

## **MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION AUTHORITY BOARD OF DIRECTORS MEETING – FEBRUARY 13, 2018**

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 8:30 a.m. on February 13, 2018, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10<sup>th</sup> Street, Omaha, Nebraska.

### **Roll Call:**

Present: Chairwoman Diane Duren, Ms. Susie Buffett, Mr. Tom Kelley, Mr. Jay Noddle and Ms. Dana Washington.

### **Proof of Publication:**

Notice of the meeting was published in *The Daily Record* on February 6, 2018, and in the *Omaha World-Herald* on February 6, 2018.

A copy of the Open Meetings Law was posted on the table near the side entrance to the MECA Board Room.

### **Approval of Minutes:**

Mr. Noddle moved for approval of the minutes of the January 17, 2018, MECA Board Meeting, seconded by Ms. Buffett.

Motion carried: 5-0.

### **President/CEO Report:**

Mr. Roger Dixon reported that this past month, associates from the National Collegiate Athletic Association (NCAA) & CWS, Inc. were in Omaha for the Spring Partners meeting. Everything is going as expected as preparations are being made for the 2018 Men’s Baseball College World Series (CWS).

Mr. Dixon attended Pollstar Live! conference February 6-8, 2018 in Los Angeles, California with Mr. Tom O’Gorman. This event is the largest gathering of concert industry professionals in the world and is a great networking asset to meet and interact with current and future business contacts face-to-face. Mr. Dixon noted it was time well spent with thousands of music business executives for networking, deal making, education, and discussions.

### **Other Business:**

#### **Corporate Sales & Marketing Update**

Mr. Tom O’Gorman reported that work continues on booking the concert series for 2018. Since the last Board meeting on January 17, 2018, MECA has announced Daryl Hall & John Oates with Train scheduled for July 18, the now sold-out Elton John on February 12, 2019, Luke Bryan on August 2, and Justin Timberlake on December 8. There will be more announcements coming in the following month.

The main focus right now is the CenturyLink Center Omaha (CLCO) Club seat renewals with the majority coming up for renewal on July 1. Work has begun to have it completed before that timeframe arrives. Mr. O’Gorman continues to work on the TD Ameritrade Park Omaha (TDAPO) Club seat renewals, as there are 36 that did not renew. The process of contacting people on the waiting list has started. They are looking ahead to 2020 and preparing reports as it will be a very big renewal year at TDAPO.

## **Operations and Technology Update**

Mr. Kevin Raymond stated that 2018 started as a very busy year at CLCO, and that the part-time event staff needed to be acknowledged and thanked for all their hard work, as most of these employees already have full-time jobs or are retired. They are ready and willing to come in and help do a fantastic job to ensure the events run smoothly, which can be a challenge when you have events such as the Northern Lights 18 Qualifier & January Thaw Volleyball Tournament and the men's Creighton Bluejays vs. Georgetown Hoyas (Cancer Pink Out) sold out basketball game happening simultaneously. Also, the security screening that's typically performed in the grand hall was moved into the arena lobby. Employees have done a great job directing traffic and answering questions from guests.

As was previously mentioned, the annual operational NCAA/CWS, Inc. meeting took place last month at TDAPO. There were a number of items discussed, but one of the primary discussions was the replacement of the backstop netting. Prior to that week, Major League Baseball (MLB) announced that they are now going to have all 30 of their teams expand and extend the backstop netting. After discussions, all partners were in agreement that this is the right time to extend the backstop netting at TDAPO. The backstop netting will be extending to the end of each dugout. The plans are being finalized with the engineers, and it will be installed and ready to go for the Creighton University men's baseball season. Mr. Dixon added that the Board of Directors had previously approved the \$40,000 expenditure for the original backstops. Due to savings there, MECA does not anticipate the cost to be much over the original amount to run the backstops down to the end of the dugouts.

The LED signs have been added in the area in front of the box office at CLCO. In addition to the typical box office status information, these signs will also have room for additional messaging such as displaying MECA policies and upcoming events.

Finally, Mr. Raymond noted that the new elevator ceilings have been installed and look very nice. The work was scheduled to be completed in December, but was delayed due to hurricanes.

## **Levy Food & Beverage Update**

Ms. Chris VanDorn reported that the first week of installation on the new Point of Sale (POS) system started in January at TDAPO, and the team will be back next week to finish the installation for the entire stadium. Levy will have a team onsite for a few days leading up to and throughout the entire weekend of Creighton University men's baseball season. The team will be back for the Big 10 Tournament and the opening weekend of the CWS to make sure everything goes smoothly with all the additional POS areas open for larger events. The major benefit of Levy doing both of the building installations at the same time is that roughly 75-80% of Levy staff and volunteers cross over and work between both buildings. All employees that have worked at CLCO since October when it was installed will already be familiar with the system's functionality, which will really help out with speed of service for the larger events.

Levy is gearing up for a busy week. Ms. VanDorn stated that from a CLCO sales perspective, February is historically the busiest month for Levy's entire fiscal year and this year looks to be no different. This month's revenues are projected to be 25% higher than any other month of this fiscal year. Levy is set to do almost 50% of those revenues in the next six days, and Ms. VanDorn is confident that the Levy employees will step-up to the challenges over the next week.

Ms. VanDorn was excited to share some Levy global news with the Board. Levy was just named to the number three spot in the *Forbes* first ever "Best Employers for Diversity List" for 2018. Other companies on the list included: Starbucks, Google, Disney and Hall of Foods. The list was determined

through a survey of 30 thousand employees across the country who were asked questions about diversity, gender, ethnicity, sexual orientation, age, and disability. Levy's high placement on the list is reflective of their strength across all of these areas and *Forbes* paid special attention and recognition to the high number of female executives and ethnic diversity amongst the management level team members. Ms. VanDorn is proud of everything they are doing here in Omaha to provide a welcoming and inclusive environment here as well.

### **Public Relations Update**

Ms. Kristyna Engdahl stated that MECA has been busy communicating the new clear bag policy to the Nebraska School Activities Association (NSAA) State Wrestling Tournament guests which is scheduled for February 15-17. CLCO has had the pleasure of hosting the Tournament for the past several years, but this is the first year there has been a major policy change. The challenge has been to reach such a wide audience across the state, and both MECA and NSAA have been active on social media. However, what has been most beneficial is a letter authored to families and distributed by the NSAA to schools, athletic directors and superintendents. They in turn published the information in school bulletins, newspapers, and online. A press release also went out with an additional focus on central and western Nebraska media outlets, encouraging people to take a second look at MECA's policy. Ms. Engdahl was pleased to see the state Associated Press also picked up the release, which helped ensure that a broader audience was reached and it found its way to any media outlet that might have been otherwise overlooked.

Ms. Engdahl also noted there was a lot of media interest generated from the announcements made last month concerning MECA's naming rights discussions, and questions about the anticipated addition of walk through metal detectors.

### **Convention Center Sales & Marketing Update**

Ms. Denise Niebrugge stated that there are currently 131 events on the books, utilizing 250 event days for the fiscal year 2017-2018. Since the January 17, 2018, Board meeting, 9 events with over 20 event days and over 7,500 hotel room nights have been added. One of these is a new citywide for August 2018. In addition, 15 new license agreements have been signed.

Ms. Niebrugge, along with the Omaha Convention and Visitor's Bureau (OCVB) and Hilton Omaha has just returned from attending the Destinations Showcase. This was a one-day tradeshow with a majority of the 820 attendees being from the east coast.

Ms. Niebrugge was excited to announce Religious Conference Management Association (RCMA) was just in Omaha and was a very successful conference for the organization and for the City of Omaha. A lot of the meeting planners had not visited Omaha and were truly surprised to find how convenient CLCO was to the airport and hotels. Comments from them included not knowing Omaha was such a "foody" city and liking the entire package offered. RCMA had an opportunity to do some community service while in Omaha and donated three checks: one to The Love 146 – a Human Trafficking Organization; one to the Women's Fund of Omaha; and, the other to the Stephen's Center. Ms. Niebrugge proceeded to show a short video that was put together by RCMA after their conference that showcased Omaha and their event.

### **Omaha Streetcar**

Mr. Jay Lund introduced himself to the MECA Board of Directors as a Modern Streetcar Advocate, part of a collaboration of community visionaries, public transit champions and everyday people who love the City of Omaha, and who are rallying around the modern streetcar concept being implemented in Omaha.

Mr. Lund explained that the streetcar is a form of public transportation, an urban circulator that will travel on rails in traffic lanes with cars. The fixed rails means the route is easy to understand, and while Metro buses and Omaha Rapid Bus Transit will bring people to downtown, the streetcar will move them around within the most densely populated urban areas without need of a vehicle. This will lessen the need for designated parking areas which will then open up midtown and downtown for growth opportunities, such as businesses, entertainment venues and other development.

Mr. Lund's presentation was based on years of study, analysis and public outreach. It emphasized how the streetcar will have the ability to connect and reenergize our historic urban core, maximize and improve access to new and existing investments, attract jobs and residents, keep talent in Omaha, unlock a larger transit vision for the region, and pay for itself and generate/free-up funds for other needs. Other benefits discussed of the enhanced transit included improving access to jobs and education, creating vibrant communities, relieving traffic congestion, facilitating a more cost-effective infrastructure and fostering a healthier lifestyle.

Finally, Mr. Lund asked the Board of Directors to consider being Modern Streetcar Advocates by supporting their website "StreetcarOmaha.org" and help to motivate the community to prioritize a larger transportation conversation and to take action soon.

Mr. Kelly inquired if the streetcar would have a financial impact on MECA, such as a surcharge or fee. Mr. Lund responded that there may be an impact, but it is too early to say.

### **Year-end Financial Presentation**

Ms. DeAnn Olsen reported that a consistent focus on exceptional fan experience, attraction of world-class events, and continued facility upgrades and improvements, has once again translated into financial success as MECA enters its 15th year of operation.

MECA works diligently to secure highly coveted concerts, conventions and sporting events, which not only contributes to the local economy, but keeps the Authority competitive and profitable. In the fiscal year ended June 30, 2017, MECA generated \$5 million in profit before depreciation and amortization, a 5% increase over the previous fiscal year. MECA has ended each fiscal year with a profit since opening CLCO in 2003, with profits used to fund various updates and maintenance.

CLCO hosted 17 concerts with several sell-out performances in fiscal 2016-2017. Between concerts and multiple sporting events (such as Creighton men's basketball, Top Rank Boxing, and an NBA exhibition game), MECA generated \$42 million in revenue and attracted more than one million visitors to the facility. Arena and convention center activity required a work force of 725 full-time, part-time and seasonal employees.

MECA continues to prioritize facility upkeep and reinvestment, which is paid from annual operating revenue and MECA's capital reserve fund. In fiscal 2016-2017, MECA funded \$3 million in various projects and repairs aimed at improving the guest experience. For example, MECA completed the installation of free Wi-Fi in the arena in 2016-2017, and added lactation suites in both facilities for nursing mothers. Projects initiated in the previous fiscal year that will carry over into fiscal 2017-2018 include parking lot concrete repairs and roof replacement over a large section of CLCO. Just like previous years, no taxpayer dollars were used in any of these improvements.

This year also brings a lot of exciting promise, with the 2018 concert line-up continuing to grow. Artists such as Miranda Lambert, Luke Bryan, Kid Rock, Shania Twain, Hall & Oates, Train and Sugarland have already announced performances at CLCO, along with comedians Jeff Dunham and Kevin Hart. In March, the NCAA Sweet Sixteen tournament will be held at CLCO. Additionally, the convention center has already booked 130 new and repeat events for 2018, with even more in the planning stages.

CLCO is consistently recognized on a global scale. The October 2017 edition of *Pollstar*, a concert industry trade publication, ranked CLCO 53rd worldwide in arena ticket sales. The same publication found CLCO outsold every other concert venue in Nebraska, and five of its neighboring states. Additionally in 2017, the website *Buzz Feed* declared CLCO the “most Instagrammed location” in the entire state of Nebraska.

Finally, Ms. Olsen stated that TD Ameritrade Park Omaha (TDAPO) enjoyed another successful year and continues to attract highly sought after sporting events. In 2017, the stadium hosted its seventh NCAA Men’s College World Series, achieving the highest single-season attendance in the Series’ 70-year history (welcoming 357,646 fans, according to the NCAA). Additionally, TDAPO proudly hosts Creighton baseball, and hosted the Big East Baseball Tournament for the second time. The Big Ten will hold its conference baseball tournament at the stadium next spring and the tournament will continue at the stadium through 2022. MECA receives a management fee to operate TDAPO on behalf of the City of Omaha.

## **Committee Updates:**

### **Internal Governance Committee**

Ms. Dana Washington reported that the Internal Governance Committee met on Thursday, February 1, 2018, at MECA’s offices. In attendance were Ms. Washington, Mr. Dixon, Mr. Stephen Curtiss, Ms. DeAnn Olsen, and Chairwoman Duren. The Committee reviewed the December 2017 Financial Statements. After overviews from and discussions with Ms. Olsen, the Committee found the report to be reasonable compared to plan and prior periods, and consistent with standard MECA accounting practices. It was a good month for the arena and convention center due to a number of factors, including the collection of future year premium seat contracts, the Thomas Rhett concert and two additional men’s Creighton basketball games.

The Committee reviewed and discussed the year-end financial results which included the press release and PowerPoint presentation.

Finally, the Committee reviewed management’s discussion and analysis for the audit report.

### **Real Estate Committee**

Mr. Jay Noddle reported that the riverfront revitalization is getting closer to making a recommendation to the community regarding their findings. MECA has been included in the discussions due to most of the contemplated development locations around the MECA campus. Information will be distributed to the Board of Directors as it is made available.

The Omaha Chamber has formed the Urban Core Committee which at this time consists of approximately nine members. It is intended to study the City’s urban core which is an area that has a lot of overlap. It is much like the Riverfront Revitalization Committee in that it will capture all of the work that has been done over the years, including taking all the different initiatives, studies, and reports and rolling them all together. It will look at all the assets in the urban core and do a larger study.

## **Lot B**

Mr. Jay Noddle stated that comments have been exchanged with the City Law Department, and the document is very close to being finalized. Once those issues are resolved, recommendation will be made to the Board and to the City to approve the documents.

## **Contract Approvals:**

Chairwoman Duren indicated there are two contracts requiring approval.

## **MECA**

### Nathans Famous Systems, Inc.

**RESOLVED**, that the Advertising/Sponsorship Agreement between MECA and Nathans Famous Systems, Inc., for provision of Hot Dogs and for advertising at CenturyLink Center Omaha, as more specifically set out on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized on behalf of MECA to execute the Advertising/Sponsorship 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

## **CLCO**

### City of Omaha

**RESOLVED**, that the Agreement between MECA and the City of Omaha to improve the flow of vehicular and pedestrian traffic at the 10<sup>th</sup> Street Parking Garage before and after events at CenturyLink Center Omaha, as more fully described 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.

Mr. Dixon stated that it currently takes about 40 minutes to exit the parking garage on event nights. This is something that needs to be done for the premium seat guests who are very important to MECA. This project has been in the works for about three years, and MECA commissioned HDR to conduct a study that showed a traffic signal would help guests exit the garage faster and safer. Mr. Dixon noted that while the City realized the benefit, it was not enough for them to help alleviate some of the cost. The Capitol District also declined to help financially.

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

Moved by Ms. Washington seconded by Mr. Noddle.

Motion carried: 5-0

## **Next Board Meeting**

The next MECA Board of Directors Meeting is scheduled for Friday, March 16, 2018, at 8:30 a.m. in the MECA Board Room.

**Executive Session**

Chairwoman Duren stated the time is 9:30 a.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 Ms. Buffett seconded by Mr. Noddle.

Motion carried: 5-0.

**Adjournment**

At 10:08 a.m. a motion was made to adjourn, made by Ms. Buffett, seconded by Mr. Noddle.

Motion carried: 5-0

Adjournment (10:09 a.m.)