

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF JULY 22, 2021

PRESENT: Commissioners Kyle M. France, Henry N. Baptiste, Hilary H. Landry, J.P. Morrell, Casey J. Robin, and Wells T. Watson

ABSENT: None.

ROLL CALL and WELCOME

Chairman Kyle France called the July 22, 2021 meeting to order at approximately 1:05 p.m. Present: Commissioners Kyle M. France, Henry N. Baptiste, Hilary H. Landry, J.P. Morrell, Casey J. Robin, and Wells T. Watson. Absent: None.

Chairman Kyle M. France reads aloud the Certification under Act 302 of the 2020 Regular Session of the Louisiana Legislature related to open meetings, pursuant to which the LSED is authorized to conduct the June meeting via telephone conference.

I. APPROVAL OF MINUTES OF JUNE 24, 2021 MEETING

Chairman France asked for a motion for approval of the Minutes of June 24, 2021 Board Meeting. Commissioner Robin moved for approval of same, seconded by Commissioner Landry. All were in favor, and the Minutes of the June 24, 2021 Board meeting were adopted.

II. ASM REPORT

Doug Thornton's report focuses on announcing Caesars Corporation as the new sponsor of the Superdome, the financial outlook and plans and preparations for reactivation.

In terms of the financial outlook, though not back to 2019 levels, the numbers have improved significantly more than expected when the 2022 fiscal year budget was submitted to the state back in November 2020. Increased hotel occupancy from 12 percent in 2020, to close to 35 percent in recent months is contributing toward a positive trend in the right direction. This, coupled with higher restaurant capacities, higher travel rates to larger cities and an increase in large event attendance, the outlook is better than previously forecasted and hopefully will continue bridging the deficit gap originally projected at \$15.5 million. However, because it is still fairly early in the fiscal year, it is wise to remain conservative, yet hopeful in continued forward progress.

From a cost perspective, keeping in mind the transitory inflation, there is a significant increase in rates and charges as it pertains to securing full and part-time employees as well as the cost of equipment and products. Much of this cost is attributed to the labor shortage and supply chain interruption. It is expected that we will experience stabilization in this area closer to the end of the 2021 calendar year or perhaps next spring. The increased costs are being offset by increasing rates and charges being passed through event promoters in order to cover costs and remain profitable.

Due to regular turnover for many part-time staffing positions, the process of filling those open positions is well underway. However, New Orleans is in better shape in than many other large cities, with respect to retaining and filling "casual labor" positions. Repopulation of full-time staff is underway after losing about 45 full-time employees during the pandemic. It is not expected for the various facilities to return back to 100% in regards to staff but will likely be closer to 80 percent staffed until the event load can sustain more employees.

Mr. Thornton concludes his report by mentioning the upcoming Monster jam event and expressing gratitude that we are able to host events at 100% capacity whether the shows are sold out or not.

[This concludes the ASM report]

Evan Holmes' report focused on the details of the agreement with the Superdome's new sponsor, Caesars Entertainment. The Saints, Caesar's Entertainment and the Legislative Committee on Budget held a procedural meeting to seek approval to change the name from Mercedes-Benz to Caesars Superdome.

Information discussed at the meeting included the following:

- The lack of financial exposure to the Superdome, the Saints and the LSED. The Saints collect the proceeds from the deal but are also responsible 100 percent of the transition cost including activation and branding. The Services team is working closely with the Saints during the transition to account for every nickel spent.
- The new Sponsorship deal will not have an impact on the hosting of amateur athletic events.
- The architectural integrity of the Superdome will remain intact and the new signage, etc. won't make much of a difference in terms of the structure.

Mr. Holmes' proceeds stating that Caesar's and the Saints will be sharing the building and that the partnership is a great opportunity.

The next round of work includes the building back of the food service commissaries before the facility reopens. Construction crews are being evacuated in preparation for upcoming events. Ongoing projects were reported as on schedule and on budget with change order that were credited back to the project.

Mr. Holmes' concludes his report by applauding the work of the team and construction crews for getting things done quickly and cost efficiently.

[This concludes the Services Report.]

Zane Collings presents the Facility Operations Report, highlighting six full-time staff openings and a successful job fair turnout that will help towards filling the positions. At the start of July, part-time staff numbers were down 18 percent from 2019 numbers, which is a positive in comparison to other large markets. New incentive programs and training will help to retain and enthusiastic staff.

Upcoming events include the Monster Truck rally, which are on track to meet Feld's sales projections and one newly confirmed show, the "Feed the Streetz Tour", featuring Rick Ross, Jeezy, Gucci Mane, etc. This bring us to 17 confirmed concerts for the fiscal year, which is trending toward pre-pandemic levels. Sales tend to slow down between July and Labor Day weekend but are expected to pick up in the Fall. There have been meetings discussing a possibly annual music event that may begin within this fiscal year.

Mr. Collings concludes his report with noting that the facilities have made a tremendous transformation in regards to renovations and cleanup within a week's time, thanks to the quick facilities operations and construction teams.

[This concludes the Facility Operations Report.]

Jennifer Cooke-Talbot presents the Sales & Marketing Report by noting the various marketing tools used to draw a remarkable turnout for the Job fair, including exterior boards, E-blasts, TV-spots, etc. Not only was the turnout for the Job fair satisfactory, we were also invited to the “Mardi Gras for All Y’all” campaign with NOLA.com and The Advocate. This is a great partnership and the campaign and branded content began running on July 1st and is sure to ramp up interest for the many ticketed events coming up.

Jennifer Cook-Talbot’s report is concluded with input from Mr. Collings, noting that tickets sales are already up for the Dave Chappelle & Joe Rogan shows which are slated to sell out before showtime. Other shows that have already sold-out include: Luke Combs, Elton John and Billie Eilish.

[Conclusion of Sales & Marketing Report.]

IV. FINANCE REPORT

David Weidler presents the Finance Report, beginning with the closing of fiscal year 2021, the review of financial statements that take a while to review and the legislative auditors, along with LaPorte who are actively onsite doing their compilations. Though the numbers show obvious trends, for the sake of being conservative, they will not be shared until there is a better grasp on the full scope of the details for the year. Refer to the financial package for May’s figures and June will be updating ASAP.

Mr. Weidler concludes his report by saying that there are enough operations funds to cover bills over the next month or so, in lieu of payment from Harrah’s.

[This concludes the Finance Report.]

V. CONSTRUCTION REPORT

Eileen Long presents a brief summary of the construction projects, noting the various construction projects that are in different stages of construction, including the recently completed Alario Center Kitchen replacement.

The John Alario Junior Sports Complex is in the beginning stages and we working closely with soil engineers to determine the amount of fill necessary to determine the details of Phase 1.

In regards to the bid for TPC Louisiana, we will be actively fielding bids on Lettermans Bid Connect for the practice tee renovation project on August 25th.

The Mercedes Benz lettering has been removed from the roof of the Superdome and will be painted white once the paint arrives from the vendor.

Eileen Long concludes her report with, The Master Plan Project- Phase 2 is wraps August 6th and is going very well, with the end zone suites and club areas near completion. Phase 3, the commissary renovation job, has an early work package begin in July that should be complete by August 6th, with the full scope projected to be complete by April 2022.

[This concludes the Construction Report.]

VI. LEGAL REPORT

Shawn M. Bridgewater begins her LSED Legal Report, presenting the following nine (9) Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Robin, seconded by Commissioner Landry, the LSED authorized and approved an appropriation from the LSED Capital Reserve Account in the amount of \$248,582.95 to purchase equipment and make repairs necessary to maintain and operate the Mercedes Benz Superdome, the Smoothie King Center, and Champions Square for the 2021-22 Fiscal Year. SMG received competitive proposals for the equipment and the repairs related thereto. The source of funds for the Resolution is the LSED Capital Reserve Account, and there are sufficient funds to support this Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-62** passed.

On motion of Commissioner Watson, seconded by Commissioner Robin, the LSED authorized, ratified, and approved execution of the Phase 1 Guaranteed Maximum Price Adjustment No. 16 to the Guaranteed Maximum Price Amendment for the Construction Manager at Risk Contract by and between the LSED and Broadmoor, LLC, dated May 1, 2019, with respect to the 2019 Superdome Capital Improvements Project.

Phase 1 GMP Adjustment No. 16 provides for a net credit to the Phase 1 GMP in the amount of \$367,813.00 that consists of the following:

- a credit in the amount of \$12,642.00 to the Phase 1 Guaranteed Maximum Price for reduced costs associated with changes to the fire rated stair doors;
- a no-cost extension of 200 days to the substantial completion date for Phase 1 of the Master Plan Project; and
- a credit in the amount of \$355,171.00 to the Phase 1 Guaranteed Maximum Price for back-charges through June 23, 2021 that were funded out of the Master Plan Project contingency.

This Resolution was recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect), and had been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The execution of the Phase 1 GMP Adjustment No. 16 by LSED Project Representative Commissioner Hilary H. Landry was authorized, ratified, and approved. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-63** passed.

On motion of Commissioner Robin, seconded by Commissioner Landry, the LSED authorized, ratified, and approved Phase 2 Guaranteed Maximum Price Adjustment Nos. 5 and 6 to the Phase 2 Guaranteed Maximum Price Amendment for the Construction Manager at Risk Contract by and between the LSED and Broadmoor, LLC with respect to the 2019 Superdome Capital Improvements Project.

Phase 2 GMP Adjustment No. 5 provides for a net increase of \$239,872.00 to the Phase 2 Guaranteed Maximum Price, consisting of: (i) a credit in the amount of \$9,581.00 to the Phase 2 Guaranteed Maximum Price and an extension of twenty (20) days to the substantial completion date for Phase 2 of the Project; (ii) an increase in the amount of \$36,210.00 to the Phase 2 Guaranteed Maximum Price for labor

and material costs associated with the installation of CMU walls at Event Level Substations, which includes drywall and overhead door steel supports; and (iii) an increase in the amount of \$213,243.00 to the Phase 2 Guaranteed Maximum Price for additional labor and material costs required in connection with Broadmoor's RFC 15r2 and Trahan Architect's ASI #003. Phase 2 GMP Adjustment No. 6 provides for a credit in the amount of \$248,858.00 to the Phase 2 Guaranteed Maximum Price that relates to the deletion of the Negative Air maintenance from the Project scope of work

This Resolution has been recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect), and has been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funds for the Phase 2 GMP Adjustment Nos. 5 and 6 is the Master Plan Project Budget, and there are sufficient funds to support the Resolution. The execution of the Phase 2 GMP Adjustment Nos. 5 and 6 by the LSED Project Representative, Commissioner Hilary Landry, was authorized, ratified, and approved. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-64**.

On motion by Commissioner Landry, seconded by Commissioner Watson, the LSED authorized, approved, and ratified the First Amendment to the Amended and Re-Stated AIA A133-2019 Contract for the Construction Manager at Risk between the LSED and Broadmoor, LLC with respect to the 2019 Superdome Capital Improvements Project. Pursuant to the CMAR First Amendment, the LSED authorizes and approves Broadmoor, LLC to proceed with the early temporary work, demolition, and associated work with respect to Phase 3a of the Master Plan Project in the amount of \$1,015,043.00, which amount shall be included within the Project Cost of the Work for the Phase 3a Guaranteed Maximum Price.

This Resolution was recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect), and had been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funds for the services related to the CMAR First Amendment is the Project Budget, and there are sufficient funds to support the Resolution. The execution of the CMAR First Amendment by Chairman Kyle M. France was authorized, ratified, and approved. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-65**.

On motion by Commissioner Robin, seconded by Commissioner Landry, the LSED authorized the negotiation and execution of a Phase 3a Guaranteed Maximum Price Amendment with Broadmoor, LLC with respect to Phase 3a of the 2019 Superdome Capital Improvements Project. The Phase 3a GMP Amendment will be on terms and conditions that are acceptable to the Master Plan Project Team, Legends Hospitality (the Master Plan Project Manager), and LSED legal counsel and will provide that the work with respect to Phase 3a of the Master Plan Project will be performed by Broadmoor, LLC for an amount in line with the Master Plan Project Budget. Once approved, finalized, and executed, the Phase 3a GMP Amendment will be ratified at a subsequent LSED meeting.

This Resolution has the Staff Analysis Support and Recommendation of Legends Hospitality (the Project Manager) and the Master Plan Project Team. The source of funds for the Phase 3a GMP Amendment is the Master Plan Project Budget, and there are sufficient funds to support the Resolution. Pursuant to the resolution, once in final form and approved by LSED legal counsel, Chairman Kyle M. France is authorized

to execute the Phase 3a GMP Amendment with same to be ratified at a subsequent LSED meeting. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-66**.

On motion of Commissioner Landry, seconded by Commissioner Watson, the LSED authorized, approved, and ratified Change Order No. 003 to the ANC Contract for the Master Plan LED and Fascia control and provides for an increase of \$47,252.75 to the Contract amount for the addition of the Ross Xpression items that are described in further detail in the change order. Change Order No. 003 has been recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect), and had been approved by the Project Team, consisting of the ASM Project Representative, the LSED Project Representative, and the New Orleans Saints Project Representative. The source of funds for Change Order No. 003 is the Project Budget, and there are sufficient funds to support the Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-67**.

On motion of Commissioner Robin, seconded by Commissioner Landry, the LSED authorized, approved, and ratified Change Order No. 002 to the Contract for master plan furniture, Fixtures and equipment with Associated Office Systems of LA, Inc, and provides for an increase in the amount of \$2,604.41 to the FF&E Contract amount.

Change Order No. 002 to the FF&E Contract had been recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect) and has been approved by the Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funds for Change Order No. 002 is the Project Budget, and there are sufficient funds to support the Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-68**.

On motion of Commissioner Baptiste, seconded by Commissioner Watson, the LSED authorized and approved the negotiation and execution of Amendment No. 003 to the Agreement for Professional Architectural Services by and between the LSED and Duplantis Design Group, P.C. for the Westwego Sports Complex Project. Pursuant to DDG Amendment No. 003, the Contract amount will be increased by \$11,900.00 for costs associated with additional geotechnical services provided by Stratum Engineering for CPT Testing and Settlement Mitigation Recommendations in connection with the Project. DDG Amendment no. 003 had the Staff Analysis and Recommendation of ASM Global and had been approved by the LSED Construction Committee. The source of funds for DDG Amendment No. 003 is the Project Budget, and there are sufficient funds to support the Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-69**.

On motion of Commissioner Baptiste, seconded by Commissioner Landry, and pursuant to LSED Resolution 21-37, dated May 27, 2021, the LSED authorized the negotiation and execution of the Second Amended and Restated Support Services Agreement by and between SMG and the State of Louisiana, which sets forth the terms and conditions by which SMG provides personnel and resources necessary to perform
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administrative, accounting and finance, asset management, public relations, governmental matters, and other support services for the LSED and its facilities. This Resolution ratifies the execution by Chairman Kyle M. France of the Second Amended and Restated Support Services Agreement.

Voting in favor were Commissioners France, Baptiste, Landry, Morrell, Robin, and Watson. Voting against: None. Abstaining: None. Absent: None. Motion **21-70**.

[This concludes the Legal Report.]

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

None.

IX. ADJOURNMENT

Chairman France asks for a motion to adjourn. On motion of Commissioner Landry, the July 22, 2021 LSED Board meeting adjourned at 2:06 p.m.