

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY, INDIANA
Minutes of Meeting
Monday, December 10, 2012
Indiana Convention Center – Meeting Room 101

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana (“Board”) was held on December 10, 2012 in Meeting Room 101 of the Indiana Convention Center.

Board Members present included Ann Lathrop, Jay K. Potesta, Jim Dora Jr., David N. Shane, Carolene Mays, Milton O. Thompson, Douglas R. Brown, Brenda Myers, and Maggie A. Lewis. Board Member Ex-Officio, Leonard Hoops was absent.

Others in attendance included Barney Levensgood, Executive Director, Dan Huges, CFO, W. Tobin McClamroch, General Counsel, Bingham Greenebaum Doll LLP, Patti Dean, Controller, Christina Koennecke, Business Operations Director, Robert Vane, Veteran Strategies, Inc., James Wallis, Visit Indy (“VI”), David Sease, SGA, and members of the media. A copy of the list of those who signed in upon arrival is also attached hereto.

The first agenda item was **Approval of Minutes** for the Monday, November 19, 2012 meeting. Upon a motion by Mr. Potesta and seconded by Mr. Brown the Minutes were approved as presented.

Ms. Lathrop introduced Dan Huges. Mr. Huges presented the Board with a **Financial Update** as per the supporting documentation, which is attached and made a part of these minutes. There were no questions regarding the financial reports for Mr. Huges at this time.

Ms. Lathrop introduced, Tobin McClamroch, General Counsel, Bingham Greenebaum Doll LLP, to present **2013 Budget Update**. Mr. McClamroch informed the Board that we had received a letter from the State Board of Accounts which is attached to and made a part of these Minutes. Ms. Lathrop added we are still going through this process but the next step would be for the CIB to inform the City Controller we would not be sending a check in January for the proposed PILOT based on the advice in this letter from the State Board of Accounts. Ms. Lathrop asked the Board if there were any questions at this time and there were none.

Ms. Lathrop introduced James Wallis to present the **Visit Indy Update**. Mr. Wallis presented a Market Share Performance report and also presented a Room-Night Production report which are attached to and made a part of these minutes. Mr. Wallis emphasized that tourism in Indianapolis and Indiana is continuing to grow. He highlighted the increase in visits of 9.7% with two-thirds of those visits being leisure customers and one-third being business customers. Visit Indy is continuing to see an

increase in demand and occupancy as well as revenue. Mr. Wallis noted an increase in the number of jobs as well as an increase in taxes and revenue for the city and state.

Mr. Wallis updated the Board on the Summer Leisure campaign and noted that for every dollar invested in the campaign Visit Indy returned \$63 of incremental spending to the area. He also noted that during the Summer Leisure campaign there was record demand for Friday and Saturday nights. There were no questions from the Board for Mr. Wallis regarding the Visit Indy Update at this time.

Ms. Lathrop introduced Barney Levensgood who presented the **ICCLOS Sales Report** which is attached to and made a part of these minutes. Mr. Levensgood commented on the Visit Indy Update report reiterating that the end of the year is a time when a large amount of business in our industry is booked. As this relates to the ICCLOS Sales report, he commented the numbers the occupancy continued to be high with the Future Farmers of America bringing in 60 thousand people for their convention. He remarked there were other contributing factors to the high occupancy figures with Do-It-Best, a great customer out of the Fort Wayne area coming twice a year and also two smaller shows, The International Ground Source Heat Pump Association and the North American Die Cast Congress. While these last two shows are smaller but are very important in their scope to what they bring to Indianapolis. Mr. Levensgood offered to answer any questions the Board may have regarding the ICCLOS Sales Report but there were none at this time.

Ms. Lathrop presented the next agenda item which was the **Pacers Update**. Documents were passed out to the Board Members which are attached to and made a part of these Minutes. These included a Resolution and a copy of the agreement with the amended Exhibit A. Upon a motion by Mr. Shane and seconded by Mr. Dora the agenda item was then discussed.

Ms. Lathrop informed the Board that the Resolution would enable the CIB to be engaged in a one year contract extension to the bridge agreement with the Pacers. While a long term contract with the Pacers was the ultimate goal, Ms. Lathrop thought this the most prudent thing to do at this time given all the budget constraints and time limitations. The current agreement with the Pacers was set to expire in June 2013. This extension would keep the Pacers in Indianapolis and give both sides through June 2014 to reach a more mutually suitable long term agreement. There was a discussion amongst the Board members as to the pros and cons of a short term contract and further negotiations for a long term contract with the majority of the members agreeing that while a long term contract is what they would have preferred, they understood the importance of keeping the Pacers in the city and that this one year extension to the bridge agreement already in place was a suitable alternative until we are able to reach our long term goal of a multi-year contract. Mr. Brown stated he felt strongly that it was a priority for the CIB was to reach a long term contract agreement with the Pacers and therefore he would be opposing this Resolution and short term solution.

Ms. Lewis stated that while she would vote in favor of the Resolution she wanted to make it clear that public safety issues were also a priority for the city and she was looking forward to continuing conversations regarding those issues as well.

The Board voted in favor of the Amendment except Mr. Brown who opposed it.

Mr. Levengood presented the **ICC Replacement Roof** agenda item to the Board explaining that there were seven contractors considered with AAA Roofing being the lowest responsible and responsive bidder. The AIA document is attached to and made a part of these Minutes. There was a discussion among the Board regarding the inability for the contractor to find a qualified minority vendor. The Board members were not in favor of granting a waiver regarding this point of the contract and thus it was decided that they would move forward with the approval of the contract bid on the condition that the language of the document would be revised to ensure that the best efforts were made to continue to locate a suitable qualified minority vendor. Mr. McClamroch clarified that the motion would be to approve the contract with the current language with the additional requirement that the Executive Director will personally at the Board's discretion and direction work with the company to make best efforts to reach the minority requirements as set forth in the bid documents.

Ms. Lathrop asked the Board if they were comfortable with the language of the agreement as described by Counsel. Upon a motion by Ms. Mays and a second by Ms. Lewis the ICC Replacement Roof contract was approved contingent on the revision of the contract language and the assurance by Mr. Levengood that all best efforts would be made to locate a qualified minority vendor.

The **ICC Restroom and Ceiling Update** was presented by Mr. Levengood with the AIA document attached to and made a part of these Minutes. Mr. Levengood explained there were a total of eight bidders for this project with the ICC staff suggesting we award Harmon Construction with the project. Harmon was the lowest priced and most responsive and responsible bidder. It was decided that the same language that was inserted in the ICC Replacement Roof contract be inserted in this ICC Restroom and Ceiling Update contract with regard to ensuring the best efforts being made to locate a qualified minority vendor and the involvement of the Executive Director, Mr. Levengood.

Pursuant to a motion by Mr. Brown and seconded by Mr. Potesta the request to proceed with the **ICC Restroom and Ceiling Update** was approved as presented. Ms. Mays abstained from this vote.

The next topic on the agenda was Approval of **Claims** 515G and 514B which Ms. Lathrop presented to the Board per the supporting documentation, which is made a part of these Minutes. She noted that the amount of the Claims was larger than it typically is and asked Mr. Huge to explain some of these expenses to the Board.


He explained that this set of Claims included several large amounts including the following:

- \$300K for the Lot #3 parking lot repair at ICC
- \$300K for the beginning of replacements of the Air Handler on the north campus
- Annual payment to the Colts in January of \$3.5M
- \$1.7 M interest on the two state loans which was approved by the Board the previous month
- \$3M payment made to Visit Indy to replace the White Family Matching Funds @\$1.5M per year in 2013 and 2014

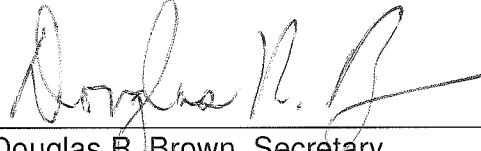
There being no further questions, and upon a motion by Mr. Potesta which was seconded by Mr. Thompson the Claims were approved by the Board.

Ms. Lathrop asked if there were any **Other Business** to address and Mr. Levengood informed the Board that Dean Phillips who opened the Indiana Convention Center in 1972 and had been at the ICC and the Hoosier Dome for 20 years had passed away. He was one of only two people to manage the facility with Mr. Levengood being the other one. He was survived by his wife and son and two grandchildren and noted that anyone who had worked with him knew he was one of the best.

There being no **Public Comment**, and with no further business to be conducted, 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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