

**POST FALLS URBAN RENEWAL AGENCY MINUTES  
JUNE 18, 2009**

**CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE**

Chairman Nancy Mabile called the meeting to order at 7:00 AM. Present in addition to Chairman Mabile were Vice-Chairman Bobbi Rollins, Treasurer David Holloway and Commissioners Larry Carstensen, Jerry Baltzell and Tim Short. Commissioner Peter Smith was excused. Contract staff members present were Executive Director Tom Lien and Legal Counsel Pete Bredeson. Commissioner Holloway led in the pledge of allegiance.

**CEREMONIES, APPOINTMENTS and ANNOUNCEMENTS**

Mabile asked for any amendments to the Agenda. Rollins made a motion to add the Welch-Comer & Associates engineering agreement and the Post Falls Chamber of Commerce funding request to the Agenda as Unfinished Business. Baltzell seconded and motion passed by voice vote.

**CONFLICT DISCLOSURE**

Mabile asked if there was any necessary disclosure of conflict. Both Holloway & Mabile expressed conflict on the Chamber of Commerce item, and Short expressed conflict on the Welch-Comer item. Each noted that they would recuse themselves from any discussion or action on those items.

**CONSENT CALENDAR**

Mabile asked ED Lien to read through the Consent Calendar. Lien noted that the Consent Calendar included as a first item the Commission minutes from May 21, 2009 as edited and corrected. The next item was the listing of accounts payable which only included normal operating expenses totaling \$7,440.32.

The financial statements for the month of May were very straight forward with year-to-date operating expenses of \$87,139 being 71.2% of the eight month budget of \$122,357. The next item comprised the Bank Activity Report and showed that total increment deposits for the month were \$9,516.17. Lien noted that Commissioner approval of the consent calendar will approve transfer of \$1,868.71 accrued interest to the General Fund, and approval of paying the total of \$7,440.32 in payables.

Next on the list was the task order for Welch-Comer engineering obligating an amount not to exceed \$4,000.00 for review and cost verification of the reimbursement submittals #5 and #6 for the Expo District.

Following that was the Owner Participation Agreement for West Seltice II District. The engineers task order for review and cost verification of the reimbursement submittal came before the Commission at the January meeting and was approved at that time. However, the proponent needed more time to put together all the invoices supporting the reimbursement and the engineer now has that information. With that we can get the Owner Participation Agreement signed.

The last item on the Consent Calendar is a request to approve reimbursement to Jacklin Land Company in the Riverbend District in the amount of \$10,298.07 which was a shortfall in the

construction at Riverbend Phase I. Mr. Bruce Cyr at Riverbend has been performing audits on the construction billings and payments. The amount was billed to Jacklin Land Company by the City of Post Falls under a specific Agreement but they were never reimbursed from increment revenue for the amount.

Lien offered to take any questions. Rollins asked that if the West Seltice II OPA was scheduled to be signed a long time ago, will the effective date stay the same and Lien responded that the date would be the current date. Additionally, Rollins asked if it was always the Agency intent to reimburse the amount requested by Jacklin. Lien indicated that he was not here at the time but that the documents that he had read showed a guarantee by Jacklin to pay any shortfall in funding and that reimbursement from increment funding would subsequently occur. Holloway indicated that his recollection was that the billing from Shelly Enderud, City Treasurer was per the agreements.

Baltzell asked for clarification regarding the cover letter from Jacklin Land Company as provided in the Commissioner Packet showing the \$10,298.07 and an additional item for \$211,177.94. He wanted to verify that only the \$10,298.07 was currently being approved and Lien affirmed that as correct. The \$211,177.94 item will require additional research and Lien anticipates that it will come back to the Commission for action at the July meeting.

Mabile asked for any additional questions and Holloway asked that Lien verify that the outside CPA did in fact include the monthly increment revenue in the last page of her financial statements.

Hearing no further questions, a motion was made by Holloway and seconded by Baltzell to approve the consent calendar. Roll Call vote: Carstensen – Aye, Baltzell – Aye, Holloway – Aye, Mabile – Aye, Rollins – Aye, Short – Aye. Motion passed.

## **CITIZEN COMMENTS**

None

## **UNFINISHED BUSINESS**

### *Repeal of two District Reserve policies of April 2005 and May 19, 2005*

At the last meeting there was discussion on the District Reserve policies regarding repeal of two prior policies and adoption of a single new policy. No action was taken on the item and Mr. Lien indicated that he would do additional research and take this to Finance and Policy Committee. Mabile asked Lien to report his findings.

Lien said that after close review, the Finance Committee discussed and determined that there is no need to have district wide reserves. Therefore the policy before the Commission is for the purpose of repealing the prior two existing policies. The existing district wide balances totaling \$280,600 for all the districts and sub-districts will be added to the proponent reimbursements that will be made in August or September.

If there is a need for the Commission to fund any small projects or enhancements within a district such as City Center or East Post Falls, the existing increment balances could be used without also having a redundant district wide reserve. Mabile asked if there were any questions. Rollins asked if the policy statement would be adopted by a motion and then added to the minutes. Lien indicated that as approved, this policy would be placed in the policy binder with the prior policies

showing that they were rescinded. Attorney Bredeson affirmed that this is the correct process and that the policy can be adopted by motion. Holloway asked Lien for clarification that this policy would not affect the Loan Reserve policy. Lien affirmed that the loan reserve policy would not be affected by this action.

Hearing no other questions, Mabile ask for a motion adopting the new Policy rescinding the prior District Wide Reserve policies. Baltzell moved to approve as seconded by Carstenson. All in favor by voice vote.

#### Welch-Comer & Associates Engineering Agreement

Mabile indicated that there is an Agreement between the City of Post Falls and Welch-Comer Engineering firm. Lien commented that this was a standard engineering services agreement to provide design and construction oversight on the William and Frederick street project to put in curbs, sidewalks and parking, and the Agreement also includes the Centennial Trail parking lot project. Because the Agency will be paying for the costs of these project tasks, the Agency was added to the Agreement as a co-beneficiary under the liability insurance and a paragraph was added linking the MOU and the Engineering Services Agreement. Mr. Bredeson provided language that was added under section XV.

Hearing no other questions, Mabile ask for a motion approving the Welch-Comer & Associates engineering services agreement. Carstenson moved to accept as seconded by Rollins. Roll Call vote: Carstensen – Aye, Baltzell – Aye, Holloway – Aye, Mabile – Aye, Rollins – Aye, Short – Abstain. Motion passed.

### **NEW BUSINESS**

#### Post Falls Chamber of Commerce

Mabile advised that both she and Holloway would recuse themselves from discussion or action on this item and Rollins would lead the discussion.

Rollins asked for any questions on the issue and Baltzell asked if the overall costs of the patio improvements were about \$60,000 and the requested \$36,000 was a part of that. Lien provided background on the request saying that in a prior month Commission meeting, the Chamber requested funding of \$36,000 for the outdoors patio area of the new Chamber of Commerce building. Lien had asked for a delineation of costs to include quantities and unit pricing. This information was necessary to provide to the City Engineer for review to ensure that these were standard costs.

The City Engineer indicated that it would be difficult to assess the costs on this type of project, as it did not fall within the normal scope they deal with in city projects. Lien contacted the architect and principal contractor and was advised that two or three bids were acquired on most of the vendors or providers of service on this project. Because the Agency funding of \$36,000 is less than half the cost of this public access portion of the total cost which exceeds \$530,000 it was felt that adequate verification of costs had been provided.

Lien asked Short if he could comment on the costs and Short indicated that it is somewhat difficult without a set of plans but he felt the costs were pretty much in line. He did suggest that it may be a good idea for the Agency or City engineer to look at the bids received on the portions of work of which the Agency is providing partial funding. Baltzell asked for clarification as to who will own or lease the property in question. Lien indicated that the property is owned by the City, it will be

leased to Panhandle Area Council who will borrow from Community 1<sup>st</sup> Bank to build the building which will be funded in part by donations received by the Chamber who will in turn lease the land and building from PAC. Baltzell's point was that the funding would actually be going to PAC as owner of the Building.

At the end of the term of the lease, PAC will sell the building to the Chamber for a minimum amount of \$1.00 to satisfy Idaho Code. After much discussion it was determined that the intent of the Agency to fund streetscape improvements to a new building that would be available to the public would be appropriate. Rollins asked City Administrator Keck if he would like to comment. Keck indicated that the property is and always was expected to be owned by the City subject to a leasehold interest by the Chamber. At such time that the bank financing is paid off, the building will be owned by the Chamber but the land will still be owned by the City.

Carstenson asked if we had obtained sound numbers on which to base a decision by the Agency. Lien indicated that we had received unit pricing and quantities on most of the landscape and patio costs and affirmed to Rollins that it was normal for the building owner (PAC) and financing entity (Community 1<sup>st</sup> Bank) to review and approve those costs prior to financing. Additional discussion focused on the fact that the patio improvements as funded by the Agency would be in place on the ground, not so much as within or on the building, so those improvements would be more City property as opposed to personal property owned by the Chamber as part of the building.

Rollins asked if the chamber officers that were present would like to comment on the chamber process of selecting vendors. Chamber President Pam Houser introduced Randy Oakes who is the chair of the building committee. Houser indicated that through the architect, they received two or three bids on all of the work and normally select a chamber member if they are otherwise qualified. Some of the vendors have offered to donate a portion of the materials or give lower pricing. Oakes reiterated the chamber process was to receive multiple bids from contractors to get the best pricing.

Baltzell asked who took out the loan with Community 1<sup>st</sup> Bank, the Chamber or PAC? Houser said that it was PAC. Baltzell asked then if they would be a joint signer on the note for the loan and Houser responded that they would be a joint signer and obligated on the loan. She also said that their goal was to pre-pay the lease/loan in five years. They hope to raise as much money as possible out of around \$530,000 total building costs before breaking ground. Rollins asked how much the Chamber has raised and Houser responded right about half, about \$250,000 to \$225,000.

Rollins asked for any further questions and was open to take a motion on the request. After further discussion, it was determined that the motion language would approve funding to the Chamber of Commerce up to an amount of \$36,000. Baltzell asked to amend the motion to identify who the property owner and lessee would be during the term of the lease. The resulting motion would be to approve funding not to exceed \$36,000 to the Post Falls Chamber of Commerce for the purpose of funding the patio portion of the new Chamber building to be leased from PAC, and on ground leased from the City. After clarification requested from Baltzell by Rollins on adequacy of the suggested language, Baltzell moved to amend the original motion, seconded by Short. Voice vote was taken and all approved with Mabile and Holloway abstaining.

Rollins then re-stated the motion on the floor to approve funding for the Chamber of Commerce patio area in an amount up to and not to exceed \$36,000, noting that PAC is the lessee, the Chamber is a sub-lessee on the property owned by the City. A roll call vote was taken with

Carstenson – Aye, Baltzell – Aye, Holloway – Abstain, Mabile – Abstain, Rollins – Aye and Short – Aye. Motion passed.

## **STAFF REPORT**

Rollins turned the meeting back to Mabile who asked Lien for a staff report. He indicated that he has been in discussion with Keck on the Greensferry agreement with ITD and that the proposed draft agreement has been forwarded to ITD in Boise for review. It is expected that there will be some editing changes to the document prior to a final being ready for approval.

The Centennial Trail dedication has been an on-going effort for over a year and the appropriate legal description has been acquired along with a preliminary title insurance policy. A statutory warranty deed now needs to be completed and recorded so the property can be deeded over to the City. The Agency will pay recording fees, title insurance premium naming the City as beneficiary, and an amount of approximately \$12,767 to Dr. Lynn for his costs in having that section of the Centennial Trail moved and paved.

The Strategic Planning session that is being scheduled cannot be held at the library as they do not open until 10:00am on a Saturday. Baltzell had offered use of the CAMBR facility at the University of Idaho campus location. Mabile asked Lien to check to see if any other public facility was available in Post Falls. This has to be an open public meeting in an easily found public location. Lien will follow up with Keck on any suggested alternate locations.

Short asked if periodic updates to the Greensferry Interchange could be made available and Lien said that he would provide for that. Keck was asked for an update on this and he said that the engineering consultant CH2M Hill should have the final version of the Environmental Impact Statement out by the end of June, which will coincide with the ongoing review of the interchange justification report with the Federal Highway Administration, which in turn will lead to a formal Record of Decision being issued hopefully in October.

## **COMMITTEE UPDATES**

*Finance and Policy Committee – None*

*District Review – None*

*City Center – The 3 on 3 meeting the prior week was postponed to next week.*

*Personnel Property and Communications – None*

## **COMMISSIONER COMMENTS**

None

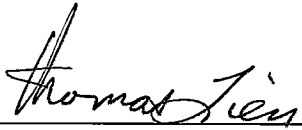
## **CHAIRMAN COMMENTS**

None

## **ADJOURNMENT**

Hearing no further business, Rollins moved to adjourn, seconded by Short. All in favor by voice vote. Meeting adjourned at 8:03 am.

Respectfully submitted,



Thomas Lien, Executive Director



Bobbi Rollins, Vice-Chairman

Districts Affected:

West Seltice II  
Riverbend  
City Center  
East Post Falls