

POCATELLO DEVELOPMENT AUTHORITY MINUTES
Meeting March 20, 2013

Members present: Brian Blad, Roger Bray, Larry Fisher, Cynthia Hill, Russ Meyers, John Regetz (ex officio), and Ryan Ward

Members absent: Karl Anderson, Darlene Gerry (excused), and Michael Orr

Staff present: Lonnie Crowell, Executive Director; Merrill Quayle, City Planning Engineer; A. Dean Tranmer and Darcy Taylor, City Legal Dept.; Dave Swindell and Jerry Higgins, City Finance Dept.

Chair R. Ward called the meeting to order at 11:04 a.m.

1. Preliminary matters:

A. Introductions, Conflicts, and Agenda. Dan MacCleur attended as a guest, representing the Air Traffic Control office at the Pocatello Regional Airport. Additions to the agenda included discussions regarding the BBAD account receivable and a presentation by Mr. MacCleur regarding the notice from the federal government regarding the termination of air traffic controller tower services at the Pocatello Regional Airport. No disclosures or conflicts with agenda items were acknowledged by the Commissioners.

B. Minutes. The minutes of the regularly scheduled meeting of February 20, 2013 were reviewed. It was **MSC (C. Hill, R. Bray)** to approve the minutes as presented.

C. Financial Report. J. Higgins presented the financial report for the month of February, 2013. Total cash available as of February 28, 2013 was \$6,945,824.62. During the month of February the PDA received cash in the amount of \$219,992.33, which included \$530.59 in interest, \$202,875.00 from the sale of North Yellowstone bonds, and tax increment payments of \$16,586.74, of which \$1,666.79 was attributed to the Central Corridor District, \$12,681.49 was attributed to the North Yellowstone District, \$2,107.20 was attributed to the North Portneuf District, and \$131.26 was attributed to the Pocatello Regional Airport District. Expenses for January totaled \$957,886.70, which consisted of payments of \$375,000.00 each from the General Fund and the Naval Ordnance Plant District, administrative expenses in the amount of \$111.70 from the General Fund, a debt service payment on the North Yellowstone Bond in the amount of \$202,875.00, audit fees in the amount of \$3,900.00 from the General Fund, and a \$1,000.00 professional service fee from the North Yellowstone District Fund. Treasurer Higgins advised the Board that the General Fund balance was approximately \$3,000 in the red, and the Naval Ordnance Plant District balance was approximately \$97,000.00. He further noted that the Central Corridor District balance was approximately \$4,500,000.00, and that the Board might want to consider transferring a portion of the administrative fee due to the Authority from the Central Corridor District to the General Fund. D. Swindell explained that the amount of the transfer of a portion of part of the administrative fee from the Central Corridor District would require a judgment call by the Board, but suggested that a minimum amount of \$10,000.00 be transferred to cover administrative costs. (R. Meyers in at 11:10 a.m.) After a brief discussion, it was **MSC (R. Bray, B. Blad)** to authorize the transfer of \$10,000.00 from the Central Corridor District to the general fund as an advance of the District administrative fee. **R. Ward** advised the Board that he had reviewed the February bank statement and financial report with Mr. Higgins, and thereafter, it was **MSC (B. Blad, C. Hill)** to approve the financial report for February, 2013.

2. General Discussion Items:

A. RAI Contribution Request. L. Crowell presented Board members with a request from the Redevelopment Association of Idaho, Inc. (RAI) request for voluntary contributions for the legislative legal fund. The donation being requested from the PDA is \$1,500.00, which Crowell reminded the Board was the same amount the Board donated in 2012. During the Board's discussion regarding the request **R. Meyers** outlined the RAI's assistance in defeating HB 135, which would have required a popular vote in order to form an urban renewal district. He also discussed the RAI's review and comment on HB 315 which provides for almost complete reimbursement of personal property tax increment funds for urban renewal. **Meyers** opined that the \$1,500.00 contribution is money well spent. After a brief discussion **it was MSC (B. Blad, R. Meyers)** to approve a voluntary contribution of \$1,500.00 to the RAI, to be paid from the General Fund.

B. Old Town Parking Lot. **B. Blad** advised the Board that at a recent study session the City Council approved a project to remodel the Center Street underpass, in conjunction with the Idaho Department of Transportation. As a part of that remodel project, Old Town Pocatello approached the City to again consider expanding the parking area between the Union Pacific Railroad tracks and Union Pacific Avenue, namely by creating a new parking area at the former Union Pacific infirmary site. The need for parking in the area has increased since the Whitman apartments were completed, according to Old Town Pocatello representative Stephanie Palagi, who will be attending the March meeting to present a request for PDA participation in establishing a new parking area. (D. Tranmer in at 11:30 a.m.) **R. Meyers** recalled that approximately one year ago a similar request was made and there was a solid consensus among the Board that increasing parking in Old Town was not a priority project of the authority. D. Tranmer suggested that Old Town Pocatello submit the project through the PDA Board's approval application evaluation procedure so that the Board would be better informed regarding the project. It was the consensus of the Board to delay any action until a proper proposal is received.

C. Positron Account Receivable. The Board was informed that no response has been received to date to the Authority's demand for payment of the \$400,000.00 debt. D. Tranmer outlined the various actions the Board could take to attempt to collect the monies due. After a brief discussion **it was MSC (R. Bray, B. Blad)** to take legal action if Positron does not respond to the demand letter by March 26, 2013.

D. BBAD Investments, LLC Account Receivable. **R. Bray** noted that he had a discussion with a representative of BBAD Investments who indicated that BBAD Investments wanted to work out some type of deal with the PDA regarding the payment of the \$200,000.00 account receivable, however no formal proposal has been received to date. After a brief discussion **it was MSC (B. Blad, C. Hill)** to instruct the executive director to prepare a demand letter to BBAD Investments in anticipation of a foreclosure action, if necessary. As an aside, **R. Meyers** noted that several accounts receivable issues have been discussed at the last few meetings. **Meyers** requested that the executive director prepare a brief history of the bad debts that have been written off by the PDA, as well as an accounting of the pending debts owed to the PDA, from the year 2000 forward.

3. Air Traffic Control Funding:

Dan MacCluer, appearing on behalf of the Pocatello Regional Airport Air Traffic Control Tower staff, made a presentation to the Board regarding the discontinuance of federal funding for the Airport Air Traffic Control Tower operation. While MacCluer noted that the PDA might not be the proper forum to hear the issue, he made the presentation in an effort to bring the issue in front of the public. The Federal Aviation Administration will cease funding the local facility as of April 7, 2013. MacCluer presented facts about the number and types of flights landing at the Pocatello Regional Airport and estimated the annual cost to staff the control tower to be approximately \$600,000.00 annually. The Board thanked Mr. MacCluer for his presentation.

4. Executive Session:

R. Ward called for a motion for the Board go into an executive session to discuss a matter regarding negotiations involving matters of trade or commerce in which the PDA is in competition with other governing bodies. **It was moved and seconded (R. Bray, C. Hill)** to adjourn to executive session pursuant to Idaho Code §67-2345(1)(e). **The motion passed** by roll call vote (**Ayes: B. Blad, R. Bray, L. Fisher, C. Hill, R. Meyers, and R. Ward; Nays: None**). The Board adjourned to executive session at 12:17 p.m. The Board reconvened to regular session at 1:16 p.m.

5. Annual Report:

L. Crowell presented the Pocatello Development Authority 2012 Annual Report. No members of the public attended the meeting to comment, and no written comments were received by the Authority.

6. Adjournment:

There being no further business, **it was MSC (L. Fisher, C. Hill)** to adjourn the meeting at 1:17 p.m.