

# POCATELLO DEVELOPMENT AUTHORITY

Meeting Minutes for July 19, 2023 at 11:00 A.M.  
Council Chambers, 911 N 7<sup>th</sup> Avenue, Pocatello, Id

## Agenda Item No. 1: Call to Order and Disclosure of Conflicts of Interest

**Chair Villarreal** called the meeting to order at 11:00 a.m.

**Members present:** Rick Cheatum, Greg Gunter, Jim Johnston, (arrived at 11: a.m.), Nathan Richardson, Scott Turner and David Villarreal.

**Members excused/unexcused:** EX-Mayor Brian Blad, UE-Jeff Hough and UE-Kirk Lepchenske.

**Others present:** Executive Director Brent McLane, Treasurer Thane Sparks, Secretary Aceline McCulla, City of Pocatello Development Engineer Merril Quayle and other visitors.

**Rick Cheatum** has a conflict with agenda items 3 and 4 due to a family relationship with contractor Johansen LLC, and Cheatum will abstain from these two items. None of the other members had anything to report.

## Agenda Item No. 2: Approve the Meeting Minutes.

The Board may wish to waive the oral reading of the Board of Commissioners meeting minutes held June 21, 2022, and approve the meeting minutes as written.

It was moved by **J. Johnston** and seconded by **S. Turner** to approve the June 21 meeting minutes as written. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Unanimous. Motion Carried.

## Agenda Item 3: IRG NOP Reimbursement No. 5.

The Board may wish to authorize payment for IRG's OPA Reimbursement No. 5 for phase two balance on Building 16 in the amount of \$292,694.34, documents included with agenda item 4.

**Quayle** explained that reimbursement no. 5 completes this project, and Quayle and McLane have reviewed the final report, completed the inspections and noted that all agreement requirements are met.

It was moved by **J. Johnston** and seconded by **N. Richardson** to approve the IRG OPA reimbursement no. 5 as presented. Those in favor were G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Those abstained were R. Cheatum. Motion Carried.

## Agenda Item 4: Monthly Financial Report, Expenses and Reimbursements.

The Board may wish to approve the monthly financial report, expenses and reimbursements.

It was moved by **D. Villarreal** and seconded by **S. Turner** to approve the financial report, expenses and reimbursements as presented. Those in favor were G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Those abstained were R. Cheatum. Motion Carried.

## Agenda Item 5: Reconsideration of the Professional Services for Eligibility and Economic Feasibility Study.

The Board may wish to hear a reconsideration on Professional Services for Eligibility and Economic Feasibility Study.

**McLane** noted that the original bid from SB Friedman did not include the second portion of the project. This is coming back to the Board to choose an option: 1) Rescind the decision from June 19; 2) Accept the

bid by Outwest Policy Advisors; 3) Continue with the SB Friedman knowing there will be additional costs for work not included; and 4) Open a new RFP acceptance period.

It was moved by **J. Johnston** and seconded by **S. Turner** to rescind the acceptance offer by SB Friedman made June 21, 2023. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Those abstained were. Motion Carried.

The Board ensued in discussion.

**Johnston** asked to accept the complete bid by Outwest Policy Advisors that was submitted. **Gunter** concurred with Johnston.

It was moved by **J. Johnston** and seconded by **G. Gunter** to accept the Outwest Policy Advisors proposal as presented on June 21, 2023. Those in favor were G. Gunter, J. Johnston, N. Richardson and D. Villarreal. Those opposed were S. Turner and R. Cheatum. Motion Carried.

Discussion ensued by the Board.

**Turner** felt the SB Friedman was more suited for this project with their experience working with urban and rural areas similar to Pocatello. **Cheatum** thought that the bid process should be opened again. **Villarreal** stated that after hearing the information by Turner, he would like to revote on the previous motion.

PDA Attorney **Abbey Germaine** recommended notifying the two RFP recipients identified June 21 that the offer was rescinded on July 19 and that the RFP acceptance period has been reopened until 3:00 p.m. on August 18 for new submissions. Official letters will be created and emailed to them. Repost the RFP accordingly.

It was moved by **D. Villarreal** and seconded by **R. Cheatum** to rescind the previous motion, and to authorize opening up the RFP process again to accept new proposals. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson S. Turner and D. Villarreal. Unanimous. Motion Carried.

**Agenda Item 6: Discuss Pocatello Quinn LLC-IRG Second Owner Participation Agreement (OPA).** The Board may wish to discuss the Pocatello Quinn LLC-IRG for the Naval Ordinance Plat Urban Renewal Area Improvement Plan and approve Resolution 23-002.

**McLane** stated this is a second OPA at the Naval Ordnance Plant (NOP) for Pocatello Quinn LLC – IRG. This proposal requests to repaint and update the façade on Building 12, as done with the first OPA. IRG asked to amend the original OPA, but since they were near completion, it was better to close the first one and have them submit for a second OPA for Building 12. This will include a Deed of Façade Easement that will go before City Council to accept the Deed of Façade Easement on Building 12, as was done for the previous OPA. The second OPA would not begin until the first OPA is closed. Sparks and McLane projected a forecast and anticipate the \$166,066.00 would be available in January 2024, and the request would not be paid until the funds are available. This would only hold true if the General Fund Administrative Fees are left in place and made available for the Districts to utilize; these funds would support the Districts where other General Fund items would not be available.

The Board ensued in discussion.

It was moved by **J. Johnston** and seconded by **R. Cheatum** to approve the second OPA request by Pocatello Quinn LLC - IRG as proposed and presented, and to authorize the Chair to sign the Resolution 23-

003. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, Turner and D. Villarreal. Unanimous. Motion Carried.

**Agenda Item 7: Discuss Fiscal Year 2024 (FY24) Budget.**

The Board may wish to discuss the proposed FY24 budget.

**McLane** stated if funds are ~~not~~ moved from the General Fund Administrative expense line item for the current fiscal year in the NOP district, there may not be enough funding for the Pocatello Quinn LLC – IRG OPA just approved, and it would affect each district’s funding. The investment interest is expected to cover administrative expenses.

The administrative expense line item will remain in the budget and the board can later decide if those funds will be transferred from the individual district funds to the general fund, currently there will be no transfer of funds for administrative allocation costs until the board decides differently. Currently the General Fund has sufficient cash balance to cover the administrative expenses.

**Abbey** noted that pending litigation should be considered and that costs are set aside in the proper TIF fund.

**Sparks** noted contingency funds could be utilized for litigation expenses. Sparks noted tax increments are not known until November, therefore Sparks increased this year’s receipts by three percent for an estimate. Three items need to be updated: 1) General Fund (GF) Professional Services line item needs to include the Eligibility & Feasibility Study cost and then the expense allocated from this fund and line item; 2) NOP District Fund needs to be increased to cover the approved OPA of \$166,066.00 in FY24 and offset with money from the GF Administrative Expenses from FY23 that would not be transferred to the next fiscal year, which will increase the cash balance and carry forward in the NOP District, allowing to increase the budget expenses to cover the approved expenses in the OPA Fees Income line item to the NOP District; and 3) General Fund Professional services needs to include the expected increase for the Treasurer/Bookkeeper professional service contract.

**Villarreal** stated the Treasurer contact be increased to \$1,500.00 per month for his efficiency, and a new contract be issued. **McLane** noted that this will be on the August agenda and consider it in the budget.

It was moved by **D. Villarreal** and seconded by **J. Johnston** to approve the budget as presented with the budgetary changes of \$134200 to \$166,000 for NOP and increase \$80,000~~300~~ to the Professional Services, and authorize the publication of the FY24 Budget with modifications and schedule the public hearing for August 16. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Unanimous. Motion Carried.

It was moved by and seconded by to approve the budget with the following changes: and to schedule the public hearing for August 16. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Unanimous. Motion Carried.

**Agenda Item 8: Discuss Investment Options.**

The Board may wish to discuss investing options.

**Sparks** noted that no other adjustments have been made. He seeks direction on hiring a third-party financial investor, who would be looking at the same options, and may put us at more risk. Sparks asked to continue with PDA’s current path.

I was moved by **J. Johnston** and seconded by **S. Turner** to continue with the current investing plan in place. Those in favor were R. Cheatum, G. Gunter, J. Johnston, N. Richardson, S. Turner and D. Villarreal. Unanimous. Motion Carried.

**Agenda Item 9: Calendar Review.**

The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention.

**Villarreal** asked to move the August 16 meeting to August 23 and if anyone had a conflict for this change. **Cheatum** stated he could not attend the meeting on August 23.

**Agenda Item 9: News for the Good of the Order.**

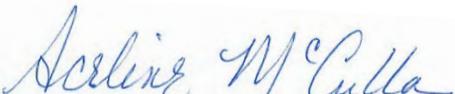
The board may wish to discuss news for the Good of the Order.

**Quayle** provided an update on the Northgate projects, the Portneuf projects, and Airport project.

**Agenda Item 10: Adjourn Regular Meeting.**

With no further business, **Chair Villarreal** adjourned the meeting at 12:07 p.m.

Submitted by:

  
Aceline McCulla, Secretary

Approved on: *August 23, 2023*