

Arena Tax Oversight Committee
January 31, 2007 - 3:00pm
Minutes

Committee members present: Bruce Armstrong, John Clevenger, Mark Dennett, Bradley Hawthorne, Tad Mayhall Tim Short, Greg Sevier, and Max Weddle

Committee members absent: Frank DeSocio, Christina Ricke,

Others in attendance: Don Brace, Troy Bruun, Chris Chronis, Rich Euson, Stephanie Knebel, Kelly Parks, Jeff Porter, Ginger Radley

Call to Order The meeting was called to order by Committee Chairman Greg Sevier

Oath of Office County Clerk Don Brace administered the oath of office for the members of the Committee.

New Business Three new members were in attendance. Greg Sevier welcomed the new members and briefly reviewed the purpose of the Committee: to ensure citizens that all money collected under the terms of the special 1% Arena Sales Tax are properly accounted for and spent on the Sedgwick County Arena Project. The committee will review and monitor project progress, generated revenues and all expenditures and report findings to the Board of Sedgwick County Commissioners at least once every six months.

Chris Chronis informed the members that the County financial system has the supporting documentation for expenditures. If members wish to know details of any line item they can be obtained by drilling down through the supporting documentation.

Review of recent reports - Chris Chronis distributed the current reports concerning expenditures and revenues as obtained October 26, 2006

- First Report - Current Finances
 - Budget - Actual Report
 - To date, expenditures (includes Arena A & E Services, Land Acquisition, and Pavilions) for the arena project total \$8,509,725.90
 - Encumbrances (those items that have been

New Business
(cont'd)

committed, but not yet expended) total
\$9,328,959.45

- Detailed Expenditure Report
 - Since the October 31, 2006 meeting, \$1,726,058.74 has been spent on the arena project:
 - A & E Services = \$985,819.75
 - Land Acquisition = \$668,195.48
 - Pavilions = \$0
 - Project Management = \$45,280.35
 - Chris Chronis noted that the site costs line has been moved to the construction line of the project budget. It was felt the costs associated with the geotechnical survey of the arena site are a construction related expense.
 - The Committee members questioned an expenditure for the Superlative Group. County staff displayed electronic versions of the invoice and supporting documentation. The entry of Lund/Gallagher travel was for a site visit.
 - The members also viewed an invoice submitted by Wilson Darnell Mann, the managing partner of the Arena Design Consortium (ADC). The bill was for services in support of the Arena design process, WDM has submitted 30% design development documents.
 - Greg Sevier asked to see documents related to a particular property acquisition.
 - The supporting documents for the requested item were not yet in the financial system. Stephanie Knebel had submitted them for processing by the Finance Division earlier in the day.
 - The Committee viewed documents related the acquisition of the building located at 330 S Commerce.
- A question about the nature of the PA Sports item was asked.
 - Chris Chronis explained PA Sports was the company hired to assist the staff of the Kansas Coliseum to develop a proposal for the arena management RFP.
 - Greg Sevier asked about the appropriateness of PA Sports fee coming from the project budget.
 - Other members agreed, feeling this item should come from a different county funding source since it is not directly related to the

New Business
(cont'd)

- construction or operation of the Arena.
- The members voted 7-1 to recommend moving the fees related to PA Sports contract to a more appropriate County fund.
- Chris Chronis responded that the recommended action would be taken, and would be reflected on project expenditure summaries for the next reporting period.
- A question was asked about why the line for parking had changed and where the money had gone.
 - Chris Chronis explained that the money for parking had been moved to the Operation, Parking and Maintenance line of the budget.
- A follow-up question about the need for a dedicated budget line for parking was asked.
 - Chris Chronis responded that money from the Operations, Parking and Maintenance reserve will be used to create additional parking deemed necessary for only the Arena. It was explained the County is working with the City of Wichita to address parking for all of downtown, not just the arena. With the development of the Arena Neighborhood Redevelopment Plan by the City of Wichita the area surrounding the Arena will be very different in future years than what is there today. The intent of the study in progress is to capture the need for additional parking and identify where to place it in relation to the arena. The County will make a decision about the need for additional parking based on the outcome of the study.
- A question was asked about the need to make improvements to Washington Street.
 - Chris Chronis noted that the improvements are necessary to facilitate traffic flow on the street. The reason the item was not in the initial budget was that until a site was selected the need to improve specific surrounding streets was not known.
- Revenue Budget-Actual Report
 - To date, the County has collected \$112,796,744.91 in tax revenue
 - Local Sales Tax = \$102,317,732.16
 - Local Use Tax = \$10,479,012.75

New Business
(cont'd)

- Semi-Annual Report to County Commission
 - Chris Chronis noted that it had been six months since the last committee report to the County Commission, and so he had drafted a possible report and sent it to committee members for review prior to the meeting.
 - Greg Sevier asked if the draft of the Committee's report to the County Commission was acceptable for presentation.
 - Members asked to amend the report to reflect the vote on the PA Sports item.
 - It was also requested language about the purpose of the committee be changed to more accurately reflect language appearing in the enabling resolution.
 - Discussion entailed about the signature page, which as drafted provided for signature by each committee member. It was suggested that a final draft report reflecting the agreed-upon changes indicate concurrence by the committee members but be signed only by the committee chairperson.
 - Motion to approve the report with the requested changes was made by Bruce Armstrong and seconded by John Clevenger.
 - Motion was approved by voice vote without dissent.

Next Meeting

- The next meeting for the Arena Tax Oversight Committee is set for **Tuesday, April 24, 2007 from 3:00-5:00pm at the Ark Valley Lodge.**

Adjourn

Greg Sevier adjourned the meeting at 4:50pm