

DRAFT – Minutes
CRDA Executive Committee Meeting
Connecticut Convention Center
100 Columbus Boulevard, Suite 500
Hartford, CT 06103

Thursday, May 30, 2013 – 9:00AM

PRESENT:

Directors: Board Chair Suzanne Hopgood, Vice Chairman Andy Bessette, Treasurer Ben Barnes, Secretary Pedro Segarra, Thomas Deller, Marcia LeClerc, Pamela Reed, Michael Matteo [via telephone].

Staff: Michael Freimuth, Anthony Lazzaro, Joseph Geremia, Kim Hart

Guests: Jim Marzi (LAZ Parking), Stathis Manousos (LAZ Parking), Paul Freimuth (LAZ Parking), Paul Randall (LAZ Parking)

The meeting was called to order at 9:00 A.M. by Board Chair Hopgood.

1. Budget Process Overview – Mr. Freimuth provided a summary of the CRDA budget process and timing. Mr. Freimuth explained that the CRDA operates under seven budgets with two additional budgets in the next fiscal year, from the XL Center and Rentschler Field. They include the operation of the CRDA Parking Facilities, the Central Utility Plant (CUP), and the Connecticut Convention Center, as well as budgets for the CRDA Office, Bond Indenture/Trustee, Front Street District Maintenance, and Subsidy program. Mr. Freimuth noted that all of the budgets, with the exceptions of the Connecticut Convention Center, the XL Center, and Rentschler Field would be discussed today. The last three budgets will be discussed on June 4. Mr. Freimuth explained that all budgets being presented are subject to available funding and appropriations from the State of Connecticut.
2. Parking Facilities – Mr. Freimuth introduced Mr. Geremia. Mr. Geremia reviewed the order of the budgets being presented and noted that all budgets needed Board approval prior to July 1. Mr. Geremia introduced Mr. Marzi of LAZ Parking. Mr. Marzi introduced the other LAZ Parking staff present, including Mr. Stathis Manousos, Mr. Paul Freimuth, and Mr. Paul Randall. Mr. Manousos provided an overview of the parking industry and Hartford market. Mr. Paul Freimuth explained the current rate structure and the proposed changes for FY14. Secretary Barnes commented on his concern and the need for changing the rate structure currently on a consolidated basis to a more complex garage basis. Mr. Paul Freimuth noted that he spoke with Mr. Matt Fleury, Connecticut Science Center President about creating a members rate at the Science Center garage that was well received. Mr. Randall presented the Parking Facilities revenues and expenses and explained two LAZ initiatives, the Customer Care Center rolling out and moving to a reservation payment system. Following a lengthy discussion, the Committee amended the proposed rate structure to remain on a consolidated basis.

Upon a motion by Mr. Bessette, seconded by Secretary Barnes, the Executive Committee unanimously voted in favor of recommending the amended Parking Facilities FY14 budget to the Board of Directors for consideration.

3. CRDA Office – Mr. Freimuth explained that the FY14 budget is impacted with three one-time expenditures: replenishment of operating reserves for transition expenses from CCEDA to CRDA; replenishment of the insurance deductible reserve; and the funding of a reserve for benefit/personnel contract obligations. Mr. Geremia presented the CRDA office revenues and expenses. The Committee held a brief discussion.

Upon a motion by Mr. Bessette, seconded by Secretary Barnes, the Executive Committee unanimously voted in favor of recommending the proposed CRDA Office FY14 budget to the Board of Directors for consideration.

4. Central Utility Plant (CUP) – Mr. Geremia explained that the CUP expenses are financed through the three facilities that it supplies heating and cooling capabilities to: the Connecticut Convention Center, the Connecticut Science Center, and the Marriott Hotel – Hartford. Mr. Freimuth explained that the Committee would see the funding of these expenses as well as the Parking Facilities when the Bond Indenture/Trustee budget was presented. The Committee held a brief discussion.

Upon a motion by Mr. Bessette, seconded by Mayor Segarra, the Executive Committee unanimously voted in favor of recommending the proposed CUP FY14 budget to the Board of Directors for consideration.

5. Bond Indenture/Trustee – Mr. Geremia reiterated that this budget contained the funding of the expenses for the Parking Facilities and the CUP as previously presented as well as expenses related to the bond financing and debt service. The Committee held a brief discussion.

Upon a motion by Mr. Bessette, seconded by Mayor Segarra, the Executive Committee unanimously voted in favor of recommending the proposed Bond Indenture/Trustee FY14 budget to the Board of Directors for consideration.

6. Front Street District Maintenance – Mr. Freimuth explained that this budget is essentially in two parts; one for the continuation of the Front Street district maintenance, and two for the funding of new tenant-related construction. Mr. Freimuth noted that the district maintenance reserve is budgeted to be reduced as the new tenant-related construction was funded in prior fiscal years. The Committee held a brief discussion.

Upon a motion by Mr. Bessette, seconded by Mayor Segarra, the Executive Committee unanimously voted in favor of recommending the proposed Front Street District Maintenance FY14 budget to the Board of Directors for consideration.

7. Subsidy – Mr. Freimuth explained that this budget or area of responsibility was taken over from the GHCVB at which time CCEDA inherited a deficit balance of approximately \$600,000. Mr. Freimuth offered to the Committee an education series on the Subsidy program and how it is managed. Mr. Geremia noted that the Subsidy program is nearly fully reserved for all offers through FY17 and is working on fully reserving for the offers through FY19. The Committee expressed interest in determining the program's economic impact and excitement in the future opportunities related to this program.

Upon a motion by Mr. Bessette, seconded by Mayor Segarra, the Executive Committee unanimously voted in favor of recommending the proposed Subsidy FY14 budget to the Board of Directors for consideration.

8. Board Chair Hopgood thanked the CRDA staff for the work involved in the FY14 budget process. Board Chair Hopgood noted that the remaining three budgets are scheduled for discussion at the June 4th Board meeting.

Motion for the Executive Committee to enter into Executive session at 10:45 A.M. to discuss personnel matters.

The Executive Committee came out of Executive session at 11:09 A.M.

Motion to adjourn at 11:10 A.M.