

MINUTES
POCATELLO DEVELOPMENT AUTHORITY
April 20, 2005

Members Present: Steve Brown, Roger Chase, Harry Neuhardt, Darsi Johnson, Ken Monroe, and Dan Schroeder

Staff Present: Ray Burstedt and Sari David, Bannock Development Corporation

1. Preliminary Matters: The meeting was called to order by Chairman Neuhardt at 11:01 a.m.. Sam Nettinga of the Chamber and Gary Moore of the City Council were acknowledged. The Chair announced an addition of an item for North Main and the alteration of the order of agenda items. No conflicts were declared.

2. Minutes and Financial Matters. Moved to end of order of business

3. Roosevelt District. Mitch Greer from RMES explained that we received only one bid for Phase IV in the amount of \$260,285, substantially over the estimate of \$188,585. R. Burstedt also noted mobilization costs (\$8,000) and traffic control costs seemed excessive. Both recommend rejecting the bid and rebidding later. **It was MSC (Schroeder, Chase)** to reject the bid and have RMES advertise again in approximately one month.

4. North Yellowstone. Greg Lanning introduced Ken Tucker from Hawkins Development.

Pocatello Square: Tucker and Jesse Schuerman the City's Engineer oversee and coordinate construction. So far the project is on schedule. Traffic signal design may be a bit slow, but within the next 30 days people will see road development. Lanning noted that documentation of progress and invoices has been excellent.

Rail Crossing: The owners of the former Associated Food property showed the layout for their proposal. The warehouse building has been demolished, the preliminary plat approved, and offers have been made, with some contingencies, for 2 pads (one is Barnes and Noble). They are requesting assistance, much less than provided to Hawkins for public improvements consisting of traffic control signals—approximately \$375,000. Property owners are cooperating so the Commercial Tire access will be combined with one of theirs to help traffic flow. Matt Hansen noted that the estimates do not include work on Flandro Drive—which is not part of their development—but do include some intersection work to align their entrance with Yellowstone and Flandro as suggested by the City for better traffic flow. Members discussed the current cash-flow crunch and whether there was cash available at this time to assist.

At this point, Dave Swindell, City Financial Officer, asked to speak to inform the Board as to the City's 2204 and 2005 payments on the Ross Park Pool which have been deferred. City's cash position has improved; PDA's has worsened. At this point, the City can make its 2006 payment and, conceivably, the one for 2007, with no further payment until 2008. The City believes that the Yellowstone/Flandro improvement, which is the major portion (\$240,215) of the request from the Rail Crossing developers is extremely important, and, if PDA is willing to fund it now, the City's early payments could provide most of the funding during PDA's cash crunch.

Lengthy discussion ensued, with PDA questioning the timing of cash receipts, concerns about whether the "early" money was already being factored in to PDA budget projections, whether assistance could be tied to future employment, etc. Developers noted that their

development is also within the North Yellowstone District, will provide revenue to pay on the bonds which PDA issued to provide \$6 million for Hawkins/Lowe's public improvements, and that their request is also for public improvements to a major thoroughfare in the City, but at a fraction of the amount received by the other development with no string attached.

Thereafter, **it was MSC (Chase, Schroeder)** to provide \$240,000 as a grant "up front" with the remainder fronted by the developers. If two pads are developed, then another \$80,000 would be provided by PDA, to be reimbursed by the developers. (agreement to be negotiated and drafted by developers and PDA counsel)

5. Minutes and Financial Matters. **It was MSC (Schroeder, Monroe)** to approve the minutes of the March meeting. S. David reviewed the financial report for April, noting tax revenues and interest income, as well as expenditures for RMES, lunches, phone conferences. **It was MSC (Chase, Schroeder)** to approve the April financial report.

Administrative expenses: Bannock Development invoice for \$3,125.00 for the first quarter of 2005 was presented. **It was MSC (Johnson, Monroe)** to approve payment.

6. North Main. The Banner motel has been demolished. Tax sale is imminent. Total amount owed for demolition and clearing and taxes is \$33,000. The City has been working with the owner to get quitclaim deeds in exchange for payment of the back taxes and any other lien owing and Tim Tingey is requesting PDA approval for purchase in its name. **It was MSC (Schroeder, Johnson)** to approve the purchase if details can be worked out.

7. Miscellaneous payment requests.

#E-67 for Cheyenne crossing. **It was MSC (Chase, Johnson)** to approve payment (NOTED by Chase: debt of thanks to our legislators, Craig and Simpson for their assistance with \$5 million for the project)

J-U-B invoice. G. Lanning noted that the bill has finally been received (periodic requests have been made since September of last year, since last billing was July) there is only \$15,223.00 remaining in the "not to exceed" amount of the contract, but that the bill is for substantially more than that. Brief discussion ensued about the contract. **It was MSC (Chase, Johnson)** to authorize payment of \$15,223.00, the balance of the contract amount and to continue to review the remainder of the bill.

8. Scheduled Executive Session. Regular meeting adjourned into executive session at 12:42 p.m. to consult with counsel on matters currently in litigation.

9. Regular meeting reconvened at 1:29 p.m. Members discussed briefly the possibility of settlement negotiations, then **it was MSC** to authorize Kirk Bybee to negotiate with subcontractors as needed and report back to the PDA at its next meeting.

10. There being no further business, the meeting was adjourned at 1:33 p.m.

Rayna Valentine