

**SALINA CITY CORPORATION
WORK MEETING BLACKHAWK
September 24, 2019**

COUNCIL AND STAFF PRESENT:

Mayor Jed Maxwell

Dwayne Brown Excused

Newell Hales Excused

Jon Maxwell

Earl Taylor

Cade Hunter

Ashlee Larsen, City Recorder

Kathy Maxwell, City Treasurer

VISITORS PRESENT FOR WORK MEETING:

Malcolm Nash

County Commissioners:

Scott Johnson

Tutor Ogden

Ralph Brown

Mayor Jed Maxwell called the work meeting to order at 6:00 pm at the Salina City Hall.

Visitors:

Malcolm Nash -Blackhawk Expansion: Malcolm Nash stated he was under the impression that Mayor Jed Maxwell wanted to meet with the County Commissioners regarding the expansion for the Blackhawk Arena. **Mayor Maxwell** stated he thought they were meeting to figure out what the game plan is going to be because they don't have a lot of time to make a final decision by June 2020. **Nash** stated they've done an evaluation in terms of its finances, Scott Christensen has worked to get an estimate of how much it will cost to make the final improvements to the Blackhawk Arena the total amount will cost around \$300,000 to \$500,000 Towards the expansion. Consisting of adding new RV parking spots, adding more covered stalls, and covering some existing stalls. **Mayor Maxwell** stated his understanding is you would have to do some ground work to add another 500 stalls which could cost up to a million dollars. **Earl Taylor** asked if Malcolm could introduce everyone that's here tonight he wasn't sure if he knew everyone. **Nash** stated yes, we have Commissioner Scott Johnson, Ralph Brown, and Tutor Ogden here with us tonight. **Nash** stated the Blackhawk is really an economic engine for the County and Salina City. The numbers show that it needs financial support on some aspects just like swimming pools or golf courses. The partnership between the County and City has been working great since 1993 it has been successful, and he hopes it continues in the future. The Blackhawk does generate money to Salina City with events that come here. The third phase for

major components for the Blackhawk improvements include adding more covered stalls, water, power, and covering up the west wall, **Scott Christensen** stated they also need a generator and Dana Coates and Destiny want to add around 500 more stalls. **Nash** stated there's no way that can happen it would take a civil engineer to level the ground. **Mayor Maxwell** stated you would have to level the ground to add more stalls. The next step isn't just a little thing it's a massive undertaking Salina City needs to decide if we want to take it to that caliber or not. Is it worth the financial investment in the long run? Plus, the inmates are struggling to keep up with cleaning stalls with the expansion it would double the work and finances to run it. **Nash** stated the company called GSBS Consulting specializes in looking at finances, if the arena is planning to expand and add more events this company can give the Blackhawk an idea on what the picture looks like financially. **Jon Maxwell** stated one thing that worries him is if Salina City puts in a half a million or a million dollars into the Blackhawk Arena for only 1 or 2 more events per year is that something Salina City can handle financially. **Scott Christensen** stated originally when he met with Dana and Destiny they were planning to bring in an event to house around 1000 horses, they asked if the Blackhawk could add 480 additional stalls he wasn't sure if that many stalls could be added. **Christensen** asked Dana if there's any way he could hold her event on two different weekends that way the Blackhawk could help accommodate her event. **Christensen** feels like the Blackhawk can add a few more stalls without leveling the ground which could help the Blackhawk in the future. **Earl Taylor** asked if there's any other events that could come into the Blackhawk Arena besides only horse events. **Christensen** stated horses is the Blackhawk's money maker the Blackhawk has had many other events up there in the past, but they don't bring in any revenue to cover the overhead expenses. **Mayor Maxwell** stated if you can get some type of expo or in door events at the Blackhawk that could help. **Nash** stated if we can get the analysis worked out and let the Burns know what we can do by June to accommodate them for their event or let them know they need to hold it somewhere else. **Mayor Maxwell** asked what improvements needs to be done by June at the Blackhawk Arena to help the Burns with their event. He feels like the Blackhawk needs to raise the price to rent out the building. \$7000 per event doesn't seem like enough to break even and cover the cost for the use of the tractor, water, heat, and lights. How do you keep building the future at the Blackhawk if you don't get any income with the overhead? **Commissioner Scott Johnson** asked if there's a way to capture some of the money besides the rent of the facility can you rent out the stalls. **Christensen** stated if you take it out of the hand of the producer that's coming in, will they just go somewhere else. **Johnson** asked if the Blackhawk is priced competitively compared to other facilities. **Jon Maxwell** stated the Blackhawk is the only Arena that allows them to run their horses all night. **Mayor Maxwell** stated Salina City can't take on more debt they already have several other projects that need to be completed before the Blackhawk Arena. The Salina City building needs to be replaced, Salina City needs a new fire truck our town is falling apart, and we need to take care of things in our City right now. **Mayor Maxwell** feels like this project could cost the City over a million dollars. **Christensen** stated he wants to do what they can to help accommodate new events but understands Salina City can't do it all right now maybe we can fix a few small things then work on other things in the future. **Nash** stated the Mayor makes a good point sometimes a city gets to a point and says this is where we are, and we need to look at other things first. Let's see if we can talk to Dana to see what improvements the Blackhawk could do by June to help accommodate her event. **Mayor Maxwell** stated Salina city just put around \$175,000 in

improvements at the Blackhawk Arena. **Christensen** stated if the Blackhawk installs 240 new stalls it will cost around \$505,000. **Earl Taylor** stated right now we receive \$40,000 to help pay towards bonds at the Blackhawk Arena but one of the bonds will be paid off soon so what will happen when that bond ends? **Nash** stated the County will no longer pay the \$20,000 towards that bond. Unless the city decides to expand on the Blackhawk then the County will continue to pay the \$20,000 towards it. **Mayor Maxwell** wants Scott Christensen to call Dana Burns to see exactly what she needs done for their event to come to the Blackhawk in June 2020. **Nash** stated even a year wouldn't give them enough time to do the improvements that the Burns wants finished at the Blackhawk. **Ralph Brown** stated whatever Salina City decides the commissioners are supportive of this concept and trying to make it happen. **Christensen** stated what if Salina City can't get the loan right now will the County continue to give the Blackhawk \$20,000 to save up and help with future improvements. **Mayor Maxwell** stated there is a lot more than just making the improvements. You also need the man power to maintain it all. **Nash** asked if Scott Christensen could get a hold of the Burns visit with them see if she can hold her event two different weekends. **Mayor Maxwell** stated Salina City will do what they can to help with the Blackhawk Arena, but it needs to be a reasonable amount. **Mayor Maxwell** stated Salina City can fix the wall, but we'll have to investigate the other things.

AGENDA TOPICS:

Mayor Jed Maxwell

Earl Taylor

Jon Maxwell

Dwayne Brown, Excused

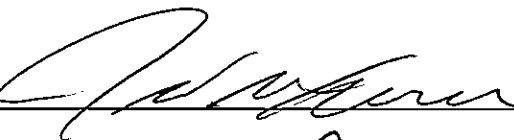
Newell Hales, Excused

Cade Hunter,

Earl Taylor motioned to adjourn the work meeting at 6:59 p.m. **Jon Maxwell** seconded. Motion carried 3 to 0.

Date 10/9/19

Mayor



Date 10/9/19

Recorder

