

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY, INDIANA
Minutes of Meeting
Monday, October 11, 2010
Administrative Board Room

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana ("Board") was held on Monday, October 11, 2010 in the Administrative Board Room of the Indiana Convention Center.

Board Members present included Ann Lathrop, David Shane, Douglas R. Brown, Paul Okeson, Jim Dora, Jr., Michael J. McQuillen, Brenda Myers, and Donald P. Welsh, Ex-Officio. Ms. Mays and Mr. Potesta were absent.

Others in attendance included Barney Levensgood, Executive Director, W. Tobin McClamroch, General Counsel, Bingham McHale LLP, Michelle Travis, Vice President of Sales, Indiana Convention & Visitors Association and members of the media. A copy of the list of those who signed in upon arrival is attached hereto.

Minutes of the Monday, September 13, 2010 meeting of the Capital Improvement Board were presented, and upon a motion by Mr. McQuillen, which was seconded by Mr. Okeson, these Minutes were approved.

Mr. Levensgood provided a brief financial update. There being no questions pertaining to the trial balance, he proceeded to the operating statement and balance sheet, both of which were in order. He shared the "good news," that the CIB is "even lower in the expense category" than last year, much of which has to do with staff's "staying on course and keeping expenses down." The Final Four caused a 'bump' in Security expenses. Expenses are running about \$12 million dollars under revenues, with Food & Beverage holding up, but hotel revenues not what we would like them to be. Ms. Lathrop added that we are about \$5.6 million dollars better than what we would have projected to date, and that includes the CIB's support of the Pacers. Copies of the financial statements are attached hereto as a part of these minutes.

In a brief update about the ICVA, Mr. Welsh gave each Board member a copy of the ICVA Visitor Guide for fall and winter, with lots of information on restaurants, events, places, attractions, etc. With regard to market share performance for August 2010 and year-to-date, Mr. Welsh said some of the demand is beginning to come back, a trend that studies indicate has not been seen since 2007. He indicated an actual "uptick in terms of rate demand, which we hope will continue," and which is very good news. As they pertain to the breakdown of the areas of Indianapolis MSA, Marion County, and Downtown, demand and revenues continue to be up, which is encouraging. Also, Mr. Welsh said that August is showing fairly good results for the year, Revenue Per

Available Room (or "RevPAR") is encouraging overall, but there is still work to be done. He reminded the Board that the JW Marriott will be opening in February of 2011, increasing room nights on the group side by an estimated 50,000.

Ms. Travis referenced results of the ICVA's third quarter, and the year's forecast, telling Board members they had met 65% of third quarter goals, with 111,000 room nights. Year-to-date the ICVA is at 71% of their annual, and annualized goal, and at 94% of their goal as of September 30th of this year. She spoke of definite room night production at December 31, 2009, of 466,047, when compared to September 30, 2010 year-to-date, of 488,554, and the difference (variance) of 22,507, or 5%. The report she provided to the Board showed that the room night production from 2010 through 2021 is an actual variance of 466,275 definite room nights and a goal variance of 94%. Ms. Travis spoke about focusing on new market and uncapped segments, and gave as a predominant example, the medical and life sciences category. She called the board's attention to the lower portion of the report, which showed a breakdown of where business for the year has fallen, and the kinds of business the ICVA is attracting, in market segments, including the medical and life sciences category segment at ICCLOS, at 17%. "Overall," Ms. Travis said, their fourth quarter forecast will allow the ICVA to realize their annualized goals.

The next matter to come before the Board was that of Approval of a Resolution pertaining to a Parking RFP ("Request for Proposal"), and a License Agreement, pertaining to a 26-space surface lot, which is adjacent to Conseco Fieldhouse. The lot is currently managed by Norle Investments, Inc., under a License Agreement with the CIB that expires on October 31, 2010. The term for management of the lot would be from November 1, 2010 through October 31, 2011. Three RFP's were received, with yearly license fees to be paid to the CIB in four equal installments, as follows:

- Denison Parking, Inc., \$36,250.00
- Newpoint Parking, \$34,100.00
- Norle Investments, Inc., \$24,000.00

In accordance with language in the Resolution, which states that, "*...based on the proposals received in response to the RFP, the staff of the CIB believes that the proposal submitted by Denison Parking, Inc., ("Denison") would serve the best interests of the CIB and recommends that the CIB enter into a license agreement with Denison for the management of the Parking Lot in accordance with the terms of the RFP...*" Board approval of Denison Parking, Inc., to provide management services for the lot, was sought. Upon a motion by Ms. Myers, which was seconded by Mr. McQuillen, approval of the Resolution, as well as License Agreement, was given. Copies of both the Resolution, as well as the License Agreement, are attached hereto as a part of these Minutes.

Mr. Levengood then brought the matter of "Disposal of Obsolete Equipment," to the Board's attention. The items, which were presented on behalf of the Facility Management department, were of no book value. Mr. Levengood was asked if these items typically went to auction, and he said sometimes they were, and sometimes the items were scrapped. He offered to provide more information on the auction company, if desired. Then, upon a motion by Mr. Shane, which was seconded by Mr. Dora, the items were approved for disposal.

Claims for the month of October included the following:

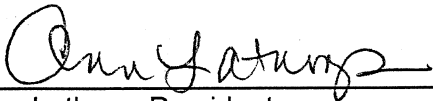
Capital Improvement Board of Managers:

Operating Expense Voucher #489G	\$ 1,829,202.94
Confirming Expense Voucher #488B	<u>532,474.59</u>
Total:	\$ 2,361,677.53

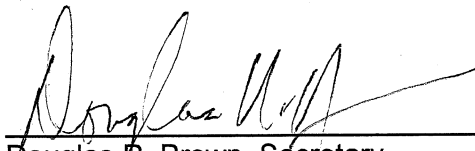
Upon a motion by Mr. Brown, which was seconded by Mr. Shane, the Board approved the Vouchers for the month of September, as presented.

Ms. Lathrop asked if there was any further business to be brought before the Board at this time. Mr. Levengood commented that the new construction continues to go exceptionally well. "Mark your calendars for January 20th," he said, pertaining to the ribbon cutting. Also, he encouraged Board Members to take a hard hat tour of the new construction, as their time might permit, and said he'd be going over to the site later today, if anyone would like to join him.

There being no further business to be conducted or any public comments to be heard, and upon a motion by Mr. Okeson, which was seconded by Mr. McQuillen, the meeting was adjourned.



Ann Lathrop, President
THE CAPITAL IMPROVEMENT BOARD
OF MANAGERS
OF MARION COUNTY, INDIANA



Douglas R. Brown, Secretary
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