

**Hamilton County
Convention Facilities Authority (CFA)
Meeting Minutes**

To: CFA Board Members
From: Jeff Aluotto, CFA Secretary
Subject: Meeting # 35: December 8, 2014

CFA Members Present: Shawn Butler, Lee Czerwonka, Jim Downton, Danny Hill, Ed Knox and Daniel Meyer
CFA Members Excused: Cliff Bishop, Paul Brehm, Larry Grypp and Gwen McFarlin
CFA Members Absent: None
CFA/Project Staff Present: Karen Alder, Jeff Aluotto, Lisa Anderson, Steve Fagel, Roger Friedman and Bill Moller
Guest: None

1. Call to Order

Chair Daniel Meyer called the meeting of the Hamilton County Convention Facilities Authority to order at 3:12 P.M. He indicated that the purpose of the meeting was to discuss the resignation of Mark McKillip from the CFA board and he was going to work for the Duke Energy Convention Center.

2. Discuss the resignation and on-going service of Mark McKillip on behalf of the CFA

Bill Moller indicated the CFA recently approved the bond sales that provided an additional \$5.0 million for some renovations at the Duke Energy Convention Center. Mark McKillip had been on the CFA board for a long time. Mark has an interest in making sure that this \$5.0 million is well spent because he was the project manager on the last two renovations.

He asked if he could participate in doing that gratis. Ohio Ethic laws require that the only way Mark can participate in the role is if he resigns from the CFA board. He is permit to act as the project manager gratis for one year in a nonpaid status. Thereafter he can work in a paid status, depending on what he and Ric Booth from the Convention Center work out. Mark technically will be working for Ric under contract.

The reason for this meeting is for the board to determine that it is in the CFA's best interest that Mark provides the project manager function for the \$5.0 million project at the convention center. Our city solicitor based on the opinion that you have in front of you strongly recommends that the CFA take such actions.

Bill mentioned to Roger Friedman that as he understands it all that is need is a motion from one of the CFA members that it is in the CFA's best interest for Mark to be the project manager and if the motion is approved by the CFA he can start on the project. Roger indicated that there has to be two points of clarification, it has to be without compensation for a year and there is also provision that after the year was up we couldn't go back and compensate him for that year of service. Mark McKillip resigned from the CFA board at the end of September.

The motion is that the CFA board believes that it is in the CFA's best interest that Mark McKillip acts as the Project Manager without compensation for one year.

Ed Knox made the motion and it was seconded by Lee Czerwonka.

The City of Cincinnati will make a recommendation to fill the vacant board position and it will need to be approved by the Board of County Commissioners.

The escalator project is included in the \$5.0 million renovation project. The project has not started, however bids for the project are out.

In addition, the bonds were sold on last Thursday. The City of Cincinnati received the money from the bond sale last Friday. Karen Alder indicated that the disbursements will be made by the Trustee probably to the convention center, and Mark acting as the construction manager will approve those disbursements.

Jeff Aluotto indicated that during a 2015 meeting, we will provide the board with the summation of the bond issuance and have PFM, our financial advisor provide all the information related to the issuance.

Roll call on was taken on the motion as follows:

Mr. Meyer	<u>Yes</u>	Mr. Knox	<u>Yes</u>	Mr. Hill	<u>Yes</u>
Mr. Czerwonka	<u>Yes</u>	Mr. Butler	<u>Yes</u>	Mr. Downton	<u>Yes</u>

Karen indicating that the bond issuance was slightly less than what we were originally intending to issue and still we were able to net the \$5.0 million. The interest rate was more favorable than what we were predicting and debt service is lower than that what we had shown the board as estimated.

Jeff stated the issuance consisted of \$63.1 million par, \$5 million of new bonds, estimated net present value \$8.779 million and all in interest rate approximately 3.5%, and we were anticipating a reduction of annual debt services from \$6.34 million down to \$6.1 million. Now we are down to \$5.9 million. The rating was A. There is no City or County guarantee on this issuance. The only guarantee at this point is the tax revenues.

3. Other Business

There was no other business.

4. Next Meeting

The next meeting will be schedule around the first week of March.

5. Adjournment of Meeting

Meeting adjourned at 3:30 P.M.