

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – JUNE 25, 2015**

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 June 25, 2015, 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 June 18, 2015, and in the *Omaha World-Herald* on June 18, 2015.

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. Duren moved for approval of the minutes of the May 28, 2015, MECA Board Meeting, seconded by Mr. Noddle.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon commended staff for the execution of another great College World Series (CWS). Hosting a major event like the CWS is always a big challenge. TD Ameritrade Park Omaha (TDAPO) set a new attendance record for the CWS with 353,378 guests. The weather was more favorable this year, with the only major problems affecting the games being the flight patterns of a helicopter and a small plane. Mr. Dixon will work with the Federal Bureau of Investigation and the Omaha Police Department (OPD), along with the Federal Aviation Administration to establish flight restrictions over TDAPO during the games. The changes made to the baseball by the National Collegiate Athletic Association (NCAA) paid off with 15 homeruns this year as compared to three homeruns each for 2014 and 2013. TDAPO also saw its first two run walk-off homer in the history of the park.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge announced there are currently 171 events on the books utilizing 269 event days for this fiscal year ending June 30, 2015. Since the May 28, 2015, Board Meeting, 11 events have been added with 17 event days and over 26,000 hotel rooms booked. In addition, 21 license agreements have been signed.

Ms. Niebrugge stated that she will be traveling to industry conventions with the Hilton and Omaha Convention & Visitors Bureau (OCVB) July through October. These conventions are a great way to introduce Omaha to decision making attendees.

The OCVB has hired a new Executive Director, Mr. Keith Backsen. MECA will be hosting a welcome reception for Mr. Backsen on July 22, 2015, in the club lounge at TDAPO. The Board members are all invited to attend.

Corporate Sales and Marketing Update

Mr. Tom O’Gorman stated the main focus for this last month has been meeting with the NCAA in regards to over 800 club seat renewals at TDAPO. After negotiations, an agreement was reached with a slight rate increase but still remains on track with the primary budget previously established. There are three suites with seven-year contracts up for renewal this year at CenturyLink Center Omaha (CLCO). Mr. O’Gorman has been in contact, and it appears that all will be renewed. There are also six club seat accounts up for renewal. Mr. Bradford inquired if TDAPO had a waiting list and if the public is made aware of such a list. Mr. O’Gorman stated there is currently a waiting list, and although it is not published, names are typically added each year following the CWS.

Currently on sale are the TD Ameritrade College Home Run Derby, FIVB Volleyball Tournament, Lady Antebellum, Aksarben Stock Show and Rodeo (formerly River City Rodeo), Janet Jackson, Elton John, two Taylor Swift shows and the NCAA Women’s National Volleyball Championship.

Operations and Technology Update

Mr. Kevin Raymond also took the opportunity to recognize the staff’s hard work and efforts for the highly-attended CWS this month. The many hours of hard work and warm weather had no effect on their positive attitudes, professionalism and willingness to help. These efforts were noticed and appreciated by the NCAA and CWS, Inc. in a meeting after the closing ceremonies.

The refresh of the suites has just begun, and there are also a few projects being finished which include the recessed grille mats, concrete, and faux painting upstairs on the meeting room level.

Levy Restaurants Update

Ms. Chris VanDorn was happy to announce that Levy’s team also had a very successful event for the CWS. The food sales increased this year by 6% which was attributed to the reasonable weather. In year-after-year growth, Levy was up \$170,000 through Game 2 of the Championship Series. All revenue centers showed an increase – concession 4%, group sales 2.5%, suites 2.7%, club lounge 8.5% and in-seat service 118% (beer and wine allowed into the club seats). Chairman Bradford asked if the sales of alcohol in the club seat area caused more drinking or alcohol-related incidents. Ms. VanDorn responded that guests actually drank less because they were not in a rush to drink their beverage before leaving the club lounge and return to their seats. In-seat alcohol sales cut down overcrowding in the club lounge level and filled up the club seating area outside. Guest satisfaction was improved by adding the in-seat service. The top selling items included the souvenir soda (66,787), bottled water (66,777) and the waffle cone (31,000). Chairman Bradford noted congestion at concession stands and crowding in the concourse area due to guests in the general admission sections moving into cooler areas in the shade during the afternoon games, and suggested perhaps more planning can be done to provide some relief to those affected by the sun. Ms. VanDorn will look into some viable options.

Public Relations Update

Ms. Kristi Andersen reported that there were close to 700 media locally and across the country credentialed to cover the CWS. There was great and widespread media coverage on all fronts from the new menu items which were offered to the media to sample, parking, the economic impact of the series, security and the new text alert system. As Mr. Dixon previously mentioned, 353,378 fans attended the CWS with very few complaints. Ms. Andersen monitors social media and guest services. The biggest complaint this year was a whistling fan with the Vanderbilt crowd who was very annoying. Noise making devices are prohibited at TDAPO; however, this fan was not using a device. Ms. Andersen received numerous positive comments about how smoothly this series went, how fans are settling into the new ballpark and how friendly and welcoming our staff was to our out of town guests.

Ms. Andersen is preparing for the 2016 USA Swim Trials press conference to be held on Monday, June 29, at 10:30 a.m. to kick off ticket sales. This year Ms. Andersen will be joined by 5-time Olympian, Dara Torres. The Board of Directors were invited to attend the event to be held in the arena near the Bud Light Bud Zone.

Committee Updates:

Internal Governance Committee

Ms. Diane Duren reported the Internal Governance Committee members met on Wednesday, June 17, at MECA's offices. In attendance were Mr. Bradford; Mr. Stephen Curtiss, City of Omaha Finance Director; Mr. Dixon; Ms. Duren; Mr. Robert Freeman; Ms. Lea French; and Mr. Jeremy Vokt, an audit partner with Bland & Associates. The Committee discussed the fiscal year 2014 (ending December 31) 401(k) profit sharing plan audit for which planning and field work has begun and reviewed the of the Bland & Associates letter to the Board for compliance with a Statement of Auditing Standard SAS114, outlining the scope and timing of this audit along with communication of their overall audit plan. Each of the MECA Board members will receive a copy of this letter which is intended to convey communication to anyone who is responsible for governance. Also discussed was the upcoming audit for MECA's financial statements for the fiscal year ending June 30, 2015. A similar letter for this audit engagement was reviewed and will also be sent to each Board member. Field work for this audit is scheduled to begin in October. Mr. Vokt inquired if there were any risks, issues or directives from the Internal Governance Committee that should be considered in these audits. After a discussion regarding the audit, none were identified. The Committee discussed some potential changes to the management discussion and analysis portion of the audit report that would more fully describe operations for CLCO and TDAPO. Mr. Vokt was then excused from the meeting. May 2015 financial statements were not finalized due to the staff being busy with events. The May statements were subsequently sent to the Board with no review with Ms. French and Mr. Dixon. They were discussed and found to be reasonable compared to plan and prior periods consistent with the standard MECA accounting practices. May was a particularly good month financially for MECA as a result of successful arena events for Garth Brooks, the Berkshire Hathaway Annual Shareholder's meeting, and the Big East and Creighton Baseball events. An initial review began of the 2015-2016 budget, which will be completed by the July 28 Board meeting.

A new Board orientation outline was prepared by Mr. Freeman and was reviewed by the Committee. This new orientation will be utilized this week with Ms. Dana Washington.

Mr. Freeman presented and the Committee reviewed the final draft of the Code of Business Conduct and Ethics, as well as the Annual Certificate of Compliance, which reflected some minor cosmetic changes and updates deemed appropriate due to National Labor Law enforcement issues. This law governs employee rights in the work place. After Committee review, the document was sent to each Board member for comment. There were no comments received, and the Committee recommends approval of this version of the Code of Business Conduct and Ethics.

Chairman Bradford invited public and Board comment.

RESOLVED, that the revised Code of Conduct and Ethics Policy, as attached hereto, is hereby adopted.

Motion carried: 5-0.

Mr. Noddle asked for clarification regarding disclosures in accordance with the newly revised Code of Conduct and Ethics Policy. As a Board member for a not-for-profit organization, he routinely signs contracts. Mr. Noddle asked the Board for a recommendation for when negotiating events at CLCO. It was determined that he should not be the person signing the agreements for that organization in that particular situation.

Real Estate Committee

Chairman Bradford reported that talks have begun regarding the possible redevelopment of Lot B with the NCAA, Creighton University and CWS, the tenants and users that rely upon Lot B for parking. It is understood that Lot B is unique in that it clearly services all three businesses that MECA manages (arena, convention and the ballpark). As MECA moves forward in step one of their assessment of the development concepts for Lot B, it will solve alternative parking solutions that have appropriate pedestrian corridors, look at parking enhancements to help alleviate traffic from the existing parking garage, address the median safety issue, offer patron environments that are needed, and study the intended and unintended consequences in developing Lot B. Step two would be to set up regulations, covenants, conditions and restrictions to lay out what would be appropriate to build there. Obviously, there are certain uses that would be acceptable and others that would not work. Another consideration would be the building height of a new structure. A structure that is too high would block the name of the CenturyLink Center, which is a big part of what the facility is. Blocking the name would have some economic impact on MECA's ability to have or sell naming rights. This is an example of an unintended consequence. The Board must pay attention to make sure it is set up right and determine what can go on Lot B that includes everything that is important to MECA. Finally, if everything is satisfactory to the understanding of MECA's tenants, then move into step three where it is turned over to the City and developed according to guidelines firmly set in place. This information will be released today and will be discussed monthly moving forward. Chairman Bradford added that this is positive, but the line of sight is a real issue, and its impact to the facility is very substantial.

Mr. Dixon added that the NCAA has been trying to figure out some options for Fan Fest, they had wanted in Lot B. Although Lot B is not a long-term solution, options need to be identified. The NCAA is interested in offering more family friendly things. Mr. Dixon is exploring how we can utilize all of our facilities to expand benefits for the community, either on the north lawn or the convention hall. Conceptually, items like a zip-line or Ferris wheel may draw more people to a new family-friendly area. Those areas would then entice vendors and sponsors. There are a lot of different scenarios and thought process yet to go through.

Mr. Noddle noted that by 2017, a great deal of the land will be in development in this area. There are 6-8 projects out there now that will take that land out of service and much of that land is today used for entertaining. It isn't just MECA's land holdings that could get repurposed; the fringes are getting repurposed as well. As we go forward, we need to be cognizant of that.

Convention Center Committee

Mr. Willy Theisen presented the Board with the final report from the Convention Center Committee. The process of obtaining new net business is outlined using comparisons, best practices and recommendations. Mr. Theisen noted that it is imperative that MECA, the Marriott, the Hilton and the Omaha Convention & Visitor's Bureau all must work as a team to attract larger business conventions to Omaha.

Contract Approvals:

Chairman Bradford indicated there are seven approvals today.

MECA

Chairman Bradford read the following resolutions:

Mutual of Omaha Insurance Company Agreement

RESOLVED, that the Advertising/Sponsorship Agreement between MECA and Mutual of Omaha Insurance Company for advertising 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 Advertising/Sponsorship Agreement following its finalization in a form reasonably approved by counsel.

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

Ms. Washington recused herself from vote.

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

Motion carried: 4-0.

ConAgra Foods, Inc. Agreement

RESOLVED, that the Advertising/Sponsorship Agreement between MECA and ConAgra Foods, Inc., 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 Advertising/Sponsorship 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 Ms. Duren, seconded by Mr. Theisen.

Motion carried: 5-0.

CenturyLink, Inc. Agreement

RESOLVED, that the Agreement between MECA and CenturyLink, Inc., for the installation and configuration of equipment to increase the wireless capabilities in the convention center 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.

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

Moved by Ms. Washington, seconded by Ms. Duren.

Motion carried: 5-0.

Pitlor Mechanical Corporation Agreement

RESOLVED, that the Agreement between MECA and Pitlor Mechanical Corporation to provide labor, equipment and materials to replace the arena's primary water heater 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.

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

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

Motion carried: 5-0.

Jackson's Complete Concrete Agreement

RESOLVED, that the Agreement between MECA and Jackson's Complete Concrete for the removal, disposal and installation of concrete 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.

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

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

Motion carried: 5-0.

ABM Security Services, Inc. Agreement

RESOLVED, that the Agreement between MECA and ABM Security Services, Inc., to provide security services for MECA managed facilities, 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 Ms. Duren, seconded by Mr. Theisen.

Motion carried: 5-0.

Barrett Sports Group, LLC Agreement

RESOLVED, that the Agreement between MECA and Barrett Sports Group, LLC for professional consultation services to conduct an executive level compensation survey, 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 added that this services offered by the Barrett Sports Group was at the request of the Internal Governance Committee who will also oversee the work done.

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

Motion carried: 5-0.

Miscellaneous

Chairman Bradford thanked Councilman Ben Gray for attending the Board meeting and invited him to speak.

Councilman Gray thanked Chairman Bradford for the opportunity to speak today. Councilman Gray stated that it is very satisfying to see the aggressive nature the Board of Directors is taking moving forward to address the competition that Omaha faces now and in the future. He also thanked the Board for using a Tier One company for services and participating in inclusivity, which is needed in the community. Councilman Gray expressed his interest in Lot B and intends to be actively involved with the Board for any development at an early level so that restrictions or covenants stay within City charters and State law. The Council is talking through them and working closely with Mayor Stothert. Councilman Gray also addressed the significant homeless problem in Omaha which is right at the back door of MECA. The Board should be aware that there is an effort to create a campus type atmosphere nearby and address some of the problems with the homeless. He, along with Councilwoman Aimee Melton, are working with the Mayor to create a plan that moves Omaha forward and addresses homelessness in a holistic fashion. At some point in time the Council would like to make a presentation to the MECA Board of Directors.

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Tuesday, July 28, 2015, at 10:00 a.m. in the MECA Board Room.

Executive Session

Chairman Bradford stated the time of 11:00 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. Duren, seconded by Ms. Washington.

Motion carried: 5-0.

Adjournment

At 11:30 a.m. a motion was made to come out of Executive Session and to adjourn, made by Mr. Theisen, seconded by Ms. Duren.

Motion carried: 5-0

Adjournment (11:30 a.m.)