Bismarck Event Center Authority Board

MEETING
August 17, 2026

Tom Baker Meeting Room	City/County Office Building 221 N 5th Street	2:00 PM

Purpose: The purpose of the Bismarck Event Center Authority Board is to give the Board of City Commissioners and the Bismarck Event Center management ongoing governance and oversight over the third-party operator, community-based guidance, recommendations regarding operations and policies, ensure community representation, input regarding long-term planning, fiduciary oversight, develop and implement capital improvement plans to the facilities, and a method for public accountability.

AGENDA

1. Call to Order
2. Public Comment
3. Approval of Meeting Minutes
4. General Manager's Report
5. Facility Tours Discussion
6. Key Performance Indicator Discussion
7. Belle Mehus Auditorium Operations Model
8. Other Business

ADJOURN

The next regular meeting date is scheduled for September 21, 2026, at 2:00 PM in the Tom Baker Meeting Room.

MEETING OF THE BISMARCK EVENT CENTER AUTHORITY BOARD

6/15/2026 - MINUTES

AGENDA

1. Call to Order

The Bismarck Event Center Authority Board met in the Tom Baker Meeting Room on June 15, 2026, at 2:00 PM. Members present included Mike Gardner, Sheri Grossman, Joel Kostelecky, Jason Tomanek, Chad Wachter, Jennifer Wilson, and Mayor Mike Schmitz.

2. Public Comment

No public comment was received.

3. Approval of Meeting Minutes

Member Grossman moved to approve the meeting minutes and Administrator Tomanek seconded. Upon a roll call vote, all voted aye. M/C.

4. Event Center Financial Report

Eric Lund, Acting Finance Director, provided an update on the Event Center's interim financials, noting that May financial data from Oak View Group (OVG) had not yet been received due to their ongoing transition and workload, including month-end reconciliation and preparation of the 2027 budget. As a result, the revenues for May have not been recognized, creating large fluctuations in reported balances. Acting Director Lund highlighted four significant one-time annual transactions posted in May, including administrative cost allocations, employee leave payouts tied to staff transitions, the semiannual debt payment, and the annual pension contribution which created a large month-specific operating loss of roughly $450,000 year to date. Board members discussed smoothing large annual costs through monthly accruals, which Acting Director Lund noted he will research options with staff. Acting Director Lund reported that he expects to report complete financial reports for May and June at the July meeting. The Board acknowledged the ongoing transition to OVG and expects the process to stabilize in the future.

Member Wachter moved to receive the financial statements and Member Grossman seconded. Upon a roll call vote, all voted aye. M/C.

5. Key Performance Indicator Discussion

The Board continued the discussion of key performance indicators (KPIs) and potential weighting for each category. Multiple members shared proposed weighting structures, with general consensus that the top drivers should be economic impact, net income, and gross revenue, while customers customer service should receive the lowest weighting. Event mix optimization received varying emphasis among members, with some viewing it as an important forward-looking metric. The group agreed to submit their individual weighting proposals to City Administration to compile an average for review. The group agreed that KPIs will be reviewed annually, with the goal of finalizing the 2027 framework by September.

- Member Wachter Recommendation

6. Mission and Vision Statement Discussion

The Board discussed the mission and vision statements with consensus that the mission should remain short and focused while the vision should be broader and more aspirational. The statements included in the meeting packet were presented as a starting point rather than a final version. After discussion, members expressed a clear preference to proceed with the mission statement as it was presented and Option 1 for the vision statement.

- **Mission Statement**: Connecting People. Elevating Experiences. Strengthening Community. Promoting Economic Growth.
- **Vision Statement**:
    - Option 1: To deliver high-quality events that drive economic growth, strengthen community engagement, and maximize the return on public investment. Through professional management, strategic partnerships, and operational excellence, we provide a premier venue that serves residents, attracts visitors, and ensures long-term financial responsibility.

Member Wachter moved to adopt the mission statement as presented and Option 1 for the vision statements for the Bismarck Event Center Authority Board and Member Wilson seconded. Upon a roll call vote, all voted aye. M/C.

7. General Manager's Report

Brad Murphy, OVG's General Manager at the Bismarck Event Center, reported that the May financials are still being finalized due to significant time spent working on the 2027 Operating Budget. Mr. Murphy explained that the financials are sent to the corporate office and then will be ready for presentation to the Board. Mr. Murphy reported that the Event Center hosted 17 events across the three facilities, three at the Arena, four at the Belle Mehaus, and 10 at the Exhibit Hall, resulting in a net income of $143,820 for the month. Mr. Murphy noted that detailed financial panels for each event will be included once the reporting is completed.

- Manager's Report

A. Parking Fees

Mr. Murphy provided regional comparisons for parking fees, noting nearby venues charge between $5 and $20 per vehicle and requested permission to further explore implementing parking fees to support lot management, repairs, and potential revenue opportunities. Board members discussed neighborhood impacts, especially Kirkwood

Mall, and emphasized the need for careful consideration, communication and a phased or tiered approach, possibly starting with VIP parking. The Board also discussed concerns including overflow into nearby lots and safety during past free trials. The Board agreed that staff should continue to research, coordinate with the Bismarck Parking Authority for a full assessment and return with more information.

- Parking Fee Comparison

B. Rental Rates

Mr. Murphy presented rental rates for the Event Center, including the 2025 approved base rates for all spaces, noting that the rates for 2026 have not been developed yet. Mr. Murphy noted that a regional comparison shows that the facility is priced slightly below market, especially the Arena, which is significantly under market compared to similar venues. The Board discussed the need for gradual, phased rate adjustments rather than large immediate increases, along with ensuring existing rack rates are enforced. Mr. Murphy noted that many long-term agreements are currently below established rates and will bring examples for the Board to review. Mr. Murphy also presented the Board with equipment and service rates from 2022 which also need to be updated. Noting that the team is moving toward inclusive bundled rates to simplify client billing.

- Rental Rates

C. Labor Rates

Mr. Murphy noted that labor rates have already been adjusted to cover actual costs and that conversion fees are now being enforced per contract.

D. 2027 Projects Update

The Board reviewed the Capital Improvements projects list, noting that recent planning discussions have been positive and productive. There are several projects that will take place in 2026, including parking lot repairs in Lot D, the HVAC project, wayfinding project and the Exhibit Hall lighting project. Projects have been identified for 2027 including, upgrading the aging Arena sound system, planning for the kitchen construction project, replacing air walls in the Prairie Rose rooms, renovating upper lobby area restrooms, and exploring activation of the rooftop "party deck." It was noted that the Arena and Exhibit Hall roofs remain large, costly future projects with ongoing funding concerns.

- Capital Improvement Projects List 2026-2027

E. 2027 Operating Budget

Mr. Murphy presented a draft budget, noting it was prepared 18 months in advance and will require adjustments. Mr. Murphy noted that sponsorship revenue is significantly below expectations, with $248,000 currently contracted versus a $400,000 target, creating a $150,000 gap. To remain aligned with the original pro forma, the plan relied on increasing event volume across all venues, including approximately 34 additional Arena events, multiple added events at the Belle Mehus, and about 22 more events in the Exhibit Halls. Mr. Murphy added that operating expenses will remain consistent with historical data, with increases from added staff and service providers. The focus will be on revenue generation rather than cost reduction, using an aggressive event-growth strategy. Mr. Murphy added that sponsorship revenue is expected to grow more significantly in years three to five. The Board agreed that 2027 will be a foundational year for the Event Center with larger meetings and conventions expected to strengthen in 2028 and beyond.

- Pro forma Operating Statement
- 2027 Budget Assumptions

F. Event and Staff Updates

Mr. Murphy provided an update on events from June 1st through 14th, noting that the arena hosted no events, while the Exhibit Hall held five events, and the Belle Mehus featured two dance academies during that time. Mr. Murphy further explained that event activity remains light through June and July, with some improvement expected in August.

Mr. Murphy provided a staffing update which included the hiring of Ivy Brown as HR/Office Manager and Jayden Kettle as the AV Manager, filling two critical positions. Mr. Murphy also noted that no safety or security incidents have been reported, and plans are underway to implement a command center and new incident reporting software. OVG leadership will meet with the City Fire and Police Departments on June 18th to finalize a comprehensive emergency action plan, with employee training scheduled for July 21st through 22nd.

G. Organizational Chart Update

Mr. Murphy explained that the Organizational Chart has been updated and noted that four positions remain open: Warehouse Supervisor, Director of Operations, HVAC Technician, and Event Manager.

- Event Center Org Chart

8. Other Business

9. Enter into Executive Session under North Dakota Century Code Section § 44-04-18.4(1) to discuss contract negotiation.

Member Gardner moved to enter into executive session to discuss contract negotiation at 3:13 PM, and Member Wachter seconded. Upon a roll call vote, all voted aye. M/C.

Member Wachter recused himself due to a conflict of interest and was not part of the executive session.

The Board reconvened at 3:39 PM with members Grossman, Kostelecky, Tomanek, Wilson, Gardner, and Mayor Schmitz present.

Member Gardner moved to go forward with the strategy that was discussed during the executive session and Administrator Tomanek seconded. Upon a roll call vote, all voted aye. M/C.

ADJOURN

The next regular meeting date is scheduled for July 20, 2026, at 2:00 PM in the Tom Baker Meeting Room, 221 N 5th St.

There being no further business to discuss, the meeting was adjourned at 3:39 PM.

KPI	Weighted Percentage
Event Mix Optimization	25
Financial Performance (Gross Revenue)	20
Financial Performance (Net Income)	20
Estimated Economic Impact	20
Customer Service Survey Results	15
	100