

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF SEPTEMBER 20, 2018

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

ABSENT: Commissioners Kathleen B. Blanco and Renee A. Lapeyrolerie

I. ROLL CALL and WELCOME

Chairman Kyle France welcomed everyone to the September 20, 2018 meeting, calling it to order at approximately 11:14 a.m., and Commissioner Robin led everyone in attendance in the Pledge of Allegiance. Present were: List all Commissioners present and absent. There was a full quorum, with Chairman France again asking all present to keep Governor Blanco in their prayers.

II. APPROVAL OF MINUTES OF AUGUST 23, 2018 MEETING

Chairman France asked for a motion for approval of the Minutes of the August 23, 2018 Board Meeting. Commissioner Landry moved for approval of same, seconded by Commissioner Robin. All were in favor, and the Minutes of the August 23, 2018 Board meeting were adopted.

III. SMG REPORT

Doug Thornton begins the SMG report with the July hotel tax being up considerably from the previous year, attributing that to a strong Essence Music Festival. He mentions the Baby Cakes' announcement to move to Wichita, though no official notice had been received from the league or from the Baby Cakes organization. The team does intend to remain here through 2021, when their lease expires. SMG has received interests from professional and minor league baseball teams.

The Master Plan work is progressing; two meetings were had with the Saints and architectural team to discuss programming options, with delivery of a report by the end of this year, which will provide estimated costs, schedules, and scope of work. The plan is to make changes so they do not disrupt current operations and event schedules.

In conjunction with the Master Plan, there is an extension of the Centerplate Concessions agreement, which agreement expires at the end of June 2019. SMG has the authority to negotiate and extend the concessions agreement for an additional five years. Today, we will recommend a two-year extension period based on the Master Plan based on the same terms and conditions. Centerplate would contribute \$300,000 in capital as part of the renewal extension, with no obligation for the LSED or SMG to repay that capital, fees to stay the same. The incentive fees are 3.5 percent net revenues and a performance fee of one percent of gross revenues, subject to performance obligations that Centerplate has.

The security plan for the Saints games has gone well; it's expensive but it is an extra layer of safety and security. No major complaints or pushback from the public has been received, just initial traffic challenges. Farrow Bouton comments that it takes approximately 35 seconds to clear a car. Mr. Thornton notes that there were a couple of issues with the dogs due to the heat and the brake dust from the vehicles. All of this enables compliance with the Safety Act and having 100% compliance with the NFL Best Practices.

[This ends the General Matters report.]

Evan Holmes presents the Services Report, also turning to the Master Plan, states that in addition to the architectural work, decision-making on projects, and sequencing, will be the municipal advisory work; we are working with PFM as the municipal advisor to negotiate that contract. PFM was part of the 2013 refinancing of the original Katrina debt.

Turning to the Westwego Sports Complex project, additional discussions took place with the designers for refinement of what the first round of recommendations would be. Toward the end of October, we will meet with the designers, representatives of Jefferson Parish, and the architect, following which there will be discussions about operation, financing, etc. with the Parish.

Referring to the contract for engaging a software provider, Connexus, for an on-line portal for both registration and distribution of opportunities in the DBE world, and following initial conversations with the Connexus group, internal accountants and the Purchasing Department, slight adjustments will be made to right-size it for our operation in order to expand our reach not only in the New Orleans DBE market but also across the State, region, and perhaps nationally, depending upon the service provided. We would integrate all of this into our website to go live.

Looking at the July report, Mr. Holmes believes DBE participation was around 25%, with one capital project without a participation partner, a good starting point. SMG plans to have additional conversations with Jade Russell, not only to implement the program into our system, but to have an ongoing outreach to ensure we are taking the necessary steps to keep the number where we all think it should be.

[This concludes the Services Report.]

Alan Freeman begins his Facility Operations Report, reviewing the Superdome, Smoothie King Center, and Champions Square operations, recapping past events during the past 30 days, with Saints games, attendance, and food and beverage results from the games. Jay-Z and Beyoncé had an attendance of over 39,000. The SKC hosted Journey and Def Leppard on August 27, with 12,830 attending and \$21/head for food and beverage. Paul Simon performed on September 5, with 6,284 attending, followed by WWE Raw, with 4,539 in attendance.

Champions Square held Lil'WeezyAna Fest, with slightly over 8,000 fans. The Annual Gleason Gras was on September 7, Saints Back to Football Fun Ron on the 8th, and the Saints Hall of Fame Gala on the 14th.

Superdome events in July included the three Essence festival performances and three Sportsman Show events. SKC had one ticketed event, Sam Smith, with five rehearsal dates for Janet Jackson. She performed the final night of Essence.

Though event activity at Champions Square has been good, attendance has been low, referring to the bar charts.

Upcoming events over the next 30 days at the Dome will be Wild 'N Out, Taylor Swift, Drake and Migos, Saints versus the Washington Redskins. SKC will host Fall Out Boy, a Pelicans preseason game, MercyMe, Kevin Hart, and the Pelicans regular season game.

Recently confirmed events are Trans-Siberian Orchestra, WWE, Comedian Jeff Dunham, and Paul McCartney.

Mr. Freeman comments on the new decorative items around the plaza and exterior plaza level of the Dome. Mrs. Benson wanted to redevelop the old Pantheon Café, with the Saints having the right to brand all the restaurant spaces in the Dome. The new concept is the "Corner Office," with the smaller side replicating Mr. Benson's former office on Airline Drive. Mrs. Benson, the Saints, and Centerplate made big investments for the space to turn out very nice. Discussion takes place as to the significance of the guitar.

[This concludes the Facility Operations Report.]

IV. FINANCE REPORT

David Weidler presents the Finance Report, noting that there was not much trending in July, the first month of the new fiscal year, with the exception of the hotel/motel tax being over \$650,000 from the same period last year and Essence being \$4,146,000. The legislative audit is ongoing, with no current issues. Mr. Weidler agrees that the hotel tax projection for 2019 is about \$5.0 million over last year; currently, it is at \$13,149,000 for three months, about \$653,000 from last year for the first three months.

[This ends the Finance Report.]

Report by the Sales & Marketing Department taken out of order:

Jennifer Talbot begins with promotional videos highlighting events in September at the Smoothie King Center, a cross-promotion with Fox 8 for a meet and greet for the Ed Sheeran concert

[This ends the Sales & Marketing Report.]

V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company was not in attendance to present the Construction Report. Chairman France notes that his report can be viewed in the Commissioners' packet.

[This concludes the Construction Report.]

VI. LEGAL REPORT

Shawn M. Bridgewater introduced the LSED Legal Report and presented the following three (3) Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Morrison, seconded by Commissioner Baptiste, the LSED authorized and approved an appropriation from the LSED Capital Reserve Account in the amount of \$347,796.96 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 2016-17 fiscal year. SMG has received competitive proposals for the equipment and the repairs/renovations that are provided for in the request. 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, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioners Blanco and Lapeyrolerie. Motion **18-60** passed.

On motion of Commissioner Robin, seconded by Commissioner Morrison, the LSED authorized and approved the negotiation and execution of the Management Agreement by and among the State of Louisiana, the LSED, and the Parish of Jefferson for the Alario Center on such terms and conditions as agreed to among the State, the Parish, and the LSED. The Resolution authorized Chairman France to execute the Management Agreement on behalf of the LSED. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioners Blanco and Lapeyrolerie. Motion **18-61** passed.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved the retention of Chaffe McCall, LLP as special counsel to represent the LSED in connection with the claim filed by Shelby Bailey, against the LSED Board of Commissioners. Pursuant to the Resolution: (i) the LSED recognized the need to retain special counsel with experience, training, and expertise in representing public agencies and matters relating to the American with Disabilities Act and requested approval of the Attorney General pursuant to the provisions Louisiana Revised Statutes to employ Chaffe McCall, L.L.P. as special counsel for the LSED in this matter, and (ii) Chairman Kyle M. France was authorized to execute the Contract for Professional Services providing that the fees and expenses to be paid for

the legal services are governed by the State of Louisiana, Hourly Fee Schedule as set by the Attorney General's office. Approval of the Resolution was recommended.

Voting in favor were Commissioners France, Baptiste, Landry, Morrison, and Robin. Voting against: None. Abstaining: None. Absent: Commissioners Blanco and Lapeyrolerie. Motion **18-62** passed.

The Board of Commissioners passed a motion to go into an Executive Session to discuss the litigation entitled *Louisiana Stadium & Exposition District and the State of Louisiana vs. GAF Materials, LLC and GAF Corporation*, Docket No. 2017-10443, Division N, Civil District Court for the Parish of Orleans, State of Louisiana, and adjourned for that purpose. Upon returning from the Executive Session, Legal Counsel stated that no formal action was taken during Executive Session, and the legal report was concluded.

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

None.

IX. ADJOURNMENT

On motion by Commissioner Morrison, the LSED September 2018 monthly meeting adjourned at 12:10 p.m.