

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY, INDIANA
Minutes of Meeting
Monday, November 8, 2010
Administrative Board Room

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana ("Board") was held on Monday, November 8, 2010 in the Administrative Board Room of the Indiana Convention Center.

Board Members present included Ann Lathrop, David Shane, Jim Dora, Jr., Carolene Mays, Jr., Jay K. Potesta, Michael J. McQuillen, and Brenda Myers. Messrs. Brown, Okeson, and Welsh were absent.

Others in attendance included Barney Levensgood, Executive Director, Dan Huge, CFO, Jack Woodside, Special Projects Consultant, 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, October 11, 2010 meeting were presented, and upon a motion by Mr. McQuillen, which was seconded by Ms. Mays, these Minutes were approved.

Mr. Huge provided a brief financial update. The "Inter Local Agreement Revenue" is a new line item in the Revenue side of the report. We received the first \$4 million for the month of September. Hotel-Motel and Food & Beverage receipts for both are approximately \$400,000 above budget. From a Revenue standpoint for the month of September, we were \$4.2 million ahead of budget and year-to-date, \$6.5 million ahead of budget. Also, operating expenses for September were \$1.4 million below budget. The net cash flow for September is approximately \$6.7 million ahead of budget and \$12.4 million ahead of budget, year-to-date. "We are continuing to move ahead in a positive manner," Mr. Huge told the Board. A copy of the financial statements referenced in Mr. Huge's update are attached hereto as a part of these minutes.

Michelle Travis gave a brief update on behalf of the ICVA. She began by announcing that the ICVA has welcomed Lisa Fry as their new Director of Sales. Ms. Fry started last week. Other items highlighted by Ms. Travis in her update included news that the ICVA is forecasting 170,000 to 180,000 room nights for the remainder of this year, and which will close a 3rd quarter gap. She mentioned having touched upon the ICVA's commitment to, and focus on, the Life Sciences and Medical-related industries at October's meeting. This commitment remains strong. In 2009 these fields accounted for 6% of their business, and in 2010, that percentage has increased to 13%, year-to-date. Also, Ms. Travis shared the good news that Advanstar (Dealer Expo) had

renewed its commitment to stay in Indianapolis for the period 2012 through 2016. This commitment represents approximately 100,000 room nights, and a sold-out convention center for February, 2012. Ms. Travis told the Board that this commitment could not have been secured, "...without the partnership of the NFL and of those sitting around this table." Ms. Lathrop thanked Ms. Travis for that news and for her presentation.

The next matter to come before the Board was that of a Resolution regarding a CIB Budget Adjustment (Transfer Between Characters in the 2010 Budget), a matter presented by Mr. Huge. He advised the Board that as they had heard in August, the budget is divided into four characters, those characters being (1) Personal Services, (2) Supplies, (3) Other Services and Charges, and (4) Capital Outlay. Due to additional cash flow matters, among which were the Pacers loan, Conseco Fieldhouse improvements, Indiana Convention Center improvements, and various professional fees, it became necessary to transfer funds from one character to another, including the transfer of \$6 million from Personal Services, of which \$4 million went to Capital Outlays and \$2 million to Other Charges and Services, and \$1 million from Supplies to Other Charges and Services, none of which, Mr. Huge emphasized, involved any increases to the budget, whatsoever. Also, the CIB will finish this year at approximately \$5 million under budget. Board approval of the Resolution was sought, and upon a motion by Mr. Shane, which was seconded by Ms. Mays, approval of the Resolution was granted. A copy of the Resolution is attached hereto as a part of these Minutes.

Mr. Levengood presented the next matter to come before the Board, which pertained to the Turner Avenue Warehouse Expansion, and consideration of proposals pertaining thereto. The Turner Avenue warehouse property, the location of which is 2450 Turner Avenue, was purchased by the CIB in 2009, as part of an agreement with, and funds provided by, the ISCBA, and as a result of the CIB's need for additional off-site storage. As a part of the CIB's agreement with the ISCBA, approximately \$2.5 million was made available to the CIB for additional storage only. Therefore, with the purchase of Turner Avenue warehouse property and the necessary improvements to the property, approximately \$1.2 million of the original \$2.5 million has been spent, to date. The Board heard that staff has recommended expanding the square footage of the Turner Avenue property by 30,000 square feet, in order to accommodate storage needs. As a result of a public bid for the work, Mr. Levengood advised the Board that seven bids had been received. Of the seven, the lowest responsive and responsible bid was from Sullivan Corporation. Its base bid was \$1,097,342, plus an alternate for adding a sidewalk in the amount of \$16,470, for a total of \$1,113,812, plus a unit price of \$14.20 per cubic yard for removal of soil. Based on the opinion of the engineer, the amount of soil estimated to be removed is between 8,000 and 12,000 cubic yards. Mr. Levengood advised the Board that approval was sought at this time to proceed with Sullivan Corporation based on the bid amount of \$1,113,812 with a unit price of \$14.20 for removal of soil. And, upon a motion by Mr. Potesta, which was seconded by Mr.

McQuillen, Board approval to proceed with Sullivan Corporation, for an amount totaling \$1,113,812, and as described by Mr. Levensgood, was approved.

With regard to the Claims, Mr. Huge called the Board's attention to an additional Voucher, that of Operating Expense Voucher #490A, which was emailed to them after their packets were delivered, and which pertained to ANC Sports, for ribbon boards at Conseco Fieldhouse. That being said, the Claims for the month of November included the following:

Capital Improvement Board of Managers:

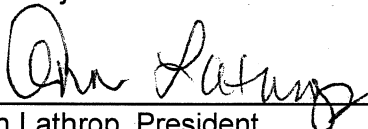
Operating Expense Voucher #490A	\$ 1,000,000.00
Operating Expense Voucher #490G	2,024,382.94
Confirming Expense Voucher #489B	<u>434,486.25</u>
Total:	\$ 3,458,869.19

Upon a motion by Mr. Potesta, which was seconded by Mr. Dora, the Board approved the Vouchers, as presented.

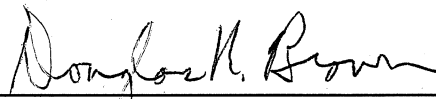
Ms. Lathrop asked if there were any other matters to be brought to the Board. Mr. Levensgood said he wished to mention the parking lot by the City-County building. A variance on this lot was approved last Thursday, November 4th. The next steps will be to provide lighting and landscaping, to present to staff on December 23rd and ask for bids on or about February 1st, 2011, after which the entire matter will be brought back to the board for approval.

Also, Mr. Levensgood was asked if he would update the Board on the matter of carpeting. Mr. Levensgood said the carpeting in the new expansion space looks good, and that the carpeting in the existing Convention Center has been "built in to the process," and that the CIB could purchase the same carpeting for that structure. He said staff is looking at carpet designs for three ballrooms. He told the Board he would come back with more details in December or January, when prices, etc., are available.

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



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



Douglas R. Brown, Secretary
THE CAPITAL IMPROVEMENT BOARD
OF MANAGERS
OF MARION COUNTY, INDIANA