

Pocatello Development Authority

**Board of Commissioners Meeting
December 21, 2011 – 1:00 p.m.
Paradise Conference Room**

City of Pocatello
911 North 7th Avenue
Pocatello, Idaho 83205

An urban renewal agency for the City of Pocatello, Idaho

1:00 p.m.

Call to order – Ryan Ward

Acknowledge guests of the Board

Disclosure of conflicts of interest

Agenda – add or delete action or discussion items

Action and Discussion Items:

Minutes of November 16, 2011 – Motion to approve and/or amend

Financial Report: November Income and Expenses

General Discussion: Deaton & Company – Audited Financial Statements

DEQ Grant for Airport Infrastructure & Scenario Planning

Poll the Voting Members of the PDA

RAI – Donation Request

Items from staff:

Items from commission members:

Executive Session:

Matters exist for discussion in an executive session as per I.C. 67-2345 (1) (e)

Motion: "I move that we enter into an executive session as per Idaho Code 67- 2345 (1) (e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."

Adjourn

MEETING MINUTES
OF
November 16, 2011

POCATELLO DEVELOPMENT AUTHORITY MINUTES

Meeting November 16, 2011

Members present: Karl Anderson, Brian Blad, Larry Fisher, Darsi Johnson, Eva Nye, Michael Orr, and Ryan Ward.

Staff present: Lonnie Crowell, Interim Executive Director; A. Dean Tranmer and Darcy Taylor, City Legal Dept.; Dave Swindell and Jerry Higgins, City Finance Dept.; Merril Quayle, Planning and Development Services Engineer

Chair **R. Ward** called the meeting to order at 2:05 p.m.

1. Preliminary matters:

A. Guests, Conflicts, and Agenda. No conflicts were noted and there were no changes to the agenda.

B. Minutes. The minutes of the regularly scheduled meeting of October 19, 2011 were reviewed. **It was MSC (K. Anderson, D. Johnson)** to approve said minutes.

C. Financial Report. J. Higgins presented the financial report for October. Total cash available as of October 31, 2011 was \$6,905,347.16. The PDA received cash in the amount of \$1,410.89 during October, which included \$45.96 in interest, and tax increment payments of \$1,364.93 to the Central Corridor District. Expenses for October totaled \$104.87 for administrative expenses (lunch) and a payment of \$171,610.00 to the City of Pocatello for expenses advanced by the City for the demolition of the Triangle Subdivision property, in the Central Corridor District. After a brief discussion **it was MSC (B. Blad, D. Johnson)** to approve the financial report for October, 2011.

2. North Portneuf District:

Hoku representatives Scott Paul, CEO, Joanne Hirase-Stacey, Legal Counsel, Steve Phillips, Project Management Director, and Austin Webb, Senior Accountant, presented an update of the status of Hoku's production plant in the North Portneuf District. Paul advised the Board that construction of the first stage of the plant is nearing completion. The remaining items to be addressed are the items on the construction punch list and items required by the fire inspector. Paul noted that evolving market conditions in the polysilicon industry required Hoku to revise its business plan in order to maintain a competitive position in the market place. Additionally, Hoku has worked with the City and Union Pacific Railroad Company to secure a secondary access to the plant in order to meet municipal code requirements. The secondary access will be an overpass at Batiste Road, which will provide access to the Hoku parcel from Highway 30 West. Hoku is requesting that the secondary access and road within the Hoku parcel be constructed as a private roadway, which will preclude the use of any public funds, and more particularly, preclude the use of TIF money for construction costs. Under the terms of the Economic Development Agreement entered into between Hoku and the PDA in May of 2009, the overpass and road were to be public, and TIF money from the North Portneuf District was to be used to pay the infrastructure costs of the overpass and road. Also, pursuant to said Development Agreement, payment of the overpass and road costs was to be made prior to any other distribution of the North Portneuf District TIF money. It was noted that the change in circumstances regarding the overpass and road across the Hoku parcel necessitates a revision of the Economic Development Agreement regarding payment of costs provided for under the urban renewal area plan. If the overpass and road are private, no TIF monies may be used for

reimbursement of road costs. Consequently, distribution of TIF monies under the development agreement will begin with Company Infrastructure Reimbursement and City Capital Cost Reimbursement. S. Paul requested that the Economic Development Agreement between Hoku and the PDA be amended to reflect the change in the fund distribution schedule.

S. Paul further advised the Board that the Public Road Agreement, to which Hoku, Great Western Malting, the City of Pocatello and the PDA are parties, will need to be amended to reflect the changes that will occur due to the overpass and road being private in nature. Paul committed to providing Great Western Malting a license to access and use the private overpass and road, and noted that Great Western expects the City to recommit to the City's duties at the Great Western end of the road to be known as Hoku Way. It was noted that the PDA's responsibilities under the Public Road Agreement would no longer apply if the overpass and road are private, rather than public. S. Paul offered all PDA Board members a tour of the Hoku facility upon request. After a brief discussion, **it was MSC (M. Orr, B. Blad)** to amend the Economic Development Agreement to reflect the change of the road status and the resulting change of payment schedule of TIF funds, which schedule shall no longer include a deduction from the Hoku infrastructure repayment for the cost of a public road. S. Paul advised the Board that the company is in the process of doing the non-mechanical commissioning of the plant, and that the power commissioning will begin next week, followed by the chemical commissioning.

3. Items from Staff:

L. Crowell directed the Board to a request from the Redevelopment Association of Idaho (RAI) for a copy of an annual report or summary of activities by the PDA for use in a report the RAI plans to distribute to the legislature to highlight the accomplishments of urban renewal districts around the state. After a brief discussion, it was the consensus of the Board to provide the requested information to the RAI, and L. Crowell was directed to do so. Additionally, Crowell agreed to provide Board members with a copy of the PDA annual report.

4. Executive Session:

R. Ward called for a motion for the Board go into executive session to discuss negotiations involving matters of trade or commerce in which the PDA is in competition with other governing bodies. **It was moved and seconded (D. Johnson, B. Blad)** to adjourn to executive session pursuant to Idaho Code §67-2345(1)(e). **The motion passed** by roll call vote (**Ayes: K. Anderson, B. Blad, L. Fisher, D. Johnson, E. Nye, Michael Orr, and R. Ward; Nays: None**). The Board adjourned to executive session at 3:04 p.m., and reconvened to regular session at 3:25 p.m.

5. Adjournment:

There being no further business, **it was MSC (K. Anderson, E. Nye)** to adjourn the meeting at 3:25 p.m.

POCATELLO DEVELOPMENT AUTHORITY MINUTES

Executive Session November 16, 2011

Members present: Karl Anderson, Brian Blad, Larry Fisher, Darsi Johnson, Eva Nye, Michael Orr, and Ryan Ward.

Staff present: Lonnie Crowell, Interim Executive Director; A. Dean Tranmer and Darcy Taylor, City Legal Dept.; Dave Swindell and Jerry Higgins, City Finance Dept.; Merrill Quayle, Planning and Development Services Engineer

The Board of Commissioners adjourned from regular session into executive session at 3:04 p.m. pursuant to I.C. §67-2345(1)(e) to discuss negotiations involving matters of trade or commerce in which the PDA is in competition with other governing bodies. L. Crowell updated the Board on recent developments regarding a business considering an area in the Naval Ordnance Plant Urban Renewal Area.

Thereafter, at 3:25 p.m. **it was MSC (D. Johnson, B. Blad)** that the executive session be closed and the regular meeting was reconvened.

FINANCIAL REPORT

Pocatello Development Authority
Balance Sheet
As of November 30, 2011

	<u>Nov 30, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking Wells Fargo	84,415.07
Restricted Cash Bond 16839700	1,613,300.06
Restricted Cash Bond 16839702	0.76
Restricted Cash Bond 16839703	681,900.00
Savings Wells Fargo	4,540,550.24
Total Checking/Savings	<u>6,920,166.13</u>
Accounts Receivable	
Accounts Receivable	1,846,867.85
Total Accounts Receivable	<u>1,846,867.85</u>
Other Current Assets	
Accrued Interest Income	45.96
Property Tax Receivable	146,549.37
Total Other Current Assets	<u>146,595.33</u>
Total Current Assets	<u>8,913,629.31</u>
TOTAL ASSETS	<u><u>8,913,629.31</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest Payable	64,643.86
Total Other Current Liabilities	<u>64,643.86</u>
Total Current Liabilities	64,643.86
Long Term Liabilities	
Deferred Notes Receivable Rev	1,846,867.85
Deferred Tax Revenues	133,050.65
Total Long Term Liabilities	<u>1,979,918.50</u>
Total Liabilities	2,044,562.36
Equity	
Fund Balance	7,024,551.96
Net Income	-155,485.01
Total Equity	<u>6,869,066.95</u>
TOTAL LIABILITIES & EQUITY	<u><u>8,913,629.31</u></u>

4:04 PM
 12/15/11
 Accrual Basis

Pocatello Development Authority
Balance Sheet by Class
 As of November 30, 2011

	1-General Fund	2-Central Corridor	3-North Yellowstone
ASSETS			
Current Assets			
Checking/Savings			
Checking Wells Fargo	288,921.47	-506,123.96	-21,924.77
Restricted Cash Bond 16839700	0.00	5.61	1,613,294.45
Restricted Cash Bond 16839702	0.00	0.00	0.76
Restricted Cash Bond 16839703	0.00	-5.61	681,905.61
Savings Wells Fargo	132,913.95	4,407,636.29	0.00
Total Checking/Savings	421,835.42	3,901,512.33	2,273,276.05
Accounts Receivable			
Accounts Receivable	50,000.00	1,796,867.85	0.00
Total Accounts Receivable	50,000.00	1,796,867.85	0.00
Other Current Assets			
Accrued Interest Income	0.87	26.22	18.87
Property Tax Receivable	0.00	112,989.05	26,797.20
Total Other Current Assets	0.87	113,015.27	26,816.07
Total Current Assets	471,836.29	5,811,395.45	2,300,092.12
TOTAL ASSETS	471,836.29	5,811,395.45	2,300,092.12
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Accrued Interest Payable	0.00	0.00	64,643.86
Total Other Current Liabilities	0.00	0.00	64,643.86
Total Current Liabilities	0.00	0.00	64,643.86
Long Term Liabilities			
Deferred Notes Receivable Rev	50,000.00	1,796,867.85	0.00
Deferred Tax Revenues	0.00	99,490.33	26,797.20
Total Long Term Liabilities	50,000.00	1,896,358.18	26,797.20
Total Liabilities	50,000.00	1,896,358.18	91,441.06
Equity			
Fund Balance	422,439.19	4,069,957.74	2,208,612.70
Net Income	-602.90	-154,920.47	38.36
Total Equity	421,836.29	3,915,037.27	2,208,651.06
TOTAL LIABILITIES & EQUITY	471,836.29	5,811,395.45	2,300,092.12

Pocatello Development Authority
Balance Sheet by Class
As of November 30, 2011

	4-Naval Ordinance	6-North Portneuf	TOTAL
ASSETS			
Current Assets			
Checking/Savings			
Checking Wells Fargo	226,891.29	96,651.04	84,415.07
Restricted Cash Bond 16839700	0.00	0.00	1,613,300.06
Restricted Cash Bond 16839702	0.00	0.00	0.76
Restricted Cash Bond 16839703	0.00	0.00	681,900.00
Savings Wells Fargo	0.00	0.00	4,540,550.24
Total Checking/Savings	226,891.29	96,651.04	6,920,166.13
Accounts Receivable			
Accounts Receivable	0.00	0.00	1,846,867.85
Total Accounts Receivable	0.00	0.00	1,846,867.85
Other Current Assets			
Accrued Interest Income	0.00	0.00	45.96
Property Tax Receivable	0.00	6,763.12	146,549.37
Total Other Current Assets	0.00	6,763.12	146,595.33
Total Current Assets	226,891.29	103,414.16	8,913,629.31
TOTAL ASSETS	226,891.29	103,414.16	8,913,629.31
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Accrued Interest Payable	0.00	0.00	64,643.86
Total Other Current Liabilities	0.00	0.00	64,643.86
Total Current Liabilities	0.00	0.00	64,643.86
Long Term Liabilities			
Deferred Notes Receivable Rev	0.00	0.00	1,846,867.85
Deferred Tax Revenues	0.00	6,763.12	133,050.65
Total Long Term Liabilities	0.00	6,763.12	1,979,918.50
Total Liabilities	0.00	6,763.12	2,044,562.36
Equity			
Fund Balance	226,891.29	96,651.04	7,024,551.96
Net Income	0.00	0.00	-155,485.01
Total Equity	226,891.29	96,651.04	6,869,066.95
TOTAL LIABILITIES & EQUITY	226,891.29	103,414.16	8,913,629.31

4:02 PM
12/15/11
Accrual Basis

Pocatello Development Authority
Profit & Loss
November 2011

	<u>Nov 11</u>
Income	
Interest Income	53.96
Property Taxes	<u>15,265.01</u>
Total Income	<u>15,318.97</u>
Gross Profit	15,318.97
Expense	
Dues and Memberships	500.00
Total Expense	<u>500.00</u>
Net Income	<u><u>14,818.97</u></u>

4:03 PM
12/15/11
Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
November 2011

	<u>1-General Fund</u>	<u>2-Central Corridor</u>	<u>3-North Yellowstone</u>
Income			
Interest Income	1.10	33.37	19.49
Property Taxes	0.00	15,265.01	0.00
Total Income	<u>1.10</u>	<u>15,298.38</u>	<u>19.49</u>
Gross Profit	1.10	15,298.38	19.49
Expense			
Dues and Memberships	500.00	0.00	0.00
Total Expense	<u>500.00</u>	<u>0.00</u>	<u>0.00</u>
Net Income	<u><u>-498.90</u></u>	<u><u>15,298.38</u></u>	<u><u>19.49</u></u>

4:03 PM
12/15/11
Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
November 2011

	<u>TOTAL</u>
Income	
Interest Income	53.96
Property Taxes	<u>15,265.01</u>
Total Income	<u>15,318.97</u>
Gross Profit	15,318.97
Expense	
Dues and Memberships	<u>500.00</u>
Total Expense	<u>500.00</u>
Net Income	<u><u>14,818.97</u></u>

2:48 PM

12/15/11

Pocatello Development Authority
Reconciliation Detail
Checking Wells Fargo, Period Ending 11/30/2011

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						69,661.13
Cleared Transactions						
Checks and Payments - 3 items						
General Journal	9/30/2011	16		X	-21,924.77	-21,924.77
General Journal	10/1/2011	16R		X	-21,924.77	-43,849.54
Check	10/19/2011	3132	Darcy Taylor	X	-11.07	-43,860.61
Total Checks and Payments					-43,860.61	-43,860.61
Deposits and Credits - 3 items						
General Journal	9/30/2011	16		X	21,924.77	21,924.77
General Journal	10/1/2011	16R		X	21,924.77	43,849.54
Deposit	11/25/2011		Deposit Property Ta...	X	15,265.01	59,114.55
Total Deposits and Credits					59,114.55	59,114.55
Total Cleared Transactions					15,253.94	15,253.94
Cleared Balance					15,253.94	84,915.07
Uncleared Transactions						
Checks and Payments - 1 item						
Check	11/28/2011	3135	Redevelopment As...		-500.00	-500.00
Total Checks and Payments					-500.00	-500.00
Total Uncleared Transactions					-500.00	-500.00
Register Balance as of 11/30/2011					14,753.94	84,415.07
New Transactions						
Checks and Payments - 1 item						
Check	12/15/2011	3136	Costco Wholesale ...		-122,014.96	-122,014.96
Total Checks and Payments					-122,014.96	-122,014.96
Total New Transactions					-122,014.96	-122,014.96
Ending Balance					-107,261.02	-37,599.89

3:24 PM

12/15/11

Pocatello Development Authority
Reconciliation Summary
Savings Wells Fargo, Period Ending 11/30/2011

	<u>Nov 30, 11</u>
Beginning Balance	4,540,515.77
Cleared Transactions	
Deposits and Credits - 1 item	<u>34.47</u>
Total Cleared Transactions	<u>34.47</u>
Cleared Balance	<u>4,540,550.24</u>
Register Balance as of 11/30/2011	4,540,550.24
Ending Balance	4,540,550.24

DEQ GRANT

Drinking Water and Wastewater Grants and Loans Letter of Interest Forms for FY 13

Does your community or nonprofit noncommunity drinking water system or nonprofit wastewater system need to do a planning study to solve public health issues? Or have you done a planning study but need a loan to meet system rehabilitation or replacement needs? Do you need to solve a nonpoint source pollution problem?

If so, consider submitting a Letter of Interest (LOI) for a planning grant or State Revolving Fund (SRF) loan with DEQ to get on the priority list for fiscal year 2013.

- Planning grants provide up to 50% of the cost of developing a facility plan or engineering report in preparation for project design and construction.
- SRF loans provide low-interest funding up to 100% of project costs to design and construct system improvements.

If interested, first call and discuss the issues facing your system with the local DEQ regional office staff (see staff contacts at right). Second, notify DEQ in writing by submitting an LOI form to DEQ *on or before January 6, 2012*. EVEN IF YOU ARE ON THE CURRENT (FY2012) SRF PRIORITY LIST, YOU MUST STILL SUBMIT THE LOI FORM FOR THE UPCOMING YEAR (FY2013).

Projects for potential recipients of funding are rated by DEQ engineers, who apply standardized criteria to every system that submits an LOI. All rated systems are then comparatively ranked with other systems around the state. Those systems that rank highest and are ready to proceed in a timely manner will be notified that they are eligible to apply for a grant or loan from DEQ at the beginning of the next fiscal year (July 1, 2012). Copies of blank rating forms are provided below for informational purposes only. Please do not submit rating forms to DEQ.

Public Wastewater System Planning Grants

DEQ's Wastewater Planning Grant Program provides financial assistance to eligible entities in Idaho planning to upgrade public wastewater facilities. Each prospective project is assigned a priority rating, with the highest rankings given to projects that will most significantly improve the quality of the waters of the state and protect public health. Grants awarded under this program must be used entirely to prepare facility plans that identify the most cost effective, environmentally sound methods to upgrade public wastewater systems to achieve and maintain compliance with state and federal standards. Grants cover up to 50% of eligible planning costs, with the grantee providing a matching share from local sources.

Program Eligibility

Wastewater planning grants are available for counties, cities, special service districts, other governmental entities, nonprofit corporations, and combinations thereof that have authority to