

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – MARCH 15, 2016**

A meeting of the Board of Directors of the Metropolitan Entertainment & Convention Authority (“MECA”), a Nebraska nonprofit corporation, was called to order by Chairman Dana Bradford at 10:00 a.m. on March 15, 2016, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

Present: Chairman Dana Bradford, Ms. Diane Duren, Mr. Jay Noddle, Mr. Willy Theisen, and Ms. Dana Washington.

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on March 8, 2016, and in the *Omaha World-Herald* on March 8, 2016.

A copy of the Open Meetings Law was posted on the table near the side entrance to the MECA Board Room.

Approval of Minutes:

Ms. Washington moved for approval of the minutes of the February 9, 2016, MECA Board Meeting, seconded by Mr. Noddle.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon reported that he and Mr. Tom O’Gorman traveled to San Francisco for the PollStar Live 2016 event. These types of conventions are essential for networking and bringing new events to CenturyLink Center Omaha (CLCO).

Also occurring this month was the NCAA Spring Site Visit. This year CLCO is part of the pilot program to allow beer and wine sales during the College World Series (CWS). One of the restrictions was that beer and wine sales would only be allowed at the permanent concession stands. MECA requested permission to offer additional portables for the fans stating that otherwise a situation would be created for substantial lines at those permanent concession stands. After discussion, the NCAA approved the use of six additional portables during the CWS. Chairman Bradford noted that MECA needs to create a substantial structure to offer shade in the general admission concessions area which would also work to alleviate the shaded area of the concourse from being overcrowded. Mr. Dixon will look into a solution.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge is currently out of the office. Mr. Dixon reported there are currently 163 events on the books utilizing 283 event days for this fiscal year beginning July 1, 2015. Since the February 9,

2016, Board Meeting, 24 events have been added with 36 event days and over 7,000 hotel room nights. In addition, 14 new license agreements have been signed.

Corporate Sales and Marketing Update

Mr. Tom O’Gorman stated that MECA has completed processing the Club Seat renewals at TD Ameritrade Park Omaha (TDAPO), which is currently in a sold-out status. Their focus will now shift to the Club Seat renewals at CLCO.

Since the last Board meeting on February 9, 2016, MECA has announced Amy Schumer, along with Heart and Joan Jett. This completes the concert lineup to the end of the fiscal year on June 30. Next year looks very exciting due to many country artists being out on tour.

Operations and Technology Update

Mr. Kevin Raymond took the opportunity to recognize Facility Services staff for their hard work and efforts on the clean-up from the Arenacross event. They do a fantastic job keeping CLCO looking like a first-class facility.

Although CLCO has formally closed out the Creighton University basketball season, preparations are now being made to host the 2016 National Invitation Tournament (NIT) this evening. Depending on the outcome, CLCO could play host to the second-rounds of the NIT on Saturday, March 19.

The Creighton University Baseball season opened last weekend at TDAPO. MECA has been very fortunate with early warm weather that has allowed additional cleaning to the facility that is typically not done until April or May. The carpet on the Club level is being replaced in between baseball games and they are looking to start the selection of the materials to do a rebranding of the Little League concession stand. All projects will be completed before the Big Ten Tournament and the CWS.

Ms. Diane Duren inquired as to the status of TDAPO from the vandalism that occurred in January. Mr. Raymond noted that the cleanup is complete. They are still working on replacing novelty items that were located in individual suites.

Levy Restaurants Update

Ms. Chris VanDorn stated that the nice weather has also impacted Levy favorably at TDAPO. Levy’s opening weekend sales increased by 21% for year-over-year sales.

Levy is continuing efforts to fill the open management positions. Last week the Culinary and Senior Concession Manager positions were filled. The position for a Banquet Manager still remains open. However, there are some great qualified candidates coming in next week, and Ms. VanDorn is optimistic the position will be filled at that time.

Ms. VanDorn announced that in July 2015 the Federal Drug Administration (FDA) had extended the deadline for calorie and menu labeling requirements to December 1, 2016. The areas that fall into the scope for Levy are concessions and in-seat service. Areas out of the scope include Suites, Club chef tables, group sales and catering. The calories of each item must be posted on the menu with two statements regarding calorie and nutrition information that must be provided on every menu in a very specific format. They are currently working with the company who designed their menu boards. The first step for them will be to work on the entire matrix with recipes and specs being sent to the home

office. Chefs will work through over the course of the summer to be sure information is accurate. Ms. VanDorn anticipates being able to test information on all the digital menu boards and portable locations by September or October and being ready to go for the start of basketball season in November.

Committee Updates:

Internal Governance Committee

Ms. Diane Duren reported the Internal Governance Committee did not formally meet. However, after previous review of the Financial Statements and the Independent Auditor's Report for the year ending January 2015 and in comparison to 2014, these documents were distributed to the City of Omaha. A smaller group of the Internal Governance Committee met several times to discuss the Capital Improvement Plan and the communication surrounding it. They reviewed the January dashboard report with Mayor Stothert, as well as the press release that went out last week.

Orientation is being scheduled in April for MECA's newest Board member, Ms. Susie Buffett. Ms. Dana Washington is now a member of the Internal Governance Committee.

Real Estate Committee

Mr. Jay Noddle stated that the Lot B Study Group has been very busy. As a reminder, the members consist of representatives from MECA, the City of Omaha, Chamber of Commerce and MECA's tenant representatives, specifically Mr. Ken Stinson with Peter Kiewit, who agreed to Chair the committee; Mayor Jean Stothert; Mr. Bruce Rasmussen, Creighton University; Mr. Ron Prettyman, NCAA; Ms. Cassie Paben, City of Omaha; Mr. Jay Noddle, MECA Board Member; Mr. Clark Lauritzen, First National Bank; Mr. Steve Jensen, City of Omaha Consultant; Mr. Roger Dixon, MECA President/CEO; Mr. Jack Diesing; CWS, Inc.; Mr. Randy Buhr, NCAA; Mr. David Brown, Chamber of Commerce; Mr. Dana Bradford, MECA Board Chairman and Mr. Doug Bisson, HDR. This group was asked to assess all real estate related concepts, plans and current activity in the area and recommend a development plan for Lot B. Among the objectives is to create a development plan that positively impacts the area in ways that are not in conflict with the businesses of CLCO tenants and are in concert with other activities taking place in the area. The Group created a Statement of Purpose, which is to study opportunities and recommend strategies to MECA and the City of Omaha for the development of Lot B including the implications for other MECA land, facilities and surrounding infrastructure, property and businesses adjacent to MECA. This is the guiding principle of the Committee. Yesterday, the Committee met and spent a great deal of time reviewing all of the different development projects that have been recently completed or are underway or planned for this greater area. There are approximately four dozen projects that fall under one of those categories. They discussed transportation issues and plans with potential impact on downtown parking. Mr. Dixon offered an update on the 10th Street activation initiative as it relates to the CWS and the U.S. Olympic Swim Trials, as well as the 20-year Plan. With the leadership of Mr. Jensen and Mr. Bisson, the Committee spent a great deal of time talking about a preliminary set of guiding principles for the development that is less about scale and materials and more about what would be the best uses to put this place on the list of aspirational peers countrywide. They received a proposal from a team of consultants made up of HR&A, a global real estate and economic advisory firm, combined with Urban Design Associates, a global land-use planning firm, Walk Parking, a leader in the U.S. with parking and traffic related matters and HDR. The Committee reviewed the proposal and unanimously moved to approve it. The scope of work is an extensive five to six month process that will require a lot of collaboration. It will provide clarity for Lot B and move the fringe of development out for a great road map. The costs associated with the study will be split four or five

ways. It appears MECA's part is approximately \$85K. A motion will be brought to the April Board meeting as soon as everything is pinned down. A small working group consisting of Mr. Jensen, Mr. Bisson, and Mr. Noddle speak and meet regularly and will carry the load between meetings for the larger group. As soon as they have some work product to show, it will be brought to the MECA Board. We can expect that this will be an agenda item that will be a standing agenda item until the development.

Strategic Planning Committee

Chairman Bradford reported that the Strategic Planning Committee has completed its task and will be disbanded. This process, which began nearly two years ago, was led by the Arena Committee and the Convention Center Committee chaired by Mr. Noddle and Mr. Theisen. The Board of Directors learned a lot about the industry by working closely with MECA Management and stakeholders to understand where the facility is today and what it will take to continue to perform at this level. Insight was provided on how competitive the arena business is, what is required to continue win in the marketplace. Chairman Bradford stated that the collaboration with the Omaha Convention & Visitor's Bureau (OCVB) under the leadership of Mr. Keith Backsen will ensure that MECA is well-positioned to attract a growing number of conventions, and improve the convention business. It is difficult for management to take over a turn-key facility and determine what and when items need to be replaced in terms of capital improvements and repairs. MECA has done an exceptional job maintain the facility over the last 12 years. It is incredible to look back and realize that MECA has generated \$40 million profits and reinvested approximately \$33 million back into the facility. The Board is very proud of the fact that MECA has consistently generated a profit in an industry where very few facilities do and then been able to turn around and keep the facility in the condition it is today. Looking forward on the capital improvement needs, Mr. Raymond and others went through an exhaustive process to determine what needs to be replaced and when. If you look at the larger picture from the day the facility opened out to the year 2035, MECA will invest an estimated \$100 million into maintaining this facility.

Public Information Report

Chairman Bradford stated that in an effort to communicate more effectively with a broader base of stakeholders, MECA will begin to present an annual report in conjunction with the public release of annual financial information, starting with this year. This report will give the public an opportunity to see how MECA is operating. This year, MECA has generated approximately \$100 million dollars of economic impact for the community. This figure was determined and validated by working closely with the City through the strategic planning process which included reviewing direct tax receipts that the City is receiving to cover the bond debt. Chairman Bradford noted that this is a very successful partnership and MECA is committed to finding more effective ways to communicate information to the public. This year will be the start of the annual reporting process which may later be adjusted and refined to be more comprehensive.

Contract Approvals:

Chairman Bradford indicated there are three contracts requiring approval today.

CLCO

Chairman Bradford read the following resolutions:

Game Day Traditions Agreement

RESOLVED, that the Agreement between MECA and Game Day Traditions LLC for the rental of three bungalows to be placed on the north lawn of CenturyLink Center Omaha during the 2016 NCAA® Men’s College World Series and 2016 U.S. Olympic Team Trials - Swimming, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized on behalf of MECA to execute the Agreement following its finalization in a form reasonably approved by counsel.

Chairman Bradford invited public and Board comment and asked for a motion.

Ms. Duren inquired if MECA will have the capability of expanding this component. Mr. Dixon responded that yes, MECA has that option and then proceeded to distribute a P & L sheet for Board review. Bungalows will no longer be on the drive, but located on the sidewalk of the property. The information on the P & L form will vary some, but should be very close. Chairman Bradford stated that it is good to see a P & L to understand the direct economic reality of this endeavor. This is an effort to activate 10th Street, and it also allows the MECA management team to creatively bring programming to the marketplace for the public to enjoy during the CWS and the U.S. Olympic Swim Trials.

Moved by Ms. Duren, seconded by Mr. Theisen.

Motion carried: 5-0.

TDAP0

Turf Cars LTD Agreement

RESOLVED, that the Agreement between MECA and Turf Cars LTD for the rental of 25 golf carts for the 2016 NCAA® Men’s College World Series, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized on behalf of MECA to execute the Agreement following its finalization in a form reasonably approved by counsel.

Chairman Bradford invited public and Board comment and asked for a motion.

Ms. Duren asked if this is similar in terms of the scope as the year before; to which Mr. Raymond responded that it is. This Agreement will lock in rates to manage how much the price can be increased in the next two years.

Moved by Mr. Noddle, seconded by Ms. Duren.

Motion carried: 5-0

Port-A-Johns Inc. Agreement

RESOLVED, that the Agreement between MECA and Port-A-Johns, Inc. for the rental of 67 standard and 13 ADA portable restrooms for the 2016 NCAA® Men’s College World Series, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized on behalf of MECA to execute the Agreement following its finalization in a form reasonably approved by counsel.

Chairman Bradford invited public and Board comment and asked for a motion.

Moved by Mr. Theisen, seconded by Mr. Noddle.

Motion carried: 5-0.

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Tuesday, April 5, 2016, at 10:00 a.m. in the MECA Board Room.

Executive Session

Chairman Bradford stated the time of 10:38 a.m. and invited a Motion to enter into closed Executive Session for purposes of discussing personnel, real estate and potential claims matters.

A Motion to go into Executive Session for these specified purposes was made by Ms. Washington, seconded by Ms. Duren.

Motion carried: 5-0.

Adjournment

At 11:02 a.m. a Motion was made to come out of Executive Session and to adjourn, made by Mr. Noddle, seconded by Mr. Theisen.

Motion carried: 5-0

Adjournment (11:02 a.m.)