

**POCATELLO DEVELOPMENT AUTHORITY**  
**Board of Commissioners Meeting**  
**October 18, 2006**  
**11:00 a.m.**

**City Hall**  
**911 North 7<sup>th</sup> Avenue**

**11:00 a.m. Council Chambers**

Call to Order – Chairman Brown

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 September 20, 2006 – Motion to Approve and/or Amend  
Minutes for September 25, 2006 – Motion to Approve and/or Amend

Financial Report: September Income and Expenses

Consider Approving Payment of 3rd Quarter 2006 Administrative Fees

Central Corridor:

    Consider Approving Pay Request #E84

    Triangle project - Discussion on redevelopment agreement

East Center:

    Discussion/approval of LOI with partner agencies on a Proton Beam Treatment  
Center

North Yellowstone:

    Consider Approving Pay Request #25

Miscellaneous Items/Questions from Commissioners

    Consider Portneuf Valley Investment Partners Application

**Executive Session if Required**

**DISTRICT ENDING BALANCES**  
**September 30, 2006**

<b>Bank Balance</b>		<b>\$639,240.36</b>
General Fund	17,844.87	
Discretionary Funds	413,574.83	
Kress Project	37.11	
Newtown District	0.00	
Alvin Ricken District	0.00	
Old Town District	11,327.65	
North Main District	0.00	
Roosevelt District	196,208.64	
Central Corridor District	247.26	
North Yellowstone District	<u>0.00</u>	
<b>District Totals</b>		<b>\$639,240.36</b>

**POCATELLO DEVELOPMENT AUTHORITY**  
**September 2006**

**INCOME:**

Interest Income: \$628.27

**EXPENSES:**

Kress: \$3,002.06 (Final payments to Houston & Carrol)

Pocatello Development Authority  
Cash Budget - 2006

	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Estimated October	Estimated November	Estimated December	Current Estimate 2006	Approved 2006
<b>Beginning Balance</b>	<b>\$347,400.24</b>	<b>\$606,480.99</b>	<b>\$603,709.38</b>	<b>\$608,665.05</b>	<b>\$581,575.76</b>	<b>\$600,917.57</b>	<b>\$546,570.36</b>	<b>\$2,517,286.27</b>	<b>\$641,614.15</b>	<b>\$639,240.36</b>	<b>\$636,265.36</b>	<b>\$636,415.36</b>	<b>\$348,000.00</b>	<b>\$348,000.00</b>
<b>SOURCES OF FUNDS</b>														
Kress District	2,180.19	0.00	0.00	0.00	0.00	0.00	3,002.07	0.00	0.00	0.00	0.00	0.00	\$5,182.26	\$5,182.26
Newtown District	20,994.83	748.30	0.00	0.00	0.00	0.00	34,547.17	0.00	0.00	0.00	0.00	0.00	\$56,290.30	\$56,290.30
Al Ricken Drive District	0.00	0.00	0.00	0.00	0.00	0.00	1,031,418.56	0.00	0.00	0.00	0.00	0.00	\$1,031,418.56	\$1,031,418.56
Old Town District	3,428.73	7.89	16,656.91	16,254.03	17,005.94	0.00	217,776.06	11,327.65	0.00	0.00	0.00	0.00	\$282,457.21	\$282,457.21
North Main District	0.00	0.00	46,155.01	39,431.59	0.00	0.00	19,113.42	0.00	0.00	0.00	0.00	0.00	\$104,700.02	\$104,700.02
Roosevelt District	178,194.08	0.00	1,479.74	0.00	810.60	0.00	199,505.73	0.00	0.00	0.00	0.00	0.00	\$379,990.15	\$379,990.15
Central Corridor District	61,763.33	0.00	22,201.26	8,785.11	4,707.53	0.00	302,717.14	247.26	0.00	0.00	0.00	0.00	\$400,421.63	\$400,421.63
North Yellowstone District	0.00	0.00	3,322.86	0.00	0.00	0.00	175,601.13	0.00	0.00	0.00	0.00	0.00	\$178,923.99	\$178,923.99
General Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00
Board Disc.*	0.00	235,000.00	0.00	0.00	0.00	0.00	0.00	72,633.84	0.00	0.00	0.00	0.00	\$307,633.84	\$307,633.84
Interest Income	228.51	263.51	356.29	345.04	356.80	345.53	647.53	648.38	628.27	300.00	300.00	300.00	\$4,719.86	\$4,719.86
<b>TOTAL</b>	<b>266,789.67</b>	<b>236,019.70</b>	<b>90,172.07</b>	<b>64,815.77</b>	<b>22,880.87</b>	<b>345.53</b>	<b>1,984,328.81</b>	<b>84,857.13</b>	<b>628.27</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>	<b>\$2,751,737.82</b>	<b>\$2,751,737.82</b>
<b>CASH AVAILABLE</b>	<b>\$614,189.91</b>	<b>\$842,500.69</b>	<b>\$693,881.45</b>	<b>\$673,480.82</b>	<b>\$604,456.63</b>	<b>\$601,263.10</b>	<b>\$2,530,899.17</b>	<b>\$2,602,143.40</b>	<b>\$642,242.42</b>	<b>\$639,540.36</b>	<b>\$636,565.36</b>	<b>\$636,715.36</b>	<b>\$3,099,737.82</b>	<b>\$3,099,737.82</b>
<b>APPLICATION OF FUNDS</b>														
Kress District	0.00	2,180.20	0.00	0.00	0.00	0.00	0.00	0.00	3,002.06	0.00	0.00	0.00	\$5,182.26	\$5,182.26
Newtown District	0.00	20,994.83	0.00	748.30	0.00	0.00	0.00	34,547.17	0.00	0.00	0.00	0.00	\$56,290.30	\$56,290.30
Al Ricken Drive District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,031,418.56	0.00	0.00	0.00	0.00	\$1,031,418.56	\$1,031,418.56
Old Town District	1,261.18	3,428.73	0.00	16,664.80	0.00	0.00	0.00	238,737.62	0.00	0.00	0.00	0.00	\$260,092.33	\$260,092.33
North Main District	0.00	0.00	0.00	46,155.01	0.00	0.00	0.00	58,545.01	0.00	0.00	0.00	0.00	\$104,700.02	\$104,700.02
Roosevelt District	0.00	150,000.00	0.00	0.00	0.00	0.00	10,487.90	72,633.84	0.00	0.00	0.00	0.00	\$233,121.74	\$233,121.74
Central Corridor	3,290.80	62,169.73	0.00	21,794.86	0.00	0.00	0.00	328,508.19	0.00	0.00	0.00	0.00	\$415,763.58	\$415,763.58
North Yellowstone District	0.00	0.00	0.00	3,322.86	0.00	0.00	0.00	175,601.13	0.00	0.00	0.00	0.00	\$178,923.99	\$178,923.99
Board Disc.	0.00	0.00	85,000.00	0.00	0.00	54,661.84	0.00	20,338.16	0.00	0.00	0.00	0.00	\$160,000.00	\$160,000.00
General Funds	3,156.94	17.82	216.40	3,219.23	3,539.06	30.90	3,125.00	199.57	0.00	3,225.00	100.00	100.00	\$16,929.92	\$16,929.92
Bank Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.00	50.00	50.00	\$150.00	\$150.00
<b>TOTAL</b>	<b>7,708.92</b>	<b>236,791.31</b>	<b>85,216.40</b>	<b>91,905.06</b>	<b>3,539.06</b>	<b>54,692.74</b>	<b>13,612.90</b>	<b>1,960,529.25</b>	<b>3,002.06</b>	<b>3,275.00</b>	<b>150.00</b>	<b>150.00</b>	<b>\$2,462,572.70</b>	<b>\$2,462,572.70</b>
<b>ENDING BALANCE</b>	<b>\$606,480.99</b>	<b>\$603,709.38</b>	<b>\$608,665.05</b>	<b>\$581,575.76</b>	<b>\$600,917.57</b>	<b>\$546,570.36</b>	<b>\$2,517,286.27</b>	<b>\$641,614.15</b>	<b>\$639,240.36</b>	<b>\$636,265.36</b>	<b>\$636,415.36</b>	<b>\$636,565.36</b>	<b>\$637,165.12</b>	<b>\$637,165.12</b>

\*Partial admin of the Roosevelt District will be taken in February with remainder of \$72484.08 taken in August

**POCATELLO DEVELOPMENT AUTHORITY  
CENTRAL CORRIDOR CASH FLOW PROJECTIONS**

YEARS ENDED	2005 THROUGH 2010						
	Actual 2005	Actual 2006	Estimated 2006	2007	2008	2009	2010
Previous Year Balance*:	\$1,140,009.16	\$1,698,816.51	\$1,158,482.38	\$271,482.50	\$241,506.06	\$832,625.73	\$1,586,750.40
<b>INCOME:</b>							
Estimated Tax Revenues****:	1,900,895.24	1,818,041.38	23,514.61	1,872,518.00	1,685,554.67	1,685,554.67	1,685,554.67
South Cliffs Repayment:		85,000.00					200,000.00
City Advance:			325,600.00				
City Water Portion of OTP:			414,400.00				
Ross Park Pool Repayment:			200,000.00				
Total Projected Income:	1,900,895.24	1,903,041.38	963,514.61	1,872,518.00	1,685,554.67	1,685,554.67	1,885,554.67
<b>TOTAL AVAILABLE INCOME:</b>	<b>\$3,040,904.40</b>	<b>\$3,601,857.89</b>	<b>\$2,121,996.99</b>	<b>\$2,144,000.50</b>	<b>\$1,927,060.73</b>	<b>\$2,518,180.40</b>	<b>\$3,472,305.07</b>
<b>EXPENSE:</b>							
Current Year Debt Service*:	932,911.25	783,605.00	147,285.00	931,772.50	931,635.00	931,430.00	1,862,227.50
South Cliffs--Phase 1**:							
South Cliffs--Phase 2**:							
Old Town Revitalization:							
Old Town Reinvestment Phase 2***:		1,398,676.61	926,951.45				
Old Town Reinvestment Phase 3 (uncommitted):			76,055.14				
Old Town Building			130,000.00				
Engineering Expense (JUB)			118,316.80				
Old Town Engineering--Phase 2:	100,000.00						
Positron:							
Cheyenne Crossing**:	7,972.71	4,593.90	195,406.10	650,243.94			
Whitman/Yellowstone Hotel:		256,500.00	256,500.00				
Federal Express:	200,000.00						
Clark Street Overpass:	101,203.93			157,678.00			
City Advance Payback:				162,800.00	162,800.00		
Total Projected Expense:	1,342,087.89	2,443,375.51	1,850,514.49	1,902,494.44	1,094,435.00	931,430.00	1,862,227.50
<b>CALCULATED ANNUAL BALANCE</b>	<b>\$1,698,816.51</b>	<b>\$1,158,482.38</b>	<b>\$271,482.50</b>	<b>\$241,506.06</b>	<b>\$832,625.73</b>	<b>\$1,586,750.40</b>	<b>\$1,610,077.57</b>

**Notes:**

\* Includes all Central Corridor Tax Districts--Newtown, Alvin Ricken, Old Town, North Main, Central Corridor

\*\* Project totals as of 1/1/06.

\*\*\* Anticipated final costs

Beginning balance 2006 is total revenues held by Trustee as of 1/1/06.

Repayments in 2010: \$400,000 from Positron, & \$200,000 from South Cliffs.

AMI repayment of \$1.2 million is due in 2012.

\*\*\*\* Change in tax revenues reflects change in Ballard Building: 100% land, 50% building, and no equipment

Updated 8/31/06.

pda/financials/ccprojections2004.xls

**BANNOCK DEVELOPMENT CORPORATION**

ISU Research and Business Park  
1651 Alvin Ricken Drive  
Pocatello, Idaho 83201  
www.bannockdevelopment.org

*Committed to the continued economic development of Bannock County, Idaho*

**POCATELLO DEVELOPMENT AUTHORITY**

**Administration Invoice  
July 2006-September 2006**

Administration/Clerical*: 3rd Quarter 2006 (7/06-9/06)	3,000.00
Postage/Copies: 3rd Quarter 2006 (7/06-9/06)	<u>125.00</u>
<b>INVOICE TOTAL:</b>	<b>\$3,125.00</b>

SD

\* Timesheet breakdown attached.



**POCATELLO DEVELOPMENT AUTHORITY**  
1651 ALVIN RICKEN DRIVE  
POCATELLO, ID 83201  
(208) 233-3500

**FIRST SECURITY BANK, N.A.**  
1-800-574-4200  
92-6/04  
1241

1590

10/18/2006

**PAY TO THE ORDER OF** Bannock Development Corp

\$ \*\*3,125.00

Three Thousand One Hundred Twenty-Five and 00/100\*\*\*\*\*

**DOLLARS**

Bannock Development Corp

**FOR**

3rd Quarter Admin Fee

MP

⑈001590⑈ ⑆124100064⑆004 00247 39⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.



**POCATELLO DEVELOPMENT AUTHORITY**

**REVENUE ALLOCATION (TAX INCREMENT) BONDS, 2000 SERIES A**

**REQUISITION PURSUANT TO BOND ORDINANCE**

Wells Fargo Bank  
MAC U1859-031  
999 Main Street, 3<sup>rd</sup> Floor  
Boise, Idaho 83702  
Attn: Corporate Trust Services

The undersigned, who is authorized to make such request under Section 11 of the Bond Ordinance, dated as of July 27, 2000, between First Security Bank, N.A. ("Trustee") and the Pocatello Development Authority (the "Agency"), hereby requests the above Trustee as follows:

1. Requisition Number: E-84
2. Payment is due to: City of Pocatello
3. The amount to be disbursed is: \$392,917.18
4. The funds are being disbursed from the Revenue Allocation Fund per Section 9 of the Ordinance for repairs, additions or improvements to the Project or for any new project in the Revenue Allocation Area. An amount equal to the aggregate of the next payment of principal and interest for all the outstanding bonds remain in the Revenue Allocation Fund after this disbursement.
5. All of this requested payment is for the items on the attached Schedule, which are costs of the Project. These costs have not been previously paid from the Revenue Allocation Fund or Construction Fund.

Attachments: See Attached Schedule of Costs to Requisition

DATED: October 18, 2006

**POCATELLO DEVELOPMENT AUTHORITY**

\_\_\_\_\_  
Authorized Representative

**CITY OF POCATELLO**

\_\_\_\_\_  
Authorized Representative

Terms used herein shall be as defined in the Bond Ordinance.

**SCHEDULE OF COSTS TO REQUISITION  
CERTIFICATE NO. E-84**

<u>Description of Costs</u>	<u>Payee and Location</u>	<u>Amount</u>
Downtown Reinvestment Phase II	City of Pocatello PO Box 4169 Pocatello, ID 83205	\$392,917.18
	<b>INVOICE TOTAL</b>	<b>\$392,917.18</b>

SD

The above are to be paid upon receipt by Trustee of an invoice therefor.



ENGINEERING DEPARTMENT  
911 N. 7th  
P.O. Box 4169  
Pocatello, Idaho 83205-4169  
(208) 234-6225 FAX (208) 234-6151



October 4, 2006

Pocatello Development Authority  
1651 Alvin Ricken Dr.  
Pocatello, ID 83201

RE: Downtown Reinvestment Phase II

Dear Board Members:

Attached is documentation for the PDA's share of costs incurred through September 28<sup>th</sup>, for the Downtown Reinvestment Project Phase II. These costs include the Contractor's fourth periodic estimate for work completed and materials on hand. The 80% PDA share equates to \$392,917.18.

Construction to date is still within budget and nearly complete. The work on the project is substantially complete with punch list items being worked on.

This estimate includes the costs for electrical work, curb and gutter, sidewalk, pavement, and tree planters/grates. Additional work on signals, decorative lighting, and concrete pavers is also included. Change order number three involved placing an additional 150 ton of pavement down Center St. between Arthur and Garfield. The Street Departments costs for milling the project balanced this cost.

The final project costs should be available for the October estimate which will be the last payment unless some punch list items remain.

Sincerely,

A handwritten signature in black ink, appearing to read "Jesse Schuerman". The signature is fluid and cursive, with a long horizontal line extending to the right.

Jesse Schuerman  
PDA Engineer

INVOICE

CITY OF POCATELLO  
911 NORTH 7TH AVENUE  
P O BOX 4169  
POCATELLO, ID 83205-4169

(208) 234-6214

TO: POCATELLO DEV AUTHORITY  
1651 ALVIN RICKEN  
POCATELLO, ID 83201

INVOICE NO: 12024  
DATE: 9/29/06

CUSTOMER NO: 495/1663

TYPE: OT - OLT TOWN REINVESTMENT

QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1.00	OLD TOWN PHASE II EST #4 80% CONST COSTS TO 9/28	392,917.18	392,917.18

\*\*\* THE CITY OF POCATELLO THANKS YOU FOR YOUR \*\*\*  
\*\* PROMPT PAYMENTS !!! \*\*

TOTAL DUE: \$392,917.18

PLEASE DETACH AND SEND THIS COPY WITH REMITTANCE

DATE: 9/29/06 DUE DATE: 10/30/06  
CUSTOMER NO: 495/1663

NAME: POCATELLO DEV AUTHORITY  
TYPE: OT - OLT TOWN REINVESTMENT

REMIT AND MAKE CHECK PAYABLE TO:  
CITY OF POCATELLO  
911 NORTH 7TH AVENUE  
P O BOX 4169  
POCATELLO ID 83205-4169

INVOICE NO: 12024  
TERMS: NET 30 DAYS

AMOUNT: \$392,917.18

# CITY OF POCA TELLO

P O BOX 4169  
POCA TELLO, ID 83205  
(208)234-6225 fax (208)234-6151

Invoice No. 51-17

## INVOICE

### Customer

Name POCA TELLO DEVELOPMENT AUTHORITY  
Address 1651 ALVIN RICKEN DR  
City POCA TELLO State ID ZIP 83201  
Phone \_\_\_\_\_

Date 10/03/2006  
Order No. \_\_\_\_\_  
Rep \_\_\_\_\_  
FOB \_\_\_\_\_

Qty	Description	Unit Price	TOTAL
	Downtown Revitalization Phase II - Construction costs incurred by City of Pocatello to September 28, 2006		
1	Strata Testing - Compaction testing \$1,031.00 @ 80% = \$824.80	\$824.80	\$824.80
1	\$112.50 @ 80% = \$90.00	\$90.00	\$90.00
1	Jack B Parson Co - Construction estimate #4 \$490,002.98 @ 80% = \$392,002.38	\$392,002.38	\$392,002.38

### Payment Details

- Cash  
 Check  
 Credit Card

Name \_\_\_\_\_  
CC # \_\_\_\_\_  
Expires \_\_\_\_\_

SubTotal	\$392,917.18
Shipping & Handling	\$0.00
Taxes	
<b>TOTAL</b>	<b>\$392,917.18</b>

Office Use Only



9/25/06  
077-6001-451  
40-99

EGC044

1031<sup>00</sup>

B

INVOICE NUMBER: P060517-IN

INVOICE DATE: 09/14/2006

CUSTOMER PO:

CITY OF POCA TELLO  
LAURA LAMBERTY, ENGINEERING  
911 N. 7TH STREET  
POCA TELLO, ID 83205-4169

CAC TUNER

PROJECT: DOWNTOWN REINVESTMENT PROJ  
CONSTRUCTION MATERIAL TESTING  
POCA TELLO

CLIENT NO: CITPOC  
PROJECT ID: P06069A

Description		Quantity	Price	Amount
08/28/06				
TECH FOR DENSITIES	Per HOUR	2.00	37.00	74.00
NUCLEAR DENSOMETER	Per HOUR	2.00	8.00	16.00
8/30/06				
COMP STRENGTH CYLINDER & MOLD	Per EACH	4.00	15.00	60.00
TECH FOR CONCRETE CONTROL	Per HOUR	2.00	37.00	74.00
TECH FOR FIELD DENSITIES	Per HOUR	1.50	37.00	55.50
NUCLEAR DENSOMETER	Per HOUR	1.50	8.00	12.00
08/31/06				
COMP STRENGTH CYLINDER & MOLD	Per EACH	4.00	15.00	60.00
TECH FOR CONCRETE CONTROL	Per HOUR	3.00	37.00	111.00
09/01/06				
TECH TO OBTAIN SAMPLES	Per HOUR	1.50	37.00	55.50
09/05/06				
COMP STRENGTH CULINDER & MOLD	Per EACH	4.00	15.00	60.00
TECH FOR CONCRETE CONTROL	Per HOUR	2.00	37.00	74.00
09/06/06				
COMP STRENGTH CULINDER & MOLD	Per EACH	4.00	15.00	60.00
TECH FOR CONCRETE CONTROL	Per HOUR	3.00	37.00	111.00
09/07/06				
TECH TO OBTAIN SAMPLES	Per HOUR	1.00	37.00	37.00
09/08/06				
COMP STRENGTH CULINDER & MOLD	Per EACH	4.00	15.00	60.00
TECH FOR CONCRETE CONTROL	Per HOUR	2.00	37.00	74.00
9/09/06				
TECH TO OBTAIN SAMPLES	Per HOUR	1.00	37.00	37.00

NET INVOICE:

**\$1,031.00**



INVOICE NUMBER: P060481-IN

INVOICE DATE: 08/29/2006

CUSTOMER PO:

CITY OF POCAATELLO  
 911 N. 7TH STREET  
 POCAATELLO, ID 83205-4169  
 CAC TUNER

PROJECT: DOWNTOWN REINVESTMENT PROJ  
 CONSTRUCTION MATERIAL TESTING  
 POCAATELLO

CLIENT NO: CITPOC  
 PROJECT ID: P06069A

Description		Quantity	Price	Amount
08/24/06				
TECH FOR FIELD DENSITIES	Per HOUR	1.00	37.00	37.00
NUCLEAR DENSOMETER	Per HOUR	1.00	8.00	8.00
3/25/06				
TECH FOR FIELD DENSITIES	Per HOUR	1.50	37.00	55.50
NUCLEAR DENSOMETER	Per HOUR	1.50	8.00	12.00

9/25/06  
 077-6001-451  
 40-99  
 EGCO44  
 112.50  
 Bn  
 SEC. 112

NET INVOICE: \$112.50

# CITY OF POCA TELLO

PERIODICAL ESTIMATE NO. 4  Final (Including Retainage)

For the period from August 27, 2006 to September 28, 2006 inclusive

For Downtown Revitalization Phase II

Description of Project

Contractor: Jack B Parson Co. Contract # \_\_\_\_\_

Address: P.O. Box 4002, Pocatello, ID 83205

9/28/06  
077-6001-500  
80-05

EGC044

490,002.98

*Bn*

ITEM #	DESCRIPTION	UNIT	UNIT PRICE	CONTRACT		TOTAL WORK TO DATE		% COMPLETE
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	
201.4.1.C.1	REMOVAL OF OBSTRUCTIONS	LS	\$ 27,000.00	1	\$ 27,000.00	1	\$ 27,000.00	100%
201.4.1.D.1	REMOVAL OF CONCRETE SIDEWALKS AND DRIVEWAYS	SY	\$ 5.80	4,650	\$ 26,970.00	4,650	\$ 26,970.00	100%
201.4.1.D.2	REMOVAL OF ASPHALT PAVEMENT	SY	\$ 2.40	10,750	\$ 25,800.00	10,750	\$ 25,800.00	100%
201.4.1.E.1	REMOVAL OF CONCRETE CURB & GUTTER	LF	\$ 2.00	4,700	\$ 9,400.00	4,700	\$ 9,400.00	100%
201.4.1.F.1	REMOVAL OF STREET LIGHTS, POLES AND FOUNDATIONS	EA	\$ 309.00	39	\$ 12,051.00	39	\$ 12,051.00	100%
202.4.3D.1	EXCAVATION	CY	\$ 15.50	9,100	\$ 141,050.00	9,100	\$ 141,050.00	100%
202.4.5.C.1	UNSUITABLE MATERIAL REPAIR	CY	\$ 36.00	1,500	\$ 54,000.00	0	\$ -	
302.4.1.A.1	ROCK EXCAVATION	CY	\$ 64.50	500	\$ 32,250.00	222	\$ 14,319.00	44%
303.4.1.A.1	EXPLORATORY EXCAVATION	HR	\$ 200.00	48	\$ 9,600.00	40	\$ 8,000.00	83%
305.4.1.A.1	CLASS A-1 PIPE BEDDING FOR 8" THROUGH 24" DIAMETER PIPE	LF	\$ 10.00	2,960	\$ 29,600.00	2,960	\$ 29,600.00	100%
401.4.1.A.1	WATER MAIN PIPE 8" DUCTILE IRON THICKNESS CLASS 350 PIPE	LF	\$ 68.00	2,005	\$ 136,340.00	2,005	\$ 136,340.00	100%
401.4.1.A.2	WATER MAIN PIPE 12" DUCTILE IRON CLASS 50	LF	\$ 87.00	795	\$ 69,165.00	795	\$ 69,165.00	100%
401.4.1.A.3	WATER MAIN PIPE 18" DUCTILE IRON CLASS 50	LF	\$ 153.00	160	\$ 24,480.00	160	\$ 24,480.00	100%
402.4.1.A.1	VALVE - SIZE 8" - TYPE RESILIENT SEATED GATE VALVES	EA	\$ 1,200.00	9	\$ 10,800.00	9	\$ 10,800.00	100%
402.4.1.A.2	VALVE SIZE 12" TYPE RESILIENT SEATED GATE VALVE	EA	\$ 1,700.00	6	\$ 10,200.00	6	\$ 10,200.00	100%
402.4.1.A.3	VALVE SIZE 18" TYPE BUTTERFLY VALVE	EA	\$ 3,800.00	5	\$ 19,000.00	5	\$ 19,000.00	100%
403.4.1.A.1	HYDRANT	EA	\$ 3,500.00	7	\$ 24,500.00	7	\$ 24,500.00	100%



# CITY OF POCATELLO

PERIODICAL ESTIMATE NO. 4     Final (Including Retainage)

For the period from August 27, 2006 to September 28, 2006 inclusive

For Downtown Revitalization Phase II

Description of Project

Contractor: Jack B Parson Co.    Contract # \_\_\_\_\_

Address: P.O. Box 4002, Pocatello, ID 83205

ITEM #	DESCRIPTION	UNIT	UNIT PRICE	CONTRACT		TOTAL WORK TO DATE		% COMPLETE
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	
403.4.1.B.2	4" FIRE SERVICE LINES	EA	\$ 2,800.00	2	\$ 5,600.00	2	\$ 5,600.00	100%
403.4.1.B.3	6" FIRE SERVICE LINES	EA	\$ 3,300.00	1	\$ 3,300.00	1	\$ 3,300.00	100%
404.4.1.A.1	WATER SERVICE CONNECTION, SIZE 3/4"	EA	\$ 3,900.00	12	\$ 46,800.00	12	\$ 46,800.00	100%
404.4.1.A.2	WATER SERVICE CONNECTION, SIZE 1"	EA	\$ 2,100.00	2	\$ 4,200.00	3	\$ 6,300.00	100%
404.4.1.A.3	WATER SERVICE CONNECTION, SIZE 1-1/2"	EA	\$ 4,400.00	6	\$ 26,400.00	5	\$ 22,000.00	83%
404.4.1.A.4	WATER SERVICE CONNECTION, SIZE 2"	EA	\$ 5,800.00	10	\$ 58,000.00	10	\$ 58,000.00	100%
602.4.1.F.1	CATCH BASIN CITY STANDARD TYPE 1	EA	\$ 1,200.00	1	\$ 1,200.00	1	\$ 1,200.00	100%
706.4.1.A.3	STANDARD 6" VERTICAL CURB AND GUTTER	LF	\$ 11.50	4,875	\$ 56,062.50	4,924	\$ 56,626.00	101%
706.4.1.E.1	CONCRETE SIDEWALK - 4" THICK	SY	\$ 24.50	2,975	\$ 72,887.50	2,901	\$ 71,074.50	98%
706.4.1.F.1	CONCRETE DRIVEWAY APPROACH (6" THICK)	SY	\$ 35.00	650	\$ 22,750.00	499	\$ 17,465.00	77%
802.4.1.A.1	CRUSHED AGGREGATE FOR BASE TYPE II	TONS	\$ 15.50	7,000	\$ 108,500.00	6,644.37	\$ 102,987.74	95%
802.4.1.A.2	CRUSHED AGGREGATE FOR BASE TYPE I	TONS	\$ 16.00	4,700	\$ 75,200.00	4,844.41	\$ 77,510.56	103%
802.4.1.A.3	CRUSHED AGGREGATE FOR SIDEWALK BASE (CITY GRADATION)	TONS	\$ 42.00	3,400	\$ 142,800.00	2,859.75	\$ 120,109.50	84%
810.4.1.A.1	CLASS 1 PLANT MIX PAVEMENT	TONS	\$ 64.50	2,900	\$ 187,050.00	2,926	\$ 188,727.00	101%
810.4.1.B.1	MISCELLANEOUS PLANT MIX PAVEMENT	SY	\$ 19.50	100	\$ 1,950.00	117	\$ 2,281.50	117%
1001.4.1.A.1	SEDIMENT CONTROL	LS	\$ 20,000.00	1	\$ 20,000.00	1	\$ 20,000.00	100%
1105.4.1.A.1	INSTALL NEW SIGN BASE	EA	\$ 88.50	18	\$ 1,593.00	12	\$ 1,062.00	67%

# CITY OF POCATELLO

PERIODICAL ESTIMATE NO. 4  Final (Including Retainage)

For the period from August 27, 2006 to September 28, 2006 inclusive

For Downtown Revitalization Phase II

Description of Project

Contractor: Jack B Parson Co. Contract # \_\_\_\_\_

Address: P.O. Box 4002, Pocatello, ID 83205

ITEM #	DESCRIPTION	UNIT	UNIT PRICE	CONTRACT		TOTAL WORK TO DATE		% COMPLETE
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	
2010.4.1.A.1	MOBILIZATION/WEEKLY CONSTRUCTION MEETING	LS	\$200,000.00	1	\$ 200,000.00	1	\$ 200,000.00	100%
2020.4.1.6.1	FURNISHING AND PLACING MONUMENT FRAME AND COVER	EA	\$ 280.00	6	\$ 1,680.00	0	\$ -	
2030.4.1.A.1	MANHOLE TYPE A ADJUST TO GRADE	EA	\$ 850.00	4	\$ 3,400.00	1	\$ 850.00	25%
2030.4.1.C.1	VALVE BOX TYPE WATER/GAS ADJUST TO GRADE	EA	\$ 450.00	30	\$ 13,500.00	10	\$ 4,500.00	33%
2050.4.1.6.1	SUB GRADE PREPARATION GEOTEXTILE TYPE II	SY	\$ 1.35	10,600	\$ 14,310.00	10,600	\$ 14,310.00	100%
SP-1	CONCRETE UNIT PAVERS	SF	\$ 7.65	11,650	\$ 89,122.50	10,000	\$ 76,500.00	86%
SP-2	DETECTABLE WARNING PANEL (ADA RAMP)	EA	\$ 570.00	40	\$ 22,800.00	42	\$ 23,940.00	105%
SP-3A	SPARE LUMINAIRE POLES AND FIXTURES	EA	\$ 2,200.00	8	\$ 17,600.00	7	\$ 15,400.00	88%
SP-3B	INSTALL CITY PROVIDED PEDESTRIAN SIGNAL HEADS	EA	\$ 230.00	12	\$ 2,760.00	12	\$ 2,760.00	100%
SP-3C	TWO 2" EMPTY SIGNAL INTERCONNECT CONDUITS	LS	\$ 20,000.00	1	\$ 20,000.00	1	\$ 20,000.00	100%
SP-3D	DECORATIVE LIGHTING AND LIGHT RECEPTACLE, WIRING, AND CONDUIT	LS	\$237,000.00	1	\$ 237,000.00	0.90	\$ 213,300.00	90%
SP-3E	TREE LIGHTING WIRING, CONDUIT, AND RECEPTACLE	LS	\$ 59,000.00	1	\$ 59,000.00	0.80	\$ 47,200.00	80%
SP-3F	SIGNAL POWER CONDUIT AND CONDUCTORS	LS	\$ 11,000.00	1	\$ 11,000.00	1	\$ 11,000.00	100%
SP-3G	PEDESTRIAN SIGNAL POLE & BASE INSTALLATION	EA	\$ 1,800.00	3	\$ 5,400.00	3	\$ 5,400.00	100%

# CITY OF POCATELLO

PERIODICAL ESTIMATE NO.  4   Final (Including Retainage)

For the period from  August 27, 2006  to  September 28, 2006  inclusive

For  Downtown Revitalization Phase II

Description of Project

Contractor:  Jack B Parson Co.  Contract # \_\_\_\_\_

Address:  P.O. Box 4002, Pocatello, ID 83205

ITEM #	DESCRIPTION	UNIT	UNIT PRICE	CONTRACT		TOTAL WORK TO DATE		% COMPLETE
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	
SP-5	ROOF DRAIN TRENCH FRAME	LF	\$ 34.00	80	\$ 2,720.00	50	\$ 1,700.00	63%
SP-7	TRAFFIC CONTROL	LS	\$105,000.00	1	\$ 105,000.00	0.95	\$ 99,750.00	95%
SP-7A	BUSINESS ACCESS SIGN AND POST	EA	\$ 390.00	10	\$ 3,900.00	8	\$ 3,120.00	80%
SP-8	IRRIGATION SYSTEM	LS	\$ 33,000.00	1	\$ 33,000.00	0.9	\$ 29,700.00	90%
SP-9A	PLACE STRUCTURAL PLANTING MATERIAL	CY	\$ 37.00	1,150	\$ 42,550.00	1150	\$ 42,550.00	100%
SP-9B	TRANSPLANT TREE	EA	\$ 800.00	3	\$ 2,400.00	0	\$ -	
SP-9C	48"X48" +/- TREE GRATE FRAME	EA	\$ 650.00	9	\$ 5,850.00	9	\$ 5,850.00	100%
SP-9D	TREE GUARD 42"	EA	\$ 520.00	71	\$ 36,920.00	71	\$ 36,920.00	100%
SP-9E	36"X36" TREE GRATE AND FRAME	EA	\$ 930.00	32	\$ 29,760.00	32	\$ 29,760.00	100%
SP-9F	48"X48" TREE GRATE AND FRAME	EA	\$ 1,500.00	30	\$ 45,000.00	30	\$ 45,000.00	100%
SP-10A	VAULT SURFACE REPAIR VALENTINE BUILDING	LS	\$ 9,000.00	1	\$ 9,000.00	1	\$ 9,000.00	100%
SP-10B	VAULT SURFACE REPAIR SPAULDING BUILDING	LS	\$ 1,000.00	1	\$ 1,000.00	1	\$ 1,000.00	100%
SP-13	DIRECTED LANDSCAPING AND ROADSIDE CLEAN-UP	CA	\$ 20,000.00	1	\$ 20,000.00	0.206	\$ 4,115.96	21%
SP-14A	2 GALLON EXPANSION TANK	EA	\$ 350.00	12	\$ 4,200.00	6	\$ 2,100.00	50%
SP-14B	5 GALLON EXPANSION TANK	EA	\$ 350.00	8	\$ 2,800.00	4	\$ 1,400.00	50%
SP-14C	3/4" PRV	EA	\$ 480.00	7	\$ 3,360.00	1	\$ 480.00	14%

# CITY OF POCA TELLO

PERIODICAL ESTIMATE NO.   4       Final (Including Retainage)

For the period from   August 27, 2006   to   September 28, 2006   inclusive

For   Downtown Revitalization Phase II  

Description of Project

Contractor:   Jack B Parson Co.      Contract #                     

Address:   P.O. Box 4002, Pocatello, ID 83205  

ITEM #	DESCRIPTION	UNIT	UNIT PRICE	CONTRACT		TOTAL WORK TO DATE		% COMPLETE
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	
SP-14D	1" PRV	EA	\$ 670.00	1	\$ 670.00	1	\$ 670.00	100%
SP-14F	2" PRV	EA	\$ 1,400.00	8	\$ 11,200.00	2	\$ 2,800.00	25%
SP-15	USE TAX	CA	\$ 1,500.00	1	\$ 1,500.00	0	\$ -	
Subtotal					\$ 2,554,901.50			\$ 2,339,360.26
Change or Extra Work Orders								
TOTAL					\$ 2,554,901.50			\$ 2,339,360.26

# CITY OF POCA TELLO

PERIODICAL ESTIMATE NO. 4  Final (Including Retainage)

For the period from August 27, 2006 to September 28, 2006 inclusive

Contractor: Jack B Parson Co. Contract # \_\_\_\_\_

	Amount
Total Due, This Estimate .....	\$ 2,340,794.76
Change or Extra Work Order (#1-\$3,164.50 and #2-5,479.95).....	\$ 8,644.45
Total Earned .....	\$ 2,349,439.21
Less <u>5</u> % Retained .....	\$ 117,471.96
Net Amount Due .....	\$ 2,231,967.24
Less Previous Payments .....	\$ 1,741,964.26
Balance Due .....	\$ 490,002.98
Total Amount Payable, This Estimate .....	\$ 490,002.98

I certify that I have verified this periodical estimate and that to the best of my knowledge and belief it is a true and correct statement of the work performed and the materials supplied by the contractor, and the amount due is correct and just, and all the work has been performed in accordance with the terms of the contract and the authorized changes thereto.

Lindell W. Turner  
City Engineer

Date 9/28/06

STAKER & PARSON COMPANIES  
d/b/a JACK B. PARSON COMPANIES  
Contractor

By Chuck Lindsay  
Title GENERAL MANAGER

Date 9/29/06

# CHANGE ORDER

No. 3

DATE OF ISSUANCE September 15, 2006

EFFECTIVE DATE September 15, 2006

OWNER City of Pocatello  
 CONTRACTOR Jack B Parson Co.  
 Project: Downtown Revitalization Phase II  
 OWNER's Contract No. \_\_\_\_\_ ENGINEER's Contract No. \_\_\_\_\_  
 ENGINEER City of Pocatello, Cac Turner P.E.

You are directed to make the following changes in the Contract Documents:

Description: 1. Jack B Parson Co. to provide and construct 150 tons of AC pavement on Center St between Arthur and Garfield at the contract price of \$64.50 per ton. 2. City of Pocatello to mill existing AC pavement between Lander and Whitman (10,750 SY) at a cost to the contractor of \$0.90 per square yard.

Reason for Change Order: A change to include paving Center St between Arthur and Garfield in exchange for the City removing the AC pavement within the project limits with their milling machine.

Jack B Parson Co. 150 tons X \$64.50/ton = \$9,675.00  
 City 10,750 SY X \$0.90/SY = (9,675.00)  
 -0- Net change

CHANGE IN CONTRACT PRICE:
Original Contract Price  \$ <u>2,554,901.50</u>
Net Increase (Decrease) from previous Change Orders No. <u>1</u> to <u>2</u> :  \$ <u>8,644.45</u>
Contract Price prior to this Change Order:  \$ <u>2,563,545.95</u>
Net <u>increase</u> of this Change Order:  \$ <u>0.00</u>
Contract Price with all approved Change Orders:  \$ <u>2,563,545.95</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>80 days</u> Ready for final payment: <u>90 days</u> (days or dates)
Net change from previous Change Orders No. <u>1</u> to No. <u>2</u> : Substantial Completion: <u>4</u> Ready for final payment: <u>4</u> (days)
Contract Times prior to this Change Order: Substantial Completion: <u>84 days</u> Ready for final payment: <u>94 days</u> (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>1 day</u> Ready for final payment: <u>1 day</u> (days)
Contract Times with all approved Change Orders: Substantial Completion: <u>95 days</u> Ready for final payment: <u>95 days</u> (days or dates)

RECOMMENDED:

APPROVED:

ACCEPTED:

By: [Signature] By: \_\_\_\_\_  
 ENGINEER (Authorized Signature) OWNER (Authorized Signature)

By: [Signature]  
 CONTRACTOR (Authorized Signature)

Date: 9/15/06 Date: \_\_\_\_\_

Date: 9/15/06

EJCDC 1910-8-B (1996 Edition)

Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General Contractors of America and the Construction Specifications Institute.

**POCATELLO DEVELOPMENT AUTHORITY**

**REVENUE ALLOCATION (TAX INCREMENT) BONDS, 2004 SERIES A**

**REQUISITION PURSUANT TO BOND ORDINANCE**

Wells Fargo Bank  
MAC U1859-031  
999 Main Street, 3<sup>rd</sup> Floor  
Boise, Idaho 83702  
Attn: Corporate Trust Services

The undersigned, who is authorized to make such request under Section 11 of the Bond Ordinance, dated as of December 8, 2004, between First Security Bank, N.A. ("Trustee") and the Pocatello Development Authority (the "Agency"), hereby requests the above Trustee as follows:

1. Requisition Number: 25
2. Payment is due to: City of Pocatello
3. The amount to be disbursed is: \$480.00
4. The obligation mentioned above for which payment is requested in this Requisition is due, is a proper charge against the Construction Fund and has not been previously paid from said Fund or from the proceeds of the Bonds.
5. All of this requested payment is for the items on the attached Schedule, which are costs of acquisition and construction or costs of issuing the Bonds.

Attachments: See Attached Schedule of Costs to Requisition

DATED: October 18, 2006

**POCATELLO DEVELOPMENT AUTHORITY**

\_\_\_\_\_  
Authorized Representative

**CITY OF POCATELLO**

\_\_\_\_\_  
Authorized Representative

Terms used herein shall be as defined in the Bond Ordinance.

**SCHEDULE OF COSTS TO REQUISITION  
CERTIFICATE NO. 25**

<u>Description of Costs</u>	<u>Payee and Location</u>	<u>Amount</u>
Pocatello Square- Landscaping	City of Pocatello PO Box 4169 Pocatello ID 83205	\$480.00 SD

The above are to be paid upon receipt by Trustee of an invoice therefor.





ENGINEERING DEPARTMENT  
911 N. 7th  
P.O. Box 4169  
Pocatello, Idaho 83205-4169  
(208) 234-6225 FAX (208) 234-6151



October 3, 2006

Pocatello Development Authority  
1651 Alvin Ricken Dr.  
Pocatello, ID 83201

RE: Pocatello Square additional landscaping work and additional turn lane work

Dear Board Members:

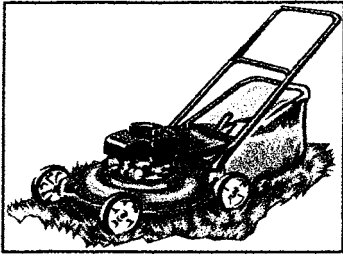
Attached is an invoice for the additional cost for the connection into the Wal-Mart water system. The irrigation for the trees along the Wal-Mart property, needed to be connected to the private system. This connection was unique to all of the properties in Pocatello Square in that Wal-Mart did not have a separate meter and mainline connection for their water.

In order to keep the trees from dieing, Mike Miller, of Miller Mowing and Sprinklers, was contracted to provide water to the trees and make the connection for the private water system to activate the new irrigation along the park strip. He was chosen to do the work because he had knowledge of the Wal-Mart irrigation system and would be the person maintaining the park-strip for Wal-mart. The work included watering the trees before the work was done, trenching to the stub out, making the connection, and reducing the pressure to the new line. The total cost for labor and materials is \$480.00.

I also wanted use this letter as an opportunity to remind the PDA that there will be extra costs for construction of an acceleration/turn lane in front of the DL Evans Bank which will eventually connect to the Idaho Transportation Departments widening in the year 2008. This turn lane work was postponed, during initial construction, because permission with Fort Hall irrigation was not obtained. The turn lane goes right over a Fort Hall irrigation box and pipe, which needs modification to be traffic rated. DL Evans Bank and the Street Department will contribute resources to help control costs on this addition. We estimate the additional cost for the turn lane to be in the \$40,000 to \$60,000 range. The addition is necessary to limit traffic impacts to US-91(Yellowstone) due to the construction of the Pocatello Square Development.

Sincerely,

Jesse Schuerman  
PDA Engineer



**Miller Mowing & Sprinklers**  
2271 Cassia St.  
Pocatello, ID 83201  
Phone: (208) 238-1863

**Invoice:601**  
**Date: 10/02/06**

**Bill To:**  
PDA  
1651 Alvin Ricken Dr.  
Pocatello, ID. 83201

<i>DESCRIPTION</i>	<i>RATE</i>	<i>AMOUNT</i>
RE: Install New Underground Sprinkler Line From SE Valve		
Walmart, Under Sidewalk and along Extension of Pole Line		
To Seven Hawthorne Trees Installed Two Drip Emitters Per Tree		
<b>Total</b>		<b>\$480.00</b>

6/30/06 Installed 6 - 12 Full Heads on New Sprinkler South End of Walnut to get Temporary water to New Trees along hou Ave. Hauled 40 gal water to End Tree that I couldn't reach with existing sprinklers. These Heads are temporary because they are for watering New Sod not Trees. Need Drip System on trees.

7/30/06 Spoke with Gary Black Manager of Walnut. if we could tap into one of His Irrigation Valves to get water to New Tree OK. Search for irrigation line. Dug up line & installed new line with Pressure regulator over to sidewalk. Had to Trench over to sidewalk. Bought Parts.

7/31/06 Installed irrigation line under sidewalk with 1 1/2 Schedule 40 Sleeve put in first, then 1" Black Poly Pipe.

7/23/06 Turned on water & in 5 min had a  
7/23/06 flood at 1st Tree. Shut everything down.  
7/24/06 Dug 8' trench & found pipe put in  
7/25/06 by previous contractor leaking. Had to dig along every tree & cut out sections of pipe with leaking & spraying emitters & splice in new pipe. Drilled pilot holes & installed 2 - 10 gph Drip emitters & 1/4 Tube to each tree. Dug up line & put in Check Valve halfway up Hill to keep water from siphoning back to East Tree.

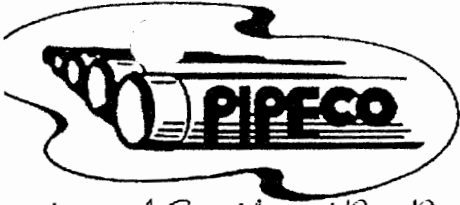
7/25/06

7/26/06

Had to shut down water at Walmart  
because Valve I tapped into for New Trees  
will not shut off. Took 6" Valve apart  
& installed New diaphragm in Valve.

Turned on & everything working OK.

Dug up 3 of the New Trees That  
were put in leaning badly & replanted  
upright. Reinstalled Ground Cloth  
& wood mulch. everywhere work had  
been done. Double checked all  
emitters & everything working OK.



BMV (SUP :50:21 AM)

REMIT TO

INVOICE NUMBER 44669	INVOICE DATE 07/25/2006
-------------------------	----------------------------

PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201

istributors of Sprinkler and Pipe Products

S O L O D	Cash Customer	TWIN FALLS	NAMPA	BOISE	S H I O P	Cash Customer
		PH:734-5200	PH:466-8916	PH:336-5777		
		FAX:734-5210	FAX:466-8917	FAX:336-5778		
		IDAHO FALLS	POCATELLO	KETCHUM		
		PH:523-5500	PH:237-9300	PH:725-7824		
		FAX:523-5598	FAX:238-6378	FAX:725-7826		

CUSTOMER PO#	CUSTOMER NO.	SALESMAN	SHIP VIA	ORDER DATE	SHIP DATE	SALES CODE	TERMS
	CASH5	CRS		07/25/2006	07/25/2006	CSH	
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION	LIST PRICE	DISC	NET PRICE	EXT PRICE
6		PEF1429010	Coupling Poly, 1" IxI	0.93	40.00%	0.5600	3.36
2		MCH012SS	11/16"-1 1/4" SS MURRAY CLAMPS	0.68	10.00%	0.6110	1.22
1		HUHC75F75M	CHECK VALVE 3/4"FX3/4"M	6.10	40.00%	3.6600	3.66
1		PEF1435010	FPT ADPT Poly, 1" IxF	3.91	40.00%	2.3467	2.35
1		IPSF439131	Bush. SCH40, 1 x 3/4" TxT	2.00	40.00%	1.2000	1.20
1		PEF1436010	MPT ADPT Poly, 1" MxI	0.92	40.00%	0.5533	0.55

*Id  
cash  
city*

Finance Charge of 1.5% Per Month  
8% ANNUAL PERCENTAGE RATE)  
11 be charged on All Accounts Past Due

SALES SUBTOTAL	TAXABLE SALES	FREIGHT	SALES TAX	TOTAL
12.34	12.34	0.00	0.62	12.96

RECEIVED THE ABOVE IN GOOD CONDITION

X



BMT (SUP - 08:01:42 AM)

REMIT TO

INVOICE NUMBER 44629	INVOICE DATE 07/24/2006
-------------------------	----------------------------

PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201

Contributors of Sprinkler and Pipe Products

S O L O D	Cash Customer	IN FALLS	NAMPA	BOISE	S H I O P	Cash Customer
		:734-5200	PH:466-8916	PH:336-5777		
		X:734-5210	FAX:466-8917	FAX:336-5778		
		AHO FALLS	POCATELLO	KETCHUM		
		:523-5500	PH:237-9300	PH:725-7824		
		FAX:523-5598	FAX:238-6378	FAX:725-7826		

CUSTOMER PO#	CUSTOMER NO.	SALESMAN	SHIP VIA	ORDER DATE	SHIP DATE	SALES CODE	TERMS		
City	CASH7	CAS		07/24/2006	07/24/2006	CSH			
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION	LIST PRICE	DISC	NET PRICE	EXT PRICE		
1		RBX208605	Diaphragm Assy, 150/200 PEB	38.02	5.00%	36.1190	36.12		
2		IPSF450007	Plug SCH40, 3/4" MPT	1.41	50.00%	0.7056	1.41		
5		IPSF430005	Coupling SCH40, 1/2" FxF	0.61	50.00%	0.3056	1.53		
10		RB*PC10	Emitter 10 gph pc	1.34	45.00%	0.7370	7.37		
5		IPSF434005	RISER EXTENDER SCH40, 1/2" MxF	0.89	50.00%	0.4444	2.22		
<p>PAID CASH city</p> <p>Middle Value SE Corner Employee Parking lot!</p> <p>for utility Traces along Pole Street loc: A/c of Extension of Pole Line</p>									
SALES SUBTOTAL		TAXABLE SALES		FREIGHT		SALES TAX		TOTAL	
48.65		48.65		0.00		2.43		51.08	

Finance Charge of 1.5% Per Month  
(ANNUAL PERCENTAGE RATE)  
will be charged on All Accounts Past Due

RECEIVED THE ABOVE IN GOOD CONDITION

X



BMT (SUP :01:42 AM)

REMIT TO

INVOICE NUMBER  
44571

INVOICE DATE  
07/22/2006

PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201

*distributors of Sprinkler and Pipe Products*

S O L D	Cash Customer	TWIN FALLS	NAMPA	BOISE	S H I O P	Cash Customer
		PH: 734-5200	PH: 466-8916	PH: 336-5777		
		FAX: 734-5210	FAX: 466-8917	FAX: 336-5778		
		IDAHO FALLS	POCATELLO	KETCHUM		
		PH: 523-5500	PH: 237-9300	PH: 725-7824		
		FAX: 523-5598	FAX: 238-6378	FAX: 725-7826		

CUSTOMER PO#		CUSTOMER NO. SUPERIOR	SALESMAN LAF	SHIP VIA	ORDER DATE 07/22/2006	SHIP DATE 07/22/2006	SALES CODE CSH	TERMS	
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION		LIST PRICE	DISC	NET PRICE	EXT PRICE	
8		PEF1429010	Coupling Poly, 1" IxI		0.93	55.00%	0.4200	3.36	
1		DAND375	Nut Driver, 9/16" ND375		2.99	44.00%	1.6744	1.67	
1		RB*DT025050	Distribution Tube, Vinyl 1/4"x50'		9.21	45.00%	5.0655	5.07	
14		RB*DBC025	Bug Cap, Diffuser		0.38	45.00%	0.2090	2.93	
20		RB*EMAGPX	Goof Plug		0.10	45.00%	0.0550	1.10	
1		TOX890114	FLO PRO SOLENOID W\WIRE		13.14	5.00%	12.4830	12.48	
1		TOX890993	FLO PRO DIAPHRAM ASSY.#899861		8.00	5.00%	7.6000	7.60	
10		RB*PC10	Emitter 10 gph pc		1.34	45.00%	0.7370	7.37	
			PAID CASH  City						
			SALES SUBTOTAL	TAXABLE SALES	FREIGHT	SALES TAX	TOTAL		
			41.58	41.58	0.00	2.08	43.66		

Finance Charge of 1.5% Per Month  
(18% ANNUAL PERCENTAGE RATE)  
will be charged on All Accounts Past Due

RECEIVED THE ABOVE IN GOOD CONDITION

X

REM. TO

INVOICE NUMBER  
44572

INVOICE DATE  
07/22/2006

PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201



*Contributors of Sprinkler and Pipe Products*

3  
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D  
Cash Customer

TWIN FALLS      NAMPA      BOISE  
PH: 734-5200      PH: 466-8916      PH: 336-5777  
FAX: 734-5210      FAX: 466-8917      FAX: 336-5778

IDAHO FALLS      POCATELLO      KETCHUM  
PH: 523-5500      PH: 237-9300      PH: 725-7824  
FAX: 523-5598      FAX: 238-6378      FAX: 725-7826

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Cash Customer

CUSTOMER PO#	CUSTOMER NO. SUPERIOR	SALESMAN	SHIP VIA	ORDER DATE	SHIP DATE	SALES CODE	TERMS
				07/22/2006	07/22/2006	CHG	NET 10TH
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION	LIST PRICE	DISC	NET PRICE	EXT PRICE
24		OC331RSS	1" OETIKER CLAMP  <i>pd</i> <i>CRH</i>  <i>city</i>	0.15	40.00%	0.0918	2.20
SALES SUBTOTAL				2.20	TAXABLE SALES		2.20
FREIGHT				0.00	SALES TAX		0.11
TOTAL				2.31			

Finance Charge of 1.5% Per Month  
(ANNUAL PERCENTAGE RATE)  
to be charged on All Accounts Past Due

RECEIVED THE ABOVE IN GOOD CONDITION

X





BMS (SUP :48:42 AM)

REMIT TO

INVOICE NUMBER  
44541

INVOICE DATE  
07/21/2006

PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201

Distributors of Sprinkler and Pipe Products

S  
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D

Cash Customer

TWIN FALLS	NAMPA	BOISE
PH:734-5200	PH:466-8916	PH:336-5777
FAX:734-5210	FAX:466-8917	FAX:336-5778
IDAHO FALLS	POCATELLO	KETCHUM
PH:523-5500	PH:237-9300	PH:725-7824
FAX:523-5598	FAX:238-6378	FAX:725-7826

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Cash Customer

CUSTOMER PO#		CUSTOMER NO. CASH5	SALESMAN CRS	SHIP VIA	ORDER DATE 07/21/2006	SHIP DATE 07/21/2006	SALES CODE CSH	TERMS	
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION			LIST PRICE	DISC	NET PRICE	EXT PRICE
1		PEF1406010	Elbow Poly 90D, 1" IxI			1.97	40.00%	1.1800	1.18
1		VB08RND	Valve Box 8" Round W/Cover <i>for Pressure Reducer</i>			8.06	30.00%	5.6420	5.64
			<i>City</i>						
			<i>Pd Cash</i>						

A Finance Charge of 1.5% Per Month  
(18% ANNUAL PERCENTAGE RATE)  
will be charged on All Accounts Past Due

SALES SUBTOTAL	TAXABLE SALES	FREIGHT	SALES TAX	TOTAL
6.82	6.82	0.00	0.34	7.16

RECEIVED THE ABOVE IN GOOD CONDITION

X



BMR (SUP :42:30 AM)

REMIT TO

INVOICE NUMBER 44469	INVOICE DATE 07/20/2006
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PIPECO, INC  
3725 POLE LINE RD.  
POCATELLO, ID 83201

Distributors of Sprinkler and Pipe Products

S O L O D	Cash Customer	TWIN FALLS	NAMPA	BOISE	S H T I O P	Cash Customer
		PH:734-5200	PH:466-8916	PH:336-5777		
		FAX:734-5210	FAX:466-8917	FAX:336-5778		
		IDAHO FALLS	POCATELLO	KETCHUM		
		PH:523-5500	PH:237-9300	PH:725-7824		
		FAX:523-5598	FAX:238-6378	FAX:725-7826		

CUSTOMER PO#		CUSTOMER NO. SUPERIOR	SALESMAN CAS	SHIP VIA	ORDER DATE 07/20/2006	SHIP DATE 07/20/2006	SALES CODE CSH	TERMS	
QUANTITY	B/O	ITEM NUMBER	DESCRIPTION			LIST PRICE	DISC	NET PRICE	EXT PRICE
1		PEF1401010	Tee Poly, 1" IxI			2.24	55.00%	1.0100	1.01
10		OC331RSS	1" OETIKER CLAMP			0.15	40.00%	0.0918	0.92
4		OC425RSS	1 1/4" OVERSIZED OETIKER CLAMP			0.18	40.00%	0.1062	0.42
1		PEF1449012	Plug Poly, 1 1/4"			2.36	55.00%	1.0600	1.06
1		PEF1401010	Tee Poly, 1" IxI			2.24	55.00%	1.0100	1.01
1		PEF1429168	Coupling Poly, 1 1/4x1" IxI			1.97	55.00%	0.8850	0.89
2		PEF1435010	FPT ADPT Poly, 1" IxF			3.91	55.00%	1.7600	3.52
1		RB*PRF100RBY	Pressure Regulating Filter 1"			32.00	45.00%	17.6000	17.60
			PAID CASH city						
			SALES SUBTOTAL	TAXABLE SALES	FREIGHT	SALES TAX	TOTAL		
			26.43	26.43	0.00	1.32	27.75		

A Finance Charge of 1.5% Per Month  
(18% ANNUAL PERCENTAGE RATE)  
will be charged on All Accounts Past Due

RECEIVED THE ABOVE IN GOOD CONDITION

X

### POCATELLO DEVELOPMENT AUTHORITY (PDA) Pre-Application for use of Tax Increment Financing

**INSTRUCTIONS:**

1. Please complete each section of this pre-application.
2. The applicant should be the project owner or the duly appointed representative of the project owner.
3. This pre-application must be completed and submitted (Pocatello Development Authority, 1651 Alvin R Pocatello ID, 83201) by the first Monday of the month to be considered for the PDA meeting agenda on Wednesday of that month.
4. Each pre-application is screened by staff and must meet a minimum score of 70 points (out of 100) for it considered for approval by the PDA Board.
5. PDA approval of this application is authorization to proceed to a full application.
6. A full application will consist of at minimum the following:
  - a. Project purpose statement.
    - i. Description of blight.
    - ii. Description of public benefits.
  - b. Scope of work.
    - i. The kind, number, and location of all proposed public works or improvements.
    - ii. A detailed list of estimated project costs.
    - iii. Construction timetables (including any proposed phasing).
    - iv. A detailed map and legal description of the project area.
  - c. Economic Analysis.
    - i. An economic feasibility study.
    - ii. A fiscal impact statement showing the impact of the project upon all taxing district.
    - iii. A description of the methods of financing all estimated project costs.
7. Questions may be directed to the Executive Director for the Development Authority, 233-3500.

Application: Name: Pocatello Valley Investment Partners Date: 1 Oct 2006  
 Mailing Address: 4100 East Oak, Suite A Pocatello 83201  
 Work Phone: 705 6999 Cell Phone: 705 6999 E-Mail: lmyres@gmail.com  
 Project Description: 815 South 1st Complete rehab  
South First Development Project - Kinport Junction  
 Project Location: 815 South 1st

Is this project currently in an urban renewal area?  Yes  No

Is this project currently in a revenue allocation area?  Yes  No

If you answered 'no' to both questions above, please describe the "blighting" condition associated with this location: \_\_\_\_\_

Current Assessed Value of Project Location: \$ 200,000

Estimated Construction Value of Project: \$ 900,000 - \$ 850,000

Number of jobs created by this project: 27-32 Wage range of jobs: \$ 5/hr - \$ 16/hr

Employee Benefits?  Yes  No If yes, please describe See addendum

PDA Pre-Application, Page 2

Time frame for job creation: February 2007

Construction start date for Project: Oct 2006 Anticipated completion date: Jan 15 2007

Briefly describe other public benefit(s) associated with this project: \_\_\_\_\_

See addendum

Does this project compete with other, already established businesses? How? \_\_\_\_\_

See addendum

Is this project currently subject to a competitive bid process? Please explain: \_\_\_\_\_

No

Are there other applicants that may be interested in applying for PDA assistance for this same project? Please explain: \_\_\_\_\_

NO

Relationship of named applicant to the project: Principals

Type of Assistance Requested (check all that apply):

- Public Infrastructure (water, sewer, street, etc.).
- Public Facility (building, park, parking lot, etc.).
- Match for other funding.
- Inspections, tests, surveys, appraisals, etc.
- Property Acquisition.
- Structure Demolition and Clearance.
- Other? Please Specify \_\_\_\_\_

Amount of Assistance Requested: \$ 60,000

- Form of Assistance Requested:
- Grant of Funds.
  - Loan of Funds.
  - Reimbursement for Approved Expenditures.
  - Pay-As-You Go.
  - Bonding.
  - Other? Please Specify \_\_\_\_\_

Other helpful information? Please list: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

HANK YOU!

**Public Benefits**

There are a multitude of public benefits associated with a project such as this.

First, we will take a currently abandoned warehouse and bring the building fully to code under current specifications. In addition, because we are affecting a change of use from industrial warehouse to a retail environment, we will significantly upgrade the landscaping, sidewalks, curbs, parking areas and general esthetics of the neighborhood. In addition to the obvious benefits of upgrading the building and the area, our investment will spur further development of the other warehouses as the potential for the area becomes fully apparent.

Vacant buildings are unsightly and eventually continue to deteriorate. By making the investment to rehabilitate this abandoned building, we not only upgrade the area in general and foster additional development, we also do not consume additional open land for a new building and parking lot that is current green space and contributes to the general welfare of the surrounding area.

**Project Details**

This project does not compete with other similar projects in the area as far we are aware. We are a private company and have secured outside financing for the project. The project is not subject to a competitive bid process to go forward.

Regarding the discreet work to be accomplished, we will bid out the major subcontracting elements of the project, including the elements we hope to fund through a grant made available through this application.

PVIP is requesting assistance on this project in the amount of \$60,000 through the Pocatello Development Authority tax increment financing program.

The money we are requesting will be used in a manner that provides significant public benefit to the warehouse district and is consistent with the overall vision of city leaders for that part of the city. Specifically, we intend to use the money to provide sidewalks, curb and gutter around the buildings and property, consistent with modern code requirements. Our preliminary estimate for this work is \$45,000. The remaining \$15,000 will be used to install lamp-post lighting, trees, surface water drainage from South 1<sup>st</sup> street along our property front and general landscaping for the area.

It is our expectation that these improvements will significantly improve the visible neighborhood which will benefit the public at large and foster an environment that is amenable to additional development of the currently underutilized buildings in the area.

**Summary**

PVIP is very committed to this project, and to our fundamental philosophy of creating a beautiful space out of what is now an abandoned building. Each principal is making a significant financial commitment as well as taking on the debt required to make the project a success. We have exhaustively researched our business plan(s) and are confident that we will create a significant positive addition to the community of South Pocatello when we are finished.

We hope you will consider our application for assistance.

**PVIP, LLC**

460 East Oak Street, Suite A - Pocatello, ID 83201  
208.705.6998

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***South First Development Project*****About Portneuf Valley Investment Partners, LLC**

Portneuf Valley Investment Partners, LLC (PVIP), is a real-estate development and investment company with five principals—Kim Brown, John Mendive, Jeff and Carroll Klinger, Eddy and Amy Vargason and Robert Myres, all of Pocatello, Idaho. All partners have extensive business and investment experience and bring tangible value to the organization. Our primary motivations are to enhance the social and cultural opportunities in Pocatello through investment in exchange for a fair rate of return on our projects.

**Project Overview**

PVIP has purchased the old Continental Fuel property located at 815 South 1<sup>st</sup> in Pocatello. We will develop the property in multiple phases, beginning with main building. The property will be developed and marketed for commercial lease space, with emphasis on soliciting vendors whose goods and services are consistent with a common theme associated with the property.

**Property Description**

The property consists of three buildings set on a lot that is approximately 300 feet by 100 feet and lies on the west side of South 1<sup>st</sup> street adjacent to the railroad tracks. The main building (1) is a 13,400 ft.<sup>2</sup> brick and timber warehouse on the north end of the lot. Building two is a 1200 ft.<sup>2</sup> frame building centrally located in the lot, and the third building is a 1400 ft.<sup>2</sup> brick building at the south end of the lot. Buildings 1 and 2 will be immediately re-modeled for commercial use and the third building will be developed only after the first five years following acquisition. All buildings are in excellent shape and the lot provides ample parking for multiple businesses.

**Project Description**

PVIP has obtained letters of intent to lease from Sengang, a wine bar and small plates restaurant; Pocatello Co-op; James Barrett Pilates and Fitness; and Butcher Block. These businesses will attract the core customers who will then provide traffic to other retail or professional businesses. Consumer services provided on the main floor will include a coffee shop, deli, restaurant and wine bar, and retail grocery items with an emphasis on organic, healthy and regional food items. The basement will house James Barrett Pilates and Fitness and at least one other smaller business.

The main floor and basement are each 5,600 ft.<sup>2</sup> and the loft is 1200 ft.<sup>2</sup>.

Building #2 is a frame office that will be suitable for immediate rental after modest upgrades.

**Project Costs**

Initial cost estimates for acquisition of the real-estate, upgrades and associated costs is \$667,653. PVIP intends to inject \$166,913 and finance the remaining \$500,740. Financing has been arranged through Wells Fargo Bank (\$400,740) and Southeast Idaho Council of Governments (\$100,000) After completion of phase 1 of the project, we anticipate the site and building will be worth approximately \$800,000.

**PVIP, LLC**

460 East Oak Street, Suite A - Pocatello, ID 83201  
208.705.6998

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***South First Development Project – Kinport Junction*****Application Overview**

Portneuf Valley Investment Partners, LLC (PVIP) is dedicating significant resources towards the rehabilitation of one of the old warehouses on South 1<sup>st</sup> street. The building is located at 815 South 1<sup>st</sup> and is the old 'Continental Fuel Building'. Continental Fuel has been out of business for approximately 8 years and the building has been vacant since that time.

**Project Philosophy**

PVIP was formed on the philosophy that it is more esthetically and environmentally responsible to rehabilitate existing structures whenever possible, versus continuing to build new buildings to stimulate development. The buildings in the warehouse district are perfectly suited for long-term development due to their excellent construction, ample parking, wide streets and proximity to old-town Pocatello, South 5<sup>th</sup> and Idaho State University.

In addition, PVIP has purposefully solicited a combination of new and existing businesses, all with a very sound business philosophy aligned with a common customer base and fundamental business practices.

**Estimated Project Construction Value**

Wells Fargo has not yet completed the property appraisal estimate for post-construction, but preliminary estimates are that the value of the building after construction will be between \$800,000 and \$900,000.

**Job Creation**

Estimates for new employment at this time range from 27-32 new jobs. Three of the businesses that we are renting to are existing businesses and this location represents an expansion opportunity for their operations.

While the restaurant will obviously provide some competition for existing businesses, our research suggests that there has been a disproportionate growth of restaurants on the north end of Pocatello, near the highway interchange and that the area where we are locating can handle additional restaurant opportunities. The Pocatello co-op will be the only natural food co-op in the city.

The restaurant (Senang) which will specialize in wine and Tapas (small plates menu), expects to create 15 new positions of which 3-4 will be full time. Kitchen manager, general manager and customer service manager will ultimately be compensated at approximately \$16/hour with the possibility of monthly bonuses of an additional 10% - 20% of their base salary based on achieving pre-defined targets.

Butcher Block will create new retail space in the main building of Kinport Junction and will hire at least one full-time employee to manage the new location. Additional part-time help will be hired as necessary. James Barrett Pilates, Woman Tours (international bicycle touring company) and the Pocatello co-op are all expected to hire between 1 and 4 full-time or part-time employees to manage their business expansion.

In addition, PVIP has an additional 2500 ft.<sup>2</sup> of space available for lease. It is presumed that the businesses we sign to lease that space will create another 2-5 jobs through new organizations or expansion of existing businesses.

### PDA Pre-Application Review matrix

Reviewer Name: R Chambers

Date: 11 October 2006

Review Element	Point Value Earned				
	0-Points	3-Points	5-Points	7-Points	10-Points
Condition of Blight (part of Existing Inventory)?					X
Ratio of Construction Value to Current Assessed Value			X		
Quantity of Jobs Created					✓
Quality of Jobs Created (Type/Wage)		X			
Public Benefit of Project					X
Competition With Other Businesses				X	
Ratio of Project Costs to Project Revenue		X			
Certainty and Immediacy of the Project				X	
Type of Assistance Requested					X
Form of Assistance Requested				X	
Column Totals	0	0	0	0	0
All Total	0				

72 points

Recommend: Move Request forward to PDA. \$60,000 can come from discretionary funds or some fund balance. Important. Only work the Public. R/w is eligible so that it all that is in the district here (unless discretionary funds are used).



### PDA Pre-Application Review matrix

Reviewer Name: Gyini Billwan

Date: Oct 11, 2006

Review Element	Point Value Earned				
	0-Points	3-Points	5-Points	7-Points	10-Points
Condition of Blight (part of Existing Inventory)?					X
Ratio of Construction Value to Current Assessed Value					
Quantity of Jobs Created					X
Quality of Jobs Created (Type/Wage)		X			
Public Benefit of Project			X		
Competition With Other Businesses				X	
Ratio of Project Costs to Project Revenue		X			
Certainty and Immediacy of the Project			X		
Type of Assistance Requested					X
Form of Assistance Requested				X	
Column Totals	0	3	10	14	300

All Total 60

Forward to Board

Should we consider giving this money like Shavers, asso water directly with job creation - eq. wins to loan if FTE is not created per \$10K-15K?



October 12, 2006

Pocatello Development Corporation  
1651 Alvin Ricken Drive  
Pocatello, ID 83201

Re: TetriDyn Solutions, Inc. Loan – DWH-103-06

Dear PDA:

TetriDyn Solutions started business in the fall of 2002 and with your help and support, has been able to continue to grow and move forward. In the past year, the company has changed significantly through new marketing programs, sales and employment.

Shareholders approved a public merger in the spring, and we have applied for our trading symbol from the NASD. The company was also able to retire over one-million dollars in debt through the merger process. In addition, the company has been cash flowing for the past several months through sales.

We are excited about our future and would like to ask for your continued support. We would like to ask the board to extend our loan schedule by six months. This would be helpful in allowing the company to achieve its planned sales, investment, and employment objectives.

Please feel free to contact me at (208) 232-4245 if you have any questions or concerns.

Your continued support is most appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dave Hempstead", written over a horizontal line.

Dave Hempstead  
President & CEO  
TetriDyn Solutions, Inc.

# INVOICE

**TO:** **TetriDyn Solutions**  
1651 Alvin Ricken Drive  
Pocatello, ID 83201

**DATE:** August 2, 2006

**FROM:** **Pocatello Development Authority**  
1651 Alvin Ricken Drive  
Pocatello, ID 83201

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**DESCRIPTION:**

Loan from the Pocatello Development Authority \$15,000.00

**TOTAL AMOUNT DUE:** \$15,000.00

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Please make checks payable to: **POCATELLO DEVELOPMENT AUTHORITY**



OFFICE OF THE MAYOR  
911 North 7th Avenue  
P.O. Box 4169  
Pocatello, Idaho 83205  
(208) 234-6163  
Fax: (208) 234-6297  
www.pocatello.us

ROGER W. CHASE  
*Mayor*

Pocatello City Council:  
ROGER J. BRAY  
RON FRASURE  
GARY MOORE  
EVA JOHNSON NYE  
RICHARD STALLINGS  
BRIAN T. UNDERWOOD

October 17, 2006

Pocatello Development Authority  
1651 Alvin Ricken Drive  
Pocatello, Idaho 83201

Dear Board Members:

I have expressed to you the City's hope of acquiring up to an additional \$3 million for a portion of the match to construct the South Connector. This Board has been more than generous helping the City with projects and I do not know how the City could get along without your help.

The South Connector is a project we have been working on over the last decade and, in my opinion, is critical for developing our south end valley area. This letter is a request asking you to consider designating the amount of money noted above from the Central Corridor Tax Increment Financing District. I feel it is important to act now because of the Board's decision to close the District down and this project must be identified soon.

Again, I thank you for all you have done for the City. This Board has done as much as any group to help turn Pocatello's economy around.

Sincerely,

A handwritten signature in cursive script that reads "Roger W. Chase".

Roger W. Chase  
Mayor

RWC/rew

cc: Pocatello City Council

## REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "**Agreement**") is made this 20 day of September, 2006, by and between CMW LLC, an Idaho limited liability company ("**CMW**"), The Housing Company, an Idaho non-profit corporation, or assigns ("**THC**") and Pocatello Development Authority, an urban renewal agency under the laws of the State of Idaho ("**PDA**").

### RECITALS

A. THC is the owner of certain property located in the City of Pocatello, County of Bannock, State of Idaho, more particularly described on **Exhibit A**, attached hereto and made a part hereof, and commonly known as the "**Whitman Hotel**." The Whitman Hotel is currently not in use as a hotel.

B. Whitman Building LLC, an Idaho limited liability company, and Kathryn Andros, the former owner of the Whitman Hotel ("**Andros**"), entered into that certain Real Estate Option Agreement for Purchase of the Whitman Hotel, dated January 19, 2004, as amended by that certain Real Estate Option Extension Agreement For Purchase of The Whitman Hotel, dated August 30, 2004 (the "**Real Estate Option**"). The Real Estate Option was assigned to THC by that certain Assignment and Assumption of Real Estate Option Agreement for Purchase of the Whitman Hotel, dated September 10, 2004, as amended by that certain Extension and Assumption of Real Estate Option Agreement for Purchase of The Whitman Hotel, dated June 30, 2005 (the "**Assignment**"). The Real Estate Option and the Assignment are collectively referred to herein as the "**Option Agreement**."

C. On December 21, 2005, THC delivered to Andros written notice of THC's election to exercise the option contained in the Option Agreement. Thereafter, THC and Andros entered into that certain Real Estate Purchase Agreement, dated on or about the date hereof (the "**Purchase Agreement**"). The closing of the purchase and sale of the Whitman Hotel in connection with the Purchase Agreement took place on April 28, 2006 and THC is the sole owner of the Whitman Hotel and THC intends to transfer title to Downtown Housing Development Limited Partnership, an Idaho limited partnership.

D. The Whitman Hotel is located in an Historic Preservation District as established by the City of Pocatello on December 19, 1985, the purposes and goals of which Historic Preservation District include, without limitation: to engage in a comprehensive program of historic preservation to promote the use and conservation of historical property for the education, inspiration, pleasure and enrichment of citizens; to promote the general welfare of the public through the preservation and protection of buildings and areas of historic importance or interest within the City of Pocatello; to preserve and enhance the environmental quality of neighborhoods; to establish and improve property values; and to foster economic development.

E. The Whitman Hotel is located in Business Improvement District #1, as established by the City of Pocatello on December 5, 1991. The purposes and goals of which Business Improvement District include, without limitation, the general promotion of retail trade activities.

F. THC and CMW desire that the Whitman Hotel be redeveloped to promote the purposes and goals of the Business Improvement District and the Historic Preservation District and to ensure compliance with modern building regulations.

G. THC is a non-profit corporation concentrating on the provision of affordable housing. THC desires to redevelop the Whitman Hotel for use, in part, as affordable rental housing, and to promote the purposes and goals of the Business Improvement District and the Historic Preservation District and to ensure compliance with modern building regulations.

H. THC intends to redevelop the Whitman Hotel as a mixed-use condominium development that will provide for condominium ownership of the Whitman Hotel under the Condominium Property Act, Idaho Code Section 55-1501, *et seq.* Such condominium development is sometimes referred to herein as the "**Whitman Condominiums.**"

I. The Whitman Condominiums are contemplated to include residential units (collectively, the "**Residential Condominium**"), a commercial unit on the first floor of the Whitman Condominiums (referred to herein as the "**Commercial Condominium**" or the "**Property**") and common area and common facilities for the use and convenience of the condominium unit owners (collectively referred to herein as "**Common Area**"). THC intends to own and operate the Residential Condominium of the Whitman Condominiums. Upon culmination of the transactions contemplated by this Agreement, CMW intends to own and operate the Commercial Condominium of the Whitman Condominiums. THC and CMW intend to cooperate to establish an owners' association comprised of the owners of the Residential Condominium and the Commercial Condominium units in connection with covenants, conditions, uses and restrictions governing the Residential and Commercial Condominiums and the Common Area of the Whitman Condominiums.

J. THC desires to sell, transfer and convey the Property, defined below, and CMW desires to purchase the Property, all according to the provisions herein set forth.

## **AGREEMENT**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, and in consideration of the recitals above, which are incorporated below, and the premises and the mutual representations, covenants, undertakings and agreements hereinafter contained, THC and CMW represent, covenant, undertake and agree as follows:

### **1. DESCRIPTION OF PROPERTY.**

THC agrees to sell, transfer and convey and CMW agrees to purchase and have transferred and conveyed, all for a purchase price and subject to and upon each of the terms and conditions hereinafter set forth, the real property legally described and depicted in **Exhibit B**, attached hereto and made a part hereof (the "**Property**" or the "**Commercial Condominium**"). THC and CMW acknowledge and agree that the legal description of the Property shall be established by the Condominium Map, defined below, which has yet to be recorded. The parties agree to amend this Agreement and, in particular, **Exhibit B** as soon as reasonably practical following recordation of the Condominium Map to revise the legal description of the Property attached to this Agreement as **Exhibit B**.

### **2. PURCHASE PRICE AND PAYMENT TERMS.**

The purchase price to be paid by CMW to THC for the Property shall be equal to the purchase price of the Whitman Hotel as stated in the Purchase Agreement (that is, \$98,522.21) multiplied by a fraction, the numerator of which is equal to the total square footage of the Commercial Condominium, as verified by the Condominium Map, plus a proportionate share of the total square footage of the Common Area, defined below, and the denominator of which is equal to the total square footage of the entire Whitman Condominiums, as verified by the Condominium Map, less the square footage of the basement thereof, as verified by the Condominium Map, **plus** CMW's share of the Rehabilitation Costs, defined in paragraph 9(c) below (the "**Purchase Price**").

The Purchase Price shall be payable in the following manner:

(a) **Earnest Money.** Within two (2) business days of the execution of this Agreement, CMW shall deposit with Alliance Title & Escrow Company, Inc., 312 West Center, Pocatello, Idaho 83201, as escrowee (the "**Escrowee**"), an amount equal to One Thousand and No/100 Dollars

(\$1,000.00) (the "**Earnest Money**"). All Earnest Money and interest earned thereon, if any, shall be applied toward the Purchase Price at Closing, defined in paragraph 7(a) below.

(b) **Cash.** The balance of the Purchase Price, plus or minus proration set forth herein, shall be delivered to Escrowee by wire transfer or official bank check on the Closing Date, defined in paragraph 7(a) below.

### 3. **TITLE MATTERS.**

(a) **Documents Evidencing Title.** THC shall deliver or cause to be delivered to CMW, not more than thirty (30) days prior to Closing Date, defined below, a commitment for an owner's title insurance policy, dated after the date hereof issued by Alliance Title & Escrow Company, Inc., 312 West Center, Pocatello, Idaho 83201 (the "**Title Insurer**") in the amount of the Purchase Price, with standard form coverage (the "**Title Commitment**") showing marketable and insurable title to the Property in THC subject only to: (i) title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount which may be removed by the payment of money or otherwise on the Closing Date and which THC shall so remove at that time; (ii) standard exceptions printed by the Title Insurer; (iii) such other exceptions as may be approved in writing by CMW pursuant to paragraph 3(b) below (collectively, the "**Permitted Exceptions**").

(b) **Title Defects.** Buyer shall have fifteen (15) business days after receipt of the Title Commitment within which to object in writing to any material exception shown thereon and if said exception cannot be removed by Seller on or before the Closing Date, Buyer shall have the right to terminate this Agreement, in which event the Earnest Money shall be returned to Buyer and all parties thereafter released and discharged from any further obligation under this Agreement. The failure of the Buyer to deliver written notice of an objection to a material exception shown on the Title Commitment within the time provided shall conclusively constitute the approval by Buyer of the exceptions shown in the Title Commitment.

### 4. **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THC.**

THC hereby represents, warrants and covenants to CMW that as of the Closing Date:

(a) **Owner; Marketable Title.** That THC shall be the owner of marketable and insurable fee simple title to the Property, free and clear of all liens, encumbrances, covenants, conditions, restrictions, rights-of-way, easements, leases, tenancies, licenses, claims, options, options to purchase and any other matters affecting title, except for the Permitted Exceptions, and those liens of a definite and ascertainable amount which shall be removed at closing. There shall be no change in the ownership, operation or control of the Property from the date hereof to the Closing Date, subject to THC's rights to assign this Agreement.

(b) **No Condemnation or Judicial Proceedings.** To the actual knowledge of THC without independent inquiry or investigation, that there are no condemnation or judicial proceedings, administrative actions, claims or demands of any type which have been instituted or which are pending or threatened against THC, the Whitman Condominiums or any part thereof. In the event THC receives notice of any such proceeding, action, claim or demand, THC shall promptly deliver a copy of such notice to CMW.

(c) **Access.** To the actual knowledge of THC without independent inquiry or investigation, that there is legal access to the Whitman Condominiums from adjoining private or public streets, highways, roads and ways and adequate access to all electric, telephone, drainage and other utility equipment and services required by law or necessary for the operation of the Property as contemplated by CMW.

(d) **Compliance with Laws.** To the actual knowledge of THC without independent inquiry or investigation, that THC and the Whitman Condominiums, and the use and operation thereof, are in

compliance with all applicable municipal and governmental laws, ordinances, regulations, licenses, permits and authorizations and that there exists no condition with respect to the operation, use or occupancy of the Whitman Condominiums that violates any environmental, zoning, building, health, fire or similar law, ordinance or regulation.

(e) **Debts Paid in Ordinary Course.** That all debts, liabilities and obligations of THC arising from the ownership and operation of the Whitman Condominiums including, but not limited to, taxes and accounts payable, have been or will be paid as they become due and mature in the ordinary course of business.

(f) **Authority.** THC is a corporation that has been duly organized and is validly existing and in good standing as a corporation under the laws of the State of Idaho, and has full power and authority to: (i) enter into this Agreement; and (ii) carry out and consummate the transactions contemplated by this Agreement.

## 5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF CMW.

CMW hereby represents, covenants and warrants to THC that as of the date hereof and as of the Closing Date defined in paragraph 7(a) below:

(a) **Validly Existing.** That CMW is an Idaho limited liability company that has been duly organized and is validly existing and in good standing as a limited liability company under the laws of the State of Idaho, and has full power and authority to: (i) enter into this Agreement; and (ii) carry out and consummate the transactions contemplated by this Agreement.

(b) **Authority.** That the execution and delivery of this Agreement by CMW and the performance of this Agreement by CMW have been duly authorized by CMW. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will: (i) result in a breach of or a default under any agreement, document or instrument to which CMW is a party or by which CMW is bound; or (ii) violate any existing statute, restriction, order, writ, injunction or decree of any court, administrative agency or governmental body to which CMW is subject.

(c) **No Pending Actions.** That there is no action, suit, proceeding, inquiry, or investigation before any court, governmental agency or instrumentality pending or, to the knowledge of CMW, threatened, against CMW wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated by this Agreement.

(d) **Parties to Transaction.** That Richard Carroll ("**Carroll**"), or any entity in which Carroll owns an ownership or has a membership interest, does not, and shall not, have a controlling interest in CMW, and Carroll is not, and shall not, be a managing member of CMW, and Carroll shall not be a point of contact between CMW and THC. It is understood and agreed that THC will deal and work only with Allen Collins as the representative of CMW. CMW acknowledges and agrees that these representations, covenants, warranties and agreements are a condition of THC's performance of THC's obligations in connection with this Agreement, and shall survive Closing indefinitely.

(e) **Financial Ability.** That CMW has the assets and financial ability to consummate the transactions contemplated by this Agreement and agrees to provide financial statements for each member of CMW.

## 6. CONDITIONS PRECEDENT TO CLOSING.

(a) **Conditions Precedent.** This Agreement, and CMW's obligation to close the transactions contemplated herein, and THC's obligation to close the transactions contemplated herein, are subject to the following express conditions precedent. Notwithstanding anything to the contrary that may be contained herein, each of the conditions precedent may be waived in writing by CMW and THC,



such conditions being for the exclusive protection and benefit of CMW. THC agrees to cooperate with CMW and to execute any documents which may be necessary or convenient to the performance or satisfaction of these conditions by CMW on or before Closing:

(i) **Marketable Title.** This Agreement is contingent upon title to the Property being good and marketable and free and clear of all liens, encumbrances, easements, assessments, restrictions, tenancies (whether recorded or unrecorded) and other exceptions to title, except the lien of taxes not yet due and payable and the Permitted Exceptions.

(ii) **Condominium Map.** This Agreement is contingent upon THC preparing and recording a condominium map of the Whitman Condominiums in compliance with all applicable laws and regulations (the "**Condominium Map**"), which Condominium Map shall show that: (1) the legal description of the Property (it is agreed that the legal description contained in the Condominium Map shall be the legal description used in the deed conveying the Property to CMW, which the parties agree shall be a "**Warranty Deed**"); (2) the property on which the Whitman Condominiums is located will extend to all adjacent streets, alleys and rights-of-way, which streets, alleys and rights-of-way have been dedicated to, and accepted for public use by, the appropriate governmental authority; and (3) utilities are available to the boundaries of the Whitman Condominiums adequate to serve CMW's proposed use. As soon as practicable upon obtaining the legal description of the Property, this Agreement shall be amended to attach such legal description as **Exhibit B**. CMW shall approve the Condominium Map in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

(iii) **Restrictive Covenants.** This Agreement is contingent upon THC preparing, in writing, the mutually agreed upon form of the restrictive covenants that will eventually be recorded and used to govern the use, operation and maintenance of the Whitman Condominiums (the "**Restrictive Covenants**"). The Restrictive Covenants shall define, without limitation, the Residential Condominium, the Commercial Condominium, and the common areas and common facilities in the Whitman Condominiums, which common areas and common facilities shall include, without limitation, the entryway, lobby, stairwells and elevator (the "**Common Areas**"). The Restrictive Covenants shall define the allowed ownership and uses of the Commercial Condominium, which uses shall be office and/or commercial (which commercial use(s) may include a full service restaurant and lounge ancillary thereto; provided, however, that the Commercial Condominium shall not include a stand-alone tavern or bar where the service of beer, wine and alcoholic beverages is the primary business) and which uses shall not include residential use. Allowed uses of the Commercial Condominium as defined in the Restrictive Covenants shall not detract from the use of the Residential Condominium within the Whitman Condominiums and shall not include adult entertainment of a sexual nature or any business that emits music at a sound level that would disturb the Residential Condominium within the Whitman Condominiums. The Restrictive Covenants shall, without limitation, define the proportionate share of ongoing operational and maintenance expenses of the Common Area to be shared by the owner of the Residential Condominium and the owner of the Commercial Condominium and shall reflect the ongoing obligations of CMW to make payments to the Pocatello Development Agency, as further described below. The parties agree to reasonably cooperate with each other in connection with the foregoing and to execute any documents that may be reasonably necessary or convenient to the performance or satisfaction of this condition precedent to closing on or before closing.

(iv) **Rehabilitation Costs.** This Agreement is contingent upon: THC and CMW each paying their share of the Rehabilitation Costs, as defined in paragraph 9(c) below, in connection with the redevelopment of the Whitman Hotel into the Whitman Condominiums; that the redevelopment of the Whitman Condominiums has been completed; and that the City of Pocatello has committed to issue a certificate of occupancy for the property and the Whitman Condominiums.

(v) **Recordation.** This Agreement is contingent upon the recordation by THC or assigns of the Condominium Map and the recordation of the Restrictive Covenants and the recordation of the Memorandum, defined below, prior to the recordation of the Warranty Deed.

(b) **Failure of a Condition Precedent.** In the event of a failure of any condition precedent set forth herein, then THC and/or CMW may declare this Agreement null and void, in which event the refundable Earnest Money shall be returned to CMW, and the parties shall have no further obligations or liabilities hereunder.

## 7. CLOSING AND RELATED MATTERS.

(a) **Closing Date.** Unless this Agreement has been earlier terminated, the closing of the transaction contemplated by this Agreement ("**Closing**") shall take place at a date and time mutually agreed upon by the parties hereto within and not later than thirty (30) days prior to the issuance of the certificate of occupancy for the Property and the Whitman Condominiums (the "**Closing Date**").

(b) **THC's Deposits.** On the Closing Date, THC shall deliver the following documents to Escrowee:

- (i) Restrictive Covenants.
- (ii) Warranty Deed executed by THC conveying the Property to CMW;
- (iii) Bill of sale executed by THC conveying the personal property relating to the use and operation of the Property, if any, to CMW;
- (iv) CMW-approved closing statement; and
- (v) Such other documents as the Title Insurer, CMW or CMW's attorneys may reasonably require in order to effectuate or further evidence the intent of any provision in this Agreement.

(c) **CMW's Deposits.** On the Closing Date, CMW shall deliver the following documents to Escrowee:

- (i) THC-approved closing statement;
- (ii) Cash or certified funds in an amount sufficient to meet CMW's obligations hereunder; and
- (iii) Such other documents as the Title Insurer, THC or THC's attorneys may reasonably require in order to effectuate or further evidence the intent of any provision in this Agreement.

(d) **Joint Deposits.** On the Closing Date, THC and CMW shall deliver the following document to Escrowee:

- (i) Memorandum, defined in 9(d) below.

(e) **Escrow Closing.** The Closing of the transactions contemplated by this Agreement shall take place at the office of the Escrowee, with the Escrowee using form escrow instructions then in use by the Escrowee, modified to reflect the terms and conditions of the transactions contemplated herein. The cost of the escrow relating to the transactions contemplated by this Agreement shall be divided equally between THC and CMW. All recording fees in connection with the Warranty Deed shall be paid by CMW. This Agreement shall not be merged into any escrow agreement, and the provisions of this Agreement shall always be deemed controlling as between THC and CMW. The respective authorized officer for THC and CMW are hereby authorized to enter into and execute such escrow agreements and any amendments thereto.

(f) **Possession.** Possession of the Property shall be delivered to CMW on the Closing Date.

## 8. PRORATIONS AND ADJUSTMENTS.

The following items shall be prorated and adjusted as of the Closing Date:

- (a) **Real Estate Taxes.** General real estate taxes and all other levies and charges against the Property for the year of Closing that are accrued but not yet due and payable. Such taxes shall be prorated on the basis of the most recent ascertainable tax bills.
- (b) **Personal Property Taxes.** Personal property taxes, if any.
- (c) **Assessments.** If, on the Closing Date, the Property or any part thereof shall be or shall have been affected by an assessment or assessments which are or may become payable in annual installments, of which the first installment is then a charge or lien, or has been paid, then for the purposes of this Agreement all the unpaid installments of any such assessment, including those which are to become due and payable after the Closing Date, shall be prorated as of the Closing Date.
- (d) **Utilities.** All charges for utilities shall be paid by THC to the Closing Date. Bills received after Closing that relate to expenses incurred or services performed allocable to the period prior to the Closing Date shall be paid by THC post-Closing as and when due. All accounts payable and other obligations incurred by THC in connection with the Property prior to the Closing Date shall be caused to be paid or performed by THC on or before the Closing Date or as soon as practical thereafter, and CMW assumes no obligation or responsibility for the payment or performance thereof.
- (e) **Title Insurance.** The premium for standard coverage title insurance in the amount of the Purchase Price shall be paid by THC. The additional cost for extended coverage title insurance (including the premiums for any endorsements and/or a landlord's policy reasonably required by CMW) shall be at the option and expense of CMW.
- (f) **Other Customary Items.** Such other items as are customarily prorated in transaction of the type contemplated in this Agreement.

## 9. POST-CLOSING AGREEMENTS.

In order to protect and enhance the value of the Property and the Whitman Condominiums, the parties covenant and agree to comply with the following requirements from and after the Closing Date (collectively, "Post-Closing Obligations"):

- (a) **Historic Tax Credit.** THC and CMW shall use all good faith efforts to perfect any and all applications for Federal historic preservation certification in connection with the rehabilitation of the Whitman Hotel. Further, THC shall use all good faith efforts to rehabilitate the Whitman Hotel, and THC and CMW shall own and operate the Whitman Condominiums, in a manner to ensure THC's receipt of historic preservation tax credit and to ensure that the historic preservation tax credit is not recaptured.
- (b) **No Sale for Five Years.** THC and CMW acknowledge and agree that the stability and continuity of the requirements for historic preservation tax credits are of prime importance to THC and CMW, that such historic preservation tax credit could be subject to recapture if any portion of the Whitman Condominiums is sold earlier than five (5) years from the date the Whitman Condominiums is "placed in service", as defined by the Federal Internal Revenue Code and Treasury Regulations. Accordingly, CMW hereby acknowledges and agrees that CMW, following CMW's acquisition of the Commercial Condominium, shall not resell or transfer the Commercial Condominium for a period of five (5) years from the date that the Whitman Condominiums is placed in service. This paragraph shall survive Closing indefinitely.

(c) **Revenues.** THC and CMW acknowledge and agree that the estimated rehabilitation expenses to cover a portion of redeveloping the Whitman Hotel into the Whitman Condominium is more particularly described in **Exhibit C**, attached hereto and made a part hereof (collectively, the "**Rehabilitation Costs**"), which Rehabilitation Costs are being funded, in part, through a grant made by PDA. A portion of such grant is for rehabilitation of the Commercial Condominium and is estimated to be \$313,000.00, more or less. A portion of such grant is for rehabilitation of the Residential Condominium and is estimated to be \$200,000.00, more or less. CMW agrees that any funds received through the PDA shall be placed under the control of THC to be used exclusively in connection with the rehabilitation of the Whitman Hotel into the Whitman Condominiums. THC, CMW and PDA acknowledge and agree that the portion of such grant used for rehabilitation of the Commercial Condominium shall be repaid to PDA by CMW with any revenues gained by CMW in connection with the development of the Commercial Condominium in excess of five (5) percent over CMW's return on investment, which obligation of CMW shall be reflected in the Restrictive Covenants and the Memorandum, defined below. To the extent reasonable and practical, any and all contracts and/or bids in connection with the Rehabilitation Costs shall identify the portion of the Rehabilitation Costs allocated to the Residential Condominium and the Commercial Condominium. Any portion of the Rehabilitation Costs that cannot be so allocated and the portion of the Rehabilitation Costs allocated to the Common Area shall be proportionately shared by CMW and THC based on the relative size of the Residential Condominium and the Commercial Condominium. This paragraph 9(c) shall survive the Closing indefinitely.

Notwithstanding anything to the contrary herein, if the bid in connection with the total Rehabilitation Costs should increase by an amount equal to or greater than five percent (5%) of the Rehabilitation Costs, described in **Exhibit C**, then, within ten (10) days following delivery of such bid, THC and CMW must mutually agree, in writing, to such increase in the Rehabilitation Costs and, if THC and CMW do so agree, THC and CMW shall amend this Agreement to include a revised **Exhibit C**. If THC and CMW do not so agree, then either THC or CMW may, within ten (10) days following delivery of such bid, deliver written notice to the other party of termination of this Agreement and, upon such termination, THC and CMW shall thereafter be automatically relieved and released from all further liabilities and obligations hereunder, except for liabilities and obligations accruing prior to the date of termination. If no such termination is delivered timely as provided herein, this Agreement shall continue in full force and effect.

(d) **Memorandum.** At Closing, the parties shall execute and record a memorandum of agreement to evidence the Post-Closing Obligations, which memorandum of agreement shall be in a form mutually acceptable to the parties hereto (the "**Memorandum**"). The cost of recording the Memorandum shall be divided equally between the parties hereto. Upon completion of the Post-Closing Obligations, the parties shall execute and record a written evidence of such termination. Alternatively, the parties may agree to memorialize the Post-Closing Obligations in the Restrictive Covenants.

## 10. DEFAULT AND REMEDIES.

(a) **Default by CMW.** If CMW should fail to consummate the transactions contemplated herein for any reason other than default by THC, THC shall retain the Earnest Money and may elect: (i) to enforce specific performance of this Agreement; or (ii) to terminate this Agreement whereupon CMW reimburse THC for THC's damages and out-of-pocket expenses incurred with respect to this transaction, including reasonable attorneys' fees and inspection costs. No delay or omission in the exercise of such right or remedy accruing to THC upon the breach by CMW under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by THC of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant, condition or any subsequent breach of the same or any other term, covenant or condition contained herein.

(b) **Default by THC.** If THC should fail to consummate the transactions contemplated herein for any reason other than default by CMW, the Earnest Money shall be returned to CMW and CMW may terminate this Agreement, whereupon THC will reimburse CMW for CMW's damages and

out-of-pocket expenses incurred with respect to this transaction, including reasonable attorneys' fees and inspection costs. No delay or omission in the exercise of any right or remedy accruing to CMW upon the breach by THC under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by CMW of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant, condition or any subsequent breach of the same or any other term, covenant or condition contained herein.

(c) **Mediation.** In the event a disagreement arises between the parties in connection with this Agreement, either party may demand mediation and shall give written notice to that effect to the other party specifying in such notice the name, address, and professional qualifications of the person designated to act as mediator on behalf of the party requesting mediation. Within ten (10) days after delivery of such notice, the other party shall give written notice to the requesting party specifying the name, address, and professional qualifications of the person designated to act as mediator on said other party's behalf. If the two mediators so selected cannot agree within thirty (30) days after the appointment of the second mediator which of the two mediators shall act as mediator in the mediation, the two mediators shall, within ten (10) days thereafter, select a third mediator. Each party shall pay the fees and expenses of the mediator hired by or on behalf of such party and one-half (1/2) of the fees and expenses of the mediator appointed to act as mediator in the mediation. If those receiving a request for mediation fail to appoint a mediator within the time above specified, or if the two mediators so selected cannot agree on the selection of a third mediator within the time specified above, or if the result of such mediation is unsatisfactory to one or the other party, then any party may avail itself of any legal or equitable remedy available to it hereunder and/or under Idaho law.

#### 11. INDEMNIFICATIONS AND DEFENSE OF CLAIMS.

(a) **CMW Indemnity.** CMW shall indemnify, defend and hold THC harmless against and in respect of: (i) any damage or deficiency resulting from any breach of warranty or any non-fulfillment of any agreement on the part of CMW under this Agreement or from any misrepresentation in or omissions from any document or other instrument executed and delivered by CMW under this Agreement, unless waived in writing by THC; and/or (ii) all actions, suits, proceedings, demands, assessments, judgments, reasonable court costs and attorneys' fees and expenses incident to or incurred by THC in connection with any of the foregoing.

(b) **THC's Indemnity.** THC shall indemnify, defend and hold CMW harmless against and in respect of: (i) any damage or deficiency resulting from any breach of warranty or any non-fulfillment of any agreement on the part of THC under this Agreement or from any misrepresentation in or omissions from any document or other instrument executed and delivered by THC under this Agreement, unless waived in writing by CMW; and/or (ii) all actions, suits, proceedings, demands, assessments, judgments, reasonable court costs and attorneys' fees and expenses incident to or incurred by CMW in connection with any of the foregoing.

#### 12. BROKERAGE.

Each of the parties represents and warrants to the other party that it has not incurred and will not incur any liability for finder's or brokerage fees or commissions in connection with the transactions contemplated by this Agreement. It is agreed that if any claims for finder's or brokerage fees or commissions are ever made against THC or CMW in connection with this transaction, all such claims shall be handled and paid by the party whose actions or alleged commitments form the basis of such claim. Such party further agrees to indemnify, defend and hold the other party harmless from and against any and all claims or demands with respect to any finder's or brokerage fees or commissions or other compensation asserted by any person, firm or corporation in connection with this Agreement or the transaction contemplated hereby. This representation shall survive Closing indefinitely.

#### 13. NOTICES.

All notices, demands, requests and other communications under this Agreement shall be in writing and shall be deemed properly served or delivered: upon personal delivery, if delivered by hand to the party to whose attention it is directed; or when sent, three (3) days after deposit in the U.S. mail, postage prepaid, certified mail, return receipt requested; or one (1) day after deposit with a nationally recognized air carrier providing next day delivery; or if sent via facsimile transmission, when sent, as confirmed by the facsimile transmission report relating thereto, addressed as follows:

(a) **If to THC:**

The Housing Company  
P.O. Box 6943  
Boise, ID 83707-0943  
208-331-4806 (facsimile)

(b) **If to CMW:**

CMW LLC  
P. O. Box 715  
Pocatello, ID 83204  
208-232-5624 (facsimile)

(c) **If to PDA:**

Pocatello Development Authority  
1651 Alvin Ricken Dr..  
Pocatello, Idaho 83201  
208-233-0268 (facsimile)

14. **MISCELLANEOUS.**

(a) **Date Hereof.** As used herein, the term "**the date hereof**" shall mean the date first written above.

(b) **Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, personal representatives, successors and assigns.

(c) **Time for Performance.** Wherever under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday, or legal holiday, such time for performance shall be extended to the next business day.

(d) **Counterparts.** This Agreement may be executed via facsimile (original to promptly follow via U. S. Mail or overnight courier) in counterparts, each of which shall constitute an original, but all together shall constitute one and the same Agreement.

(e) **Survival.** The terms, provisions, and covenants (to the extent applicable) and indemnities shall survive the Closing and delivery of the Warranty Deed, and this Agreement shall not be merged therein, but shall remain binding upon and for the parties hereto until fully observed, kept or performed.

(f) **Entire Agreement.** This Agreement supersedes the Option Agreement and embodies the entire contract between the parties hereto with respect to the subject matter hereof. No extension, change, modification or amendment to or of this Agreement of any kind whatsoever shall be made or claimed by THC or CMW, and no notice of any extension, change, modification or amendment made or claimed by THC or CMW shall have any force or effect whatsoever unless the same shall be endorsed in

writing and be signed by the party against which the enforcement of such extension, change, modification or amendment is sought, and then only to the extent set forth in such instrument.

(g) **Representation by Counsel.** All parties hereto have either: (i) been represented by separate legal counsel; or (ii) have had the opportunity to be so represented. Thus, in all cases, the language herein shall be construed simply and in accordance with its fair meaning and not strictly for or against a party, regardless of which party prepared or caused the preparation of this Agreement.

(h) **Captions.** The captions at the beginning of the several paragraphs, respectively, are for convenience in locating the context, but are not part of the text.

(i) **Governing Law.** This Agreement shall be governed by the laws of the State of Idaho.

(j) **Severability.** In the event any term or provisions of this Agreement shall be held illegal, invalid or unenforceable or inoperative as a matter of law, the remaining terms and provisions of this Agreement shall not be affected thereby, but each such term and provision shall be valid and shall remain in full force and effect.

(k) **Attorneys' Fees.** If either party shall default in the full and timely performance of this Agreement and said default is cured with the assistance of an attorney for the other party and before the commencement of a suit thereon, as a part of curing said default, the reasonable attorneys' fees incurred by the other party shall be reimbursed to the other party upon demand.

In the event that either party to this Agreement shall file suit or action at law or equity to interpret or enforce this Agreement hereof, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party, including the same with respect to any appeal.

(l) **Time of Essence.** All times provided for in this Agreement or in any other instrument or document referred to herein or contemplated hereby, for the performance of any act will be strictly construed, it being agreed that time is of the essence of this Agreement.

**IN WITNESS WHEREOF**, the undersigned, being duly authorized, have executed this Real Estate Purchase Agreement as of the date first written above.


**CMW:**

**CMW LLC, an Idaho limited liability company**

By:   
Its: Member

**THC:**

**THE HOUSING COMPANY,  
an Idaho non-profit corporation**

By:   
Laura A. Shaffer, Vice President

**PDA:**

**Pocatello Development Authority, an urban renewal  
agency under the laws of the State of Idaho**

By: \_\_\_\_\_  
Steven Brown, Chairman  
(as to paragraph 9(c) only)

List of Exhibits

- Exhibit A – Legal Description of Whitman Condominiums
- Exhibit B – Legal Description and Depiction of Property
- Exhibit C – Rehabilitation Costs



**EXHIBIT A**

**LEGAL DESCRIPTION OF THE WHITMAN CONDOMINIUMS**

Lots 4 and 5, Block 433, Pocatello Townsite, Bannock County, Idaho, as the same appears on the official plat thereof.

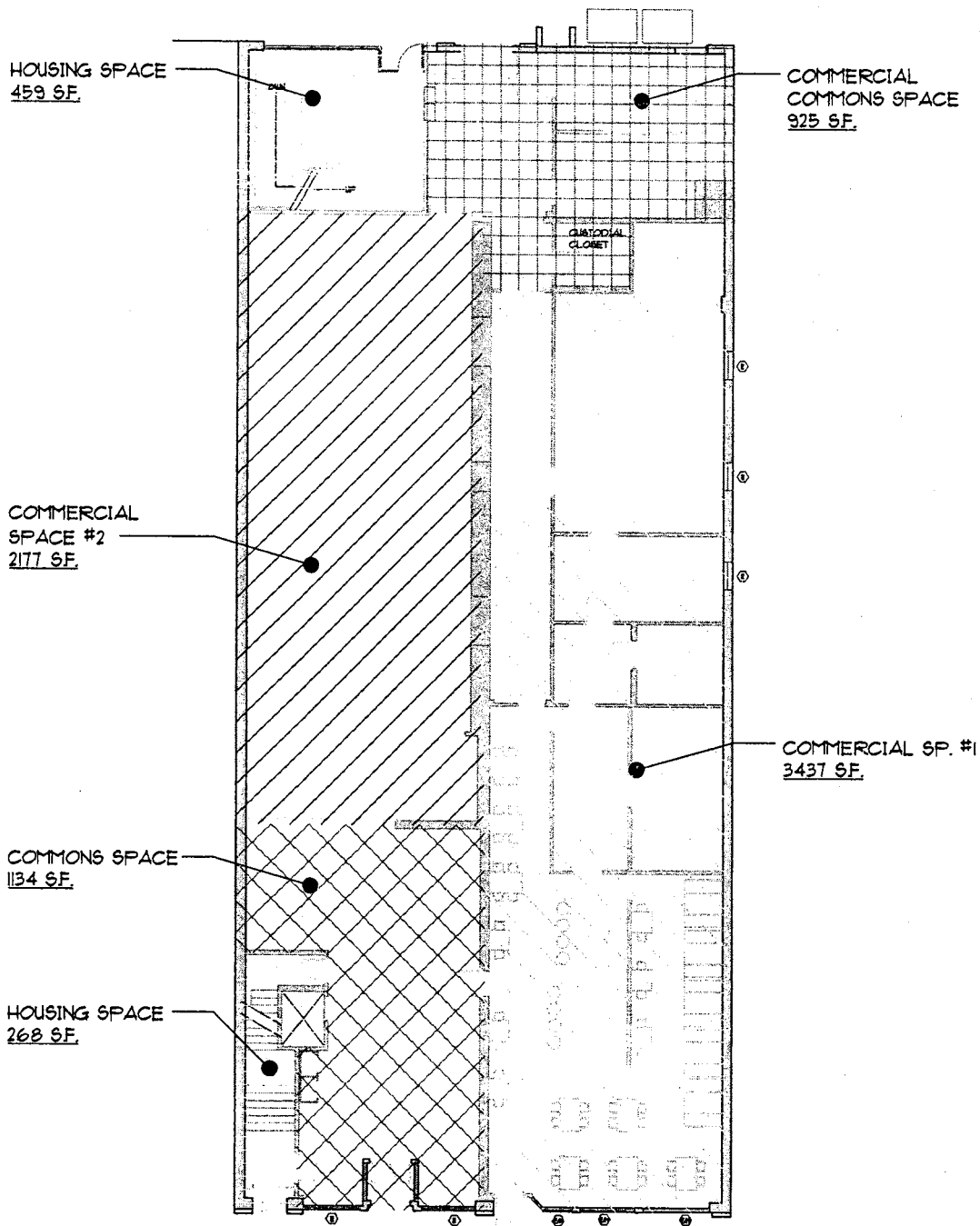
**EXHIBIT B**

**LEGAL DESCRIPTION AND DEPICTION OF THE PROPERTY**

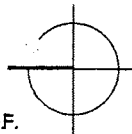
**[INSERT DEPICTION OF PROPERTY.]**

Basement floor plan will be inserted at a later date. It is currently under design development.

## BASEMENT FLOOR PLAN



# FIRST FLOOR PLAN



COMMERCIAL TOTAL	- 5614 SF.
COMMERCIAL COMMONS	- 925 SF.
HOUSING TOTAL	- 727 SF.
COMMONS SPACE	- 1134 SF.
TOTAL GROSS	- 8400 SF.

**Myers ■ Anderson**

- Architecture
- Interior Design
- Landscape Architecture

101 North Main Street  
Pocatello, Idaho 83204  
Tel. (208) 232 - 3741  
Fax (208) 232 - 3782

PROJECT  
**WHITMAN HOTEL REHABILITATION  
UPPER LEVEL HOUSING**

**POCATELLO,**

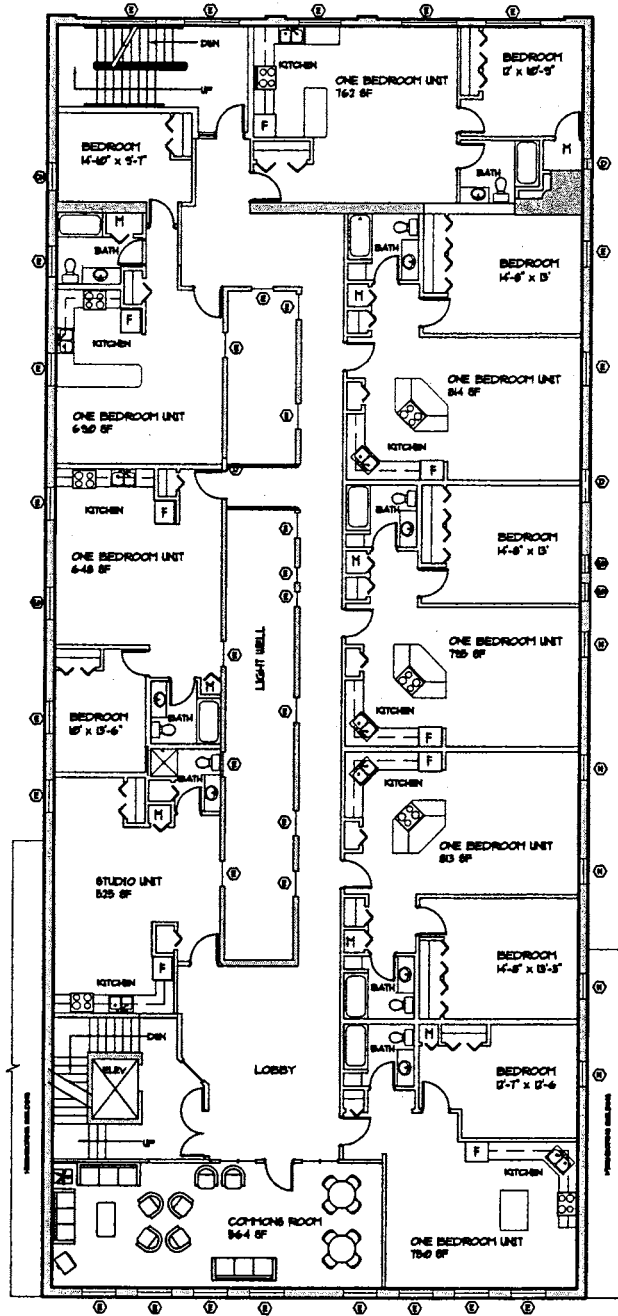
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DATE: 5-16-06

SKETCH NO.

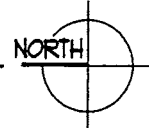
**SK1**

2 OF 5



# SECOND FLOOR PLAN

SCALE: 1/16" = 1'-0"



**Myers ■ Anderson**

- Architecture
- Interior Design
- Landscape Architecture

101 North Main Street  
 Pocatello, Idaho 83204  
 Tel. (208) 232 - 3741  
 Fax (208) 232 - 3782

PROJECT

**WHITMAN HOTEL REHABILITATION  
 UPPER LEVEL HOUSING**

**POCATELLO,**

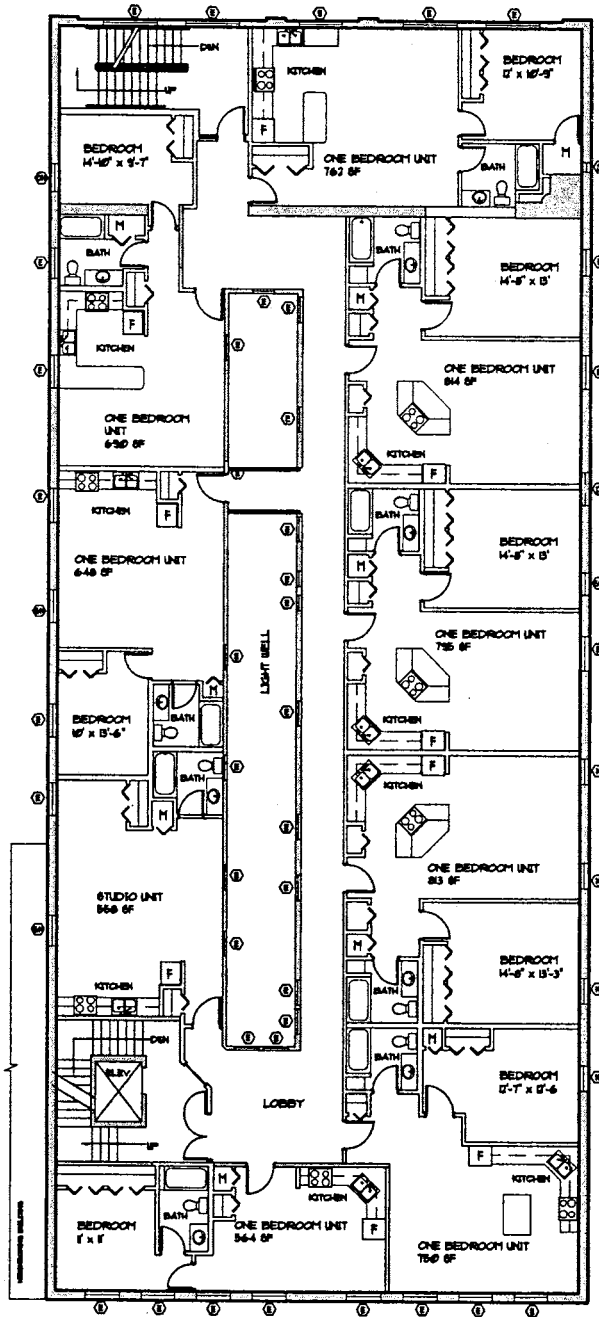
**IDAHO**

DATE: 4-24-06

SKETCH NO.

**SK1**

3 OF 5



# THIRD FLOOR PLAN

SCALE: 1/16" = 1'-0"



Myers ■ Anderson

- Architecture
- Interior Design
- Landscape Architecture

101 North Main Street  
 Pocatello, Idaho 83204  
 Tel: (208) 232-3741  
 Fax: (208) 232-3782

PROJECT

## WHITMAN HOTEL REHABILITATION UPPER LEVEL HOUSING

DATE: 4-26-06

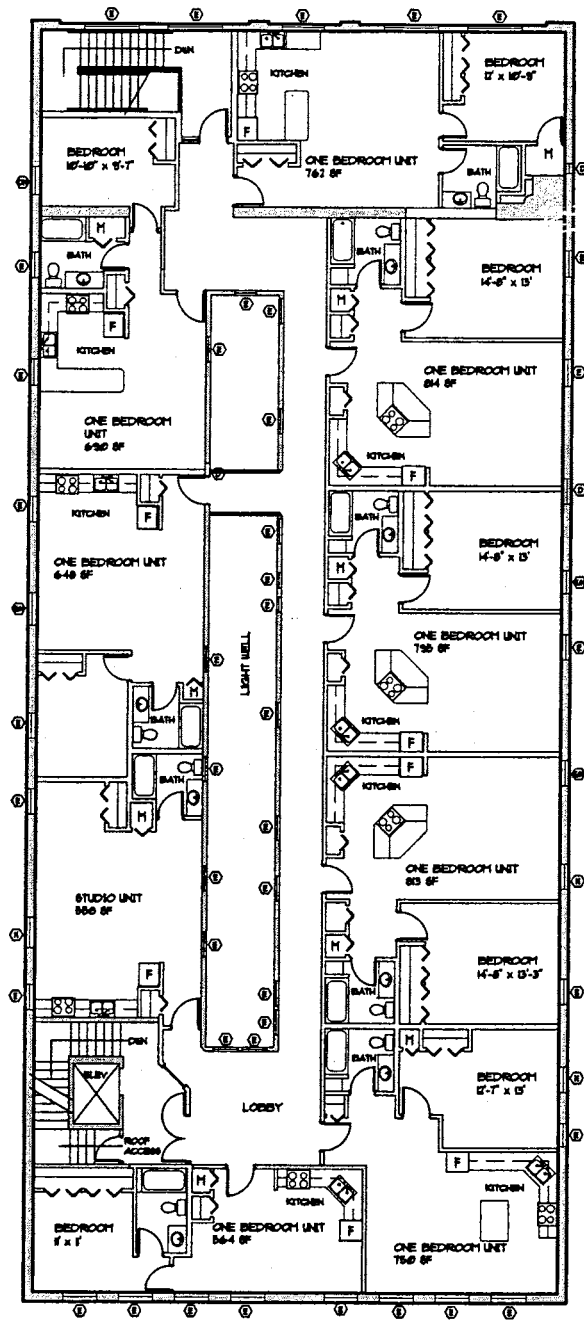
SKETCH NO.

SK1

4 OF 5

POCATELLO,

IDAHO



# FOURTH FLOOR PLAN

SCALE: 1/16" = 1'-0"



**Myers ■ Anderson**

- Architecture
- Interior Design
- Landscape Architecture

101 North Main Street  
 Pocatello, Idaho 83204  
 Tel. (208) 232-3741  
 Fax (208) 232-3782

PROJECT

**WHITMAN HOTEL REHABILITATION  
 UPPER LEVEL HOUSING**

**POCATELLO,**

**IDAHO**

DATE: 4-26-06

SKETCH NO.

**SK1**

5 OF 5

**EXHIBIT C**

**ESTIMATED REHABILITATION COSTS  
AS OF 05/01/06**

Building Cost	21,675
Construction Costs/Permits	431,317
Asbestos Removal	11,000
Construction Insurance	3,000
Construction Interest	7,500
Construction Loan Costs	4,350
Engineering/Testing	2,473
Architect Fees	31,008
Environmental Testing	1,760
Legal & Condominium Costs	6,600
Appraisal	1,540
Historic Tax Credit Application & Fees	1,100
	<hr/>
<b>Total Estimated Rehabilitation Costs</b>	<b>\$ 523,323</b>