

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY
Minutes of Meeting
Friday, January 15, 2021-8:30 am
Indiana Convention Center
Via Teleconference

A Meeting of the Capital Improvement Board of Managers of Marion County, (“Board”) was held on January 15, 2021. Because of the Declaration of Public Health Emergency due to the COVID-19 virus and to ensure compliance with the social distancing guidelines and consistent with the Governor’s Orders, this meeting took place via teleconference. Board Members in attendance included Melina Kennedy, David E. Corbitt, Michael C. Terrell, David Ruhmkorff, Jim Dora Jr., Brenda Myers, Earl Goode and Sarah Fisher as well as Ex-Officio Leonard Hoops. Board member Maggie A. Lewis was absent. Others in attendance included Andy Mallon, Executive Director, Mary Solada, General Counsel, Dentons Bingham Greenebaum LLP (“DBG”), Tom Boyle, Director of Operations, Kobi Wright, Business Operations Director and Senior Counsel, Eric Neuburger, Stadium Director, Tim Kuehr, Chief Financial Officer, Art Kodroff, Controller, Monique Wise, Senior Sales Manager, Chad Wilke, Senior Event Coordinator, Steve Pickett, Consultant to CIB, McGowan Insurance Group, Derick Warner, NFP, James Wallis, Visit Indy, (“VI”), Chris Gahl, VI, Daren Kingi, VI, Ty Gerig, SGA, Lisa Vielee, Well Done Marketing, John Morrow, ForeSight Environmental Solutions and members of the media. (A copy of the list of those who were in attendance on the call is attached hereto.)

Ms. Kennedy introduced the **Approval of Minutes** for the Friday, December 4, 2020 meeting. Upon a motion by Mr. Corbitt, and seconded by Mr. Goode, the Minutes were unanimously approved as presented.

Mr. Kuehr presented the **Financial Update** to the Board as per the supporting documentation, which is attached hereto and made a part of these minutes. Mr. Kuehr reviewed the financial statements for the month and year to date with the Board members explaining variances from budget and answering questions as necessary. Ms. Kennedy asked if there were any additional questions for Mr. Kuehr regarding the Financial Update and there were none at this time.

Ms. Kennedy then introduced the **Visit Indy Updates** agenda item as attached hereto and made a part of these Minutes and presented by Leonard Hoops. Mr. Hoops updated the Board on the Hotel Market Share Performance for the previous month and explained the VI Room-Night Production by Year, Venue and Market Segment, comparing this years’ results to past years results using data and graphs. Mr. Hoops began his presentation by explaining to the Board that he noticed a few errors in the Excel spread sheet report that was included in the Board packet just before the meeting began and would be correcting them and updating the document with the correct information. He noted that the year-end numbers for VI showed that it had reached 70% of its goal for room nights and were close to 80% of goal as compared to the VI 12 year average figures. Mr. Hoops stated that he believed this success was due to the fact that VI was able to

keep most of its organization together when the COVID-19 virus caused the shut down last March and this factor kept Indianapolis in the game while other cities were not able to provide that level of support to their tourism organizations. Mr. Hoops once again thanked the CIB and the Board members for putting that investment into VI and his staff during that difficult time. Mr. Hoops stated that he believes that VI has a good chance of coming within the 650,000 range in room nights for 2021 as a result of being able to keep his staff intact and active during the pandemic. He also noted that he thought that the majority of the industry would still be trying to get their cities back up and running and fully staffed for the next 6 months which would give VI and Indianapolis a huge advantage with regard to booking business once the tourism market returned to what was considered "normal" in the past. Mr. Hoops commented that if anyone had not yet seen the news in the media, Indianapolis will be hosting the entire NCAA March Madness tournament with all 68 teams and 67 games, almost all of them being played in Indianapolis, with the first rounds taking place at Purdue University in West Lafayette and IU in Bloomington. Mr. Hoops stated "this was a phenomenal guest for Indianapolis and also a real reflection of the 50 year effort that has been happening across different mayors, different councils and different CIBs that have stayed consistent and true to our sports and convention strategy and says a lot about our community." Mr. Hoops thanked Mr. Mallon, Ms. Wise and Mr. Neuburger for all of their efforts and hard work with regard to contract negotiations and providing creative solutions to the challenging logistics issues that come along with making the prospect of hosting the entire NCAA tournament possible and eventually making it a reality. In particular, Mr. Hoops wanted to recognize Mr. Mallon's contributions to the process saying "Andy just did an incredible job during that process, you'd think he has been doing this for 50 years but...he has only been doing it for about 2, and... did a great job." Ms. Kennedy thanked him for his presentation and asked the Board if there were any questions. Mr. Dora indicated he had a question for Leonard. Mr. Dora began by acknowledging that while there is appreciation for the NCAA tournament coming to Indianapolis and having the opportunity to serve them, many of the other downtown hotels that were not designated as team hotels for the tournament and were still struggling due to the pandemic and shut-down. He asked Mr. Hoops to provide additional information for these other downtown hotels and asked if there was any positive news he could share with the Board with regard to that situation. Mr. Hoops explained that the process of designating the hotels and rooms for the tournament was ongoing, with each week additional groups affiliated with the schools and teams, such as media sponsors, staff and family members were added into the mix of attendees that would be arriving in Indianapolis. Mr. Hoops stated that he anticipated downtown will more than likely be a sellout for the first two rounds of the tournament and noted that each of these visitors to the City would need a play to stay and this would in turn positively impact the hotels in the area. He acknowledged that that middle rounds of the tournament may bring smaller numbers of attendees, but also stated that those numbers should go back up as the tournament progresses. Mr. Hoops also noted that the potential for fans to be able to attend the games was still to be determined and that would be a deciding factor in the end result for all of the downtown and Marion County business community. Mr. Mallon added that the CIB is having regular conversations with the Marion County Health Department and the NCAA as to whether or not the fans will be able to attend the tournament games and that overall things are going very well. He remains optimistic and

feels confident that there will be increased opportunity for more fans to attend the games. Both Mr. Mallon and Mr. Hoops agreed that while the Final Four is the priority with regard to the hope for increased attendance, everyone is still striving for an increased guest count throughout the tournament. Mr. Dora thanked them both for the information and agreed that the fan turnout will be the overall game changer. Ms. Kennedy asked the Board if there were any further questions for Mr. Hoops and there were none at this time. Ms. Kennedy thanked Mr. Hoops and his entire team for navigating through such difficult times adding that she appreciated all the work they do.

Ms. Kennedy introduced the next agenda item **ICCLoS Sales Report** as attached hereto and made a part of these Minutes. She introduced Monique Wise to present the ICC portion of the report. Ms. Wise stated that after a slow month of December, there will be a stretch of events taking place in the building every weekend until the end of March. She noted that JAMFest would begin this weekend followed by five weeks of consecutive volleyball tournaments. She explained that in February the Facility was on track to host the first traditional trade show since the pandemic began. Ms. Wise reported the Events staff has been working on a total of 17 events this 1st quarter of the year, adding that in an environment that has been unpredictable and ever changing, they have been repeatedly successful at putting on these events while still providing a safe environment. Ms. Wise stated that she and the Sales staff have been working hard to preserve the events already booked as best as they can and noted that recently a major event moved from end of April to August and she and her staff were extremely fortunate to be able to fill that space almost immediately with another sporting event. She concluded that staff is remaining optimistic and looking forward to the next few weeks of having events in the building. Ms. Kennedy thanked her for her report and asked if there were any further questions for Ms. Wise and there were none at this time.

Ms. Kennedy introduced Mr. Neuburger to present the Lucas Oil Stadium (“LOS”) portion of the report. He informed the Board that it has been an action packed month at LOS as it hosted the Big Ten Championship Football game, the Colts vs. the Houston Texans and the Colts vs. the Jacksonville Jaguars. He reported the annual Colts Bleed Blue Blood Drive was a success despite the altered format due to the required safety precautions. He remarked that before the Board meets again in March, the Stadium will host three Supercross shows, with the number of attendees allowed in the building still to be determined. Mr. Neuburger stated that March Madness coming to Indianapolis was the big news to report at this time. He informed the Board that he and his staff are planning in earnest to ensure that this will be a successful event for everyone involved and was looking ahead to the opportunity to have a good number of games played at LOS. He also informed the Board that the College Football Championship was officially on the schedule of events for 2022 which was exciting for everyone. In closing, Mr. Neuburger thanked the Leadership of the Board and especially that of Mr. Mallon this past year. He shared he is excited about the quality of the events schedule going into 2021. Ms. Kennedy thanked him for his report and asked if there were any further questions for Mr. Neuburger and there were none at this time. Mr. Mallon took this time to thank Ms. Wise and Mr. Neuburger for all of their efforts and many hours working on the planning and preparation for the NCAA tournament and to thank everyone who is

working for the CIB at this time. He said he is proud of his staff and that they have done an amazing job this past year. He added that everyone is enthusiastic and excited about this upcoming quarter and having events in the building again.

Ms. Kennedy introduced the next agenda item **City of Indianapolis and CIB Interlocal Cooperation Agreement for ICC Expansion** as attached hereto and made a part of these Minutes and presented by Mr. Mallon. He explained this agreement pertains to the Phase 6 expansions to the Convention Center, including the 50,000 sq.ft. Ballroom, additional meeting space and a skywalk over Capitol Avenue. Mr. Mallon explained that this Interlocal Agreement allows the CIB to manage the project as the City's agent and ultimately be responsible for the operation and management of the building after it is constructed. Mr. Mallon further explained that the Interlocal Cooperation Agreement is authorized by statute and is intended to be an agreement between two political subdivisions of the CIB and the City of Indianapolis. After further inquiries, questions and discussion and after a motion by Mr. Corbitt, as seconded by Mr. Ruhmkorff, the City of Indianapolis and CIB Interlocal Cooperation Agreement for ICC Expansion was unanimously approved as presented.

Ms. Kennedy introduced the next agenda item **DHS Safety Act DT & E Designation** as attached hereto and made a part of these Minutes and presented by Mr. Mallon. Mr. Mallon stated he was going to turn this agenda item over to Mr. Neuburger to present as he has been leading the efforts on this project for a long time and so he should take credit for the project. Mr. Neuburger explained to the Board that the U.S. Department of Homeland Security ("DHS") has designated Lucas Oil Stadium for their DT & E Designation. Mr. Neuburger thanked Paul Suiters, CIB's Security Manager, for all his efforts toward championing this cause for many years and working with DHS and local law enforcement to attain this higher security status. Mr. Neuburger explained that LOS will join eleven other NFL venues that hold this status. He explained that the Safety Act is a federal law to address a possibility of a terrorist attack. Mr. Neuburger added that the Safety Act qualifies the CIB for the procurement of additional liability insurance. He explained that in order to comply with DHS's conditions and receive the liability coverage, the CIB is required to carry additional liability insurance which would increase the CIB's current amount of \$56M in liability coverage to the DHS's required amount of \$106 M. Mr. Neuburger stated that after staff and Counsel have reviewed, they recommend that the CIB purchase the additional insurance. Mr. Mallon thanked Mr. Neuburger and Paul Suiters for their dogged work on pursuing this designation as well as Mr. Wright and Mr. Boyle for their contributions to this group effort. Mr. Mallon clarified that the CIB Board is not being asked to approve the designation but is essentially being asked to procure this additional insurance as prescribed in order to maintain the DT & E status designation. Mr. Mallon explained that the CIB has had the current level of general liability insurance for several years and staff and counsel believe that this amount is sufficient, but because the CIB went through the entire insurance procurement process just 18 months ago, he wanted to bring this matter before the Board and receive approval before proceeding. He noted that the exact amount of any benefits will not be known until the security designation has been in effect for at least 6 months and there would be a better idea at that time of what that amount will be in July of this year. Ms. Kennedy advised Mr. Mallon to direct

his staff to aggressively pursue to what extent the CIB should expect to see any benefits on the insurance side as a result of having this designation and be prepared to report the findings back to the Board at a later date. Mr. Mallon agreed to this stipulation and assured the Board that that this condition would be met. After further inquiries, questions and discussion and after a motion by Mr. Corbitt, as seconded by Mr. Dora, the DHS Safety Act DT & E Designation along with the approval to purchase increased insurance coverage was unanimously approved as presented taking into consideration the above stipulation.

Mr. Mallon presented the **BLF HVAC Chiller Replacement with QPA Purchase** agenda item as attached hereto and made a part of these Minutes. He explained that this was a capital repair/replacement project consistent with the operating agreement and involves the replacement of the four existing Centrifugal Chillers which generate the cooling for the facility. Mr. Mallon explained the Chillers will be a direct purchase through the Federal Government General Services Administration (“GSA”) Contract #47QSWA20D002A which enables the CIB to take advantage of the special pricing as well as eliminate any mark-up fees from the contractor. Mr. Mallon informed the Board that Trane Technologies has submitted through GSA contract pricing the amount of \$925,476.00. He noted the Chillers will be installed by a contractor as part of a larger publicly bid HVAC project which will be presented to the board in April 2021. Mr. Mallon summarized that staff and counsel have reviewed all the documents and recommend the purchase of the BLF HVAC Replacement Chillers from Trane Technologies through the GSA Contract in the amount of \$925,476.00. Upon a motion by Mr. Corbitt as seconded by Mr. Ruhmkorff, the **BLF HVAC Chiller Replacement with QPA Purchase** was unanimously approved as presented.

Ms. Kennedy introduced the **Claims** as attached hereto and made a part of these Minutes and presented by Mr. Mallon. Mr. Mallon presented the Operating Claims. There were no questions from the Board. Upon a motion by Mr. Ruhmkorff and seconded by Mr. Corbitt, Claim 9473G was unanimously approved by the Board. Mr. Mallon next presented the Confirming Claims as attached hereto and made a part of these Minutes. He noted that the Confirming expense voucher is larger than usual for the month of January due in part to the CIB’s participation in several projects with the City of Indianapolis and partnerships with other local organizations to provide financial relief to downtown businesses negatively impacted by the COVID-19 pandemic. This relief was administered in the form of grants funded by the Federal Cares Act. As part of this process, the CIB formed a partnership with the Indy Chamber on the HELP Grant project providing rent and mortgage assistance to businesses in the hospitality industry. The CIB partnered with VI on the Weatherization grants program, administering funds to downtown businesses to promote and facilitate outdoor dining activity at downtown restaurants and bars. The CIB also formed a partnership with Indiana Sports Corp. to manage the procurement and distribution of COVID tests and PPE materials in the amount of \$1.25M as part of the Federal Cares Act. He noted that Indiana Sports Corp. managed the procurement of these tests for the bubble activities and ensured tests were made available to the CIB for their events as needed. As a result of this partnership, the CIB has been able to procure tests for any clients or conventions that would be interested in engaging in a testing program as part of their event and staff have put the system

infrastructure in place. He commented that this was a really unique and important element to be able to offer our clients. Mr. Mallon asked Mr. Kuehr to also comment on any expenses on the confirming vouchers for January that would be worth noting as contributing to the increased total for January. Mr. Kuehr also informed the Board of the annual payment of Game Day expenses to the Colts organization of \$5.6 M was also included in the higher than usual confirming vouchers for January, as well as a payment to the Indiana Dept. of Revenue to reimburse admissions tax on Colts tickets that were refunded due to the COVID pandemic. Mr. Mallon thanked Dan Huger at IFA as well as the Dept. of Revenue for assisting in figuring out the best way to execute these actions, adding that he appreciated the partnership with them as well as their professionalism and cooperation. There were no questions from the Board and upon a motion by Mr. Corbitt and seconded by Mr. Ruhmkorff, Claim 9452C was unanimously approved by the Board. Mr. Mallon next presented the BLF Confirming Construction Claims as attached hereto and made a part of these Minutes. He reported that the work was largely done on Phase 1 and commented that everyone did an amazing job. He was really proud of the work that Tom Boyle and his staff did along with the efforts and dedication of the Pacers organization led by Mel Raines and all of her team and was very thankful to Mr. Boyle for making sure that Phase finished on time. There were no questions from the Board and upon a motion by Mr. Goode and seconded by Mr. Corbitt, the BLF Confirming Construction Claims B212 were unanimously approved as presented.

In **Other Business**, Mr. Mallon wanted to quickly provide additional details regarding the upcoming NCAA Men's Basketball Tournament. He explained that the 68 teams will essentially be living in their team's quarters at the designated hotels and the Indiana Convention Center. He added that teams and coaching personnel will remain in the hub as they continue to advance in the tournament and will be here through the month of March and the first week of April. He explained that this is the first event of its kind and what the NCAA has planned is pretty incredible. He noted the hub will have incredible security adding that the precautions that the NCAA are going to instill are next level. Mr. Mallon also noted that this will be the first event of its kind at LOS explaining that historically in past NCAA Final Four tournaments and Regional games played at the Stadium, there has been one main basketball court set up for the games to be played on, but this year the NCAA will be setting up two full courts back to back in Lucas Oil Stadium which will provide the capacity to have one game taking place on one court while the other is being cleaned and sterilized in preparation for the next game with this floorplan giving LOS the ability and potential to host as many games as possible. Mr. Mallon noted that this configuration will be an incredible amount of work to execute properly and is a testament to the creativity and capacity of the NCAA and the CIB staff to think outside the box and be able to provide the optimum space that is possible for the tournament.

Mr. Mallon recognized that this event would require an increased work flow and increases in labor hours as he and his staff would slowly be bringing back staff to work in the facility. He added that the upcoming calendar of shows in April and May will be more robust. As these shows take place and are successful, the CIB will be looking to ramp up and bring some of the permanent full time staff back to work in the building. Mr. Mallon remarked that he would be remiss if he did not recognize Leonard Hoops and Ryan Vaughn of the

Indiana Sports Corporation and the huge help they have been with regard to this whole process but emphasized that Mr. Hoops in particular has been a guiding force in this latest chapter of events and a great help and resource. Ms. Kennedy commented that this update was exciting to hear and thanked everyone for their persistent efforts and great work leading up to this point.

Ms. Kennedy closed the meeting by wishing everyone a Happy New Year adding she was glad to be moving into 2021. She expressed her appreciation to everyone on the call today.

There being no **Other Business** to address and no **Public Comment**, the meeting was adjourned.

Melina Kennedy, President
THE CAPITAL IMPROVEMENT BOARD
OF MANAGERS
OF MARION COUNTY

David Ruhmkorff, Secretary
THE CAPITAL IMPROVEMENT BOARD
OF MANAGERS
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