



MINUTES
REGULAR OF THE BOARD OF COMMISSIONERS
Wednesday, December 22, 2010 3:00 p.m.
Meridian City Council Chambers
33 East Broadway Avenue - Meridian, Idaho

1. Call Meeting to Order (Lipschultz):

2. Roll-call Attendance (Lipschultz):

 X Larry Lipschultz – Chairman
 X Craig Slocum – Vice-Chairman
 O Eric Jensen – Secretary/Treasurer

 X Keith Bird – Member
 X Jim Escobar – Member
 O Julie Pipal – Member
 O Tammy de Weerd–Member

 X Todd Lakey – Counsel
 X Ashley Ford – Project Manager

3. Confirm Agenda (Lipschultz):

Escobar: I move we confirm the amended agenda.

Bird: This agenda does not have the Executive Session.

Lakey: I think we will bring that up specifically, Mr. Bird, when we get there. What was added was the resolution and –

Bird: I knew that, but you don't have to – but if you know you are going into one before you do the agenda, don't you have to add it on at that time?

Lakey: It is included in the agenda now.

(Inaudible).

Lakey: You can include the Executive Session pursuant to 67-2345 (f).

Bird: I would move we amend the agenda to show as item number 13 an Executive Session as per Idaho State Code 67-2345 1(f) and 1(b).

Escobar: Second.

Lipschultz: A motion and a second to amend the agenda as amended. I guess in terms of discussion we would want to move that Executive Session as item number 7 and everything else will be pushed back on the number.

Bird: I amend my motion from item 13 to item 7.

Escobar: Second.

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

4. Approve Consent Agenda (Lipschultz):

a. Approve Minutes of December 8, 2010 Regular Meeting:

b. Approve Minutes of December 10, 2010 Special Meeting:

Bird: I move we approve the Consent Agenda as published.

Slocum: Second with discussion. I just noted that when reading the minutes from December 8th, Chairman Lipschultz was indicated as not being in attendance, but makes a motion – and I am sure that Mr. Lipschultz was present. It indicates that I was, for the record – I am not quite sure –

Bird: Tammy was here too.

Lipschultz: The other complication that I had was on page 21 – and about half way down was (inaudible) and Mr. Turlington made those comments in that paragraph – (inaudible) –

Bird: Make my motion so noted the changes.

Slocum: Second.

Lipschultz: A motion and a second to approve the Consent Agenda with the discussed modifications to the December 8th minutes. Further discussion?

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

5. Ground Floor Report (Gwen Runyan):

Runyan: Well, in your packet – you did get a new tenant this month and it is actually getting kind of cool in there. A lot of people in there now and the atmosphere is real nice, the work atmosphere – people are friendly to one another and the more people that we get – it just seems like it is becoming a nicer place to work. I kind of follow into Tuesday office hours – they pretty much know that they can find me there on Tuesday,

but I didn't really let them know so after the first of the year, I will give them some formal hours so that they know if they do have issues they can typically find me there and most of the time I am there on Friday as well, so they pretty much have gotten the hang of my schedule. I am actually encouraged there is – I am doing a lot of things, talking to a lot of people again, joining associations, going to events. We have had a couple of strategy sessions and I believe those have been going very well. I think that the individuals think that I am moving in the right direction and I am not getting too discouraged by them for what I am doing. I think I am getting the word out about the Ground Floor and like I had indicated previously is I am shocked that people just don't know that we are there. I am getting good reception for the idea of us being there. We are getting some events scheduled, we are getting offers and invitations back and forth for me individually to work and so I think that I am starting to gain some ground. Don't be discouraged about the tenants yet. It is only two tenants in 2 ½ months – you know, we are getting there. We are doing it step by step. It took me a little chance to understand what I was marketing – you know, you just can't go out there and start throwing mud on the wall and so I think I have got a real clear plan and I think we are moving forward and heading in the right direction.

Lipschultz: So as you look out say in the next 60 days what would you say is a realistic goal (inaudible)?

Runyan: I don't know. We have five now. I would be thrilled if we could pick up one more. I think it is unrealistic to assume to do much better. The next step that I am taking and I know I emailed you and I apologize – we had been talking about it in our strategy sessions and is actually going to some very specific advertising. I am doing crazy things like I have got \$100 coupon for free Google map and so I am following the drill and (inaudible). I have asked for permission to have a print piece prepared with the notion of using it in the (inaudible) – the print piece, so I have a couple of different options to look at to get that done and I think we can get that pretty cheap and I have got some very inexpensive targeted placements that I want to do with that. The last couple of weeks I have been trying to join up a tagline to think maybe what we would do with the Ground Floor and I think I finally came up with one and I ran it by Chad today and he likes it and (inaudible) really nice. So I will just throw it out there for you guys, so if you don't like it, don't tell me because I am going with it – no I am teasing. If you have a better idea – but I was trying to sum up the Ground Floor so I thought that our technique headline would be “start something” at the Ground Floor. Chad likes it and I Googled it and did all search engines and that is nobody's slogan out there. That is going to be ours, unless somebody has a better idea. So that is kind of my next step. I can only do word of mouth as only being one mouth, so that is really truly going to be our best avenue, but I think there is a couple of key areas we can advertise (inaudible). I guess that is it.

Lipschultz: Hopefully – I mean obviously I want to get some people in there and getting more people downtown to eat lunch and all that – it would be great if we could see one of those start ups kind (inaudible) the Ground Floor – Ashley has worked on a final list of private spaces available and they could move in and help (inaudible) there is people we want to (inaudible) the Ground Floor (inaudible).

Runyan: I agree. I have had a number of different people for whatever reason the Ground Floor hasn't been the right fit for them and there is not a lot we can do about that. I have had two people that need actually some warehouse space and I thought about how that might be able to work – the reality is that somebody down there has empty space and somebody just needs warehouse space (inaudible). But the first time that I had the request –

Lipschultz: Well not just the Ground Floor hat, but also put in for the Meridian hat – there is opportunities for companies and private space downtown and let's work on that and if it is a warehouse opportunity for something that is not downtown, you and Ashley can both go to Brenda Sherwood with the city and say – (inaudible) Ms. Sherwood a contact resource and make sure that we are working for the overall benefit of Meridian as well as downtown.

Runyan: (Inaudible) with the Chamber of Commerce and they indicated that MDC had not been very involved with Chamber activities and so I had gone to lunch and I had just gotten off the phone and I was talking about it on my way up here. They have agreed to give the Ground Floor a free vesting (inaudible) and MDC and I am talking to them about that in their directory. So they have the (inaudible) that goes out to all of their members, but they also have a yellow pages that goes out to new people that have gathered around town. So they are very excited about having somebody from the Ground Floor and MDC involved with the Chamber. I went to a luncheon and got up there and introduced myself and told everybody all about the Ground Floor and what was happening and again people were like wow, they didn't even know it was there. So I will continue to be involved in that – I really believe probably that is kind of our best way to get tenants. I am hoping that we will get referrals from our association with some of the other (inaudible) around town and that is going to get tabled until after the holidays. Those guys don't have the urgency that I have surrounding them. So they have contacted both Idaho Statesman and the Idaho Business Review about doing an ad about our new collaboration that we are forming and trying to help all emerging businesses around the Treasure Valley. So that will be a good thing when they will be able to get that out.

Lipschultz: I know that the Mayor and City Council are working with the Chamber on trying to make sure that they are interactive with both the city and MDC and (inaudible) and I think there are some opportunities and the Chamber has talked about it and they are developing a subcommittee that may even meet at the Ground Floor.

Runyan: There is some opportunities for us to hold some meetings there and I am going to talk to them about that – they are hard to find. So I did indicate that we had the Ground Floor available for some of their meetings and so they are appreciative of that.

Lipschultz: Any questions for Gwen?

Escobar: I heard you mention publications out of the Valley Times?

Runyan: What I was thinking for the Valley Times – I don't know – the pre ads that sells – I don't know if you are talking about articles or –

Escobar: Article.

Runyan: What we were thinking and I think Ashley was is first anniversary. We have got a first anniversary coming up and to the extent, I don't know – I don't know if you want to do back to back or if we want to have the same article – Idaho Statesman, the Business Review and some times you get these articles that are all the same and they come out like in the same week, but I definitely think that a one year anniversary is good for them. It is problematic because I read everything and I find out that not everyone reads everything and in fact some people read nothing and so it is kind of challenging because I am trying to reach – I see most of our members being maybe not necessarily reading papers and things like that so I am kind of reaching an audience that doesn't leave any of the stuff that I would typically look to. So it has been challenging in that regard and with the networking sites on the internet and I am getting more comfortable with those and I talked with Chad this morning and we talked about what I had done and where I needed to go and I was kind of asking Red Sky to help and he shared with me some of his ideas as far as – well I didn't know how to advertise on the internet, so he kind of walked me through that and we got this Google thing going.

Ford: I was just also going to make a statement about the one year anniversary. What has been talked about in our strategic planning session this last Friday was the fact that maybe we do some sort of event surrounding the Ground Floor at the same time we do the groundbreaking for our COMPASS VRT building as we will have people downtown for that and that might be a good opportunity to highlight the Ground Floor – we have got a specialized invite list and to the people that we are trying to get in front of.

Runyan: So there is a lot of different things that we are working on and so just be patient, we are going to get there.

Lipschultz: Keep us posted for what we can do to help you with all of our projects.

Runyan: Well, Jim helped me get an event scheduled and I talked to (inaudible) all about the Ground Floor and I told her that I am going to leave my flowers right here and if people ask you and here we go and –

Lipschultz: All right that is great.

6. Broadway Building Partnership Update (Lipschultz):

Lipschultz: Original plan as we all recall is that bids were put out for the project and that deadline was this last Friday to open the bids. Earlier in the week two challenges surfaced. The first challenge and I am going to talk about this – one is kind of where we are today and secondly what is the plan moving forward and third is the cost associated with this and four is how we got here. And how we got here we will probably get into in item number 7, our executive session, so let's kind of talk about the first three. So we are here today – early last week two challenges – the first was the application to ACHD for our structural plan and we were notified through the Land Group to Erstad and Associates to us a couple of days later after they received word that our application had

been rejected and some of the original information that we received is that one of the regulations has changed, subsequent to our application that (inaudible) to that standard and that was causing problems. Second which I am not sure how big of an issue or an issue at all really was that some of the delay in telling us that had to do with the ACHD believing that there was unpaid fees in the amount of like \$200 associated with the HUB project. Well on project manager Ford's research discovered there were no unpaid fees, so that was not a problem and again it is not real clear how much that contributed to the delay. Conversations this morning with Erstad they are of the belief that Land Group is working with ACHD to go through this process and that staff at ACHD approved the project – so other information that we received said that the plans had not complied with the old – the original regulations (inaudible). We asked Erstad to get a document to us or a summary of who approved what and when and so our belief is it is a pretty black and white issue. Obviously we contracted with Erstad who contracted with Land Group to provide a plan that is complying with all the regulations. There is no gray area there, it is either complying or not complying. We will talk about that a little bit more. The second issue that came up was (inaudible) that we are putting together in the bid package for our addenda to the original bid package, as you recall, three weeks ago (inaudible) – as VRT reviewed them they noticed that in the original bid package there was certain language referencing several requirements that is not in the bid package and some of them or some of those regulations were probably not an issue as far as the seismic (inaudible) but the key thing that they provided us language for the addenda was language that the project had to comply with Buy America and after sending out that addenda apparently there were calls that came into the architect saying that they were looking for some clarification on the Buy America language in that the language of Buy America was not consistent with the language of the bid package; in other words there were items that were specked in the bid that didn't comply with Buy America. So based on that we felt those changes were too significant to – the options at that point were number one, go ahead and open the bids and then second, throw out the bids and rebid it under the Buy America. We thought (inaudible) just kind of playing a game to try and see what their costs are and send a message to qualified bidders. Obviously not the --

Bird: I would not bid to you again.

Lipschultz: So last Wednesday we sent out – that basically postponed the bids to January 26th. So in the meanwhile we asked Erstad to go back and give us an estimate timeline to get the designs in accordance with the federal provisions and secondly to give us an estimate of what the spending difference in cost. They are still waiting for those things – they think they will have the estimate in terms of – by the timeline probably earlier next week. So we put together a new timeline that is based on our best case scenario right now and that has the bid opening January 26th, which pushes the start date back one month and then realistically that is probably absolutely the best case scenario, probably more realistically –

Ford: As you see on the screen, where we are at this point for the next 40 days.

Lipschultz: It projects probably some of the key dates and issuing the new addenda tomorrow, which –

Bird: Bid day is 1/26? And the finish date is still August 15th?

Lipschultz: No, as you recall, we had a start date of January 31st for the project. The completion date is based upon the start date, so the bid date is January 26th, it will still need to go through our approval and we think probably the last of February to start the bid, realistically.

Bird: Why do you have to go that long? We should be able to approve our bids at the first meeting in February, if everything is done right in the bid and they can start gearing up immediately. We should have the financing in place by the 26th.

Lipschultz: Well, you know when the construction realistically starts. I mean we need to refine that.

Bird: So now we are setting the finish date back to September something?

Lipschultz: I guess what I am saying, the best case would be a 30 day delay.

Bird: So we are paying \$10,000 to COMPASS?

Lipschultz: Yeah. So we have asked Erstad to refine those dates and hope to have those in January. In terms of financing that piece is actually (inaudible). We continued our discussions with Washington Trust and we will be discussing the bond counsel and that is moving forward. We have weekly calls with Washington Trust in terms of the bid documents about the bond counsel and look at that and work with Washington Trust and getting the final work done. So our plan at this point is (inaudible) with our January 5th which we have a little bit of a leeway period between signing the documents and breaking ground to allow the public to comment or challenge and if we anticipate problems (inaudible), but we are going to stay with our aggressive schedule. The question for us to get that (inaudible). Again, how we got here and potentially how this additional cost – again, I would like to discuss that in Executive Session, but in terms of what the schedule is moving forward and certainly up for discussion or questions. COMPASS is in the audience and again, if you have any questions I am sure they are open for that.

Bird: Why don't we go into Executive Session and as far as I am concerned I would invite Matt to stay. He is a very big player in this and – I actually – one general contractor told me about these short schedules and what you get.

Lakey: I think what I would suggest if you would like Matt to stay or not to stay maybe for the initial part. I have known Matt for a long time and I trust him without question, but some of these items are something that we should specifically just discuss amongst ourselves. But having Matt here to ask or answer any questions –

Lipschultz: Yeah, if he would like to stay for the first part of our Executive Sessions that would be great.

Bird: I move that we go into Executive Session as per Idaho State Code 67-2345 (1)(b) and (1)(f).

Slocum: Second.

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

INTO EXECUTIVE SESSION

Bird: Note on the minutes that Mr. Matt Stahl has been invited into the Executive Session.

***NOTE: The recording from this point on did not work.**

7. Broadway Building Bond Counsel Agreement (Lakey):

Todd presented the bond counsel agreement with Koegen Edwards LLP

8. Resolution 10-099 Broadway Building Bond Counsel Agreement:

Bird: Moved to approve the Broadway Building Bond Counsel Agreement.

Slocum: Second.

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

9. Broadway Building Idaho Power Agreement (Ford):

Project Manager Ford updated the Board regarding the Idaho Power contract pertaining to the construction of the Broadway Building.

10. Resolution 10-098 Broadway Building Idaho Power Agreement:

Slocum: Moved to approve the Idaho Power contract pertaining to the construction of the Broadway Building.

Bird: Second.

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

11. Counsel's Report (Lakey):

Counsel Lakey did not have anything to report to the Board.

12. Project Manager's Report (Ford):

Project Manager Ford discussed the ULI Grant application.

Slocum: Moved to direct Project Manager Ford to draft the ULI Grant application with assistance with Commissioner Slocum.

Escobar: Second

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

ALL AYES. MOTION CARRIED.

13. Adjourn the Meeting (Lipschultz):

Bird: Motion to adjourn the meeting.

Escobar: Second

Roll Call Vote: Slocum, aye; Bird, aye; Escobar, aye; Lipschultz, aye.

(Audio on file of these proceedings)

APPROVED:


LARRY LIPSCHULTZ, CHAIRMAN

01/05/2011
DATE