

**ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
Meeting May 9, 2000**

Members present: G. Anderson, S. Brown, R. Frasure, D. Foster-Johnson, S. Hotchkiss, John Ricks; Mary Lee Shannon for J.O. Cotant

Staff present: D. Tranmer, City Attorney; R. Burstedt and C. DeWall, Bannock Development

Others present: Robert Chambers, Community Development and Research Department; Jim Wrigley and Bruce Allred, First Security Van Kasper; Council member Penny Pink; Stormwater project representatives: Curt Neville, Jay Cornelison, David Schiess, Doug Holden, Ted Booth

1. Preliminary matters. Meeting called to order at 11:08 a.m. by Chairman Hotchkiss. No conflicts were declared.

2. Minutes and financial matters. It was MSC (Ricks, Anderson) to approve the minutes from the April meeting. The financial report was then reviewed and district ending balance reports distributed. It was MSC (Brown, Ricks) to approve the financial report for April.

3. Ice Rink Report. G. Anderson provided Board with review of the proposal, including background information on the Ice Rink committee, and the work done to date, the preliminary design and business plan. The plan was based on information obtained from other facilities, then tailored for Pocatello to provide seven months of ice skating, with 5 "summer" months for other activities and performances and the necessary staffing to accomplish this. Cost/revenue sheets show \$2.5 million project with approximately 10% profit which would debt service at \$237,000 annually. The additional enhancements to make it feasible for performing arts would qualify for insurance company reimbursement (from Chief Theatre fire). The Chief Theatre Foundation could then liquidate its assets and provide some funding to Pocatello High School auditorium improvements with the balance used as endowment funding for the arts. The proposal is for PDA to loan the \$2.5 million to be repaid over 20 years.

Discussion: P. Pink noted that refinements to the plan are needed; may not need 3 full-time employees and coordination with the Aquatic Center is required since the two will be operated together. Also noted that suggestions received to call the facility the Chief Arena.

S. Hotchkiss asked if this for performing arts enhancements to the rink meant that the insurance company funds were not going to be used for the high school. D. Tranmer responded with background: a consultant was hired to figure replacement costs and after negotiations, the settlement was for \$1.1 million, with the possibility of an additional \$523,000 to be released, BUT only if the City could show that \$1.6 million had been spent on actual replacement costs for the facility. Enhancements to the high school auditorium have been denied as qualifying costs, partly because the high school auditorium is primarily a school facility, not for the public. Enhancements to the ice rink to make it a performing arts center for the public would qualify.

R. Frasure would like to see figures of usage and income/expenses from other communities and asked about the current amount of money received from fund-raising (It's approximately \$2,000). It was also noted that care should be taken to be sure that the design for sound system and stage were adequate for performing arts.

S. Hotchkiss noted that the Board would be reviewing financing options at this meeting, that the storm water project was the first priority, then a review of remaining funding available would take place.

4. Financial considerations. Jim Wrigley and Bruce Allred distributed cost projections for several scenarios showing projected income and expenses and various options. The total allowed for projects and financing costs is \$18 million. The Alvin Ricken bonding documents prohibit PDA from refunding Alvin Ricken bonds with proceeds from new bonds, but we can retire the principal for the years 2005-2008, then escrow the remainder of the money needed from now through 2004, which will save approximately \$122,000, and keep the District area "alive" for base year purposes. Each scenario was reviewed and discussed.

D. Foster-Johnson noted that the Board had been discussing funding options for months and needed to stop talking, make a decision, and get the projects underway. **It was MSC** (Frasure, Ricks) to go ahead with the "refunding" option for the Alvin Ricken bond as discussed by J. Wrigley, and to obtain a list with more specific information for the other proposals.

5. Stormwater Project. Decision also needed on use of engineering firm for the remainder of the stormwater project. **It was MSC** (Anderson, Ricks; Frasure voting against) to retain the same firm which prepared the initial study for the rest of the engineering for the project.

6. Extra meeting. Board will meet again next Tuesday, May 16th at 11:00 to continue review of the costs.

8. Adjournment. There being no further business, the meeting was adjourned at 1:00 p.m.

