

**Agenda**  
**Joint City/County Commission Meeting**  
**Monday, November 9, 2015**  
**Ford County Government Center**  
**Rose Room**  
**6:00 PM**  
**Meeting # 5019**

**CALL TO ORDER**

**COUNTY COMMISSION ROLL CALL:** Chairman Gillum

**CITY COMMISSION ROLL CALL:** Mayor Warshaw

**REPORT:**

1. Long Branch Lagoon Aquatics Park Update-Report by Director of Parks and Recreation Paul Lewis
2. WSB Expo Center Horse Stalls Building Project Update-Report by County Administrator Ed Elam

**UNFINISHED BUSINESS:**

**NEW BUSINESS:**

1. 2015 “ Why Not Dodge” Sales Tax Budget-Report by Director of Finance-Nannette Pogue
2. CFAB Recommendations for Organizational Funding Applications-Report by Project Development Coordinator Melissa McCoy
3. Discussion and Appointment of New CFAB Board Member-Report by Project Development Coordinator Melissa McCoy
4. Dodge City Raceway Park Contract Agreement-Report by City Manager Cherise Tieben

**UPCOMING MEETINGS:**

1. Thursday, November 19, 2015 6:00 pm -Joint Commission Meeting- City Commissioners Chambers City Hall

**ADJOURNMENT:**

October 20, 2015

MEMO

TO: Cherise Tieben, City Manager

FROM: Nannette Pogue, Finance Director/City Clerk

SUBJECT: 2016 Special Sales Tax Project Budget

In your packet of information is the Sales Tax Projects budget by summary. I will have the detailed budget available if any of the board members want to review it.

The Sales Tax Project Budget consists of 4 Funds:

1. Operating Fund – Which is the main fund that is broken down into five departments:
  - a. Field Sports
    1. Field Maintenance
    2. Concessions
    3. Tournament
  - b. Administration
  - c. Motor Sports
  - d. Special Events Center
  - e. Facilities Maintenance
2. Sales Tax Fund-Depreciation and Replacement
3. Sales Tax Fund-Organizational Funding
4. Debt Service Fund

#### **SALES TAX PROJECT – OPERATING FUND**

The revenue that funds the Sales Tax Fund is a ½ cent City Sales Tax and a ½ County Sales Tax. Projected revenue in the Sales Tax Project Fund for 2016 is \$6,135,000. Since the sales tax has decreased year to date, I have budgeted approximately the same amount for 2016 as was collected in 2014. The other revenues that fund this budget are interest on idle funds, sign sponsorships, and athletic field sports revenue.

The total Field Sports Operations budget for 2016 is \$611,345. The Field Sports Operations budget includes the Field Maintenance, Concessions, and Tournaments (which is the contract with Southwest Sports).

## **Field Maintenance**

The field sports budget includes:

Personal Services	235,645
Contractual	90,850
Commodities	80,850
Capital Outlay	57,000

The Personal Services, Contractual and Commodities line items reflect normal operating costs and reflect no major changes or increases from the 2015 budget. The Capital Outlay are proposed requests by the department. The following items are included in the proposed capital outlay:

Replace Scoreboards - \$12,000  
Large Area Turf Mower - \$45,000

## **Athletic Field Concessions**

There is no budgeted expenditure in 2016 for concessions. Proposals were solicited in 2012 and the contract for concessions at the baseball, softball and soccer fields was given to Southwest Sports.

## **Athletic Fields Tournaments**

There is budgeted \$147,000 for Athletic Fields Tournaments. This amount reflects the current contract with Southwest Sports Association which includes \$100,000 for the contract of promoting and holding tournaments at Legends Field, \$25,000 and for the A's mini camps plus \$1,000 per tournament. The tournament compensation back to the Sales Tax Projects Fund is \$17,000 per year for concessions and field rental. An additional \$30,000 is being requested to have a similar contract for Soccer Tournaments. The soccer fields are being used constantly during the soccer season. We have the opportunity to host several soccer tournaments during the season.

## **Sales Tax Project Administration**

The Administration Division includes Administrative costs, legal fees and other, organizational funding, and debt service.

Included in the Administration budget is \$150,000 for City Administration costs. The budget for legal fees and other contractual costs is \$25,300. The organizational funding account is budgeted at \$710,000. The actual amount will need to be formally approved by the CFAB and City/County Commissions at a later date. \$3,307,000 is budgeted for debt. This reflects \$2,610,000 for the bonds issued to fund the Special Events Center and

\$695,000 for the bonds issued to fund the aquatics facility. \$345,000 is budgeted to transfer into the Depreciation and Replacement Fund.

### **Special Events Center**

\$830,752 is budgeted for the operating costs of the Special Events Center. In addition to the operations budget an additional \$203,690 is being proposed for capital improvements. I would recommend this be reduced to \$150,000. The \$150,000 is what is included in the proposed budget numbers. This capital will need to be considered by the CFAB. In addition to the operations of the Special Events Center \$40,000 is proposed for insurance for the United Wireless Arena and Conference Center and \$5,600 is budgeted for electricity for an LED sign.

The capital items being requested by the United Wireless Arena are:

Replacement computer-Event Coordinator – 1,500  
Parking lot surveillance - \$5,000  
Facility surveillance - \$5,000  
IPads for Marketing and iPad displays - \$4,500  
3 Section Freezer in Kitchen - \$5,000  
Popcorn popper for concessions - \$6,000  
Rubber mats for concessions - \$7,500  
Additional registers, Micros - \$6,500  
Bar or beer portable - \$8,500  
Replace computers, Operations - \$7,000  
Smokers poles 20 @ 250 - \$3,000  
Bike Rack – 1,500  
Restrain concourse floor- Brak Hard concrete - \$25,000  
Drapes/blinds in conference center - \$20,000  
Replace carpet squares in conference center - \$35,000  
Increase/replace skating inventory & update rack system - \$2,000  
Cover downspouts around building 9 @ 1,200 - \$3,600  
Upgrade furniture in conference center and in dressing rooms - \$13,400  
Replacement radios 10 @ 365 - \$2,650  
Facility Maintenance software program - \$5,540  
Upgrade/Overhaul BCS systems control - \$5,000  
Bowl emergency lighting upgrade to LED - \$7,500  
Balcony lighting - \$7,000  
Chiller compressor overhaul - \$6,000  
Replacement computer for Box Office Manager - \$1,500  
LED Screen/Board - \$7,500

The Business Plan for the United Wireless Arena for 2016 is also included in your packet.

## **Racetrack**

The Dodge City Raceway Park budget is at \$319,900. This includes a contract with USAC to conduct major events and local shows (approximately 16) in the amount of \$200,000. It also includes: temporary position during the racing season to take care of buildings and grounds; insurance; utilities; maintenance contract on the elevator; lawn care; building maintenance; event clean up; and capital projects. Some maintenance items included in the proposed budget are painting the infield tires, concrete pads for grills and taking up the tile in the pit booth. Capital outlay is budgeted at \$12,000 to upgrade the radios.

## **Facilities Maintenance**

This was a new department that was added in 2011. It was found that the contracts with the operators of the facilities focused on the operation and maintenance of the facilities. The maintenance of the grounds is outside of those contracts, so we felt it was necessary to put resources into maintaining the landscaping and parking lots. This budget includes labor and materials necessary to maintain the grounds at the Special Events Center and is in the amount of \$26,450.

## **SALES TAX FUND-DEPRECIATION AND REPLACEMENT**

In early 2010, the CFAB and City and County Commissions approved the establishment of a Depreciation and Replacement Fund for the Sales Tax Projects. The initial transfer into this fund was \$2,500,000, with an annual transfer of \$750,000. This Depreciation and Replacement Fund was set up to replace and/or improve all of the assets that were funded by the sales tax. As the discussion progressed regarding additional projects, several questions were asked as to whether or not the amount being transferred into this account was too much. We then reviewed the list of assets that were being depreciated and determined whether or not they would be replaced or if insurance would take care of the costs, or if they were completely wiped out, would they even be rebuilt or replaced. Toward that end, we took out all of the equipment, deciding when they needed replaced they would be paid for from the operating funds. We determined which parts of the buildings or complexes would actually need to be replaced or upgraded once they were worn out. After all of the items were reviewed, it was determined by staff that a more comfortable level would be at \$345,000 annually, so that is the amount being proposed to be transferred in 2016 from the Special Sales Tax Projects Fund to the Depreciation and Replacement Fund. The depreciation includes only the projects that were previously funded by the Special Sales Tax. Any additional projects that are added would result in an increase to this fund.

One project that is being proposed to be paid from this fund in 2016 is the difference in the amount financed for the aquatic facility and the amount approved by the CFAB and joint commissions. The amount budgeted in the Depreciation and Reserve Fund for this project is \$2,300,000. An additional \$100,000 is being requested for a storage building at the Special Events Center. This building will be a current building that the City recently

purchased from Post T Vac as part of the Heritage Project Development downtown. This building will be reconstructed and set out at the United Wireless Arena property and used as a storage building.

### **SALES TAX FUND-ORGANIZATIONAL FUNDING**

The Interlocal Agreement has a provision that up to 15% of the sales tax collected can be transferred into a special fund. The receipt and expenditure of these funds are a separate process which action by CFAB and the City and County Commissions approves the amount of money transferred into this fund. Applications are accepted and approved as to the amount of money spent on individual projects. The amount proposed to be transferred in 2016 is 710,000.

### **SEC REVENUE BOND FUND**

This is a non budgeted fund and it accounts for the bond reserve that is required as the result of issuing revenue bonds for the events center and the aquatics facility. It also accounts for a monthly transfer from the operating fund and funds the interest and principal payments on the bonds when they are due.

I have included a graph which shows the outstanding amount of revenue bonds each year through 2035 as well as a graph that shows the payments due each year.

If you have questions or wish additional information, please let me know.

## SALES TAX FUND - SPECIAL PROJECTS

Fund Source: 1/2% City Sales Tax; 1/2% County Sales Tax.

Guidelines: On June 10, 1997, the voters went to the polls to approve a 1/2% Citywide Sales Tax and a 1/2% Countywide Sales Tax to fund Civic Center upgrades to air-conditioning and electrical, softball facilities and complex, a motor sports track, a special events center and other projects. 1/4% City and 1/4% County sales tax went into effect on October 1, 1997. The additional 1/4% City tax was added to fund these projects in January 2000, and the additional 1/4% County tax was added in June, 1999. Currently this fund is being funded at the full 1/2% City and 1/2% County Sales Taxes.

SALES TAX - SPECIAL PROJECTS	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Unreserved Fund Balance, January 1</i>	3,115,914	3,315,003	3,772,656
<b>Revenues:</b>			
Sales Tax	4,829,937	4,690,000	4,865,000
Sales Tax	1,273,373	1,160,000	1,270,000
Interest Income	1,517	5,000	2,000
Concessions	9,188	6,000	6,000
Field Rental	5,620	7,000	6,000
Other Athletic Field Inc	18,800	7,000	11,000
Sign Sponsorships	2,000	3,500	2,000
Transfer from General Fund	0	0	0
RV Space Rental at Racetrack	275		
Sale of Scrap	0		
<b>TOTAL RECEIPTS</b>	<b>6,140,710</b>	<b>5,878,500</b>	<b>6,162,000</b>
<b>RESOURCES AVAILABLE</b>	<b>9,256,624</b>	<b>9,193,503</b>	<b>9,934,656</b>
<b>Expenditures</b>			
<b>FIELD SPORTS</b>			
<b>FIELD MAINTENANCE</b>			
Personal Services	207,006	230,330	235,645
Adj current salaries mid year + proposed raise			
Contractual	101,534	104,250	90,850
Commodities	116,297	88,350	80,850
Capital Outlay	<u>5,390</u>	<u>66,000</u>	<u>57,000</u>
Total - Field Maintenance	430,227	488,930	464,345
<b>CONCESSIONS</b>			
Personal Services	0	0	0
Contractual	98	0	0
Commodities	<u>163</u>	<u>0</u>	<u>0</u>
Total - Concessions	261	0	0
<b>TOURNAMENTS</b>			
Personal Services	0	0	0
Contractual	122,500	136,000	147,000
Commodities		<u>0</u>	<u>0</u>
Total - Tournaments	122,500	136,000	147,000
<b>TOTAL FIELD SPORTS OPERATIONS</b>	<b>552,988</b>	<b>624,930</b>	<b>611,345</b>

<b>ADMINISTRATION</b>			
Personal Services	0	0	0
Contractual	874,475	885,300	885,300
Commodities	0	300	300
Payment for Expo Center	0	0	0
Aquatics Park (to be reimbursed)	288,333	-288,333	
Transfer to Depreciation & Replacement Fund	345,000	345,000	345,000
Series A & B - Debt Service	2,568,048	2,570,000	2,610,000
Series A 2015 - Debt Service			695,000
Other Payments	<u>800</u>	<u>2,000</u>	<u>2,000</u>
<b>TOTAL - ADMINISTRATION</b>	<b>4,076,656</b>	<b>3,514,267</b>	<b>4,537,600</b>
<b>MOTOR SPORTS</b>			
Personal Services	9,042	10,800	10,800
Contractual	260,722	268,300	277,100
Commodities	9,300	14,000	20,000
Capital Outlay	12,650	6,000	12,000
Concessions	0	0	0
Reimbursed Expense	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL - MOTOR SPORTS OPERATIONS</b>	<b>291,714</b>	<b>299,100</b>	<b>319,900</b>
<b>SPECIAL EVENTS CENTERS</b>			
Contractual	1,007,318	760,000	830,752
Insurance & Electrical	877	45,600	45,600
Capital Outlay	<u>0</u>	<u>150,500</u>	<u>150,000</u>
<b>TOTAL - SPECIAL EVENTS CENTER</b>	<b>1,008,195</b>	<b>956,100</b>	<b>1,026,352</b>
<b>SALES TAX PROJECTS-FACILITIES MAINTENANCE</b>			
Personal Services	9,874	16,150	16,150
Contractual	0	500	500
Commodities	2,194	<u>9,800</u>	<u>9,800</u>
<b>TOTAL-FACILITIES MAINTENANCE</b>	<b>12,068</b>	<b>26,450</b>	<b>26,450</b>
<b>Outdoor Regional Aquatics Facility</b>			
Contractual			<u>75,000</u>
<b>TOTAL-OUTDOOR REGIONAL AQUATICS FACILITY</b>			<b>75,000</b>
<b>TOTAL EXPENDITURES</b>	<b>5,941,621</b>	<b>5,420,847</b>	<b>6,596,647</b>
<i>Unreserved Fund Balance, December 31</i>	3,315,003	3,772,656	3,338,009

## SALES TAX FUND-DEPRECIATION & REPLACEMENT

Sales Tax Fund-Depreciation & Replacement	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Unreserved Fund Balance, January 1</i>	4,648,774	4,646,184	4,854,184
Revenues:			
Transfer from Other Funds	345,000	345,000	345,000
<b>TOTAL RECEIPTS</b>	<b>345,000</b>	<b>345,000</b>	<b>345,000</b>
<b>RESOURCES AVAILABLE</b>	<b>4,993,774</b>	<b>4,991,184</b>	<b>5,199,184</b>
Expenditures:			
Capital Outlay	347,590	137,000	2,400,000
<b>TOTAL EXPENDITURES</b>	<b>347,590</b>	<b>137,000</b>	<b>2,400,000</b>
<i>Unreserved Fund Balance, December 31</i>	4,646,184	4,854,184	2,799,184

## ST FUND - ORGANIZATIONAL FUNDING

ST - ORGANIZATIONAL FUNDING	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Unreserved Fund Balance, January 1</i>	242,653	116,184	112,184
Revenues:			
Non-Govt Grants	0		
Sale of Labor and Material	46		
Transfer from CVB		72,310	85,430
Transfer from Other Funds	780,000	710,000	710,000
<b>TOTAL RECEIPTS</b>	<b>780,046</b>	<b>782,310</b>	<b>795,430</b>
<b>RESOURCES AVAILABLE</b>	<b>1,022,699</b>	<b>898,494</b>	<b>907,614</b>
Expenditures			
Personal Services	66,295	72,310	87,580
Adj current salaries mid year + proposed raise			
Contractual	582,800	710,000	713,600
Commodities	257,420	4,000	2,500
Capital Outlay			2,000
<b>TOTAL EXPENDITURES</b>	<b>906,515</b>	<b>786,310</b>	<b>805,680</b>
<i>Unreserved Fund Balance, December 31</i>	116,184	112,184	101,934

## Sales Tax Projects-Events Fund

Sales Tax Projects-Events Fund	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Unreserved Fund Balance, January 1</i>	139,381	155,066	
Revenues:			
Contributions & Donations	25,000		
Transfer from Other Funds			
<b>TOTAL RECEIPTS</b>	<b>25,000</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>164,381</b>		
Expenditures			
Contractual	9,315		0
Capital Expenditures	0		
<b>TOTAL EXPENDITURES</b>	<b>9,315</b>	<b>0</b>	<b>0</b>
<i>Unreserved Fund Balance, December 31</i>	155,066		

## SPECIAL EVENTS CENTER CONSTRUCTION

Special Events Center Construction	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Unreserved Fund Balance, January 1</i>	204,369		
Revenues:			
Interest			
Transfer from Other Funds	0		
<b>TOTAL RECEIPTS</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>204,369</b>		
Expenditures			
Transfer to Debt Service Account	204,369		0
Capital Expenditures	0		
<b>TOTAL EXPENDITURES</b>	<b>204,369</b>	<b>0</b>	<b>0</b>
<i>Unreserved Fund Balance, December 31</i>	<i>0</i>		

## DEBT SERVICE ACCOUNT

### ACCOUNT DESCRIPTION

In June of 1998, two series of Revenue Bonds were issued to fund the construction of projects voted on by the citizens of Dodge City. Series A was issued in the amount of \$6,000,000 was issued to fund the construction of a fourplex softball complex, updates to the Cavalier Field baseball complex located behind Sheridan Activity Center, construction of soccer fields, addition of air-conditioning and mechanical and other updates to the Civic Center and updates to other baseball/softball fields in the community. Construction is complete on all of these projects. The Series A Revenue Bonds were paid off early when the new revenue bonds to fund the Special Events Center were issued.

Construction of the Motor Sports Complex was completed in 2000 and the bonds issued for financing the proejct were paid off in 2008.

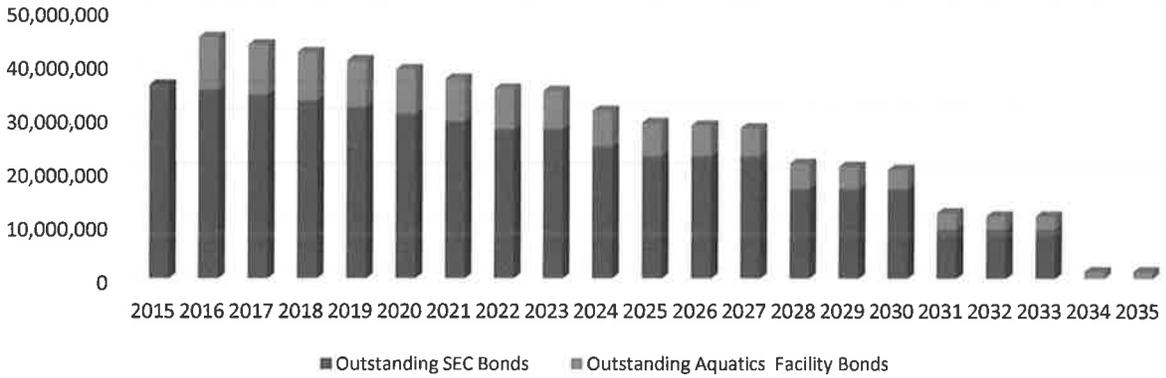
New Revenue Bonds were issued in 2009 to fund the Special Events Center. The Revenue Bond was issued in the amount of \$40,300,000. A reserve fund and debt service fund was required to be set up.

This account services the payment of annual principal and interest payments for those revenue bonds.

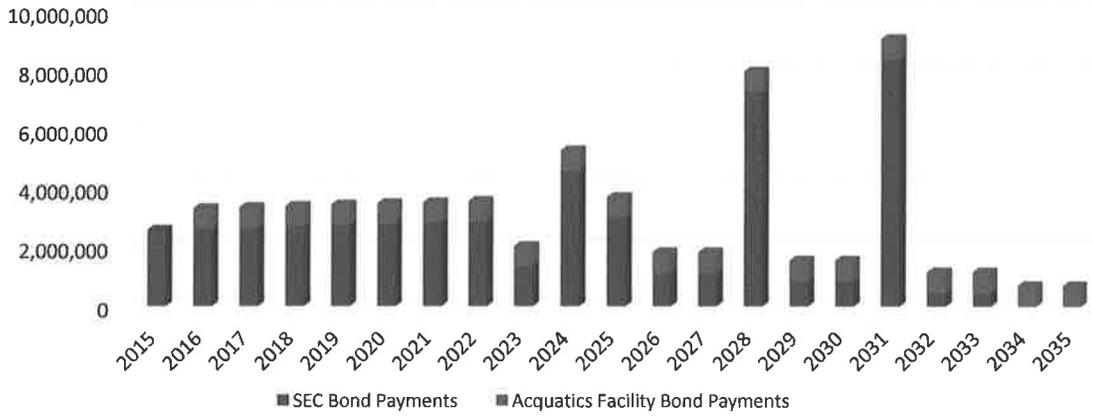
SEC Revenue Bond Fund	2014 Actual	2015 Budget or Estimate	2016 Budget
<i>Reserve for Debt Service</i>	845,932	1,098,008	
<i>Bond Reserve</i>	3,412,500	3,443,929	
Revenues:		Non Budgeted	
Investment Earnings	37,747	Fund	
Transfer from Other Funds	2,772,454		
<b>TOTAL RECEIPTS</b>	<b>2,810,201</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>7,068,633</b>		
Expenditures			
Debt - Principal	825,000		
Debt-Interest	1,701,696		
Debt Service Fees	0		
<b>TOTAL EXPENDITURES</b>	<b>2,526,696</b>	<b>0</b>	<b>0</b>
<i>Reserved Fund Balance, December 31</i>	<i>4,541,937</i>		

The graphs depict the annual payments as well as the outstanding bond amounts in future years.

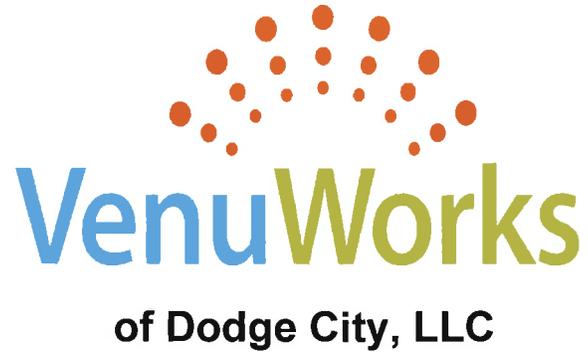
### Sales Tax Revenue Bonds Outstanding



### Sales Tax Revenue Bond Payments



*PROUDLY MANAGED BY*



## **2016 Business Plan**

4100 West Comanche  
Dodge City, KS 67801  
(620)-371-7390

[www.unitedwirelessarena.com](http://www.unitedwirelessarena.com)

**Information Regarding  
United Wireless Arena & The Conference Center  
Business Plan**

This Business Plan contains information regarding the current and planned operations and business of United Wireless Arena & The Conference Center. This Business Plan has been provided to the recipient solely for the purpose of assisting with the implementation of this business plan in accordance with procedures established by VenuWorks of Dodge City, LLC. The information in this plan should be considered proprietary information, however, it is a public record.

This Business Plan has been prepared by VenuWorks of Dodge City, LLC on the basis of internally prepared information, as well as information from public and private sources, including trade and statistical sources commonly used in the industry.

The projected information contained herein was prepared expressly for use herein and is based upon the stated assumptions and the VenuWorks analysis of information available at the time that this Business Plan was prepared. There is no representation, warranty, or other assurance that any of the projections set forth herein will be realized.

Any questions regarding the facilities should be directed to the following representatives named below.

**Christopher Ragland**  
Executive  
Director  
(620)-371-7390

**John Siehl**  
Chief Operating  
Officer  
(937)-823-3969

**Amanda Nufer**  
Director of Finance  
& Administration  
(620)-371-7805

**VenuWorks of Dodge City, LLC**  
4100 W. Comanche  
Dodge City, KS 67801  
(620)-371-7390  
[www.unitedwirelessarena.com](http://www.unitedwirelessarena.com)

## **Executive Summary**

United Wireless Arena & The Conference Center are Southwest Kansas' premier sports, entertainment, and conference centers. United Wireless Arena & The Conference Center operate within the highly competitive conference, entertainment and meeting industry.

Located in Dodge City, Kansas, United Wireless Arena & The Conference Center opened to the public on February 17, 2011. The facility has seen a wide variety of major touring shows and increased meeting/conferences in its 5 years of operation. With the guidance of the City of Dodge City and Ford County, the venue has become a formidable competitor as a regional destination with a reputation of first-class quality service and high value in the products delivered. VenuWorks is continuously exploring opportunities to meet the needs of all clients in a competitive environment. With a dedicated staff of professionals whom are empowered to make every event the best possible experience for all of the venue guests, United Wireless Arena & The Conference Center are positioned to maintain current clients and attract new ones for years to come.

As we evaluate the regional facilities and industry trends, we see there are continued opportunities for United Wireless Arena & The Conference Center. Southwest Kansas is a vibrant area and Dodge City has established itself as a regional hub for surrounding communities. Coupled with a first-class facility and an established facility built to serve our residents and visitors alike, United Wireless Arena & The Conference Center fill a much needed niche in regional entertainment, sports, and meeting needs. As one of the newest in a large number of regional facilities, we are establishing ourselves to grow our position within Kansas as a destination for conferences and national touring shows.

The objective of this Business and Marketing Plan is to continue to increase and diversify the event load for the entire venue. This objective will increase revenues for the facilities and it will ensure that United Wireless Arena & The Conference Center are able to realize the economic impact goals for the area. In order for the facilities to remain viable for the foreseeable future, we are continuously exploring new revenue opportunities and ways to be more efficient.

### **Food and Beverage**

With food and beverage operations part of our in-house operation, we have established not only a great revenue center, but have put United Wireless Arena & The Conference Center management in control of the quality and presentation provided. Our five years of operation have received wonderful feedback on food quality, selection, and client satisfaction. While our efforts in providing a great product have been well received, we continue to improve our sales efforts to attract more business, be more competitive, and make available the arena and conference facilities and services to more people. More people create more business, more visitors to the Dodge City area, and continued improvement to our bottom line. While we have seen growth in all areas of sales, we will continue to evaluate and rework menus and offerings to meet the changing needs of the customers of the facilities. We look to maintain and grow the level of quality of food and service at United Wireless Arena & The Conference Center. By doing so, our vision is to set the bar high for the entire region as we continue to strive for excellence.

## **The Conference Center**

The Conference Center's design, layout, and location in Dodge City provides great sales and event possibilities that are only limited by the imagination. Because the Conference Center is available to use multiple space configurations, it has grown in demand and event load over the last five years. Being directly attached to the arena allows for combined efforts and expanded exhibit spaces. We will continue to pitch multi-day events and regional events as well as take advantage of Arena events and related space needs such as quinceaneras. We have also partnered with the Boot Hill Casino & Resort in offering concerts on a smaller scale to be held in the Conference Center, and have had Dinner Show type events called the Dodge City Supper Club monthly in 2015.

We are proceeding with updated sales material to provide individual packaged products to make the sales and purchasing process easier. We are also evaluating the physical structure of the facility to improve our sellable space and to be able to accommodate the requests for larger weddings and meeting functions. We continue to better utilize our mezzanine/club level area of the arena increasing usage of that space. We have also started using the Event Garden separating the Conference Center from the Casino for weddings and smaller get-togethers.

United Wireless Arena & The Conference Center is now in a much better position to attract regional and even national events and we have become more aggressive to capitalize on future efforts. We continue to work with the CVB and area hotels to increase availability of room inventory necessary for larger, multi-day conventions and conferences. In March 2015 the Arena and Conference Center hosted the National Mennonite Conference. This Conference spanned three days and had a total attendance of 4,100. As part of this Conference our Food & Beverage department provided four meals to an average of 1,400 people each meal. This National Conference has already requested we hold space for them for their 2017 Conference. We are actively combining sales efforts with the CVB staff, and the growth of long-range bookings will secure our business model for the Conference Center. As an example, we are working closely with all the stakeholders to ensure the success of the Kansas Recreation and Parks Association Conference in 2016.

The Naming Rights for The Conference Center has been an issue during 2014 and 2015. The plan for 2015 was to have a name on the Conference Center by April. As of September 2015 we are in negotiations with a regional business to add their name to the building as soon as possible.

## **United Wireless Arena**

The last five seasons of events has continued to establish event history at the United Wireless Arena, creating a track record for regional, national, and family show promoters. This is instrumental when establishing our venue as a viable, regional facility. We will continue to diversify our events for economic and public relation benefits working to bring more event activity to Southwestern Kansas. The indoor football team, the Dodge City Law, which utilizes office space in the arena as well as play all their home games in the Arena, had a successful inaugural season in 2014 and 2015 looks to be as successful. We hosted the Dodge City High School TOC basketball tournament as well as the SPIAA basketball tournament again in 2015, and look forward to hosting each again in 2016. We hosted our first State Basketball Tournament in March 2015 with the Division 2, 1A State Tournament. We look forward to hosting this event again in the future. We will once again host the Gunsmoke Wrestling tournament (twice in 2015) as well as the USA Wrestling tournament, which bring in kids from all over Kansas to compete. We will continue to pursue events such as high school tournaments, collegiate tournaments, and exhibition games / matches.

For the concert fans, we will continue to build on the events that we have hosted at United Wireless Arena. We have worked hard to establish our relationships with regional and national promoters and agents as well as continuing to purchase events when appropriate. With the support of VenuWorks Events & Entertainment Division and the City "Entertainment Fund", we will collectively look at the best opportunities and work to influence more show activity at the facility.

Diversity will be important in the types of events and we will try to influence routing and booking patterns to draw artists and sell tickets. Increased competition by regional casinos, outdoor festivals, and other regional facilities will continue to have an impact on our concert bookings. We have realized some successes with comedy tours, country, rock and Christian acts, and we will continue our efforts to appeal to all genres and to all tastes.

We will also continue to work to inform, educate, and develop the regional ticket buyer to improve the overall attendance at our events.

## **Events Center Snapshot**

The following is a snapshot of the setup and projected structure of United Wireless Arena & The Conference Center as it relates to governance, staffing, rates, and booking guideline.

### **A. CITY OF DODGE CITY & FORD COUNTY**

United Wireless Arena & The Conference Center directly reports to the City of Dodge City. The City of Dodge City supplies information to Ford County Officials.

PROUDLY MANAGED BY



### **B. VENUWORKS, INC.**

VenuWorks, Inc. has been retained by the City of Dodge City & Ford County to provide ongoing management for the United Wireless Arena & The Conference Center. The original management agreement contract commenced on January 1, 2011 and was renewed to continue through December 31, 2019.

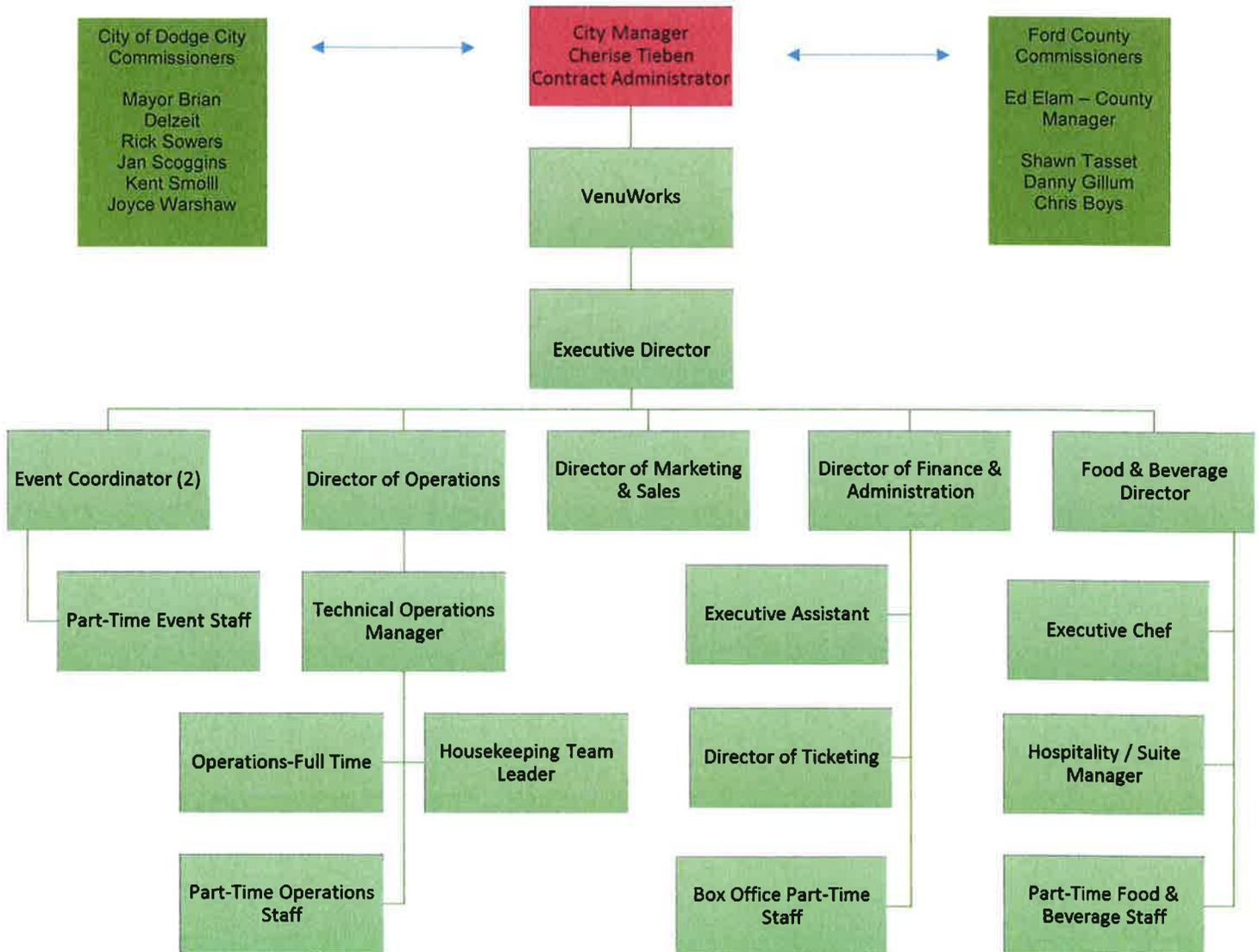
VenuWorks will continue to use its management, marketing, programming, and operational services to maximize the utilization of the UWA/CC. VenuWorks develops the operating budget with approval by the City Manager, provides monthly status and financial reports to the City, and provides an annual business marketing plan and annual financial report.

VenuWorks corporate office, located in Ames, Iowa, provides on-going support through site visits throughout the year, monthly booking and marketing calls and weekly scheduled phone calls between UWA/CC Executive Director and VenuWorks Regional VP.

### C. UNITED WIRELESS ARENA & THE CONFERENCE CENTER

Below is a layout of the current organization chart at United Wireless Arena & The Conference Center as it relates to on-site VenuWorks Staffing. As our event load grows in the future, we will add staff as necessary.

**VENUWORKS OF DODGE CITY, LLC  
UNITED WIRELESS ARENA AND THE CONFERENCE CENTER  
ORGANIZATIONAL CHART**



## D. 2015 ACCOMPLISHMENTS ARENA

Entertainment Events including:

9/5/15-12/31/15	Public Skating
9/12/15-12/31/15	Youth Hockey
1/1/2015	Employee Skate Party
1/9/2015	DCHS vs Cimarron Basketball
1/1/2015	Fluffy
1/22-24/15	TOC-Basketball, Drill Team, Band
1/26-31/15	SPIAA 2015
2/6-7/15	Monster Trucks
2/14/2015	Gunsmoke Wrestling
2/20/2015	DC Law Meet & Greet
2/21/2015	DC Law Preseason
3/7/2015	DC Law vs Amarillo
3/11-14/15	1A State Basketball
3/15/2015	DC Law vs Sioux City
3/18-21/15	Church of God in Christ
3/24/2015	Sesame Street
3/28/2015	DC Law vs New Mexico
4/17/2015	Rodney Carrington
4/18/2015	DC Law vs Omaha
5/1/2015	Gala of the Royal Horses
5/2/2015	DC Law vs Salina
5/9/2015	DCCC Graduation
5/16/2015	DCHS Graduation
5/29-31/15	USA Wrestling
6/6/2015	DC Law vs Sioux City
7/18/2015	Wings & Beer
8/2/2015	DC Days Pin Drawing
8/15/2015	Ron White
8/29/2015	BOSTON
9/9/2015	Don Williams
9/15-9/18/2015	Soccer
10/3/2015	Kansas
10/25/2015	Matthew West
11/12/2015	CMT Tour
12/5/2015	United Wireless Skate Day
12/11/2015	Mannheim Steamroller
12/16-20/2015	Gunsmoke Wrestling

ATTACHED IS A FULL LIST OF EVENTS HELD IN 2015 (as of 9/1/15)

HIGHLIGHTS:

- 328 events with 403 event days (on the books as of 9/1/15)
- Hosted the Tournament of Champions for the 4th year. Will be returning in 2016
- Hosted the SPIAA Basketball Tournament for the 4th year. Will be returning in 2016
- Hosted a Speaker as part of the SPIAA Tournament. 1500 area students attended
- DC Law Indoor Football team second year with 7 Indoor Football games. Will return in 2016.
- 1<sup>st</sup> year hosting the 1A Division II state basketball tournament. Will be returning in 2016, with dates on hold for 2017, 2018, 2019, 2020 and 2021.
- Hosted the national Church of Christ in God Mennonite Conference for the first time. The group has requested we hold dates for 2016 and 2017.
- Expanded opportunities and times for Public Ice Skate
- Location for Youth Ice Hockey League
- Worked with local businesses for meetings/banquets with numerous repeat clients.
- Prepared and submitted bids for 2016 and beyond for conference and conferences that will have major hotel and space needs and produce a large economic impact for the area.
- Obtained the bid for the Annual Kansas Parks and Recreation Conference for 2016.
- Will be the host site for the Kansas Sheriffs Association Annual Conference for the 2016 Conference as well as preferred site for the 2018 and 2020 conference.
- Staff participated in the Dodge City Days Parade (taking first place for our float and “water nuke”), Parade of Lights and Chili Cook-off
- Host Site For State Conventions
- Site for the USA Wrestling tournament, a national tournament for youth wrestlers. Will be returning in 2016
- Hosted Gunsmoke National Wrestling Tournament, which will be returning in 2016, as well as a second regional wrestling tournament to be held in December 2015.
- Continue to be a site for wedding receptions and class reunions.
- Partnered with Boot Hill Casino & Resort to bring The Elvis Live! Show back to the Conference Center for the second year. We hope to grow this partnership in 2016.
- Site for the Kansas Department of Agricultural Economics Convention, Kansas Corn Growers Annual Meeting, Kansas Wheat Growers Annual Meeting, Kansas Society of Farm Managers Annual Meeting, Kansas Bankers Association meeting, as well as many insurance update meetings for regional agents.

## **E. 2016 PROGRAMMING AND SALES EFFORTS**

Our efforts in 2016 will focus on the following items:

- United Wireless Arena hosted a Professional Indoor Football team in 2014, and will continue with the 2015 and 2016 seasons. This partnership will allow the Arena to host more sporting events with six regular season football games scheduled for 2016 with potential for pre-season and post-season playoff games.
- We will continue our sales efforts in booking meetings, conferences, weddings, consumer shows, and banquets. Whether in conjunction with the Arena floor space or not, we will improve our usage of the conference center space. We will continue our sales efforts with Dodge City CVB on long-term bookings and improve our offerings and packaging as it relates

## VenuWorks of Dodge City, LLC 2016 Business Plan

to weddings, banquets, and conferences. We have established a tremendous reputation for food and beverage and will maintain and grow that area as to supplement our sales efforts.

- United Wireless Arena & The Conference Center will continue to seek out and bid on larger, multi-day regional conferences for the years 2016 and beyond and work to capture the current bids that have been given for long term events. This will take a concerted effort to garner the full cooperation of the Hampton Inn. The booking policy of the facility allows for priority booking of multi-day conferences/conferences exclusively 18 months out.
- We will continue to actively promote the Arena side of the facility to national agents, independent promoters, and to cultivate new promoters within the region. We have had both challenges and successes with the events held so far and will continue to court those promoters to bring back more events. We have made progress with family touring shows and will continue to foster these relationships with positive, profitable engagements in the upcoming year. In addition, we worked with the City to help establish an "Entertainment Fund" in 2013 that affords the facility additional leverage to work with agents and better negotiate or outright buy talent for self-promoted events. The first use of the fund was utilized to book Alan Jackson for a show February 27, 2014. In addition, the fund was utilized to book Dwight Yoakam in November 2013, Gabriel Iglesias in January 2015 and Boston in August 2015. By replenishing the fund at the beginning of each fiscal year, the City has increased the potential of hosting more events than standard promoter agreements would allow.
- A concerted attempt will be initiated to increase the diversity of programming at all our facilities. With the addition of Curtis Ray to the staff in December 2014 as Event Coordinator, we hope to branch out into the Hispanic market by booking events with a Hispanic theme or note. This process has started in 2015 with the booking of two boxing events in The Conference Center, as well as a possible indoor soccer exhibition game in September 2015. We are also looking into Mexican comedy and working on a quinceanera package for The Conference Center.
- United Wireless Arena & The Conference Center will work to create and host summertime, home-grown events at and around the facility. By utilizing our location, our staffing, and equipment, we will work to create some home-grown events that will help fill the slower summer months when most artists go outdoors to fairs and festivals. In 2015 we hosted the 3rd Annual Prairie Fire Wings & Beer, with the best turnout to date. We have also started to branch out with our Supper Club themed dinners in The Conference Center, held every other month. We will continue to look at more local events in 2016 as well as fostering partnerships with local businesses in these homegrown events.
- We will continue to work with local groups and organizations looking to grow their current events or begin new ones the Roto-Mix trade show and Winter Livestock Expo, for example.
- We will also continue to monitor and control our expenses to make sure we work towards our financial goals for 2016.
- United Wireless Arena & The Conference Center will continue to support and assist Dodge City High School and the Southern Plains Iroquois Athletic Association toward their goals in the presentation of successful sporting events. We will continue to pursue State and Regional

sporting Tournaments / Events which will positively impact the Economies of Dodge City and Ford County.

## **F. APPROACH TO MARKETING**

- One day at a time: We will continue to actively promote the use of the conference center facilities to local and regional users with a focus on the one-day event. Functions such as wedding receptions, holiday parties, corporate retreats & training, and other various single day events keep the conference center active with a majority of the revenue coming from the catering side of the business. We will improve and produce specific sales pieces and market directly to attract these types of events.
- Larger regional approach: Where possible, we will work to grow our market by including and involving the regional cities and outlying markets. This is an area we are striving to improve upon and need to be aggressive in finding a way to reach the people in these markets. We cannot rely just on Dodge City to support our events. In 2015 we continued focusing on a 40 county marketing target to include Western Kansas and Northern Oklahoma. We will continue to expand our reach in the years to come. Digital signage has been obtained in Dodge City, Garden City, Liberal and Woodward in 2015 and will continue to be utilized in 2016.
- Dodge City CVB & Dodge City Area Chamber of Commerce: United Wireless Arena & The Conference Center will work with Dodge City CVB and the Chamber to aggressively seek out new business opportunities utilizing established relationships.
- Governmental agencies: Dodge City has become a regional hub for goods, services, and agencies for Southwest Kansas. United Wireless Arena & The Conference Center will take advantage of previous success and those synergies to attract more government based meetings and trainings. The State of Kansas has held successful meetings at the United Wireless Arena and The Conference Center. This has opened up doors for other state agencies to hold their meetings here. The KRPA (Kansas Recreation and Parks Association) is currently scheduled for 2016 as well as the Kansas Sheriffs Association.
- Book shows, sell tickets: Marketing focus will be in selling more tickets to events in 2016. Through a variety of channels, United Wireless Arena & The Conference Center will work with promoters and pursue minimal risk events to more effectively market shows to the large target area in and around Dodge City. With the population in the region spread over a wide area, it is a challenge to effectively reach potential ticket buyers in the most cost efficient manner. Gathering information on buying habits, listening and reading habits, and the desired entertainment genres of the population will help to make those incoming promoters want to return. Utilizing social media, our website and customer satisfaction surveys will be key to gathering this information. We work with TicketMaster and have improved our abilities through technology improvements and will continue to look at our distribution capabilities to see what we can improve. We will continue our partnership with United Wireless to make tickets accessible in outlying communities including Garden City, Liberal and Greensburg. We will look into expanding that accessibility into more Western Kansas areas.

## VenuWorks of Dodge City, LLC 2016 Business Plan

- Cater to the local population: We continue to engage the core population base to include them in United Wireless Arena & The Conference Center activities to sustain the pride in their facilities.
- Partnership with Boot Hill Casino & Resort: Throughout 2013 and 2014 United Wireless Arena & The Conference Center has worked with the Casino to attract meetings and concerts/trade shows that benefit both marketing goals and bring more tax dollars to the community. We partnered in 2014 on the Highwaymen Show over Memorial Day weekend and an Elvis show over Labor Day weekend. Both were successful shows. The cooperation relationship will continue to be fostered in 2015 and beyond.
- Social Media: In addition to our Facebook page, Twitter page, Instagram page, we also plan to launch a mobile app that will allow us to push notifications for show announcements and updates to subscribers of the app. This should be launched by the end of 2015, beginning of 2016. We have also experimented with YouTube advertising for larger shows and hope to master this avenue in 2016.
- We have recently completed negotiations with several national ticketing companies regarding our national ticketing agreement. The process was very competitive, and ultimately TicketMaster submitted a proposal that surpassed their competitors, and even our own expectations. We were able to secure a deal that will net United Wireless Arena 40% of all service fees and per order processing fees. In addition, there will be no “inside charges” that independent facilities are often forced to pay, and there will be no cost for TicketMaster’s world renowned marketing expertise or their Mail Manager System. Corporately, VenuWorks is restructuring to focus more of our efforts on utilizing the market analytics available through TicketMaster. VenuWorks will create the role of Chief Marketing Officer and coordinate resources towards our digital marketing plan, which ultimately will sell more tickets for all of our managed venues.

Perhaps more exciting than the immediate financial impact of our new ticketing agreement, is the opportunity VenuWorks has to partner with Live Nation, the world’s largest presenter of live entertainment events. Specifically, in an effort to drive more programming into VenuWorks facilities, Live Nation has committed to the following steps:

- Designate a national point person as the liaison for VenuWorks corporate booking staff.
- Host a bi-weekly conference call for VenuWorks booking staff focused on sharing relative programming information.
- Conduct quarterly meetings, with representation from key Live Nation Market Presidents, to discuss the programming of VenuWorks facilities.
- Host a meeting for VenuWorks executive staff on an annual basis in Los Angeles to review the prior years’ programming results and the upcoming year’s programming opportunities & strategy. This meeting will include at least one of the Co-Presidents of North American Concerts along with representation from Live Nation’s Touring Division.

We are very excited about this new partnership and the booking advantage it will provide for each of our managed facilities, regardless of market size. It is an opportunity that is only made possible by bundling the ticketing and booking capacity of all VenuWorks managed facilities, and we are confident it will have a positive financial impact on all of our venues.

## VenuWorks of Dodge City, LLC 2016 Business Plan

Corporately, VenuWorks has initiated a program of regional booking groups that will focus our efforts on buildings with similar scope and geographic locations. United Wireless Arena will be included with similar arenas in an effort to encourage the best possible routing scenarios, and lowest possible artist fees.

- Third Party Efforts: New Boston Creative Group, a creative marketing group has been consulted to conduct a Discovery Project to evaluate our current marketing efforts and offer suggestions as to how we can improve our marketing reach.

### **G. MARKETING PLAN**

- United Wireless Arena & The Conference Center Advertising:
  - Midwest Meetings
  - Venues Today magazine
  - Regional News Papers
  - Regional Radio
  - Oklahoma and Colorado markets as we see our demographics grow there
  - Yellowbook Yellow Pages
  - United Wireless Arena Website-updated in 2014
  - Email blasts
  - Facebook/LinkedIn/Twitter/Instagram
  - Mobile App to be launched in late 2015
  - Southwest Kansas Faith and Family
  - Dodge City Chamber Newsletter
  - LEGEND magazine of Southwest Kansas
  - Dodge City Days Guide
  - Pollstar National Magazine
  - Billboard AudArena Guide
  - IAVM Venue Connect Issue
  - Facilities Magazine Super book, Booking Guide and Facilities/Destinations
  - Meetings MidAmerica – Midwest Spotlight
  - ASAE association executives planning guide
  - High Plains Journal weekly magazine
  - Digital Billboards in Garden City, Dodge City, Liberal and Woodward
- Professional Memberships and Networking  
Maintain professional industry memberships and attend monthly/bi-monthly/quarterly meetings and special events for networking opportunities and industry information. The membership includes the follow:
  - Dodge City Area Chamber of Commerce
  - Garden City Chamber of Commerce
  - International Association of Venue Managers (IAVM)
  - International Association of Entertainment Buyers (IEBA)
  - Dodge City Convention and Visitors Bureau
  - Tourism Promotion Area Meetings
- Tactics – Association, Government & Corporate/Social Markets  
Direct Sales
  - Calls to local, regional, and statewide planners

## VenuWorks of Dodge City, LLC 2016 Business Plan

- Continue to work with the Dodge City Convention & Visitors Bureau to establish Dodge City as a destination city
  - Work closely with local vendors for referrals
  - Send comprehensive proposals when RFP process has been initiated for conventions working with CVB
  - Track leads using event management system
  - Follow up on all leads using tracking system
  - Follow up with clients after their event to re-book for future years
  - Network through current clients for additional business
  - Review files and lost business for new leads
- Sales Trips  
Conduct regional sales calls in the following areas
    - Dodge City
    - Garden City
    - Liberal
- Sales Missions
    - Make sales calls to businesses
    - Conduct five Site Tours a quarter
    - Self Promote Show opportunities
    - Self Promote summer festivals, home grown events
- Annual Conferences
    - Annual conferences bring increased revenue into the area that supports the local hotels, restaurants, and retail establishments. We will work with groups to establish Dodge City as the Annual conference destination
- Attend the following conferences & events
    - International Association of Venue Managers convention – July 2016
    - IAFE Conference-December 2015/December 2016
    - Pollstar Annual Conference-February 2016
    - IAVM-Venue Management School-June 2016
    - EAMC-Event Arena Marketing Conference-June 2016
    - VenuWorks annual meetings
    - Regional events / festivals
- Sales Objectives
    - Retain and sign current partners and sponsors to reflect 2016 value increases into their new contracts.
    - Pursue new partners and sponsors selling the remaining current inventory and creating new customized packages for larger sponsors.
- Profit Objectives
    - Analyze the true industry value of current inventory and adjust price accordingly.
    - Maintain integrity of inventory value and sell for appropriate price.

## VenuWorks of Dodge City, LLC 2016 Business Plan

- Keys to Success

In order to meet the goals outlined in this marketing plan, it is important the marketing strategy does the following:

- Continue to assess and utilize physical plant and equipment for cost savings
- Assess current available signage and create attractive packaging to new sponsors and/or up-selling current partners and sponsors.
- Continue to increase communication with Media to inform them of positive and ongoing projects that will benefit the community and increase the perceived value of both buildings.
- Obtain new monies that may be available through local tax revenues to create, support and promote new major events.
- Work to obtain state grant money availability to be used for needed improvements or promotion.
- Increase signage, sponsorship, and suite value

- Promotions

This past year we have had success promoting our buildings through promoter's dollars and thereby creating a strong local media relationship and keeping them informed. We have also found success with promoting specific building events especially at the United Wireless Arena. To communicate clearly with our community and region, it is important that we present a consistent marketing message between the different marketing channels. We will integrate our marketing communication in the following categories:

- Advertising – In tandem with current promoter dollars, we have budgeted advertising dollars to promote the presence of the facilities and to advertise our own specific building events. We will be partnering with print, radio and television and internet on a number of activities.
- Public Relations and Publicity – More News Releases will be sent on a monthly basis informing the media of how our ongoing activities will impact the guest experience.
- Direct Marketing – A great deal of effort will come from the facility ticket office. This effort will look into creating a group sales network to inform and encourage spontaneous and easy ticket purchasing for large group companies. We have partnered with United Wireless and have sent out "text blasts" to United Wireless customers to promote special group sales opportunities.
- Promotions and Events – Partnering with local Radio and TV has been very limited. In most cases this is due to promoter wishes for concerts. We will attempt to offer the media a reward to their loyal listeners or viewers and will offer free or low package price to bring ticket buyers to our buildings.
- Marketing Materials – A facility brochure and technical package has been developed for promoters. To better promote the rental of the buildings and to further the updating of our website, we have hired photographers to take specific photos of different concert set ups, sets, rigging, and lighting etc.
- Online Advertising – We are using our own sites to promote events and offer information. We have advertised events on Facebook, YouTube and Twitter. Working with United Wireless we have pursued a cell phone internet texting opportunity that would promote an event. We have revamped our website with a new look that will make the site more appealing and user friendly. We have also started the process of creating an App for smartphones that will have the United Wireless Arena at their fingertips.
- Social Media promotions – We are currently utilizing Facebook and Twitter to hold ticket "giveaways" and foster more community involvement with our events. We have given away

## VenuWorks of Dodge City, LLC 2016 Business Plan

meet & greets with Rodney Carrington and Ron White through Facebook and Twitter and ticket giveaways for Gabriel Iglesias, Monster Trucks, Gala of the Royal Horses, Boston and Kansas. We will continue this process in the future, as social media seems to be the best avenue for this type of marketing.

### **H. BUSINESS OPERATIONS**

VenuWorks has obtained and will continue to maintain all licenses and permits necessary for the management and operation of United Wireless Arena & The Conference Center, subject to the State of Kansas, Ford County, and the City of Dodge City's procedures (as applicable) for the granting of such licenses and permits. In addition, we are responsible for the collection of all revenues and payment of all operating expenses including payment and remittance of applicable sales taxes. United Wireless Arena & The Conference Center maintains three separate commercial bank accounts, one for Operations, one for Box Office sales to hold escrow ticket sales and one for ATM machine transactions. These accounts are in the name of the City of Dodge City and utilize their federal identification number. Signatories include the Executive Director, Director of Finance and Director of Food & Beverage. The City Clerk also is included as a signatory. As appropriate and if available, these accounts are held in commercial interest-bearing money market accounts.

City of Dodge City has authorization at any time to obtain information and records from the bank concerning the above-mentioned accounts. The interest accrued in these accounts is to be the revenue of the City of Dodge City and applied towards operation of the facilities.

VenuWorks maintains accounting records relating to United Wireless Arena & The Conference Center using accounting practices in accordance with generally accepted accounting principles consistently applied. We will continue with our internal financial control policies and practices which are in accordance with generally accepted standards in the industry and acceptable to The City of Dodge City. The City of Dodge City has access to all accounting records and supporting documentation relating to the UWA/CC during the term and any renewal term of the contract.

VenuWorks has purchased and continues to maintain adequate commercial general liability insurance including liquor liability insurance (as appropriate), to afford protection from claims arising out of incidents occurring at United Wireless Arena & The Conference Center with limits of liability acceptable to the City of Dodge City and Ford County. VenuWorks also carries adequate workers compensation insurance, automobile liability insurance, umbrella and excess liability insurance, fire and extended insurance coverage for items of personal property, equipment, and fixtures, and crime insurance with limits acceptable to the City of Dodge City and Ford County. VenuWorks also requires event insurance be obtained for all events that are held in the Arena or Conference Center.

We also require subcontractors who perform work or services under this agreement to meet the same insurance requirements as required of VenuWorks. VenuWorks of Dodge City, LLC, the City of Dodge City, Ford County, their officers and employees will be named as additional insured on VenuWorks' and any subcontractor's policies and certificates of insurance. VenuWorks will also furnish UWA/CC with certificates of insurance and a copy of our policies if requested. All insurance will remain in effect during the life of the contract.

## VenuWorks of Dodge City, LLC 2016 Business Plan

VenuWorks will continue to manage the food and beverage operations in-house at United Wireless Arena & The Conference Center. The philosophy behind this business decision is to maximize the revenue generated from this operation and return it to the facility rather than share it with an outside third party contractor. From a customer service standpoint, managing catering and concessions in-house allows VenuWorks to have much greater control and confidence in the quality of the products being served and in the quality of the service provided by its employees. VenuWorks may partner with 3<sup>rd</sup> party vendors to enhance operation if warranted.

### **Published Conference Center/Arena Rack Rates (2015)**

½ Single	\$90.00
Single Room	\$175.00
Half of Conference Center	\$350.00
¾ Conference Center	\$525.00
Full Conference Center	\$700.00
Executive Meeting Rooms in Arena	
Jack Dalton Room	\$125.00
High Plains Journal Meeting Room	\$125.00
Club/Suite level concourse	\$200.00
Miscellaneous Charges	
Ice Time	\$250.00 per 90-minute use
Move-in Day	\$100.00 in addition to the above listed rent
Move-out Day	\$100.00 in addition to the above listed rent
Extra Hours	\$100.00 per hour
TULIP Insurance (estimate)	\$200.00

### **Published United Wireless Arena Rack Rates**

#### **Arena (Ticketed Event)**

Base Rent: \$5,000 minimum vs. 10% of Gross Ticket Sales (whichever is greater) + Reimbursed Event Expenses

Load-In/Load-Out/Rehearsal Days: \$1,500 + Reimbursed Event Expenses

Box Office Fee: \$300 minimum vs. 3% of Gross Ticket Sales

*(Gross Ticket Price includes all applicable sales tax, does not include facility fee)*

Facility Fee/Parking Fee: \$4.00 per ticket Will be added to base ticket price

#### **Arena (Non-Ticketed Event)**

Base Rent: \$3,500 per day + Reimbursed Event Expenses

Load-In/Load-Out Days: \$1,000 + Reimbursed Event Expenses

TULIP Insurance: estimate \$200

Box Office Fee: N/A

Facility Fee: N/A

Effective as of 1/1/2015. Prices subject to change without notice.

**EQUIPMENT RATE SHEET**

10x14 Front Projector or Rear Projector Screen	\$50.00
2K Supertroopers (6 available) (operator separate charge)	\$150.00
Arena Clean Up Fee	\$1,000.00
Arena Set Up/Tear Down Fee (subject to change)	\$1,000.00
Bike Rack 8' Section	\$10.00
Booth 10'x10' W/Pipe and Drape {2} Chairs and {1} 8' Skirted Table (1)-110 v service	\$50.00 per booth
Carpet (per foot)	\$9.00
CD Player	\$25.00
Chairs**	\$1.00
Cocktail Table	\$5.00
Concert Barricade	\$150.00
Concert Stage 4'x8' Sections	\$8.00
Concert Stage 60'x40' Maximum Size	\$400.00
Conference Center Room set up fee**	\$50.00
Curtains Half House Coliseum Only	\$500.00
Dance Floor 30' x 30' Max.	\$200.00
Dry Erase Board	\$10.00
Easel	\$5.00
Flipchart	\$25.00
Flipchart Paper	\$25.00
Fork Lift (operator separate charge)	\$175.00
Hardwire Internet Connection-Arena	\$75.00
Hardwire Internet Connection-Conference Center	\$15.00
High Speed/ Special Drop	\$75.00
Laptop Computer	\$35.00
Laptop Powerpoint Clicker	\$5.00
Linens/Napkins (Black & White-non food event)**	\$2.00
Linens/Napkins (Colored)	\$7.00
Microphone, Hard Wired (with house sound)	\$10.00
Microphone, wireless or lapel (with house sound)	\$10.00
Photocopies	\$0.20 (b&w) \$0.50 (color)
Pipe and Drape- 3' High	\$6.00 per section
Pipe and Drape- 8' High	\$6.00 per section
Podium	\$10.00
Podium with corded microphone	\$20.00
2200 Lumen Projector	\$50.00
Projector Screen	\$50.00

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Ribbon Board/Ad Panel (operator separate charge)	\$100.00
Riser (per 4' x 8' section)	\$8.00
Sound Board (operator labor extra)	\$50.00
Table 5' Round**	\$5.00
Table 8'***	\$5.00
Table Skirt & Linen (per table)**	\$6.00
Table Skirt 30" (per table)**	\$2.00
Telephone Conference Unit	\$25.00
TV/DVD Player	\$25.00
Video Board no live stream (DVD) (operator separate charge)	\$200.00
Wireless Internet Connection	\$15.00
Wireless Microphone (with house sound)	\$10.00
Changes (made day of event)	\$50.00

\*Tables, chairs and room set-up are included in Conference Center room rental rates

\*Black or white linens are included in the price of catering for Conference Center

Rates are based on upon equipment ordered and finalized two weeks prior to your event. Additional charges will be applied to equipment/changes ordered the day of your event.

Our facility will set up all equipment rented throughout the United Wireless Arena & The Conference Center; however it does not include a technician during your event without additional charges.

You are welcome to bring in your own audio/visual equipment for your Conference Center event

Effective 1/1/2015. Prices subject to change without notice

Effective 1/1/2015. Prices subject to change without notice.

**LABOR RATE SHEET**

Conversion Supervisor.....	\$16.00 per hour
Conversion Staff.....	\$13.00 per hour
Front of House Staff (ushers, ticket takers, greeters, receptionist).....	\$13.00 per hour
Event Operations (audio/visual techs, general oversight).....	\$16.00 per hour
Event Peer Security (door guards).....	\$13.00 per hour
Contracted Security.....	\$20.00 per hour
Event Custodial Attendants.....	\$13.00 per hour
Event Custodial Supervisors.....	\$16.00 per hour
EMT First Aid Attendants (2 required).....	\$75.00 per hour
Police.....	\$45.00 per hour
Video Display System Producer.....	\$50.00 per hour
Video Display System Control Crew.....	\$35.00 per hour
Video Display System Camera Operators.....	\$35.00 per hour
Electrician.....	\$45.00 per hour
Engineer.....	\$45.00 per hour
Arena House Sound & Lights Operator.....	\$20.00 per hour
Follow Spotlight Operators.....	\$20.00 per hour
Stagehands (Loader, Pusher, General Hand).....	\$20 p/h straight time
Stagehands (Riggers).....	\$42 p/h straight time
Forklift Operator .....	\$20 p/h straight time
Coat Check Attendant (1=100 guests) .....	\$40.00 per event
Bartender.....	\$80.00 per event
Cake Service .....	\$50.00 per event
Hospitality Labor (events less than 25 people).....	\$50.00 per event

As of 1/1/2015. Prices subject to change without notice.

## **I. Financial Operating Plan**

The Financial Operating Plan for 2016 is attached in budget worksheet format. The operating plan encompasses the Business Plan into a financial plan with budget goals for both revenue and expenses.

The 2016 Financial Operating Plan for the year has total operating revenues of \$ 3,014,129 and projected expenses of \$ 3,844,881. This results in a net projected subsidy of (\$830,752). The budget is based on five full years of actual historical performance numbers. The Affordable Care Act will begin to take effect on our payroll starting 2016. VenuWorks would also like to see loyal part time staff be rewarded with small wage increases in 2016. Both of these increases are reflected in this budget. Also taken into account are the number of events increasing because of the new Indoor Football team games and the increased number of concerts held in 2015 and planned for 2016. It is United Wireless Arena & The Conference Center's hope that with these increased number of events, incomes will also rise as expenses do. To be conservative we have budgeted according to past event expense/income numbers. Another issue that has arisen in 2014 and will continue into the future is the increased costs of upkeep of the infrastructure of the building and its equipment, such as HVAC units, lighting issues, ammonia plant and repairs to the ribbon board. A lack of storage in the building has become an issue.

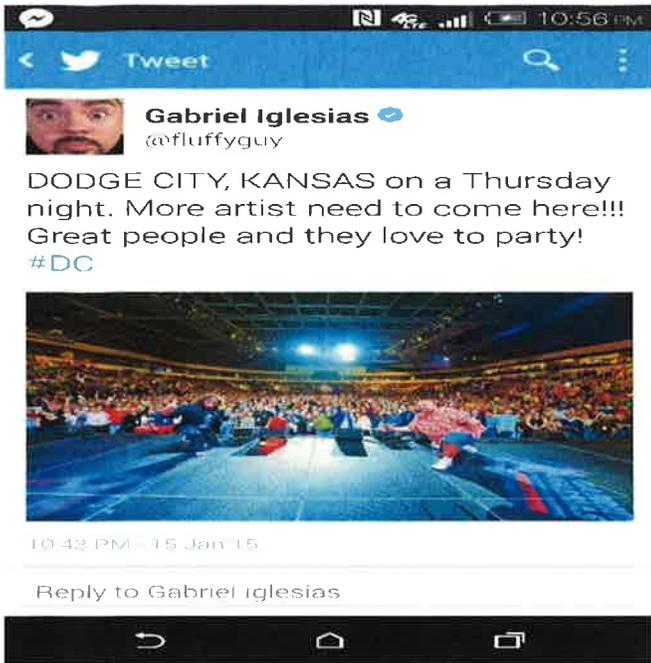
### **Goals of the Financial Operating Plan**

- Maximize revenue from all sources to achieve projected revenues dollars.
- Use every effort to keep expenses under projected expense dollars.
- Host various region academic graduations, religious services, and meetings.
- Work with promoters and national and local agencies to present a minimum of fifteen entertainment events such as family shows, sports shows, comedy shows, concerts, and stage presentations.
- We will continue to look at promoting in-house as necessary to meet the demand for ticketed concert events. We will evaluate and analyze to eliminate as much risk as possible and include the City as part of the decision making process, utilizing the City's "Entertainment Fund".
- Increase regional appeal and overall attendance.
- Increase number of conventions held at facility.
- Increase Group Sales for ticketed events
- Increase food and beverage revenues.
- Use technology for cost savings through energy, labor and equipment.

## VenuWorks of Dodge City, LLC 2016 Business Plan

	<u>Jan - Dec '16</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
5000 · Facility Rent Revenue	280,050.00
5001 · Ticket Revenue/Co-Pro Revenue	1,100,800.00
5002 · Facility Fee/Ticket Rebate	168,700.00
5003 · Ticket Office Revenue	810.00
5004 · Concession Revenue	291,740.00
5005 · Merchandise Revenue	13,000.00
5006 · Catering Revenue	602,525.00
5007 · Reimbursed Event Labor	19,100.00
5008 · Reimbursed Contract Labor	100,900.00
5009 · Reimbursed Expenses	126,750.00
5010 · Reimbursed In-House Equipment	50,900.00
5014 · Reimbursed Insurance Revenue	43,125.00
5012 · Vending Income	0.00
5013 · ATM Revenue	720.00
5015 · Contractual Income	461,517.00
5019 · Interest Income	120.00
5020 · Ice Revenue	44,000.00
5021 · Room Change Charge Revenue	0.00
<b>Total Income</b>	<u>3,304,757.00</u>
<b>Cost of Goods Sold</b>	
50000 · Cost of Goods Sold	<u>290,628.00</u>
<b>Total COGS</b>	<u>290,628.00</u>
<b>Gross Profit</b>	3,014,129.00
<b>Expense</b>	
7000 · Personnel Services	1,492,478.00
8000 · General & Administrative	120,150.00
8030 · Occupancy	663,240.00
8050 · Travel and Motor Vehicle	20,520.00
8060 · Event Expenses	1,196,310.00
8080 · Food & Beverage Expense	60,000.00
8090 · Services/Operations	<u>292,183.00</u>
<b>Total Expense</b>	<u>3,844,881.00</u>
<b>Net Ordinary Income</b>	-830,752.00
<b>Other Income/Expense</b>	
<b>Other Income</b>	
9011 · City Subsidy	<u>830,752.00</u>
<b>Total Other Income</b>	<u>830,752.00</u>
<b>Net Other Income</b>	<u>830,752.00</u>
	<u><u>0.00</u></u>

# VenuWorks of Dodge City, LLC 2016 Business Plan



Gabriel Iglesias



Tournament of Champions



Conference Center Wedding



DC Law Football



Monster Trucks



Chamber Banquet



Gala of the Royal Horses



DCHS Graduation



Battle on Boothill Boxing



Church of God in Christ convention



Boston



Don Williams

# CFAB

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PO Box 880    □    Dodge City KS 67801    □    Phone: 620/225-8100    □    Fax: 620/225-8144

## Memorandum:

**To:** City Manager, City Commissioners, County Administrator and County Administrations

**From:** Community Facility Advisory Board

**Date:** November 9, 2015

**Subject:** *CFAB Recommendations for 2016 CFAB Organizational Funding*

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**Recommendation:** The Community Facility Advisory Board (CFAB) recommends approval of the 2016 CFAB Organizational Funding Requests as submitted.

### **Background:**

CFAB met on October 28, 2015 to review and make recommendations on the 2016 Organizational Funding Applications. The requests and recommendations for funding are follows:

### **2016 CFAB Organizational Funding Requests**

*Total Funding Available \$110,000*

- Dodge City Area Arts Council: **\$15,000**
- Dodge City Roundup: **\$54,800**
- Dodge City Trail of Fame: **\$30,000**
- Ford County Historical: **\$10,000**
- Kansas Teachers Hall of Fame: **\$20,000**
- Young Guns Youth Rodeo: **\$14,325**

### **CFAB Recommendations:**

**\$12,987**

**\$31,500**

**\$27,000**

**\$10,000**

**\$12,366**

**\$14,325**

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**Total Requests:**  
**\$144,125.00**

**CFAB Recommended Funding:**  
**\$108,178.00**

### **Justification:**

The CFAB recommendation is based on the amount of funding available.

### **Financial Considerations:**

The total available funds for 2016 Organizational Funding is \$710,000. The City and County recommend as a priority per the Inter-local agreement an amount not to exceed \$600,000 for funding costs and expenses of the County owned Expo Center and the City owned Santa Fe Depot

or other Master Tourism implementation projects. This total amount shall be allocated one-half to the County and one-half to the City.

In addition, any Kansas not-for-profit, tax exempt corporation, organization with its principal offices located in Ford County and the principal function of which is to promote and or/preserve the western heritage of Dodge City and Ford County, the promotion of tourism and attracting visitors and conventions to the area through the construction and/or maintenance of public facilities and or conducting public activities may submit a request for the remaining funds in the Organizational Funding account. The total amount of funding requests from these organizations for 2016 is **\$144,125.00**. Based on the funds available and funds requested, CFAB recommends funding in the amount of **\$108,178.00**.

**Legal Considerations:**

This recommendation meets the criteria set forth per the Inter-local Agreement.

**Attachments:**

Summary of 2016 Organizational Funding Requests

**Summary of Individual Organizational Funding Requests:**

Listed below is a summary of the individual Organizational Funding Requests. City Staff contacted each of the entities prior to the CFAB meeting to determine priorities for funding requests. The priorities are highlighted.

**Applicant:** Dodge City Arts Council

**Requested Grant Amount:** \$15,000.00

**Matching Funds:** \$155,350.00

**Total Project Costs:** \$190,355.00

**Proposed Project:**

- \$9,487.00 Insurance (priority)
- \$5,513.00 Window Restoration

**Applicant:** Dodge City Roundup

**Requested Grant Amount:** \$54,800.00

**Matching Funds:** \$12,650.00

**Total Project Cost:** \$67,450.00

**Proposed Projects:** (listed in order of priorities)

- \$3,800.00 Sound Technician Building
- \$17,700.00 Livestock Holding Area
- \$10,000.00 Contestant Payout
- \$23,300.00 Horse Stalls

**Applicant:** Dodge City Trail of Fame

**Requested Grant Amount:** \$30,000.00

**Matching Funds:** \$50,270.00

**Total Project Cost:** \$80,250.00

**Proposed Projects:**

- \$15,000.00 Contract Labor for Special Deputy US Marshal Charlie Meade (Priority)  
\$15,000.00 Continued Seed Money for next Trail of Fame Statue, James Arness as "Matt Dillon." (But also request funds for the statue)

**Applicant:** Ford County Historical Society

**Requested Grant Amount:** \$10,000.00

**Matching Funds:** \$14,000.00

**Total Project Cost:** \$24,000.00

**Proposed Projects:**

- \$8,145.00 Operations Priority
- \$1,855.00 Social Media Expansion

**Applicant:** Kansas Teachers Hall of Fame

**Requested Grant Amount:** \$20,000.00

**Matching Funds:** \$20,001.00

**Total Project Cost:** \$40,001.00

**Proposed Projects:**

- \$4,095.00 Flooring **Priority**
- \$15,268.00 Awning
- \$637.00 West Wall Paint

**Applicant:** Young Guns Association

**Requested Grant Amount:** \$14,325.00

**Matching Funds:** \$64,000.00

**Total Project Cost:** \$74,435.00

**Proposed Projects:**

- \$12,125.00-Operations (Costs below for five weekends)

<u>Building rent WSB Expo</u>	<u>\$550</u>
<u>Sound System</u>	<u>\$150</u>
<u>Secretary</u>	<u>\$500</u>
<u>Judges</u>	<u>\$600</u>
<u>Insurance</u>	<u>\$125</u>
<u>EMT</u>	<u>\$300</u>
<u>Tractor</u>	<u>\$200</u>

**Young Guns Association Request Continued**

- \$2,200.00 –Start Up Cost

<u>Computer</u>	<u>\$400</u>
<u>Charlie Horse computer Program</u>	<u>\$300</u>
<u>Timers</u>	<u>\$1,000</u>
<u>Poles</u>	<u>\$200</u>
<u>Barrier and other supplies</u>	<u>\$300</u>

Years	Amounts	Boot Hill Museum	Dodge City Roundup	Dodge City Area Arts Council	Trail of Fame	Ford City Historical Society	Windthorst	Teachers Hall of Fame	DC300	Depot Theater	Total Awarded
2007	Amount Requested	150,000	40,000	50,000	30,000	0	0	0	0	0	
	Amount Recommended	150,000	40,000	50,000	30,000	0	0	0	0	0	
	Amount Approved	150,000	40,000	50,000	30,000	0	0	0	0	0	<b>270,000</b>
2008	Amount Requested	150,000	70,000	20,000	5,000	30,000	25,000	0	0	150,000	
	Amount Recommended	150,000	70,000	20,000	5,000	30,000	25,000	0	0	150,000	
	Amount Approved	150,000	70,000	20,000	5,000	30,000	25,000	0	0	150,000	<b>450,000</b>
2009	Amount Requested	200,000	30,000	10,000	20,400	3,000	22,000	0	0	150,000	
	Amount Recommended	133,000	0	0	0	0	0	0	0	0	
	Amount Approved	133,000	0	0	0	0	0	0	0	0	<b>133,000</b>
2010	Amount Requested	155,000	75,000	20,000	40,000	10,000	22,000	0	0	150,000	
	Amount Recommended	155,000	75,000	20,000	31,000	10,000	22,000	0	0	150,000	
	Amount Approved	155,000	75,000	20,000	31,000	10,000	22,000	0	0	150,000	<b>463,000</b>
2011	Amount Requested	175,000	150,000	30,000	10,000	10,000	44,000	0	0	150,000	
	Amount Recommended	175,000	150,000	30,000	10,000	10,000	44,000	0	0	150,000	
	Amount Approved	175,000	150,000	30,000	10,000	10,000	44,000	0	0	150,000	<b>569,000</b>
2012	Amount Requested	155,000	185,000	20,000	30,000	10,000	50,000	0	0	150,000	
	Amount Recommended	155,000	185,000	20,000	30,000	10,000	50,000	0	0	150,000	
	Amount Approved	155,000	185,000	20,000	30,000	10,000	50,000	0	0	150,000	<b>600,000</b>
2013	Amount Requested	250,000	230,000	15,716	16,000	10,000	50,000	8,900	0	150,000	
	Amount Recommended	100,000	20,000	15,716	16,000	10,000	0	8,900	0	150,000	
	Amount Approved	100,000	80,000	15,716	16,000	10,000	0	8,900	0	150,000	<b>380,616</b>
2014	Amount Requested	0	20,000	5,416	16,000	10,000	0	19,000	25,000	150,000	
	Amount Recommended	0	20,000	5,416	16,000	10,000	0	19,000	25,000	150,000	
	Amount Approved	0	20,000	5,416	16,000	10,000	0	19,000	25,000	150,000	<b>245,416</b>
2015	Amount Requested	0	\$40,000.00	\$4,718.13	\$22,000	0	0	0	0	0	
	Amount Recommended	0	\$40,000.00	\$4,718.13	\$22,000	0	0	0	0	0	
	Amount Approved	0	\$40,000.00	\$4,718.13	\$22,000	0	0	0	0	0	<b>\$66,718.13</b>



**City of Dodge City**

**CFAB**

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## *Memorandum*

To: City Manager, City Commission, County Administrator and County Commission  
From: Community Facility Advisory Board  
Date: November 4, 2015  
Subject: DCRP Contract Agreement with Triple T Promotions

---

**Recommendation:** The Community Facility Advisory Board (CFAB) recommends approval of the Dodge City Raceway Park (DCRP) Agreement with Triple T Promotions for the operation and promotion of the DCRP.

**Background:** The City and County issued a request for proposals for the operation and management of the DCRP after determining that the existing agreement with United States Auto Club (USAC) that expires December 31, 2015 would not be extended.

One proposal was submitted by Triple T Promotions and that proposal was recommended to CFAB and the Joint Commissions by the DCRP Advisory Board. Then, City Staff was tasked with negotiating the agreement with Triple T Promotions. The agreement was revised and presented to Triple T Promotions and the County Staff and Legal Counsel for their recommendation. Neither party had changes to the finalized agreement that is attached to this memo. The initial term of the agreement will be for a period of five (5) years, commencing January 1, 2016, and expiring December 31, 2020.

CFAB reviewed the agreement at the October 28, 2015 meeting. The board unanimously recommended the agreement for approval by the Joint Commission.

**Justification:** This agreement maintains the current connection with the Operator/Promoter that has been so successful with operating the DCRP over the last several years. He was also named the 2014 Promoter of the Year for his work with the annual Boot Hill Showdown by the World of Outlaws Sprint Car Series.

**Financial Considerations:** Per the agreement, the City and the Operator/Promoter shall negotiate the dates for payment of the subsidy prior to the start of each season. The subsidy will be divided into four (4) equal payments to be made on four (4) separate dates. Subsidy for all events, major and local should not exceed the following amounts:

- 2016-Two Hundred Thousand Dollars (\$200,000)
- 2017- One Hundred Ninety-Five Thousand Dollars  
(\$195,000)
- 2018- One Hundred Ninety Thousand Dollars (\$190,000)
- 2019- One Hundred Eighty-Five Thousand Dollars  
(\$185,000)
- 2020- One Hundred Eighty Thousand Dollars (\$180,000)

**Legal Considerations:** Both City and County Legal Counsel have reviewed the agreements and have found it to be acceptable as to form and have no legal concerns.

**Attachments:**

DCRP Agreement

September 18, 2015

## **RACETRACK OPERATING AGREEMENT**

THIS AGREEMENT is made and entered into by and between the City of Dodge City, Kansas (hereinafter the “City”) acting pursuant to the authority provided for in the Interlocal Agreement dated July 21, 1997 by and between the City and Ford County, Kansas (hereinafter the “Interlocal Agreement”) and Triple T Promotions, LLC. (hereinafter the “Operator”).

WHEREAS, utilizing sales tax revenues as provided for in the Interlocal Agreement, the City issued bonds for and did construct a motorsports complex located in Ford County, Kansas, consisting of a three-eighths (3/8) mile racetrack, grandstand and other racing amenities known as Dodge City Raceway Park (hereinafter the “Facility”); and,

WHEREAS, the City has operated the Facility for the past several years as a recreational complex with sales tax revenues as authorized by the Interlocal Agreement; and,

WHEREAS, the parties to the Interlocal Agreement desire to contract for the promotion and operation of the Facility on behalf of the City, utilizing sales tax revenues as provided for in the Interlocal Agreement to fund such promotion and operations; and,

September 18, 2015

WHEREAS, the Operator has experience and expertise in the promotion and operation of dirt track racing facilities and desires to promote and operate the Facility to the benefit of the parties to the Interlocal Agreement; and,

WHEREAS, the City and the Operator have reached an agreement whereby the Operator would promote and operate the Facility under the terms and conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE MONIES TO BE PAID HEREUNDER, AND THE MUTUAL PROMISES OF THE CITY AND THE OPERATOR, IT IS AGREED AS FOLLOWS:

1. EXCLUSIVE USE OF FACILITY: The City hereby grants to the Operator, during the term of this Agreement and any extension hereof and subject to the conditions set forth herein, the exclusive right and responsibility for the operation, promotion, scheduling and use of the Facility for motor sports racing events and other related events.

2. TERM: The initial term of this Agreement will be for a period of five (5) years, commencing January 1, 2016, and expiring December 31, 2020. This Agreement may be extended beyond the initial term or earlier terminated as provided herein.

3. MAINTENANCE OF DIRT TRACK: The Operator at its sole cost and expense will be responsible for and shall perform any and all maintenance, alterations, preparations and care of the dirt track during the term of this Agreement, and all extensions hereof, so as to provide a dirt track surface equal to the highest standards for

September 18, 2015

like facilities. The Operator shall maintain the dirt track in a safe and proper manner during all events. The Operator shall supply all equipment and materials necessary for all repairs, maintenance and preparation of the dirt track.

Any modification of the dirt track configuration shall be subject to the prior approval of the City. The Operator, at its sole cost and expense, shall restore the dirt track to its original configuration and condition, subject to normal wear and tear.

4. MAINTENANCE OF FACILITY: The City shall provide, at its sole expense through an agreed upon budget with the Operator, for clean up and care of the structures and grounds located at Dodge City Raceway Park. This responsibility will include grandstands, concession and restroom areas, ticket booths, pit area, parking lot and all other amenities located at the Facility, with the exception of the interior of the general office building.

In addition, the City, at its expense, will provide staff for watering, mowing, trimming and care of all grassy areas, shrubbery and trees at the Facility. Said staff will be directed in these activities by the Operator in coordination with the City Manager or his/her designee for budgetary oversight purposes.

The Operator shall, at its expense, maintain the interior of the general office building in a clean, neat, safe and proper manner at all times throughout the term of this Agreement.

5. FACILITY REPAIRS AND MODIFICATIONS: The City, at its expense, shall provide for all normal day-to-day repairs at the Facility, including but not limited to plumbing repairs, electrical repairs, replacing bulbs including track and security lighting and damage to track fencing. The City will be responsible for the repairs to the Facility

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caused by normal use or natural deterioration caused by age. Such repairs to the Facility will be the sole responsibility of the City. Such repairs will be performed in a good and workman-like manner, and will be performed at times which would be least disruptive to the operation of the Facility.

The Operator shall immediately notify the City Manager or his/her designee, in writing or by email, of the need for any such repairs to the Facility.

In the event of structural damage to any aspect of the Facility resulting from fire, wind, hail, rain, vandalism, defacement or other casualties, not the fault of the City or the Operator, or the result of a latent structural defect, the City shall pay for such repair costs from sales tax revenues pursuant to the Interlocal Agreement.

Required repairs to the Facility due to neglect of the Operator will be the sole financial responsibility of the Operator. Such repairs will be made by the City and all costs for such repairs will be immediately reimbursed to the City by the Operator. If the Operator proposes to make such repairs itself, such repairs must be approved by the City prior to the commencement of any such work.

6. INSPECTION OF FACILITY AND EQUIPMENT: The Operator understands and agrees that the City is entitled to perform random inspections throughout the race season in order to assure proper maintenance of the general office building. The City shall provide the Operator no less than twenty-four (24) hours notice prior to any such inspection.

7. MODIFICATIONS AND IMPROVEMENTS: Any modification or other permanent improvements within the Facility will be subject to the prior approval of the City and must be based upon specific plans, specifications and cost estimates, as well as

September 18, 2015

an agreement between the City and the Operator as to the responsibility for payment of such modifications and/or improvements. Any such modifications and/or improvements to the Facility shall become a part of the Facility at the time of their completion and the Operator will have no ownership interest in such modifications and/or improvements.

8. **EQUIPMENT:** The Operator shall provide all equipment necessary for the operation of the Facility, as well as the costs and expense of the maintenance and operation of said equipment. The Operator will be entitled to utilize, on the premises of the Facility, existing City-owned equipment presently located at the Facility. The Operator shall repair and/or replace any and all such City-owned equipment if such equipment is damaged as the result of the Operator's negligence. The Operator may not dispose of any City-owned equipment without the prior written approval of the City Manager or her/his designee.

Any equipment provided or purchased by the Operator and utilized at the Facility will remain the property of the Operator and may be removed from the Facility upon termination of this Agreement, provided that such removal can be accomplished without damage to the Facility.

9. **OPERATIONAL EXPENSES AND REVENUES:** The Operator shall provide all personnel necessary for the proper operation, promotion and use of the Facility as well as the events conducted at the Facility, including but not limited to security, fire, safety and emergency medical, gatekeepers, ticket sales, concessions, fan accommodations, office staff, sales representatives, dirt track surface preparation and maintenance, racing officials and judges, non-racing event supervision and personnel, PA announcer, and all other required personnel.

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The Operator is solely responsible for the payment of all wages, salaries and/or other benefits provided to such personnel. All such personnel are employees, independent contractors or volunteers of the Operator, and not of the City. The Operator further agrees to save and hold harmless the City of and from any and all claims which might be asserted against the City in any manner whatsoever by or through any such personnel arising out of any injuries or death to such personnel arising out of their duties or services provided at the Facility.

Except as specifically provided herein, the Operator will be solely responsible for the timely payment of any and all operational expenses of the Facility and will retain all revenues resulting from the operation of the Facility, including but not limited to all gate fees, ticket sales, concession sales, advertising sales, sponsorship fees, membership fees and other revenues resulting from the use and operation of the Facility by the Operator.

10. **INSURANCE:** During the term of this Agreement, and all extensions hereof, the Operator shall, at its sole cost and expense, maintain in full force and effect liability insurance providing coverage for liability for any injuries, damages, or death for participants and fans in an amount not less than Two Million Dollars (\$2,000,000.00). Said insurance coverage must list the City and Ford County, Kansas as named additional insureds. The Operator shall also provide workers compensation insurance for all employees and volunteers of the Operator who provide any services at the Facility. All insurance policies provided by the Operator must contain provision for at least thirty (30) days prior written notice to the City of any cancellation or modification of insurance coverage. Copies of all such policies and insurance binders will be provided to the City in advance of the season.

September 18, 2015

11. UTILITIES: The utility bills relating to the operation of the Facility, including electric, gas, water, sewer and trash pickup services, will be the responsibility of the City from sales tax revenues received pursuant to the Interlocal Agreement; provided, however, the City reserves the right to provide a well to provide water for track preparation and irrigation of Facility grounds from sales tax revenues pursuant to the Interlocal Agreement or other sources, subject to the Operator's approval as to the location of any such well if located within the Facility. Such approval shall not be unreasonably withheld.

The Operator is responsible for phone service and bills relating to such service.

12. TAXES: The City shall pay all real estate taxes assessed against the Facility from sales tax revenues received pursuant to the Interlocal Agreement. The Operator will be responsible for and shall pay in a timely manner, all other taxes, fees, permits or licenses associated with the Operator's use of the Facility, including but not limited to personal property taxes, sales taxes, payroll taxes, concession and beer licenses and any and all other operating permits, licenses or fees.

13. SCHEDULE AND NUMBER OF EVENTS: On or before November 1 of each year the, the Operator shall provide the City with a calendar of proposed events scheduled for the Facility for the following season. Said schedule will specify classes and include not less than five (5) major racing events and seven (7) local racing events during the racing season, all of which will be subject to prior approval by the Racing Advisory Board. Any reduction in the required number of scheduled events must have the prior written approval of the City Manager and County Administrator or their designees.

September 18, 2015

Additional events may be added at any time by the Operator, but shall not be subsidized by the City unless a separate written agreement has been negotiated.

During the course of any year, the City may request the use of the Facility for non-racing events, subject to the Operator's approval and upon such terms and conditions as are mutually acceptable to the parties. The Operator's approval for such events shall not be unreasonably withheld.

14. CONSIDERATION FOR PROMOTIONAL AND OPERATIONAL SERVICES: In consideration of the promotional and operational services to be provided by the Operator in accordance with terms and conditions as set forth in the Paragraph 13 above, the City, in addition to any other payment obligation provided for herein, shall make payments to the Operator from sales tax revenues received pursuant to the Interlocal Agreement, in the time and manner following:

- a. The City and the Operator shall negotiate the dates for payment of the subsidy prior to each season starting.
- b. The subsidy will be divided into four (4) equal payments to be made on four (4) separate dates.
- c. The Operator shall provide to the City all attendance and car count information prior to the final subsidy payment. The first subsidy payment of the next racing season shall not be disbursed prior to receipt of the financial information being received for the previous year. See Paragraph 18 below.
- d. Subsidy for all events, major and local should not exceed the following amounts:

September 18, 2015

2016-Two Hundred Thousand Dollars (\$200,000)

2017- One Hundred Ninety-Five Thousand Dollars  
(\$195,000)

2018- One Hundred Ninety Thousand Dollars (\$190,000)

2019- One Hundred Eighty-Five Thousand Dollars  
(\$185,000)

2020- One Hundred Eighty Thousand Dollars (\$180,000)

15. PERFORMANCE STANDARDS: The Operator will keep accurate attendance records for all events conducted at the Facility. In accordance with Paragraph 14(c) above, the Operator will provide to the City an affidavit and supporting records verifying the total attendance for each event. The total attendance figure for the major racing events will be divided by the number of major racing events actually conducted at the Facility during the year to establish an “average attendance” per major racing event.

If the “average attendance” per major racing event for any year should fall below One Thousand (1000) attendees, then the City will have the option of terminating this Agreement by providing written notice of such intent to terminate within thirty (30) calendar days of receipt of the Operator’s attendance report. If within thirty (30) days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this Agreement will terminate and both parties will be released from any further obligations pursuant to this Agreement, except only for the Operator’s obligation for full payment of any outstanding unpaid obligations at the time of such termination.

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16. EXTENSIONS OF INITIAL TERM: Upon the expiration of the initial term of this Agreement on December 31, 2020, this Agreement will automatically extend for an additional term of five (5) years, unless either party provides written notice to the other of its intent not to renew this Agreement in accordance with the following procedure.

A terminating party must deliver to the other party, on or before August 1<sup>st</sup> of the year of expiration of any extended term, written notice of its intent not to extend this Agreement. In the event of such notice the parties agree to immediately enter into good faith negotiations for renewal of an operation agreement based on terms and conditions that are mutually acceptable to both parties. If such negotiations fail to produce a mutually acceptable agreement, this Agreement will expire on December 31 of that year. Upon either such termination both parties shall be released from any further obligations under this Agreement except only for the Operator's full payment of any outstanding unpaid obligations of the Operator at the time of termination.

17. NON-APPROPRIATION OF CITY PAYMENTS: The parties understand and agree that the payment obligations of the City as set forth herein, including the payment obligation described in Paragraph 14 above, are subject to the provisions of the Kansas Cash Basis Law and continued collection of sales tax revenues. The City currently intends to continue this Agreement through its term and to make all payments as provided for herein, and currently intends to make provision for such payments in each annual budget submitted and adopted in accordance with applicable provisions of state law and the provisions of the Interlocal Agreement. Notwithstanding the foregoing, however, the parties acknowledge that the City is obligated only to pay periodic payments as provided herein as may lawfully be made from sales tax funds budgeted and appropriated for that

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purpose during the current budget year, or funds made available from any lawfully operated revenue producing source. The City agrees to give written notice of such non-appropriation to the Operator at least thirty (30) days prior to December 31 of the year during which such non-appropriation occurs. The City shall pay all payments remaining due through the end of that year, if any. In the event of such non-appropriation, the Operator may terminate this Agreement at any time after receiving notice from the City of such non-appropriation of funds to satisfy the payment obligations. Such non-appropriation will not constitute a default or breach of this Agreement by the City and the Operator may elect to continue this Agreement notwithstanding the City's failure to satisfy its payment obligations due to such non-appropriation.

18. GENERAL CONDITIONS:

a. The Operator shall pay in a timely manner any and all obligations incumbent upon it under the terms and conditions of this Agreement and shall not allow any type of lien or encumbrance to attach to the Facility resulting from nonpayment of any obligations of the Operator.

b. This Agreement may be amended at any time by mutual written agreement of the parties.

c. This Agreement shall not be assigned or transferred to any other person or entity without the prior written consent of the City.

d. This Agreement shall be binding on the parties hereto and their respective successors and assigns.

e. The parties hereto do hereby warrant that each party is legally authorized to enter into this Agreement and that all actions necessary to authorize approval of this

September 18, 2015

Agreement by the persons executing the same has been duly obtained so as to legally bind the party so represented.

f. The relationship created by virtue of this Agreement between the City and the Operator is that of an independent contractor, and nothing contained herein is intended to establish and does not establish any relationship other than that of an independent contractor.

g. For purposes of this Agreement, the effective date of said Agreement shall be January 1, 2016, despite the later approval by the parties of said Agreement.

h. All reports, notices or other communications called for pursuant to this Agreement will be between the Operator and the City's City Manager who is hereby designated to administer this Agreement on behalf of the City.

i. In the event either party breaches any terms or condition of the Agreement, then said party shall have the option of terminating this Agreement by providing written notice of such intent to terminate within thirty (30) calendar days of receipt of said notice. If within thirty (30) days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this Agreement shall terminate and both parties shall be released from any further obligations under this Agreement, except only for the Operator's obligation for full payment of any outstanding unpaid obligations at the time of such termination.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates reflected below.

TRIPLE T PROMOTIONS, LLC

September 18, 2015

By \_\_\_\_\_  
Tommie Estes, Managing Member

ATTEST:

\_\_\_\_\_  
Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

CITY OF DODGE CITY, KANSAS

By \_\_\_\_\_  
Joyce Warshaw, Mayor

ATTEST:

\_\_\_\_\_  
Nannette Pogue, City Clerk

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

APPROVED BY THE FORD COUNTY COMMISSION:

By \_\_\_\_\_  
Danny Gillum, Chairman

By \_\_\_\_\_  
Shawn Tasset, County Commissioner

By \_\_\_\_\_

September 18, 2015

Chris Boys, County Commissioner

ATTEST:

\_\_\_\_\_  
Sharon Seibel, Ford County Clerk

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

September 18, 2015