

VIGO COUNTY CAPITAL IMPROVEMENT BOARD OF MANAGERS
MEETING MINUTES OF DECEMBER 15, 2021 AT 9:00 A.M.

A meeting of the Vigo County Capital Improvement Board of Managers was held on the above date and time. Pursuant to the Board's Remote Meeting Policy, members of the Board and staff participated in the meeting in person at the Vigo County Council Chambers or by telephonic or electronic means.

1. Call to Order. President Jon Marvel called the meeting to order at 9:00.

2. Call of the Roll:

Members Present: Jon Marvel - President, Steve Witt – Secretary, Chris Switzer – Treasurer, Emily Crapo – Member, Terri Conley - Member.

Others Present: James Bramble, Brian Bosma, Brian Kooistra, Todd Shaffer, Jason Semlar, Tennille Wanner, Martell Lewis, Pam Chamberlain, Rhonda Rowe, Mark Mederski, Shelly Keen, and various members of the public.

3. Additions or Revisions to the Agenda. There were no changes.

4. Approval of Minutes. Minutes for the November 18, 2021 meeting had been circulated via email to all members. Chris Switzer made a motion to accept the minutes as presented. Emily Crapo seconded the motion. Upon a roll call vote of 5-0, the motion was unanimously approved.

5. Old Business.

5.1. Update on Construction Progress – Garmong Construction Services. Brian Kooistra reported that the current GMP is \$27,108,324. This reflects a change from last month due to Change Order #14 in the amount of \$33,290, comprised of the graffiti sealant (which has been completed), an added door, and additional decorative panels at the north entrance. Project remains ahead of schedule and they will meet the accelerated completion date of early March 2022. Garmong did participate in a meeting about the museum and have received the underslab electrical drawings which will allow them to rough-in electrical conduits and pour the floor slab. That information has been given to subcontractors and they are developing pricing which will be assembled and submitted for review and approval in a couple of weeks. Recent progress: ceiling tile installation is under way; wood and fabric paneling is substantially complete both in the ballroom, the main corridor and in the pre-function areas; terrazzo flooring has been installed and completed; interior glass and glazing installed, the framework, the glass, the doors are all in place; all asphalt has been installed with a few curbs and sidewalks left to be poured; sod installation has been completed; irrigation and plantings are nearing completion. The connector to the Hilton Garden Inn is dried in, roof is on, windows are in, today is the last day of the EIFS installation, the walls are roughed in and dry wall is being hung. It should be complete in the first or second week of the new year. Decorative railing has been installed. Finishing touches are all that is left on the parking garage. The elevators are nearing completion. Painting in stairwells is complete. All striping in the parking garage is also complete. Upcoming activities include a final coat of paint for the entire building; completion of ceiling tile; restroom vanities will be here at the end of the week; carpet installation starts in the ballroom this week; kitchen equipment arrived last week and work is underway to get the equipment put into place; mechanical/electrical hookups are under way; decorative panels are being installed; door and hardware installation will start in a week or two. The underslab heating system, boiler, and domestic hot water systems will be started up in the next couple of weeks. Irrigation and planting are complete. Elevator inspection by Kone, the installer, will take place the first week of January. They will do their final inspection and then call for the State

inspection, which will happen the following week. The elevators in both the Convention Center and the garage will then be fully permitted. The garage will also be completed during the upcoming period. A photo presentation of recent progress was shown. There was a short question and answer session.

5.2. Update on Convention Center Management – Spectra Venue Management. Tennille Wanner introduced Pam Chamberlain, Director of Sales, who started on November 29, and Rhonda Rowe, Director of Food & Beverage. Each gave a short synopsis of her background and qualifications. Ms. Wanner indicated that they are now interviewing for a chef and are hoping to have someone on board in January to start writing the menu. They have established a preliminary menu but will incorporate some of the strengths of the new chef into their menu. There is also an Event Manager position posted right now which she expects to fill in January. That person will start training in the event management system and help in setting up some of the configurations on the event side and then start pre-planning some of the events they might be hosting in April. Eventually there will be another Event Manager but she does not anticipate hiring a second Event Manager until about May or June. A part-time maintenance technician has also been posted. It is felt that a part-time position is all that will be needed for a while. As things progress, and if it is felt such is necessary, they will transition this into a full time position. She is hoping to have someone ready to start in February when all the building maintenance training will begin. The next two full time positions that will be filled will be Operations Manager and Banquet Manager. They hope to have them in place by March. She talked about the duties of each position. As they get into the building in March, it is planned to have some part-time positions that will start in both catering and operations so that they can help unbox items and find places for storage. Most of their part-time positions will consist of Operations (set up and tear down), housekeeping, some audio visual technicians, and all of the servers. The public grand opening is scheduled for Saturday, April 9 from 10:00 a.m. – 1:00 p.m. They did receive 300 meeting room chairs last week. They are working on logistics for parking lot equipment and they are trying out radio systems for communication throughout the building. They are also working with Joink and vendors that they will be using in order to get the best pricing from them. There will be a full page ad in the January issue of Terre Haute magazine. There will also be a full page ad in the Midwest Winter Buyer Guide in their winter meetings issue. The billboard outside of Indianapolis (belonging to the Convention & Visitors Bureau which they are allowing us to use) is up. It should be up for 4-5 months and is in a good location. The sales team is working hard to generate business. There are 5 definite contracts booked for 2022 and a self-produced event in May is scheduled for Mother's Day. They have 11 proposals out for business. They have two definite contracts for 2023 and 5 proposals out for new business. There was a short question and answer session. Mr. Marvel noted that Ms. Wanner had sent out a sample financial statement as an example and asked her to talk about it. Mr. Bosma prefaced Ms. Wanner's explanation by saying that he had asked her to circulate this document. One thing that was unclear in the management agreement was the form of reporting of operations and predictions of estimated costs that will be funded on a monthly basis and then trued up in arrears. So what Ms. Wanner has distributed is an example of what she thinks would be the proper financial report for your review so that an agreed upon format can be worked into the amendment of the management agreement. Ms. Wanner then gave an explanation of the information contained in the example and how it is compiled. Currently, Spectra is fronting some of the bills coming in but some things are unable to be put into motion because there is no account yet set up to work from. Mr. Bosma stated that an amendment to the management agreement will be presented at the next CIB meeting that will have a pro forma report attached to it. The format will not be set in stone and can be amended if needed.

5.3. Update on Project Budget – Baker Tilly. Jason Semlar reviewed the monthly schedule that had been emailed to the Board. Not much has changed since last month. The two expenses approved last month are basically the only things that have been added. There are about \$8 million of project expenses remaining to be paid of the total budget of \$34.8 million. Of that, it is anticipated that \$34.7

is under the current contract per estimates. There was a lengthy discussion about the cash flow, disbursements and future costs. It was noted that there is only \$27,000 in contingencies other than the contingency that Garmong has. The truing up of costs to Spectra was also discussed. Mr. Semlar noted that with regard to Food & Beverage, \$2,742,000 was collected in 2021. Historically, in 2019 \$2,305,000 was collected and \$2,303,000 in 2020. That is about a 19% increase over last year.

5.4. Update on Equipment Purchases – Nations Group. Todd Shaffer reported on the current status of equipment purchases. The kitchen equipment is being received and installation is in progress. The garage equipment is scheduled for early February and is on track. Signage is scheduled for early February installation for the parking garage and exterior buildings. Interior signage is being reviewed for final approval in the next week or so and is scheduled for installation in early March. Some of the furniture has already been delivered. The balance of the furniture delivery will be coordinated closer to the turnover date so it can be moved into the building and inventoried and any necessary assembly completed. They are working with Spectra on their list of housekeeping and food service smallwares items that need to be procured. There was a design call regarding the museum that Mr. Shaffer was not able to be a part of due to some technology problems and that museum update will be addressed later in the meeting. Phase I plans for the museum were given to Garmong yesterday. The cost of that will fall under the already established museum budget. Approval will be sought on the costs before proceeding. Hilferty and CSO are working on the next phase of design for the walls, etc.

5.6. Update on Memorabilia Cataloging. Mark Madursky introduced Jerry Hilferty and Sam Van Nostren of Hilferty & Associates, the design team that had been selected. They spoke about the design being planned for the museum. Mr. Hilferty and Mr. Van Nostren then talked about their conceptual design (copies of which were distributed to the Board) for the space and discussed the upcoming phases and plans. There was discussion about the museum budget and the timeline for completion. Items and information needed were also discussed in depth.

5.6. Update on Legal Matters – Kroger Gardis & Regas, LLP. Brian Bosma reminded everyone that next month was the organizational meeting where officers will be selected and committees appointed. Mr. Bosma suggested possibly changing the committee structure by replacing the construction committee with a museum committee to give direction as it moves into focus. He is still working on a draft of a purchasing policy that will need to be in place when operations are officially turned over to Spectra. Handbooks will be updated after the next meeting with the new officers and committees. The alcoholic beverage permit is nearly final. There will be a local Commission hearing in January or possibly February. Doug Kowalski, a member of Mr. Bosma's firm, used to be on the Alcohol & Tobacco Commission, and will be handling the hearing. Mr. Bosma also reminded the Board of the \$250,000 in funds that will be coming in from Spectra within 30 days of opening. Insurance coverage is in place for the Board and the County as additional insureds. Reviewing the resolutions, Resolution 2021-15 concerns Change Order #112. At this point, Brian Kooistra of Garmong stated that Garmong could use their contingency to cover this particular change order if desired. Resolution 2021-16 concerns the initial deposit covered in the management agreement for the operating account which is operated by Spectra as the manager of the Convention Center. Tennille Wanner would like to begin making minor payments from that. In order to do that, there needs to be an initial balance. After discussions, it was decided that the amount for that account would be \$650,000 and is to be used for cash flow purposes (although it is still the money of the CIB). If Resolution 2021-16 is adopted, it directs the Auditor to transfer those funds immediately. That will be the minimum balance that will be trued up on a monthly basis. There was discussion about how the \$650,000 figure was reached and what it would be covering. This amount would cover everything through March 31 and then they would go into the actual operating budget at that time. A lengthy discussion then took place during which it was noted that the entire operating budget would have to be submitted to the Vigo County Council for approval in 2023 and successive years. The question

was raised whether Resolution 2021-16 should contain a “not to exceed amount” as well as the minimum amount. Mr. Bosma stated that it could be amended to read that way. The reason he would like the Board to act on this today is that Ms. Wanner is concerned that checks are needing to be written for things for which they do not have funds. Mr. Bosma recommended that the Resolution be adopted today with an amendment. Discussion continued during which it was determined that the \$650,000 originally calculated was too much and the amount should be \$450,000. There was further discussion.

6. New Business

6.1. Resolution No. 2021-15 Approving Expenditure of Food & Beverage Tax Funds (Change Order #112) – Nations Group. It was decided that Change Order #112 would be paid for out of the contingency held by Garmong Construction and this Resolution would not be necessary

6.2. Resolution No. 2021-16 Adopting Operating Account Minimum Balance – Kroger Gardis & Regas, LLP – Pursuant to the prior discussion of this matter, Terri Conley made a motion to approve Resolution No. 2021-16. Emily Crapo seconded the motion. President Marvel asked if there were any amendments. Emily Crapo made a motion to amend Resolution 2021-16, Section 2, to limit the sum of the minimum balance to \$450,000. Terri Conley seconded the motion. Upon a roll call vote of 5-0, the motion was unanimously amended. President Marvel asked if there was any further discussion. With no further discussion, upon a roll call vote of 5-0, the motion to approve Resolution 2021-16, as amended, is approved.

7. Other Business.


7.1. Questions and Comments from CIB Members. There were none.

7.2 The next regular Board meeting will take place on January 19, 2022. President Marvel reminded everyone again that it would be the organizational meeting and it was hoped that all could attend.

8. Adjournment. President Marvel stated that if there was no further business, the meeting was adjourned at 10:55 a.m.

CERTIFICATION

I certify under the penalties of perjury that the foregoing members of the Vigo County Capital Improvement Board of Managers were in attendance at the meeting either in person, by electronic or telephonic means and that all votes were taken by roll call observable by the public. I further certify that no final action was taken or other matters discussed at any Executive Session.



Jon Marvel, President