

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY, INDIANA
Minutes of Meeting
Monday, April 12, 2010
Wabash Ballroom 1

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana ("Board") was held on Monday, April 12, 2010, in Wabash Ballroom 1 of the Indiana Convention Center.

Board Members present were Ann Lathrop, David N. Shane, Paul Okeson, Douglas R. Brown, Jim Dora, Jr., Carolene Mays, Michael J. McQuillen, Brenda Myers, and Donald P. Welsh, Ex-Officio. Not attending: Jay Potesta

Others in attendance included Barney Levengood, Executive Director, Dan Huges, CFO, ICCLOS, W. Tobin McClamroch, General Counsel, Bingham McHale LLP, Patti Dean, Financial Consultant, ICCLOS, Jack Woodside, Special Projects Consultant, ICCLOS, Ronnie Burt, Senior Vice President of Sales, ICVA, James Wallis, Senior Vice President, Finance, Administration & Technology, ICVA, Tanya Bell, President & Chief Executive Officer, Indiana Black Expo, Inc., Perry Hines, CFO, Indiana Black Expo, Inc., John T. Thompson, Chairman, Board of Directors, Indiana Black Expo, Inc., Kristen Tusing, Project Manager, Enterprise Development, City of Indianapolis, Kären Haley, Office of Sustainability, City of Indianapolis, and members of the media. Also, a copy of the list of those who signed in upon arrival is attached hereto.

Minutes of the March 8, 2010 meeting of the Capital Improvement Board were presented, and upon a motion by Mr. Brown, which was seconded by Mr. McQuillen, these Minutes were approved.

Ms. Lathrop welcomed Tanya Bell, John Thompson, and Perry Hines, of Indiana Black Expo., ("IBE"), who had come to address the Board regarding a request for a Grant in the amount of \$150,000. Ms. Bell thanked the Board, Barney Levengood, Don Welsh and Gene Gardner, for their support. "You have been tremendous partners," Ms. Bell said. Verbal and power point presentations followed, focusing on the IBE's 40th year celebration this year, and on their successes of the past. A copy of the power point portion of the IBE's presentation is attached hereto as a part of these Minutes. Referring to IBE as a non-profit organization, Ms. Bell emphasized the importance of help that community partners, such as the CIB, provide, saying that the funds go back into such things as youth and family programs, the annual Black and Minority Health Fair, marketing, etc. Another major event for the city, the Circle City Classic, which showcases historically black colleges, was also highlighted. IBE was complimented by a Board member, who said they had demonstrated the appropriate use of their funds over the years. Ms. Lathrop said a decision regarding the Grant Request for IBE would

not be made at this time, and on behalf of the Board, Ms. Lathrop thanked Ms. Bell, and Messrs. Thompson and Hines for coming to the meeting, and for sharing some of the challenges and goals of the IBE with members of the Board.

A Financial Presentation was made by Dan Huge, CFO. Mr. Huge noted that in monthly updates to the Board, he hoped to "tweak" working financial documents, generated by Accounting, into a user friendly, and readable template, for 2010, 2011, and beyond. Some of the things in the format he is planning would be previous year's actual, current month's actual, budget actual, and year-to-date information. A copy of the reports that Mr. Huge presented to the Board in this meeting are attached hereto as a part of these Minutes. Referring to reports the Board had received in their packets, a few of the things he highlighted for the Board, were these:

- Tax revenues are off by approximately \$1.3 million dollars compared with budget.
- It is anticipated that the numbers will get caught up somewhat in June or July when we see cash pick up, as a result of Final Four.
- Mr. Levengood interjected that the Board should also be aware of the increase in expenses from two Play Off games in January, which should show up in March and April reporting.
- Personnel Services for Feb. '10, as compared to a year ago, show a quarter million dollars less spent.
- Total operating budget, when comparing Feb. '09 to Feb. '10, shows that we are \$100,000 below where we were last year.
- Year-to-date, we are \$3.5 million below budget.
- The Indiana State Board of Accounts auditors have been on site for about a month. It has gone well, and good progress has been made. An exit interview is planned for late April.

He invited the Board to let him know if they had any changes they would like to see in these reports. Mr. Brown thanked Mr. Huge, and asked him if, for next month, he would look into revenues, as they pertain to the IBE, and report back to the Board, and Mr. Huge said that he would be glad to do so.

Also, Mr. Huge reported on recent developments as they pertained to Employee Health Insurance, which was to have expired on April 1st. He thanked Barney Levengood and Jack Woodside for their work in determining the best possible plan for the CIB. He explained that staying with the current provider, Anthem, would have meant a 25% increase for fiscal year 2010. In the end, and after a contact with the City Controller's Office, it was determined that the CIB was eligible to participate in the City's Plan for 2010, which was Advantage HMO, a Plan which was determined to be the best, and most cost-effective for the CIB at this time. However, Mr. Levengood said this Plan is not a 12-month Plan, as it is from April 1st through December 31st. He reminded the

Board that staff would be continuing to look at options, to “shop insurance options and control costs,” and might make other changes, as they are determined to be the most cost-effective and manageable for the CIB.

Following the Financial Update, Messrs. Welsh, Burt and Wallis, gave brief updates on behalf of the ICVA.

On behalf of the ICVA, Mr. Welsh thanked the Board for its time. Calling it a “fantastic week,” Mr. Welsh began by presenting a chart of Hotel Activity, as it was impacted by the recent Final Four, from April 1 through April 3, and including the Downtown, Marion County, Indianapolis MSA, and Hamilton County. He said the main point was that in spite of some concern from a hotel standpoint, that hotel room nights might suffer because Butler was a local university, this did not occur. Mr. Welsh said there was, “no appreciable fall-off at all” in terms of room nights generated. He also pointed out that using the NCAA as his source, 142,000 tickets were sold, which was the second highest number second only to Detroit, last year. Also, the Final Four was covered by more than 1,100 credentialed media, which CBS cited as the second highest as well. Mr. Welsh also praised the success of public events during the Final Four, among which were the highly successful “Bracket Town,” which welcomed approximately 60,000 people in five days, and the “Big Dance,” at White River State Park, an event which saw over 130,000 in attendance. He then held up a copy of a full-page Indianapolis Star ad, which acknowledged the great support of the NCAA on behalf of the City, the Board, and the 66,000 members of the hospitality industry. He also thanked Barney Levengood and Mike Fox for all of their work in making this event so successful. “The building was electric!” Mr. Welsh said. Mr. Welsh also shared copies of a piece celebrating ICVA’s new brand message. This advertising handout is to be included in many trade publications, and is small enough to fit easily into a briefcase. A full-color piece, it highlights the City, the new ICC expansion, the convenience of connected hotel rooms to the ICC, and retail space.

Mr. Burt gave the Board a brief look at “a good first quarter” and some of the recent sales incentives. He pointed out that during the Final Four, there was another great convention going on as well, the “National Association of Basketball Coaches.” He shared the news that since the last update, the ICVA has been booking even more business and creating more opportunities, and said the Final Four leveraged a great opportunity to bring some major clients to the City, many of whom represented medical associations, and all of which represented existing and/or prospective business opportunities. A list of these clients is attached hereto as a part of these Minutes. Also, as a part of “Raising the Game,” he described a trip some on the ICVA team will be taking to Chicago, in mid-April, a trip which will focus, at least in part, on medical association customers. With regard to production during the first quarter of this year,

which ended March 31st, he told the Board the ICVA had booked 117,000 room nights in the month of March.

Mr. Wallis said good progress is being made as staff of ICC and ICVA continues to think about and share ideas about the overall purposes for the ICC and the ICVA facilities, and how both teams can maximize the economic impact on the City and on the State. They continue to look at how best to evaluate and generate sources of potential revenue, aligning both needs and goals for a positive result. A few of the revenue sources to be looked at are food and beverage, rent revenue, hotel/motel and related costs, and potential pieces of business which would be available are particular times of the year. Mr. Levensgood interjected that at the next Board meeting, the Board will be asked to consider approval of funds to support the cost of "the product, or the deliverables," associated with this initiative, which could cost between \$40,000 to \$80,000. Ms. Lathrop thanked the ICVA for their comprehensive updates. Copies of these ICVA reports are attached hereto as a part of these Minutes.

Mr. Levensgood said staff was requesting Board approval regarding a 36-month contract involving a DS-1 Service Line to Turner Avenue for LOS. The property on Turner Avenue was acquired by the CIB for storage uses. He described this contract as employing such security measures as cameras, door sensors, motion detectors, etc. The cost for this contract is \$160 per month, for 36 months, for a total cost of \$5,760.00. Upon a motion to approve by Mr. Okeson, which was seconded by Mr. Brown, Board approval was granted. Ms. Mays advised the Board that she would like the Minutes to reflect that she would be abstaining on this matter.

The next matter to come before the Board was a draft RFQ regarding "Facility Improvements – Guaranteed Savings Contracts," which was presented by Kristen Tusing, Project Manager, Enterprise Development, City of Indianapolis, and Kären Haley, Office of Sustainability, City of Indianapolis. The Board heard that the City has been kind enough to offer their services to the CIB with regard to this matter, the primary purpose of which is to reduce facility energy consumption. In addition, the facility would pay for those improvements which would maximize energy savings, which would be paid for, in part, by savings realized out of those energy improvements. If accepted, this contract would pertain only to the existing part of the Indiana Convention Center, plus Lucas Oil Stadium. Should the CIB also decide to add the new construction at a later time that can be done. They also specified that the contracts are governed by state statutes. This plan is currently in 71 buildings city-wide, with an annual energy cost of \$5.3 million dollars. If approved by the Board, an RFQ would be issued by the City, an energy audit of the facilities conducted, and a short list of qualified respondents provided to the Board. Counsel said he wanted to be certain that the Board would make the final selection, and not the City. Ms. Tusing assured the Board that was the case, and said that the Board would have to vote on these matters,

and determine who might be the company to produce the best options and ideas for the CIB's needs.

The Board approved moving forward with the RFQ process understanding that final selection of vendors would need to be reviewed and approved by the Board. And, upon a motion by Mr. McQuillen that the Board approve moving forward with the RFQ, which motion was seconded by Mr. Okeson, approval was granted. Ms. Mays asked that the Minutes reflect her abstention on this matter. A copy of the draft RFQ is attached hereto as a part of these Minutes.

Claims for the month of April included the following:

Capital Improvement Board of Managers:

Operating Expense Voucher #483G	\$ 786,875.02
Confirming Operating Expense Voucher #482B	<u>439,725.06</u>
Total:	\$ 1,226,600.08

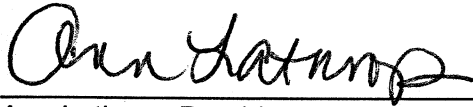
Upon a motion by Mr. Okeson, which was seconded by Mr. McQuillen, the Vouchers were approved.

Ms. Lathrop asked if there was any further business to come before the Board at this time. Mr. Levensgood said he just wanted to call the Board's attention to the newest pictorial of the construction, which they had received in their packets, and that he was pleased to say the project is ahead of schedule, and going very well.

Ms. Lathrop asked if there were any members of the public who wished to make a comment. One gentleman said he wished to address the Board. He introduced himself Chris Walczak, President and Executive Producer of "Indy Visitors Channel." He said that with the help of "hospitality friends," he had developed a communications channel for guests coming to the city and who are staying in hotels, attending meetings and special events in Indianapolis. "Indianapolis is a great City, he said. The Mayor has even videotaped a segment for us." He said the message content would change weekly, to keep it fresh, and that he hoped the message the channel would convey at least in part, for guests to "Get out and see and enjoy the City, and spend some money!" Ms. Lathrop thanked Mr. Walczak for coming to the meeting, and for sharing his comments with the Board.

There being no further business to be conducted, nor public comments to be heard, and upon a motion by Mr. McQuillen, which was seconded by Mr. Brown, the meeting was adjourned.

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Ann Lathrop, President
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Douglas R. Brown, Secretary
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