

**ADDENDUM NUMBER SIX
TO THE
AGREEMENT FOR PROFESSIONAL MANAGEMENT SERVICES AND LICENSE
FOR USAGE OF THE EVANSVILLE ARENA**

This ADDENDUM NUMBER SIX ("Addendum Number Six") to the AGREEMENT FOR PROFESSIONAL MANAGEMENT SERVICES AND LICENSE FOR USAGE OF THE EVANSVILLE ARENA, dated as of the ____ day of March, 2016, to be effective as of January 1, 2016, is entered into by and between **THE CITY OF EVANSVILLE**, through its Evansville Redevelopment Commission ("ERC", "CITY" or "Owner" as the case may be), an Indiana municipal corporation, and **VENUWORKS OF EVANSVILLE, LLC**, an Iowa limited liability company with offices at 4611 Mortensen Road, Suite 111, Ames IA 50014 ("VENUWORKS" or "Manager").

WITNESSETH:

WHEREAS, The City and VenuWorks entered into that certain Agreement for Professional Management Services, and License for Usage of the Evansville Arena, dated August 12, 2011 (the "Original Agreement"); and ,

WHEREAS, the Original Agreement was modified by numerous addenda, which includes an Addendum, dated September 1, 2011; Addendum Number Two and Addendum Number Three, both of which were dated October 2, 2012; Addendum Number Four, dated December 18, 2012; and Addendum Number Five, dated August 5, 2014, (the Original Agreement, as modified by the foregoing addenda, the "Agreement"); and

WHEREAS, the Agreement provides that VenuWorks is to provide management services through December 31, 2016, and the parties desire to extend the term of the Agreement for an additional five (5) years subject to the terms and conditions herein; and

WHEREAS, VenuWorks has entered into a partnership with Evansville Professional Hockey, LLC to secure a franchise in the Southern Professional Hockey League (the "SPHL Franchise") and the parties desire to clarify certain rights and obligations with respect thereto.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements herein contained and contained in the Agreement, the parties hereby agree as follows:

1. Defined Terms. All terms not defined herein shall have the meaning ascribed to them in the Agreement.
2. Renewal Term. Pursuant to Section 3.2 of the Agreement, the parties hereby mutually agree to extend the term of the Agreement for an additional five (5) year period, which additional five (5) year period shall commence January 1, 2017 and run through and include December 31, 2021 (the "Renewal Term").

3. Amendments. The Agreement is hereby amended as follows:

- A. Section 4.1(d) of the Agreement entitled "Expense Containment Incentive Fee" shall hereby be deleted in its entirety.
- B. Section 4.1(e)(iii) of the Agreement shall hereby be deleted in its entirety.
- C. Section 4.1(f) of the Agreement entitled "Total Variable Fees Capped" shall hereby be amended to read in its entirety as follows:

"Total annual Variable Fees paid to VenuWorks for fiscal year 2012 shall not exceed Three Hundred Ninety Thousand Dollars (\$390,000.00) (the "Variable Fee Cap"). In years subsequent to 2012, the Variable Fee Cap shall be increased by three percent (3%) per year. Upon the commencement of the Renewal Term, the Variable Fee Cap shall reset to Three Hundred Ninety Thousand Dollars (\$390,000.00), and in each year subsequent to fiscal year 2017, the Variable Fee Cap shall increase three percent (3%)."

- D. Section 4.1(g) of the Agreement entitled "Sustained Effort Incentive Fee" shall hereby be deleted in its entirety.
- E. Section 4.6 of the Agreement entitled "Fees with Respect to the Victory Theatre" is hereby amended to read in its entirety as follows:

"The City shall pay VenuWorks Three Thousand Dollars (\$3,000.00) per month as compensation to VenuWorks for providing management services for the Victory Theatre."

4. Disbursement and Use of Sustained Effort Incentive Fee. The parties acknowledge and agree that through the fiscal year ending December 31, 2015 the total amount earned and placed into the Sustained Effort Incentive Fee Account (as defined in the Agreement) equals Two Hundred Thousand Dollars (\$200,000.00) and that Seventy Five Thousand Dollars (\$75,000.00) of such amount was deemed due and payable to VenuWorks pursuant to the terms of the Agreement. Upon the execution of this Addendum Number Six all amounts held in the Sustained Effort Incentive Fee Account shall be disbursed to VenuWorks to partially offset the cost of the onetime affiliation fee for the SPHL Franchise incurred by VenuWorks in the amount of Two Hundred Twenty Five Thousand Dollars (\$225,000.00) (the "SPHL Affiliation Fee"). Upon disbursement of such funds, the Sustained Effort Incentive Fee Account shall be terminated and neither party shall have any further claims with respect to the Sustained Effort Incentive Fee Account and related funds.

5. Facility Equipment and Enhancements. To the extent that the annual Variable Fee calculated without regard to the Variable Fee Cap exceeds Three Hundred Ninety Thousand Dollars (\$390,000.00), the amount over Three Hundred Ninety Thousand Dollars (\$390,000.00), but not more than Twenty Five Thousand Dollars (\$25,000.00), shall be retained by VenuWorks and held in an account for expenditures on equipment or other enhancements to or for the benefit of the Facility (the "Facility Enhancements Account"). Funds from the Facility Enhancements Account shall be spent at VenuWork's reasonable discretion, and VenuWorks shall provide an annual accounting to the ERC of amounts accumulated in the Facility Enhancements Account and how such amounts have been spent, if at all, during the prior fiscal year.

6. Operation of SPHL Franchise. In the event that VenuWorks assumes operation of the SPHL Franchise pursuant to the terms of its Operating Lease by and between VenuWorks and Evansville Professional Hockey, LLC (the "Hockey Operating Lease"), VenuWorks shall be entitled to utilize Facility staff and resources reasonably necessary in connection with its operation of the SPHL Franchise. During any such periods in which VenuWorks operates the SPHL Franchise all operating expenses of the SPHL Franchise shall be deemed an expense of the Facility and all operating revenues of the SPHL Franchise shall be deemed a revenue of the Facility.

7. Assignment of SPHL Franchise and All Related Intellectual Property. In the event that VenuWorks assumes the operation and legal control of the SPHL Franchise pursuant to the Hockey Operating Lease at the direction of the City and upon reimbursement to VenuWorks of the SPHL Affiliation Fee, VenuWorks shall assign and transfer its interest in the SPHL Franchise, including all SPHL Franchise rights and related intellectual property, to an operator approved by the SPHL.

8. Victory Theatre Fee Cap – 2015. For purposes of clarification, the parties agree that VenuWorks' total fee in connection with the management of the Victory Theatre for fiscal year 2015 was capped at \$50,000.00.

9. Termination of Agreement with Respect to Victory Theatre. Irrespective of anything contained in the Agreement to the contrary, the City may, upon not less than sixty (60) days prior written notice to VenuWorks, terminate the Agreement solely with respect to VenuWork's management of the Victory Theatre. Upon the effective date of such termination, the Facility, as defined in the Agreement, shall no longer include the Victory Theatre and VenuWorks shall no longer be paid the fees contemplated by Section 4.6 of the Agreement.

10. Conflict. In the event of a conflict between the terms of the Agreement and this Addendum Number Six, the terms and provisions of this Addendum Number Six shall control.

11. Counterparts. This Addendum Number Six may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed to constitute one and the same Addendum Number Six.

IN WITNESS WHEREOF, this Addendum to the Agreement has been duly executed by the parties hereto as of the day and year first above written.

THE CITY OF EVANSVILLE,
THROUGH ITS
REDEVELOPMENT COMMISSION

VENUWORKS OF EVANSVILLE, LLC

By: _____
Randy Alsman, President

By: _____

Printed Name: _____

Title: _____

**Evansville Redevelopment Commission
Tuesday March 01, 2016**

A meeting of the Evansville Redevelopment Commission was held on Tuesday March 01, 2016 at 8:30 a.m. in Room 307, Civic Center Complex, Evansville, Indiana.

These minutes are not intended to be a verbatim transcript. Video recordings of this meeting are available on the City website for reference.

Attendance

Commission members present: Randy Alsman, Stan Wheeler, Mike Schopmeyer, Jennifer Raibley and Dave Clark. DMD Staff: Kelley Coures, Executive Director; Jane Reel, Deputy Director; Lana Abel, Senior Project Manager and Beth Purtzer. Legal Counsel; Nick Cirignano. Also in attendance, Russ Lloyd, City Controller, Jonathan Weaver and Anna Hargis, City Council members; Sarah Schuler, VPS Engineering, Scott Schoenike, Ford Center, Mike Hall and members of the public and media.

Call to Order

Randy Alsman called the meeting to order, pronouncing a quorum present.

Approval of Minutes of February 17, 2016

Mr. Wheeler made a motion to approve the minutes as submitted for the February 17, 2016 meeting. Mr. Clark seconded the motion. The motion passed with 5 ayes and 0 nays.

Finance Approvals

Accounts Payable Voucher

Mr. Schopmeyer made a motion to approve the Accounts Payable Voucher. Mr. Clark seconded. The motion passed with 5 ayes and 0 nays.

Downtown Redevelopment Area

16-ERC-19 A Resolution of the Evansville Redevelopment Commission Approving the Budget Revision for Connector System

Sarah Schuler, VPS Architecture, reported that she is not the designer of the project. The connector project is designed by HCW and in conjunction with the Hotel project. They have designed the system in (2) different ways and both came in over budget. What is being presented today is basically a clear span design that takes the connector bridge directly into the Ford Center and it spans in such a way that it will not interfere with utilities. The other option would have relocation of utilities. Through the review, it appears that the steel cost on the redesign is much higher than they anticipated and that is one of the primary reasons for the overage. It is coming in at approximately \$400,000 over the original budget.

Mr. Cirignano stated the costs falls within the contingency. The funding covers the addition and does not increase the cost of the project.

Mr. Wheeler said the cap on the bond is \$20 million. Are we going to hit the cap?

Ms. Schuler stated these are guaranteed maximum price contracts. This is the last component of the project that the City is funding. The parking garage construction will start in May. Once the parking garage is started, this will be one area a possible change order will be coming from. Once they start digging, they may find unknowns which may need additional work performed.

Mr. Cirignano added that we should have a significant cushion in the parking garage.

Mr. Schopmeyer stated that steel prices are down.

Ms. Schuler stated that there is more steel in the project than was originally anticipated and was an increase in what was budgeted.

Mr. Schopmeyer said the bridges are designed to hold more weight than typical.

Ms. Schuler stated it is a code issue and a design issue. During design you start to have conflicts with utilities and when the construction was priced out, it would cost more to move the utilities than to design the longer span.

Mr. Alsman stated that convention managers say that direct, indoor access is a highly sought after feature.

Mr. Schopmeyer made a motion to approve 16-ERC-19. Ms. Raibley seconded. The motion passed with 5 ayes and 0 nays.

16-ERC-20 Approval of License at the Ford Center

Mr. Alsman stated this resolution is the agreement to bring professional hockey to the City for the 2016-2017 season.

Mr. Cirignano apologized for the delay in sending the agreement to the commission for review and said they had agreed to the basic economics of the agreement some time ago.

Mr. Alsman said the agreement between Evansville Professional Hockey and the ERC (the City) is nearly identical to the IceMen agreement.

Mr. Clark asked is there will be more or fewer games in the season.

Mr. Hall stated the ECHL will play 56 games with 28 home games during the regular season.

Ms. Raibley made a motion to approve 16-ERC-20. Mr. Clark seconded. The motion passed with 4 ayes and 0 nays. Mike Schopmeyer abstained from the vote due to a ^{potential} conflict of interest.

16-ERC-21 Approval of 6th Addendum to Management Agreement with VenuWorks

Mr. Alsman explained the resolution is to extend the current agreement with VenuWorks for 5 years. It is substantially unchanged and also covers the management of the Victory Theatre.

Mr. Clark asked how many opportunities will open up having fewer hockey games.

Mr. Schoenike said it will be about the same number of weekend games so it opens up the Tues, Thursday and Sunday games. With primarily weekend games, we will be losing on some of the less attended games and saving on the conversion from ice to basketball. Thursday through Saturday will be primarily booked from October to April.

Mr. Schopmeyer abstained from the vote due to a conflict of interest. He pointed out paragraph 6 of the agreement and asked for this to be made clear to the public.

Mr. Alsman stated that there is a 3-way engagement between the City, VenuWorks and EVPH. In this agreement should Mr. Hall decided that he is not going to continue to operate the franchise, then VenuWorks has the opportunity to assume the operation of the Hockey Team.

Mr. Schopmeyer stated this was good negotiating and said it is a win win for the community.

Mr. Clark made a motion to approve 16-ERC-21. Mr. Wheeler seconded. The motion passed with 4 ayes and 0 nays. Mike Schopmeyer abstained from the vote due to a ^{potential} conflict of interest.

Jacobsville Redevelopment Area

16-ERC-22 Awarding a Contract for Repairs at 800 N Main Street in the Jacobsville Redevelopment Area

This resolution was tabled until the next ERC meeting.

Other Business

16-ERC-23 Authorizing an Agreement for Annual Financial Advisory Services

Mr. Schopmeyer made a motion to approve 16-ERC-23. Ms. Raibley seconded. The motion passed with 5 ayes and 0 nays.

Open Bids – 2016 Mowing and Debris Removal Services

Ms. Abel stated they are proposals and once opened, they will be taken under advisement. Proposals were received from the following: Green Brothers Lawn Care, Fehrenbacher Lawncare, TS Lawn Care, CVS Grounds Keeping LLC, Whitley's Lawn Care, Cutting Edge LLC.

The criteria for evaluation is based on a percentage matrix which includes 30% for the price quoted by contactor, 30% for the ability to perform the services based on equipment and number of employees, 20% based on their experience and references, 15% based on their anticipated response time for debris removal when necessary and 5% for MBE/WBE participation. This is not a low bid situation. Proposals will be evaluated and scored according the criteria by an evaluation team.

Approve as to form the documents relating to 16-ERC-06 Amending the Lease and Development Agreements with Old Post Office Management, LLC

Mr. Alzman stated that in 16-ERC-06 we agreed to the lease subject to the final contract being returned for review by the commission. Mr. Schopmeyer abstained from the vote due to a conflict of interest. Mr. Wheeler made a motion to approve 16-ERC-06 as submitted today. Ms. Raibley seconded. The motion passed with 4 ayes and 0 nays.

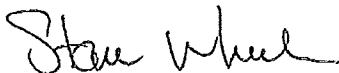
Design Review Committee Minutes - February 23, 2016

Mr. Alzman stated the Design Review Committee Minutes were presented as they relate to the new medical center complex and noted that Design Review agreed unanimously to approve the submitted design by Evansville Health Realty LLC.

Adjournment

Mr. Schopmeyer made a motion to adjourn at 9:08 am. Mr. Wheeler seconded. Motion passed with 5 ayes and 0 nays.

Respectfully submitted,



Stan Wheeler, Secretary