

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
February 19, 2014

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

Members absent: Karl Anderson, Darlene Gerry and Michael Orr

Staff present: Lonnie Crowell, Executive Director; Merrill Quayle, City Development Engineer; Dean Tranmer, Kirk Bybee, and Tiffany Olsen, City Legal Dept.; Jerry Higgins and David Swindell, City Finance Dept.

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

1. Preliminary matters:

A. Introductions, Conflicts, and Agenda: Guests included Buzz Pfeiffer and James Burdick with Idaho Power Company. No disclosures or conflicts with agenda items were acknowledged by the Commissioners. Russ Meyers requested permission by Chair Ward to add an item to the agenda to discuss current legislative topics.

B. Minutes: The Minutes of the regularly scheduled meeting of January 15, 2014 were reviewed. It was **MSC (B. Blad, C. Hill)** to approve the Minutes with an amendment to section 2(F) wherein it was MSC (C. Hill, B. Blad) to nominate Chair Ward to continue serving as the PDA Chair until the regular scheduled election in October 2014. Said Minutes have been amended.

C. Financial Report: J. Higgins presented the Financial Report for the month of January 2014. As anticipated, the Authority received a large amount of property taxes in January. \$640,419.41 was deposited of which \$526,225.70 belonged to the North Yellowstone District, \$49,047.67 to the Naval Ordinance District, \$55,722.69 to the Airport District, \$7,502.19 to the Central Corridor and \$1,921.16 to the North Portneuf District. In addition, the Authority received \$828.38 in principal and \$171.62 in interest on outstanding loans and investment earnings of \$145.32. Total revenue for the month was \$641,564.73. The Authority had \$127,010.04 in expenses. Luncheon costs of \$145.08 in the General Fund. Trustee fees of \$3,000.00 and arbitrage computation fees of \$1,950.00 in connection with the North Yellowstone District bonded debt and the annual employment incentive to Costco of \$122,014.96 for the North Yellowstone District. Net revenue for the District for the month was \$514,454.69. The net revenue generated represents 92% of the districts \$561,165.69 year to date revenue. At month end the District had \$670,341.95 in checking, \$4,245,155.32 in savings and \$2,784,879.26 in trust accounts with Zions Bank for total cash of \$7,700,376.53. The majority of the cash in savings is in the Consolidated Corridor District. Of the \$4,307,362.54 in this District, \$3,000,000.00 has been pledged by the Authority to be used to complete the South Valley crossing. It was **MSC (B. Blad, R. Meyers)** to approve the Financial Report as presented. Additionally, there were four (4) payment requests to be approved; (1) \$4,150.00 to Deaton and Company for their annual Audit of the PDA Financial Statements; (2) \$1,000.00 to XCell Engineering for a Geotechnical Engineering Evaluation at the Airport; (3) \$1,500.00 to Arbitrage Compliance Specialists for the 2012 Series A Bonds Arbitrage Rebate Calculation Interim of 1/24/13 to 1/24/14; and (4) \$1,950.00 to Arbitrage Compliance Specialists for the 2004 Series A Bonds Arbitrage Rebate Calculation Interim of 12/23/11 to 12/23/13. It was **MSC (R. Meyers, B. Blad)** to approve the payment of invoices to Deaton and Company, XCell Engineering, and two payments to Arbitrage Compliance Specialists.

2. General Discussion Items:

A. Legislative Update: R. Meyers stated there are 12 bills before the legislature at this time and a few that PDA should be concerned about; he then summarized two bills (one being HB490).

B. Ratification of Email Vote Regarding Idaho Power Request to Fund Study: An email vote was requested by L. Crowell on February 4, 2014 and which passed with four (4) yes votes and one (1) no vote. Idaho Power Representatives Buzz Pfeiffer and James Burdick were in attendance and responded to questions by the Authority regarding pre-payment for the study and what work will be performed in each phase of the study. After Idaho Power receives the PDA's deposit of \$1,500.00, the engineering assessment will begin. This assessment is a conceptual level cost estimate (feasibility study) of the project and will be completed within 30 days from receiving payment. If the deposit of \$1,500.00 is exhausted and additional man hours/time will be billed, Idaho Power will give proper notice to L. Crowell, in advance of work performed, and receive his permission to proceed. After the engineering assessment is complete, the next phase is a construction assessment. The deposit required for this phase is \$15,000.00. This construction assessment will narrow down the specific costs for the project and involves a larger team of experts to analyze the information gathered. Again, if the deposit of \$15,000.00 is exhausted and additional man hours/time will be billed, Idaho Power will give proper notice to L. Crowell, in advance of work performed, and receive his permission to proceed. The last phase is the final design and contract to finish the work. It is unknown at this time what billings will be incurred for this phase. B. Blad asked if the final design fee was included in the construction assessment cost. Mr. Burdick was not sure and will provide an answer at a later time. It was **MSC (B. Blad, R. Meyers)** to ratify the email vote to proceed with the Idaho Power request for \$1,500.00 as a deposit.

C. Positron Update: Kirk Bybee advised he has taken the liberty of contacting local and trusted attorney Craig Christensen to look at the Positron matter. At this time, he has not heard back from Mr. Christensen. As soon as he does, he will provide the Authority a full report.

D. JH Kelly Lease Update: Kirk Bybee explained JH Kelly has entered into a Lease Agreement with the City for the property formerly lease to Hoku. The term is for 3 years and the rental rate is \$1.00 per year. He explained this Agreement contains provisions to reimburse the City for the attorney's fees/costs it incurred in the bankruptcy action as well as an increased rental amount if JH Kelly is successful in recovering payment in full for Hoku's debts to Kelly via the bankruptcy action or other pending claims.

E. Chamber of Commerce and India: B. Blad asked the Authority if it was interested in having a representative from the India Chamber of Commerce present at a future PDA Meeting about conducting prospective business with India. It was decided the Authority will wait and see if and when the Mayor, on behalf of the City, meets with the representative and if the Mayor feels it would be a benefit to the PDA.

3. Adjournment:

There being no additional business, **it was MSC (C. Hill, B. Blad)** to adjourn the meeting at 12:01 p.m.