

**LOUISIANA STADIUM AND EXPOSITION DISTRICT**  
**BOARD OF COMMISSIONERS MINUTES**  
**FROM THE MEETING OF AUGUST 23, 2017**

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

**ABSENT:** None. There was a full quorum.

**I. ROLL CALL and WELCOME**

Chairman Kyle France welcomed everyone to the August 23, 2017 meeting, calling it to order at approximately 1:07 p.m., and Commissioner Baptiste led everyone in attendance in the Pledge of Allegiance. Present were: Chairman France and Commissioners Baptiste, Blanco, Landry, Lapeyrolerie, Robin, and Morrison. There was a full quorum.

Chairman France takes a moment to congratulate Commissioner Lapeyrolerie for her appointment to the Sewerage & Water Board Emergency Team.

**II. APPROVAL OF MINUTES OF JULY 27, 2017 MEETING**

Chairman France asked for a motion for approval of the Minutes of the July 27, 2017 Board Meeting. Commissioner Lapeyrolerie moved for approval of same, seconded by Commissioner Blanco. All were in favor, the motion carried, and the Minutes of the July 27, 2017 Board meeting were adopted.

**III. SMG REPORT**

Doug Thornton begins the SMG report by mentioning that there was not much movement in terms of the hotel tax or self-generated revenues, since August is typically a slower month not only in the LSED buildings but around the City; this will pick up during football season.

The new turf (an Infill Turf System) has been installed and is essentially the same product from last year and similar to the indoor products in other NFL stadiums. Mr. Thornton believes it will look better on television, with good results.

New Orleans and the Superdome were selected as one of the cities to compete for the World Cup 2026 event. There's a capability of putting natural grass over artificial turf fields, which SMG does in other places. In the U.S. Bank Stadium in Minnesota, we have an Infill Turf System. Last year, the season kicked off with an International Champions Cup Match with two EPL teams playing on natural grass. Pallets are brought in, and the grass stays down for about a week. With the World Cup, you probably have to interchange that over a period of time, as the World Cup could be as many as three or four games over a three-week period. There's nothing

to worry about, because FIFA does require their teams to play on natural grass. Even though we're an indoor stadium, it's easily done.

The USA-Korea women's game on October 19 is on sale now. Two years ago, we did 30,000 for the women's team for their final game on tour. We are also looking at other soccer events between now and the next couple of years and have other things in the fire. It would be a good chance for us to showcase New Orleans as a soccer market and help us with a potential World Cup bid. Mr. Thornton comments that Evan Holmes and David Weidler could give more details on this.

Fitch upgraded SMG's debt rating, and Jason Akers can tell the Commission what that means in terms of borrowing capacity. Moody's just announced another upgrade from A3 to A2, which will also assist us in getting better rates on any new debt. This shows confidence by the rating agencies in the district, the district finances since we have been generating surpluses and doing very well with the hotel tax over the last couple of years. Mr. Thornton turns discussion over to Mr. Akers.

Mr. Akers and Messrs. Holmes and Weidler spoke with Moody's (the week of August 14), and they obviously liked the answers provided. It does not affect anything that you're doing now, because it doesn't change the interest rates that the LSED is paying on the bonds that are outstanding. When the LSED decides to go back into the market, it will be an opportunity to obtain a lower rate. The LSED has gone from a point less than five years ago to where it is now five notches above the lowest investment grade rating. That's something that should be congratulated. Mr. Thornton continues, stating that after Katrina, the bonds were "junk stats," and the LSED has come a long way, which is a good sign should there be a need to borrow more capital for future improvements.

There is an item on the agenda today for selection of the architectural firm for the Westwego Project and will be happy to answer any questions concerning that. There were 12 competitive proposals for services to design the sports complex, and it was narrowed down to four. The Selection Committee was comprised of Jefferson Parish officials, SMG, and the LSED members. A selection from the four was made, and interviews were had through an all-day process.

[This concludes the General Matters report.]

Evan Holmes begins the Services Report by reiterating the bond rating upgrade, hot off the press at 11:00 a.m. this morning.

One item on today's agenda is the Capital Encumbrance Package for the next round of Capital dollars. SMG has worked with the Construction Committee, to come up with projects they felt were the highest and best use of dollars available at the end of the last fiscal year. Projects include items in the Dome, Smoothie King Center, and the Shrine on Airline. There's an itemized list of the projects, with an estimated budget and scope as currently defined.

The other item is the creation of a subcommittee or task force for the JD Russell Report, which has been commissioned. We're going to call it the business opportunity program. That resolution before the Board today is to assign two members from the Board and three members from SMG's staff to work with the JD Russell team, review their proposal, make sure it becomes what it needs to be in terms of goals and objectives of the Board and also to ensure that what is produced/recommended is functional to continue to allow us to do what we need to do from a purchasing and procurement standpoint. The resolution will allow us to set up, work through, and report back later with a recommended plan for the Board to consider.

[This concludes the Services Report.]

Alan Freeman begins his Facility Operations Report by going over the past event activity at the Superdome from full football preparations, installing the turf, and testing sound systems. The Smoothie King Center hosted the James Taylor concert on August 3, Lionel Richie and Mariah Carey on August 6, and John Mayer on August 9, for a total attendance of 8,000 to 9,000. Champions Square concerts included Incubus on August 2 and 311 on August 5, each with an attendance of about 4,000.

Upcoming events over the next 30 days will be the first Saints home preseason game on August 25, followed by the second and final home preseason game on August 31. U2 will perform at the Dome on September 14, followed by a Saints game on September 17 against New England.

Champions Square hosted Lil Wayne and his friends on August 25, Gleason Gras will return on September 8, the Saints Annual Back-to-Football Fun Run on September 9, with pregame activities for all Saints games at Champions Square beginning three hours prior to kickoff.

No events are booked at the Smoothie King Center until early October. Installation of LED sports lights began shortly after the John Mayer concert on August 9 and will continue through most of September.

The Pelicans schedule was published (the week of August 14). A home preseason game will be on October 3 against Chicago, with opening of their home schedule on October 20 against Golden State. Both the Saints and Pelicans open their home schedules against the defending champions of each of their leagues.

Bike the Big Easy will be at Champions Square on October 14, and the USA defending World Cup women's soccer team will be playing South Korea on October 19. Moonlight & Miracles Gala will be at the Dome again on November 11, and Shania Twain tickets are going on sale this Friday for a June 10, 2018 performance.

Mr. Freeman states that they are working on at least three big stadium concerts for Fall 2018. The contractor that installed the roof lighting at the SKC has advised that all materials have been received, with permanent lighting installation to begin shortly and completed by mid-September.

Talks are being had with various soccer organizations about possible games in 2018 and 2019. The CONCACAF Gold Cup is being contested this year, but they are talking to us about potentially hosting a double-header in 2019. We are also having conversations with SMG's corporate Entertainment Director and the New Orleans Sports Foundation concerning a European Premier League game perhaps as early as next year. Referring to Mr. Thornton's comment, New Orleans did make the first cut as a potential site for the 2026 World Cup. This is going to be a joint proposal to FIFA for hosting the World Cup championships with Mexico and Canada. It is essentially the entire North American continent trying to host the event. Games are in June and July. The World Cup is in Russia in 2018.

Mr. Freeman begins the slide presentation with activities and attendance at the Superdome, starting with the turf installation and lowering of the sound clusters to test them, which are about 30 feet tall. Event activity and attendance at the SKC are on budget. Slides of the James Taylor, Lionel Richie, and John Mayer concerts are shown. Prior to those shows, the basketball court was refinished, and different markings were added because of rule changes. Attendance/events at Champions Square at year-end exceeded budget, noting slides of the Incubus and 311 concerts.

[This concludes the Facility Operations Report and Sales & Marketing.]

Jennifer Cooke, Director of Sales & Marketing, reviews promotional materials and an ad placed in the CVB Meeting Planner's Guide that goes to every person who inquires about a hosting a meeting in the City, commenting that it is great readership. Ads for the Superdome and Champions Square were designed by Mark with SMG. Sales & Marketing take advantage of every single way to get more followers on Facebook.

[This concludes the Sales & Marketing Report.]

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

David Weidler begins his Finance Report by stating that revenues exceeded the \$61.0 million budget by a little over \$6.0 million, a substantial net effect. Facilities (Dome, Arena, and Champions Square) exceeded budget by \$2.5 million, resulting in an \$8.351 million cash surplus and \$3.3 million for Capital projects.

[This ends the Finance Report.]

## V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company presents the Construction Report. Ground-level transformers are underway at the Dome, grabbing submittals and approving those. Work should commence in late September. Hinge columns will be complete today (August 23), relating to repairs on the 700-level east/west side press box, with cleaning, polishing, and painting going there for the weekend game. The air-handling retro commissioning project is underway. Submittals are being reviewed. Work on the two fan rooms should start in September, with a slow process due to having to work around event schedules. Lot 4 foundations for lighting have been poured and pole delivery is expected; it is a high-mast lighting (one single 100-foot pole in the middle of the lot lights the yard up for concerts and other uses). The Master Plan is approaching its second workshop in early September, and the Board members will be advised on a firm-up date.

Smoothie King Center sports lighting (part of ESCO II) is going in, with 50% of the lights mounted but not yet energized. We are waiting for the NBA's preliminary review around September 1. Roof studies are being studied, as the SKC's is reaching its useful life.

The TPC's irrigation and pump house project is out for bid, with good response of bidders at a meeting. It's about \$800,000 of work in preparation for the sod/turf replacement after next year's tournament.

The Alario Center sidewalk project is complete but not closed out. We've reached substantial completion, and it is being used. Landscaping/sidewalks are beautiful. The kitchen project is out to bid, with another good response from the bid market. We will take bids until September 9.

The Shrine on Airline's elevator work is complete, but the stair work is at a standstill due to fabrication completion. Out for bid is the netting and fan project, and we are working on Capital studies, with approval of Capital funds from the Board today.

The Duplantis contract is underway for the Westwego Sports Complex, with contract acceptance before the Board today.

[This completes the Construction Report.]

Commissioner Landry inquires as to the timeline for fans and nets at the stadium, to which Mr. Tobler responds that bids will be received the week of August 28, with hopes to put that in front of the Board for ratification at the September meeting. Commissioner France inquires as to how long installation would take, and Mr. Tobler informs the Board it will be longer due to working around the Catholic High football schedules. The contract calls for 120 days, and some structure work will have to be done on the outfield side of both dugouts to receive the new netting; this is what supports the end of the nets.

Chairman France turns to Evan Holmes for the DBE numbers, who goes over the figures in the “white” column for July, stating that the facilities are starting off at 25%. By the time the new policy and program are in place, we will have the ability to maintain, if not elevate, that number. We are starting ahead from where we were last year.

## **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 from the LSED Capital Reserve Account in the amount of \$71,030.32 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 2017-18 fiscal year. SMG has received competitive proposals for the equipment and the repairs/renovations related thereto. The Resolution authorizes SMG (acting on behalf of the LSED) to sign the respective Purchase Requisition documents. The funding source is the LSED Capital Reserve. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Robin, seconded by Commissioner Morrison, the LSED authorized and approved the supplemental allocation, dedication, and encumbrance of an additional amount up to \$4,400,000.00 for LSED Repair & Replacement and Capital Projects. The purpose of this Resolution is to dedicate and encumber these funds for future projects, each of which is more fully described on the Fiscal Year 2018 Capital Reserve Encumbrance Request II – LSED Capital Projects Summary that is attached to the Resolution. These projects will be subject to all appropriate procurement and bidding processes as required by law, and all project requests will continue to be subject to LSED Board approval by specific Resolution, with the purpose of this Resolution being to dedicate and encumber these funds for these future projects. The Funding Source with respect to these projects will be the LSED Reserve Account. This resolution has been approved by the LSED Construction Committee and also has the Staff Analysis Support and Recommendation of SMG and The Tobler Company. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Blanco, seconded by Commissioner Baptiste, the LSED authorized and approved the formation of an Equity Plan Sub-Committee, to consist, Renee A. Lapeyrolerie and Kyle M. France (as the LSED representatives), David Weidler and Evan Holmes (as the SMG representatives), and Patrick Tobler of The Tobler Company. This sub-Committee will take all steps necessary to (i) review and evaluate the recommendations of JD Russell Consulting, LLC (the LSED’s Diversity Consultant) regarding the development of the LSED Equity Plan, and (ii) facilitate the creation, development, and finalization of an LSED Equity Plan for presentation to the LSED Board of Commissioners for approval and implementation. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Blanco, seconded by Commissioner Landry, the LSED authorized and approved the selection of Barnes Electric Co., Inc. for the Mercedes-Benz Superdome HVAC Retrofit Project. Bid responses with respect to the Project were received as of June 15, 2017 and were found to be in accordance with Public Bid Laws. The voluntary withdrawal of the bid of Blanchard Mechanical Contractors, Inc., due to an error in its bid response, is accepted, and the bid of Mechanical Resource Contractors, LLC d/b/a Bernhard MRC is recognized and accepted as the lowest responsive bid for the Project. The Resolution authorizes the negotiation and execution of a contract with Barnes Electric Co., Inc. The Resolution has the Staff Analysis Support and Recommendation of The Tobler Company and the LSED Construction Committee. The source of funding for the Project will be 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 Landry, seconded by Commissioner Robin, the LSED authorized and approved executed of Change Order Nos. 001 through 003 pertaining to Mercedes-Benz Superdome structural column retrofit project. Change Order No. 001 reflects an increase in the contract amount of \$19,200.00 for additional work required to modify steel at Column Line C7 due to unforeseen data cable obstructions. Change Order No. 002 reflects an increase in the contract amount of \$14,629.71 for additional work required to modify steel at Column Lines C5 and C6 in the East Quadrants due to unforeseen mechanical ductwork obstructions. Change Order No. 003 reflects an increase in the contract amount of \$14,629.71 for additional work required to modify steel at Column Lines C5 and C6 in the West Quadrants due to unforeseen mechanical ductwork obstructions. This Resolution has the approval of the LSED Construction Committee as well as the Staff Analysis Support and Recommendation of The Tobler Company and the Project engineer (Carubba Engineering, Inc.). The source of funding for these Change Orders 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 Landry, seconded by Commissioner Blanco, the LSED authorized and approved the selection of CM Combs Construction, LLC for the Shrine on Airline Backstop Netting & Fan Improvements Project. The LSED acknowledges receipt of the bids as of August 15, 2017 and recognizes and accepts the bid submitted by CM Combs Construction, LLC in the amount of \$197,000.00 as the lowest responsive bid for the Project. The Resolution authorizes the negotiation and execution of a contract with CM Combs Construction, LLC. The 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. Approval of the Resolution is recommended. All were in favor, and the motion carried.

On motion of Commissioner Blanco, seconded by Commissioner Baptiste, the LSED authorized and approved selection and retention of a firm to provide design services relative to the design and development of the Westwego Sports Complex (the "Westwego Project"). In accordance with the terms and conditions of the Cooperative Endeavor Agreement by and between the LSED and the Parish of Jefferson, the LSED has been designated as the Westwego

Project Administrator and, as such (with the assistance of the Westwego Project Committee), is responsible for the procurement of design professionals to provide design services in connection with the design and development of the Westwego Project. Following advertisement of a Request for Proposal seeking proposals from design firms to provide design services with respect to the design and development of the Westwego Project, all proposals were received, reviewed, and evaluated by the Westwego Project Committee. Following a thorough evaluation of the responses, the Westwego Project Committee unanimously selected Duplantis Design Group as the design firm that best meets the criteria established in the Request for Proposal. Pursuant to this Resolution, the LSED hereby ratifies and approves the Westwego Project Committee's selection of Duplantis Design Group as the design firm for the Westwego Project and authorizes its Chairman, Kyle M. France, to execute the necessary contract documents on behalf of the LSED. The Resolution has the support and recommendation of the Westwego Project Committee, the funding source will be LSED Capital Outlay, and there are sufficient funds to support this Resolution. Approval of the Resolution is recommended. All were in favor, and the motion carried.

[This concludes the Legal Report.]

**VII. BOARD REPORTS**

None.

**VIII. OTHER BUSINESS**

Commissioner Baptiste recognizes the Executive Director of the Pontchartrain Levee District, Monica Gorman, in attendance for today's Board meeting.

**IX. ADJOURNMENT**

On motion by Commissioner Morrison, the LSED July 2017 monthly meeting adjourned at 1:40 p.m.