



SPORTS & ENTERTAINMENT AUTHORITY

HENRICO COUNTY, VIRGINIA

To wit:

A regular meeting of the Board of Directors of the Sports & Entertainment Authority of Henrico County, Virginia, was held at 10:00 a.m. on Wednesday, September 20, 2023, at the offices of the Economic Development Authority of Henrico County, Virginia, at 4300 East Parham Road, Henrico, VA 23228.

DIRECTORS PRESENT

Steven J. Yob, Chair
Sheila S. Minor, Treasurer
Marielle McFarland, Secretary
J. Oscar Knott

DIRECTORS ABSENT

Vaughan Crawley, Vice Chair
Yvette D. George

DIRECTORS PARTICIPATING ELECTRONICALLY

OTHERS PRESENT

Dennis Bickmeier, HSEA Executive Director
Dawn Miller, HSEA Staff
Megan Hazzard, HSEA Staff
Jacque Frame, HSEA Staff
Heather Grubb, HSEA Staff
Rob Welch, HSEA Staff
Sandra Fuentes, R&P Staff
Ryan Murphy, Deputy County Attorney
Andrew Newby, County Attorney
Stephen Robinson, General Government FOIA Officer

Mr. Yob called the meeting to order at 10:05 a.m.

Mr. Newby congratulated HSEA on the one-year anniversary of its creation.

Approval of the August 16, 2023, Minutes

Mr. Yob asked if there were any corrections or additions to the minutes of the August 16, 2023, meeting. Mr. Yob requested a correction on page three. He noted that the Glover Park permit had not yet been approved. The corrections were entered. Mr. Knott moved to approve the minutes as corrected; Ms. Minor seconded the motion. The motion passed, and the August 16, 2023, minutes were approved as corrected, with Mses. McFarland and Minor, and Messrs. Knott and Yob voting "aye".

Travel Policy

Mr. Bickmeier introduced the proposed HSEA Travel Policy. HSEA staff developed the policy with input from the Finance Committee and the County Attorney's Office. Although HSEA staff is exempt from the County's travel policy, the proposed HSEA policy is modeled after that policy. The policy places controls on expense reimbursement for transportation, lodging, meals, and incidentals, and it also provides examples of non-reimbursable expenses. HSEA staff, in consultation with the Finance Committee, recommended that the exemption from prior approval for travel be limited to a total of \$300 for the applicable fiscal year.

Mr. Yob asked if there were questions. On behalf of the Finance Committee, Ms. Minor recommended the policy in the form presented at the meeting.

Ms. Minor moved to approve the Travel Policy. Ms. McFarland seconded the motion. Hearing no further discussion, the motion passed, and the policy was approved, with Mses. Minor and McFarland, and Messrs. Knott and Yob all voting "aye".

Fraud Policy

Mr. Bickmeier introduced the proposed HSEA Fraud Policy. HSEA staff developed the policy with input from the Finance Committee and the County Attorney's Office. This policy establishes a process for reporting and investigating suspected fraudulent activity. The policy defines "fraud" using the relevant definition found in state code and directs employees suspecting fraudulent activity to report their suspicions to either the Executive Director or the Finance Committee, as appropriate.

Mr. Yob asked if there were questions. Ms. Minor spoke to recognize the work and time spent by the Finance Committee and Ms. Fuentes to draft the proposed Fraud Policy. She noted that there are not

any concerns of fraudulent activity, but that this policy will provide the Authority with a foundation of solid policies and procedures.

Mr. Knott moved to approve the Fraud Policy. Ms. Minor seconded the motion. Hearing no further discussion, the motion passed, and the policy was approved, with Mses. Minor and McFarland, and Messrs. Knott and Yob all voting "aye".

Appropriate Business Procedures Policy

Mr. Bickmeier introduced the proposed HSEA Appropriate Business Procedures Policy. HSEA staff developed the policy with input from the Finance Committee and the County Attorney's Office. This policy requires all purchases to have an appropriate business purpose and provides examples of purchases without an appropriate business purpose. The policy directs employees to refer to HSEA's small purchase procedures or the County's Procurement Manual, as appropriate, before making purchases.

Mr. Yob asked if there were questions. On behalf of the Finance Committee, Ms. Minor recommended the policy for approval.

Mr. Knott moved to approve the Appropriate Business Purposes Policy. Ms. McFarland seconded the motion. Hearing no further discussion, the motion passed, and the policy was approved, with Mses. Minor and McFarland, and Messrs. Knott and Yob all voting "aye".

Committee Reports

Marketing

Mr. Yob provided a brief recap of the August meeting of the Marketing Committee. The members toured County facilities to ensure visiting guests have positive experiences and return to the facilities. He noted that Media Services are considering the use of a QR code at certain facilities. A QR code will extend marketing opportunities to local businesses by promoting local attractions near the facilities. The code will make it easier for visitors to locate regional activities while visiting the region. The research will be addressed at the October 5th meeting of the committee. Mr. Yob stated that podcast recordings are expected in the future.

Facilities / Events

Ms. McFarland reported on the September meeting of the Facilities/Events Committee. She noted that the main objective of the committee is reviewing and overseeing revenue generation opportunities for HSEA. The committee is evaluating opportunities for events as well as usage of current facilities to ensure HSEA is maximizing revenue. The committee discussed the potential for starting construction at Glover Park in January once the wetlands permit is approved. The committee also discussed the Sports & Events Center and the future A-10 tournament and regular season basketball event in December.

Strategic Planning

Mr. Knott reported on the September 18th meeting of the Strategic Planning Committee. The members discussed the recent start of strategic plan development. HSEA staff engaged in brainstorming activities with regards to HSEA's current identity as well as its future identity. The SWOT analysis, resources, and advantages were reviewed. HSEA staff's next strategic planning meeting will discuss short and long-term goals. These goals should be categorized within the 'SMART' acronym, specific, measurable, achievable, relevant, and timely parameters. The September 26th staff meeting will focus on gathering goals and determining what goals make the plan. Shannon Sport, Henrico County's Human Resources Diversity, Equity and Inclusion Division Manager is working with staff on HSEA's statement. The next meeting of the Strategic Planning committee is October 4th.

Finance

Ms. Minor reported on the September 14th meeting of the Finance Committee. She stated that the members discussed HSEA's YTD FY24 budget vs actuals appropriation status reports. The revised budget includes \$15,000 for the grand opening of the Sports & Events Center, and encumbered funds of \$15,000 for The Collective Best contract will be moved once the termination agreement has been signed.

HSEA has a target separation date of July 1, 2024. Administrative operations will need to be established internally to allow HSEA, with assistance from appropriate contracted firms, to undertake their own books. A working group that includes County leadership is working to organize and establish the financial structure and workflow. This workgroup will provide a report to the Finance Committee, which will have more to report at the October Board of Directors meeting.

The additional budget request of a \$2,000,000 appropriation is designated for HSEA quarterly payments to ASM for operations at the Sports & Events Center. The appropriation will ensure HSEA has the money available for cash flow needs. Mr. Bickmeier stated there are three items in front of HSEA for ASM: the preopening, approving the first full year fiscal budget, and opening with ASM's staff in place. ASM's draft budget was reviewed by the Finance Committee. Mr. Chafin will seek clarifications with ASM on a few items and will request a revised budget. Once the revised budget is approved by the committee, it will be presented to the Board of Directors for approval. The committee discussed scheduled events and related deposits spreadsheet. Future policies for investments and credit card usage are anticipated. Ms. McFarland inquired about the need for an acquisitions policy. Mr. Bickmeier responded that the Economic Development Authority's acquisition policy could be used as a guideline. Mr. Bickmeier noted that using the Economic Development Authority as a resource has assisted HSEA with building a good foundation.

Executive Director's Monthly Update

Mr. Bickmeier offered his monthly report to the Board. The report has been included as an addendum at the end of the minutes.

Mr. Bickmeier stated that August is typically a slower month due to the beginning of the school year, students returning to college, and last-minute vacations.

Mr. Bickmeier noted the Babe Ruth World Series returned to RF&P Park for the 2023 tournament. The tournament was a well-run event thanks to the HSEA team who worked the press box, public announcement system, and scoreboard. He thanked the Park Services team for their immaculate caretaking of the field. Teams are always impressed with this field. He mentioned that Ms. Miiller would address the Babe Ruth World Series in more detail during her report.

Mr. Bickmeier stated that HSEA is close to completing the economic impact comparison between 2022 and 2023. The sports tourism economic impact number and calculation and the tracking format are all being changed. Once completed, the actual figures will be reported to the Board.

Mr. Bickmeier said that the fall months are busy with tournament play. The Sports and Events Center will add to the busy schedule. ASM Global is hiring in September. The General Manager's official start date is September 27th. The HSEA team has spoken and met with him in person. ASM has posted the remaining eight open full-time positions.

The SEC Sponsorship packets are being designed.

The County's Emergency Management team is working on SEC's Emergency Action Plan manual.

The HSEA team continues to have Customer Relationship Management software training. This software program will help with event management from within the center.

Mr. Bickmeier and Mr. Yeager attended the NCAA Symposium. A follow-up strategy meeting with Richmond Region Tourism determined what NCAA events to bid on and prepared the plan for each organization's responsibilities for the bidding process. The bid packets entail a lot of work with a February 7 submission deadline. The goal is to have the bid packet completed in January.

HSEA has scheduled a VCC Corridor Business Town Hall Meeting. It will be held at The Crossings hotel. Over 100 surrounding businesses were invited to attend. County leadership will be in attendance. The purpose of the meeting is to educate the businesses on what the plans are for the center, what to expect from the visitors, an opening timeline and event schedule. The Economic Development Authority will address the businesses.

Mr. Bickmeier reported on the Sports and Events Center. Equipment purchase work is still in progress and the hardwood was being sanded with an October 2nd completion date. A walk through will occur soon after. An owner-architect meeting will be scheduled to target the Certificate of Occupancy date. More than 42 events have been booked. Prospects are continually calling HSEA to inquire about rental. The weekday demand is picking up now that weekends are full.

The Outdoor Athletic Complex has some potential user groups and lease prospects. The connectivity this complex has with GreenCity is important.

Mr. Bickmeier reported on the Belmont Golf Course and the First Tee partnership. Volunteers and coaches are needed. They help with the movement of the kids from school and to and on the golf course. The First Tee program is part of the 7th grade curriculum.

HSEA plans to have a December 11th event announcement soon.

Mr. Bickmeier announced that Will Driscoll, Executive Director of the Virginia Sports Hall of Fame, will attend and make a presentation at the Board of Supervisors' September 26th work session.

Mr. Bickmeier noted that one of HSEA's key pillars is to support programming and create homegrown events. HSEA has been in discussion with baseball youth associations and has determined there is a need for umpires, so HSEA will host a recruitment event in 2024.

He noted that two youth baseball associations have received equipment from the donation drive held during the Memorial Day Baseball Classic.

Ms. Miller reported that the Babe Ruth World Series media coverage was good thanks to ESPN Radio. Markel Corporation received a lot of buzz with the GreenCity residential developer announcement. The press announcement that ASM Global, the world's leading venue management company and producer of live events, will operate the new Henrico Sports & Events Center was pushed to many outlets.

Ms. Miller announced that the Sports and Events Center Community Celebration is scheduled for December 4th, 5:30 – 7:30pm. Much of the celebration will be held in the arena. It will have a partner fair component along with pre-scheduled practices on the courts side. There will be a ribbon cutting ceremony and a VIP reception, invitation only, held on the second floor.

ASM's website for the Sports & Events Center is a work in progress. Many elements of the website require staff to be hired prior to additional progress. Information Technology is assisting with the URL.

HSEA had a display at the Life Ready Expo, held at Hermitage High School on September 19th. A projected 3000 students, parents and vendors were in attendance.

Ms. Miller reported the HSEA team hand-delivered Town Hall invitations to 113 VCC corridor businesses. The invitation was well received. In addition to the presentation, the businesses will have a question and answer session and networking times. The Crossings hotel will provide a complimentary meeting room and continental breakfast.

Business Development Update

None.

Old Business

Ms. McFarland recommended that HSEA create a structure for a permanent finance committee to inform on financials. The committee could include a Recreation and Parks employee for facilities representation.

New Business

Mr. Bickmeier noted that Deputy County Manager Brandon Hinton inquired about when the operating funds need to be provided to ASM. This had led to a discussion with ASM regarding the frequency and timing of payments to ASM for operating expenses relative to the timing of regular appropriations by the Board of Supervisors. Following these discussions, the parties had agreed in principle to amend the operating agreement to clarify that HSEA may make funds available for operating expenses in equal quarterly installments. Mr. Bickmeier noted that the agreement had been reached after the agenda and agenda packet had been circulated and asked if the Board would be willing to amend the agenda to add consideration of the proposed amendment to the operating agreement. Ms. Minor moved to add consideration of the proposed amendment to the operating agreement to the agenda; Ms. McFarland seconded the motion. Hearing no further discussion, the motion passed with Mses. Minor and McFarland and Messrs. Knott and Yob all voting "aye".

The Chair opened the floor for discussion of the proposed amendment. Ms. McFarland asked if the County's funding would go directly into the operating account and if the funds would be used strictly for expenses. Mr. Bickmeier noted that the County's Board of Supervisors would appropriate the funds to HSEA, which would use them as needed to fund operating expenses for the Sports & Events Center. Mr. Knott asked how quickly the funding needs to be approved in light of this amendment. Mr. Murphy said the operating agreement with ASM is in effect and that this amendment simply clarified a possible schedule for making funds available for operating expenses.

Mr. Knott approve the amendment and authorize the Executive Director to execute the amendment. The motion was seconded by Ms. Minor. Hearing no further discussion, the motion passed, with Mses. Minor and McFarland and Messrs. Knott and Yob all voting "aye".

Mr. Yob informed the Board that the County Manager had asked for a Board transition timeline. Mr. Yob and Mr. Bickmeier plan to work on this timeline with the Manager and Chief of Staff. They will update the Board as necessary, but Mr. Bickmeier noted that March is the tentative target date for transition. Ms. Frame continues work on the Board of Directors handbook.

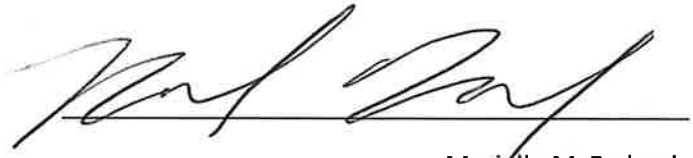
Ms. Minor noted that the HSEA Fraud Policy references a future Human Resources Committee. The Board does not currently have a Human Resources Committee, but one could be added by amendment to the bylaws or on an ad hoc basis.

Mr. Newby introduced Stephen Robinson as the County's General Government FOIA Officer HSEA's point of contact in General Government for FOIA concerns. The Board was reminded that a FOIA request, written or verbal, is required to be responded to within five working days; however, there are potential extensions.

Mr. Newby congratulated the Board again on its one-year anniversary. He noted that the Board is working as a well-oiled machine and that the Authority has made tremendous progress in just one year.

Adjourn

There being no further business, the meeting adjourned at 11:05 a.m.

A handwritten signature in black ink, appearing to read 'Marielle McFarland', is written over a solid horizontal line.

Marielle McFarland
Secretary