

MINUTES
POCATELLO DEVELOPMENT AUTHORITY
January 18, 2006

Members present: Steve Brown, Roger Chase, Terry Brower, John Ricks, Dan Schroeder; and Richard Stallings (member-to-be)

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

1. Preliminary matters: Meeting called to order by Vice-Chair Steve Brown at 11:08 a.m. Richard Stallings was introduced as the Mayor's proposed appointee (his appointment must be confirmed by the City Council at its meeting on January 19th). Additions to the agenda: filling of the vacant Chairman position and any other vacancies in officers which might result.

2. Minutes and Financial Report. It was MSC (Schroeder, Ricks) to approve the minutes of the December meeting. S. David presented the financial report showing an ending balance of \$347,400.24 for all the districts. In addition to interest income of \$379.67, PDA received \$1,261.18 and \$3,290.80 from the Old Town and Central Corridor areas. Expenses were incurred in the Roosevelt District (RMES, Fred Meyer, contractors, and \$120,000 early refund to Bannock County for distribution to taxing entities). Payment in the amount of \$200,000 was also made to Battelle (pursuant to IsoRay agreement) for the INL testing. R. Burstedt noted that the income and expenditures for 2005 were quite close to first-of-the-year projections. It was MSC (Ricks, Chase) to approve the financial report.

3. Administrative Expenses. It was MSC (Ricks, Chase) to approve payment of the invoice from BDC in the amount of \$3,125 for the final quarter of 2005.

4. Central Corridor: Greg Lanning reminded PDA members that Phase I was completed, but was over-budget. Phase II, consisting of 9 blocks, is in the bidding process. The core project is on Arthur; the side blocks will be add-on/alternates in the bid requests, in case there are insufficient funds. PDA provides approximately 80% of the total funding needed; the City provides the remaining 20%. These lines are not as deep as the earlier ones, but there will still be problems because they are 100 years old and not stable. The bidding process should be completed by February and construction finished by November. Several contractors are already aware of the project and will be looking for the bid notice. Jessee Schuerman and Cac Turner will provide City/PDA local engineering oversight.

R. Burstedt distributed an updated cash-flow projection for the corridor. Cash flow is better than previously shown because of lower Cheyenne payment, and slightly more revenue than projections. Based on the report and G. Lanning's information about the bidding procedure, it was MSC (Ricks, Brower) to authorize letting bids for Phase II, and to cap the authorized expenditures at \$1,910,000.00.

5. Whitman/Yellowstone. Tim Whiteus informed the members that the project was ongoing, that a final review of costs has been done, new applications for funding and tax credits have been received, financial lending packages are at the lenders, and the "due diligence" process is being conducted by the various attorneys for investors and developers. Idaho Housing Authority will soon order appraisals if all goes well and the PDA will receive a request for the first \$256,000 funding in April of this year.

Discussion. Funding request will be for non-base items. Secretary to research the minutes to ascertain whether a new motion will be required if the previous approval did not include payment for non-base items. Additionally, R. Burstedt noted that PDA was planning to spread the two payments over two calendar years, and that the second payment might not be available in November as Tim had projected. Per Tim, this should not be a problem.

6. Roosevelt. Correspondence: R. Burstedt read a letter from Dave Kiggins of Kiggins Concrete regarding the success of the project, the spirit of cooperation between the engineers, contractor, PDA, and City, and thanking PDA for the opportunity to participate in the refurbishing of what is his own neighborhood.

Resolution: A proposed Resolution 2006-1 was read to the members, providing a recommending to the City Council for early termination of the revenue allocation provision for the Roosevelt District as of January, 2006. **It was MSC (Schroeder, Brower)** to pass the Resolution and to have it forward to the City Council for the next available meeting date.

7. North Yellowstone. Ken Tucker of Hawkins reported that only punch list items remain and the budget is \$1,149,000 "in the black." All change orders have been processed, so the only unpaid item would be the final payment to RMES after their final invoice has been submitted. R. Burstedt cautioned that PDA still has a commitment to Rail Crossings for the Associated Food Warehouse property and that we should reserve a couple of years of bond payments since the delay in construction will cause the increment revenue to be delayed. Jesse Schuerman noted that Hawkins was holding the retainage until all items including punch-list jobs, receipt of lien waivers, releases, etc. are completed. Mickelson is aware of the hold-back and has no objections. Construction is set to start on the first 4 of the Hawkins tenants' buildings this spring.

Requisition #23. **It was MSC (Schroeder, Chase)** to authorize Requisition #23 for payment to Hawkins in the amount of \$200,572.71.

8. Election. After discussion as to procedures and vacancies, **it was MSC (Chase, Brower)** to elect Steve Brown as Chairman. Thereafter, the Vice-Chairman's position being vacant, **it was MSC (Schroeder, Brower)** to elect John Ricks as Vice-Chairman.

9. Adjournment. There being no further business, the meeting was adjourned at 12:15 p.m.

