

**ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY
BOARD OF DIRECTOR'S REGULAR SESSION
May 25, 2006**

Present

Bill Smith
Louise Lazur
Jeff Sinz
Jana Hayenga
Ken Stout

Present

Mary Jane Michael
Dana Pruhs
Ted Carlson
Debby Sedwick

Excused

Jan Sieberts
Dan Coffey

Staff/Guests

Kevin Kinney
Wendy Mikowski
Healia Palmer
Krin Kemppainen
Mike Kennard

Call to Order

Mr. Smith called the meeting to order at 5:08 pm.

Review of Agenda

There were no changes to the agenda.

Chief Operating Director's Report

- Mr. Kinney passed out a written report and highlighted the 3 topics in his report; reoccurring contributions, state legislative parking lot and the JC Penney painting project. He stated we have received numerous calls about the yellow base color of the garage they are concerned about the final color. He showed the final color plans to the Board and stated the accent colors need to be on first before the other colors are applied.

Minutes

Ms. Lazur moved to accept the minutes from February 20, 2006, February 23, 2006 and April 03, 2006 as printed; Mr. Carlson seconded. The motion passed.

Public Comment

No public comment was scheduled.

New Business

A. Audit Presentation –

- Copies of the Basic Financial Statements and a Letter to Management from Mikunda, Cottrell & Co were passed out to Board members. Ms. Joy Merriner briefed the results from the audit conducted in March. She answered questions from members on PERS, and recommended the Board request a PERS expert come in to discuss this issue in depth.

B. Operating Budget Review –

- Mr. Kinney stated at this point management has no recommendations for any changes to the operating budget. Ms. Palmer is available to answer any questions.
- There were no questions.

C. Capital Budget Review & Reallocation –

- Mr. Kinney stated at the work session we discussed the \$3 million purchase in the convention center project that we did not have to expend, and reallocating some of that money to fully

fund the JC Penney improvements and to begin the process of design and engineering for the museum garage, which will actually be reimbursed with federal funds.

- Ms. Lazur moved to accept management's recommendation for reallocation; Ms. Sedwick seconded.
- Mr. Sinz asked if Civic Ventures paid ACDA for block 70. Mr. Kinney stated yes and we used part of the proceeds to pay off the loan from HLB, and the remainder went into our reserve account.
- The motion passed.

D. Nominating Committee –

- Mr. Kinney stated we had 3 individuals come forward to volunteer for the nominating committee; Ms. Lazur, Ms. Michael and Mr. Coffey. Management request approval. Ms. Michael asked if it was just the nominating committee we were approving. Mr. Kinney stated yes and they would bring a slate of officers to the next meeting. Mr. Carlson moved to approve; Ms. Sedwick seconded. The motion passed.

E. HR Services Proposal –

- Mr. Kinney introduced Ms. Barbara Stallone the Labor Relations Director from the Municipality.
- Ms. Stallone provided a brief review of her department which includes 6 specialists which report to her, and they have 20 HR professionals, whose expertise encompasses benefits, compensation, employee relations and employment. The benefit to us would be initially they would be working with Mr. Kinney as HR support. She would have a back-up if she is unavailable so they could step in, but if we need any expertise we have the advantage of a department of 20 employees that will help make us successful.
- Mr. Pruhs asked if we had a policy in place that differentiates between a contract employee and a full time that could really be a contract employee. Ms. Stallone stated truly we would have a contract relationship, they are here to advise and counsel, they are not making decisions. Mr. Pruhs stated no, not the contract between us and the MOA, but between ACDA and other contract people working for us. Do we make sure their role is defined and they truly meet the contract parameters set up. Do we have something like that and would her department help audit and ensure that happens. Ms. Stallone stated yes.
- Ms. Lazur moved to accept the; Ms. Sedwick seconded. The motion passed.

F. Revised Committee Structure –

- Everyone was given copies of the committee restructure and proposed members.
- Ms. Michael stated she was thinking the finance committee was really a sub-set of the development committee and would look at the financials for our development proposals verses being the finance committee of operations. She suggested the operations committee could also look at the financials for parking, because they are really different kinds of financing issues.
- Ms. Lazur stated the finance committee is project finance and capital budget. The operations committee is the operating budget, parking services, facility maintenance, marketing and IT. However the finance committee will monthly review the finance statements and does see it as a separate committee, but when they have significant work, it will be in reviewing the financials for development projects.

- The Board discussed the functions of the separate committees. Mr. Kinney stated the intention is clearly to have the operations committee to deal with the day to day financial issues i.e. the operating budget and the finance committee is more concerned about issues like cash reserves and how we are going to fund projects.
- Ms. Ward stated the proposed committee structure included suggested meeting days and times; she feels the development committee will be meeting more than the operations committee, and if we structure the meeting's to be the same day/time each month then other Board members who may want to attend will always know when they are going to be. We will need to schedule them along with the public notice. Ms. Lazur asked why we have to do public notice.
- Ms. Sedwick moved to accept the ACDA committee restructure; Mr. Carlson seconded. The motion passed.

G. Meeting Schedule –

- The document with the committee structure shows suggested meeting days and times is up for discussion and we thought we should discuss the Regular Session meeting times and ensure that is still good time or if we should change it. This is just a general discussion. Mr. Smith asked if anyone had any other suggestions for meeting time/day than what is outlined on the committee structure recommendations.
- A discussion was held on determining the best meeting times and dates. Consensus for the meetings were as follows: Full Board meetings start at 4:00 p.m., Development committee will meet on the 1st & 3rd Wednesday of the month, Operations committee will meet on the 3rd Thursday of the month, the Financial committee will meet when necessary. Meetings held in at noon will include lunch and evening meetings will only serve desserts.

Old Business

There is not Old Business at this time.

Department Reports

Finance –

Nothing to add

Data Processing –

Nothing to add

Marketing & Public Affairs –

- Ms. Hayenga asked for a status report on the ad walls. Ms. Mikowski stated she doesn't know about the other facilities but she just sent out a letter to all the retailers here in the 6th Ave facility to let them know advertising space is available and she would be coming around to talk with them next week. Ms. Hayenga asked if we will be using Northwest Strategies for this or are we going to be doing this. Ms. Mikowski stated we will probably use them for design. Ms. Hayenga stated the original proposal was for them the market it and we would just be the recipients of revenue. Ms. Lazur stated they are talking about 2 different programs; Ms. Mikowski is talking about the 6th Ave whereas Ms. Hayenga is talking about the 5th Ave. (Could not understand what Ms. Mikowski

said) Ms. Lazur asked what advertising Ms. Mikowski was talking about. Ms. Mikowski stated the lighted signs on the entrance to the garage.

- Ms. Michael asked the status of the rack card advertising all the garages downtown and operating hours. Ms. Mikowski stated it is already in draft form, we passed it out at the staff meeting looking for feedback. Ms. Michael asked to see it before we publish. Ms. Mikowski stated there will be some changes, and once these are made she will email it out.

Customer Service/Enforcement –

Nothing to add

Operations –

Nothing to add

Employee Relations –

Nothing to add

Development Committee –

Nothing to add

Mr. Smith adjourned the meeting at 6:10 p.m.

Respectfully submitted by:

Bill Smith, Vice Chairperson