

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – MAY 3, 2016**

A meeting of the Board of Directors of the Metropolitan Entertainment & Convention Authority (“MECA”), a Nebraska nonprofit corporation, was called to order by Chairwoman Diane Duren at 10:00 a.m. on May 3, 2016, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

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

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on April 26, 2016, and in the *Omaha World-Herald* on April 26, 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:

Mr. Noddle moved for approval of the minutes of the April 5, 2016, MECA Board Meeting, seconded by Mr. Theisen.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon reported that April was a busy event month for MECA. The attendance for the Berkshire Hathaway Annual Meeting was a normal level, despite the live streaming, which was new this year, and the rain.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge reported there are currently 173 events on the books utilizing 290 event days for this fiscal year beginning July 1, 2015. Since the April 5, 2016, Board Meeting, 20 events have been added with 26 event days and over 4,700 hotel room nights. In addition, 14 new license agreements have been signed.

Corporate Sales and Marketing Update

Mr. Tom O’Gorman stated that MECA is continuing to work through the renewal process for the Club Seats at CLCO. There are approximately 86 accounts that need to be renewed at this time.

Since the April 5, 2016 Board Meeting, tickets for the AKSARBEN Rodeo and Stock Show and the TD Ameritrade College Home Run Derby have gone on sale. Sales for the Big Ten are tracking 3% ahead of 2014, which is right on track. Advertising will begin next week. Mr. Bradford inquired if tickets

were still being sold as all-sessions. Mr. O’Gorman stated that is correct, at this time that is the only way they are being sold.

Mr. Noddle asked if all three of the bungalows were currently booked for the entire duration of the College World Series. Mr. O’Gorman responded that one company has backed out of negotiations and, although MECA is currently working with another interested company, daily rentals may be an option with rates being dependent on the event day. One bungalow will be here onsite for the Big Ten Baseball Tournament which will allow a walk through for potential renters. Advertising for the bungalows will also begin during the Big Ten.

Operations and Technology Update

Mr. Kevin Raymond stated that April was a very busy event month with everything from the Harlem Globetrotters, concerts, the BlueDEF PBR Tour, a weekend of comedy shows and the Berkshire Hathaway Annual Meeting. Mr. Raymond took the opportunity to recognize the entire staff for not only their hard work, but also maintaining their positive attitudes for such a busy event month. The staff is genuinely focused on each guest having a positive experience while attending events at the CenturyLink Center Omaha and the TD Ameritrade Park Omaha. He also wanted to recognize the IT and A/V Staff for doing a great job working with Yahoo to live stream the Berkshire Hathaway Annual Meeting. Live streaming isn’t new to the facility, but many compliments were received from Yahoo about the helpful and knowledgeable staff.

Mr. Bradford noted that even though the weather could not have been worse on Saturday for the Berkshire Hathaway Annual Meeting, the staff was able to move guests quickly and efficiently through security and into the facility.

Levy Restaurants Update

Ms. Chris VanDorn stated that often she and other Vice Presidents will speak about the credit due to their teams for the great job that they do, but it is nice when the revenue reported can back that up. This April will go on record for Levy as the busiest April since the building opened. Preliminary sales have Levy at a 40% increase over the previous highest April sales in 2013. April 2016 represents 120% increase over the average for April sales.

Levy’s annual training is scheduled to occur tomorrow in preparation for the CWS and the U.S. Olympic Swim Trials. It will include just over 500 employees with the additional seasonal staff that was added. In addition to the responsible alcohol service training, the class will include OSHA Safety and Sanitation training, Levy’s policy against harassment, cash handling and department specific skills testing.

Ms. VanDorn provided an update of Levy’s ongoing community efforts with We Compost and Saving Grace Perishable Food Rescue. As a request from HDR for their event, nearly 1,520 pounds of food waste was collected for We Compost in April that will be processed into healthy soil. The amount of perishable food donated to Saving Grace since January 1, 2016, is approximately 4,805 pounds.

Chairwoman Duren inquired if the food donated to Saving Grace must be frozen first. Ms. VanDorn responded that although some food is frozen, most of it is perishable that comes straight out of the coolers. The food is loaded on speed-racks and delivered to Saving Grace’s trucks for distribution within a few hours. Anything that can be salvaged is donated, and Saving Grace picks up food approximately 6 to 8 times per month depending on the amount of events.

Public Relations Update

Ms. Kristi Andersen stated that a copy of the First Quarter Media Report for CenturyLink Omaha, which was provided by the Omaha Convention & Visitors Bureau, has been distributed to the Board for review. It is very helpful to see the amount of times that CLCO was mentioned in articles across the country for these first few months of the year. According to the Media Monitoring report, the number of stories had a publicity value at \$11.5 million. CLCO was mentioned in 534 stories, with a total of nearly 417 million in audiences that were reached (impressions). Yahoo Finance generated the most publicity for CLCO with nearly 94 million impressions. Their stories were about live streaming the Berkshire Hathaway Annual Meeting for the first time. Nearly all of the stories that were released by Yahoo were picked up by Bloomberg, Fox and other publications around the world.

The Berkshire Hathaway Annual Meeting was a smooth event from a media and guest services perspective. There was Media at the facility from around the world to cover the event. Some local stations focused on new security measures, metal detectors, etc. There were very few complaints and lots of compliments from shareholders. This is a testament to the staff and how they worked through that security process for the first time.

MECA is gearing up for The International Horse Jumping Competition for this weekend, Monday night's WWE Raw and the sold-out Luke Bryan concert. On Monday, local media will have the opportunity to meet with Ms. Natalya Neidhart with WWE's Total Divas. She will be doing a number of radio and TV spots that will generate more excitement to an already well-received event. This weekend will be the Annual Salute to Military game at TDAPO. Military personnel and their families will get in free, and this event always draws a great crowd.

Committee Updates:

Internal Governance Committee

Ms. Dana Washington reported the Internal Governance Committee met on Thursday, April 21, 2016, at MECA's offices. In attendance were Ms. Washington; Chairwoman Duren; Mr. Stephen Curtiss, City of Omaha Finance Director; Mr. Bob Freeman; Mr. Dixon; Ms. Claire Alt; Ms. Lea French; and Ms. Tabitha Chase. The Committee reviewed the March 2016 Financial Statements. After overviews from and discussions with Ms. French, the Committee found the reports to be reasonable compared to plan and prior periods and consistent with standard MECA accounting practices. Ms. Washington noted that the seven concerts scheduled between April and June will put MECA ahead of budget. The Committee then discussed and approved changes to the Employee Service Awards Program to cover those employees who have reached 15 years of service. The 15-year employees will now receive a \$500 cash award, and cash awards will now increase by \$250 for each additional 5-year period of service. The Committee reviewed the timeline for raise recommendations. The recommendations will be discussed at the May 26 Internal Governance Committee Meeting and will be presented to the Board in June. Mr. Curtiss provided a helpful overview of the LB884 which is a Turn back Tax Bill. Finally, the Committee reviewed the current Capital Reserve Policy. Mr. Dixon and Ms. French presented a proposal for revising the mechanism used to determine the amount of funds that are designated to the Capital Reserve Fund. Ms. French will be presenting the Policy for Board approval.

Real Estate Committee

Mr. Jay Noddle reported that there was not a formal Real Estate Committee meeting since the last Board meeting. However, the Lot B Study Group has been working on a daily basis. The contract with the consultants was entered into this week. It worked out that Donors Trust took the lead through Heritage Services and entered into the Agreement. The funding will funnel up through Donors Trust. The consultants arrived today and they will be here through the balance of the week, with most of their time devoted to understanding the area. There is a whole series of tours and meetings set up primarily with the smaller working group at this time. There will be individual stakeholder interviews, although timing for this trip is limited and will only include the broader Committee. After the interviews and tours are completed, they will formulate ideas and be back in Omaha on June 13-17. The list is being formulated now of more stakeholder interviews to be scheduled on that visit. Conference calls with the Committee are to be scheduled throughout the entire summer. Mr. Noddle also noted that Ms. Washington has joined the Committee and there will be several opportunities for Chairwoman Duren to be included as well.

Contract Approvals:

Chairwoman Duren indicated there are one policy and four contracts requiring approval today.

CLCO

Chairwoman Duren read the following resolutions:

Capital Reserves Policy & Additions

WHEREAS, MECA established a Capital Reserve Fund on June 10, 2004, for capital repairs, improvements and expansions and has subsequently revised and updated same; and

WHEREAS, MECA desires to now place \$3,000,000 into this Fund for the 2016 fiscal year, bringing the total balance of the Fund to approximately \$12,000,000.

RESOLVED, the Board approves moving \$3,000,000 to this Reserve account into the Capital Reserve Fund for the 2016 fiscal year.

FURTHER RESOLVED, that MECA's Capital Reserve Policy is hereby amended to compute the annual funding based on 35% of net profit prior to depreciation and amortization if sufficient funds are available to do so, same to be effective with the 2017 fiscal year.

Chairwoman Duren invited public and Board comment and asked for a motion.

Mr. Bradford inquired if the 35% was only to be placed into the reserve. Chairwoman Duren stated that was correct.

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

Motion carried: 5-0.

CenturyLink Communications Agreement

RESOLVED, that the Agreement between MECA and CenturyLink, Inc. for the installation and configuration of equipment to provide public wireless access in the arena at CenturyLink Center Omaha, 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.

Chairwoman Duren invited public and Board comment and asked for a motion.

Mr. Theisen inquired about the capacity this upgrade will provide. Mr. Raymond responded that it will cover the arena. MECA has taken the industry standard and gone above and beyond that. It will not only offer free Wi-Fi to guests, but give MECA the structure to add other capabilities and enhance guest services in the future. This project will begin in July-August and is projected to be completed by the end of September.

Moved by Mr. Bradford, seconded by Mr. Noddle.

Motion carried: 5-0

Mulhall's Nursery, Inc. Agreement

RESOLVED, that the Agreement between MECA and Mulhall's Nursery, Inc. for all labor, equipment and materials to refurbish three planter beds in front of CenturyLink Center Omaha, 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.

Chairwoman Duren invited public and Board comment and asked for a motion.

Moved by Mr. Bradford, seconded by Ms. Washington.

Motion carried: 5-0

Commonwealth Electric Company of the Midwest Agreement

RESOLVED, that the Agreement between MECA and Commonwealth Electric of the Midwest to provide labor, equipment, and materials to replace data cables in the exhibit hall floor boxes at CenturyLink Center Omaha, 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.

Chairwoman Duren invited public and Board comment and asked for a motion.

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

Motion carried: 5-0

Ticketmaster Agreement

RESOLVED, that the Agreement between MECA and Ticketmaster for comprehensive ticketing equipment, software, services and support 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.

Chairwoman Duren invited public and Board comment and asked for a motion.

Mr. Theisen inquired if the Agreement conditions were similar to the last one. Mr. Dixon responded that it is basically the same.

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

Motion carried: 5-0

TDAPO

Hockenbergs Foodservice Equipment & Supply Company, Inc. Agreement

RESOLVED, that the Agreement between MECA and Hockenbergs Foodservice Equipment & Supply Company, Inc., for the purchase and installation of two smoker ovens at TD Ameritrade Park Omaha, 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.

Chairwoman Duren invited public and Board comment and asked for a motion.

Mr. Bradford asked which Waterfall this expense will come out of. Mr. Dixon responded that the expense will come out of the CRR Fund. It was presented to NCAA and CWS, Inc., and although it does not require their approval, it does require their acknowledgment. Both the NCAA and CWS, Inc. were in agreement. Mr. Dixon stated that all equipment must go through that process. Chairwoman Duren noted that the smoker ovens will be in place before CWS.

Moved by Mr. Bradford, seconded by Mr. Theisen.

Motion carried: 5-0

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Tuesday, June 7, 2016, at 8:00 a.m. in the MECA Board Room.

Chairwoman Duren announced that before entering into Executive Session she would like to recognize Mr. Bradford's service to MECA and the Board. This meeting marks the end of Mr. Bradford's fifth year on the Board and his 2-year term as Chairman. Mr. Bradford has been a zealous and tireless advocate for MECA. He established the Internal Governance Committee to ensure that the organization and Board are run with the highest level of ethics and governance practices, and that we as a Board understand our fiduciary responsibilities to this organization. Mr. Bradford also created the Real Estate Committee to understand and guide one of our most important assets, the property of MECA, and its interrelationships with the surrounding downtown developments. The ongoing work of this Committee,

along with the Lot B Advisory Committee, is critical to the success of MECA and the City of Omaha. It was Mr. Bradford's vision to establish the Committees to review the arena and convention center business and to create a 20-year Capital Plan, which is as he always says, "a roadmap for the future." MECA under Mr. Bradford's leadership has truly developed that roadmap. Chairwoman Duren thanked Mr. Bradford for his passion and commitment to the organization.

Executive Session

Chairwoman Duren stated the time of 10:26 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 Mr. Theisen.

Motion carried: 5-0.

Adjournment

At 11:08 a.m. a Motion was made to come out of Executive Session and to adjourn, made by Mr. Noddle, seconded by Mr. Bradford.

Motion carried: 5-0

Adjournment (11:08 a.m.)