

Unapproved Minutes  
City of Vermillion  
Business Improvement District No. 1 Board  
May 8, 2020  
Friday – 8:00 a.m.

The meeting of the City of Vermillion Business Improvement District No. 1 Board was called to order on Friday, May 8, 2020 at 8:00 a.m. by Chairman David Herbster as a teleconference.

1. Roll Call

Present: Amy Christensen, David Herbster, Greg Huckabee, Bill Marketon

Also Present: Nathan Welch, John Prescott, Mike Carlson

Absent: Dan Kenton

2. Minutes

A. Minutes of February 13, 2020

4-20

Greg Huckabee moved approval of the February 13, 2020 minutes. Amy Christensen seconded the motion. A roll call vote was as follows: Christensen – Y, Huckabee – Y, Marketon – Y, Chairman Herbster – Y. Chairman Herbster declared the motion adopted.

3. Adoption of Agenda

5-20

Greg Huckabee moved approval of the agenda. Amy Christensen seconded the motion. A roll call vote was as follows: Christensen – Y, Huckabee – Y, Marketon – Y, Chairman Herbster – Y. Chairman Herbster declared the motion adopted.

4. Visitors to be Heard - None

5. Old Business - None

6. New Business

A. Report on 2019 BID receipts

Mike Carlson, Finance Officer, reported that BID receipts for 2020 are down for the first quarter by \$3,650 compared to the first quarter 2019. Mike noted that January was down \$1,122 of which some can be attributed to no farm show this year, February was down \$156, and March was down \$2,372 that would be related to COVID-19. Discussion followed on the occupancy numbers with Bill Marketon stated that April and May will not be good months.

## B. Report on upcoming events

The Board reviewed items that have been cancelled noting that local establishments are opening back up and that the University announced that facilities will be opening for students for the fall semester. The discussion noted that at present time it is unknown what the new normal will be and when.

## C. VCDC request to utilize BID #1 reserve funds.

Nate Welch, Executive Director of the VCDC, reported that with the BID revenues down the amounts provided to the VCDC will be impacted at a time when operations are ramping up. Nate noted that the BID receipts are leveraged with other funds in the tourism budget. Nate was concerned that if the BID receipts are down that he will need to reduce the tourism staff and activities and it may cost more to start building up the tourism programs in the future. Nate requested that the BID Board recommend to the City Council the use of the BID reserve of \$30,000 to bridge the gap between revenues being generated and of the average payment to the VCDC to keep the tourism program funded. Discussion followed on the funding and also how to replenish the reserve in the future. Nate reported that he is in the process of reviewing the VCDC budget for discussions with the VCDC board noting that member fees and Vermillion Now collections have been stable. Discussion followed on options as it is unknown how long this situation will continue with the suggestions that maybe something can be done for the first two quarters and then the board can look at it again later in the year when some of the unknowns may be filled in.

6-20

David Herbster moved that the BID Board recommend to the City Council the use of BID reserve funds to make up the difference between the actual net BID funds collected and the five-year average of net BID funds paid to the VCDC for the first and second quarter 2020 noting the need for the BID Board to review this before the end of the third quarter. Bill Marketon seconded the motion. Discussion followed noting the need to continue to review the funding for the VCDC. Christensen – Y, Huckabee – Y, Marketon – Y, Chairman Herbster – Y. Chairman Herbster declared the motion adopted.

## 7. Adjourn

7-20

Greg Huckabee moved to adjourn the meeting at 9:09 a.m. Amy Christensen seconded the motion. Christensen – Y, Huckabee – Y, Marketon – Y, Chairman Herbster – Y. Chairman Herbster declared the motion adopted.

Dated at Vermillion, South Dakota this 8th day of May, 2020.

City of Vermillion  
Business Improvement District Board

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David Herbster, Chairman

Attest:

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Amy Christensen, Secretary