



**AMOCO REUSE AGREEMENT
JOINT POWERS BOARD**

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**SALT CREEK HEIGHTS
BUSINESS CENTER**

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**AMOCO REUSE AGREEMENT JOINT POWERS BOARD
NATRONA COUNTY COMMISSIONERS / CASPER CITY COUNCIL
ANNUAL JOINT MEETING**

Wednesday, May 9, 2018, 4:30 pm
2435 King Blvd.,
Casper, WY 82604
Big Horn Conference Room

Present for ARAJPB: Ben Schrader, Bob Hopkins, Bob Chynoweth, Reed Merschat, Ed Opella, Scott Sissman, and Doug Follick

Excused Absences: Jerad Stack and Bryce Row

Present County Commissioners: Forrest Chadwick and John Lawson

Present City Council: Bob Hopkins

Others Present: John Glassburn (Wyoming Technology Business Center, WTBC), and Renee Hahn (Executive Director, ARAJPB)

- 1) Chairman Schrader called the meeting to order at 4:30 pm. He asked that all attendees participate in the Pledge of Allegiance to the Flag. Subsequently he asked each person to make self-introductions. He described the meeting as a method to share information and annual updates.
- 2) Mr. Glassburn informed the attendees that there currently are 11 incubator clients and 4 anchor tenants. The first incubator client graduated last Friday and moved to the Platte River Business Plaza. The current occupancy rate is approximately 85%. "You always want available space in the building to allow growth and availability for new companies". Mr. Lawson asked how long a client takes to graduate. Mr. Glassburn informed him it varied, 3-5 years which is comparable to the national average. Mr. Hopkins inquired on their upcoming budget and wanted to know if there would be cuts effecting them". Mr. Glassburn replied "their budget will be fine." Mr. Sissman inquired if and when they would become self-sufficient with rent payments. Mr. Glassburn stated

it would never be self-sufficient but the normal range is 60% of the rental income would cover the expenses. Mr. Glassburn asked for more questions. There were none.

*Mr. Glassburn exited the meeting at 4:51

- 3) Mr. Hopkins gave an overview on the Platte River Commons (PRC) on the work being completed by BP on the Slurry Wall. "Ultimately it improves the reclamation process. The work is to begin June 4th and should be completed by September. The final path will not be poured until next spring to allow drying time which will eliminate cracking on the asphalt". Mr. Hopkins asked if anyone had any questions. There were none.
- 4) Ms. Hahn gave the summary on the Salt Creek Heights Business Center (SCHBC) and PRC. She began by explaining the forecasted revenue created by Refined Properties. "The predicted lot sales are \$1.4 million for the 2018-2019 budget year. This includes two lot sales in the SCHBC. The map of all lot sales with logos was distributed to the attendees. (Copy of hand-out on file). Marketing efforts have been stepped up by Refined Properties by hiring Cornerstone Realty. All commissions due to this firm will be paid by Refined Properties. Mr. Schrader discussed the remaining lots for sale valued at over \$44 million dollars. (Copy of hand-out on file). "Even if lots are sold at a discounted rate, the amount of income available is great". Ms. Hahn asked for questions and none followed.
- 5) Mr. Chynoweth gave an overview on ARAJPB's financial status. He disclosed the following information:
 - a. Net Worth \$30.6 million
 - b. Cash Investments totaled \$10.6 million
 - c. Future land sales valued over \$45 million
 - d. Current equipment and property estimated at \$14.3 million

He then explained the Cash Investments were with the Davidson Fund, a Governmental Program with the City of Casper. "In this fund ARAJPB rate of return is approximately 1.3%." He discussed the Property Maintenance Fund which totaled \$205,000, including personnel services, professional services, and materials and supplies. He then explained liabilities of \$863,000 which include \$100,000 dollars of advanced costs related to lot sales and prepaid lease payments. Refined Properties advanced costs are paid when a lot is sold. He then followed up with Building and Facility Fund in the amount of \$361,000, explaining "it was compensation to Three Crowns." Mr. Chynoweth requested questions, and there were none.

- 6) Mr. Follick, Chairman of the Three Crowns LLC Management Committee reported that OB Sports Contract expires December 31, 2018. "In the past 15 years the yearly average that Three Crowns has been funded is \$360,000 for Operations and Maintenance and \$100,000 for Capital Equipment. This year Three Crowns budget was reduced to \$323,000 by eliminating an employee as the golf instructor. This position has been converted to an outside contractor by OB Sports. The Golf Shop inventory was also reduced. Mr. Follick also informed the attendees that no capital

equipment will be purchased this budget year. Mr. Follick also informed the attendees that Three Crowns Grill remains open during the entire off-season to help lessen losses. He stated that OB Sports has held the Management Contract for the past 15 years. He explained that there has been a Task-Force Committee in place to manage the Request for Proposal process. Mr. Merschat leads the RFP Taskforce Committee. Mr. Merschat stated the RFP's were sent out on January 4th. He was very pleased to receive a 30% return on the responses. He explained that Mr. Neuenschwander was brought in to help evaluate the RFP's and determine cost effective management. Mr. Merschat stated out of the 9 RFP's received and being reviewed, 3 were selected to interview with a scoring matrix. "With Mr. Neuenschwander statistics, it was determined that a third party management company will be the direction going forward". Mr. Lawson asked when a management contract would be awarded. Mr. Merschat stated possibly June 1st, though negotiations would need to still take place. Mr. Chadwick asked if OB Sports had been notified as of yet. Mr. Merschat stated they had not. "Again, until a management company is under contract nothing is firm." Mr. Follick stated we continue to search for a partner for this venture and want to make the right decision. "We also want to highlight the excellent job the current GM is doing for Three Crowns. He has turned Customer Service around in the past three years." He continued, stating whoever is selected as the management company all current employees are encourage to reapply for their jobs.

Mr. Schrader thanked everyone for their attendance and asked if there were questions. There were no questions.

Mr. Sissman stated he was the longest tenured Board Member still involved. He described the ARAJPB as the most functional Board to be involved with. He recognized Ms. Hahn as an exemplary employee. He continued noting this Board continues to do an excellent job and assured the attendees "the Board is doing as they had been charged." Mr. Schrader also stated everything is always transparent with this Board.

Mr. Schrader adjourned the meeting at 5:23 p.m.

Respectfully Submitted,

Renee Hahn