

**LOUISIANA STADIUM AND EXPOSITION DISTRICT**  
**BOARD OF COMMISSIONERS MINUTES**  
**FROM THE MEETING OF OCTOBER 25, 2018**

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

**ABSENT:** Commissioner Kathleen B. Blanco

**I. ROLL CALL and WELCOME**

Chairman Kyle France welcomed everyone to the October 25, 2018 meeting, calling it to order at approximately 1:12 p.m., and Commissioner Robin led everyone in attendance in the Pledge of Allegiance. Present were: Commissioners Kyle M. France, Henry N. Baptiste, Hilary H. Landry, Renee A. Lapeyrolerie, Gregory A. Morrison, and Casey J. Robin. Absent was Commissioner Kathleen B. Blanco. There was a full quorum, with Chairman France asking all present to remember Governor Blanco and her family in their prayers.

**II. APPROVAL OF MINUTES OF SEPTEMBER 20, 2018 MEETING**

Chairman France asked for a motion for approval of the Minutes of the September 20, 2018 Board Meeting. Commissioner Morrison moved for approval of same, seconded by Commissioner Robin. All were in favor, and the Minutes of the September 20, 2018 Board meeting were adopted.

**III. SMG REPORT**

Doug Thornton begins the SMG report, recapping the high attendance at the Saints and Pelicans games, noting that non-team related events (non-Saints) sales from January 1 – September 30 exceeded \$50.0M. With SMG in part to host 930 concerts this year at all of the SMG facilities nationwide, the live entertainment market continues to grow not only in New Orleans but throughout the country. Chairman France comments that this message should be publicized.

A discussion commences regarding ongoing Capital projects is had. Mr. Thornton notes that there are about \$10.7M projects, either in progress or complete. There's always Capital repair and replacement going on.

Mr. Thornton discusses the Baby Cakes announcement of its departure, that is possibly going to occur in in 2021. He notes that the "official" notice has not yet been received. SMG is attempting to schedule a meeting to talk about baseball's future in New Orleans and believes that there is an opportunity for the team to continue playing through their lease term, which is three more years, through 2021.

There is a deviation from continuing the SMG report to allow John Agnelly of Siemens Building Technologies to report on the ESCO I Project and savings realized by the LSED and the State. Mr. Agnelly presents an overview (slides/bar charts) of eight areas in which savings have been realized through use of different lighting, chiller plant optimization/efficiency replacement, and metering to measure individual items. All eight measurements determine whether you either achieved or did not meet the savings; there was a little loss because of increased wattage in the lighting improvements. LED lighting produces savings and an extension of the light's life. The kWh cost is set and regulated by Entergy and the Public Service Commission. Again referring to slides, the ground level service corridor lighting and use of two LED rings for the NFL Bowl lighting savings is extensive. The two chillers were replaced with high-efficiency ones; this is the largest single use of electricity. Reference is made to a slide that summarizes the total guaranteed savings versus the total achieved. Mr. Agnelly comments that there has been an approximate savings of over 9.0 million Kwh, which is about 30% higher than anticipated.

Pat Tobler of The Tobler company comments that in dollars, using the .10 cent/kWh factor, there has been a savings of approximately \$900,000, including an additional \$150,000 in operational savings in not having to maintain the equipment. Siemens is maintaining the equipment for 10 years during the financing portion of the Project. Through another grant tied to the federal government, the total interest paid by the LSED is reimbursed back. After debt service, the net savings to the budget is about \$400,000. Mr. Thornton notes that in addition, Capital replacement costs are avoided, the LSED did not have to pay for new equipment, and there's the operational savings of about \$1.0 million, with \$150,000 in maintenance savings – a 10-year annual savings. The dollars that flowed were paid for by ESCO I through Energy Savings Contracts. The Board did not have to pay for any of the Capital costs, a savings to LSED's Capital Reserve.

[This ends the General Matters report.]

Evan Holmes presents the Services Report with respect to the Master Plan and meetings held with the stakeholders, Saints, and designers and the economic/financial studies that will be forthcoming following the Essence Festival's impact report.

Similar meetings took place for the Westwego Sports Complex Project to review the first draft of design plans, with everyone agreeing that the design meets the need, and funding may become available sooner than expected. The Parish is working to have its organizational structure in place to manage the Westwego facility once completed.

Mr. Holmes advised the Board that he, David Weidler, and Commissioner Landry returned to Baton Rouge again to discuss the one-penny tax. It was a Committee meeting, with a Q and A as to how the source of funds was used.

Turning to the Baby Cakes, there is a need to meet with the team to understand if the dollars planned for use there are going to be for the highest/best use, to make sure the assets are preserved.

Mr. Holmes discussed the slides relating to the Business Opportunity program for services and discretionary/operational spending and comments that the LSED has reached about 40% participation in discretionary spending. Commissioner Lapeyrolerie would like a discussion at the appropriate times with respect to Resolutions before the Board today concerning solicitation of bids for awarding of contracts.

[This concludes the Services Report.]

Alan Freeman's Facility Operations Report begins with a time-lapse video after the September 9 Saints game, with the move-in for the Beyoncé/Jay-Z concert, back to the Saints game, and move-in/move-out of the Taylor Swift show. [Explanation and discussion over the turf cover (Matrax) used for concerts, etc., and the feasibility of purchasing and storing turf covers.] Mr. Freeman continued with the bar charts, highlighting attendance and food and beverage revenues for the Saints and Pelicans games and other private events at the Dome, the Smoothie King Center, and Champions Square, and reviews upcoming scheduled events at the facilities.

Use of the Seat Geek ticket scanning equipment for entry for Saints and Pelicans games has been performing well; the Saints' system has something called "loaded tickets" that allows season ticket holders to have some value in their tickets and a bar code for use in redeeming that value for food and beverages. We are experiencing an issue with the system's interfacing with the Centerplate software and hope to have that resolved shortly. SMG recently toured the facilities in anticipation of the 2020 CFP Championship Football Game with representatives of the CFP, ESPN, and others involved with the event.

[This concludes the Facility Operations Report.]

Jennifer Talbot with Sales & Marketing highlights the ad with Pollstar, noting the great work by her team members, Mark Waguespack and Savannah Chamblee, with respect to the cross-promotion for the Ed Sheeran concert, and the effectiveness and success of e-blasts promotions. Ms. Chamblee and Mr. Waguespack present the details of the cross-promotional package for the Ed Sheeran concert.

[This ends the Sales & Marketing Report.]

#### **IV. FINANCE REPORT**

David Weidler refers the Board to the financial statements before them and the bar charts relating to the hotel tax, with the budget tracking through August. With the recent September Saints games and two concerts, it should outpace the budget by over \$1.0 million for the Superdome and a few hundred thousand for the Smoothie King Center. The yearly audit is in its final stages for the report to be submitted in a timely fashion. Our accountants have begun work on the 2020 budget.

[This ends the Finance Report.]

## **V. CONSTRUCTION REPORT**

Pat Tobler of The Tobler Company submits the Construction Report, recapping various on-going projects, beginning with the Dome's gutter replacement demobilization following the Saints November 4 game, with hopes of being complete before Thanksgiving. The AC unit fan coil retro bids were received, awarding the contract to All Star. The Master Plan scheduling, sequencing, and cost analysis should be complete by the end of this month. Following review of the designer's report for the SKC roof replacement, bids should be out in early November. The contractor has completed pile operations and is working on foundations for the Alario Center kitchen replacement. Some of the security cameras for the Center have been installed, with completion by December 1. The LED lighting retrofit project bids are due November 8.

The 2019 project RFQ responses have been received and reviewed by the LSED Construction Committee for the Alario Center Capital Improvements, with a proposal today for the selection of NANO Architects as the professional architect of record.

The regrassing project for the TPC's period 4, Phase II, is out to bid for responses by November 5. Review of unit costs and alternate pricing is being done to stay on track. Following receipt of the bids, we may need to look at additional appropriations. Maintenance facility and Green Keepers' Lounge AC are underway but somewhat delayed due to the manufacturers taking off the month of November.

The Westwego Sports Complex Clearing Project has been delayed due to weather conditions, with hopes to have a substantial completion by November's meeting.

Meetings were had with Jefferson Parish, the LSED, and the SMG Committee to review the final aspects of the Master Plan, following which we will gather recommendations and present a schedule for bid and construction.

The Shrine on Airline RFQ responses have been received for its 2019 Capital Improvements, with a proposal today for the selection of Trahan Architects as the professional architect of record.

[This concludes the Construction Report.]

## **VI. LEGAL REPORT**

Shawn M. Bridgewater introduced the LSED Legal Report and presented the following seven (7) Resolutions, 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 \$159,871.44 to purchase equipment and make repairs/renovations necessary to maintain and operate the Mercedes Benz Superdome, the Smoothie King Center, and Champions

Square for the 2018-19 fiscal year. The source of funding 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, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-63** passed.

On motion of Commissioner Robin, seconded by Commissioner Baptiste, the LSED authorized, approved, and accepted the bid of All Star Electric, LLC as the lowest responsive bid for the Dome AHU (Air Handling Unit) Controls Project. This Resolution has the Staff Analysis Support and Recommendation of The Tobler Company and SMG and was approved by the LSED Construction Committee. The source of funding for the Project is LSED Capital Reserve, and sufficient funds exist to support the Resolution. Approval of the Resolution was recommended.

In response to Commissioner Lapeyrolerie's earlier request and to Chairman France's query, this Resolution is not for professional services.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-64** passed.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved Chairman France and the LSED Legal Counsel to negotiate a Contract for Architectural Services with Trahan Architects to perform architectural services for the Baby Cakes Stadium 2019 Improvements Project. On or about October 5, 2018, the LSED Construction Committee, The Tobler Company and SMG evaluated the RFQ Responses that were received with respect to the Project, and utilizing a pre-determined set of criteria, Trahan Architects, APAC, was selected as the professional architect of record for the Project. The fee to be paid Trahan Architects shall be in accordance with the State Fee Curve as established by the State of Louisiana Office of Facility Planning & Control. This Resolution had the Staff Analysis Support and Recommendation of The Tobler Company and SMG and had been approved by the LSED Construction Committee. The source of funds for the architectural services is LSED Capital Reserve, and there sufficient funds exist to support this Resolution. Approval of the Resolution was recommended.

Evan Holmes states that this resolution was one for professional services and that the process not only applied to the BCS but to also the Alario Center. There was a discussion concerning design services and whether it was good policy to review the market yearly or two for other opportunities that were available. This was an RFP, not an RFQ, which included the scope of the work and technical requirements, as well as DBE participation for the Business Opportunity Plan. We received perhaps six or eight responses for the Shrine and eight for the Alario, which were evaluated by three Construction Committee members, graded, and selected by the evaluation. It was a straight-forward professional services contract containing all of the

language per the recommendation from Jade Russell and her team, from a DBE perspective, resulting in a much broader response than previously. Some of the responses were from firms that Mr. Holmes had not heard of, and there were at least three who were actual DBE firms.

Commissioner Lapeyrolerie queries whether there is a requirement that the majority of the firm bidding maintain a 50% DBE participation, to which Mr. Holmes responds that the level of participation is a criteria for evaluation. He does not recall what the calculations actually were, to which Mr. Tobler responds that Trahan was 15% and NANO 50%, along with 50% distribution of the work being DBD-qualified.

Mr. Tobler advises the Board that the proposed resolution for selection of Trahan Architects is incorrect in that it states the services are for a not-to-exceed fee of \$800,000; it should correctly state that it is for the Project's Available Funds for Construction ("AFC") of \$800,000. Legal Counsel will make this correction.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-65** passed.

On motion of Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized Chairman France and LSED Legal Counsel to negotiate a Contract for Architectural Services with NANO, L.L.C. for the Alario Center 2019 Capital Improvements Project. On or about September 21, 2018, the LSED Construction Committee, The Tobler Company, and SMG evaluated the RFQ Responses that were received with respect to the Project, and utilizing a pre-determined set of criteria, NANO, L.L.C., was selected as the professional architect of record for the Project. The fee to be paid NANO shall be in accordance with the State Fee curve as established by the State of Louisiana Office of Facility Planning & Control. This Resolution had the Staff Analysis Support and Recommendation of The Tobler Company and SMG and had been approved by the LSED Construction Committee. The source of funds for the architectural services is Alario Center Capital Outlay, and sufficient funds exist to support this Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-66** passed.

On motion of Commissioner Morrison, seconded by Commissioner Baptiste, the LSED authorized and approved an appropriation from the TPC Louisiana Golf Facility Capital Reserve Fund/Reserve for Repair and Replacement in the amount of \$23,728.00 to replace a 10-ton condenser in the TPC Louisiana Golf Course kitchen and a 5-ton electric heat system in the TPC grill. The source of funds for this Resolution is the TPC Louisiana Golf Facility Capital Reserve Fund for Repair and Replacement, and sufficient funds exist to support this Resolution. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-67** passed.

On motion of Commissioner Lapeyrolerie, seconded by Commissioner Landry, the LSED authorized and approved an appropriation from the TPC Louisiana Golf Facility Capital Reserve Fund/Reserve for Repair and Replacement in the amount of \$76,461.00 to modify existing bunkering throughout the TPC Louisiana Golf Course. The source of funds for this Resolution is the TPC Louisiana Golf Facility Capital Reserve Fund for Repair and Replacement, and sufficient funds exist to support this Resolution. Approval of the Resolution was recommended.

Luke Farabaugh of TPC clarifies that they are converting six of the 13 acres of bunkers on the golf course to a waste bunker to eliminate maintenance of them after every rain event.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-68** passed.

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized the LSED Legal Counsel, with approval of the LSED Litigation Committee, to engage in mediation proceedings and employ the services of experts and consultants with respect to the pending Superdome roof warranty litigation by and among the LSED and GAF Materials, LLC and GAF Corporation. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Lapeyrolerie, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioner Blanco. Motion **18-69** passed.

## **VII. BOARD REPORTS**

None.

## **VIII. OTHER BUSINESS**

None.

## **IX. ADJOURNMENT**

On motion by Commissioner Robin, seconded by Commissioner Morrison, the LSED October 2018 monthly meeting adjourned at 2:13 p.m.