

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
June 15, 2016

Members present: Brian Blad (left at 11:50 a.m.), Steve Brown, Chad Carr, Larry Fisher, Devin Hillam, Thomas Ottoway, Scott Smith (Chairman), and Scott Turner.

Members excused: Russell Meyers

Staff present: Dean Tranmer (arrived at 11:25 a.m.) and Tiffany Olsen, City Legal Dept.; Merrill Quayle (excused at 11:04 a.m. and returned at 11:40 a.m.), Development Engineer, Joyce Stroschein, City Finance Dept.; and John Regetz with Bannock Development Corporation (ex-officio).

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

Introductions, Conflicts, and Agenda: There were no conflicts disclosed and there were no deletions made to the agenda. Guests included Stephanie Palagi with Old Town Pocatello, Inc., who was present for the Boards' executive session at the Mayor's request. Also at the request of the Mayor, the executive session was moved to the first item of business. Next, **Chair Smith** introduced and welcomed the PDA's new Board Member Scott Turner.

1. **Chair Smith** called for a motion for the Board to 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 jurisdictions. **It was moved and seconded (B. Blad, T. Ottoway)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Blad, Brown, Carr, Fisher, Hillam, Ottoway, Smith and Turner; Nays: None**). The Board adjourned to executive session at approximately 11:08 a.m. A potential development within the City limits was discussed. Stephanie Palagi left at 11:30 a.m. Potential development within the North Portneuf District was then discussed. The Board reconvened to regular session by **MSC (B. Blad, C. Carr)** at 11:38 a.m.

2. Action and Discussion Items:

Agenda Item No. 1: Minutes. The Minutes of the regularly scheduled meeting of April 20, 2016 and the Special Meeting and Executive Session of May 4, 2016 were reviewed. It was **MSC (B. Blad, T. Ottoway)** to approve the Minutes as presented.

Agenda Item No. 2: Financial Report. **J. Stroschein** presented the Financial Reports for the months of April and May 2016. At the end of April, the Authority had cash on hand of \$5,945,545.08. The checking account balance was \$2,911,039.69, the savings account was \$746,288.06, and cash being held by Zions Trust amounted to \$2,288,217.33. The Authority recognized normal financial activity during the month of April. The Authority received revenues totaling \$2,847.63 of which \$1,059.01 was interest earnings on cash invested and notes. The \$1,000.00 received on the note receivable applied \$192.03 towards the principal of the note. Property tax revenue totaled \$1,596.59 for the North Yellowstone expenses paid for the month totaled \$27,807.96. RAI was paid a \$5,000 contribution for fiscal year 2016. PDA paid professional fees totaling \$19,045.50 for Positron foreclosure legal service and \$7,400 for the appraisal valuation on the airport property. Utilities for the Positron facility totaled \$3,483.29 for the months of November, December, and January. The administrative expenses were \$207.00

and 72.17 respectively, for the lunch meeting and for the publishing of the annual public hearing. Year to date revenues of \$1,046,324.16 (see page 3) are greater than expenses of \$815,760.45. Overall Net income of \$230,563.71. Reminder a net loss indicates the use of cash reserves. At the end of May, the Authority had cash on hand of \$5,947,014.72. The checking account balance was \$2,912,265.15, the savings account was \$746,307.08, and cash being held by Zions Trust amounted to \$2,288,442.49. The Authority recognized minor financial activity during the month of May. The Authority received revenues totaling \$1,469.64 of which \$201.87 was interest earnings on cash invested. Property tax revenue totaled year to date revenues of \$1,047,793.80 (see page 3) are greater than expenses of \$815,760.45. Overall net income of \$232,033.35. Reminder a net loss indicates the use of cash reserves. As an update, the outstanding note owed by BBAD Investment was paid in full in the month of June. \$194,951.27 was received; \$193,566.55 was applied to principal and the remaining \$1,384.72 was interest accrued. It was then **MSC (B. Blad, D. Hillam)** to approve the April and May 2016 Financial Reports as presented.

Agenda Item No. 3: Payment Requests/Reimbursements. T. Olsen presented items 4(a) thru 4(c). It was **MSC (T. Ottoway, B. Blad)** to approve the following items:

- (a) Idaho Accelerator Center Utilities:
 1. February \$1,124.04
 2. March \$968.52
- (b) Positron Building Furnace/Water Damage Claim. ICRMP's deductible of \$500.00 and the pipe/furnace invoice in the amount of \$479.50 remain outstanding. **J. Stroschein** will issue a check to Quik & Kleen in the amount of \$979.50 and the claim will be closed.
- (c) New Day Products and Resources in the amount of \$59.40 for the Board appreciation plaques for Cynthia Hill and Howard Manwaring.

Agenda Item No. 4: Gateway West's Request for Funds Regarding Power within the NOP District. T. Olsen reminded the Board that at the April 20, 2016 Meeting, the agenda item was tabled until more information could be obtained by City Staff as to the business owner's positions on the power upgrades and a timeframe of which to expect the 10 year plan from Swift. **M. Quayle** provided letters in support of the power upgrades from two tenants, VTCU and ATCO. VTCU believes the upgrades to be crucial to their work product and performance. If their business has issues with the power and diminished quality, they may relocate to a larger facility which was recently acquired. **M. Quayle** relayed that Earl Swift has purchased the equipment for Building 10 and has paid Idaho Power \$133,882.00 to date. The Board expressed some concern and hesitation with contributing to the power upgrades and perhaps later finding out that Swift raised the rent for the tenants as the property was now improved. **Chair Smith** reminded the Board the funds within the TIF District are there to improve the properties within the District pursuant to the specifications of the District Plan. **J. Stroschein** advised there is \$281,417 in the District with an expected tax remittance in July to be somewhere around \$90,000. There was no discussion pertaining to the 10 year plan. It was **MSC (S. Brown, C. Carr)** to pay 50%, up to \$200,000, for the power upgrades pertaining to Building Nos. 10, 36, 37 and 38 once the Board receives verification of the expenditure and certifies the power upgrade project has been successfully completed.

Agenda Item No. 5: ISU IAC's Request to Lease Positron Facility. Chair Smith provided the Board with an update on the Positron Facility; ISU Idaho Accelerator Center would like to lease the facility, for a 5 year term, for the rent payment of utilities plus \$500, and include a 30

day mutual termination provision. The Sheriff's sale for the property will be held on July 5, 2016 at 10:00 a.m. The PDA's attorney on this matter, Craig Christensen, has advised it is best to wait until the PDA has possession of the facility to lease the building. It was then **MSC (C. Carr, S. Brown, Ottoway abstained)** to have a Lease Agreement prepared with ISU, consistent with the terms of ISU's proposal, subject to the conclusion of the Sheriff's Sale and subject to the Chair and Dean Tranmer's satisfaction of the same.

Agenda Item No. 6: Resolutions acknowledging the outstanding service of Cynthia Hill and Howard Manwaring as Board Members. Chair Smith read the Resolution for Howard Manwaring, adopted as Resolution 2016-02, and the Resolution for Cynthia Hill, adopted as Resolution No. 2016-03. It was **MSC (D. Hillam, T. Ottoway)** to approve the two Resolutions as prepared.

3. Adjournment: There being no additional business, the meeting adjourned at 12:42 p.m. by **MSC (L. Fisher, D. Hillam).**

By: Tiffany G. Olsen
Tiffany G. Olsen, Secretary

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
MEETING EXECUTIVE SESSION
June 16, 2016

Members present: Brian Blad (left at 11:50 a.m.), Steve Brown, Chad Carr, Larry Fisher, Devin Hillam, Thomas Ottoway, Scott Smith (Chairman), and Scott Turner.

Members excused: Russell Meyers

Staff present: Dean Tranmer (arrived at 11:25 a.m.) and Tiffany Olsen, City Legal Dept.; Joyce Stroschein, City Finance Dept.; and John Regetz with Bannock Development Corporation (ex-officio).

Guests included Stephanie Palagi with Old Town Pocatello, Inc.

The Board of Commissioners adjourned from regular session into executive session at 11:08 a.m. pursuant to I.C. §74-206(1)(e) to discuss negotiations involving matters of trade or commerce in which the PDA is in competition with other jurisdictions. **It was moved and seconded (B. Blad, T. Ottoway). The motion passed** by roll call vote (**Ayes: Blad, Brown, Carr, Fisher, Hillam, Ottoway, Smith and Turner; Nays: None**). A potential development within the City limits was discussed. Stephanie Palagi left at 11:30 a.m. Potential development within the North Portneuf District was then discussed. The Board reconvened to regular session by **MSC (B. Blad, C. Carr)** at 11:38 a.m.

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Tiffany G. Olsen, Secretary