

ADDENDUM

Council Questions/Comments and Staff Responses Report for September 8, 2014

As of September 9, 2014 at 10:00 am

Alderman: Judy Stearns

Question/Comment: When the new hockey contract was approved, I received a public commitment to a review of the CIAM contract and the status of that contract considering that terms of the contract (professional hockey) and others are no longer adhered to. I believe the contract was to be reviewed and discussed before June 30 of 2014. When will we receive the update on the CIAM contract and whether it can or should be renegotiated?

Staff Response: Holding to the commitment, City staff reviewed and clarified the ambiguous contract language pertaining to the ticket facility fee and commission percentages with CIAM. This was completed prior to June 30 and shared with the Council on June 20, 2014 through an email. A Council Memo was also prepared on the subject and presented at the June 23, 2014 City Council Meeting. As discussed in these documents, CIAM agreed to present the City Manager with a Memorandum of Understanding to address the two audit issues, and they have done so. The City's auditors have completed a review of the memorandum and are in agreement it will address the two issues and will appropriately solidify the past practice of the parties. Corporation Counsel is doing a final review of the memorandum and will be meeting with CIAM's attorney to finalize same within the next two weeks. As set forth in the June 20, 2014 email to the City Council, the CIAM contract is set to expire on April 1, 2016, although CIAM has a right of first refusal. That said, City staff believes the renegotiation of several terms is warranted and a more complete review of the terms of the contract is now being performed internally. It is anticipated the renegotiation of the terms and conditions with CIAM will likely start prior to the end of the year.

Question/Comment: What is the status of professional basketball at the Coliseum considering that it seems the team does not belong to a basketball league?

Staff Response: Below is a Bloomington FLEX press release that was sent to the media a few weeks ago by FLEX PR Director, Craig Fata. It appears the FLEX are in a new expansion league. Mr Henderson and John Butler have had a few discussions over the summer. He has not yet requested a meeting to discuss rental dates for the upcoming season, which begins in January. As in the past, if and when Scott is interested in renting available dates for a game, he will contact the Coliseum.

"ST. LOUIS – The two-time minor league champion Bloomington Flex are among six charter members of the new Midwest Professional Basketball Association™ (MPBA™), which will be

based in St. Louis under the direction of Chief Executive Officer and Commissioner C. Edward “Ed” Schumer.

The Flex won Premier Basketball League championships in 2012 and 2013, and were 18-0 in league play in 2014.

Two teams from St. Louis and two teams from Chicago will join the Flex in the MPBA for 2015. The sixth team will be located in Champaign, Illinois. Those teams, their nicknames, and their home venues will be publicly revealed in separate announcements in the coming weeks.

“We’re excited about this first group,” said Schumer. “We are not finished by any stretch of the imagination, as we have discussions ongoing with several other interested teams. But we’re thrilled to have one of the very best organizations in minor league basketball among our charter members to serve as a model. And with the additional agreements in development, we feel very confident that we will quickly establish ourselves as the premier league in America at this level,” Schumer said.

“The geographic footprint of the league, as well as its business model and management structure was perfect for us,” said Scott Henderson, owner of the Flex. “The competition will be very good, and it will create regional rivalries that our fans will love. This is definitely the right move for us,” Henderson said.

One of the Chicago clubs, the Force, had formed their organization late last year, but ended up not participating in a league in 2014.

“We were ready to compete last year,” said LaChelle Sanders, who co-owns the Force with her husband, Steve. “We will be even hungrier this year, and we’re proud to be in on the ground floor of something special,” Sanders said.

League Commissioner/CEO C. Edward “Ed” Schumer is a St. Louis native and principal in the ThomasSchumerGroup, a small business consulting firm. Schumer served for more than twenty years as an NCAA basketball official in the Big 8 and Missouri Valley Conferences, and was selected to work three NCAA tournaments, as well as numerous National Invitation Tournaments. He has also served as the commissioner of an NAIA Division I conference.

Schumer looks forward to being a positive influence in the often-tumultuous minor league basketball landscape. "Our plan is to enable others to follow their passions and make a difference in their communities. We are going to give all our teams the tools necessary to build a successful operation both on and off the court. And we are committed to providing the opportunity for post-collegiate basketball players to continue the pursuit of their dream to play professional basketball. By accomplishing these goals, we will grow the MPBA as the preeminent minor league basketball league in the country," Schumer said.

More information can be found on the league’s website, www.theMPBA.com, with a full site to go live in the coming weeks. On social media, the league can be found on Facebook at Midwest Professional Basketball Association, and on Twitter at @OfficialMPBA."

Question/Comment: When can the council expect another quarterly report on Coliseum finances? It seems that they are no longer being received quarterly.

Staff Response: The City Council received the Coliseum's FY2014 Year-End report on Friday, June 27, and the media received info shortly thereafter. Council received the FY2015 1st Quarter

financials on Friday, September 5. That info was released to media today. Nora resent the 1st Quarter financials to you this morning in case they got missed initially.