

MINUTES
POCATELLO DEVELOPMENT AUTHORITY
Meeting March 16, 2005

Members present: Steve Brown, Roger Chase, Jim Guthrie, Darsi Johnson, Harry Neuhardt, John Ricks, Dan Schroeder

Staff present: D. Tranmer, City Attorney; R. Burstedt and Sari David, Bannock Development

1. Preliminary matters. The meeting was called to order at 11:00 by Chairman Neuhardt. Audience members and presenters were acknowledged. No conflicts were declared. Addition to agenda: Sign exception request filed for Iron Triangle Property.

2. Minutes and financial matters. It was MSC (Chase, Brown) to approve the minutes from the February meeting. S. David provided a review of the financial statement for February. Interest income was \$494.13. Expenses included payments for Kress, Newtown, Alvin Ricken, Old Town, North Main, Roosevelt, Central Corridor and the PDA lunch expenses. PDA bank balance is \$503,215.18, which includes \$243,392.48 in the Roosevelt District in addition to the General and Discretionary funds on deposit. It was MSC (Chase, Ricks) to approve the monthly financial report.

3. Review of 2004 Audit. Charlie Clark of Deaton and Company reviewed the audit report with the Board members. In general, PDA is "OK" in terms of compliance with accounting standards and requirements and its internal controls are sufficient so that its financial information can be relied upon for audit purposes. The audit shows a decrease in net assets because construction costs exceed revenues. Unrestricted assets are \$1.5 million; \$681,000 is set aside for debt service. C. Clark then reviewed specific sections including summary pages, and the Central Corridor District section. Clarification was requested for the heading "2009-2013" for the Central Corridor. Response: District ends in 2010, but there are bond debts which extend beyond that which will be paid off from reserves and remaining balances. It was MSC (Schroeder, Ricks) to accept the audit as presented.

4. Central Corridor -Blackrock Forge Request. Dennis and Margo Proksa were present to discuss the proposed expansion of their business and to provide additional detail requested by PDA. The business, founded in 1976, has expanded beyond the ability of the current location and building to house it. They have plans for a new 6,000 square foot building which will have room for expansion. They will be adding two employees and possibly a third. R. Burstedt noted for the Board information that the location is on Big Springs Drive which is in the Central Corridor URA, but not in the revenue allocation area. The Proksas are requesting money to make road improvements from the property to South 5th. The road is now dirt and, according to the County, is a private road. Members discussed with J. Guthrie the feasibility and desirability of having the road built to County standards and then accepted by the County as a County road. Discussion ensued regarding the desirability of assisting small business projects in addition to the larger ones whenever feasible; whether a grant or loan would be acceptable [grant should be conditioned upon adding of 2 employees; if not, money must be repaid]; whether to provide funding for gravel improvements only [preferable to have an "up-to-standard road," which would become a public road]. It was MSC (Guthrie, Schroeder) to approve funding of a grant for \$25,000, conditioned upon proof of the hiring of two new employees within two years. In the event that the PDA does not receive proof, or two employees have not been hired within the two-year timeframe, the agreement shall specify that the grant will be converted to a loan. D. Tranmer to work with owners on details of agreement and repayment provisions.

5. Roosevelt District. Phase IV bid estimates: \$188,588.10. Tim Tingey reminded the Board that there is an additional \$100,000 worth of work needed (resulting from previous 3 phases and shown in the video presentation last year) which RMES and Tingey are recommending for bidding along with the Phase IV items. The original budget for Phase IV was \$246,000. **It was MSC (Chase, Brown)** to approve the work estimated at \$188,588.10, and to have RMES prepare estimates for bidding the other work as "add-ins." Invoice #2005130 from RMES was presented. **It was MSC (Schroeder, Chase)** to approve payment in the amount of \$3870.00.

6. North Yellowstone. Greg Lanning provided a brief update, explaining that Hawkins staff will now be providing an expense-tracking sheet as part of the services for which they are receiving the 5% project management money. Asbestos removal has been completed. In response to an inquiry, he stated that the 10% contingency funds are not automatically allocated or available for the project; this money is earmarked to pay for change orders which result in added costs. RMES and Hawkins will be at the next meeting to discuss the project and procedures for obtaining change-order approval. Per Dean Tranmer, there are 2 agreements governing this project so authority must be obtained from both the PDA and the City Council. After brief discussion, **it was MSC (Chase, Schroeder)** to authorize G. Lanning to approve change orders on behalf of PDA.

Requisition #12 for Hawkins - \$648,367.44 was presented. **It was MSC (Chase, Brown)** to authorize execution of the requisition.

7. Addition to Agenda: Sign Exception Request. A request for a sign exception has been filed for the Sterling Building's new signage. As owner of neighboring property, the PDA has received a notification and can file an objection if it so desires. If PDA has no input, the request will proceed through the City's regular process. No one voiced any concerns or objections.

8. Adjournment. There being no further business, the meeting was adjourned at 12:20 p.m.

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