

**MINUTES  
POCATELLO DEVELOPMENT AUTHORITY  
Meeting December 15, 2004**

Members present: Terry Brower, Steve Brown, Roger Chase, Jim Guthrie, Darsi Johnson, Harry Neuhardt, Ken Monroe, and Dan Schroeder

**Staff present: Dean Tranmer, City Attorney; Ray Burstedt, Sari David, and Char DeWall, Bannock Development**

**City staff present: Robert Chambers, Tim Tingey, Greg Lanning, Cac Turner**

**1. Preliminary matters.** Meeting called to order at 11:00 by Chairman Neuhardt. A quorum was declared. Agenda changes: remove consideration of minutes from November meeting; alter agenda order to consider cash flow after preliminary items.

**2. Minutes and financial matters.** Approval of minutes from December special meetings: **It was MSC (Brower, Monroe)** to approve the minutes of the special meeting held December 2, 2004. **It was MSC (Schroeder, Brower)** to approve the minutes of the special meeting held December 8, 2004.

November Financial Report: C. DeWall reviewed expenses including lunch costs, Roosevelt District payment to Kiggins' Concrete, engineering fees, public notice and FedEx expenses for the North Yellowstone District, all as set out on the report. **It was MSC (Schroeder, Chase)** to approve the November financial report.

**3. Cash flow, 2004-2010.** R. Burstedt distributed a set of cash flow projections, each based on different scheduling choices for various projects, and reviewed them with the members, with the first one showing a deficit for the coming year. There is a 3-year cash flow problem if funding is continued as previously projected for the 2005 through 2010 years, due partly to increased costs and partly to lower revenues resulting from tax valuation protests from AMI and other. Members discussed various solutions, including tax anticipation notes, postponing certain expenditures, and/or cutting projects. {postpone downtown project for 2 years; eliminate Phase 3 of downtown, postpone Phase 2 one year and eliminate Phase 3; complete one half of Phase 2 in 2005, one half in 2006, and keep Phase 3; complete one half of Phase 2 in 2005, one half in 2006, and eliminate Phase 3} Consensus was that none of the options was completely satisfactory, but that a cut-back was needed to avoid a negative cash-flow for 2005.

Main discussion points: dislike of low cash balances; lack of clarity as to whether the additional money which the City will be requesting for the expanded Cheyenne crossing project has even been entered into the projections; whether the Board should place a moratorium on considering any other projects if there will be no cash available until nearly the last year of the District; whether the Board actually committed funding for 3 phases of improvements for the downtown. Stephanie Palagi from the Old Town Board of Directors spoke briefly to encourage, if at all possible, completing all phases. The Chair requested copies of minutes specifically related to the downtown project for Board review at the January meeting. After further discussion, **it was MSC (Schroeder, Chase)** to approve solely the 2005 budget as shown on tab #3 of the set of possibilities under consideration. Budgets, project schedules, etc. for subsequent years are to be discussed at other meetings.

**4. Downtown Reinvestment.** Greg Lanning provided an update noting that there has been no response from the contractor regarding the proposed substantial completion date of October 13, and a request to review the incomplete items. J-U-B Engineers have provided a partial list of

such items, consisting of 310 entries so far--relatively minor items. There will be an additional billing from J-U-B since the last invoice was from July.

**5. Federal Express Project.** R. Burstedt reported that negotiations are still ongoing for the move. If there is no satisfactory resolution, he will inform the Board at the next meeting. FedEx has been notified that further postponement may jeopardize funding from PDA.

**6. Roosevelt District:**

Pay Request #6 is the final payment to Kiggins, consisting of the 5% retainage, release of which has been approved by RMES. **It was MSC (Brown, Chase)** to approve payment of the request in the amount of \$15,375.00 to Kiggins Concrete;

Reimbursement request from Fred Meyer is the second-to-last payment due. **It was MSC (Chase, Brown)** to authorize reimbursement to Fred Meyer in the amount of \$71,251.62.

Invoice #2004315 to RMES. **It was MSC (Brown, Monroe)** to approve payment to RMES in the amount of \$700.00

**7. North Yellowstone.** Robert Chambers provided new maps showing the proposed property exchanges, the final real estate transactions needed to complete the roadway areas. Both of the small portions of property obtained by PDA will be traded to the owners of Pinehurst Nursery in exchange for the single, large parcel owned by them and needed for the new Poleline Road (Lou Avenue) extension. After brief discussion, **it was MSC (Chase, Schroeder).**

Hawkins agreement is ready for consideration. In a nutshell, it provides that the developer will be provided up to 5.4 million dollars for reimbursement of road and other infrastructure improvement costs. Requests for reimbursement will be submitted monthly and subject to recommendation by the City. The developer will be responsible for payment of any costs above that. In addition, there is an agreement between Hawkins and the City which provides for quality assurance on the improvements, City approval, etc. this is the final payment, consisting of the 5% retainage, release of which has been approved by RMES. **It was MSC (Chase, Schroeder)** to approve execution of the agreement contingent upon the successful transfer of bond proceeds.

Payment to appraiser. R. Chambers explained that the \$9,000.00 figure had been discussed via telephone by the appraiser but that no written "bid" had been required. This firm was the only one which had been willing to undertake the appraisals for condemnation purposes and provide them within the brief timeframe needed by the PDA. Consensus was that the amount was excessive in comparison to "normal" commercial appraisals, particularly since the product had not been received in a timely fashion as promised, which should be grounds for negotiation of a lesser amount, but that since no provisions had been made for reduction of the estimated amount, the bill should be paid. **It was MSC (Chase, Monroe)** to approve payment to the appraiser in the amount of \$9,000.00 as originally submitted at the November meeting.

Invoice # 8347 for reimbursement of Hurley Drive expenses. **It was MSC (Chase, Brower)** to approve payment.

**8. Executive Session.** **It was MSC (Chase, Schroeder)** to adjourn into executive session, pursuant to Idaho Code Section 67-2345 (a-f) to discuss property acquisition of real estate not owned by a public entity, and to seek advice from legal counsel in regard to potential litigation. Regular meeting reconvened at 1:10 p.m.

There being no further business, the meeting was adjourned at 1:20 p.m.

