

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES

May 17, 2017

Members present: Mayor Brian Blad (arrived at 11:09 a.m.), Councilman Steve Brown, Chad Carr (arrived at 11:07 a.m.), Larry Fisher, Russell Meyers, Scott Smith (Chairman) and Scott Turner.

Members absent: Commissioner Evan Frasure and Thomas Ottaway.

Staff present: Tiffany Olsen and Kirk Bybee, City Legal Dept.; Merrill Quayle, Development Engineer; Melanie Gygli, Interim Planning and Development Services Director; Ashley Linton, Finance Department; Devin Hillam, Bannock County Executive Assistant to the Commissioners; and John Regetz with Bannock Development Corporation (ex-officio).

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

Introductions, Conflicts, and Agenda: There were no conflicts disclosed and no modifications to the agenda. Guests in attendance included Jason Hawkins of Driscoll-Top Hay, LLC; David Allen, Pocatello Regional Airport Manager; and Mark Lupo and Jim Burdick of Idaho Power Company.

1. Action and Discussion Items:

Agenda Item No. 1: Minutes. The Minutes of the regularly scheduled meeting and executive session of April 19, 2017 and the special meeting and executive session of April 26, 2017 were reviewed. It was **MSC (R. Meyers, S. Turner)** to approve the Minutes as prepared.

Agenda Item No. 2: Financial Report. Ashley Linton of the City's Finance Department presented the Financial Report for the month of April 2017. At month end the Authority had cash on hand of \$7,062,961.99. The checking account balance was \$3,595,566.87, the savings account was \$746,511.98 and cash being held by Zions Trust amounted to \$2,720,883.14. The PDA recognized normal financial activity for the month. The Authority received revenues totaling \$101,518.02 of which \$911.07 was interest earnings on cash invested and property tax interest. Rental income from the Positron Facility was received in the amount of \$750.00. Property tax remittances totaled \$99,856.95 (\$25,848.89 from the North Yellowstone District and \$74,008.06 from the Naval Ordnance District). Expenses for the month totaled \$1,412.50. The administrative expense for lunch was \$225.00 and attorney's fees related to the judicial foreclosure of the Positron Facility were \$1,187.50. Year to date revenues are \$1,215,179.09 and are more than the expenses of \$425,914.54. Overall net income is \$789,264.55. It was then **MSC (S. Turner, R. Meyers)** to approve the April 2017 Financial Report as presented.

Agenda Item No. 3: Payment Requests/Reimbursements. None at this time.

Agenda Item No. 4: Request for Funding from the Pocatello Regional Airport District. **T. Olsen** introduced the new tenant, Driscoll TopHay, LLC (DTH), who has a lease with the City for the use of 1511 Fortress (for the formerly known as "Idaho Accelerator Center" facility) at the Airport property. DTH is a multi-international company consisting of two primary partners; those being Driscoll Brothers Partnership and TopHay Agri-Industries, Inc. Driscoll Bros are a local, Pocatello based, fourth generation family farm and TopHay is a Canadian/Chinese

Company based out of British Columbia. Jason Hawkins, the Operations Manager for DTH, summarized the operations of their high compression bailing business and the remodel/property improvements being made to the Airport property to facilitate their company's necessities and production. One major component in the remodel/infrastructure needs is power. Idaho Power performed a preliminary engineering assessment in the amount of \$149,000.00. However, Idaho Power representatives have determined that the preliminary assessment was high and given more detailed analysis of the location and the company's power usage, the engineering assessment has been reduced to approximately \$50,000.00. **T. Olsen** reminded the Board that the electrical upgrade of a facility is within the Pocatello Regional Airport Urban Renewal Area and Revenue Allocation District Plan as a reimbursable item (see page 7). **C. Carr** verified that the electrical upgrades would be sufficient for phase 1 and phase 2 of the plant operations. **J. Hawkins** reviewed the employee positions, wages and benefits provided with Phase 1. He further noted that the renovation budget is just over \$1 million dollars and the price of the hay press is approximately \$2 million dollars. Airport Manager David Allen explained the terms of the lease with the City and the rental abatement for period of five years for approved improvements. **R. Meyers** summarized that this is a good project for the PDA to give consideration to and that increasing the number of jobs/business within the District should be captured with a reimbursement incentive from the TIF District funds. It was then **MSC (B. Blad, R. Meyers)** to approve an Economic Development Grant to Driscoll TopHay, LLC, in the amount of up to \$50,000, for the electrical upgrades to 1511 Fortress within the PRA District upon receiving a verified paid invoice for the request. The reimbursement shall be a grant as long as Driscoll TopHay operates at the Fortress location for 5 years from the date of issuance. In the event the business is not operative for a period of 5 years, the grant shall convert to a loan with the terms to be agreed upon by the parties.

Agenda Item No. 6: Recognition of Devin Hillam's service as a board member. Mr. Hillam was nominated in April 2016 by the Bannock County Commissioner's to fill their Board Member seat as their selected designee. His service is recognized by the Adoption of a Resolution. Chairman Smith read Resolution 2017-1 and the Board unanimously approved the same. The Board thanked Mr. Hillam for his good service to the Board and encouraged his continued participation as County Staff.

2. Executive Session:

Chairman 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 (R. Meyers, B. Blad)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Meyers, Blad, Brown, Carr, Fisher, Smith and Turner; Nays: None**). The Board adjourned to executive session at approximately 11:52 a.m. The Board reconvened to regular session at 12:26 p.m.

3. Action and Discussion Items:

Agenda Item No. 5: Reconsideration of Motion related to the Olympus Drive Extension of Roadway. It was **MSC (B. Blad, R. Meyers)** to reconsider the motion made on April 26, 2017 and approve the same commitment of up to two million dollars (\$2,000,000) from the PDA General Fund toward the installation of public utilities (water, sewer and stormwater) within the

roadway and construction of the road but to begin at the Butte/Olympus intersection north to the new Siphon Road Interchange to facilitate the water infrastructure construction/delivery requirements from Butte to Olympus/Chubbuck intersection AND to approve the payment of \$50,000.00 (from the committed \$2M) to Millennial Development Partners as contribution toward the initial survey, engineering and design work for the new Siphon Road Interchange.

4. Adjournment:

There being no additional business, the meeting adjourned at 12:28 p.m.

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

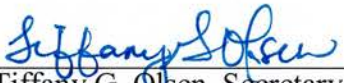
POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
EXECUTIVE SESSION
May 17, 2017

Members present: Mayor Brian Blad, Councilman Steve Brown, Chad Carr, Larry Fisher, Russell Meyers, Scott Smith (Chairman) and Scott Turner.

Members absent: Commissioner Evan Frasure and Thomas Ottaway.

Staff present: Tiffany Olsen and Kirk Bybee, City Legal Dept.; Merrill Quayle, Development Engineer, Melanie Gygli, Interim Planning and Development Services Director, Ashley Linton, Finance Department; Devin Hiram, Bannock County Executive Assistant to the Commissioners; and John Regetz with Bannock Development Corporation (ex-officio).

The Board of Commissioners adjourned from regular session into executive session at 11:52 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 (R. Meyers, B. Blad)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Meyers, Blad, Brown, Carr, Fisher, Smith and Turner; Nays: None**). The Board reconvened to regular session at 12:26 p.m.

By: 
Tiffany G. Olsen, Secretary