

MEETING AGENDA
CITY OF POCATELLO
POCATELLO DEVELOPMENT AUTHORITY

SEPTEMBER 17, 2025 – 11:00 AM
COUNCIL CHAMBERS | 911 N 7TH AVENUE

In accordance with the Americans with Disabilities Act, it is the policy of the City of Pocatello to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require an accommodation, please contact Skyler Beebe with two (2) business days' advance notice at sbeebe@pocatello.gov; 208.234.6248; or 5815 South 5th Avenue, Pocatello, Idaho. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

In the event this meeting is still in progress at 12:00 p.m., a ten-minute recess may be called.

- 1. CALL TO ORDER, ROLL CALL, DISCLOSE CONFLICTS OF INTEREST AND ACKNOWLEDGMENT OF GUESTS.**
- 2. ACTION ITEM: MOVE TO APPROVE A CHAIR PRO TEM FOR THE PDA SEPTEMBER 17, 2025 MEETING.** The Board may wish to move to approve Scott Turner as Chair Pro Tem for today's meeting of September 17, 2025.
- 3. ACTION ITEM: MEETING MINUTES.** The Board may wish to waive the oral reading of the Board of Commissioners' meeting minutes held August 25 and to approve the minutes as presented.
- 4. ACTION ITEM: MONTHLY FINANCIAL REPORT, EXPENSES AND REIMBURSEMENTS.** The Board may wish to approve the monthly financial report, expenses and reimbursements as presented.
- 5. ACTION ITEM: SOUTH 5TH FEASIBILITY STUDY AND URA PLAN.** The Board may wish to adopt and execute by Resolution 2025-6 the South 5th Urban Renewal Area (URA) Feasibility Study and Plan.
- 6. ACTION ITEM: TREASURER CONSULTANT CONTRACT FOR FISCAL YEAR 2026.** This time has been set aside for the Board to discuss, approve and execute the PDA Treasurer Consultant Contract for Fiscal Year 2026.
- 7. ACTION ITEM: PROFESSIONAL SERVICES AGREEMENT FOR THE FINANCIAL ANNUAL AUDIT OF FISCAL YEAR 2025.** The Board may wish to review and approve the Professional Services Agreement by Deaton and Company for the financial annual audit of Fiscal Year 2025.
- 8. ACTION ITEM: RFP UPDATE FOR MONARCH BUILDING.** The Board may wish to discuss and recommend next steps of the Monarch Building RFP.
- 9. CALENDAR REVIEW.** The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention.
- 10. ADJOURN MEETING.**

Action Item 3

MEETING MINUTES
CITY OF POCATELLO
POCATELLO DEVELOPMENT AUTHORITY

AUGUST 20, 2025 – 11:00 AM
COUNCIL CHAMBERS | 911 NORTH 7TH AVENUE, POCATELLO

1. CALL MEETING TO ORDER AND DISCLOSE CONFLICTS OF INTEREST.

Villarreal called the meeting to order at 11:00 AM. None of the members disclosed any conflicts.

Members present: Mayor Brian Blad (arrived at 11:06 AM, left at 11:30 AM), Jeff Hough, Kirk Lepchenske, Fred Parrish, Nathan Richardson, Scott Turner, David Villarreal and Ruby Walsh (arrived at 11:06 AM). **Members unexcused:** Linda Leeuwrik. **Others present:** Executive Director Brent McLane, Treasurer Thane Sparks, Secretary Aceline McCulla, LD Barthlome of Portneuf Capital LLC and other visitors. **Via Go-to-Meeting:** PDA Counselor Meghan Conrad, Elena Caminer and Geoff Dickinson of SB Friedman, and Coby Holley of Pocatello Quinn LLC-IRG.

2. MEETING MINUTES. The Board may wish to waive the oral reading of the Board of Commissioners' meeting minutes held July 16 and the special meeting minutes held July 25, 2025, and to approve the minutes as presented.

It was moved by **J. Hough** and seconded by **K. Lepchenske** to approve the July 16 PDA meeting minutes and the July 25 special meeting minutes as presented. Those in favor: J. Hough, K. Lepchenske, F. Parrish, N. Richardson and S. Turner and D. Villarreal. Those against: none. Unanimous. Motion carried.

3. MONTHLY FINANCIAL REPORT, EXPENSES AND REIMBURSEMENTS.

The Board may wish to approve the monthly financial report, expenses and reimbursements as presented.

It was moved by **S. Turner** and seconded by **N. Richardson** to approve the financial report, expenses and reimbursements as presented. Those in favor: B. Blad, J. Hough, K. Lepchenske, F. Parrish, N. Richardson and S. Turner, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

4. ADOPT AND EXECUTE BY RESOLUTION 2025-5 THE HISTORIC DOWNTOWN POCATELLO (HDP) URBAN RENEWAL AREA (URA) ELIGIBILITY STUDY. The Board may wish to adopt and execute by Resolution No. 2025-5 the HDP URA Eligibility Study and relevant documents.

McLane stated the eligibility report was completed in 2023-2024, but the standards have not changed, the numbers may have changed a bit and will be addressed in the feasibility study and plan document.

It was moved by **J. Hough** and seconded by **B. Blad** to approve and execute by Resolution 2025-5 the Historic Downtown Pocatello Urban Renewal Area Eligibility Study and relevant documents as presented. Those in favor: B. Blad, J. Hough, K. Lepchenske, F. Parrish, N. Richardson and S. Turner, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

5. PORTNEUF CAPITAL LLC OPA2 REIMBURSEMENT REQUEST NO. 2/FINAL. The Board may wish to approve the Portneuf Capital LLC OPA2 reimbursement request no. 2/final payment in the amount of \$233,829.98 for electrical and concrete cleanup in the North Portneuf Urban Renewal Area.

McLane noted all the invoiced work meets URA Plan criteria requirements, were verified and include supporting documentation. Merril Quayle performed a site inspection and confirmed the work was completed.

It was moved by **B. Blad** and seconded by **K. Lepchenske** to approve Portneuf Capital LLC OPA2 reimbursement request no. 2 in the amount of \$233,829.98 as presented. Those in favor: B. Blad, J. Hough, K. Lepchenske, F. Parrish, N. Richardson, S. Turner, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

6. AUTHORIZATION TO CREATE AN OWNER PARTICIPATION AGREEMENT THREE (OPA 3) AND RELEVANT DOCUMENTS WITH POCATELLO QUINN LLC-IRG IN THE NAVAL ORDINANCE PLANT (NOP) URBAN RENEWAL AREA (URA). This time has been set aside for the Board to authorize PDA Legal counsel to prepare an OPA 3 and relevant documents with Pocatello Quinn LLC-IRG for Building 10 improvements in the amount of \$368,838.00 in the NOP URA.

McLane stated this request, by Pocatello Quinn LLC, will be for a similar process at the OPA2 that was completed. This project will require the Pocatello City Council to approve and adopt by resolution a Deed Façade Easement. The Board needs to provide direction for PDA Counsel to create an OPA3 within the NOP for this project request.

Discussion ensued with Holley and the Board on no prevailing wage criteria.

Jon Serio of IRG noted that Scope no. 1, will not be performed using prevailing wages, they will use local contractors, the same contractor that performed previous projects at the NOP.

It was moved by **B. Blad** and seconded by **K. Lepchenske** to authorize PDA Legal counsel to prepare and negotiate the OPA3 and relevant documents with Pocatello Quinn LLC-IRG for Building 10 improvements for \$368,838.00 in the NOP URA as presented.

The Board ensued in discussion.

Conrad noted that Pocatello Quinn LLC-IRG have submitted a request for reimbursement not exceed \$368,838.00. As we are putting together an OPA, we will verify that the costs they are requesting are eligible and ultimately that dollar figure may be a little less, but granting authority and authorizing Conrad to negotiate the terms of the OPA3, which this motion does

The Board agreed to a friendly amendment of the motion to change “**for**” to “**up to**” \$368,838.00.

It was moved by **B. Blad** and seconded by **K. Lepchenske** to authorize PDA legal counsel to prepare and negotiate an OPA3, in the NOP URA, and relevant documents with Pocatello Quinn LLC-IRG for Building 10 improvements up to \$368,838.00. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, F. Parrish, N. Richardson and S. Turner, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

7. CALENDAR REVIEW.

The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention.

8. ADJOURN MEETING.

With no further business, **Villarreal** adjourned the meeting at 11:30 AM.

Submitted by:

Aceline McCulla, Secretary

Approved on:

Action Item 4

Pocatello Development Authority
Monthly Finance Report
September 17, 2025
Fiscal Year 2025

Expenditure Approvals:

Checks to be ratified:

Vendor	Check #	Amount
--------	---------	--------

Checks to be approved:

Vendor	Check #	Amount
ICCU VISA	dbt25-9	296.42
Thane Sparks	2087	1,500.00
Elam & Burke	2088	2,389.02
ICRMP	2089	1,415.00

Mckenzie Pizza- \$166.46, Microsoft - \$99.99, Costco - \$29.97
 August Invoice
 Invoice #217334, 217374, 217375
 Invoice #: 18045-2026-1

Board Approval

Cash Balances as of September 17, 2025

	General Fund		Naval Ordinance		North Portneuf		Airport		Northgate		Total	
Cash*	1,077,302.01		210,107.03		1,480,008.88		114,985.89		410,561.95		3,292,965.76	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Income												
Administrative fees	-	121,600.00	-	-	-	-	-	-	-	-	-	121,600.00
Property taxes	17,000	-	142,000	171,193.56	98,000	131,306.36	82,000	76,672.96	415,000	836,503.08	754,000	1,215,675.96
Interest income	100,000	120,447.99	-	-	-	-	-	-	-	-	100,000	120,447.99
Other (mou closure)	-	-	-	13,000.00	-	-	-	-	-	-	-	13,000.00
Total Income	117,000	242,047.99	142,000	184,193.56	98,000	131,306.36	82,000	76,672.96	415,000	836,503.08	854,000	1,470,723.95
Expense												
Administrative expense	-	-	-	17,100.00	-	13,100.00	-	7,700.00	-	83,700.00	-	121,600.00
Luncheon costs	2,500	2,169.06	-	-	-	-	-	-	-	-	2,500	2,169.06
Office expenses	500	226.02	-	-	-	-	-	-	-	-	500	226.02
Dues and memberships	-	-	-	-	-	-	-	-	-	-	-	0.00
Insurance	11,900	7,364.50	-	-	-	-	-	-	-	-	11,900	7,364.50
City admin charges	20,000	15,000.60	-	-	-	-	-	-	-	-	20,000	15,000.60
Professional services	85,000	45,420.02	-	4,280.00	75,000	-	-	-	-	-	160,000	49,700.02
New district/feasibility study	125,000	163,235.00	-	-	-	-	-	-	-	-	125,000	163,235.00
Reimbursement - district imp.	-	-	-	-	-	-	-	-	685,000	683,476.76	685,000	683,476.76
Planned development projects	-	-	-	-	450,000	408,469.98	-	-	-	-	450,000	408,469.98
Non-capital Infrastructure	979,100	-	172,000	-	843,000	-	84,100	-	-	-	2,078,200	0.00
Total Expense	1,224,000	233,415.20	172,000	21,380.00	1,368,000	421,569.98	84,100	7,700.00	685,000	767,176.76	3,533,100	1,451,241.94

PDA Luncheon for September 17, 2025

McKenzie River Pizza

4150 Pole Line Road, Pocatello, ID 83202

208-904-0700

Contact: Tracy

email order to: pocatello@mackpie.com

City of Pocatello Tax Exempt ID: 82-6000244

1) Order questions? Please call Aceline McCulla's mobile 406.202.6444.

2) Aceline will come in to pay and pick up plates, sprinkle cheese, peppers, napkins, & utensils for 15 people on September 10 between 1 and 1:30 p.m.

3) Jim Anglesey will pick up order at 11:10 a.m. on September 17, 2025.

Items	Qty	Each Cost	Totals
Hummus Plate, ROASTED RED PEPPER HUMMUS, ROASTED GARLIC HUMMUS, WITH PEPPERONCINIS, KALAMATA OLIVES, CUCUMBER SLICES, CARROT STICKS, FETA & WARM PITA TRIANGLES	2	\$ 10.89	\$ 21.78
McKenzie River, Large, Thin: OLIVE OIL & GARLIC, SPINACH, ZUCCHINI, MUSHROOMS, TOMATOES, MOZ CHEESE, DUSTED W/FETA	1	\$ 24.89	\$ 24.89
Flathead, Large, Original: ALFREDO SAUCE, CHICK, BACON, SPINACH, TOMS, MUSHROOMS, MOZ CHEESE	2	\$ 26.89	\$ 53.78
Good Ol' Boy, Large, Thin: TOM SAUCE, EXTRA PEPPERONI, MOZ CHEESE	1	\$ 22.39	\$ 22.39
Stockman, Large, Original: TOM SAUCE, STEAK, PEPPERONI, BACON, ITAL SAUS, MOZ & CHED CHEESE	1	\$ 28.49	\$ 28.49
TOTAL CHECK AMOUNT			\$ 151.33
Gratuuity 10% of food, staff must pickup, no delivery service			\$ 15.13
PAID with PDA Credit Card on 9.10.25			\$ 166.46

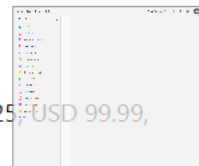
Party cut all pizzas please.

From: Microsoft <microsoft-noreply@microsoft.com>
Sent: Friday, August 15, 2025 4:58 AM
To: pdatreasurer@outlook.com
Subject: Automatic renewal of your Microsoft 365 Personal subscription is scheduled



The automatic renewal of your subscription Microsoft 365 Personal is scheduled for September 14, 2025

Your subscription is set to automatically renew. On September 14, 2025, USD 99.99, plus applicable taxes, will be charged to Visa **0272.



To manage your subscription, change how you pay, or cancel, visit your [Microsoft account dashboard](#).

Sign in to your Microsoft account to manage your subscriptions, including changing the payment method or requesting cancellation to avoid future charges.

[Manage your subscription >](#)

Did you find this email helpful? [Yes](#) [No](#)

Dates are displayed per Coordinated Universal Time. Order date may vary based on your location.

[Privacy Statement](#)

Microsoft Corporation, One Microsoft Way, Redmond, WA 98052



The Finance report includes the dessert purchased from Costco that was be picked up prior to the meeting date for \$21.99. The dessert receipt will be attached to the October Financial report, but will be included in the September Financial report totals and Visa Card statement.



Pocatello #1033

305 West Quinn Rd.
Pocatello, ID 83202

V3 Member 111787715509

RESALE ON

E	782796 ***KSWTR40PK	3.99
E	782796 ***KSWTR40PK	3.99

RESALE TOTAL	7.98
NON RESALE TOTAL	0.00

SUBTOTAL	7.98
TAX	0.00
**** TOTAL	7.98

XXXXXXXXXXXX0272 CHIP Read

AID: A0000000031010

Seq# 7206 App#: 249780

Visa Resp: APPROVED

Tran ID#: 525300007206....

APPROVED - Purchase

AMOUNT: \$7.98

09/10/2025 14:19 1033 7 174 820

Visa	7.98
CHANGE	0.00

TOTAL NUMBER OF ITEMS SOLD = 2

~~09/10/2025~~ 14:19 1033 7 174 820



21103300701742509101419

OP#: 820 Name: Alan J.

Thank You!

Please Come Again

Whse:1033 Trm:7 Trn:174 OP:820

Items Sold: 2

V3 09/10/2025 14:19

INVOICE

Thane Sparks

3506 E 126 N
Rigby, Idaho 83442
(208) 206-8457

DATE: September 17, 2025
INVOICE # 25-9
FOR: Professional Services

BILL TO:

Pocatello Development Authority
911 N 7th Avenue
Pocatello, Idaho 83201

DESCRIPTION			AMOUNT
Professional Services - September			\$ 1,500.00
SUBTOTAL			\$ 1,500.00
TAX RATE			
SALES TAX			\$ -
OTHER			
TOTAL			\$ 1,500.00

Make all checks payable to .

Total due in 15 days. Overdue accounts subject to a service charge of 1% per month.

THANK YOU FOR YOUR BUSINESS!

251 E. Front Street, Suite 300
Boise, Idaho 83702
Tax ID No. 82-0451327
Telephone 208-343-5454
Fax 208-384-5844



August 31, 2025

Pocatello Development Authority
Attn: Brent McLane
City of Pocatello
P.O. Box 4169
Pocatello, ID 83205

Invoice No. 217334
Client No. 9212
Matter No. 3
Billing Attorney: MSC

INVOICE SUMMARY

For Professional Services Rendered from August 3, 2025 through August 31, 2025.

RE: Special Counsel General

Total Professional Services	\$ 975.00
Total Costs Advanced	<u>\$ 14.02</u>
TOTAL THIS INVOICE	\$ 989.02

251 E. Front Street, Suite 300
Boise, Idaho 83702
Tax ID No. 82-0451327
Telephone 208-343-5454
Fax 208-384-5844



August 31, 2025

Pocatello Development Authority
Attn: Brent McLane
City of Pocatello
P.O. Box 4169
Pocatello, ID 83205

Invoice No. 217374
Client No. 9212
Matter No. 7
Billing Attorney: MSC

INVOICE SUMMARY

For Professional Services Rendered from August 14, 2025 through August 31, 2025.

RE: S. 5th Corridor Plan

Total Professional Services	\$ 850.00
Total Costs Advanced	<u> \$.00 </u>
TOTAL THIS INVOICE	\$ 850.00

Member Billing Contact:

Brent McLane
Pocatello Development Authority
911 N 7th Ave
Pocatello, ID 83205

Invoice Date: 9/3/2025
Invoice Number: 18045 - 2026 - 1
Policy Period: 10-1-25 to 9-30-26
Policy Number: 45A18045100125

Insurance Billing

DESCRIPTION
10/1/2025 - 9/30/2026 Policy Year Annual Premium: \$2,830.00
Minimum Due 10/15/2025: \$1,415.00 Balance Due 4/15/2026: \$1,415.00
For proper application, please do not combine other payments with your premium remittance.

Please Detach and Submit with Payment

Pocatello Development Authority
911 N 7th Ave
Pocatello, ID 83205

Make Checks Payable to:

ICRMP
PO Box 15116
Boise, ID 83715

Invoice Date:	9/3/2025
Invoice Number:	18045 - 2026 - 1
Due Date:	10/17/2025
Minimum Due:	\$1,415.00
Amount Paid:	

Write Amount Paid Here

SUMMARY OF ICRMP PUBLIC ENTITY POLICY CHANGES

October 1, 2025 through September 30, 2026

Key

CLARIFY – Definitions or terms in the policy are altered or changed to clarify intent or define terms.

BROADEN – Change adds or expands coverage or adds or increases limits of insurance.

REDUCTION – Change removes or lowers coverage or removes or lowers limits of insurance.

This Summary of Policy Changes outlines significant changes to coverage and/or limits of insurance. Grammatical and other formatting updates are not reflected in this summary. Refer to the Redline Policy to see every modification. Page numbers below are from the redline policy, not the final policy document.

A. DECLARATIONS PAGES

Item 1: *Section V limit of insurance* – REDUCTION

Sublimit of \$200,000,000 per covered occurrence, now shared between all ICRMP members collectively. (Page D-2)

Item 2: *Earthquake Limit of Insurance* – BROADEN

Increased sublimit for earthquake to \$100,000,000 per covered occurrence, shared between all ICRMP members collectively. (Page D-2)

Item 3: *Flood Type 1 Limit of Insurance* – BROADEN

Increased sublimit for flood type 1 to \$25,000,000 per covered occurrence, shared between all ICRMP members collectively. (Page D-2)

Item 4: *Flood Type 2 Limit of Insurance* – BROADEN

Increased sublimit for flood type 2 to \$100,000,000 per covered occurrence, shared between all ICRMP members collectively. (Page D-2)

Item 5: *Ordinance or Law Limit of Insurance* – REDUCTION

Decreased sublimit for ordinance or law to be \$1,000,000 or 25% of stated value, whichever is less. (Page D-2)

Item 6: *Property in Transit Coverage Basis* – REDUCTION

Property in Transit sublimit is per covered occurrence AND/OR in the aggregate. (Page D-2)

Item 7: *Service Animal Deductible* – CLARIFY

Deductible for service animal loss stated. (Page D-2)

Item 8: *Equipment Breakdown Insurance Endorsement Aggregate Limit*– REDUCTION

Aggregate limit to \$100,000,000 per occurrence shared between all ICRMP members collectively, instead of only public entity members. (Page D-6)

Item 9: *Security & Privacy Liability Endorsement* – CLARIFY

Aggregate limits are shared among all members collectively, not only public entity members. (Page D-6)

Item 10: *Terrorism First Party Property Endorsement* – CLARIFY

Endorsement language modified to match new reinsurance partner. (Page D-6)

B. SECTION II, GENERAL DEFINITIONS

Item 1: A. (31.) *Small Unmanned Aircraft* – CLARIFY

Amended definition from “UAS” to Small Unmanned Aircraft and matched definition components to FAA’s definition. (Page 5)

C. SECTION III, GENERAL CONDITIONS

Item 1: A. 4. a. (2). (b). (ii). 1. *Cancellation and Nonrenewal* – CLARIFY

Updated language to match Idaho Department of Insurance guidelines and Idaho Code related to commercial insurance. (Page 8)

D. SECTION V, PROPERTY INSURANCE

Item 1: *Property Insurance Provided*– CLARIFY

Removed sublimits within policy form itself and reference declarations page as the location to state limits of insurance and related sublimits. (Various pages within the section)

Item 2: *Unmanned Aircraft A. 9.* – CLARIFY

Clarify intent of maximum allowable weight to takeoff weight, including everything on board or otherwise attached to aircraft. This further clarifies attached payload is considered part of overall weight of aircraft for coverage purposes. (Page 27)

Item 3: *Schedule of Values C. 7. a.* - CLARIFY

Updated to include “property in the open” as being required to be listed on schedule of values for coverage to apply. (Page 32)

Item 4: *Valuation of Loss C. 8. b. 5* – BROADEN

Clarified our practice of including all reasonable recovery, towing and storage costs to valuation of loss. (Page 33)

Item 5: *Vehicles and Mobile Equipment that are Leased or Rented* – BROADEN

Now includes 3rd party loss of use claims for up to 90 days, meaning rental car company or lessor’s claim for loss of use of damaged vehicle. (Page 36)

Item 6: *Exclusions D. 4. I. Underground Pipes* – REDUCTION

Included pipe casings as part of underground pipes exclusion. (Page 38)

E. SECTION VIII – GENERAL LIABILITY INSURANCE

Item 1: *Exclusions C. 1. i.* – Utilities – REDUCTION

Amended exclusion to match exclusion from ICRMP’s liability reinsurance partner. (Page 49)

F. SECTION X – ERRORS AND OMISSIONS INSURANCE

Item 1: Exclusions D. 1. c. – Utilities – REDUCTION

Amended exclusion to match exclusion from ICRMP's liability reinsurance partner. (Page 54)

G. SECTION XII – EMPLOYMENT PRACTICES LIABILITY INSURANCE

Item 1: Conditions C. 2. – Deductible – REDUCTION

Amended condition to include failure to appoint or re-appoint. Also removed duplicative language. (Page 57)

H. SECTION XV, ENDORSEMENTS

Item 1: #2 Security & Privacy Liability Endorsement. – CLARIFY

Updated language to match new reinsurance partner. This is a complete change of language. (Pages 65-93)

Item 2: #6 Equipment Breakdown Insurance Endorsement. – CLARIFY

Updated language to match new reinsurance partner. This is a complete change of language. (Pages 96-111)

Item 3: #9 Terrorism For First Party Property Endorsement. – CLARIFY

Updated language to match new reinsurance partner. This is a complete change of language. (Pages 114-118)

Member Billing Contact:

Brent McLane
Pocatello Development Authority
911 N 7th Ave
Pocatello, ID 83205

Invoice Date: 9/3/2025
Invoice Number: 18045 - 2026 - 1
Policy Period: 10-1-25 to 9-30-26
Policy Number: 45A18045100125

Insurance Billing

DESCRIPTION
10/1/2025 - 9/30/2026 Policy Year Annual Premium: \$2,830.00
Minimum Due 10/15/2025: \$1,415.00 Balance Due 4/15/2026: \$1,415.00
For proper application, please do not combine other payments with your premium remittance.

Please Detach and Submit with Payment

Pocatello Development Authority
911 N 7th Ave
Pocatello, ID 83205

Make Checks Payable to:

ICRMP
PO Box 15116
Boise, ID 83715

Invoice Date:	9/3/2025
Invoice Number:	18045 - 2026 - 1
Due Date:	10/17/2025
Minimum Due:	\$1,415.00
Amount Paid:	

Write Amount Paid Here

REMITTANCE REPORT
From County Auditor of Bannock County

To: **POCATELLO URBAN**

Remittance No. 030
Date: August 25, 2025

SOURCE AND FUND	PREPAID 2025	CURRENT 2024	2023	2022	2021	2020	2019	2018	INTEREST	MISC	TOTAL COLLECTION
NORTH YELLOWSTONE (1-0013)											0.00
NAVAL ORDINANCE (1-0014)											0.00
NORTH PORTNEUF 801 (1-0016)		872.77							70.75		943.52
NORTHGATE (1-0017)		6,052.08							546.52		6,598.60
NORTHGATE (1-0018)											0.00
NORTHGATE (83-0000)											0.00
NORTHGATE (84-0000)											0.00
NORTH PORTNEUF 802 (82-0000)		188.08							15.75		203.83
PRSN PROPERTY RPLCMNT											0.00
CIRCUIT BREAKER											0.00
HOMEOWNER TAX RELIEF											0.00
ADDITIONAL TAX RELIEF											0.00
COLUMN TOTALS	0.00	7,112.93	0.00	0.00	0.00	0.00	0.00	0.00	633.02	0.00	7,745.95

Amount of Remittance 7,745.95

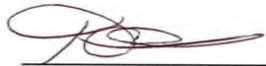
STATE OF IDAHO, }
 }ss.
COUNTY OF BANNOCK }

I, JASON C. DIXON, County Clerk in and for the County aforesaid, being duly sworn on oath, make the following statement:

That the foregoing is a full, true, and correct report, in accordance with Section 3326, Compiled Statutes of Idaho, as amended by

Chapter 169, laws of 1925, by source and fund, of all monies paid into the treasury of said county and apportioned to the
since the 31ST DAY OF JULY the date of my last report. Subscribed and sworn to in duplicate before me on the

POCATELLO URBAN and included district
25TH DAY OF AUGUST



Notary Public of Bannock County.

County Clerk: JASON C. DIXON

N B. The Clerk will countersign the attached order and transmit same to the treasurer of the municipality or district
accompanied by a duplicate of this report.

By 
Deputy Auditor



Pocatello Development Authority
Administrative Transfer
Fiscal Year 2025

*Policy - 10% of Tax Increment transferred to General Fund
for Administrative General Expenditures
(rounded to nearest \$100)*

District	2025 Tax Increment	2025 10% Admin Transfer
Naval Ordinance	171,193.56	17,100.00
North Portneuf	131,306.36	13,100.00
Airport	76,672.96	7,700.00
Northgate	836,503.08	83,700.00
Total	\$ 1,215,675.96	\$ 121,600.00

Date: 9/17/2025

Action Item 5

The agenda materials will be added later.

Action Item 6

INDEPENDENT CONTRACTOR AGREEMENT
(Treasurer/Bookkeeper Services)
2026 Fiscal Year

This AGREEMENT (“Agreement”) is made by and between the Urban Renewal Agency of the City of Pocatello, Idaho, d/b/a Pocatello Development Authority, an independent public body corporate and politic, organized and existing under the laws of the state of Idaho (“AGENCY”) and Thane Sparks (“CONTRACTOR”), who agree as follows:

1. **SCOPE OF SERVICES:** The CONTRACTOR shall undertake the services as described in the attached Scope of Services (Exhibit A) for the consideration stated below in Section 2.
2. **PRICE AND PAYMENT:** As consideration for performing the work described in the Scope of Services, AGENCY agrees to pay CONTRACTOR as follows:
 - (a) \$1,500 per month for services described in the Scope of Services related to the Treasurer/Bookkeeper services, which includes all travel costs.
 - (b) Reimbursable expenses for costs of mailing, copies, Agency letterhead, envelopes, and related expenses specifically for the benefit of the AGENCY shall be billed to AGENCY for the actual cost of any such expenses, without mark-up. Other reimbursable expenses that exceed \$25.00 shall be requested in writing prior to incurring those expenses and approved by the Chair or Vice-Chair of the AGENCY. Mileage will not be reimbursed.

Additionally, AGENCY and CONTRACTOR, may agree to additional scopes of services beyond those described in the attached Scope of Services, to be set forth on the form Task Order form attached here to as Exhibit B. AGENCY agrees to pay CONTRACTOR \$75.00 per hour, excluding travel time, for any such agreed upon additional defined services. Reimbursable expenses shall be the same as set forth in subsection 2(b).

3. **INVOICE:** CONTRACTOR shall maintain expense records and provide them to AGENCY each month in a format acceptable to AGENCY. Each invoice shall include an explanation of services provided, and shall specify current billing and previous payments for the fiscal year, with a total of costs incurred and payments made to date during the fiscal year. There shall be separate invoices for billing services described in the Scope of Services and for billing those agreed upon additional defined services the AGENCY and CONTRACTOR may enter into from time to time as set forth in a Task Order. Except as stated in the following sentence, CONTRACTOR’s invoices shall be paid within thirty (30) days, following approval by the AGENCY board. If the services subject to the invoice do not meet the requirements of this Agreement as AGENCY may determine, AGENCY shall notify CONTRACTOR in writing and specify all deficiencies in the work that do not meet the requirements. CONTRACTOR shall have seven (7) working days to correct or modify the work to comply with the requirements of the Agreement as set forth in AGENCY’s written notice. If AGENCY again determines the work

fails to meet the requirements, AGENCY may withhold payment until deficiencies have been corrected to AGENCY's satisfaction or may terminate this Agreement for cause as set forth in Section 18 of this Agreement.

4. **RIGHT OF CONTROL:** AGENCY agrees that it will have no right to control or direct the details, manner, or means by which CONTRACTOR accomplishes the results of the services performed hereunder. CONTRACTOR has no obligation to work any particular hours or days or any particular number of hours or days. CONTRACTOR agrees, however, that his other contracts and services shall not interfere with the performance of his services under this Agreement. AGENCY agrees to coordinate project schedules, respective commencements and deadlines with CONTRACTOR.

5. **INDEPENDENT CONTRACTOR RELATIONSHIP:** CONTRACTOR is an independent contractor and is not an employee, servant, agent, partner, or joint venture of AGENCY. AGENCY shall determine the work to be done by CONTRACTOR, but CONTRACTOR shall determine the legal means by which it accomplishes the work specified by AGENCY. This Agreement shall not be construed to create any employer-employee relationship between AGENCY and CONTRACTOR.

6. **RECORDS ACCESS AND AUDITS:** CONTRACTOR shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be maintained according to generally accepted accounting principles, shall be clearly identified, and shall be readily accessible. Such records shall be available for review by AGENCY representatives for three (3) years after final payment. Copies shall be made available upon request.

7. **FEDERAL, STATE, AND LOCAL PAYROLL TAXES:** Neither federal, state, or local income taxes, nor payroll taxes of any kind shall be withheld and paid by AGENCY on behalf of CONTRACTOR or the employees of CONTRACTOR. CONTRACTOR shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes. CONTRACTOR is responsible to pay, according to law, CONTRACTOR's income tax. CONTRACTOR may be liable for self-employment (Social Security) tax to be paid by CONTRACTOR according to law.

8. **COMPLIANCE WITH LAW:** CONTRACTOR agrees to comply with all applicable laws, ordinances, and codes of Federal, State, and local governments in the performance of the services hereunder.

9. **EQUIPMENT, TOOLS, MATERIALS OR SUPPLIES:** CONTRACTOR shall supply, at CONTRACTOR's sole expense, all equipment, tools, materials and/or supplies to accomplish the services to be provided herein, except AGENCY will issue CONSULTANT a laptop computer to use, including any necessary software and external hard drives, to be used solely for AGENCY purposes.

10. **PROPRIETARY RIGHTS:** All data, materials, reports, maps, graphics, tables, memoranda and other documents or products developed under this Agreement whether finished

or not shall become the property of AGENCY, shall be forwarded to AGENCY at its request and may be used by AGENCY as it sees fit. AGENCY agrees that if it uses products prepared by CONTRACTOR for purposes other than those intended in this Agreement, it does so at its sole risk and it agrees to hold CONTRACTOR harmless, therefore.

11. **CONFIDENTIALITY:** CONTRACTOR agrees to maintain confidentiality of all work product produced under this Agreement, including both interim and draft, materials, reports, maps, graphics, tables, memoranda, and other documents, unless and until AGENCY signifies its written approval that such work product may be published as final work product. AGENCY reserves the right to distribute the final work product as it sees fit, provided that CONTRACTOR may use final reports as approved and adopted by the AGENCY Board of Commissioners in the marketing of CONTRACTOR'S services.

12. **TERM OF AGREEMENT:** This Agreement shall be effective October 1, 2025, and shall continue through September 30, 2026, unless earlier terminated as described in Section 18 of this Agreement. AGENCY and CONTRACTOR acknowledge that this Agreement may be extended upon mutual agreement of the CONTRACTOR and AGENCY.

13. **ENTIRE AGREEMENT:** This Agreement, along with any and all Exhibits attached hereto and incorporated herein by reference, contains the entire Agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

14. **GENERAL ADMINISTRATION AND MANAGEMENT:** The AGENCY Chair, or his/her designee, shall be AGENCY's representative, and shall oversee and approve all services to be performed, coordinate all communications, review and approve all invoices, and carry out any and all tasks as may be required under this Agreement.

15. **CHANGES:** AGENCY reserves the right to makes changes from time to time in the Scope of Services to be performed hereunder. Such changes, including any increase or decrease in CONTRACTOR's compensation, which are mutually agreed upon by and between AGENCY and CONTRACTOR, shall be incorporated in written amendments to this Agreement and/or set forth in a Task Order.

16. **AMENDMENTS:** This Agreement may be amended only in writing, upon mutual agreement of both AGENCY and CONTRACTOR.

17. **ASSIGNMENT:** It is expressly agreed and understood by the parties hereto, that CONTRACTOR shall not have the right to assign, transfer, hypothecate or sell any of its rights under this Agreement except upon the prior express written consent of AGENCY.

18. **TERMINATION OF AGREEMENT:**

- (a) **FOR CAUSE:** If, through any cause, the CONTRACTOR shall fail to fulfill its obligations in compliance with the Scope of Services under this Agreement, or if the CONTRACTOR shall violate any of the covenants, agreements, or

stipulations of this Agreement, AGENCY shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR and specifying the effective date thereof at least fifteen (15) days before the effective date of such termination. If this Agreement is terminated for cause, CONTRACTOR shall be paid an amount for the actual services performed in accordance with this Agreement through the cancellation date.

- (b) **TERMINATION FOR CONVENIENCE:** AGENCY or CONTRACTOR may terminate this Agreement at any time, for any reason, by giving at least fifteen (15) days' notice in writing to the non-terminating party. If this Agreement is terminated as provided herein, CONTRACTOR shall be paid a prorated amount for the unpaid monthly payment amount through the termination date. CONTRACTOR shall also provide AGENCY all products or works of consulting generated to date of termination.

19. **NOTICES:** Any and all notices required to be given by either of the parties hereto, unless otherwise stated in this Agreement shall be in writing and be deemed communicated when mailed in the United States mail, certified, return receipt requested, addresses as follows:

To AGENCY:

Brent McLane, Executive Director
Pocatello Development Authority
911 North 7th Avenue
Pocatello, ID 83201

To CONTRACTOR:

Thane Sparks
3506 E. 126N
Rigby, ID 83422

20. **INDEMNIFICATION:** CONTRACTOR agrees to indemnify, defend, and hold harmless AGENCY and its officers, agents, and employees from and against all claims, losses, actions, or judgments for damages or injury to persons or property arising out of or in connection with CONTRACTOR's negligence or intentionally wrongful acts or omissions during the performance of this Agreement by CONTRACTOR or CONTRACTOR's agents, employees, or representatives. In case any action or proceeding is brought against AGENCY or its officers, agents, or employees by reason of or arising out of connection with CONTRACTOR's negligence or intentionally wrongful acts or omissions during the performance of this Agreement, CONTRACTOR, upon written notice from AGENCY, shall at CONTRACTOR's expense, resist or defend such action or proceeding.

21. **INSURANCE:** Prior to commencing to provide services under this Agreement, CONTRACTOR shall obtain at its sole cost and expense, and thereafter maintain for the term of this Agreement, at least the minimum insurance coverages set forth below:

- (a) CONTRACTOR shall maintain in full force and effect worker's compensation and Employer's Liability as required by applicable law or regulation and provide proof to AGENCY of such coverage or that such worker's compensation insurance is not required under the circumstances.
- (b) CONTRACTOR agrees to obtain and keep in force during the term of this Agreement an automobile liability insurance policy with minimum coverage of \$300,000 per claim and a minimum aggregate policy limit of \$300,000 unless alternative coverage and policy limit amounts are agreed to by the AGENCY Board.
- (c) As may be requested by the AGENCY Board, CONSULTANT agrees to obtain and keep in force during the term of this Agreement an E&O insurance policy for bookkeepers with minimum coverage of \$300,000 per claim and a minimum aggregate policy limit of \$300,000 unless alternative coverage and policy limit amounts are agreed to by the AGENCY Board.
- (d) CONTRACTOR shall provide to AGENCY proof of workers compensation and automobile liability coverage as set forth above before commencing its performance as herein provided and shall require insurer to notify AGENCY ten (10) days prior to cancellation of said policy or policies.

22. **NONWAIVER:** Failure of either party to exercise any of the rights under this Agreement, or breach thereof, shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

23. **APPLICABLE LAW:** Any dispute under this Agreement, or related to this Agreement, shall be decided in accordance with the laws of the state of Idaho.

24. **SEVERABILITY:** If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

25. **ATTORNEY FEES:** Should any litigation or arbitration be commenced between the parties hereto concerning this Agreement, the prevailing party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable attorneys' fees as determined by arbitrator or court of competent jurisdiction. This provision shall be deemed to be a separate contract between the parties and shall survive any default, termination, or forfeiture of this Agreement.

26. **DISPUTES:** In the event that a dispute arises between AGENCY and the CONTRACTOR regarding application or interpretation of any provision of this Agreement, the aggrieved party shall promptly notify the other party to this Agreement of the dispute within ten (10) days after such dispute arises. If the parties shall have failed to resolve the dispute within thirty (30) days after delivery of such notice, the parties may first endeavor to settle the dispute in an amicable manner by mediation. If the parties elect to mediate their dispute, the parties will select a mediator by mutual agreement and agree to each pay half of the mediator's costs and

fees. The mediation will take place in Pocatello, Idaho, unless otherwise agreed by the parties in writing. Should the parties be unable to resolve the dispute to their mutual satisfaction within thirty (30) days after such completion of mediation, each party shall have the right to pursue any rights or remedies it may have at law or in equity. If the parties do not mutually agree to mediate the dispute, either party may pursue any rights or remedies it may have at law.

27. **COORDINATION WITH OTHER CONTRACTORS:** CONTRACTOR recognizes that AGENCY has or may enter into agreements with other CONTRACTORS that provide other services. Upon request, CONTRACTOR agrees to coordinate with and work in conjunction with other consultants when the need arises.

28. **SUCCESSORS IN INTEREST:** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereby and their respective successors and assigns.

IN WITNESS WHEREOF, AGENCY and CONTRACTOR have executed this Agreement as of the effective date specified above.

AGENCY

CONTRACTOR

By: _____

By: _____

Printed Name:

Printed Name: Thane Sparks

Title:

Title: PDA Treasurer

Date: _____, 2025

Date: _____, 2025

EXHIBIT A

SCOPE OF SERVICES

CONTRACTOR shall provide the following services:

A. Treasurer/Bookkeeper Services

- Attend Agency board meetings
- Documenting transaction details for multiple revenue allocation areas
- Recording financial transactions for multiple revenue allocation areas, including review of parcel records and tax payments from the County as may be necessary
- Preparation and presentation of monthly financial reports for board meetings
- Reconciliation of bank statements
- Preparation of revenue projections
- Determining borrowing/cash flow capacity for eligible projects
- Fact-checking accounting data
- Cash flow management
- Submission of bills to Agency Board for approval
- Payment of bills following Board approval
- Preparation of annual budget, any related notices for publication, and submission to the City Clerk
- Retain and provide necessary information to the auditors, including preparation of financial statements
- Make payments on Agency contractual obligations
- Retain Agency records and documents as directed by the Agency's Executive Director
- Assist in the preparation and filing of the Agency's annual report and other annually required reporting information

EXHIBIT B
FORM
TASK ORDER NO. _____

1. Project Description.

2. Scope of Services. Under the terms of this Task Order, the Contractor shall perform the following:

3. Estimated Time of Performance.

4. Estimated Costs.

IN WITNESS WHEREOF, AGENCY and CONTRACTOR have executed this Agreement as of the effective date specified above.

AGENCY

CONTRACTOR

By: _____

By: _____

Printed Name: David Villarreal Jr.

Printed Name: Thane Sparks

Title: PDA Chair

Title: PDA Treasurer

Date:

Date:

4876-2571-7626, v. 1

Action Item 7

Pocatello Development Authority
911 N. 7th Ave.
Pocatello, Idaho 83201

We are pleased to confirm our understanding of the services we are to provide Pocatello Development Authority for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Pocatello Development Authority as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Pocatello Development Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Pocatello Development Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Budgetary Comparison Schedules.
3. Combining and individual fund financial statements.

We have also been engaged to report on supplementary information other than RSI that accompanies Pocatello Development Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented; in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error

and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Pocatello Development Authority and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain

the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Controls

We will obtain an understanding of the government and its environment, including the system of internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Pocatello Development Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Pocatello Development Authority in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statement

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements.

You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information. (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known).You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2)

additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's view on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Other Services

We will also assist in preparing the financial statements and related notes of Pocatello Development Authority in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be

conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Pocatello Development Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Deaton & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Deaton & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Doran Lambson, CFE, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Audit Fees

We estimate that our fees for the audit services and preparation of financial statements will not exceed \$8,250 plus out-of-pocket costs (such as report reproduction, word processing, postage, photocopies, etc.). Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Non-Attest Services and Fees

Estimates do not include additional nonattest services, if any. Additional nonattest services (such as reconciling trial balance accounts, preparing purposed adjusting entries, assisting in posting approved adjusted journal entries to the general ledger and any other nonattest

bookkeeping services to complete the audit) will be billed out at our standard hourly rates. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Reporting

We will issue a written report upon completion of our audit of Pocatello Development Authority's financial statements. Our report will be addressed to management of Pocatello Development Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Pocatello Development Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Pocatello Development Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.



Pocatello, Idaho
September 3, 2025

RESPONSE:

This letter correctly sets forth the understanding of Pocatello Development Authority

By: _____

Title: _____

Date: _____