

WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)
Board Meeting
October 24, 2019

Meeting Began At: 2:30 P.M.

Meeting Ended At: 2:55 P.M.

Members Present: Leirion Gaylor Baird, Tim Clare, and Tammy Ward

Item 1 - Introductions and Notice of Open Meetings Law Posted by Door

Gaylor Baird advised that the open meetings law posted at the entrance to the room is in effect.

Item 2 - Public Comment and Time Limit Notification

Gaylor Baird advised individuals from the public are given a total of five-minutes for public comment on specific items listed on today's agenda and those testifying should identify themselves for the record.

Item 3 – Approval of the minutes from the JPA meeting held September 26, 2019

Clare moved approval of the minutes as presented. Ward seconded the motion. Motion carried 3-0.

Item 4 - Approval of September 2019 Payment Register and Review of September 2019 Expenditure Reports (Brandon Kauffman)

Brandon Kauffman, JPA Treasurer, stated in reviewing the September 2019 payment register the operating budget had \$793,961.01 in operating expenditures with the major payments consisting of the First Quarter Operating Increment of \$150,000.00; the First Quarter Sponsorship payment from IMG of \$281,540.50; payments to the DEC of \$177,000.00 and \$35,962.55 for thermal heating and cooling of which 69% or approximately \$147,000.00 is billed to West Haymarket private customers and the JPA pays about \$66,000.00; \$17,722.00 payment for arena repair/maintenance/CIP for general maintenance on items such as food and beverage equipment, IT, escalators, etc.; and \$123,751.44 payment to Robbins Inc. for the basketball floor. There is also an additional payment of \$140,445.00 to CEIA USA for the metal detectors. The capital budget had \$10,795.07 in expenditures consisting primarily of pigeon proofing and environmental expenses.

Kauffman stated the financial reports for the JPA for the period ending September 30, 2019 reflect revenues of \$2,440,926.42 and expenditures of \$1,027,120.61, for a surplus of \$1,413,805.81 and an ending balance of \$46,257,626.31.

Kauffman stated the Pinnacle Bank Arena Income Statement for the twelve months ending August 31, 2019 shows total revenues for Pinnacle Bank Arena of \$6,041,322.00 and total expenditures of \$5,383,322.00 for a surplus of \$658,000.00 and an ending balance of \$882,547.00 in retained earnings to end the fiscal year.

As of September 30, occupation taxes were up 1.16% and remain ahead of the original projections by 27% corresponding with the year 2032.

Mike Stroup, Chair of the Pinnacle Bank Arena Advisory Board, commented that as of the meeting held earlier this month, it is the Advisory Board's opinion that the financials are in order and they are satisfied with the expenditures and the financial management of the Pinnacle Bank Arena for the 2019 fiscal year.

Gaylor Baird asked Tom Lorenz, General Manager of the Pinnacle Bank Arena, to give a brief synopsis of his experience using the metal detectors at a recent concert. Lorenz stated initially there were six metal detectors being used. Recently, twenty-two additional metal detectors were purchased in order to cover all the entrances and the back-stage entrance. The metal detectors were used for the Miranda Lambert concert which had around 7,000 in attendance and they worked very well. They were also used for the Guns N' Roses concert which had around 11,000 in attendance. The way the metal detectors were set up at the doors at the northeast entrance and the south entrance allowed everything to move very quickly, there were no long lines, and they were able to do a good job of scanning the patrons as they came in. Next to the metal detectors were divesting tables so patrons could take metal items out of their pockets, place them on the table, walk through the metal detectors, and pick up their items on the other side making it a very quick and efficient way to get patrons in. It also made it a lot less invasive than wanding. The patrons, promoters, and everyone were pleased, and he expressed how he appreciated the opportunity to have the metal detectors and tables. He further stated this is much more secure for everyone.

There being no further discussion or public comment, Ward moved approval of the payment register. Clare seconded the motion. Motion carried 3-0. No action was required on the Expenditure Reports.

Item 5 - WH 19-30 Resolution authorizing payment to the City of Lincoln for reimbursement of the Canopy Street canopy restoration costs in the amount of \$160,000.00. (Brandon Kauffman)

Kauffman stated this item was held over from the last meeting as Regent Clare asked for some back-up documentation. Documentation was included in the Board's packet. The items highlighted in yellow total \$160,000 for the costs spent to finish the canopy. He stated this Resolution will give him the authority to transfer the funds to the City for reimbursement for those services. Clare asked if this was a timing issue where we had to get it done and this was the JPA's agreed upon share. Kauffman confirmed it was. There being no further discussion or public comment, Clare moved approval of the resolution. Ward seconded the motion. Motion carried 3-0.

Item 6 - WH 19-31 Resolution authorizing the Chairperson to enter into a Contract with K2 Construction to replace the heating loop glycol at the Pinnacle Bank Arena, for a sum not to exceed \$41,552.50, pursuant to Bid No. 19-251. (Tom Lorenz)

Lorenz stated the heating and cooling loop within the Pinnacle Bank Arena includes all of the piping where the arena gets hot and cold water from the District Energy Corporation. Inside the pipes is liquid consisting of a water and glycol mixture. When the arena first opened and through the first couple of years there were some leaks throughout the building at some of the connections. Some of the glycol leaked out and was replaced with water. The mixture is now 7% glycol and it should be closer to 30% glycol. The glycol makes it more efficient to transfer heat and cooling, but it also protects the insides of the pipes against corrosion. Lorenz explained

K2 will pump out the remainder of the liquid in the loop and dispose of it properly and replace it with a new water and glycol mixture. There haven't been any other leaks so this solution should last a long time. This will also make heating and cooling the arena more efficient.

Clare asked if this is basically like getting an oil change. Lorenz said this is similar to flushing out your radiator and that the glycol is very close to an anti-freeze. Ward asked if this is the first time this is being done which Lorenz confirmed it was. Ward asked how often this will need to be done. Lorenz stated he doesn't anticipate this needing done again for a very long time. Jane Kinsey, Watchdogs with Lincoln Government, asked if the loop was there originally. Lorenz stated yes this is the piping that was put in when the building was built. Kinsey asked if the mixture leaked out. Lorenz confirmed that is correct. Kinsey asked what caused the leaks. Lorenz stated there were some loose connections, however, they were taken care of as quickly as possible, but it did change the mixture that was in the loop. Kinsey asked if anyone went back to the construction people to see if they had any liability. Lorenz stated that they did go to the construction company and they fixed the areas that were loose. Kinsey asked for the name of the company. Lorenz stated Waldinger was the contractor. Kinsey asked if they paid for any of the lost mixture. Lorenz stated they did not. There being no further discussion or public comment, Clare moved approval of the resolution. Ward seconded the motion. Motion carried 3-0.

Item 7 - WH 19-32 Resolution authorizing the Chairperson to enter into a Contract with Nemaha Landscape Construction for Line Item 1, Olsson Streetscape Improvements, for a sum not to exceed \$224,800.00, pursuant to Bid No. 19-245. (Adam Hoebelheinrich)

Adam Hoebelheinrich, PC Sports, stated a few months ago a contract was brought to the Board to design the Oscar 2.0 project. The JPA has managed the streetscape design throughout construction of the West Haymarket to maintain its general look and consistent feel pursuant to the Redevelopment Agreement. This is for the area south of the Olsson building along Canopy Street near the Harris Overpass. The streetscape includes sidewalks, pedestrian lighting, trees, benches, and planters to be consistent with what is currently in the West Haymarket. The design process went through bidding with purchasing. The lowest responsible bidder was Nemaha Construction. Kinsey asked if this is new or replacement work. Hoebelheinrich explained it is new work for the Oscar 2.0 building south of the existing Olsson building. Clare asked if the landscape materials will match the landscape currently in place. Hoebelheinrich confirmed it will match and stated the concrete will have the same kind of look, pavers will be in the same areas, there will be the same kind of trees, same benches, etc. to be consistent. There being no further discussion or public comment, Ward moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

Item 8 - Set Next Meeting Date

The next meeting date will be Monday, November 25, 2019 at 3:00 p.m. in the County-City Building, Council Chambers, First Floor.

Item 9 – Motion to Adjourn

Ward moved to adjourn. Motion seconded by Clare. The meeting adjourned at 2:55 p.m.

Prepared by: Kasey Simonson, City Law Department