city limits. The building of Century High School, improvements to Fifth Avenue and the proposed Bannock Highway interconnect will all help.

We propose that a first class business park will attract commercial development to this targeted area.

We submit that during the ten year build out of the South Cliffs Business Park the tax base will increase by \$25,000,000 and approximately 500 employees will be located on site.

We request an investment of \$1,116,675.00 from Pocatello Development Authority to be used for infrastructure as detailed in exhibit 1. We also request \$556,250.00 to be used for parking lots and landscaping to complete the parcel in a first-class manner, this amount would be paid back to PDA directly as the park is built out.

We are anticipating the location of the Pocatello field office for the U.S. Forest Service and BLM. This \$3,500,000 building would go on the tax roles in 2003.

As you can see from the aerial photographs, the site is very well located. Our vision for the site includes water falls tumbling from the cliff faces, a stream of water cascading down the center of the main entrance serving as a lane separator, fountains in the middle of the round-a-bouts, which will create ice sculptures in the winter and the entire cliff face being washed with light from a series of spot lights along the base of the cliffs.

The center piece that has been targeted is a large factory outlet mall stretching along I-15 accessed from Fifth Avenue. Such a mall draws from a 150 mile radius. It is a perfect fit for the Gate City and it would be very gratifying to see cars with Idaho license plates 2T, 8B, 2B... and even Northern Utah, once again in parking lots in Pocatello.

This request would represent a proactive public-private endeavor that would result in an appropriate development in a location of need. It meets the goals of the comprehensive plan and increases the opportunities for business location in a targeted

area. The outcome would help to level or reduce the City's levy rate by increasing the tax base. The entire frontage of the project would further the goal of community beautification.

Exhibit 1

Cost Estimates - South Cliffs Business Park

<u>item#</u>	<u>Description</u>	<u>quantity</u>	<u>cost range</u>	<u>estimate</u>
1	curb & gutter	5,150 ln.ft.	\$12-17/ln.ft.	\$75,050
2	pavement & patch	10,000 sq.ft.	\$2.50-4/sq.ft.	\$32,500
3	pavement new	74,000 sq.ft.	\$1.25-1.75/sq.ft.	\$111,000
4	payment new (state)	6,000 sq.ft.	\$3-4/sq.ft.	\$21,000
5	12" sewer & manholes	1,500 ln.ft.	\$65-90/ln.ft.	\$116,250
6	12" water line & fire hydrants	1,500 ln.ft.	\$65-90/ln.ft.	\$116,250
7	18" storm water	1,500 ln.ft.	\$65-90/ln.ft.	\$116,250
8	utility trench	1,500 ln.ft.	\$35-50/ln.ft.	\$63,750
9	blast and remove	15,000 cu.yd.	\$6-9/cu.yd.	\$112,500
10	sidewalk	25,000 sq.ft.	\$2.25-3.25/sq.ft.	\$68,750
11	street lights	25	\$5,000 each	\$125,000
12	stain cliff		\$17,500	\$17,500
13	clean graffiti		\$3,750	\$3,750
14	retaining wall	3,500 sq.ft.	\$12-18/sq.ft.	\$52,500
15	engineering		\$25,000	\$25,000
16 (B)	architect		\$15,000	\$15,000
17	legal		\$10,000	\$10,000
18 (B)	landscaping ROW		\$50,000	\$50,000
19	supervisor		\$15,000	\$15,000
20 (B)	spotlights on cliffs	30	\$1,500 each	\$45,000
21 (B)	water falls	3	\$25,000 each	\$75,000
22 (B)	fountains	3	\$15,000 each	\$45,000
23 (B)	babbling brook	250 ln.ft.	\$10/ln.ft.	\$25,000
24 (C)	parking lot, paved	125,000 sq.ft.	\$2.25/sq.ft.	\$281,250
25 (C)	parking lot, unpaved	20,000 sq.ft.	\$1/sq.ft.	\$20,000
26	valley gutter	1580 sq.ft.	\$7.5/sq.ft.	\$11,820
27	utilities	1500 ln.ft.	\$15/ln.ft.	\$22,500
	Total			\$1,672,620

Infrastructure grant request	\$1,116,025.00
Repayment grant (B)	\$ 255,000.00
Repayment grant BLM (C)	\$ 301,250.00

Tuscany Professional Plaza

Multiplier Effect

In 1995 Tuscany Professional Plaza was approved and built as a subdivision providing lots for professional offices. Nothing happened.

In 2001 we decided to build it out ourselves, using funds from the sale to AMI for their future headquarters building.

As we get a building 50% leased, we start the next building spec.

			Tax Roll	Running Total
Raw Ground			10,000	10,000
Subdivision	Improvements		100,000	110,000
Building 1	Finished	leased	1,500,000	1,610,000
Building 2	90% finished	leased	1,350,000	2,960,000
Building 3	30% finished	25% leased	[1,350,000]	4,310,000
Building 4	not started	N/A	[1,350,000]	5,660,000
Building 5	not started	N/A	[1,350,000]	7,010,000
Building 6	not started	N/A	[1,350,000]	8,360,000

We will complete the build out in 36 months and add over Eight Million Dollars to the tax roll.

The difference was when we decided to become proactive and build, but the key was the capital infusion from the AMI sale. That initial investment will increase the tax roll over 1000% in five years.

The same thing will happen at South Cliffs Business Park if you agree to this request.

 **Schiess & Associates**
CONSULTING ENGINEERS

7103 SOUTH 45TH WEST, IDAHO FALLS, ID 83402
OFFICE: (208) 522-1244 • FAX: (208) 522-9232

WATER SYSTEM DESIGN • WASTEWATER TREATMENT • STORM WATER MANAGEMENT
PLANNING • TRANSPORTATION • CONSTRUCTION MANAGEMENT

June 11, 2002

HK Contractors, Inc.
Attn: Kent Magelby
P.O. Box 51450
Idaho Falls, ID 8340

Re: Pocatello Storm Water Improvements, Phase I, Project 00033/01029

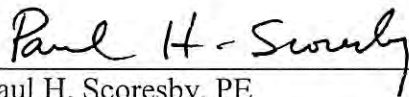
Dear Kent:

Regarding the referenced project, and in reply to your June 3, 2002 letter, we cannot authorize payment of all of your retainage until the punch list is cured. You can request all but \$80,000 of the retainage money on your next pay request. Our estimated cost to cure the punch list is \$80,000.

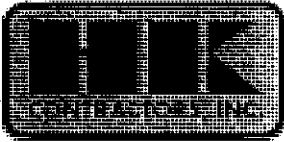
Also per your request, we have signed and forwarded application for payment number 10 to the City for their review. We cannot guarantee that this pay estimate will be approved for payment by PDA at their June 10 meeting due to the lateness which we received it.

Please call if you have any questions.

Sincerely,


Paul H. Scoresby, PE

Cc: Hard copy w/letter:
Cac Turner, City Engineer
Greg Lanning, Public Works Director
Curt Neville, Street Department
Dean Tranmer, City Attorney
Roger Chase, Mayor
Char DeWall, PDA
Harry Neuhardt, PDA



Equal Opportunity Employer

P.O. Box 51450
Idaho Falls, Idaho 83405
(208) 523-6600
Fax (208) 524-1426

June 3, 2002

RECEIVED
JUN 07 2002

Schiess & Associates
7103 South 45th West
Idaho Falls, Idaho 83402

Attn: Paul Scoresby, P.E.

Re: Pocatello Stormwater Improvements Phase I; Project No.: 01029/00033

Subject: Payment Request 10 and Substantial Completion

Dear Mr. Scoresby:

Attached is payment request number 10 for the above captioned project.

This project is substantially complete; therefore, I am also requesting the retainage payment in the amount of \$255,825.19.

Don't hesitate to contact me at telephone number (208) 523-6600 if you have any questions regarding this request.

Sincerely,

Kent Magleby, P.E.

HKM:hkm

/Enclosure

Cc: Kendall Lovell
Raeo Roos
Steve Rosenkrance

AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT

THIS AMENDMENT is entered into this 5 day of June, 2002, by and between the Pocatello Development Authority, an Urban Renewal Agency established pursuant to the Urban Renewal laws of the State of Idaho, hereinafter referred to as "PDA" and Schiess and Associates, Inc. a consulting engineering corporation registered in the State of Idaho, 7103 South 45th West, Idaho Falls, Idaho, 83402, hereinafter referred to as "Consultant."

WHEREAS, the parties have heretofore, in June of 2000, entered into a Professional Services Agreement for design and construction drawings as well as construction management services for a project known as Phase II of Project I of the Pocatello Stormwater Master Plan; and

WHEREAS, after the initial design work was completed, PDA determined that there were funds available for construction of only the "Cadet Field" portion of Phase II; and

WHEREAS, this alteration will result in a reduction of the services to be performed by the Consultant and the compensation to be received therefor, so that the parties desire to amend the original Agreement to reflect the change in scope;

NOW, THEREFORE, the parties agree to amend the "Professional Services Agreement" executed in June of 2000 as follows:

1. The parties agree that any references, direct or indirect, to construction oversight--whether in the Scope of Work section, Exhibit A, the Compensation Section, or other portions of said Agreement which describe the parties' responsibilities and covenants-- shall be construed to refer to the Cadet Field project as the sole portion of Phase II which will be constructed.

2. The parties agree that the compensation set out in Section 7 for Construction Management shall be a lump-sum amount not to exceed a total of \$37,785.00. Billings shall be made monthly on a percent-completed basis.

3. The parties agree that Exhibit A of said Agreement shall be amended by the substitution of "Engineer's Scope of Work to Job Completion, Phase II," dated February 12, 2002, attached hereto and incorporated herein as Attachment A, for those portions of Exhibit A related to construction management of Phase II.

4. The parties agree that the Consultant has performed the necessary design services as contemplated under said Agreement, except for such minor changes as might be necessitated by situations encountered during construction of the Cadet Field project. Any such changes shall be considered as part of the scope of construction management services to be performed for the project and compensation is deemed to be included in the lump-sum fee of \$37,785.00 set forth above.

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed by their authorized representatives the date and year first above written.

POCATELLO DEVELOPMENT

AUTHORITY, an Urban Renewal Agency

BY: *Harry P. Neuhardt*
HARRY NEUHARDT, Board President

SCHIESS & ASSOCIATES, Inc.
Consulting Engineers

BY: *David R. Schiess*
DAVID R. SCHIESS, P.E., President

ATTEST:

Anne C. Schiess
Corporate Secretary

STATE OF IDAHO)
ss:)
County of Bannock)

On this 20th day of May, 2002, before me, the undersigned, a Notary Public in and for the State, personally appeared Harry Neuhardt, known to me to be the President of the Board of Directors of the Pocatello Development Authority, who executed the foregoing instrument, and acknowledged to me that he executed said instrument for and on behalf of Pocatello Development Authority, by authority of the Board.

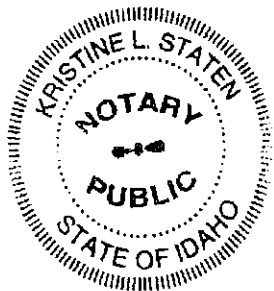
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Signature]
NOTARY PUBLIC FOR IDAHO
Residing in Pocatello
My commission expires: 4/28/03

STATE OF IDAHO)
ss:)
County of)

On this 5th day of June, 2002, before me, the undersigned, a Notary Public in and for the State, personally appeared David R. Schiess, and Anne Schiess, known to me or proved to me to be the President and Secretary, respectively, of Schiess & Associates, Inc., whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same by authority of the corporation and that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



[Signature]
NOTARY PUBLIC FOR: Idaho
Residing in: Idaho Falls
My commission expires: 8-1-07

Pocatello Storm Water Improvements, Phase II
Schiess & Associates Project No.'s 02021 & 02045
Construction Management Scope of Work

<i>Work Element</i>	<i>Budget</i>
Bid phase work	\$3,200
Office preparation	\$500
Initial video	\$500
Field observation (log book, photos, measurements)	\$10,800
Preconstruction Conference	\$600
Prepare Notice to Proceed	\$400
Submittals	\$3,500
Change orders	\$2,385
Pay requests including final pay request	\$2,000
Construction meetings (10 max.)	\$3,900
Monthly Progress summary (2 page)	\$1,000
Letters to contractor	\$3,000
Substantial completion inspection & punchlist	\$2,000
As-built drawings	\$2,000
Final completion inspection including survey check	\$1,500
Closeout letter	\$500
Total	\$ 37,785