

**IEC HOTEL CORPORATION
BOARD OF DIRECTORS MEETING
MINUTES OF JULY 23, 2015 MEETING**

The Board of Directors of the IEC Hotel Corporation met on Thursday, July 23, 2015 at the Community Choice Convention Center, Room 302. The meeting was called to order at 1:00 p.m. by President, Gerard D. Neugent. Also present were:

Allen McKinley, Susan Voss, Cynthia Eisenhauer, Gerard D. Neugent, Mike Galloway, Grant Friesth, Adam Kaduce participated by telephone.

Also in attendance were: Mark Wandro, Polk County; Jim McCullough, Weitz; Eric Boehlert, Ahlers & Cooney; Tim Oswald, Piper Jaffray; Matt Anderson, City of Des Moines; Tim Leach, Greater Des Moines Partnership; John Buntz, Ahlers & Cooney; Roger Kuhle, Polk County; Ralph Marasco, Polk County; and Ellis Katz, Project Management Consultants.

Suggestions were made regarding minutes of the meetings. It was then moved by Galloway, seconded by McKinley to approve the June 5, 2015 minutes.

McKinley moved the following slate of officers be approved: President – Gerard D. Neugent, Vice-President - Mike Galloway, Secretary – Susan Voss, Treasurer – Adam Kaduce. It was seconded and approved.

Ahler's Engagement Agreement as Bond Counsel (Handout)

Eric Boehlert outlined the scope of the agreement for Ahlers to serve as bond counsel for the IEC Hotel Corporation. (This is a separate engagement from the Polk County agreement.) Action will be considered next week on this agreement. Mike Galloway announced he would abstain on any actions related to the Ahlers Law Firm.

Development Agreement Update

Eric Boehlert discussed the three party agreement (County, City and IEC Hotel Corporation) and outlined the obligations of each entity. (The draft agreement is currently being reviewed and should be presented for consideration by mid-September.)

Status of Hotel Operator (powerpoint/handout)

Jim McCullough, DSM Hotel, introduced Ellis Katz, who provides hospitality and consulting services. Mr. Katz presented a powerpoint presentation on the Hilton Hotel: the program, the design schedule, rationale for selecting Hilton, assumptions for the opening and the selection of Starwood should the Hilton selection not move forward. Action will be considered next week to authorize negotiating the term sheet and move forward with the Hilton proposal. A request was made to share the score sheets used by the committee in their selection. (The score sheet will be emailed to Board members.)

Kutak Rock Engagement Agreement (Handout)

An engagement letter from Kutak Rock, LLP was presented to the Board to assist in drafting the QMA (Qualified Management Agreement) between the hotel operator and the IEC Hotel Corporation. A discussion was held regarding the content of the letter with a suggestion to change the jurisdiction for legal matters from Colorado to Iowa. Mark Wandro agreed to make changes to the term sheet per the discussion and provide an updated version to the Board before next week's meeting. (Questions can be directed to Mark before next week's decision.)

Update on Design of Hotel:

Jim McCullough provided an update on the hotel design and concurred with Mr. Katz regarding Mr. Katz's presentation. Mr. Katz will have design information to the Board in early September.

Other business:

A schedule of future meetings will be provided to the Board in the near future.

Mark Wandro informed the board concerning insurance and accounting services regarding the hotel project. Accounting services for IEC will be added to Polk County's engagement letter with McGladry. In addition, Mr. Wandro is seeking input on insurance coverage through Jester Insurance. Information has not been received but will be shared with the Board when Mr. Wandro receives it from Jester. Mr. Wandro did note that under certain circumstances the Board is covered by the general insurance coverage of the County.

There being no further business, the meeting was adjourned at 2:00 p.m.

Meeting adjourned 2:00 p.m.
Minutes submitted by B. Dewey, Auditor's Office
(recording on file in Board of Supervisors Office)