

**ABBREVIATED MINUTES  
POCATELLO DEVELOPMENT AUTHORITY  
Special Meeting October 22, 2002**

Members present: Steve Brown, Terry Brower, Roger Chase, J.O. Cotant, Darsi Johnson , Harry Neuhardt, and Dan Schroeder

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

The meeting was called to order by Chairman Neuhardt at 12:02 p.m. to consider the request for additional funding for the South Cliffs development. Bill Isley and Gary Brown were in attendance to make the presentation and respond to questions. Members were provided with an explanation of the procedures being followed for evaluation of the various sites and proposals presented to the BLM. The South Cliffs area is still under consideration. According to Isley the BLM follows a set procedure to evaluate every proposal, uses a specific formula which assigns points, and is required to choose the proposal which ends up with the lowest points.

Isley reminded the Board that this site is the only one located within the City limits and will therefore provide a return on the investment in the form of an increased tax base to the City when the District is terminated, as well as providing revenue to the PDA during the life of the District. He noted that this request for funding previously refused would serve to "level the playing field" among bidders for the BLM project. It was pointed out by the Board that since this site is the only one currently served by City water and sewer and it's located next to other BLM land it has at least two advantages over other sites. Members also noted that it's not up to PDA either to assist one developer over another or to ensure that all developers can bid on any particular proposal on an equal footing. Consensus was that this is the only proposal before the Board and will be examined on its own merits.

At this point, (1:00 p.m.) several other legal issues having been raised, **it was MSC (Chase, Johnson)** to convene an executive session, pursuant to Idaho Code Section 67-2345 in order to consult with Dean Tranmer, PDA's legal adviser.

**Regular meeting resumed 1:20 p.m.**

Members participated in a discussion regarding the cost estimates, the need to ensure that any funding provided would be used for "legitimate" expenses, and how much, if any, additional funding should be provided. It was noted that PDA has previously adopted guidelines which prohibit funding for landscaping or other non-public expenses or amenities so those items should not be funded. **It was MSC (Schroeder, Ricks)** to authorize Chairman Neuhardt to execute appropriate documents to provide some additional funding, subject to the following conditions:

1. Proof of the award of the project to Isley must be provided
2. A maximum of \$200,000.00 (above the previous award) may be provided
3. Isley must provide a Deed of Trust or other document sufficient to give PDA a security interest in all the rest of the real property within the area. Repayment in full shall be required as soon as any of the other property is sold or developed in any way .
4. Funding will be restricted to public infrastructure improvements instead of "private" items; water and sewer main lines in the roadways, curb, gutter, and sidewalk, engineering costs for those items, rock blasting for utility lines or roadways, and the like are allowed costs. No expenses related to landscaping, street lighting, fountains, etc. will be allowed.
5. PDA and the City must be provided with engineering estimates of unit costs which will be reviewed by the Public Works Director prior to submission to PDA.

6. The funds are not intended to provide profit margins to either Isley or any partners, and expenses must be substantiated by some form of bidding process or cost estimates from entities other than Isley or any business partner, along with appropriate documents/certifications from RMES as to the accuracy of the material amounts and work performed.

7. Procedures shall be established whereby a cover letter from RMES must accompany any requests for payment which must be reviewed by G. Lanning and initialed prior to submission to Char for payment.

8. Other requirements as may be deemed necessary by legal counsel D. Tranmer.

There being no further business, the meeting was adjourned at 1:25

A handwritten signature in cursive script, reading "J. Valentine". The signature is written in black ink and is positioned on the right side of the page.