

MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION AUTHORITY BOARD OF DIRECTORS MEETING – OCTOBER 10, 2017

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 8:30 a.m. on October 10, 2017, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

Present: Chairwoman Diane Duren, Ms. Susie Buffett, Mr. Jay Noddle, and Mr. Tom Kelley. Ms. Dana Washington was unable to attend. Chairwoman Duren welcomed Mr. Tom Kelley to the MECA Board of Directors.

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on October 3, 2017, and in the *Omaha World-Herald* on October 3, 2017.

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. Buffett moved for approval of the minutes of the July 7, 2017, MECA Board Meeting, seconded by Mr. Noddle.

Motion carried: 4-0.

President/CEO Report:

Mr. Roger Dixon attended the IAVM (International Association of Venue Managers) VenueConnect Conference and Trade Show at the Music City Center in Nashville, TN in August. Although the conference showcased a wide range of products and services related to the facility management sector, Mr. Dixon was focused on safety, security products and information. There were a lot of discussions about what’s going on in security at this year’s annual meeting. MECA was able to secure two security consultants at the convention. The initial report has been pushed back because the consultants were called to Las Vegas, NV in wake of the tragedy that occurred there this month. Mr. Dixon noted that due to the fact that the consultants were asked to be involved in Las Vegas, his beliefs were validated that MECA had hired the right people for the job.

The Missouri River Revitalization Project has begun and local agencies and stakeholders have been asked to participate in an exploratory session to help inform and understand the dynamics of this project and to assist with ideas and potential programming. Mr. Dixon was asked to participate in the meeting and noted that it is very exciting to see what the riverfront project could be developed in to.

Mr. Kelley inquired if the clear bag policy that is being implemented in some arenas is event or venue driven. Mr. Dixon responded that it is venue driven and one of the things that MECA is currently looking at. It requires sponsorships which Mr. Tom O’Gorman is researching. More information will soon be brought to the Board. MECA has a maximum size for incoming bags and everyone attending arena events is wanded. Chairwoman Duren inquired if the security policy can be printed on the tickets. Mr. Dixon responded that there is simply not enough room for the information. It is posted on the website, social media and notices are pushed out before the event to inform the guests attending.

MECA recently took part in the College World Series Annual Partnership Meeting and are looking forward to a great 2018. These meetings allow the parties to evaluate the prior year and make changes that will have a direct impact on the Championship Series and contribute to its success.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge is currently out of the office attending the IMEX America (America's worldwide exhibition for incentive travel, meetings and events) being held in Las Vegas, NV. This is one of the largest trade shows in the country.

Mr. Dixon stated that there are currently 118 events on the books utilizing 228 event days for the fiscal year 2017-2018. Since the July 7, 2017, board meeting, 34 events and over 31,000 hotel room nights have been added. In addition, 42 new license agreements have been signed.

Corporate Sales & Marketing Update

Mr. Tom O'Gorman reported that the renewal process has begun for TD Ameritrade Park Omaha (TDAPO). MECA has 64 accounts with 289 seats that are up for renewal. Mr. O'Gorman has not received much pushback and feels TDAPO will be at sold-out status as of the first of the year. CenturyLink Center Omaha is currently at a sold-out status for Club seating. The sponsorships are currently at 92% which is being addressed.

The third quarter results are in from *Pollstar* Magazine. MECA was ranked 27th in the United States and 53rd in the world in regards to attendance. CenturyLink Center Omaha (CLCO) is performing well and looks to be in very good shape for the fourth quarter.

Chairwoman Duren inquired as to how CLCO was performing on the last *Pollstar* report. Mr. O'Gorman reported that attendance was down; however, the market fluctuates and numbers should be good by the end of the year due to sold-out concerts.

Operations and Technology Update

Mr. Kevin Raymond also took the opportunity to recognize the staff's successful implementation of MECA's new small bag policy which was communicated through traditional and social media to guests. The new guidelines require bags and purses to be 4.5 x 6.5 inches or smaller.

Project work has been very productive this summer at CLCO. The plaza concrete project was completed, although there was more damage to the membranes and drains than originally thought. The project took a little longer than projected but the results are very nice. The work on the arena roof repair actually took less time than planned and Mr. Raymond anticipates it will be completed by the end of October. The lighting control system was completely replaced and retrofitted for the arena and exhibit hall. This new system will be used in a few weeks for Creighton University's Men's Basketball season. The work has begun on the garage LED lighting repairs which occurred a bit later than anticipated, but will be completed by the end of October. Work on the POS system has begun and will be in the testing phase for Disney on Ice. The basketball floor was sent out to be refinished and looks very good. Guests can look forward to some slight design changes from Creighton University. Lastly, there is ice in the arena for first time since 2014. Some reconditioning was required, but overall it went well for not using the system for three years.

Levy Food & Beverage Update

Ms. Chris VanDorn reported that since the July 7, 2017 MECA Board of Director's meeting, Levy has hosted 10 concerts, the World Wrestling Entertainment - Real American Wrestling (WWE RAW) event, in addition to several small and large catering events in the convention center. The returning concerts all increased their per caps; specifically, the Tim McGraw and Faith Hill concert per caps were more than doubled from the last concert at CLCO. Directly following the Tim McGraw and Faith Hill concert Levy started the installation process for the new Point of Sale (POS) system. It will be in place for the Disney on Ice event. Levy will schedule additional team members to come in for hands-on, live training during this time so that more team members have exposure to the new system and are ready to go for the sold-out Thomas Rhett concert. The new system ensures that we are Payment Card Industry (PCI) compliant, meaning it will meet the standards set by the Payment Card Industry Security Standards Council which provides requirements for a secured and standard data system and protocols for companies using, transmitting and storing consumer payment cardholder information. This will also be a significant change allowing Levy the ability to accept credit cards at every single location operated in the building. It will give Levy an additional inventory tracking ability and increased reporting functionality.

Chairwoman Duren inquired if the new POS system will utilize the chip reader function for credit cards. Ms. VanDorn responded that the system will not be using this type of card processing. Freedom Pay is the name of the system being utilized by Levy, and they certify the transaction without actually having to use the chip. Freedom Pay has determined that in all of its implementations it is significantly faster processing to continue using the swipe method. Levy will use an official looking card that will be inserted into the chip reader which will have a statement saying something to the effect that Freedom Pay certifies the transaction utilizing the swipe. This will help guests not to question if they need to insert their card in the chip area. Mr. Kelley inquired if guests are required to sign a credit card receipt above a certain dollar amount? Ms. VanDorn responded that it is Levy's standard business practice to not have a signed credit card slip for a transaction under \$25. Levy does have the ability to print the receipt at that time or even later if requested. The speed will come from not having to print a credit card receipt for each transaction and it is the goal of Levy to quickly and efficiently service guests. Mr. Kelley asked if Freedom Pay bears the risk of loss on a fraud transaction or if it is incumbent upon the merchant. Ms. VanDorn stated that Levy is doing everything required to be PCI compliant, and by doing so it relieves that liability; however, Ms. VanDorn will follow up for verification. Levy will have experienced a few events with the new system before next Board of Director's Meeting and will give an update of the system at that time.

Levy conducted their annual food tasting with the MECA staff on September 27. Various new menu items were on display. A presentation was given to the Vice Presidents first, and then it opened up for all MECA staff to join in for lunch. This luncheon is appreciated by the MECA staff and feedback is collected on all items tasted. This event is very beneficial for Levy to make menu modifications and tweak food items according to feedback before they go live on the first event. Guests can look forward to new in-suite presentations, as well as some new concession items coming out with the first Men's Creighton University Basketball game in November. Some of the new concession items include: the turkey bacon melt, loaded house-made pub chips, teriyaki chicken sandwich and the hot Italian beef sandwich. In-suite menu items include: the BBQ Brisket Frenchie and smoked chicken nachos.

Ms. VanDorn was happy to announce that a new executive sous chef for TDAPO has been hired. Mr. Chris Meyers joins the Levy team on Monday, October 16 and will office out of CLCO, along with the rest of the chefs for the fall season and then back across the street at TDAPO for the pre-planning stages

of the baseball season. Chef Meyers comes to Levy from HyVee as their executive chef for the last four years. Prior to that he was at Jobbers Canyon at the Double Tree Hotel, and before there he was an operations director at a radio station. Chef Meyers has received several honors in the culinary and broadcast field with the most recent being the *HyVee Seasons Magazine* in Fall 2016.

Public Relations Update

Ms. Kristyna Engdahl was happy to announce that she joined the MECA team in August as the New Director of Communications. The Board of Directors welcomed Ms. Engdahl to MECA and her new position. Ms. Engdahl brings approximately eight accumulative years in broadcast journalism. Her decision to change career fields came from the desire to see new opportunities and challenges, but still remain involved in significant current events. Ms. Engdahl is eager to be a part of the MECA team, to contribute to their glowing reputation and enjoy further involvement with Omaha staples such as the Men's College World Series.

Committee Updates:

Internal Governance Committee

Chairwoman Duren reported that the Internal Governance Committee met on Tuesday, October 3, 2017, at MECA's offices. In attendance were Ms. Washington, Mr. Bob Freeman, Mr. Steve Curtiss, Ms. DeAnn Olsen, Mr. Ron Horner (First National Bank of Omaha), and Chairwoman Duren who joined via telephone.

The Committee reviewed the June, July and August 2017 Financial Statements. After overviews from and discussions with Ms. Olsen, the Committee found the report to be reasonable compared to plan and prior periods and consistent with standard MECA accounting practices.

The Committee reviewed the MECA Investment Summary as of August 31, 2017, and found the summary to be reasonable and consistent with policy. First National Bank of Omaha reviewed MECA's investments and made recommendations during the meeting.

The CLCO and TDAPO 20-year Capital Plans were reviewed and will be updated annually. The Committee reviewed the Code of Compliance exceptions. The 401(k) Audit Report was reviewed and finalized.

Finally, it was noted that the Frankel Zacharia Auditors are currently at CLCO for the 2016-2017 fiscal year audit.

Real Estate Committee

Mr. Jay Noddle stated since the last Board Meeting, the draft documents between the City and MECA as they relate to the redevelopment of Lot B along with the development covenants have been completed and are in the possession of both parties. At this time they are awaiting comments, and assuming it is on track, the Committee could be in a position by the next Board of Director's meeting to take action. There is also a meeting scheduled with public works for next week to talk about Lot D and the details related to the City's work below Lot D. This will be a critical element as details for Lot D must be worked out before Lot B can be taken out of service.

Mr. Noddle noted that the riverfront revitalization initiative actually has two committees, and Mr. Noddle is chairing a second, separate real estate committee which has met with consultants to discuss

opportunities on both sides of the Missouri River. He expects the consultants to have a report prepared soon.

Contract Approvals:

Chairwoman Duren indicated there are six contracts requiring approval.

MECA

Aon Risk Services

RESOLVED, that the contracts for purchase by MECA of insurance coverages from the indicated carriers for the indicated coverages and premiums, as generally set out on the attached summary, are hereby approved.

FURTHER RESOLVED, that Roger Dixon as President/CEO is authorized and directed on behalf of MECA to execute the agreements to implement these coverages.

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

Mr. Noddle stated that he assumes that nothing the Board is doing with this contract will preclude MECA from adding additional coverage if the security consultants recommend it. Mr. Dixon responded that MECA will be able to add additional coverage at any time.

Moved by Ms. Buffett seconded by Mr. Noddle.

Motion carried: 4-0

CLCO

Alexander Open Systems

RESOLVED, that the Advertising/Sponsorship Agreement between MECA and Alexander Open Systems, 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.

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

Moved by Mr. Noddle seconded by Ms. Buffett.

Motion carried: 4-0

Hockenbergs Foodservice Equipment & Supply Company, Inc.

RESOLVED, that the Agreement between MECA and Hockenbergs Foodservice Equipment & Supply Company, Inc., for the purchase and installation of kitchen and serving equipment 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. Kelley inquired as to the number of sponsorships MECA currently has. Mr. O’Gorman responded that he does not recall the exact number, but MECA currently has sold 92% of its available inventory.

Moved by Ms. Buffett seconded by Mr. Noddle.

Motion carried: 4-0

CIMCO

RESOLVED, that the Agreement between MECA and CIMCO Refrigeration to re-commission the existing ice floor control system 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.

Moved by Mr. Kelley seconded by Ms. Buffett.

Motion carried: 4-0

AgTac Services, LLC

RESOLVED, that the Agreement between MECA and AgTac Services, LLC, for armed security services at CenturyLink Center Omaha and 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. Noddle asked how this compares to what MECA has done in the past. Mr. Dixon stated that MECA has always contracted this service out.

Moved by Mr. Noddle seconded by Ms. Buffett.

Motion carried: 4-0

TDAPO

Bush Sports Turf

RESOLVED, that the Agreement between MECA and Bush Sports Turf, for the complete removal and installation of sod in the baseball field and replacement of synthetic turf in the two bullpen areas 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. Kelley inquired as to how often sod needs to be replaced. Mr. Dixon stated that this is the first time sod has needed to be replaced. Mr. Dan Blank, the TDAPO Turf Manager, does an excellent job at TDAPO. Chairwomen Duren added that this a contemplated expenditure.

Moved by Mr. Kelley seconded by Ms. Buffett.

Motion carried: 4-0

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Thursday, November 16, 2017, at 8:30 a.m. in the MECA Board Room.

Adjournment

At 10:31 a.m. a motion was made to adjourn, made by Ms. Buffett, seconded by Mr. Noddle.

Motion carried: 4-0

Adjournment (10:32 a.m.)