

**REGULAR MEETING OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

**Tuesday, September 2, 2014 – 10:00 AM
Staff Conference Room – Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

MINUTES

1. Call to Order

Chairman VanLandingham called the meeting to order at 10:02 a.m.

2. Roll Call

Present:

Absent:

Chairman John VanLandingham
Member Antoinette Beiser

Dave Stilley

Others Present: Dana Kjellgren, District Attorney; Barbara Goodrich, District Finance Director; Elizabeth Burke, District Clerk; Mark Lamerson.

3. Approval of Minutes: August 5, 2014, Regular Meeting

Member Beiser moved to approve the minutes of August 5, 2014; seconded; passed unanimously.

4. Consideration of Resolution No. 2014-10 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF REPEALING SECTION 1 OF RESOLUTION NO. 2014-01 AND ADOPTING SEPARATE RULES OF PROCEDURE AND RULES OF OPERATION

Ms. Kjellgren said that in April 2014 the Board adopted a resolution to approve Rules of Procedures and Operation, but at this time she would recommend separating the two documents as presented.

She said that the Rules of Operation are meant to fill the statutory requirement in place of By-Laws. She said that this also is another one of the obligations of the Board under the IGA to adopt Operating Rules by September 1, 2014. Since that date was a holiday, they are being considered today.

Chairman Van Landingham requested a correction to Section 3.01 to reflect the proper meeting time of 10:00 a.m. After brief discussion he also suggested that the first sentence of Rule 9.01 be stricken.

Chairman VanLandingham, in reference to Section 11.01 questioned if it should not be changed that the Board Chairman would review those items. Ms. Kjellgren explained that it would normally fall under the duties of the manager to review such things as to whether they fit with the budget and work plan of the District.

Chairman VanLandingham asked, in reference to 3.1.7 of Exhibit B, if they should add contractors to the list. Ms. Kjellgren said that it is addressed elsewhere in the document.

Brief discussion was also held on whether the term "shall" should be replaced with "may" in reference to 4.2, increasing the number of board members since there was difficulty in finding property owners to serve on the initial Board. Ms. Kjellgren explained that she had included such wording based on prior comments on the difficulty that three members create in the way of Open Meeting Law. It was agreed to stay with the recommended language.

Chairman VanLandingham moved to adopt Resolution No. 2014-10 as amended (striking the first sentence in 9.01 of Exhibit A and correcting the meeting time in 3.01 to 10:00 a.m.); seconded; passed unanimously.

5. Consideration of contract with Johanna Klomann PC for bookkeeping services for the District.

Chairman VanLandingham briefly reviewed the proposed arrangement with Johanna Klomann PC for bookkeeping services, noting that it was stated at \$50 per hour, and he would anticipate very limited bookkeeping. She will maintain the records on QuickBooks, provide financial statements and reconciliation of the account, and guide them or provide tax services.

Ms. Goodrich noted that there would be no tax filing requirement; however, they will need to do an audit.

Chairman VanLandingham moved to approve the contract with Johanna Klomann PC for bookkeeping services to for the District; seconded; passed unanimously.

6. Consideration of purchase of Directors and Officer Liability Insurance from Philadelphia Insurance.

Chairman VanLandingham briefly reviewed the proposed policy from Philadelphia Insurance for Directors & Officer insurance in the amount of \$1,000,000 with \$2,000 retention, at an annual premium of \$1,575, and noted that this was included in the District budget. He added that although the statutes state that they are exempt, this is best practices for providing insurance for directors and officers.

Mr. Lamberson asked how the limits were determined. Chairman VanLandingham said that there were no limits required; this was based on the proposal presented.

Chairman VanLandingham moved to approve the purchase of Directors and Officer Liability Insurance from Philadelphia Insurance at an annual premium of \$1,575; seconded; passed unanimously.

7. PUBLIC PARTICIATION

Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.

None

8. Report of Board of Directors.

Ms. Goodrich reported that one representative showed up for the Pre-Proposal Meeting last week. The closing of the RFP is scheduled for this Friday at 3:00 p.m. at which time they will be opened.

9. Adjournment

Chairman VanLandingham adjourned the meeting at 10:22 a.m.

John VanLandingham, Chairman of the Board

ATTEST:

Elizabeth A. Burke, District Clerk