



Progress | Hospitality | Growth

MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Regular Meeting of the Board of Directors

Thursday, September 5, 2024 | 3:00 p.m.
Room 208, Dayton Convention Center, 22 E. Fifth St., Dayton, OH

AGENDA

- | | | |
|------|---|-------------|
| I. | Roll Call – Call Meeting to Order | Action |
| II. | Declaration of Conflicts of Interest | Action |
| III. | Approval of Minutes of the August 1, 2024 Board Meeting | Action |
| IV. | Reports and Communications | |
| | A. Development & Operations Committee Report | |
| | i. Review and Take Action on Recommended Finalist in Response to the RFQ for the Development of a Convention Hotel Adjacent to the Dayton Convention Center | Action |
| | ii. Review and Take Action on Cost Proposal in Response to ALTA/NSPS, Geotechnical & Environmental Surveys – Future Hotel Site RFP | Action |
| | B. Finance Committee Report | |
| | i. Review and Take Action on Security Camera Upgrade Proposal | Action |
| | C. Fiscal Officer Report, Sean Fraunfelter, Fiscal Officer | |
| | i. Receive and Approve the June 2024 ASM/DCC Financial Report | Action |
| | ii. Receive and Approve July MCCFA Financial Report | Action |
| | iii. Disadvantaged Business Enterprise Report | Information |
| | D. Executive Director Report – Pam Plageman, Executive Director/CEO | |
| | i. DCC General Manager Update by Michael King | Information |
| | ii. Hotel Lodging Tax Update by Teri Lemman | Information |
| V. | Other Business | |
| | A. Review and Take Action on Quote to Replace Jefferson Street Service Corridor Exterior Doors | Action |
| VI. | Next Meeting Date: Thursday, November 7, 2024 | Information |
| VII. | Adjournment | Action |

For Additional Information, Contact TLemman@MontgomeryCountyCFA.org | 937-535-5309



Progress | Hospitality | Growth

MONTGOMERY COUNTY CONVENTION FACILITIES AUTHORITY
BOARD OF DIRECTORS

Regular Meeting Minutes

Thursday, August 1, 2024 | 3:00 p.m.

Theater Stage | Dayton Convention Center, 22 E. 5th Street, Dayton, OH 45402

BOARD OF DIRECTORS

PRESENT: Mike Stevens, Chairperson; Belinda Kenley, Vice Chairperson; Amy Schrimpf (Secretary); Jacquelyn Powell; Walter Reynolds (telephonic; joined at 3:30 p.m.); Tom Whelley; LaShea Lofton; Richard Herbst (left at 4:00 p.m.); Paul Gruner

ABSENT: Michael Roediger (with notice)

STAFF

Pam Plageman, MCCFA Executive Director/CEO
Sean Fraunfelter, MCCFA Fiscal Officer
Vicki Giambrone, CBD Advisors
Shannon Martin, Bricker Graydon
Teri Lemman, MCCFA Executive Assistant

GUESTS

Michael King, General Manager, Dayton Convention Center/ASM Global
Christina Combs, Sales Director, Dayton Convention Center/ASM Global

I. Roll Call

Ms. Lemman called the roll. With a quorum present, Chairperson Stevens called the meeting to order at 3:07 p.m.

Chairperson Stevens announced that Mr. Roediger may be late or unable to attend, and Mr. Reynolds will join by phone but will be unable to vote.

II. Declaration of Conflicts of Interest

Chairperson Stevens asked Board members to review the agenda and declare any conflicts of interest. None were provided.

III. **Approval of Minutes of the June 6, 2024 Meeting**

Chairperson Stevens asked for comments or edits to the June 6, 2024 Regular Meeting minutes. Hearing no comments, Chairperson Stevens called for a motion.

MOTION: It was moved by Vice Chairperson Kenley, seconded by Ms. Powell, and unanimously voted to approve the June 6, 2024 Regular Meeting minutes as presented.

IV. **Reports and Communications**

A. **Executive Committee**

i. **Dayton Convention Center Naming Rights, Phase 2 – Timing, Internal with Board Involvement or External Partner with Fees, and Priority Opportunities**

Chairperson Stevens said the Executive Committee met this week regarding Phase 2 of the convention center naming rights project. Phase 1 was the valuation of opportunities. Phase 2 involves contracting with a firm/consultant to conduct the naming rights/sponsorship outreach and negotiations. The fees, he said, to secure a consultant are very high. Ms. Plageman discussed the DCC's position with Don Brown, the former executive director of the Franklin County Convention Facilities Authority. Mr. Brown said the FCCFA went through an 18-month process to secure naming rights, and it received only two responses at 60% of the anticipated valuation amounts. Mr. Brown recommended that this is not the right time for the Dayton Convention Center to pursue sponsorships. He recommended that the hotel development be further along, and there should be more history with bookings when the renovations are complete to tell our story. Ms. Plageman has suggested, and the Executive Committee agreed, that the matter be revisited a year from now. The Marketing & Branding Committee also discussed this matter and agreed to postpone any action.

There was discussion whether to approach local individuals and organizations for naming rights in the smaller spaces, such as the theater, Gem City Ballroom, and the VIP suite. Ms. Plageman said if we decide to pursue those (and larger opportunities in the future) without a consultant, she will need guidance from the Board on terms of a package (e.g., discounts, length of time for sponsorship, etc.). Chairperson Stevens said he is concerned about the length of time, considering the 18-months experienced by the FCCFA; that is, if the MCCFA starts a year from now, and the process is 18 months, that is 2.5 years until the process begins. Ms. Plageman said she anticipates a shorter timeframe for the MCCFA process, such as six months. The committee discussed hiring a local or regional professional with fundraising experience.

Ms. Powell said the Board will need to consider any potential conflicts with sponsors from the same industries, so that a small naming rights opportunity would not deter a larger sponsorship or that a small sponsorship's terms would not preclude the DCC from securing other companies in the same industry. Ms. Plageman reminded the Board that the threshold, based on the public bond status, is \$6M and is adjusted as debt is paid down.

Ms. Lofton suggested that, in the interim, a committee develop standards/values/policy for naming rights that the Board could review. Mr. Whelley suggested asking Mr. Brown whether the FCCFA has a policy. Ms. Plageman agreed to follow-up on this suggestion.

It was agreed that the Board will postpone consideration of naming rights and sponsorships until mid-2025, and that a committee will draft a naming rights policy.

B. Marketing & Branding Committee

i. Ratify Committee Recommendation Regarding Art Consultant Letter of Engagement and Fees

Vice Chairperson Kenley said Ms. Plageman reached out to three firms or individuals about art consulting services. One was not able to take on the work, the second did not respond, but The Art Company in Cincinnati did respond. Ms. Powell, Mr. Roediger, and Ms. Plageman met with The Art Company on June 26 at the convention center to identify priority areas and discuss The Art Company's experience.

At the July 17 meeting, the Marketing & Branding Committee considered the draft engagement letter. It was approved, contingent on approval from the Board today. The Finance Committee also approved the art budget at its July 18 meeting. The Phase 1 art budget is \$250K, and The Art Company's fees totaling \$37,500 are in addition to that amount. The art acquisition budget and The Art Company fees will be paid from interest income. The management of the gallery space is a NTE of \$10K, and there's an hourly rate for installation.

The art selection committee includes Mr. Roediger, Mr. King, Ms. Powell, Ms. Plageman, and Ms. Kenley. There will be a kick-off meeting on August 5. A strong emphasis will be placed on local art, in addition to national artists. Ms. Fredette of The Art Company believes the art in the priority spaces could be in place for the grand opening in April 2025. In response to Mr. Whelley's question about insurance, Ms. Plageman said The Art Company will assist with that, and Mr. Fraunfelder said the additional assets will be included in an insurance review. Ms. Plageman said art not owned by the MCCFA will have a separate agreement.

MOTION: It was moved by Mr. Whelley, seconded by Mr. Herbst, and unanimously voted to approve The Art Company engagement letter and the \$287,500 Phase 1 art budget from interest income.

C. Finance Committee Report

i. Ratify Committee Recommendation Regarding Terrace Furniture Quote

Ms. Plageman said the Finance Committee recently reviewed the terrace furniture quote from Elements IV Interiors using the OMNIA purchasing program. Interest income will be used for the furnishings. ASM helped with the selections, and the design is consistent with LWC's vision for the space. The Finance Committee approved the expenditure at its July 18 meeting pending Board approval. Hearing no further discussion or questions, Chairperson Stevens called for a motion.

MOTION: It was moved by Secretary Schrimpf, seconded by Ms. Lofton, and voted unanimously to approve the Elements IV furniture quote in the amount of \$44,540.79 from interest income.

ii. Approval of Universal Changing Station/New Family Restroom Quote

Ms. Plageman presented the quote to convert an existing space into a new family restroom with a universal changing station. Universal changing stations are not yet code, but will be in the future, and venues are installing them. The Messer estimate is \$103,572, and the total with CMTA and LWC services totals \$136,660. Mr. King is completing the paperwork for a Montgomery County grant totaling \$25K, which will reduce the \$136,660 estimate. This project will be paid for using contingency funds, and Ms. Plageman said Messer estimates returning \$400K in contingency funds. She said it makes sense to complete the work now since Messer Construction is on site. Hearing no further questions or discussion, Chairperson Stevens called for a motion.

MOTION: It was moved by Ms. Powell, seconded by Ms. Lofton, and unanimously voted to approve the cost for the construction of a new family restroom with a universal changing station in the amount of \$136,660 from contingency funds.

iii. Ratify Kitchen Air Handler Final Quote

Ms. Plageman reminded the Board that it approved, at its June 6 Board meeting, NTE \$500K from contingency funds to replace the kitchen air handler unit, with ratification by the Board when the final estimate is received. The final estimate is \$281,100, and the lead time is 40 weeks. Mr. Whelley questioned the "pricing is for budgetary purposes only and

not reflective of final cost” language. Ms. Plageman said some costs may increase slightly, such as labor, because it is not possible to estimate or lock-in labor costs a year from now. Given that the Board previously approved an NTE of \$500K, it agreed that it will rely on Messer’s goodwill to manage any increased labor costs. Again, Ms. Plageman said we are expecting Messer to return approximately \$400K in contingency funds.

MOTION: It was moved by Secretary Schrimpf, seconded by Mr. Gruner, and voted unanimously to approve the final estimate for the purchase and installation of a new kitchen air handler unit in the amount of \$281,100 from contingency funds.

D. Fiscal Officer Report, Sean Fraunfelter, Fiscal Officer

i. Review and Approve May 2024 ASM/DCC Financial Report

Mr. Fraunfelter presented the Dayton Convention Center May 2024 financial report highlights. Both the projected number for total event income and adjusted gross income are a bit higher than the budgeted number. Net income loss is the same. Mr. King will present a June report later in the meeting. Hearing no further discussion, Chairperson Stevens called for a motion.

MOTION: It was moved by Secretary Schrimpf, seconded by Vice Chairperson Kenley, and unanimously voted to accept the May 2024 ASM/DCC Financial Report as presented.

ii. Review and Approve June 2024 CFA Financial Reports

Mr. Fraunfelter presented the June operating report. July collection from the city was \$287,000 which puts us in good shape to hit the budgeted figure with one more payment. We reported over \$412,000 in our tax collections although some of that was refunded for double payments. Our tax collections, food and beverage and event income are all about 46% of the budget. Under expenses, some of the repairs and maintenance will be moved to deferred maintenance costs as it relates to fire extinguishers. Total operating cash balance is about \$1.65M.

Under capital, June interest collections were \$284,000; another \$92,400 for July. November is the deadline for the majority of the arbitrage calculation. If we have about \$5M-\$6M left at end of year, we will be fine as the \$5M issue has spend-down requirements into 2025, and a certain percentage of the other two bonds can be held back. Paid out another \$186K to Trane for the remaining two payments on the initial project. Talking about prepaying Trane grant project to stay on pace with the arbitrage payments. We could subject to repayment of some interest if we do not hit the arbitrage requirements. Look at bottom reserves: We

had the first one for 10% related to capital reserves; it is a small amount and will start to build. Two new accounts: hotel capital fund and capital reserve fund coming with the July report. \$1.5M from county is in STAR Ohio account. Under reconciliation side, new DCC account is Bank of America because ASM Global is going to BofA for vendor payments in September.

MOTION: It was moved by Mr. Gruner, seconded by Vice Chairperson Kenley, and unanimously voted to accept the June 2024 CFA Financial Report as presented.

iii. State Audit Update

Mr. Fraunfelter said an email from the Auditor of State with the Audit report was received today. There were minor comments in the management letter regarding discrepancies in dates when ASM pays invoices because ASM works on a cash basis. Mr. Fraunfelter will work with ASM Global on syncing those invoices and payment dates. There were no adjustments or findings. It was a clean audit. The Board expressed its gratitude to Mr. Fraunfelter.

E. Executive Director Report – Pam Plageman, ED/CEO

i. DCC General Manager Update

Mr. King presented the DCC highlights. The LCID/WDI conference, taking place now, represents approximately 30% of the entire year's income, and LCID may expand by an additional week in 2025. Mr. King introduced Christina Combs, DCC's Director of Sales for a presentation regarding its local focus, outreach strategy, and goals. Ms. Powell said Destination Dayton is creating targets and marketing plans that are not dependent on an adjacent hotel. Ms. Plageman said the DCC sales team and Destination Dayton are recovering most of the lost revenue with local events. While some targets are not convention center targets, Ms. Powell said she is not confident that in 2025 there will be enough hotel rooms to attract larger conventions but expects there will be in 2027-2028. Ms. Powell said they are attending trade shows and paying for transportation costs when they can. Mr. King said the ASM Business Development Fund is offering incentives, and he announced that they signed the U.S. National Girls Basketball Tournament by negotiating per court rental fees using the Development Fund. This tournament will attract \$1.5M in economic impact.

Mr. King presented five ASM Global Strategic Initiatives for revenue growth. The DDC received a 100% health inspection score, and it passed fire marshal inspection with zero red tag deficiencies.

Ms. Plageman said the DCC is holding space for CVB's annual breakfast (an RFP process), the annual Chamber breakfast meeting, Dayton Children Hospital's Gala, and the February DDC Annual Meeting.

ii. Hotel Lodging Tax Update

Ms. Plageman provided the most recent hotel lodging tax collections. \$2.3M collected to date, exceeding last year at this time. The Hotel Ardent and a Residence Inn in Miamisburg will open soon.

iii. ICMA Conference, September 21-25, Pittsburgh, PA

Ms. Plageman reminded the Board of the invitation to attend the ICMA Conference in Pittsburgh. The Pittsburgh convention center is an ASM Global venue. Chairperson Stevens is registered to attend.

Also, Board members are invited to attend the Chamber's City2City conference in Charlotte, North Carolina in October. Paul Gruner is registered to attend.

V. Executive Session

Chairperson Stevens said an Executive Session is needed to discuss real property matters before the Board.

MOTION: It was moved by Vice Chairperson Kenley to adjourn to Executive Session to consider the purchase of certain real and personal property for public purposes, pursuant to the authority set out at Ohio Revised Code Sections 121.22(G)(2).

The motion was seconded by Secretary Schrimpf. After a unanimous roll call vote, the Board voted to adjourn to executive session and excused all guests.

MOTION: The motion to conclude the executive session was made by Vice Chairperson Kenley and seconded by Secretary Schrimpf. After a unanimous roll call vote, the Board voted to return to open session.

VI. Other Business

No other business was presented.

VII. Next Meeting Date

Chairperson Stevens announced the next meeting is September 5, 2024, beginning at 3:00 p.m., in Room 208.

VIII. Adjournment

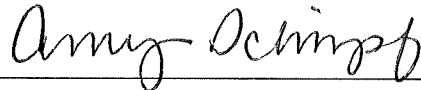
Chairperson Stevens called for a motion to adjourn.

MOTION: It was moved by Secretary Schrimpf, seconded by Ms. Lofton, and voted unanimously to adjourn.

The meeting was adjourned at 4:35 p.m.

CERTIFICATE

The undersigned Secretary of the Board of Directors of the Montgomery County Convention Facilities Authority hereby certifies that the foregoing is a true copy of the minutes of the August 1, 2024 meeting of the Board of Directors of said Convention Facilities Authority, as approved by the Board on September 5, 2024.



Amy Schrimpf, Secretary, Board of Directors
Montgomery County Convention Facilities
Authority