

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF MARCH 27, 2018

PRESENT: Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin

ABSENT: Commissioner Baptiste

I. ROLL CALL and WELCOME

Chairman Kyle France welcomed everyone to the March 27, 2018 meeting, calling it to order at approximately 1:16 p.m., and Commissioner Morrison led everyone in attendance in the Pledge of Allegiance. Present were: Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison and Robin. Absent was: Commissioner Baptiste. There was a full quorum. All present took a moment of silence in remembrance of Tom Benson.

II. APPROVAL OF MINUTES OF FEBRUARY 16, 2018 MEETING

Chairman France asked for a motion for approval of the Minutes of the February 16, 2018 Board Meeting. Commissioner Robin moved for approval of same, seconded by Commissioner Lapeyrolerie. All were in favor, and the Minutes of the February 16, 2018 Board meeting were adopted.

III. SMG REPORT

Doug Thornton begins his General Matters report, commenting first that he attended a corporate new ownership group meeting in Charleston, and that David Weidler is working on updates for the 2018-19 budget, to be presented at the next Board meeting. Mr. Thornton reminds everyone that Mr. Weidler is required to submit the budget to the State in November 2017 for the fiscal year ending 2019. As the end of the fiscal year progresses, we come back with a budget update, based on a recent forecast than what was shared with the State. Messrs. Weidler and Evan Holmes have been attending hearings in the House, and will be before the Senate in a couple of weeks concerning next year's budget. It appears that our financials are on track to meet the projections for this fiscal year, tracking about one-half million ahead from last year. With WrestleMania, a huge influx of tourists, followed by French Quarter and Jazz Fests, we do not anticipate any drop in the hotel taxes between March and June that could impact our budget. If concerts continue to be a hit, financials should be a bit better than projected.

Before the Board today will be reallocation of Capital dollars to handle vertical transportation issues in the building for replacement of elevator and escalator parts. Another item relates to the Dome Master Plan for a continuation of the investigative work already started to do non-destructive testing and documentation of existing conditions to further evaluate what the future may hold in terms of renovation possibilities.

Alan Freeman will update the Board on WrestleMania, which brings in about 50% of the crowd from out of the country, Brazil being the largest in 2017, with Great Britain and Ireland

[This ends the General Matters Report.]

Evan Holmes introduces the LSED Services Report, referring also to WrestleMania and comments received that they were happy to be here for many reasons. Turning to the encumbrance package, also presented and approved in 2017, the Board is being asked to defer some projects in favor of the vertical transportation projects. Mr. Holmes expects an additional encumbrance package for this current fiscal year for a larger annual task. The number could be anywhere between two and four million of Capital projects.

The meeting before the Appropriations Committee, which was attended by Commissioner Landry, Mr. Weidler, and Mr. Holmes, was uneventful for the LSED. It appears that there are challenges up there from a State General Fund perspective. We say over and over that the LSED does not require any General Fund appropriation. The next meeting will be before the Senate Finance Committee, dealing with that staff the same as with the House staff, giving them all the information, trying to address all of their questions beforehand, and then responding to anything that comes up. The session to come up after Easter is contemplated to be an expedited session, with the intent of having a second Special Session prior to the end of this fiscal year. We would go up there a bit earlier, with a report back to the Board as early as the April meeting.

At the April meeting, to be held at TPC of Louisiana, representatives from Fore!Kids Foundation will have news they believe the LSED will appreciate. At today's meeting, the Master Plan is an agenda item, along with the Directors Desk, the platform used for all Board minutes and information.

Mr. Holmes comments that SMG has met on several occasions with Jade Russell Consulting with respect to the Business Opportunity Program, to meet again after Easter, and that development of the program is going well. Each time we meet, we're able to progress further along, ultimately having a very good program. Mr. Holmes states that SMG has a report or an update on the DBE participation for the Business Opportunity Program that he can speak to as well.

Commissioner Landry states that it was the third or fourth trip to Baton Rouge, appearing in front of the Budget Committee, and they've yet to receive a single question related to the budget. Questions generally raised relate to the cost of hot dogs, why we receive tickets, what do we do with those tickets, how do we allocate tickets, why can't we raise ticket sales, and why doesn't Mr. Thornton get another quarterback. Mr. Holmes states that everyone likes to talk about the Saints, the Superdome, Smoothie King Center, and the Pelicans. Commissioner Landry believes that despite being so well prepared, not a single question has ever been raised as to what is spent, why it is spent, how, and what the LSED plans to do with it. Mr. Holmes notes that Chris Henry, LSED's analysis on the House side, does a very good job. People have misconceptions about what the deal is versus what it used to be, and everyone has a selective

memory on it. Chris, and now Travis on the Senate side. Hear questions before hand and take a proactive approach to stay ahead of it for us. Mr. Weidler comments that in the 20 years, no one asks questions about the budget.

[This ends the LSED Services Report.]

Alan Freeman begins the Facility Operations Report, noting that although Dome events have not been overwhelming, each event required the use of the Dome for a week for setting up/moving out. There was a private product launch party from BRP Industries, a company that manufactures jet skis and who wanted to keep this event under wraps. The annual Boat Show was at the Dome March 2 – 4 and Home & Garden March 9 – 11. WrestleMania move-in was on March 23, again, keeping the set under wraps until the event, hanging 440,000 pounds of equipment, the most ever hung in the Superdome for any event.

At the Smoothie King Center, the Pelicans hosted ten games, including a stretch where they played five games in six days, winning four out of the five, and positioning them well for a play-off hunt. Concerts were Dead & Company on February 24, selling 12,000 tickets since this show was rescheduled to a Saturday night. Luke Bryan performed on March 10 to 11,000 fans, and Bon Jovi was on March 25 before 12,000. A Cirque du Soleil touring show was held March 2 – 4, with about 12,000 fans. There were no ticketed performances at Champions Square.

Mr. Freeman directs everyone to slides of event activities and attendance, running ahead of budget for all three venues, hopefully ending the year strong. There's a country music fest coming up at the Superdome, followed by a few more concerts at SKC. Upcoming events include WrestleMania, four events will be held at SKC, being the Hall of Fame Induction on April 6, the NXT Takeover on April 7, Monday Night Raw on April 9, and SmackDown on April 10. The main event at the Dome is a Pay-Per-View event, with Monday's and Tuesday's events being on network TV.

Champions Square will host a block party on April 8. Zurich Classic Golf Tournament will be towards the end of April, with a Draw Party on April 24. Champions Square is beginning to lock in shows, with Paramore on July 10 and Evanescence on August 22. Imagine Dragons will perform at the SKC on August 5, Paul Simon and his Farewell Tour on September 5, and a Christian show featuring MercyMe on October 12. Beyoncé and Jay Z will return to New Orleans on September 13 at the Dome.

Mr. Freeman notes that there was a discussion about moving money around with respect to the vertical transportation problems, hoping to resolve these before WrestleMania, Bayou Country Superfest, and Essence. Ticket sales for Essence are great, even without putting single-event tickets on sale yet. We are looking for a big return this year.

Mr. Freeman states they were hopeful in having an international soccer match in late July; however, one of the teams backed down at the last minute. And, the Honda Battle of the Bands decided not to have an event this year, which typically is held in Atlanta. SMG has

finalized negotiations with the Southeastern Conference to host the SEC Gymnastics Championships March 2019.

[This concludes the Facility Operations Report.]

Jennifer Cooke, Director of Sales & Marketing, begins her report referring to slides of the BRP (Bombardier Recreational Products) event, initially to be held at the Hyatt. Ms. Cooke's team along with good salesmanship showed BRP how the whole program could be done at the Dome, an unbudgeted good piece of business. BRP spent a significant amount of money to set up, but they would do it again.

One marketing highlight used to promote WrestleMania was use of the WWE Flex Cam Promo. SMG's Marketing and Sales Department work with our sports teams, which can also be done with Baby Cakes. Champions Square hosted a Ride to Recovery for veterans – a ride from Mississippi to New Orleans – and a corporate event for about 1,000 people. Champions Square is also the starting point for the Crescent City Classic, one of the most recognized road races.

[This concludes the Sales & Marketing report.]

IV. FINANCE REPORT

David Weidler presents the Finance Report, beginning with hotel tax collections being up about \$600,000, and he is projecting about \$2.0 million in excess cash. The one-penny tax is approximately \$9.4 million, about \$800,000 better than budget. Mr. Weidler submitted a budget adjustment to the State, to include the supplemental budget to capture this additional revenue.

License plates are going to be down this year, a cycle every couple of years. LSED expenses are on target, with the facilities, Dome, Arena, and Champions Square about \$2.5 million better than budget. Team obligations are up due to the Saints' play-off game. Mr. Weidler will be submitting to Commissioner Landry and the CPAs a draft of the budget with backup details, for discussion before being presented to the Board in April or May.

[This ends the Finance Report.]

V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company presents the Construction Report, listing the status of current projects underway at the facilities:

Dome 500-level transformers will be complete weekend of April 13. Johnson Controls are in the building now working on final ECMs, that is, replacement of the boiler, which should be out of the building next week. Ground level transformers by Barnes Electric is complete; air-handling units work is being done by MRC, with Rooms 407 and 408 complete. Lot 4 asphalt parking and lighting is complete, and gutter tub have been pushed back to April 30 due to WrestleMania.

The Alario Center kitchen replacement is underway, with delays due to not being able to locate the fire sprinkler system shut-offs.

TPC Period 4, Phase 1 irrigation system and pump station is completely operational, with some minor cleanup and patchwork in preparation for the tournament.

Baby Cakes Stairwell #3 is in place and will be operational for this night's game. Tower renovations/steel painting package is still underway. The project is ahead of schedule and may be complete before the season starts.

Westwego Sports Complex receipt of bids postponed until April 5 due to Good Friday.

Mr. Thornton asks Mr. Tobler for an update on ESCO tracking and metering. Mr. Tobler responds that there is about a 20-25% overall savings, the lighting side being close to 50%.

Commissioner Morrison wonders if the issue of WWE wanting to use fireworks and the gutter tub worked out, to which Brian Brocato, Director of Engineering and Operations, responds yes, to be done on the actual event day. Mr. Freeman injects that they're going to have manpower with fire extinguishers in the gutter tubs at all shooting points. It is Mr. Freeman's understanding that what is being shot will dissolve in the air, with no residue whatsoever.

[This concludes the Construction Report.]

VI. LEGAL REPORT

Shawn Bridgewater presents the Legal Report, introducing thirteen (13) Resolutions to the Commission, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized and approved an appropriation from the LSED Capital Reserve Account in the amount of \$98,068.98 to purchase equipment and make repairs/renovations necessary to maintain and operate the Mercedes Benz Superdome, the Smoothie King Center, and Champions Square. SMG has received competitive proposals for the equipment and repairs. The funding source 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, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-6** passed.

On motion of Commissioner Lapeyrolerie, seconded by Commissioner Blanco, the LSED authorized and approved an amended and supplemental LSED Capital Reserve Encumbrance Request. The Amended LSED Capital Project List that is being approved by this Resolution replaces the Lighting Automation Retrofit and the Fire Alarm Control & Device Upgrades Projects with the Vertical Transportation Repair & Replacement Project. All Projects will be subject to all procurement and bidding processes as required by law and will continue to be

subject to LSED Board approval by specific resolution. The funding source is LSED Reserve Account, and there are sufficient funds to support this resolution. This resolution has the Staff Analysis support of SMG and has been approved by the LSED Construction Committee. Approval of the resolution was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-7** passed.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved the award of contracts totaling \$783,550.63 for the Vertical Transportation Repair & Replacement Project. SMG has received competitive proposals for the Projects in accordance with public bid law and the LSED Business Opportunity Program. This resolution has the Staff Analysis Support and Recommendation of SMG and the LSED Construction Committee. The funding source will be the LSED Capital Reserve Account, and sufficient funds exist to support this resolution. Approval of the resolution was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-8** passed.

On motion of Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized Change Order No. 001 to the Contract between the LSED and Boh Bros. Construction Co., L.L.C. for the Dome Lot #4 Asphalt Project. This change order reflects an increase of \$3,521.00 in the Project Contract amount to (i) breakout and excavate a trench for a new fiber-optic line, and (ii) pave the trench after the fiber-optic line has been installed. This resolution has the Staff Analysis Support and Recommendation of SMG and The Tobler Company, and the resolution has been approved by the LSED Construction Committee. The source of funding for this Project is LSED Capital Outlay, and sufficient funds exist to support this Resolution. Approval was recommended. Approval of the resolution was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-9** passed.

On motion of Commissioner Landry, seconded by Commissioner Blanco, the LSED authorized and approved Change Order No. 001 to the Contract between the LSED and Urethane of Kentuckiana, dba Insulated Roofing Contractors ("UKI"), for the Dome Gutter Tub Waterproofing Replacement Project. Change Order No. 001 reflects an additional cost of \$120,000.00 to the Project Contract amount to expand the scope of the Project to include Project Alternate No. 1. Change Order No. 001 provides for the (i) extension of the Contract period for a period of ten (10) days to install a polyurethane foam system topcoat over the entire surface of the existing vertical tapered-rib metal wall panel and pressure relief wells on the field side of the Mercedes-Benz Superdome Gutter Tub, and (ii) the cleaning, prepping, and priming of the existing tapered-rib metal wall panel in accordance with the manufacturer's requirements. This resolution has the Staff Analysis Support and Recommendation of SMG, The Tobler Company and Gould Evans Associates (the Project Architect), and the LSED Construction Committee. The source of funding for this Project is LSED Capital Reserve Account, and sufficient funds exist to support this Resolution. Approval was recommended. Voting in favor were

Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-10** passed.

Commissioner Lapeyrolerie asks Mr. Tobler to explain what happens with the project versus the Project Alternate No. 1, to which he responds that when the project was bid, there was a challenge. The contract was not signed, only the base bid. When the challenge was resolved and funds were available, we selected the alternate to go and to the work.

On motion of Commissioner Robin, seconded by Commissioner Landry, the LSED authorized and approved the Certificate of Substantial Completion with respect to the Contract between the LSED and Mechanical Resources Contractors, LLC dba Bernhard MRC for the Dome HVAC Retrofit Project. The Certificate provides that the work performed under the Contract is, subject to the completion of the items on the Master Punch-list, sufficiently complete in accordance with the Contract Documents to allow the owner to occupy and/or utilize the work for its intended use. This resolution has the Staff Analysis Support and Recommendation of SMG, The Tobler Company, Associated Design Group, Inc. (the Project Architect), and the LSED Construction Committee. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-11** passed.

On motion of Commissioner Blanco, seconded by Commissioner Landry, the LSED authorized and approved an Amendment to the Proposal between the LSED and Associated Design Group, dated August 12, 2016 for the Mercedes-Benz Superdome Air Handler Coil Retro Commissioning Project. Pursuant to Resolution 18-3, dated February 16, 2018, the scope of the Project has been reduced to remove and delete all of the electrical work from the scope of the Project. As a result of the reduction of the scope of the Project, the fee provided in the ADG Proposal shall be reduced by the sum of \$8,437.32. ADG's fee is based on the Louisiana Facility Planning and Control State Fee curve. This resolution has the Staff Analysis Support and Recommendation of SMG, The Tobler Company, Associated Design Group (the Project Architect), and the LSED Construction Committee. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-12** passed.

Commissioner Lapeyrolerie questions Mr. Tobler as to why that part, scope, electrical was removed, to which Mr. Tobler responds that this was the same issue discussed at the last meeting, where the scope was taken out because of the project being larger. All rooms are to be done at one time, instead of just 407 and 408.

On motion by Commissioner Lapeyrolerie, seconded by Commissioner Blanco, the LSED authorized and approved the Certificate of Substantial Completion with respect to the Contract between the LSED and Walter J. Barnes Electric Company for the Superdome Ground Level Transformer Replacement Project. The Certificate provides that the work performed under the Contract is, subject to the completion of the items on the Master Punch-list, sufficiently complete in accordance with the Contract Documents to allow the owner to occupy and/or utilize the work for its intended use. This Resolution has the Staff Analysis Support and Recommendation of

SMG , The Tobler Company, and Associated Design Group, Inc. (the Project Architect), and has been approved by the LSED Construction Committee. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-13** passed.

On motion by Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized and approved Change Order No. 1 to the Contract with Johnson Controls, Inc. with respect to the “ESCO II Project Contract.” Change Order No. 1 provides for: (i) the extension of the time of completion of the ESCO II Project from November 13, 2017, to May 22, 2018, (ii) the change in the start date of JCI’s Premium Service Agreement, and (iii) the change in the start date of JCI’s Measurement and Verification Agreement. All other terms, conditions, and provisions of the ESCO II Project Contract will remain in full force and effect. This resolution has the Staff Analysis Support and Recommendation of SMG, The Tobler Company, and Associated Design Group, and has been approved by the LSED Construction Committee. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-14** passed.

On motion by Commissioner Morrison, seconded by Commissioner Blanco, the LSED authorized and approved Change Order No. 001 to the Contract between the LSED and CM Combs Construction, LLC for the Baby Cakes Stadium Tower Reno and Paint Project. Change Order No. 001 reflects an additional contract cost of \$6,850.00 to furnish and install guardrails at all locations of the mesh wire infill panels at the Baby Cakes Stadium. This resolution has the Staff Analysis Support and Recommendation of SMG, The Tobler Company, and the project architect, Manning Architects, and has been approved by the LSED Construction Committee. The source of funding for this Project is LSED Capital Reserve, and sufficient funds exist to support this Resolution. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-15** passed.

On motion by Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized and approved renewal of the Master Services Agreement with Nasdaq Corporate Solutions, LLC dated February 24, 2016 pursuant to which the LSED will continue to maintain the “Directors Desk” technology that is currently being utilized by the LSED Board of Commissioners. The renewal of the Agreement will be on the same terms and conditions and for the price and sum of \$16,974.40. The resolution authorizes Evan Holmes, as Director of Operations, to sign the renewal of the Master Services Agreement, and any other documentation in connection therewith, on behalf of the LSED. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-16** passed.

Commissioner Lapeyrolerie questions if this is for a two-year term, since it seemed like it had been for two years. Evan Holmes responds that it is renewed annually, and this would be the beginning of the third term. Commissioner Lapeyrolerie asked if it was only used for the Board

package and not for any other use, Mr. Holmes responding, “just for the Board. . . . we don’t use it for anything else.”

On motion by Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized and approved Trahan Architects to perform digital surveying and documentation of the Mercedes-Benz Superdome as part of the Master Plan Investigation Phase, for an agreed upon lump sum fee of \$400,000.00. These services will facilitate refined sequencing, cost estimating, and scheduling required to forecast cash flow and funding as is necessary and required for further exploration of and research related to the development and potential implementation of the Master Plan. This resolution has the Staff Analysis Support and Recommendation of SMG and The Tobler Company, and has been approved by the LSED Construction Committee. The funding source will be the LSED Capital Reserve, and there are sufficient funds to support this Resolution. Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, , Morrison, and Robin. Voting against: Commissioner Lapeyrolerie. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-17** passed.

On motion by all Commissioners present, the LSED approved the reading out loud of a proclamation by Chairman France in recognition of Thomas “Tom” Milton Benson and his unfettered commitment and dedication to the community and the State of Louisiana:

In Memory of
Thomas Milton Benson
July 12, 1927 – March 15, 2018

Thomas “Tom” Milton Benson served as a faithful loyal and dedicated citizen of the State of Louisiana. A native New Orleanian, Mr. Benson served as one of the key players in reinstating the livelihood of sports and entertainment in Louisiana. Under Mr. Benson’s ownership, direction and guidance, the success and pride that the State of Louisiana and its citizens had for their sports teams flourished.

Throughout his career, Mr. Benson was always a devoted partner to the State of Louisiana and the Louisiana Stadium and Exposition District. He exhibited a great sense of professionalism at all times and his support for, and devotion to, his co-workers, friends, and even strangers was admirable. Mr. Benson was admired for his ongoing and endless philanthropic support to organizations and institutions close to his heart and he will always be remembered for his commitment to the communities he has served.

It is with our deepest regrets that we must mourn the passing of Mr. Benson. As a State Board devoted to the same mission of supporting the Sports and Entertainment livelihood within this fine State, we recognize how monumental of a loss this is. We send our deepest condolences to Mrs. Gayle Benson and the extended Benson family as well as to our New Orleans Saints and Pelicans family.

Approval was recommended. Voting in favor were Commissioners France, Blanco, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Baptiste. Motion **18-18** passed.

[This concludes the Legal Report.]

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

None.

IX. ADJOURNMENT

On motion by Commissioner Morrison, seconded by Commissioner Robin, the LSED March 2018 monthly meeting adjourned at 2:04 p.m.