

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
August 10, 1999

Members present: G. Anderson, T. Bernasek, J.O. Cotant, S. Hotchkiss, K. McGee, D. Foster-Johnson, T. Smith (S. Brown excused)

Staff present: Dean Tranmer, City Attorney; Jerry Higgins, Treasurer; Tim Tingey and LeeAnn Dutton, CD & R; Ray Burststedt and Char DeWall, Bannock Development

1. Preliminary matters. The meeting was called to order at 11:09 a.m. by K. McGee. No conflicts were declared.

2. Minutes and financial matters. It was MSC (Bernasek, Anderson) to approve the minutes from the July meeting. C. DeWall then reviewed the financial statement, noting that tax revenues had been received from the County and would be forwarded to the Trustee. A small amount for Domsea back taxes has been received and DeWall needs authorization to forward them if the Board so desires. After noting that there might be additional revenue from back taxes for this area, it was MSC to authorize C. DeWall to forward any future back taxes from the Domsea area to EIDC, as well the amount just received, without the necessity of requesting Board approval each time. An invoice has been received for the Kress District; \$3,583.04 is available per terms of the agreement. It was MSC to authorize payment of that amount from the Kress District fund. It was then MSC (Bernasek, Foster-Johnson) to approve the July financial report. Jerry Higgins distributed the 1998 Financial Statements for the Board to review. Copies are available from his office for members who wish one. (4.3 million dollars in long-term debt; \$500,000 in reserves; 3.8 million dollars actual debt) It was MSC (Bernasek, Anderson) to accept the 1998 Unaudited Financial Report as presented.

3. Old Town Request. A request for reimbursement of \$28,573.00 in CDBG funds has been presented to the Board. This is part of the \$37,000 request made earlier in the year by Old Town, Inc. for shortfall funding which was previously approved by the Board. It was MSC (Hotchkiss, Cotant) to authorize payment of the invoice from Old Town District funds.

4. Update on Consolidated Central Corridor. It was reported that the "connector" project could possibly have one of its termini outside the district. D. Tranmer has contacted bond counsel regarding the propriety of expending funds on the "outside" terminus. Preliminary finding is that we may not need to alter district boundaries—one of the approved projects listed in the plan is for the study to determine the termini and then to construct. It should therefore be possible to construct the whole of the project even if it ends outside the area.

5. Financing options. J. Wrigley distributed a report and cash flow analysis which shows sufficient revenues to make bond payments, and leave approximately 2.5 million per year for projects, so pay-as-you go—as long as any given project is less than 2.5 million. He then reviewed the remainder of the report with the Board—comparisons of variable rate, tax exempt fixed rates and taxable fixed rates, as well as the option for a tender offer. In the final analysis, even though there is sufficient money for limited pay-as-you-go financing, issuing bonds is the most financially advantageous.

At this point, the Board discussed priorities for funding, and K. McGee read a letter from Board member Steve Brown who expressed his preference for using tax anticipation notes for Convergys and pool projects, pay off of Alvin Ricken and to use the remaining balance for

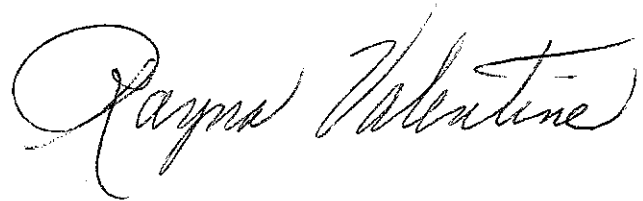
fixing of the sewer system which has been promised to be of the highest priority by both Council members and PDA, leaving the "connector" for later.

Wrigley noted that because we did not have judicial confirmation, the sequence of funding is critical and some obligations are due now. Convergys and the pool need immediate payment, bond/financing judicial confirmation should be next, then bonding should be arranged. There is sufficient revenue in the District to make the current bond payments and to pay for the Convergys project, pool funding (reimbursable), and storm water master plan. Request must be forwarded to the Trustee for the release of these funds, however.

After further discussion, **it was MSC** (Hotchkiss, Cotant) to authorize Burstedt/DeWall to request funds from the Trustee in the amount of 1.1 million dollars and to pay invoices for that project up to that amount. **It was MSC** (Hotchkiss, Bernasek) to authorize Burstedt/DeWall to request funds from the Trustee in the amount of \$800,000 and to pay invoices for the pool up to that amount (Smith voting NO). **It was MSC** (Hotchkiss, Cotant) to authorize Burstedt/DeWall to request funds from the Trustee in the amount of \$70,000 for Schiess and Associates for the storm water master plan and to pay up to that amount as invoiced. [Note: accounting will be separate for the above items]

6. Varsity District. C. DeWall distributed memo showing previous Board action regarding Varsity payment, invoicing by Varsity, and proposed expenditure. **It was MSC** (Hotchkiss, Cotant) to authorize reimbursing to Varsity from that District as provided by previous Resolution.

5 Adjournment. There being no further business, the meeting was adjourned at 12:30 with a reminder about the public hearing on August 17th

A handwritten signature in cursive script, reading "Rayna Valentine". The signature is written in dark ink and is positioned in the lower right quadrant of the page.