

WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)
Board Meeting
January 25, 2024

Meeting Began At: 2:33 P.M.

Meeting Ended At: 3:55 P.M.

Members Present: Leirion Gaylor Baird, Tim Clare, and Tom Beckius

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

Gaylor Baird advised that this is a public meeting subject to the open meetings act posted at the back of the room.

Item 2 - Public Comment and Time Limit Notification.

Gaylor Baird advised members of the public are given 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 August 25, 2023.

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

Item 4 – Approval of the Payment Register for August through November 2023 and review of the Expenditure Report as of November 30, 2023.

Lyn Heaton, Finance Director and JPA Treasurer, stated in reviewing the August through November 2023 payment register the major payments consisted of the following:

- \$1,003,761.70 to District Energy Corporation for the August 2023 through November 2023 West Haymarket billings. \$748,932.94 or 74.6% was billed back to customers.
- \$639,819.89 to City of Lincoln-Parking Services for June 2023 through September 2023 JPA parking garage management. During the same period, the JPA collected \$1,006,403.49 in parking revenue.
- \$333,500.00 to University of Nebraska-Lincoln for Men's and Women's basketball season tickets for suites and loges pursuant to suite and loge contracts as approved in the current budget.
- \$98,372.75 to City of Lincoln for fourth quarter Fiscal Year 2022-23 City staff costs as adopted in the 2022-23 JPA Operating Budget.
- \$128,352.00 to Daktronics, Inc. for software upgrades for PBA Scoreboard and Ribbon Board control.
- \$13,185.00 to DLR Group, LLC for PBA pedestrian bridge assessment.

- \$342,169.00 to City Risk Management for Fiscal Year 2023-24 annual insurance premiums.
- \$706,701.53 to Pinnacle Bank Arena for the following:
 1. \$172,949.64 for arena repair, maintenance, and minor equipment for June 2023 through September 2023.
 2. \$64,836.61 for LED display board at the top of the escalators.
 3. \$12,800.00 for heavy duty cable ramps.
 4. \$43,615.28 for technical upgrades to equipment such as pc replacements, cameras, sound processes, and other operating equipment.
 5. \$262,500.00 for first quarter Fiscal Year 2023-24 sponsorships paid from the Learfield/IMG marketing promotional revenue.
 6. \$150,000.00 for first quarter Fiscal Year 2023-24 operating increment.

Heaton displayed a line graph showing the occupation tax revenues and stated year-to-date occupation taxes are at \$6,854,058 which is a 5.91% increase over the prior year. Occupation tax revenues are equivalent to what was originally projected for the year 2042.

Clare asked when the second payment was due on the baseball fields. Heaton responded the payment is due April 1st.

Jane Kinsey, Watchdogs of Lincoln Government, asked if the occupation taxes are from the whole city. Heaton explained they are from the adopted and approved occupation tax on the restaurants, bars, hotels, and rental cars. Kinsey asked what percent comes from the arena. Heaton commented he does not have the number the arena itself has paid toward the occupation taxes and explained it would be a very small percentage with all of the City limits being subject to the occupation taxes. Heaton explained the economic activity within the City is generating this revenue. Kinsey commented that the expenditures for the arena are going up tremendously. Heaton explained these are budgeted expenditures or projects approved by the Board.

There being no further discussion or public comment, Beckius moved approval of the payment register. Clare seconded the motion. Motion carried 3-0.

Item 5 – WH 24-1 Resolution authorizing a withdrawal of the equivalent of two annual Operational Increment amounts totaling \$1,200,000.00, transferred from the Pinnacle Bank Arena account to the West Haymarket JPA account.

Heaton explained this item represents the return of the additional operational increment of \$600,000 that was authorized by the Board in fiscal year 2019-2020, Resolution WH01194, due to the impacts of the COVID pandemic. Plus, return of the equivalent of one year's worth of operational increment, or an additional \$600,000, due to the excellent financial performance of the arena over the past several years. Heaton briefly discussed the Pinnacle Bank Arena finances as displayed on a graph he presented to the Board.

Clare commented that we are 18 years ahead on the occupation taxes, the arena is giving back another \$1.2 million, so by all indications it looks like the arena is doing very well.

Kinsey asked questions about the Pinnacle Bank Arena finances and Heaton answered that the management and operations of the arena is doing very well.

There being no further discussion or public comment, Clare moved approval of the resolution. Beckius seconded the motion. Motion carried 3-0.

Mayor Gaylor Baird left the meeting.

Item 6 - WH 24-2 Resolution authorizing the Chairperson and/or Purchasing Agent to enter into a Contract or issue a purchase order to the lowest responsible bidder, Robbins Sports Surfaces, for the purchase of a portable basketball floor for the Pinnacle Bank Arena, for a sum not to exceed \$150,012.00.

Chris Connolly, City Law Department, explained this is for a purchase order for a new basketball floor that we are required to upgrade every few years. The purchase price is close to \$200,000.00, but we received a credit on the old floor for about \$35,000.00.

Kinsey asked why the requirement and need for a new basketball floor. Connolly explained that pursuant to an agreement with the University the basketball floor will be replaced every three to four years.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 7 – WH 24-3 Resolution to approve a Contract between the West Haymarket JPA and Alpha Video and Audio, Inc. for a total amount not to exceed \$466,211.17 for an IPTV System for the Pinnacle Bank Arena, pursuant to Bid No. 23-223.

Connolly explained this item will replace modems, controllers, and other equipment for the video system that has aged out.

Beckius commented that it is important to remember the scale of the building and the equipment that needs to go into it to be successful.

Clare commented that the building is ten plus years old and things wear out and need to be replaced.

Kinsey asked what will happen when the bonds are paid and things age out, and if occupation taxes will cover it. Connolly stated this has yet to be determined. Kinsey asked who decides when it needs to be replaced. Connolly stated the managers of the PBA and its employees.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 8 – WH 24-4 Resolution to approve a Contract between the West Haymarket JPA and AVaaSE for a total amount not to exceed \$74,975.00 for new TVs for the Pinnacle Bank Arena, pursuant to Bid No. 23-302.

Connolly explained that this is for an agreement to purchase new TVs that go along with the system that was just approved. When this contract was originally bid, the low bid came back originally at \$92,755.00, during the course of the process, the supplier was unable to deliver that product. It was decided to switch to a new grade or higher quality TV, but we are unable to buy as many TVs. The \$74,975.00 represents a reduction in the amount being spent but also represents fewer TVs being purchased. The newer TVs actually cost more per unit. There is a Motion to Amend which reflects the change.

Kinsey asked questions about the change in price and number of TVs. Connolly again explained the change and that the number of TVs changed from 110 to 90 TVs.

There being no further discussion or public comment, Beckius moved approval of the Motion to Amend. Clare seconded the motion. Motion carried 2-0.

Beckius moved approval of the resolution as amended. Clare seconded the motion. Motion carried 2-0.

Item 9 – WH 24-5 Resolution to approve a Contract between the West Haymarket JPA and Wired, Inc. for a total amount not to exceed \$14,487.14 for loading dock power improvement for the Pinnacle Bank Arena, pursuant to Bid No. 23-234.

Connolly explained this is a contract to install more power back by the loading docks. It was determined there is an additional need for outlets for equipment to be run.

Kinsey commented it's really easy to spend other people's money. Governments are known to spend other people's money freely.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 10 – WH 24-6 Resolution to approve a Contract between the West Haymarket JPA and Brown Brothers Construction, Inc. for a total amount not to exceed \$24,041.34 for construction of the understairs storage room for the Pinnacle Bank Arena, pursuant to Bid No. 23-233.

Connolly explained there is a need for storage space within the building to free up floor space in other areas. A storage unit will be installed underneath the escalators at the front of the building as this is not an area that can be used for other purposes.

Beckius asked if it is currently just open space and Connolly confirmed it is.

Kinsey asked what will be stored in this space. Connolly explained metal detectors and security equipment for the front of the building will be stored in this enclosed space.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 11 - WH 24-7 Resolution to approve a Contract between the West Haymarket JPA and Nebraska Sign Company for a total amount not to exceed \$10,951.43 for the purchase of a backstage sign for the Pinnacle Bank Arena, pursuant to Bid No. 23-235.

Connolly explained this is for a sign to be installed back by the loading docks where buses would be pulling in. The sign would be able to direct people in a certain direction, to welcome people, or for any number of things.

Kinsey asked if this is a convenience for staff and Connolly replied that it will assist the staff.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 12 - WH 24-8 Resolution to approve a Contract between the West Haymarket JPA and Theatrical Media Services for a total amount not to exceed \$47,540.00 for a follow spot for the Pinnacle Bank Arena, pursuant to Bid No. 23-236.

Connolly explained the spotlights used for the stage are at the end of life and need replacement. This item was bid out.

Kinsey asked what is the life for something like this. Connolly explained it lasts usually 7 or 8 years and they wanted to replace this a couple of years ago but held off because of the pandemic.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 13 - WH 24-9 Resolution authorizing the Chairperson and/or Purchasing Agent to issue a purchase order to the lowest responsible bidder, Douglas Equipment, for the purchase of double-wide refrigerators for the Pinnacle Bank Arena, for a sum not to exceed \$77,802.90.

Connolly explained this is something to enhance the customer experience but to also help generate additional revenues. The refrigerators will be put out along the side of the walls inside on various floors to enable people to get items that are cold in nature faster.

Beckius asked if this is the setup tactic seen in airports. It was confirmed that yes, this is a grab and go option.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 14 - WH 24-10 Resolution authorizing the Chairperson and/or Purchasing Agent to issue a purchase order to the lowest responsible bidder, Hamilton Equipment Co., for the purchase of a utility work vehicle for the Pinnacle Bank Arena, for a sum not to exceed \$76,715.00.

Connolly explained this is for a four-wheel utility vehicle similar to a gator size. It will be used to pull heavy pieces of equipment, it will have a plow to push snow, and it will have a bucket to lift or scoop items.

Kinsey asked what the purpose of this was. Connolly explained what the equipment will be used for as he stated the first time.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 15 - WH 24-11 Resolution authorizing the Chairperson and/or Purchasing Agent to issue a purchase order to the lowest responsible bidder, D & D Communications First Wireless, Inc., for the purchase of portable handheld radios for the Pinnacle Bank Arena, for a sum not to exceed \$60,176.08.

Connolly explained this is another replacement item for hand held radios that staff carry on them during the regular workday or for various events. They have all reached the end of their useful life.

Kinsey asked if they have to provide justification to replace items. Connolly stated that this item's warranty has expired and they were having difficulty getting them fixed and keeping them running.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 16 - WH 24-12 Resolution to approve an Agreement between the West Haymarket JPA and DLR Group for engineering services for the Venue Upgrades Study at the Pinnacle Bank Arena for an amount not to exceed \$86,800.00.

Connolly explained this is part of a plan to bring in DLR Group, who did the original design, to look at the suites and loge boxes floor to see what can be done to improve or upgrade the space. This floor is a great area for generating revenue. It can be used for a number of things like parties. It's important in an area like this to maintain a certain look. This will also look at improving other areas in the arena also. DLR is going to study the arena and think of some ideas and report back. There is no commitment at this time to complete any projects.

Beckius stated he wants to say thank you for the thought behind enhancing the user experience in order to continue to drive revenue as this is always important.

Kinsey asked who said this is going to drive revenue. Beckius responded that generally speaking when we keep our facilities up to date that enhances the user experience and invites folks to come back regularly. She asked if this is an upgrade. Connolly stated the furniture and fixtures are all original or ten years old. It's not unusual to upgrade by replacing furniture, paint the walls, or look at replacing light fixtures. Kinsey further expressed her concerns on this item to the Board.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 17 - WH 24-13 Resolution to approve a Contract between the West Haymarket JPA and Inteconex for a total amount not to exceed \$62,387.96 for security cameras for the Pinnacle Bank Arena, pursuant to Bid No. 23-280.

Connolly stated this is a combination of replacement of cameras and adding some new cameras in areas that are not as visible as they should be. This is necessary for proper security.

Kinsey commented it's important to protect the citizens.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 18 - WH 24-14 Resolution to approve a Contract between the West Haymarket JPA and Commonwealth Electric Company of the Midwest for a total amount not to exceed \$163,977.00 for a new Lutron Control System for the Pinnacle Bank Arena, pursuant to Bid No. 23-287.

Connolly stated this is another replacement item. It will replace the light control system for the entire interior of the building. This is not light fixtures. It is the electronic drivers and controllers for the lights throughout the building.

Kinsey asked if this is for new lights. Connolly explained this is for the light control system and further explained how it works.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 19 - WH 24-15 Resolution to approve a Contract between the West Haymarket JPA and Mitsubishi Electric for a total amount not to exceed \$144,680.00 for new LED corner scoreboards for the Pinnacle Bank Arena, pursuant to Bid No. 23-278.

Connolly explained that in each of the four corners of the arena there are small scoreboards. This will replace these scoreboards with video monitors. This will allow the score to be displayed along with graphics and advertising which could generate some revenue as well. Beckius commented that the current scoreboards are like high school scoreboards.

Kinsey asked why this wasn't installed to begin with. Connolly explained they were not available.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 20 - WH 24-16 Resolution to approve a Contract between the West Haymarket JPA and REB Steel Equipment Corporation for a total amount not to exceed \$105,758.33 for construction of a storage loft for the Pinnacle Bank Arena, pursuant to Bid No. 23-242.

Connolly stated in the loading dock area there will be elevated lofts constructed to help with storing equipment and freeing up more space.

Kinsey expressed her concerns overall and her concerns with spending money.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 21 - WH 24-17 Resolution to approve an Amendment to Contract between the West Haymarket JPA and Inteconnect, Inc. dba Inteconnex for a total amount not to exceed \$65,000.00 for physical access and control system equipment and services for the Pinnacle Bank Arena, pursuant to MOU178.

Connolly stated this is a security item. It will upgrade and add card readers. This is a piggyback arrangement with the City, County, and Public Building Commission buying off of the same contract which saves money.

Clare asked if all bond payments, including interest, are current which Heaton confirmed is correct. Clare stated occupation taxes are in line with the projections for 2042 which was confirmed by Heaton. Clare commented that the PBA staff don't necessarily get what they want,

but they do have the duty to enhance the fan experience which brings in more customers to the arena. According to his math with 16 items a total of \$1.63 million was spent and \$1.2 million was paid back leaving the total cash expenditures at \$431,000.00. Clare asked how this impacts the financial statements. Heaton explained every one of these projects was approved by the Board in the CIP budget. The sum of the actual contracts approved today are less than what was approved in the budget because of the competitive bidding and the good work in procuring these contracts.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 2-0.

Item 22 - Next Meeting Date.

The next meeting will be Thursday, April 25, 2024 at 2:30 p.m. in Council Chambers, First Floor of the County-City Building.

Item 23 – Motion to Adjourn

Beckius moved to adjourn. Motion seconded by Clare. The meeting adjourned at 3:55 p.m.