

**MINUTES  
POCATELLO DEVELOPMENT AUTHORITY  
Meeting December 21, 2005**

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

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

**1. Preliminary matters.** Meeting called to order at 11:03 by Chairman Neuhardt. Agenda changes: 1) add consideration of "refund" to Roosevelt District items and 2) alteration of the recipient for the IsoRay funding request.

**2. Minutes and financial matters.** It was MSC (Brown, Ricks) to approve the minutes of the 16th of November meeting.

November Financial Report: S. David reviewed income and expenses. The expenses shown for Old Town and the Central Corridor represent the transfers of tax receipts to the Trustee for the districts; income in the Old Town District of \$177.58 was tax increment payment forwarded by the County; interest income totaled \$541.77. Roosevelt expenses reflect the payments to RMES and Kiggins as approved at the November meeting. It was MSC (Schroeder, Monroe) to approve the November financial report.

2006 Proposed Budget: Members discussed the distribution of funds from the Roosevelt District. The Board will vote next month on its resolution to recommend closing the District. There won't be sufficient revenue until after July to pay both the \$120,000 "early return" prior to the official closing of the District and the PDA deferred administrative fees, so the projection shows the admin fee split between February and August. S. David also noted that any remaining Phase V costs would also be paid, but there was no estimate available pending Board discussion. The \$240,000 February expenditure in North Yellowstone is for PEG Development; the \$75,000 March expenditure from the Discretionary Fund is for the Shaver project on South 4th. The balance in the Old Town District fund is over \$2 million, but there are no expenses projected yet because there are no estimates for the Phase II work. It was MSC (Schroeder, Ricks) to approve the projected budget with the date changed to 2006, with the understanding that revisions will be made as the projects unfold and that additional expenses will be incurred as discussed.

**3. Central Corridor:**

North 3rd Redevelopment Update: Tim Tingey reported on the preliminary conference with the six parties who were interested in providing a proposal for development of the area. There were questions as to zoning, easement restrictions, size of parcel (2 acres now that the vacated areas are included) whether PDA would retain ownership indefinitely, etc. Tim explained that they were free to present proposals as they saw fit--eventual sale, continuing lease, whatever suited their plans. He recommends that the PDA Chair and another Board member form a sub-committee with members of the planning staff to make a recommendation regarding the proposals that he receives. Terry Brower agreed to help with the review.

Requisition #E-75. It was MSC (Chase, Ricks) to authorize the requisition for \$100,000 to reimburse the City of Pocatello for engineering services for Jesse Schuerman related to Central Corridor projects.

Requisition #E-76. **It was MSC (Brown, Brower)** to authorize the requisition in the amount of \$1,243.46 to the City of Pocatello for the 20% match for engineering services for the Cheyenne crossing project.

#### 4. Roosevelt District:

*Final payment to Fred Meyer's.* **It was MSC (Chase, Brower)** to approve the fifth and final payment in the amount of \$71,251.62 to Fred Meyer Stores, Inc.

*Update on Phase IV.* Rob Heuseveldt of RMES reported on the final review for the Phase IV work and contract. The retainage amount is \$8,645.32, but there are liquidated damages in the amount of \$250 per day for 13 days which can be assessed for failure to complete the project on time. If PDA chooses to assess that amount, the payment to Kiggins would be \$5,395.32. Derek Nisson from Kiggins Concrete requested a reduction to half the liquidated damage amount, noting that concrete suppliers ceased Saturday delivery after bids were in, that there was a concrete shortage and that concrete was frequently not delivered until after 4:00 p.m., which caused delays in the timetable. The City engineer supports the reduction and verifies the general concrete shortage experienced this season. J. Guthrie commented that he believed the contractor did pursue the work diligently and that delays were not attributable to the contractor's actions. **J. Guthrie** moved to pay the full amount of the retainage without assessing any liquidated damages. Motion died for lack of a second. **It was MS (Schroeder, Brower)** to release the check prepared in the amount of \$5,395.32 and issue another check subtracting half the liquidated damages as requested by Nisson for Kiggins. Discussion ensued, and a substitute motion was then proposed. **It was MSC (Guthrie, Neuhardt; Schroeder, Brower, Monroe dissenting)** to pay out the entire amount of the retainage--\$8,645.32--via the check already prepared in the amount of \$5,395.32 and a second check for the balance.

*Phase V.* In accordance with the Board's direction not to start work which could not be completed this season, all the work that was commenced has been finished--amounting to about 3/4 of the project. In addition to the work already approved and set out in the contract, some \$6,478.50 of additional items have been requested by the residents and, after review by the engineers, have been deemed to be justifiable repairs. Invoices presented from RMES and Holm Construction represent payments for work completed to December 12, 2005. Board members requested assurance that continuing the project in the spring would not jeopardize the early closing of this district. D. Tranmer and R. Burstedt explained that the Board will still forward its Resolution recommending passage of an ordinance to close the district as of January 2006. If approved by Council, this will close the district for tax year 2006. PDA will therefore only receive revenues for this tax year which ends December 31, 2005, but the money will arrive in 2006 and will be available to pay the final construction costs and the administrative fees. As planned, the balance will be returned to the County for distribution to the taxing entities. In other words, the district will cease to exist as of taxing year 2006 as planned by PDA, provided Council approves passage of the ordinance. Members noted that the project had made a good deal of improvement to the area, including providing some incentive for clean-up efforts, and that it wouldn't make sense not to finish what had been begun since the funding was there. There have been some cost savings, so the additional work will actually result in less than \$3,000 over the estimated costs. Separate motions were considered for the 3 requests.

Invoice #2005431 to RMES. **It was MSC (Brower, Chase)** to approve payment to RMES in the amount of \$8,495.00.

Pay Request #1. **It was MSC (Brown, Ricks)** to pay \$30,805.45 to Holm Construction for work completed to December 12, 2005.

Work authorization. **It was MSC (Ricks, Brown)** to authorize the contractor to continue working in the spring on the items remaining in the original Phase V contract and to include the additional work as requested.

**7. North Yellowstone.** Hawkins' bill was presented for \$26,992.04. It includes water and power charges for maintaining the landscaping. Discussion regarding whether payment of water charges were part of the contract. Consensus was that because landscaping was required as part of the project, maintaining it by providing water could be considered a legitimate expense. The 5% contract-administration fee was to be charged for all items in the contract, so PDA could arguably be responsible for paying 5% administration costs on the water bill also. The lines have been shut off for the winter so there will be no further billings this year for this.

Pay Request #22. **It was MSC (Ricks, Chase)** to authorize the requisition in the amount of \$26,992.04 to Hawkins Companies with the provision that PDA will not henceforth pay any other utility charges for Hawkins or tenants.

#### **8. Miscellaneous**

Early refund for Roosevelt District funds. **It was MSC (Brown, Brower)** to authorize the issuance of a check to the Bannock County Treasurer as an early refund of excess revenues from the Roosevelt District (Check is in the amount of \$120,000.00) with the understanding that the remaining balance (after payment of all items under the Phase V contract and payment of administrative fees) will be returned to the County in August of 2006 for disbursement to the appropriate taxing entities.

IsoRay. The company has requested that the \$200,000 payment be made directly to Battelle Energy Alliance, LLC for the PDA's portion of the testing costs. R. Burstedt noted that they would do so if no objections were made by the Board. Hearing none, the Chair directed the check to be so prepared.

Resolution. **It was MSC (Guthrie, Chase)** to pass a special resolution expressing the Board's appreciation to Harry Neuhardt for his long-time service as Chairman and member of the PDA. Vice-Chair Brown read the resolution into the record (see text following). H. Neuhardt thanked the Board, noting his appreciation to all for their dedication and efforts on behalf of the Authority and expressing his best wishes to all for the holiday season and the future.

There being no further business, the meeting was adjourned at 11:50 a.m.

