Minutes of the Redevelopment Agency of Centerville City/Davis Center for the Performing Arts Administrative Control Board meeting held Tuesday, June 6, 2017 at 5:00 p.m. in the Centerville City Council Chambers, 250 North Main Street, Centerville, Utah.

MEMBERS PRESENT
Paul Cutler, RDA of Centerville City Chair, ACB Chair, Centerville Mayor
Tamilyn Fillmore, RDA of Centerville City, ACB Board member
William Inc, RDA of Centerville City, ACB Board member
Stephanie Ivie, RDA of Centerville City, ACB Board member
George McEwan, RDA of Centerville City
Robyn Mecham, RDA of Centerville City
John Pitt, ACB Board Member, Bountiful City Council (arrived at 5:30 p.m.)

MEMBERS ABSENT
John Marc Knight, ACB Board Member, Bountiful City Council

STAFF PRESENT
Steve Thacker, RDA Executive Director
Jacob Smith, Assistant to the City Manager
Lisa Romney, Centerville City Attorney (arrived at 5:17 p.m.)
Jensen Davis, CPT Executive Director
Marcus Arbuckle, Kedington & Christensen
Katie Rust, Recording Secretary

VISITORS
Kelly Gibbons, FEA Engineering Associates, LLC

HVAC SYSTEM IN THE PERFORMING ARTS CENTER
Chair Cutler announced that Bruce Cox, Centerville Parks and Recreation Director, has been assigned as City staff liaison with the Performing Arts Center for facility issues. Kelly Gibbons with FEA Engineering explained the practice of commissioning an HVAC system after installation, and recommissioning after 8-10 years. He reported that no evidence has been found of an original commission report for the HVAC system at the Performing Arts Center. Mr. Gibbons suggested an hourly approach for these HVAC services at this time, and provided budget estimates for commissioning design and implementation fees pertaining to controls commissioning (attached). He also provided a spreadsheet of Theater Controls Commissioning Proposed Scope of Work and Budget (attached). The proposed budget includes estimates for time that would be spent by both FEA Engineering and Harris Services (technician).

Director McEwan asked if the HVAC system is able to provide historical data. Mr. Gibbons responded that the system can be set up to capture trending data. He added that utility bills can be tracked over time as well. Director Fillmore asked if it is common for the engineering group conducting an audit to continue with implementing the changes needed. Mr. Gibbons responded that he would conduct the audit and supervise Harris Services in providing the maintenance. He commented it can be more efficient to have the maintenance contractor present when problems are found and resolutions agreed on. Mr. Gibbons said he could submit a proposed joint contract for FEA Engineering and Harris Services. Director McEwan said he is in favor of completing a commissioning study, and overlapping it against what is in the existing maintenance agreement with Harris Services. Mr. Gibbons agreed that would be a more traditional approach. The Board discussed the type of contract they would prefer. John Pitt, ACB Director, arrived at 5:30 p.m.
Chair Cutler said it appears everyone on the Board is in favor of commissioning the system – the question is when, if ever, the RDA/ACB needs a further report. Director Ivie commented it is painful to add another HVAC cost to the amount already spent on the HVAC maintenance contract with Harris. Director Ince asked if a group was ever held accountable for the fact that the HVAC system has never worked properly. Chair Cutler responded that staff tried, but was unable to pinpoint responsibility. Mr. Thacker stated the commissioning study could be funded by the RDA Fund or the Theatre Reserve Fund (TRF). Chair Cutler said he feels this is the type of expense for which the TRF was created. Mr. Thacker added that the TRF could be reimbursed by the RDA Fund at a later time if desired.

Director McEwan said he would like to take the more traditional approach and obtain a commission report first before making commitments for maintenance. He commented that, in his experience, projects always cost more than expected. Ms. Romney advised that the RDA/ACB should review and approve the final contract. Director Fillmore asked if the traditional approach would cost more, and Mr. Gibbons responded it would. He said he has done it both ways, and he is confident working with Harris Services. He estimated the traditional approach would cost within 10% of what he already proposed. Director McEwan said he is fine with FEA Engineering managing the work done by Harris, but he would prefer the RDA/ACB to prioritize and authorize the different phases of work. Mr. Gibbons said he would be able to provide updates every two weeks when work begins. Chair Cutler stated he is not willing to micromanage the project, but he would be willing to authorize funds up to a certain amount with direction to complete a certain scope of work and report back. Responding to Director Fillmore, Mr. Gibbons confirmed he could crosscheck the work needed with the existing maintenance agreement.

Mr. Gibbons stated he would be able to begin the proposed work submitted to the RDA/ACB today in one or two weeks, and would be able to complete the scope of work in about a month. He said the timetable would be similar with the more traditional approach. Director McEwan stated he has two objectives – cost control, and not getting in too deep to get back out. Jan Davis, CPT Executive Director, said he is most concerned about the dampers and communication of the HVAC system. The exact problem will not be known until the analysis is complete. Mr. Gibbons responded that he will communicate with Mr. Thacker and Mr. Davis when red flags are found. Director Mecham commented that when she buys new carpet for her home, she doesn’t need to have it cleaned that year. Comparing the HVAC situation to buying new carpet, she asked if money will be saved on maintenance for the rest of the year if everything is working properly. Mr. Gibbons responded by comparing the situation to buying a new car – the oil still needs to be changed and belts checked regularly. Routine servicing is the type of work covered by the existing HVAC maintenance contract.

Director McEwan asked if the engineering work will be covered by warranty. Mr. Gibbons responded he has never been asked to warranty his work. He stated he is willing to stand behind the work unless changes are made to the system outside his recommendations.

Director Ince made a motion to authorize moving forward with the proposed contract, not to exceed $30,000. Director Ivie seconded the motion, which passed by unanimous vote of the ACB (5-0). Chair Cutler will review and sign the contract when submitted. Director Ivie made a motion for the ACB to recommend funding the contract from the Theatre Reserve Fund, with the idea that the amount may be refunded in the future by the RDA Fund. Director Fillmore seconded the motion, which passed by unanimous vote of the ACB (5-0). Director Ivie made a motion for the RDA to authorize funding not to exceed $30,000 from the TRF, with reimbursement in the future from the RDA Fund if possible. Director Fillmore seconded the motion, which passed by unanimous vote of the RDA (6-0). Mr. Gibbons left the work session at 6:00 p.m.
RESTRICTED AND UNRESTRICTED BALANCES IN THE RDA FUND

Mr. Thacker gave a brief history of the current RDA financial situation, and explained the proposed fund transfers to improve the unrestricted RDA Fund balance. A few years ago the RDA/ACB chose to put CenterPoint facility-construction donations in the amount of $177,457 in the restricted TRF, on the assumption that the RDA account had a healthy cash balance. Subsequent donations of $11,500 were also deposited in the TRF. Both sums could have gone into the RDA account. A debt service payment was later made from the TRF in the amount of $100,693, with a net impact on the TRF of $88,284. Under the current Lease Agreement, the TRF may not be used for debt service payments. Ms. Romney stated that the only improper transfer was the debt service payment. Putting the $177,457 into the TRF was a knowing decision made by the RDA/ACB, and Ms. Romney said it is her opinion that once funds are placed in the TRF they are subject to TRF provisions. The argument could be made that the $177,457 was not base rent and was not required to have been put in the TRF.

Director Ince made a motion for the ACB to recommend adjustments to the restricted TRF in the amounts of $177,457 and $11,500 because those amounts were put in the TRF without fully understanding the impact on future expenditures, and at the same time reverse the $100,693 paid on debt service which should not have been paid on debt service, and record the payment in the unrestricted RDA Fund. Director Ivie seconded the motion, which passed by unanimous vote of the ACB (5-0).

Director Ince made a motion for the RDA to authorize adjustments to the restricted TRF in the amounts of $177,457 and $11,500 because those amounts were put in the TRF without fully understanding the impact on future expenditures, and at the same time reverse the $100,693 paid on debt service which should not have been paid on debt service, and record the payment in the unrestricted RDA Fund. Director Ivie seconded the motion, which passed by unanimous vote of the RDA (6-0).

The Board reviewed proposed transfers of expenditures from the RDA Fund to the TRF and the Centerville Drainage Utility Fund. Chair Cutler made a motion for the ACB to recommend the transfer of $89,311 in expenses from the unrestricted portion of the RDA Fund to the TRF (restricted). Director Pitt seconded the motion, which passed by unanimous vote of the ACB (5-0). Chair Cutler made a motion for the RDA to transfer $89,311 in expenses from unrestricted funds to the TRF. Director Ince seconded the motion, which passed by unanimous vote (6-0). Chair Cutler made a motion for the RDA to transfer $69,175.93 from the RDA Fund to the Drainage Utility Fund. Director Ivie seconded the motion, which passed by unanimous vote of the RDA (6-0).

Mr. Thacker suggested that some of the expenses transferred should be part of the regular maintenance portion of the CPT Budget moving forward. For the remainder of the CPT fiscal year, the expenses will be paid from the RDA Fund.

ADJOURNMENT

At 6:18 p.m., Director McEwan made a motion to adjourn the meeting. Director Ivie seconded the motion, which passed by unanimous vote (6-0).

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Steve Thacker, RDA Executive Director

6-20-2017

Date Approved
Katie Rust, Recording Secretary