

MINUTES OF SPECIAL MEETING IN LIEU
OF THE ANNUAL MEETING OF
THE BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF PRESCOTT

December 7, 2016

A special meeting in lieu of the annual meeting of the Board of Directors of The Industrial Development Authority of the City of Prescott was held at the law firm of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C., 125 North Granite Street, Prescott, Arizona, at 1:30 o'clock p.m. on Wednesday, December 7, 2016.

The following directors were present: Steven R. Burton, Michael S. Danowski, Richard A. Jacobs and Ted Gambogi. Absent were William T. Hepburn and Lon McAnally. Also present was Donald C. Zavala, of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C., legal counsel for the Authority.

The President, Mr. Burton, called the meeting to order and declared the same open to the public. He also declared that a quorum was present. The Secretary, Mr. Jacobs, assumed the duties of his office.

Mr. Burton stated that the first order of business was the discussion and possible action regarding the Minutes of the 2015 Special Meeting. Upon motion by Mr. Jacobs and seconded by Mr. Danowski, the Minutes of the Special Meeting in Lieu of the Annual Meeting held on December 9, 2015 were approved as presented.

Mr. Burton then stated that the next order of business was the discussion and possible action regarding the retention letter of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C. Mr. Zavala explained the key points of the retention letter, and upon motion by Mr. Gambogi, seconded by Mr. Jacobs and approved unanimously, the retention letter was approved. Each of the Board Members then signed the retention letter.

Mr. Burton then stated that the next order of business was the election of officers for the ensuing year. Upon motion by Mr. Jacobs, seconded by Mr. Gambogi, and following a discussion, the following persons were elected to the offices set opposite their names, to serve until the next annual meeting or until their successors have been elected and qualified:

Steven R. Burton	-	President
William T. Hepburn	-	Vice President
Richard A. Jacobs	-	Secretary
Michael S. Danowski	-	Treasurer
Michael S. Danowski	-	Assistant Secretary

Mr. Burton then stated that the next order of business was the discussion and possible action regarding Mr. Daniel Tokar's resignation from the Board. Upon motion by Mr. Danowski, seconded by Mr. Jacobs and approved unanimously, the resignation was accepted.

Mr. Burton then stated that the next order of business was the discussion and possible action regarding Mr. William Fuller's resignation from the Board. Upon motion by Mr. Danowski, seconded by Mr. Jacobs and approved unanimously, the resignation was accepted.

Mr. Burton then stated that the next order of business was the discussion regarding Open Meeting Law and Public Records Requirements for board members. Mr. Zavala gave a brief discussion regarding open meeting law and public records requirements.

Mr. Burton then stated that the next order of business was the discussion of prior board activity and board history, potential future bond matters, and the general bond process. Mr. Zavala presented the Board with an overview of the general bond process and the Authority's role in the process. The Board discussed the tax-exempt status and qualification of bonds as a "project" and the lack of bond activity for the Authority, possibly due to the state of the economy and low interest rates. Mr. Danowski asked if the Authority was allowed to determine the merits of a project, and if they could reject bond applications based on the project. Mr. Zavala explained that the Authority has the ability to reject applications, but that the key issue with bond applications is whether or not they qualify as a "project" under the statute. Mr. Gambogi asked what the statute provided as the definition of a "project". It was determined that the Board Members should each review the statute, and that it would be sent to them for that purpose.

Mr. Burton then stated that the next order of business was the discussion and possible action regarding the Authority's online presence, and possible strategies to promote the Authority. Mr. Zavala spoke about the lack of online presence that the Authority had on the City of Prescott's website. Mr. Zavala suggested that the Board Members work with the City of Prescott to build up the Authority's website, and to look at other Authority's websites for the type of information to include. It was discussed that one of the Board Members should be the contact with the City regarding the updating of the website. Upon motion by Mr. Jacobs and seconded by Mr. Danowski, Mr. Burton was chosen as the contact to work with the City on the website.

Mr. Burton then stated that the next order of business was the discussion and possible action regarding the objectives section of the Authority roster. The Board discussed that it appeared the objectives were accidentally left on the roster from another board, and that they were not the correct objectives of the Authority. Mr. Burton stated that he would contact the City and ask that the objectives be removed.

At 2:20 p.m. Mr. Burton made a Call to the Public.

Consideration and discussion of comments from the public. Those wishing to address the Board need not request permission in advance. The Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Board Members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The Board cannot discuss or

take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Law.

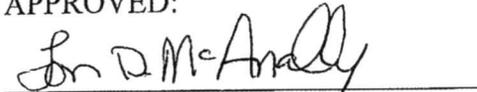
Let the minutes of this meeting reflect that no one from the public was present or appeared at this meeting.

There being no further business to come before the meeting, upon motion by Mr. Danowski and seconded by Mr. Gambogi, the same was adjourned.



Secretary

APPROVED:


President