

CAPITAL IMPROVEMENT BOARD OF MANAGERS  
OF MARION COUNTY, INDIANA  
Minutes of Meeting  
Friday, August 24, 2018-8:30am  
Indiana Convention Center Boardroom

A Meeting of the Capital Improvement Board of Managers of Marion County, Indiana ("Board") was held on August 24, 2018 in the Indiana Convention Center's Boardroom. Board Members present included Melina Kennedy, David E. Corbitt, Michael C. Terrell, Mary Ann Fagan, Jim Dora Jr., Brenda Myers and Ray Biederman, as well as Ex-Officio, Leonard Hoops. Board members Maggie A. Lewis and David Ruhmkorff were absent. Others in attendance included Barney Levengood, Executive Director, Mary Solada, General Counsel, Bingham Greenebaum Doll LLP, Kevin Bower, Pacers Sports and Entertainment ("PS&E"), James Wallis, Visit Indy ("VI"), David Sease, SGA, Chris Walczak, Indy Visitor Channel ("IVC") and members of the media. (A copy of the list of those who signed in upon arrival is also attached hereto.)

Ms. Kennedy introduced the **Approval of Minutes** for the Friday, July 13, 2018 meeting. Upon a motion by Ms. Fagan and seconded by Mr. Biederman, the Minutes were unanimously approved as presented.

Mr. Kuehr presented the **Financial Update** to the Board as per the supporting documentation, which is attached 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.

#### **Fieldhouse Management Report**

Mr. Kuehr directed the Board to 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 the CIB Operating Agreement with the Pacers and explained this is the Statement of Revenue and Expenses for the quarter ending and 12 month period ending June 30, 2018. Ms. Kennedy asked if there were any questions for Mr. Bower and there were none at this time.

Ms. Kennedy introduced Leonard Hoops who presented the **Visit Indy Update** with the Market Share Performance report, Room-Night Production and Convention Sales Booking Pace graphs documents attached to and made a part of these Minutes. Mr. Hoops reviewed the Visit Indy Sales reports with the Board explaining trends and variances in the main areas of Downtown, Marion County and outside Marion County. Mr. Hoops informed the Board that July was the worst month of the year so far with Hotel revenues decreasing 11%. He added YTD the revenues were up 3% but informed the Board there would be a few more months before the revenue trend improves. Mr. Hoops

mentioned that Gen Con had just held its event in the Building and now Visit Indy is preparing for GameStop. He explained that while they were both Gaming shows, Gen Con is a Hobby driven and Board Games event while GameStop is more Video Games oriented. Mr. Hoops concluded by informing the Board that coming off the Great MPI show, Visit Indy had more than 31,000 room night leads as a direct result of that event, stressing what a big difference it has made to have direct contact with the decision makers for the events. Ms. Kennedy thanked him for his report and asked if there were any further questions for Mr. Hoops from the Board and there were none at this time.

Ms. Hennessey presented the **ICCLoS Sales Report**, which is attached to and made a part of these Minutes. Ms. Hennessey informed the Board that the occupancy in the Convention Center for the month of July was 46% and was 11% at the Stadium. She reminded the Board members that this was the time the new turf was being installed at LOS. She mentioned some notable events which occurred in July including the Indiana Black Expo's Summer Celebration and Music Heritage Fest and explained the concert was moved at the last minute and held inside rather than outside this year due to the potential for hazardous weather conditions. She informed the Board that GameStop would be loading in on Monday and would be occupying every room in the Building. Ms. Hennessey noted these types of events increased the need for stagehand labor and informed the Board there would be a need for 180 stagehands between the two facilities. Ms. Hennessey mentioned upcoming events including four (4) Indy Eleven Soccer Matches and two (2) home Colts Games, adding that things continued to be busy for the facility and staff. Ms. Kennedy asked if there were any questions for Ms. Hennessey and there were none at this time.

Mr. Hoops took this opportunity to mention an article that was recently featured in the Indiana Business Journal ("IBJ") which mentioned technology needs for Convention Centers and the importance of having a strong technology system with regard to booking large gaming shows such as GameStop or Gen Con. Mr. Hoops clarified that there are different needs for different customers and he noted, with all due respect to the IBJ, some parts of the article were inaccurate and misleading. Ms. Kennedy added the CIB received a follow-up from someone who was quoted in the article who was disappointed because she had contacted the IBJ to tell them she had been misquoted but unfortunately that was not communicated internally to the IBJ editorial pages. Ms. Kennedy stated it was unfortunate but stressed the important point to remember is that our customer (Gen Con) is satisfied and thought we have a very good environment and the person who was misquoted reiterated she wasn't sure how that happened but her quote was misinterpreted and the CIB appreciates the clarification.

## **2019 Budget**

Mr. Levengood introduced the 2019 Budget to the Board reminding them this was part of the CIB's annual process. He noted Mr. Kuehr and the accounting staff spent a great deal of time working on this Budget and expressed his appreciation. Mr. Kuehr began his presentation of the **2019 Budget** to the Board; a detailed presentation and a copy of the proposed budget are attached to and made a part of these Minutes. Mr. Kuehr went

through the entire budget presentation with the Board, explaining the main points and assumptions as listed below:

- **Tax Revenues are slightly down from the 2018 Budget by \$1.5M or 1.5%.**
- **Operating Revenues increased \$ 7.8M or 27% over the 2018 Budget.**
- **Total Operating Expenses are \$11.3M, or 10% more than the 2018 Budget.**
- **Personal Services is budgeted to increase 6.3% or \$1.3M over the 2018 Budget.**
- **Other Services and Charges are budgeted to increase \$3.3M or 4.6% over the 2018 Budget.**
- **Capital Outlay is budgeted to increase \$6.6M or 33.5% over the 2018 Budget for needed and contractually obligated repairs and maintenance on all facilities.**
- **Debt Service is projected to have a slight decrease in the 2019 Budget in accordance with bond amortization schedules.**
- **Net Amount for 2019 Budget is (\$22.2M).**
- **Negative Net Amount will be covered by utilizing funds from CIB reserves if necessary.**
- **Taking into account the 2019 budget, at the end of 2019, the CIB will have approximately \$53M in operating reserves.**

There was discussion throughout the presentation with questions answered by Mr. Kuehr and Mr. Levengood. Mr. Levengood asked if there were any additional questions from the Board and there were none. Ms. Kennedy asked the Board to entertain a motion to approve the Budget Resolution. Mr. Terrell moved and Ms. Fagan seconded that the Board approve the Resolution as stated and the 2019 Budget as presented. The Resolution is attached hereto. The motion by Mr. Terrell to approve the CIB Budget and related matters as set forth in the Resolution was unanimously approved as presented. Mr. Levengood again expressed his appreciation to Mr. Kuehr and his Accounting staff for all their hard work these last several months putting the Budget together and also thanked Ms. Kennedy and Ms. Fagan for their time and effort in editing and reviewing the Budget. Mr. Levengood informed the Board that the next step was to present this proposed Budget to the City County Council's Municipal Corporation Committee and then to the full Council for final approval. Ms. Kennedy informed the Board there was a new team member in the Finance department and Mr. Kuehr introduced Art Kodroff as the new Controller for the CIB noting he has a wealth of experience and comes to us from the Simon Youth Foundation. Mr. Levengood welcomed him on behalf of the Board.

Mr. Levengood presented **Indiana Convention Center Food Service Office HVAC Upgrades** agenda item which is attached to and made a part of these Minutes. He explained this project involves remodeling of the HVAC system that serves the food service offices. The project was estimated to cost \$50,000, so consistent with Indiana's Public Procurement Laws the CIB solicited quotations from 3 contractors for base quote. The low quote was submitted by General Piping Inc. in the amount of \$42,100. Staff and Counsel have determined that their quote is both responsive and responsible. Mr. Levengood asked the Board if there were any questions regarding this project and there

were none. Upon a motion by Mr. Dora, and a second by Mr. Biederman, a contract with General Piping Inc. for Indiana Convention Center Food Service Office HVAC Upgrades, was unanimously approved as presented.

Mr. Levensgood presented the **Bankers Life Fieldhouse Water Booster Pump & Water Softener Tanks Renovation** which is attached to and made a part of these Minutes. He explained this project involves the replacement of the domestic water booster pump and water softeners. This project is being undertaken consistent with the Operating Agreement between CIB and Pacers. The project was estimated at \$300,000, so consistent with Indiana's Public Procurement Laws the CIB published Invitations to Bid for base bid with zero (0) alternates. The low bid was submitted by Sexson Mechanical Corporation in the amount of \$237,000. He added Staff and Counsel have reviewed all of the documents and would ask for the Board's approval to award the contract to Sexson Mechanical Corporation as the most responsive and responsible bidder. Mr. Levensgood asked the Board if there were any questions regarding this project and there were none. Upon a motion by Ms. Fagan, and a second by Mr. Dora, a contract with Sexson Mechanical Corporation in the amount of \$237,000 for Bankers Life Fieldhouse Water Booster Pump & Water Softener Tanks Renovation was unanimously approved as presented.

Mr. Levensgood presented the **Bankers Life Fieldhouse Stairwell Painting** which is attached to and made a part of these Minutes. He explained this project involves painting of all walls, ceilings, ceiling fixtures, handrails and step risers in the 4 stairwells at Bankers Life Fieldhouse. This project is being undertaken consistent with the Operating Agreement between CIB and Pacers. The project was estimated at \$130,000, so consistent with Indiana's Public Procurement Laws the CIB solicited quotations from 3 contractors for base quote. The low quote was submitted by Bill Lawrence Company, Inc. in the amount of \$126,700.00. He added Staff and Counsel have reviewed all of the documents and would ask for the Board's approval to award the contract to Bill Lawrence Company, Inc. as the lowest responsive and responsible quote. Mr. Levensgood asked the Board if there were any questions regarding this project and there were none. Upon a motion by Ms. Fagan, and a second by Mr. Dora, a contract with Bill Lawrence Company, Inc. in the amount \$126,700.00 for the Bankers Life Fieldhouse Stairwell Painting was unanimously approved as presented.

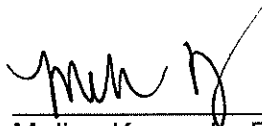
Mr. Levensgood next presented the **Disposal of Obsolete Equipment** which is attached to and made a part of these Minutes. Mr. Levensgood noted the list of equipment has been reviewed by Staff and found to have no book value. Pursuant to a motion by Ms. Fagan and seconded by Mr. Dora the Disposal of Obsolete Equipment was unanimously approved by the Board.

The next topic on the agenda was the **Claims**. Mr. Levensgood presented these to the Board as per the supporting documentation, which is attached to and made a part of these Minutes. Ms. Fagan recused herself from line item 97 on voucher 5593G regarding Bingham Greenebaum Doll LLP. Ms. Kennedy recused herself from line items 47 and 49 on Voucher 5751C regarding Indianapolis Power and Light. There were no questions from

the Board and upon a motion by Mr. Dora and seconded by Mr. Corbitt, Claims 5593G, and 5751C were unanimously approved by the Board taking into account the aforementioned recusals.

With regard to **Other Business**, Mr. Levensgood reminded the Board the Colts season was starting and shared that the installation of the new turf went well and was managed well. He also added with the field looked even better with the bright lighting and shared things were busy but going well at both the Stadium and the Convention Center. Mr. Dora commented that this weekend would be busy downtown with Motorcycles on Meridian in addition to the other scheduled events which included a Colts Game at LOS, a Cake Concert at the White River State Lawn and Cirque Du Soleil at Bankers Life Fieldhouse. Mr. Levensgood stated the City does a great job with these busy weekends and mentioned we have good people running these buildings and events and they communicate with one another and do a good job.

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



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



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Michael "Mick" C. Terrell, Secretary  
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