

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY, INDIANA
Minutes of Meeting
Monday, August 11, 2014
Indiana Convention Center - Boardroom

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana ("Board") was held on August 11, 2014 in the Indiana Convention Center's Boardroom.

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

Others in attendance included Barney Levensgood, Executive Director, Megan Ornellas, CFO, Patti Dean, Controller, Christina Kelley, Business Operations Director, W. Tobin McClamroch, General Counsel, Bingham Greenebaum Doll LLP, Robert Vane, VSI, James Wallis, Visit Indy ("VI"), Jerry Semler, VI, David Sease, SGA, Curt Fritsch, CRF Group 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, July 14, 2014 meeting. Upon a motion by Mr. Brown and seconded by Mr. Dora the Minutes were unanimously approved as presented.

Ms. Lathrop introduced Megan Ornellas who presented the Board with a **Financial Update** as per the supporting documentation, which is attached and made a part of these minutes. Ms. Ornellas informed the Board Tax Revenues through June are \$1M, or 2% over budget and Operating Revenues through June are up \$2.4M, or 19% over budget. Overall, the CIB had a \$2.5M negative cash flow for the month, mostly due to over \$8M in debt service lease payments that were made in June. The CIB has a year to date positive cash flow of approximately \$7.7M which is a \$15.7M positive variance from budget. Ms. Ornellas reminded the Board this variance will begin to drop in the coming months as Capital repair projects progress. Ms. Lathrop asked the Board if there were any questions regarding the Financial Statement and there were none.

Ms. Ornellas informed the Board there was an additional report in the packet, attached to and made a part of these Minutes, which includes financial information from Fieldhouse Management, LLC pursuant to Section 6(b) of our agreement with the Pacers. Mr. McClamroch clarified these quarterly financial reports were for the Fieldhouse Management and not the Pacers Organization. Ms. Lathrop informed the Board this information has been certified by Fieldhouse management Treasurer, Kevin Bower. Mr. Bower was present at the meeting and available to answer any questions from the Board.

Ms. Lathrop introduced James Wallis who presented the **Visit Indy Update** with the Market Share Performance report and Room-Night Production documents attached to and made a part of these Minutes. Mr. Wallis explained Leonard Hoops and some of the Visit Indy Executive staff were attending the American Society of American Professionals Tradeshow (ASAE) in Nashville, Tennessee, promoting Indianapolis to some of VI's best customers. He added the Visit Indy team took a "two seater" Indy Car with them and received a strong reception taking customers for rides while promoting the City of Indianapolis. With regard to the long term future, Mr. Wallis explained Visit Indy was obtaining convention commitments and securing future room nights and with 522,000 nights booked was 19% ahead of their pace to reach their year end goal of 750,000 room nights. With regard to the short-term future, Mr. Wallis noted the Annual Leisure Campaign was coming to an end in a week and was doing very well, already exceeding their goal for number of visitors to the Visit Indy website as well as the number of Friday to Saturday night stays by travelers. He concluded by saying overall revenue was up 10.1% over last year for Marion County with increases in both Hotel occupancy tax and average daily rate and they looked forward to a strong finish for the year. Ms. Lathrop asked if there were any questions for Mr. Wallis and there were none at this time.

Mr. Levengood presented the **ICCLOS Sales Report** which is attached to and made a part of these minutes. Mr. Levengood noted the building occupancy was strong at 59%. The National Athletic Trainers Association show in June and the Pokemon event in July were noted as significant events and he added we hosted the Jehovah's Witness convention for two separate weekends as well as the Indiana Black Expo Summer Celebration. He concluded this summer has been active and eventful thus far and everything was running very smoothly. Mr. Levengood clarified to the Board the definition of practical maximum capacity as well as the criteria of successful occupancy figures in response to an inquiry from Mr. Brown. There were no further questions for Mr. Levengood regarding the ICCLOS Sales Report.

Ms. Lathrop presented the **Amendment to the Indiana Sports Corporation ("ISC") Grant**. She reminded the Board of the recent announcement pertaining to the restoration of the Natatorium and the partnership of the City, IUPUI and the Lilly Endowment to come together in a plan to assist ISC to secure a sustainable capital funding model to be able to help so facilities do not fall into disrepair. Because major sporting event bids are made years ahead of time, it is necessary for potential clients to know the status of the building. Part of this plan includes the CIB making a 10 year \$500,000 annual commitment to the ISC. The intent is to initially restrict the funds but then allow the ISC to budget them into the areas that need the improvements when and where necessary. She added historically a strong ISC is very important to the vitality of the City and it is important for them to have the ability to offer a menu of services to potential clients. She noted Allison Melangton of ISC was present to answer any questions. Board member Carolene Mays, also an ISC Board member, stated the Natatorium is recognized as the largest and fastest indoor pool in the country and has been considered a world class facility, adding the Olympic trials in 2016 will take place there. She also emphasized the overall favorable economic impact which would

resulting from the financial commitment by the CIB through increased revenues to the City of Indianapolis due to city, state and national events held at the Natatorium and encouraged her fellow Board members to vote in favor of the Resolution. Pursuant to a motion by Mr. Thompson and seconded by Ms. Mays, the amended Resolution was approved by the Board in a vote of 5-2 with Mr. Brown and Ms. Lewis opposing the Resolution.

Mr. Levensgood presented **LOS Structural Steel Painting Project** which is attached to and made a part of these Minutes. He explained this work is for re-coating the structural steel on the exterior portion of Lucas Oil Stadium. This includes ten (10) each truss sections and the steel that supports the Lucas Oil Stadium neon signage. The lowest responsive and responsible bidder of the three submitted bids was CL Coatings, located in Mokena, Illinois. There were no bids submitted from Indiana companies. It is the recommendation of staff to award the contract to CL Coatings in the amount of \$2,825,086.00. Ms. Lathrop inquired as to the timeframe of the project to which Mr. Levensgood answered 4-6 months. He added much of the work could continue throughout the football season with no interference. Mr. Thompson asked if the Minority, Women and Veteran Business Enterprise guidelines were met and Mr. Levensgood confirmed they were. Pursuant to a motion by Mr. Brown and seconded by Ms. Lewis, LOS Structural Steel Project unanimously approved by the Board.

Mr. Levensgood next presented the **Award of Contract for Hudnut Commons Project** which is attached to and made a part of these Minutes. Mr. Levensgood explained there were three (3) bidders and all were Indiana companies with the lowest responsive and responsible quote from Smock Fansler Corporation in the amount of \$109,501.00. Upon a motion by Ms. Mays and seconded by Mr. Dora, the Award of Contract for Hudnut Commons was unanimously approved by the Board.

Mr. Levensgood presented the **BLF Kitchen Equipment** Agenda item which is attached to and made a part of these Minutes. He explained this was part of the CIB's agreement with the Pacers as an upgrade of kitchen equipment at Bankers Life Fieldhouse. There were two (2) bidders with the lowest responsive and responsible bid coming from Douglas Equipment from Blue Field, West Virginia in the amount of \$221,146.14. He added it is the recommendation of Staff to award the supply contract to Douglas Equipment and offered to answer any questions. There being no questions and pursuant to a motion by Mr. Dora and seconded by Mr. Thompson, the BLF Kitchen Equipment contract was unanimously approved by the Board.

Mr. Levensgood presented the **Disposal of Obsolete Equipment** as per the attached supporting documentation, which is made a part of these Minutes. There were no questions and pursuant to a motion by Ms. Mays and a second by Mr. Brown, the Board unanimously granted approval of the write off disposal of the obsolete equipment.

Ms. Lathrop then presented **Claims** 535G, 534B and 534C to the Board for approval as per the supporting documentation, which is made a part of these Minutes. There were

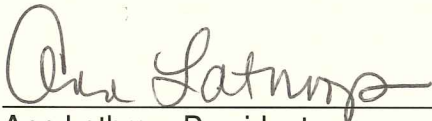
no questions, and on a motion by Mr. Brown which was seconded by Mr. Dora the Claims were unanimously approved by the Board.

Ms. Lathrop asked if there was any **Other Business**. Mr. Levengood informed the Board the CIB's long time receptionist, Martha Watts, had retired after being with the CIB since 1991 and he and the Board all wish her well.

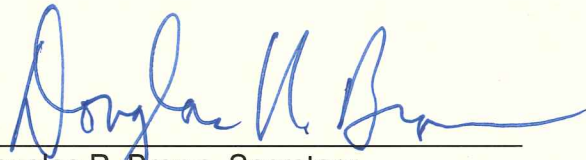
Mr. Levengood also mentioned that former CIB Board President, P.E. MacCallister was being honored by receiving the Sachem Award and the entire Board was included in the invitation to attend the awards ceremony.

Ms. Lathrop reminded the Board we would have an additional CIB meeting on August 18th to discuss the 2015 CIB Budget.

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
THE CAPITAL IMPROVEMENT BOARD
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