LANSING ENTERTAINMENT & PUBLIC FACILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
June 25, 2024
MINUTES

At 8:05 a.m. Chairman Kenric Hall called the regular 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, and Maureen McNulty-Saxton.

COMMISSIONERS ABSENT: Price Dobernick, Desiree Kirkland (Ex-Officio), James Stajos, and Rawley Van Fossen (Ex-Officio).

OTHERS PRESENT: Mindy Biladeau, Kirby Doidge, Kasey McFadden, Paul Ntoko, and Tristan Wright - Lansing Entertainment & Public Facilities Authority; Joe Abood - Lansing City Attorney's Office; and Jack Alexander- Public.

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

IV. PUBLIC COMMENT: None.

V. APPROVAL OF THE June 11, 2024, MINUTES: Motion was made to approve the meeting minutes for the June 11, 2024, meeting as presented.

MOTION: Commissioner Mickens **SECOND**: Commissioner Lenz MOTION CARRIED

VI. REPORTS:

A. CHAIRMAN'S REPORT: Chairman Kenric Hall reviewed discussion/action items as follows:

1. Financial Statement Review: May 2024 ***(Action Item)***
2. Review and Approval of Purchases ***(Action Item)***
3. Nomination Committee Fiscal Year 2024-2025

B. FINANCE COMMITTEE: Finance Committee Chairwoman Danielle Lenz deferred to Kirby Doidge for the May 2024 Financial report as follows:

1. Lansing Center:

Revenue: Total Operating Revenue is $660,163.15, exceeding budget by $197,136.15and exceeds ear-to-date revenue by $469,303. Building Rental is ahead of budget by $97,374, and $87,912 year-to-date. Equipment Rental is up by $64,269, with a $129,944 year-to-date surplus. This positive performance is due to a recent increase in events featuring food, beverage, and equipment rentals. Food and Beverage exceeded budget by $97,374 which exceeds year-to-date budget by $129,944.

Expenses: Salaries and Benefits are down due to vacant positions. Utilities have normalized after resolving the BWL issue and applying recent credits. Event expenses are over budget, correlating with increased equipment rentals. Monthly expenses were $553,292.43and are under budget by $106,870.72; year-to-date expenses exceed budget by $673,246. Excess Revenue over Expenses are $299,804.15 above budget for May and are $792,539.37 for year-to-date, putting us ahead of the prior year by the same amount.

Excess Revenue will be used to fund critical projects at the Lansing Center, including $49,448 for the main lobby roof and $87,665 for HVAC repairs. Despite these expenditures, we anticipate a positive budget variance of $300,000 to $400,000 by year-end. Kirby noted that we have surpassed May 2023 Revenue by $154,000.

Joe Abood entered the meeting at 8:14 a.m.

2. **Groesbeck Golf Course:**

Revenue: Total Operating revenue for May was $136,143.28, the monthly variance was $20,045 and $88,285.34 year-to-date. Kirby noted that despite the rain, May's power cart rentals exceeded budget by $32,658, and green fees surpassed budget by $107,797. An increase in league fees is anticipated, pending a detailed breakdown of fiscal year allocations. The strong start to the year is compensating for lower simulator rentals and season pass participation. Overall, it has been an excellent first two months.

Expenses: Kirby noted that May's Operating Expenses included expected allocations for golf course maintenance supplies, such as chemicals and pesticides. Total Operating Expenses were $152,156.17, exceeding budget by $16,012.89 due to bulk orders. However, year-to-date expenses are $93,093.08 under budget. Despite a monthly deficit of $7,980.98 in Excess Revenues Over Expenses, we are $93,444.09 above budget year-to-date.

3. **Jackson Field:**

Revenue: There was no revenue to report for Jackson Field**.**

Expenses: Kirby noted that Salaries are reduced as expected Utilities increased due to the baseball season but remain under the budget amount of $58,299.38. May Expenses were $3,648 under budget and $121,003 under budget for year-to-date. Excess Revenues over Expenses for May were $8,150.14, and for year-to-date they were $129,446. Kirby stated that additional budgeted appropriations will be used to complete essential projects and increase the operational reserve, which were depleted during COVID.

Motion was made to accept the May 2024 Financials as presented for Groesbeck Golf Course, Jackson Field, and Lansing Center.

MOTION: Commissioner Leatherwood **SECOND**: Commissioner Saxton MOTION CARRIED

4. **Purchases – Recommendations/Approval:** Kirby Doidge reviewed the following information.:

a. Camera System Replacement- Lansing Center- The current camera system needs to be replaced as it has exceeded its expected lifespan. Three quotes obtained for the system were: Night Watch: $284,367 for the camera system only; with additional costs the total is $359,367.040; Lehman Wesley: $265,207.05 for the camera system only; additional wiring would bring the total to $285,207.05; Total Security: $55,773.20.

Option #2 is recommended as presented by: Lehman Wesley, because we currently work with them, they are familiar with our building and their bid is the most cost-effective. Their system integrates with LEPFA's current IT infrastructure and allows LEPFA to keep our technology items with the same vendor. This will involve a complete replacement and update of the camera system inside and outside of the Lansing Center because Groesbeck has a camera system in place.

Discussion ensued regarding a potential sale of Groesbeck Golf Course. Joe Abood explained the discussion at the City Council meeting which ensued because there was a resolution on the table for discussion, which was unanimously voted down by the council.

Job Abood complimented the Greens and Grains event at Groesbeck and shared that he has been playing at Groesbeck since the 60s and stated that the course is in the best shape he has ever seen.

Commissioner Mickens asked why they chose Option #2 Lehman Wesley over the first option. Tristan explained of the selections was made based on cost and their familiarity with the system, as the system is currently used at Groesbeck Golf Course. The individuals at Groesbeck who have access to these cameras are Tristan Wright, Daniel Matwiczyk (Superintendent at Groesbeck), and Greg Webber (Groesbeck's Head Pro). At the Lansing Center, Security, Tristan Wright, and Ryan Tess (Ops Tech Services Manager) will have access with Paul Ntoko having limited access to the Foodservice Department areas only.

b. **Lansing Center Gazebo Landscaping** – Lansing Center- As the riverside balcony nears completion, we need to focus on landscaping to make the gazebo area inviting and fully rentable. Lake State Landscaping & Snow has proposed planting and mulching around the Gazebo planters for $14,750 to improve the area's appearance, which has been neglected since the pandemic.

   Commissioner Hall asked if this landscaping project would take place this year and if it would carry forward into future years. Tristan clarified that the project would start this year and ongoing maintenance would be carried out by LEPFA staff, with Lake State Landscaping responsible for watering and applying chemicals only.

c. **Hall A Concession Stand/Amazon Go Café Electrical Requirement** – Lansing Center – LEPA plans to install a transformer to power the new concession equipment and the Amazon Go Café. R&M Electric has proposed the installation and panel replacement at $39,342. FD Hayes Electric is revising its proposal and will submit it by June 20, 2024. Once both proposals are received, we will select the more cost-effective option, as both companies are trusted contractors. Tristan added that this transformer will serve both the Hall A concession stand and the Amazon Go Café.

d. **Naming Right Agreement** – The LEFPA Board of Commissioners Executive Committee met and approved a $50,000 partnership with the Superlative Group in order to secure an additional revenue source. Kirby deferred to the Executive Committee and Tristan Wright to explain the Naming Rights initiative. Tristan provided a brief overview of the timeline and process that will follow once this agreement is approved Tristan will send out the full proposed agreement to the Board for review.

e. **Rotunda Elevator Upgrade** – Lansing Center- The rotunda elevator upgrade will modernize both the mechanics and aesthetics of the elevator car. Due to the current condition and required permits for changes, the project costs $209,000 to replace all mechanical components. This upgrade is necessary as older parts are less available, causing longer downtimes. The modernization will also ensure compliance with current State of Michigan codes. The proposal was created by Otis which is LEPFA's elevator provider.

f. **Groesbeck Golf Simulator–** Groesbeck Golf Course- As discussed, the simulator at Groesbeck is outdated and in need of an upgrade. Over the past year, customers have reported issues with the current floor sensor simulator, which requires hitting a specific spot to register swings. We are considering a ceiling-mounted simulator that allows for a more user-friendly "hitting zone," improving the user experience. We obtained three quotes: TruGolf Apogee launch monitor for $11,495, GC Hawk Launch Monitor for $19,999, and Uneekor Eye XO for $13,000. Based on the recommendation of Greg Webber, Groesbeck's Head Pro, who emphasized the importance of club data and the benefits of moving away from TruGolf, the Uneekor Eye XO for $13,000 is recommended.

Commissioner Lenz added that this upgrade will be a positive upgrade that will provide positive benefits for Groesbeck.

Motion was made to accept the purchases as presented. **MOTION**: Commissioner Leatherwood **SECOND**: No Support **Motion died.**

Commissioner Lenz made a motion to approve all purchases as presented minus the Naming Right Agreement. **MOTION**: Commissioner Lenz **SECOND**: Commissioner Saxton **MOTION CARRIED**

Discussion of the Naming Rights Agreement took place. Commissioner Lenz asked to review the Agreement before approval. Tristan stated she would send the agreement to the full Board. The Naming Rights Agreement will be reviewed/approved at the next Board meeting.

Commissioner Saxton made a motion to approve the Naming Rights Agreement. **MOTION**: Commissioner Saxton **SECOND**: Commissioner Paul Collins
Ayes: (2) **Nays:** (4) **Motion failed.**

C. PERSONNEL COMMITTEE: Committee Chair Paul Collins reported that the Personnel Committee met in June. Items discussed were shared at the Board meeting on June 11, 2024.

D. STRATEGIC PLANNING COMMITTEE: Committee Chair Larry Leatherwood reported that the Strategic Committee did not meet; the next meeting is July 9.

E. INTERIM PRESIDENT & CEO's REPORT: Tristan Wright had no items to report.

F. VICE PRESIDENT/STAFF REPORTS:

1. Mindy Biladeau- Sales & Services: Mindy reviewed the May Sales Summary/Pace Report, and Marketing highlights. May Sales for Rental was $85,639 and are predicted to end the year at $1,004,174 which is over budget by 13%. Event highlights – the Lansing Center will be hosting the Michigan Speed Cubing Competition and the Auto Licensing Plate Collectors Association this month. In July Capital City Comic Con will be in house. Sales Highlights- Spartan Fire signed a three-year contract; the National Horseshoe Pitching Association will be returning in 2026. Silver Bells in the City is halfway to the budget for fundraising. July 1 Silver Bells in the City parade and vendor applications will be live to the public. A total of 45 golfers played at Grains and Greens (50 golfers cap). Mindy gave kudos to Paul Ntoko and the Foodservice Team, Marketing, Event Services, and our partners at Lansing Brewing Company.

Chairman Hall congratulated Sales and Services staff on a great year and on bringing back the National Horseshoe Pitchers Association. Discussion also ensued regarding the Spartan Fire event, the change in dates, and how they affect hotel/tourism in the downtown area. 2. Heidi Brown- Administration: Tristan Wright reported the following in Heidi's absence: Heidi is waiting on word from LEPFA's legal team regarding the Fair Labor Standards Act; they expect new directives from DOL this week. If there are any changes to this rule, LEPFA is prepared to address with the five staff members that this rule would affect. Interviews are today for the Event Technology Services Coordinator position; this is a full-time position in the Operations Department. Postings closed for the Accounting Manager and Foodservice Coordinator positions; application reviews will follow. As a result of a Workman's Comp Claim on June 17 Heidi has suggested that the Safety Committee resume training on various topics pertaining to the various injuries this year. July 1 the new wage rate will take effect for LEPFA's CBA covered employees (UAW and IATSE). Discussion ensued regarding LEPFA's preparations for the upcoming implementation of the FLSA.

2. Paul Ntoko- Foodservice: Paul highlighted the success of the Greens and Grains event, noting it had the highest attendance yet. In previous years, attendance and play were affected by temperatures. Paul reported a very strong fourth quarter for the Lansing Center, with numbers not seen since 2016. The team is performing well after a strong month and is looking forward to gearing up for another busy fall. Additionally, Paul announced that the updated catering menu will take effect on July 1. He shared the menu changes with the Board and discussed their impact.

3. Tristan Wright- Operations: Tristan reported- Commissioner Price Dobernick will be stepping down from the LEPFA Board; his replacement will be appointed/approved in July. Tristan shared that the marquees were installed, there have been some minor glitches that were addressed by the operations team.

4. Kirby Doidge-Finance: Kirby noted that the Finance team is working on year-end items and will be preparing for audit season.

VII. COMMISSIONERS AND STAFF COMMENTS:

A. Nominating Committee: Chairman Hall presented the proposed Slate of Officers for the FY25 as follows:

Chair: Maureen McNulty-Saxton
Vice Chair: Danielle Lenz
Secretary/Treasurer: Paul Collins

Motion was made to approve the LEPFA Board of Commissioners officers as presented for FY25.
MOTION: Commissioner Hall **SECOND**: Commissioner Mickens MOTION CARRIED

VIII. OLD BUSINESS: No report.

IX. NEW BUSINESS:

A. Update to the Board Packet Distribution- Tristan informed the Board that to reduce paper and printing costs and promote eco-friendliness, printed copies of the monthly Board packets will no longer be provided at meetings. All documents will be available on the Board portal.

X. **<u>AJOURNMENT:</u>** At 9:23 a.m. the regular monthly meeting was adjourned. **MOTION:** Commissioner Leatherwood **SECOND:** Commissioner Saxton **MOTION CARRIED**

THE NEXT MONTHLY MEETING IS SCHEDULED FOR:
TUESDAY, AUGUST 27, 2024
8:00 a.m.
LOCATION: Governor's Room

Respectfully submitted,

Kasey McFadden, Recording Secretary