

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF OCTOBER 25, 2017

PRESENT: Chairman Kyle M. France and Commissioners Hilary H. Landry, Henry N. Baptiste, Renee A. Lapeyrolerie, Casey J. Robin, and Gregory A. Morrison.

ABSENT: Commissioner Kathleen B. Blanco. There was a full quorum.

I. ROLL CALL and WELCOME

Chairman Kyle France welcomed everyone to the October 25, 2017 meeting, calling it to order at approximately 1:10 p.m., and Commissioner Baptiste led everyone in attendance in the Pledge of Allegiance. Present were: Chairman France and Commissioners Landry, Baptiste Lapeyrolerie, Robin, and Morrison. Absent was: Commissioner Kathleen B. Blanco. There was a full quorum.

II. APPROVAL OF MINUTES OF SEPTEMBER 28, 2017 MEETING

Chairman France asked for a motion for approval of the Minutes of the September 28, 2017 Board Meeting. Commissioner Robin moved for approval of same, seconded by Commissioner Lapeyrolerie. All were in favor, the motion carried, and the Minutes of the September 28, 2017 Board meeting were adopted.

III. SMG REPORT

Evan Holmes, sitting in for Doug Thornton, begins the SMG report by making reference to a resolution being presented at today's meeting with respect to the Business Development Program exercise with consultants, JD Russell Consulting; the resolution seeks approval of the program, which information is available for the Commission's review. Some work must be done before full implementation; there will be a second resolution allowing the LSED to engage JD Russell as a "subject-matter expert" for the program going into the implementation phase. The development is complete; it is time for implementation and getting it done. Jade and her team are top-notch; it has been a great partnership, and Mr. Holmes thanks Jade and her team for being so responsive in introducing great ideas. He notes that the LSED, SMG, and The Tobler Company will be much more visible, with a greater outreach and presence in the local market.

Mr. Holmes turns towards the Master Plan, having had two meetings and a third set for November 3. We are starting to drill-down to elements that will be transformative to the Superdome, a lot of which have been well received by the group, collectively, the LSED, the Saints, and SMG.

The Westwego Sports Complex contract has been finalized with Duplantis-Sports Force, the architect, and the subject-matter expert team. We will begin to develop the program and conduct outreach to stakeholders and potential users. Jefferson Parish will serve as owner and

operator of this facility once it is constructed and open. There will be communication in the field soon to make sure that the program meets everyone's needs. We are facilitating the development and moving it along.

Mr. Holmes recognizes that today is Austin Sockwell's last Board meeting. Mr. Sockwell will be joining another SMG facility in Alexandria. He has done a great job, a lot of work with Centerplate, on audits, and other programs. Chairman France, on behalf of all the Board members, thanks Mr. Sockwell for his assistance, especially when the this Board came on board.

Mr. Holmes reminds everyone that the November 16 meeting will be held at the Alario Center. There will be a Joint Legislative Committee budget hearing on November 20. SMG is prepared to attend and answer all of the questions the legislature may have. We're hoping to have Commissioner Landry join us, to which she replies she will.

[This concludes the General Matters and Services Reports.]

Alan Freeman begins his Facility Operations Report, noting that it's a busy season, with football and basketball overlapping each other. On October 15, the Pelicans hosted the Detroit Lions, with attendance under 60,000, possibly due to perhaps an LSU home game. For the first two Pelicans home games, food and beverage averaged between \$24 and \$25 a head. The U.S. Women v. Korea Women's soccer exhibition game was held, with 8,500 in attendance.

The SKC's LED sports lights are fully operational and awaiting final approval. The Pelicans preseason game was on October 3, followed by Comedy Get Down on October 6. The Pelicans opened their first regular home season game against Golden State the weekend of October 21, with 16,000 in attendance, followed by Bruno Mars at the SKC, with 15,600 attending.

Champions Square had a light schedule in October, with the American Cancer Fun Run on the 7th, which was moved to the Superdome due to inclement weather. The Annual Bike The Big Easy was on the 14th, and XX on the 19th, with approximately 3,200 in attendance. Upcoming events over the next few weeks will be the Saints home game against the Chicago Bears. We will have six home games over the next nine weekends, interspersed with Bayou Classic and the high school championships. Moonlight & Miracles Gala will be on November 10.

The SKC has seven Pelicans games over the next 30 days and Jay-Z performing on November 11. Turning again to Champions Square, Jason Aldean will be on October 26, with enhanced security. SMG has been in contact with Benson Tower and the Hyatt, and we are doing everything to ensure everyone will be fine. The annual Boudin, Bourbon & Beer will follow on November 3 and lastly the American Heart Association Fun Run on November 11. Bayou Country Superfest will be returning in 2018 for one day, with George Strait, Chris Stapleton, and three other artists on May 27. On May 25, Champions Square will host a free concert. Sam Smith will be performing at the SKC on July 17.

At the Dome, the 200-level end zone seats and chair frames have been scraped and repainted in preparation for the college football playoff game coming in January. Non-slip paint has been applied to the terrace level seats on all steps. It is not new paint; we're just replacing some worn out paint up there.

SMG is again hosting the LHSAA high school football championships in early December. We are working on a new five-year contract with them, having been working on a year-to-year extension of an old contract. We are restructuring that contract because of an increase in the number of games.

The Sugar Bowl contract is still being negotiated and is close to being complete. The Saints contract had to be amended first in order to accommodate the Sugar Bowl.

Turning to Event activities, Mr. Freeman reviews slides showing attendance at the Dome, which is running ahead of budget. The number of events over the first couple of months was due to Beach Body and the Sportsman Show. Ms. Talbot comments on a slide showing a seated dinner for a convention of about 150. Another slide shows the women's soccer game, SKC ticketed events running slightly ahead of budget, the Comedy Show, and the Bruno Mars concert. Champions Square is running a slightly behind for the number of events, but attendance is running ahead. That will change substantially following the Jason Aldean concert. Another slide shows the American Cancer Society's 5K around the perimeter of the Dome, the XX concert, and a couple of shots from Club XLIV.

Jennifer Talbot of Sales & Marketing describes one of the slides showing the Fore!Kids event, hosted for the fourth time, to which Mr. Freeman comments that this organization basically owns the PGA tour stop. Ms. Talbot continues her report, highlighting the contest by SMG and the Hyatt for a free room night for the Jason Aldean concert, producing over 21,000 news feeds and a sold-out show. Sales & Marketing creates a quarterly report issued to approximately 1,100 local hospitality partners, the VCB staff, local hotels, all VCB membership, and destination management companies in New Orleans. It's a shout-out to local vendors, and SMG partners to give everyone a boost. Mark in Sales & Marketing redesigned this. This is a way to introduce new team members and a way to let local partners know we're here and want to book business.

[This concludes the Facilities Operation and the Sales & Marketing Reports.]

IV. FINANCE REPORT

David Weidler begins his Report by noting that the hotel occupancy tax is within \$21,000 from last year for the first four months and tracking very well into this year. The one-penny tax starts in November, the first \$2.0 million going to the Convention Center. LSED expenses are on budget, along with paying the Jazz Casino judgment at \$21,000 a month. The Dome is worse than budget by about \$400,000, mainly due to the first two exhibition games. When preparing the budget for the last fiscal year, Mr. Weidler used the average for the last two years. Team-

related expenses show a savings on what the team was paid; that is an offset, so there is no financial loss for the first two games.

SKC is off by about \$63,000 because of underperformance for the James Taylor and John Mayer concerts. In looking at the September financials, we've made up that difference. For the Superdome, Mr. Weidler believes that the U2 concert will make up the difference there, in addition to the soccer game.

In November, Champions Square will be consolidated into one set of financials under the LSED and not three financials.

With respect to team expenses, there are savings on game day entitlements to the Saints for the lower revenues we received under the Superdome. Pelicans just started in August, and the Baby Cakes Stadium is a little higher right now, a calendarization issue with their maintenance expenses, which should bounce out over the court of 12 months.

[This ends the Finance Report.]

V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company presents the Construction Report. For Dome Lot 4 lighting, the contractor has taken possession of the pole. We are waiting for an open spot in the event schedule for installation. The structural hinge column replacement has been completed, with the substantial certification before the Board today. The 500-level transformers is at a stopping point, with one other to install. That work will be done in January so as not to conflict with the event schedules. Change Order 002 is before the Board today for addition of controls to the project.

ESCO II is going well, with Chiller 5 and the cooling tower coming to completion. The lighting package at the Arena is operational but not closed out as yet. Installation of the boiler will also be done in January. Ground level transformers, a separate job from the 500-levels, will be completed in January. There are several projects under design, going out to bid before the end of the year.

Alario Center sidewalk replacement is complete, with a substantial completion certificate before the Board today. The kitchen project will be re-advertised on the 31st or 1st.

Referring to the TPC irrigation/pump system project, Duininck Inc. was the low bidder, that resolution being before the Board today for work to begin November 3.

For the BCS elevator/stairwell project, this also is before the Board for a substantial completion by Dynamics for Stairwell No. 1, the backstop, and netting concourse fans. That work is underway and will be completed the week following. Tower renovations and steel painting is under design, going out to bid shortly.

The contract for the Westwego Sports Complex with Duplantis was previously acted upon, to be signed at today's meeting.

[This completes the Construction Report.]

VI. LEGAL REPORT

Shawn M. Bridgewater introduced the LSED Legal Report and presented the following Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved an appropriation an appropriation from the LSED Capital Reserve Account in the amount of \$63,669.76 to purchase equipment necessary to maintain and operate the Mercedes Benz Superdome, the Smoothie King Center, and Champions Square. SMG has received competitive proposals for the equipment. The resolution would authorize SMG (acting on behalf of the LSED) to sign the required Purchase Requisition documents. Funding source is the LSED Capital Reserve, and there are sufficient funds to support this Resolution. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Robin, seconded by Commissioner Baptiste, the LSED authorized Change Order No. 002 to the Contract between the LSED and All Star Electric for the Superdome 500-Level Transformer Replacement Project. The Change Order provides for an additional cost of \$27,264.00 to furnish and install strand fiber and monitoring controls for the 500-level electrical substation rooms. The Resolution has the Staff Analysis Support and Recommendation of the Tobler Company, ADG (the Electrical Engineer for the project), SMG, and the LSED Construction Committee. The source of funding is LSED Capital Outlay, and sufficient funds exist to support this Resolution. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved the execution of the Certificate of Substantial Completion with respect to the Contract between the LSED and Ashley Savarino Unlimited Construction for the Superdome Structural Hinge Column Retrofit Project. The Certificate provides that the work performed under the Contract is, subject to the completion of the items on the punch-list, sufficiently complete in accordance with the Contract Documents to allow the owner to occupy and utilize the work. The Resolution has the Staff Analysis Support and Recommendation of The Tobler Company, SMG, and the LSED Construction Committee. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Lapeyrolerie, seconded by Commissioner Baptiste, the LSED authorized its LSED's Legal Counsel, its Chairman, Kyle M. France, and the LSED Construction Committee to take whatever steps are reasonably necessary to preserve claims and enforce any and all rights of the LSED in connection with the existing warranty of GAF with respect to the roof at the Mercedes-Benz Superdome. This will include, without limitation: (i) the execution of agreements with GAF relating to the Warranty, the taking of any and all action

with respect to the Warranty to enforce said rights. This Resolution has the support and recommendation of the LSED Construction Committee. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized and approved the execution of the Certificate of Substantial Completion with respect to the Contract between the LSED and LLJ Environmental Construction, LLC for the Alario Center Sidewalk Improvements Project. The Certificate provides that the work performed under the Contract is, subject to the completion of the items on the punch-list, in accordance with the Contract Documents to allow the owner to occupy and utilize the work for its intended use. This Resolution has the Staff Analysis Support of The Tobler Company and the LSED Construction Committee. All were in favor, and the motion carried.

On motion of Commissioner Landry, seconded by Commissioner Baptiste, the LSED authorized and approved the following actions with respect to the TPC of Louisiana P4 Phase I Irrigation and Pump System Replacement Project. The Resolution provides and acknowledges that the LSED received the bids for the Project on or about September 28, 2017; the Bid Responses were examined and found to be in accordance with Public Bid Laws; following review by its Construction Consultant, the PGA, and the LSED Construction Committee, the LSED recognizes Duinink as the lowest responsive bidder for the Project; and accepts the Base Bid of Duinink in the amount of \$926,600.00 for the Project. This Resolution has the Staff Analysis Support and Recommendation of The Tobler Company and the LSED Construction Committee. The source of funding for this Project is LSED Capital Outlay, and sufficient funds exist to support this Resolution. All were in favor, and the motion carried.

On motion of Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized and approved the execution of the Certificate of Substantial Completion with respect to the Contract between the LSED and Dynamic Constructors, LLC for the Baby Cakes Stairwell Renovations Project. The Certificate provides that the work performed under the Contract is, subject to the completion of the items on the punch-list, sufficiently complete in accordance with the Contract Documents to allow the owner to occupy and utilize the work for its intended use. The Resolution has the Staff Analysis Support and Recommendation of The Tobler Company, SMG, and the LSED Construction Committee. All were in favor, and the motion carried.

On motion of Commissioner Morrison, seconded by Commissioner Lapeyrolerie, the LSED authorized and accepted two proposals of Manning Architects to provide professional design services with respect to the Baby Cakes Stadium Tower Renovations & Painting Project. Pursuant to the Proposals, Manning Architects shall provide design documents, bidding and construction administration services, and limited electrical, mechanical, and structural engineering services with respect to the renovation of the stairwell and elevator towers to improve ventilation and deter water intrusion, as well as equipment modernization to the existing elevators, for a not to exceed sum of \$15,000.00. The second proposal would provide for the re-painting of all exposed structural steel located at Baby Cakes Stadium for a reduced fee of \$57,687.00. The fees provided for in each of the Proposals are based on the State of Louisiana Facility Planning & Control approved State Fee Curve. This Resolution has the Staff Analysis

Support and Recommendation of The Tobler Company and the LSED Construction Committee. The source of funding for the Project is derived from the LSED Reserve Account, and sufficient funds exist to support this Resolution. All were in favor, and the motion carried.

On motion of Commissioner Robin, seconded by Commissioner Morrison, the LSED authorized and approved the following action with respect to the Baby Cakes Stadium Stairwell #3 Renovations projects. The LSED acknowledges and received the bids as of October 12, 2017 for the Project. Following review by its Construction Consultant, its Architect, and the LSED Construction Committee, the LSED rejects the bids of CDW Services LLC and Malin Construction Company, Inc., as each of these bids are in excess of the established construction estimates and the amount approved for construction for the Project. The Resolution further and accepts the bid submitted by CM Combs in the amount of \$117,000 as the lowest responsive bid for the Project and authorizes the negotiation and execution of a contract with CM Combs. This Resolution has the Staff Analysis Support and Recommendation of The Tobler Company and the LSED Construction Committee. The source of funding is the LSED Reserve Account, and sufficient funds exist to support this Resolution. All were in favor, and the motion carried.

On motion of Commissioner Lapeyrolerie, seconded by Commissioner Landry, the LSED approved the adoption and implementation of the LSED Business Opportunity Plan. The Resolution has the support and recommendation of the LSED Diversity Consultant, JD Russell Consulting, and LSED Diversity Program Selection Committee. All were in favor, and the motion carried.

On motion of Commissioner Morrison, seconded by Commissioner Baptiste, the LSED took the following action: Pursuant to LSED Resolution 17-29, dated April 20, 2017, the LSED approved the engagement of JD Russell Consulting LLC to perform consulting services related to diversity development and inclusion compliance for a period of six (6) months, with an option to extend same for a period of one year ("Original Proposal"). The initial six-month term of the Original Proposal will expire on October 31, 2017, and it has been determined by the LSED Diversity Program Selection Committee that an extension of the Original Proposal would be in the best interest of the LSED. The resolution at Tab 16 approves and authorizes the negotiation of an extension to the Consulting agreement with JD Russell Consulting LLC for a period of one year to perform additional consulting services as contemplated by the Original Proposal, for a fee that will not exceed the statutorily permitted fee for such services. This Resolution has the support of SMG and the LSED Diversity Program Selection Committee. The source of funds for the additional consulting services are provided for through the LSED Reserve Account, and there are sufficient funds to support this Resolution. All were in favor, and the motion carried.

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

None.

IX. ADJOURNMENT

On motion by Commissioner Robin, seconded by Commissioner Morrison (without objection), the LSED October 2017 monthly meeting adjourned at 1:46 p.m.