

VIGO COUNTY CAPITAL IMPROVEMENT BOARD OF MANAGERS
MEETING MINUTES OF AUGUST 19, 2020 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 State of Indiana Executive Order 20-09 (the "Order"), members of the Board and staff participated in the meeting in person at the Vigo County Council Chambers or by telephonic or electronic means. Those with media credentials could make arrangements to attend the meeting in person by contacting the Board's administrative assistant prior to the meeting. In accordance with the Indiana Open Door Law and the Order, members of the public and media were encouraged to observe the meeting electronically by ZOOM[®] call participation according to the electronic notice posted on the Vigo County website and forwarded electronically to members of the media.

2. Roll Call:

Members Present: In Person - Jon Marvel-President, Judy Anderson-Secretary, Brad Anderson-Member; Via Zoom – Mayor Duke Bennett – Vice President, Steve Witt – Treasurer, Dave Patterson – Member, Barbara Boo Lloyd – Member.

Others Present Either In Person or Via Zoom: James Bramble-Controller for the CIB, Brian Bosma, Steve Bauer, Chris Nations, Hannah Pruitt, Tammy York-Allen, Vicki Weger, Brian Kooistra, Nancy Allsup, Howard Greninger and Tony Kassiseah.

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

4. Approval of Minutes. Minutes for the July 15, 2020 meeting had been circulated via email to all members. Judy Anderson moved to approve the minutes as presented. Duke Bennett seconded the motion. Upon a roll call vote, by a vote of 7-0, the minutes were unanimously approved.

5. Old Business.

5.1. Update on Construction Progress – Garmong Construction Services. Brian Kooistra was present to give an update. Overall, the project remains on schedule and within budget. There has been lots of progress in the last month. Setting of new water vault on east side, electrical conduits and transformer pads, storm trap installed and completed, demolition of Hilton Garden Inn northwest lot is complete and re-installation of those materials taking place now. Upcoming work is restoration of Hilton Garden Inn north lot (completed by September 11). They had previously planned on closing 8th Street on August 31. With board approval, they would like to move that date to September 14 so that it coincides with when they receive the east lot of Hilton Garden Inn. He then gave a picture presentation of the progress of the completed items that were earlier discussed. He then updated the utility relocations. Indiana-American, Frontier, Windstream are all complete. Vectren is scheduled to be complete later this week. Joink is complete with the exception of removing their old service which will take place later this month. Indiana Fiber Network has been out once but they need to come back. It is hoped that they will finish up yet this month. Lastly, Duke is going to begin work on site next week. It is hoped that by the end of September, that work will be complete. The foundation system installation should begin around September 21. Major turnover dates for the project are: substantial completion of the parking garage is scheduled for August 9, 2021; and substantial completion of the convention center is scheduled for March 10, 2022.

5.2. Update on Alternate Lease RFP Responses – Kroger Gardis & Regas, LLP. Mr. Bosma advised that they have placed on the CIB website and the County's website the only response received to the alternate RFP lease process from Crossroads Parking Partners LLC. Their credentials were checked and financial references were checked. Principals are Tim Dora and Greg Gibson. They proposed the exchange of the properties currently owned by Fontanet by donation, Terre Haute Hotel

Partners property by purchase at appraised value of \$354,000.00 and long term lease of 686 Wabash Avenue property that had a proposed 20-year term at \$1.00 per year and three rights to renew the term of the lease. That was the only response. There was one other inquiry out of Chicago but they chose not to submit a proposal. It is being recommended to approve this proposal. There has to be a public hearing on this which will be covered under new business later in the meeting.

5.3. Update on Convention Center Management Discussions – KGR/Nations Group. Steve Bauer with Nations Group indicated conversations are ongoing on contract negotiations. There is a proposal today to move to the next step, which is to authorize the board President and Vice President to enter into that agreement once final details have been reached. Negotiations are going well. There is a need to get them on board by the end of this month for the pre-construction services. Mr. Bosma added that the overall financial picture is a \$900,000.00 capital contribution by Spectra to the CIB toward operating expenses that actually doesn't start coming in until after opening. \$300,000.00 of that only takes place upon renewal for a second 5-year term. Amount of their compensation is \$5,000.00 per month until opening. Annual compensation after opening is \$110,000.00 per year plus 3% of gross food and beverage sales at the convention center. The latter part was not part of their original proposal which the CIB approved. That was in exchange for their additional capital coming forward. Mr. Bauer explained further why they needed to get Spectra on board before next month's meeting. With construction imminent, Spectra will need to weigh in on items as related to the original plan. Those plans include kitchen equipment, operational layouts, and a host of other items. Mr. Bosma detailed some further specifics in regard to the agreement. A meeting is scheduled between all the parties before the next CIB meeting. Mr. Bauer will make sure that all members of the Board are notified of the meeting date. Mr. Bauer also stated that he had had the opportunity to review other operating budgets and audit reports for other facilities and they are thorough. He believes they will be the same once we are under contract. Mr. Bosma wanted to make one further commitment to the Board. If the Board does give approval for execution prior to the next meeting, once there is a final agreement, he will circulate it and also an outline of it so that any questions can be asked and answered before the final execution of the document takes place.

5.4. Update on Larry Bird Museum Owner's Representative – Nations Group. Mr. Bauer also provided an update to the board with regard to Mr. Mederski's coordination of the Larry Bird Museum design and delivery. Mr. Mederski provided an outline of a contract about a month ago. We need to get it into a formal contract. There have been no further discussions with Mr. M but his general terms outlined in his letter of intent are acceptable. Now is the time to get them into a proper contract form since the Hilferty contract has been executed. It is hoped to have a contract before the Board before the September meeting. Mr. Bauer then clarified for the Board the roles of Mr. Mederski and Hilferty & Associates. Hilferty & Associates is a museum and exhibit design team. They are architect for museum spaces. Mr. Mederski will serve in a role as a representative between Hilferty & Associates, the Board, Mr. Bird and his team at not only procuring the items and insuring delivery and proper storage of the items, but also coordinate those design level details with Hilferty & Associates. He will serve as a second owner's representative but directly related to the actual museum finished delivery.

6. New Business

6.1. Public Hearing on Lease RFP Acceptance – Crossroads Parking Partners, LLC. Mr. Bosma reviewed the terms of the financial plan again. After the public hearing, there is a proposed resolution that approves the RFP response and authorizes the president and vice president to execute the necessary agreements that were circulated to the members. The lease is subject to the school corporation lease. That was very clear in the RFP that acquisition of the site by lease would include having the school corporation in the building until August or September of next year. There were no questions.

The public hearing has been noticed in the newspaper and placed on the County and CIB websites.

The public hearing was opened and it was asked if there were any public comments to be heard. There were none. It was also placed in the public notice that questions could be submitted by email and there were none. The hearing was then closed.

6.2. Adoption of Resolution 2020-09 Approving RFP Response of Crossroads Parking Partners, LLC and Authorizing Execution of Purchase Agreement, Donation Agreement and Lease Agreement - Kroger Gardis & Regas. Mr. Bosma advised that the resolution had also been placed on websites and made available to the public. He then gave a brief description of what this resolution entails and there was some discussion regarding the specifics. This can be approved with the caveat that the president and vice president will go ahead and sign it after contact is made one more time. Mayor Duke Bennett moved to adopt Resolution 2020-09. Judy Anderson seconded the motion. Upon a roll call vote of 7-0, the motion was unanimously approved.

6.3. Authorization for President and Vice President to enter into Management Agreement with Spectra. Mr. Bosma explained this gives the president and vice president (they both have to agree) authority to enter into a management agreement with Spectra. Mr. Bauer is concerned about getting this to the table promptly. We need to have Spectra under contract or at least with a tacit agreement for pre-opening services in order to have them fully review and respond to the various needs that may be necessary from a design and construction standpoint so that we can get the modifications, if any, made before Garmong gets too far along in the construction process. As indicated before, there is a meeting set for September 15 in Indianapolis between the parties and all consultants to review the plans and effect any changes before construction commences. Mr. Marvel had a couple of questions and there was a brief discussion. Brad Anderson made a motion to approve execution of the Authorization for President and Vice President to enter into Management Agreement with Spectra. Barbara Boo Lloyd seconded the motion. Upon a roll call vote of 7-0, the motion was unanimously approved.

7. Other Business

7.1. Next Board Meeting – September 16, 2020.

8. Adjournment. With all business concluded, the President adjourned the meeting at 9:50 a.m.

Executive Session. There is no Executive Session today.

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 the Executive Session.

Jon Marvel, President