

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – JANUARY 13, 2021**

A meeting of the Board of Directors of the Metropolitan Entertainment & Convention Authority (“MECA”), a Nebraska nonprofit corporation, was called to order by Chairwoman Diane Duren at 1:09 p.m. on January 13, 2021.

Roll Call:

Present and participating via teleconference were: Chairwoman Diane Duren, Mr. Thomas Warren, Ms. Susie Buffett, Mr. Tom Kelley and Mr. Jay Noddle.

As a reminder, during the continuing pandemic, both the City and State had waived applicability of the ‘public meeting’ requirements that would otherwise apply, and therefore all Board members who were attending the meeting by telephone were eligible to participate.

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on January 6, 2021, and in the *Omaha World-Herald* on January 6, 2021.

Approval of Minutes:

Mr. Warren moved for approval of the minutes of the December 2, 2020, MECA Board Meeting, seconded by Ms. Buffett.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon stated as discussions continue with the National Collegiate Athletic Association (NCAA) and CWS, Inc. regarding the 2021 Men’s College World Series, MECA is continuing to move forward with budgeting for 100% attendance. More information will be known closer to the event date.

No decision has been made yet for fan attendance limitations for the U.S. Swim Trials. At this point, USA Swimming is in favor of allowing 50% of building capacity.

Creighton University Men’s Basketball team started their season in December at CHI Health Center Omaha (CHIHCO) without fan attendance. On December 23 approximately 1200 fans were allowed to attend the Xavier game, followed by 1500 fans attending the St. John’s game on January 9. Hopefully as health restrictions are lifted, more fans will be welcomed into the facility.

MECA is currently working with the Douglas County Health Department to determine availability for mass inoculations as the vaccine is becoming available. MECA has scheduled events in the exhibit halls and arena in January and February, leaving TD Ameritrade Park Omaha as a more viable option.

Mr. Warren inquired if Douglas County had given any projected dates. Mr. Dixon replied that indications are the vaccines are ready to be rolled out next month.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge stated that there are currently 45 events on the books, utilizing 104 event days for 2021. Since the October 13, 2020 Board meeting, 10 events and over 4,800 hotel room nights have been added for the next five years. In addition, 8 license agreements have been signed.

Ms. Niebrugge added that while sports and consumer shows are moving forward, there are still numerous cancellations as people continue to be fearful of the COVID-19 pandemic.

Corporate Sales & Marketing Update

Mr. Tom O’Gorman reported that suites are finally opening in limited capacity for Creighton basketball. There are continuing discussions with Creighton University and the Douglas County Health Department for plans to allow the Platinum seat holders access to the games.

Conversations continue with the National Collegiate Athletic Association (NCAA) Volleyball Tournament as different scenarios for First and Second Round locations are discussed.

The Nebraska Schools Activities Association (NSAA) is moving forward with state wrestling in February. An extra day has been added to the schedule to help facilitate social distancing.

Mr. O’Gorman is optimistic that events will slowly return to the campus this summer.

Operations and Technology Update

Mr. Kevin Raymond reported that although there were very few games in December, and fans consisted of families of the players, it has given CHIHCO the ability to start out slow on the implementation of sanitizing protocols and entry procedures. Additional signage was created, and more hand sanitizers have been placed on the concourse level as well. Touchless thermometers mounted on a stand were secured last week; these machines help ensure social distancing of temperature takers with staff, vendors and guests.

Levy Food and Beverage Update

Ms. Chris VanDorn reported that the opportunity to open even in a limited capacity has proved beneficial as new policies and procedures are implemented.

Creighton Basketball began with seven fixed concession and four portable locations open to fans. Every other register is kept open to promote social distancing. Levy has transitioned to a cash-free environment noting that major debit, credit cards, and mobile payments are accepted in all areas.

All food items are served sealed, wrapped or are packaged with a lid. Levy is currently serving canned beer and bottled soda in lieu of draft and fountain options at this time. Condiment packets are in use at all locations. Bottled water, soda and Gatorade are all served with the bottle caps left intact.

Mobile ordering has been implemented and is operational at three different locations with plans to expand to five locations as attendance increases. Levy will also be testing a complete mobile ordering platform for when guests return to the building.

In addition to everything on the concourse, the suite level is now open with a limited food and beverage menu. All food on that level is being provided in individual packaging as well.

Ms. VanDorn was happy to announce that about five non-profit groups, as well as approximately 50 part-time team members have been brought back for these events.

Public Relations Update

Ms. Kristyna Engdahl stated the media is back at CHI Health Center Omaha for Creighton basketball games, which has been an evolving process with changing fan attendance. In coordination with Creighton, locations around the arena have been established for photography, videography or reporter observation since access to the court has been indefinitely restricted. The postgame press conferences have still taken place digitally.

Event applications are still being submitted to the Douglas County Health Department, now for events into early 2021. Recent approvals include the Home & Garden Exposition, numerous volleyball tournaments, and the Nebraska School Activities Association (NSAA) state wrestling tournament, which are all scheduled for February.

State wrestling will undergo some format changes this year, including everything from ticketing, socially distancing seating and scheduling. MECA is already working with the NSAA to communicate that information to parents, athletes and school districts well ahead of tournament dates. It will also be important to emphasize the transition to a cash-free environment before guests arrive at the facility.

MECA, using funds available through the CARES Act, has begun a new media safety campaign which includes advertising in the *Omaha World-Herald* and hanging new pole banners along 10th Street. The full-page ad from the World-Herald lays out precautionary plans and expectations of attending guests. There are also smaller digital banners, e-mail blasts and other outreach information being placed on the *Omaha World-Herald's* website.

Monthly communications meetings continue with the NCAA and CWS, Inc of Omaha, realizing the 2021 College World Series will look different than previous years. Fan communication

necessities are being strategized to determine what information will be important to circulate ahead of game days and how the public will be made aware of upcoming or potential changes. It will be important to continually audit the TD Ameritrade Park Omaha (and CHI Health Center Omaha) websites to ensure that they are updated and accurate with changing conditions.

Local media continues to be curious how the next calendar year might shape up for MECA; though no one really knows the answer, MECA maintains a message of optimism.

Committee Updates:

Internal Governance Committee

Mr. Tom Kelley reported that the Internal Governance Committee met via teleconference on Monday, January 11, 2021, at MECA's offices. In attendance were Chairwoman Duren, Mr. Bob Freeman, Mr. Kelley, Mr. Roger Dixon, Ms. Diane Mills, and Mr. Stephen Curtis, City of Omaha Finance Director.

The Committee reviewed the November 2020 Financial Statements, which were disappointing due to the pandemic and public health measures. After overviews from and discussions with Ms. Mills, the Committee found the report to be consistent with standard MECA accounting practices. Mr. Kelley noted that MECA continues to curtail expenses while relying on capital reserves.

The Committee reviewed the Fiscal 2020 Draft Audit, and will discuss it further during the Executive Session today.

In addition, the Committee addressed the opportunity for relief funding in the most recent stimulus bill whether it's available through the second draw of the Paycheck Protection Act or the Shuttered Venue Operators fund. These funds may provide much needed relief for MECA from the federal government.

Real Estate Committee

Mr. Jay Noddle reported construction on Kiewit's Headquarters has been completed, the certificate of occupancy was issued, and it is fully occupied by the groups that initially planned on moving in.

The Committee continues to work with the Omaha Public Works Department and Mayor Jean Stothert's office on the truck route through the downtown area.

Year End Presentation

Ms. Diane Mills presented the financial results for Fiscal Year 2019-2020, which ended on June 30, 2020.

MECA began Fiscal 2019-2020 with the promise of achieving a record year. The first three quarters of the last fiscal year brought several sell-out concerts to the CHI Health Center Omaha arena, along with dozens of consumer shows, exhibitions and meetings in the convention center.

To enhance and protect assets, last fiscal year MECA invested in a campus-wide safety upgrade with the installation of permanent security barriers in areas of high pedestrian traffic, the first phase of construction was completed in early 2020.

The last fiscal quarter was slated to be among the busiest in MECA's 20-year history; however, the COVID-19 pandemic struck, and drastically changed the Authority's financial fate for the fiscal year.

Understanding that the large events industry is expected to be among the last to rebound after the COVID-19 pandemic, MECA has worked to secure virtual hosting opportunities such as the I-CAN Women's Leadership Conference in August 2020 and the Berkshire Hathaway Shareholders Meeting, which is also set to stream on Yahoo Finance again in 2021, essentially utilizing the CHI Health Center Omaha arena as a 'production studio'.

Management has reacted to the sudden loss of revenues by reducing expenses where possible while still preserving the integrity of MECA's operations. The necessity to cancel or postpone in-person gatherings greatly impacted this piece of MECA's business with a noticeable and sudden drop-off in clientele. Ultimately, solely due to the pandemic, Fiscal 2019-2020 ended as the worst financial year on record for the Authority.

However, MECA believes that the convention center will play an integral role in the Authority's financial rebound, given its ability to host smaller-format events and intimate in-person, socially distanced meetings. Many organizers have opted to reschedule (instead of cancel) their events - moving into mid-2021 and beyond. MECA has made several operational changes over the last ten months; reformatting back of house procedures, adding staff to sanitizing teams, and rethinking how to safely provide concessions and service clientele.

MECA still managed to earn \$60.1 million in revenues during 2019-2020, a 2.9% increase over the prior year. Tri-Park Project Funding made up \$36.2 million of this total. This funding is recognized to offset construction and operating expenses of the Riverfront Project. MECA's remaining revenues help cover employee wages and updates to facilities. Fiscal 2019-2020 resulted in \$178 thousand net profit before depreciation and amortization. Last year's figure, for reference, was closer to \$4.5 million in profits. This change in profitability was solely attributable to the COVID-19 pandemic.

TD Ameritrade Park Omaha suffered cancellations of the remaining Bluejays baseball season for Creighton University, the Big Ten Tournament and the NCAA Men's College World Series, which had an unfortunate effect on the stadium operations for 2020.

The ballpark, which usually welcomes thousands of excited fans from across the country every spring and summer, sat mostly quiet this year due to mounting health and safety concerns. For that reason, MECA absorbed the first \$100 thousand in loss (as stated in MECA's lease with the City) and no reserves were funded for TD Ameritrade Park Omaha in 2020.

Discussions continue with stadium partners on how to move forward; ensuring that MECA has the necessary capital to maintain the ballpark in the future.

One positive area for MECA in Fiscal 2019-2020, has been the successful continuation of the Riverfront Revitalization Project, now simply known as “The RiverFront”. “Progress towards the vision” has been a recurring theme for this endeavor as design, planning and construction all remain on schedule.

Local, national and international interest in this project has been consistent and positive, with people from all over watching this amenity-rich and state-of-the-art space take shape in the heart of downtown Omaha.

During Fiscal 2020, \$36 million of the \$300 million construction budget was spent on demolition, grading, utilities and amenities work creating important and iconic elements throughout the parks.

The construction and design teams continue to effectively and efficiently coordinate efforts for this exciting project.

MECA is currently well into Fiscal 2020-2021, and still eagerly awaiting the return of largescale events. The arena and convention center teams are diligently working to re-book events in 2021 and beyond, including the USA Swim Trials, which have tentatively rescheduled for June 13 – 20, 2021.

In the meantime, the last several months have been dedicated to sanitization efforts, completing preventative maintenance projects and implementing additional safety initiatives assuring that the CHI Health Center Omaha and TD Ameritrade Park Omaha are well-poised to welcome back guests as circumstances safely allow.

However, at this time, the full economic impact on MECA and duration of the global pandemic remains unknown.

Contract Approvals:

Chairwoman Duren indicated there is one contract requiring Board approval.

Peetz & Company

RESOLVED, that the Agreement between MECA and Peetz & Company for consulting services relating to political strategy, research and input regarding public policy issues, as set out on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized on behalf of MECA to execute the Agreement following its finalization in a form reasonably approved by counsel.

Chairwoman Duren invited public and Board comment and asked for a motion.

Moved by Ms. Buffett seconded by Mr. Noddle.

Motion carried: 5-0

Next Board Meeting

The next Board of Directors Meeting is scheduled for Tuesday, February 16, 2021, at 1:00 p.m. in the MECA Board Room.

Executive Session

Chairwoman Duren stated the time is 1:44 p.m. and invited a Motion to enter into closed Executive Session for purposes of discussing personnel, real estate and potential claims matters.

A Motion to go into Executive Session for these specified purposes was made by Mr. Kelley, seconded by Mr. Warren.

Motion carried: 5-0.

Adjournment

At 2:08 p.m. a motion was made to come out of Executive Session, and to adjourn, made by Mr. Noddle, seconded by Mr. Warren.

Motion carried: 5-0

Adjournment 2:08 p.m.