

Quad City Civic Center Authority Minutes
Thursday, December 17, 2015

Present: Acting Chairman Don Welvaert, Paul Mulcahey, Reggie Freeman, Hunt Harris, Thomas Thomas, Jennifer Walker, Lew Steinbrecher, Ted Thoms

Absent: Mike Haney (Chairman), John Hass

Staff: Scott Mullen, Rocky Jones, Kevin Snodgrass, Joy Toporowski and Roger Strandlund (Califf & Harper, P.C.)

Approval of Minutes: Motion by Mr. Mulcahey, seconded by Mr. Thomas, to approve the minutes of November 19, 2015. With Acting Chairman Welvaert calling for a vote on the motion, the vote was taken and it carried unanimously.

Financials: Rocky Jones presented the financial statements with commentary. Motion by Mr. Thoms, seconded by Mr. Freeman, to approve the financial statements for the period ending November 31, 2015. Upon Acting Chairman Welvaert's inquiry, Mr. Jones projected the possibility of the Arena realizing an end-of-fiscal-year loss (up to \$150,000) given the present trendline; however, Mr. Mullen added a caveat to the projection by stating that Mr. Jones' projection did not fully take into account certain ongoing event recruitment and negotiation activities being undertaken by Mr. Mullen (e.g., a March performance by Barry Manilow). With Acting Chairman Welvaert calling for a vote on the motion, the vote was taken and it carried unanimously.

Director's Update:

Event Scheduling and Economic Factors

Mr. Mullen described a number of possible upcoming events; some of the events have been secured and some are still in negotiation, with many identified on a list distributed by Mr. Mullen. Mr. Harris inquired as to whether Mr. Mullen has been exploring some other creative opportunities. An interest of Mr. Harris related to acts which spin from talent-based reality television, e.g. *The Voice*. Mr. Mullen expressed his appreciation for Mr. Harris' input, and invited other suggestions from Board members. Mr. Mullen expanded the discussion by describing the interaction of certain variables and trends within the business of booking arena entertainment. The points made by Mr. Mullen included the following: promoters' increased routing of show opportunities toward venue models which have lower fixed costs (e.g., fairs and festivals), and the proliferation of new venues entering the market (e.g., new public sector construction and new gaming-related entertainment). Mr. Mullen concluded his comments by estimating that the impact of the trends has been to cause there to be 4 to 5 times the number of arena-generated offers being made to promoters, as compared to the 1990's era.

Sponsorship and Marketing

Mr. Mullen identified pending sponsorship opportunities and described his recent efforts to personally interact with primary sponsors on certain items awaiting action. Mr. Mullen stated that he has not ruled out the possibility of engaging a specialty consultant for the purpose of additional marketing efforts; however, at present he is reluctant to commit the Arena to the financial obligation of paying a retainer.

Parking and Security

Mr. Mullen and Mr. Snodgrass provided a follow-up report (attached) relating to a proposed project on credit card readers/parking lot reconfiguration. Acting Chairman Welvaert facilitated a discussion of the project. General Board discussion occurred, including an interactive dialogue with Arena staff on the cost-benefit analysis related to the project. Significant to the discussion was Mr. Thoms' focus on the need to identify the goals and objectives targeted by the project. Mr. Thoms encouraged making more precise distinctions between measuring the purported leakage, improving customer service, and keeping current with industry innovations. Mr. Mullen agreed to further investigate the details related to the project and provide the Board an update in the future.

Mr. Mullen cited certain unfortunate acts of violence occurring at various venues and an industry-wide response toward prevention of such acts. Mr. Mullen's description of stepped-up security efforts included his use of higher staffing levels and/or additional training, and his consideration of additional equipment (security cameras, magnetometers, etc). Mr.

Mullen described certain security enhancements and indicated that he is applying further study to other ideas. Mr. Harris requested that Arena staff also consider investigating the level to which cyber security needs are being addressed. Discussion on the topic of security concluded with Mr. Mullen agreeing to have Arena staff investigate State or Federal funding opportunities for security improvements, with Mr. Steinbrecher offering City of Moline cooperation in connection with that investigation.

Construction Status

Kevin Snodgrass furnished a verbal report on the status of construction projects and facility improvements. He identified the companies which are attending to certain punchlist items.

Executive/Closed Session: Acting Chairman Welvaert noted that there would be no need to go into Executive/Closed Session.

Adjourn: Mr. Thomas motioned for adjournment. Mr. Steinbrecher seconded and the motion carried unanimously.

The meeting was adjourned at 1:32 p.m.

ORIGINAL DULY EXECUTED

Joy Toporowski, Acting Secretary