

**LANSING ENTERTAINMENT & PUBLIC FACILITIES
AUTHORITY
BOARD OF COMMISSIONERS MEETING MINUTES
May 20, 2025**

At 8:00 a.m. Chairwoman Maureen McNulty-Saxton called the monthly meeting of the LEPFA Board of Commissioners to order in the Governor's Room located at the Lansing Center; 333 East Michigan Avenue; Lansing, Michigan 48933.

COMMISSIONERS PRESENT: Paul Collins, Kenric Hall, Larry Leatherwood, Danielle Lenz, Charles Mickens, Maureen McNulty-Saxton, and Rawley Van Fossen (Ex-Officio).

COMMISSIONERS ABSENT: Dustin Howard

OTHERS PRESENT: Mindy Biladeau, Heidi Brown, Kirby Doidge, Paul Ntoko, Ryan Tess, Tristan Wright, and Donna Roy - Lansing Entertainment & Public Facilities Authority; Joe Abood -Lansing City Attorney's Office; and Dave Buckenberger, Kristy Doak, Julie Pingston- Choose Lansing; Zac Clark- Lansing Lugnuts; Jake Brower – City of Lansing; Bryan Crowe and Andrew Van Penegne – ASM Global; Lisa O'Conner – Publicom; Tracie Kent – Residence Inn; Aaron Matthews – AOM Legal and Jack Alexander-Public.

I. CALL TO ORDER:

II. ESTABLISHMENT OF THE AGENDA: There were no changes to the agenda.

III. PUBLIC COMMENT:

Kristy Doak, Choose Lansing - Director of Sales for the Lansing Center, shared information regarding confirmations and re-engagement and trends from a publication that just came out. Most recent confirmations include the 64th Annual Lutheran Women's Missionary Society Convention scheduled for the end of June 2027 with 1200 attendees and 1600 room nights, \$125,000 estimated in food and beverage and \$30,000 in room rental and kudos were extended to Elaine Unger for her efforts. A return event is YMCA Youth in Government with 750 students for their Educational Conference for February and March in 2026 and February and April In 2027 and brings in \$50,000 in food and beverage and \$28,000 for room rental per event. The re-engagement group is Michigan Veterinary Medical Group – we hosted them pre-pandemic, they have had leadership changes and have asked for proposals for the fall through 2030. Kristy share information from the Simple View Quarterly and distributed a copy. It is a publication used by CVBs for tracking data information/leads. She shared information on trends for destination for quarter 1 for 2025 two trends they are seeing a drop in leads by 5.8% compared to 2024 (for destinations with less than 100,00 gross exhibit square feet) and we are seeing a drop around 6.7% in leads; Mid-west locations saw bookings remain steady. in 2024 the Lansing Center saw 44.8% of leads signed and 44.1% of leads signed in 2025. The sales team attended the MSAE Golf Outing last week with over 100 meeting planners participating. Elaine Unger CVB Sales Manager graduated from Leadership Lansing.

Bryan Crowe entered the meeting at 8:05 a.m.

IV. APPROVAL OF THE APRIL 22, 2025, MINUTES: Motion was made to approve the meeting minutes for the April 22, 2025, meeting as presented. **MOTION:** Commissioner Lenz **SECOND:** Commissioner Collins **MOTIONED CARRIED**

V. REPORTS:

A. CHAIRMAN'S REPORT: Chairwoman Saxton noted items for today's meeting

1. April 2025 Financials Review and Approval
2. Review of Purchases for Approval
3. Approve Renewal of the HVAC Agreement for Jackson Field and Lansing Center (Trane)
4. Personnel Committee Update
5. Strategic Committee Update

B. FINANCE COMMITTEE- Committee Chair Paul Collins reported the committee met last week and referred the April Financials and he deferred the report to Kirby Doidge to report on the April 2025 Financials as follows:

1. Financial Review:
 - a. Lansing Center - *Revenue-* April was a great month with \$125,000 in rental and we are behind by \$49,000 for year-to-date and are looking over \$1,000,000 in rental for the year. Food and beverage is over \$146,000 above the budgeted amount of \$481,000 and year-to-date is \$10,000 above the anticipated budget. Equipment rental beat budget by \$61,000 for \$142,000 and is \$94,000 behind budget for year-to-date. Utilities and Labor Services beat budget at \$811,000 for April and is ahead of budget by \$241,000 but are still behind budget for year-to-date by \$92,000 for revenue and the deficit in revenue was decreased by \$250,000 in April. Overall, April was one of the better months due to the mix of events including a Security Conference, which helped make up the revenue deficit.

Expenses- In April the Lansing Center utility usage was double prior years and we are working with the VP of Operations and Maintenance team to determine why our usage is so high. Utilities are over budget for the month by \$29,000 and for year-to-date they are over budget by \$66,000 and we are monitoring. Food and beverage expenses were higher than budget but still under budget by \$170,000 for the month and for year-to-date by \$171,000.

At 8:11 a.m. Donna Roy entered the meeting.

Total Expenses were over budget by \$8,900 for the month and year-to-date under budget by \$161,000. We were over in expense by \$8,000 and are \$241,000 over in revenue for the month. Year-to-date after adding in non-operating expenses, we are ahead of budget by \$4,300 which moves us to the positive and is great to see for April. We do have the CVB capital expenses which we are expending, which will put us back into a deficit. Overall, a great month for the Lansing Center as we made progress on the deficit.

At 8:12 a.m. Larry Leatherwood entered the meeting.

- b. *Groesbeck Golf Course- Revenue:* Groesbeck Golf Course had their first full month using carts and we beat budget by \$13,000 and for year-to-date are ahead by \$34,000 in Cart Rental. Greens fees were ahead by \$24,000 and \$64,000 for year-to-date. Concessions had a record month and are ahead of budget by \$15,000 for the month and there are still some outstanding items to be posted. Total Revenue for April was \$76,000 and we beat

budget for the month of April by \$46,000. Year-to-date we are ahead of budget by \$127,000.

At 8:13 a.m. Zac Clark entered the meeting.

Expenses: Salaries and Wages are over budget by \$44,000 and is attributed to simulator staffing. Kirby noted under Maintenance of Facilities – we have to recognize the pesticides and chemicals used in the month we spend them per the auditors and is no longer spread out. For the month we were over by \$16,000 for the month and are over by \$62,000 for the year-to-date. Revenue is up so correlating expenses are up. For year-to-date we after adding in non-operating revenue we are up by \$64,000. Last month the Board approved the irrigation system, which will impact revenue next month, so having the excess revenue will be helpful.

Last weekend we had storms that impacted the course, and we are working through the cleanup process with insurance and addressing our next steps will be. Currently the back nine is closed due to fallen trees. Rawley Van Fossen questioned if there is any financial forecasting on the damage and what the damage will be and whether we will close the golf course. Kirby responded that they could not get out to the course until Wednesday, and he has a meeting with the assessor, and he did request lost revenue, and they will provide a forensic accountant to potentially regain anything lost and they are still reviewing everything. installed beginning May 1, with phased construction designed to minimize disruption to play. Chair Saxton asked how many trees were down, Kirby replied thirty plus, and some are over the fence line – but doesn't have a true number.

- c. *Jackson Field-* Salaries and Wages/Benefits will have additional allocation. Utility expenses for April are back in line now that we are in the season and not in the opening phase. Maintenance of Equipment included wall repairs that had to take place and HVAC appropriations are over and as mentioned last month we are anticipating getting a grant and the City is reimbursing those expenses ahead of that grant, so you will see the City of Lansing contribution is over budget and is making up for those expenses for the HVAC. Total year-to-date is over budget by \$48,000 (grant expenses) and we are under the anticipated budget by \$3,400.

Committee Chair Collins thanked Kirby for the good financial news and noted it was a very good financial story.

Motion was made to accept the April financials as presented. **MOTION:** Commissioner Mickens **SECOND:** Commissioner Lenz **MOTION CARRIED**

2. Purchases- Recommendations/Approval

- a. **Dock Doors for Halls A, B, C**– Ryan Tess reported that the doors are used by our customers and vendors for move-in/out and none have been touched for over a decade and are slowly starting to rot out, and included in the replacement will be the mechanicals because they are a heavily used item, Dock C doors have not been replaced and are the original doors from 1994

and are well overdue. Ryan thanked the Board for their consideration. Kirby reported that the total cost is \$545,000 and will be funded by the funds from the \$5 million grant funds. and are needed for safety and security and utility considerations.

Chair Saxton made a motion to approve funding for the purchase of china and the three dock doors. **MOTION:** Commissioner Leatherwood **SECOND:** Commissioner Hall **MOTION CARRIED**

- b. **Chinaware:** Paul Ntoko reported that the current china has been in use for twenty years and have occasionally replenished the china, with the last time being 2019. Companies that could provide the product post pandemic have gone out of business. Libby plateware, which is one of the largest providers offered a “buy one get one free” opportunity, which provides an opportunity to upgrade a customer facing product. Paul noted his appreciation of the consideration of his request.

Kirby reported the total comes to \$59,339.80 plus an additional \$20,102 for plate covers.

- c. **Trane Contract:** Ryan Tess reported that Trane is the only union provider, and they are very good at letting us correct items before they fail and are a needed asset to keep the HVAC system afloat at the stadium. Tristan Wright note that the contract is for the stadium and the Lansing Center. Kirby noted it is a three-year contract. The cost is \$10,000 per month between the two properties.

Motion was made to approve the Trane HVAC contract for three years as presented **MOTION:** Commissioner Hall **SECOND:** Commissioner Leatherwood **MOTION CARRIED**

- C. **PERSONNEL COMMITTEE-** Committee Chair Larry Leatherwood deferred to Commissioner Mickens to report on the joint meeting with the Strategic Committee.
- D. **STRATEGIC COMMITTEE-** Commissioner Charles Mickens reported that the joint Personnel and Strategic Committee meeting was held May 8 and was provided with an update on the ASM agreement with counsel and there were no action items or votes taken.
- E. **PRESIDENT & CEO REPORT-** President & CEO Tristan Wright indicated she had no report.
- F. **VICE PRESIDENT/STAFF REPORTS**
1. **Mindy Biladeau: Sales & Services-** Mindy noted she was going to let her report stand unless there were question.
 2. **Heidi Brown: Administration-** Heidi noted her report is contained in the Administrative Report and noted her thanks.
 3. **Paul Ntoko: Foodservice-** Paul Ntoko indicated his report is in the Administrative Report also and extended his thanks.

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4. **Ryan Tess: Operations-** Ryan Tess stated his report is in the Administrative report and would be happy to address questions.
 5. **Kirby Doidge: Finance-** No report.

VI. COMMISSIONERS AND STAFF COMMENTS: No comments.

VII. OLD BUSINESS:

1. **LEPFA/ASM Global Proposed Management Agreement:** Chairwoman Maureen Saxton provided an update/summary as follows, as this would be a very big change for LEPFA as it has been established. Chair Saxton stated, "LEPFA was established by the City of Lansing under the authority of Michigan Public Act 31 of the First Extra Session of 1948, known as the Building Authorities Act. This act permits municipalities to incorporate authorities for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating, and maintaining public buildings, recreational facilities, stadiums, and associated properties.

The creation of LEPFA in Lansing occurred around late 1995 and early 1996, formalized by a City Council resolution in November 1995 that adopted the Authority's Articles of Incorporation. This action led to LEPFA assuming responsibility for managing key public facilities in the city, taking over from a previous entity, the Greater Lansing Convention/Exhibition Authority.

Since LEPFA began managing facilities for the City, the City has annually appropriated a lump sum operating contribution to fund the operation of the facilities. In May of 2024, discussions within the City Council included a potential restructuring of the management model for the facilities, with the goal being a reduction of the annual operating contribution made by the City. Subsequently, in August of 2024, the City of Lansing, in response to these considerations, issued a Request for Proposals (RFP) to solicit interest from third-party entities for a management model. Six proposals were received in response to this RFP. Following a comprehensive evaluation process conducted by an appointed RFP panel, ASM Global was selected as the recommended firm. After thorough diligence undertaken by the finance and executive committees of LEPFA, a contract has been successfully negotiated with ASM Global and is prepared for presentation at this time."

I will now ask legal counsel, Aaron Matthews, to provide a summary of the proposed contract.

2. Aaron Matthews – Legal Counsel shared the following remarks and summary of the proposed contract as follows:

He noted (L as Chairwoman Saxton indicated, the finance and executive committees, with tremendous support from senior staff – particularly Tristan and Kirby, have worked

diligently over the last few months to negotiate the terms of the proposed contract, which is being presented to the Board for approval today.

Before highlighting the key terms of the proposed agreement, Aaron shared the overall structure of the relationship and roles of the parties as follows:

- a. Under this agreement, ASM Global would assume responsibility for and control over essentially all day-to-day operations at the three facilities (Lansing Center, Groesbeck, and Jackson Field).
- b. ASM will provide regular reports to the Board, and while the Board's role as a governing board will continue, its role will likely be more limited than it is presently giving the day-to-day operations to ASM Global.

Key terms of the agreement:

- c. Scope of Services:
 - i. ASM assumes essentially all aspects of the management and operation of the facilities on a day-to-day basis.
 - ii. Planning and production of mutually agreed-upon Community Events occurring outside of the facilities specifically Silver Bells which is something that was not captured by the scope of the agreement and was something they worked to include.
 - iii. The community events and the day-to-day operations are subject to annual plan process in cooperation with ASM Global and the Board and the Board's general ability to adopt policies and guidelines. Once the plan is adopted, ASM Global is then largely responsible for the day-to-day operations with reporting to the Board.
- d. Terms:
 - i. The initial term of the agreement is 5 years, which is important because the current agreement between City and LEPFA expires next year – and there is a proposed extension of that agreement to 2030 which is also on the agenda this morning.
 - ii. The Board has the ability to extend the agreement for additional 5-year periods in its discretion
 - iii. Compensation of Manager: ASM Global will be paying a base fee of \$150,000 annually, adjusted for inflation in future fiscal years (July 1 to

June 30). There are two incentive fees in the agreement and are as follows:

1. **Qualitative** Based on key “soft” performance metrics to be determined – i.e. quality ratings, customer reviews, etc. Key Performance Indicators” and still to be determined and the Board will work with ASM Global on an annual basis to determine. And will likely include partners such as “Choose Lansing” etc. to help determine what those indicators should be. The qualitative incentive fee is up to one half of the fixed fee for the applicable year \$75,000 per year, adjusted for inflation in future years.
 2. **Quantitative:** Is 25% of net financial improvement over budget, not to exceed one-half of the fixed fee for the applicable year adjusted for inflation for future years (year one not to exceed \$75,000). If there is a net operating profit at the end of the year it is 25% and also applies if there is a net operating loss.
 3. **Food and Beverage Management Fee:** ASM would also receive a Food and Beverage Management Fee which is 3% of gross food and beverage sales at the Lansing Center and Groesbeck Golf Course. Jackson Field excluded because of rights granted to the Lugnuts under their agreement with the City.
 4. **Sponsorship Commission:** There is a sponsorship commission ASM Global can earn by new revenue associated with the facilities, including naming rights, and would be net of direct expenses, subject to approval by the City and would be important in naming rights (20% of the fees) with approval by the City. This was not in the LEPFA operating agreement before but is in the extension and naming rights are granted to LEPFA and in term granted to ASM Global.
- e. Annual Plan and Budget Process: The Board and ASM Global will work cooperatively in March of each year to develop an annual plan and annual budgets each year and will include an operating budget and proposed capital improvements and equipment purchases and ASM will advise on those items and make recommendations because they are outside of their operating budget and will be a separate budget on an annual basis for the Board and City to work on. ASM will be contributing a lump sum of \$500,000 towards to-be-agreed-

upon capital improvements and the contribution is to be made by the end of 2025.

- f. Employees: All staff at the facilities will become employees of ASM Global. LEPFA, through the Board, will have “advise and consent” level approval for director-level employees and above which ASM has different language compared to LEPFA’s terms and would include the President & CEO/General Manager and the Vice President/Director roles. Below those levels, ASM Global will be completely responsible for hiring. Current LEPFA employees will be given preference for positions with ASM Global, this was worked in the contract as states qualified, current LEPFA employees if qualified for position within ASM Global. ASM Global has indicated that their intention is to offer employment to nearly all current employees, and we all understand that will be the given the time frame. They have indicated that their track record is for approximately 95% retention, with the 5% typically consisting of individuals who choose not to transition for whatever reason (retirement, other opportunities, etc.). ASM Global has also indicated that it intends to honor existing collective bargaining agreements and/or enter into its own collective bargaining agreements with the three bargaining units that represent a number of LEPFA employees. Agreement also provides that the years of service of current LEPFA employees will transfer to ASM Global for purposes of fringe benefits.
- g. Termination: Typical provisions for termination upon default, etc. after a mediation process for standard provisions. LEPFA will also have the ability to terminate on 12 months’ notice with or without reason. If the agreement between City and LEPFA expires or terminates for any reason, LEPFA could also terminate this agreement. LEPFA’s rights to terminate the subcontract of the management of the facilities is contingent upon the City providing LEPFA with the ability to that, so if those agreements terminate, this agreement will also be terminated. And presumably that will not be an issue with agreement on the agenda today.

Aaron Matthews noted that is the overview and asked for questions.

Chairwoman Saxton asked for a motion to approve the agreement. **MOTION:**
Commissioner Hall **SECOND:** Commissioner Leatherwood **MOTION CARRIED**

VIII. NEW BUSINESS:

1. Extension of the Agreement for Operating Downtown Facilities: Aaron Matthews indicated the agreement is pretty straight forward and provided an overview of the terms of the agreement. It extends the terms of the primary operating agreement between LEPFA and the City which was otherwise going to expire in October 2026 to and extension of October 2030 which extends well beyond the ASM agreement. It cleaned up items that are no longer under the

LEPFA purview, i.e. it removes the Lansing City Market, add Groesbeck and it makes it clear the three entities and includes the naming rights subject to the City's approval.

Commissioner Leatherwood asked for clarification regarding the LEPFA staff having preferential treatment in the interview process and asked how the Board knows that whoever is doing the interviews, that their interest doesn't outweigh the interests of the LEPFA employee. Aaron Matthews stated what ASM Global indicated is their typical process, which they assume is similar to the process here is that for the higher level employees, that will be a higher level process with ASM Global's hierarchy coming in and working with each other to have those interviews and for the lower level employees, their typical process is once they start filling it from the top, they'll rely on those people to conduct the interviews for the lower level employees and will likely be group meetings to indicate whether people want to come on board. ASM Global has to present what they are offering, what their compensation structure looks like, and they have indicated that they will likely rely on current managers to tell them how they have staffed.

Motion to approve the adoption of the extension of the Agreement for Operating Downtown Facilities as presented **MOTION:** Commissioner Collins **SECOND:** Commissioner Mickens **MOTION CARRIED**

IX. **AJOURNMENT:** Motion was made to adjourn the meeting **MOTION:** Commissioner Hall **SECOND:** Commissioner Lenz **MOTION CARRIED**

At 8:44 a.m. the regular monthly meeting was adjourned.

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:

TUESDAY, JUNE 24, 2025

8:00 a.m.

LOCATION: Lansing Center- Governor's Room

Respectfully submitted,

Heidi Brown, Recording Secretary