

**WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)**  
**Board Meeting**  
**March 24, 2016**

Meeting Began At: 4:02 P.M.

Meeting Ended At: 4:40 P.M.

Members Present: Chris Beutler, Tim Clare, and Carl Eskridge

**Item 1 - Introductions and Notice of Open Meetings Law Posted by Door**

Beutler advised that the open meetings law posted at the entrance to the room is in effect.

**Item 2 - Public Comment and Time Limit Notification**

Beutler advised the audience that public comment is welcome and explained the time limit.

**Item 3 - Approval of the minutes from the JPA meeting February 26, 2016**

Clare moved approval of the minutes as presented. Eskridge seconded the motion. Motion carried 3-0.

**Item 4 – Approval of November and December 2015 and January and February 2016 Payment Registers (Steve Hubka)**

Steve Hubka, City Finance Director, presented the November and December 2015 and January and February 2016 payment registers. In November the operating budget had \$376,857.69 in routine expenditures. The December register shows \$9,535,666.44 in expenditures due to a bond interest payment comprising the bulk of the expenditures along with a few other items such as the 5-year renewal of environmental insurance in the amount of \$81,153.00 (one time cost), an audit payment to BKD of \$10,500.00, and other routine expenditures. January had a total of \$529,600.85 in expenditures such as maintenance district fees, trustee fees with Union Bank, and a significant payment to Parks and Recreation Foundation of \$81,500.00 which is part of the Hawkins settlement. February had a total of \$352,304.78 in expenditures of which a payment was made to Edward Carpenter for the arena artwork. Clare questioned where the WHJPA is heading in the future with District Energy. Hubka stated the energy payment will decrease over time and will be billed out to various customers in the west haymarket. Clare questioned whether or not the heat regulators purchased were helping to keep the costs down. Hubka affirmed they have started to see positive results and the bills are going down. In response to question from Clare, Hubka confirmed all of the expenditures were within the budget. Clare further questioned where the contingency is sitting. Hubka replied that nothing has come out of the contingency in quite some time and around \$9,000,000.00 or more remains. Jane Kinsey presented questions to which Mark Leikam and Hubka responded. There being no further

discussion or public comment, Eskridge moved approval of the payment registers. Clare seconded the motion. Motion carried 3-0.

**Item 5 – Review of November and December 2015 and January and February 2016 Expenditure Reports (Steve Hubka)**

In presenting the November and December 2015 and January and February 2016 Operating Budget Expenditure Reports, Hubka reported that the reports reflect the payments made on the payment registers. Hubka further stated we are early in the fiscal year and there is no strain on the budget at this time. Hubka also stated he is not aware of anything upcoming that would be a strain on the budget.

No action on this item was necessary.

**Item 6 – Review of Arena Occupation Taxes Collected Per JDE Thru February 29, 2016 Report (Steve Hubka)**

Hubka stated this agenda item was requested by Eskridge. Hubka reported that for the calendar year ending December 31, 2015, the occupation tax collections between car rentals, bar & restaurant, and hotel are up 7.27%. Hubka further stated that for each month in 2015 the occupation taxes were up about 7% over prior years. This report shows the occupation taxes are well ahead of what was predicted in 2012. In response to a question from Jane Kinsey, Hubka responded that the total amount of occupation taxes collected for the calendar year 2015 was \$15,739,568.13. No action on this item was necessary.

**Item 7 - WH 16-3 Resolution to accept the financial audit and management letter from BKD CPAs & Advisors LLP for the period ending August 31, 2015. (Steve Hubka)**

Hubka stated that the WHJPA has been audited every year since its existence by a nationally recognized independent auditing firm, BKD. Hubka further stated that Chris Lindner, from BKD, was there to present the audit letter and report to the board. Chris Lindner introduced himself to the board and explained the audit letter and audit report to the Board. Beutler asked Chris if there was anything at all that the WHJPA should pay more attention to. Chris responded there was nothing to report at this time. Clare questioned best practices and what the WHJPA could be doing to improve. Chris responded that if there was something it would be brought to the Board's attention in the audit letter, however, BKD did not feel that there was anything to report. Chris further stated that from time to time something may arise which is usually communicated verbally at the time. There being no further discussion or public comment, Clare moved approval of the resolution. Eskridge seconded the motion. Motion carried 3-0.

**Item 8 - WH 16-4 Resolution to approve the Consultant Agreement between the West Haymarket Joint Public Agency and Don Herz for ongoing maintenance and refinement of a cash flow and financing model and analysis for a term expiring December 31, 2017. (Steve Hubka)**

Hubka stated this agenda item is regarding a new contract with Don Herz who has been working with the WHJPA for 4 years in which he has provided valuable services to the WHJPA. Hubka further stated Don is qualified to advise the Board on matters related to the financial plan. The contract was reduced from \$12,000 last year to \$7,500 this year. Hubka stated Don Herz will

discuss the provisions for the new contract. Don Herz stated that over the 4 years he billed the WHJPA a total of \$24,000.00 on a variety of projects. Most of his work related to updating and modifying the cash flow projection to the point where bonds were paid off. He stated he spent a significant amount of time updating the District Energy Corporation model and how that functioned. He also ensured that no bond money was spent on private activity costs such as suites. The new contract will monitor occupation taxes, parking revenues, parking expenses, etc. He further explained in the new contract he will start working on a capital expenditure budget to develop a long term capital budget. The Board thanked Herz for all his work. Jane Kinsey questioned how much an hour Herz is being paid to which Hubka responded \$55/hour. Jane further questioned the projection to which Hubka responded the revenue is growing at a rate of at least 2%, which puts the WHJPA in a positive position for continued growth. There being no further discussion or public comment, Eskridge moved for approval of the resolution. Clare seconded the motion. Motion carried 3-0.

#### **Item 9 - Set Next Meeting Date**

Without objection, the next meeting date was set for Friday, April 29, 2016 at 3:30 p.m. in the City-County Building, First Floor, Bill Luxford Studio.

#### **Item 10 - Motion to Adjourn**

Eskridge moved to adjourn. Motion seconded by Clare. The meeting adjourned at 4:40 p.m.

**Prepared by: Kasey Simonson, City Law Department**

