

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – JULY 10, 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 July 10, 2018, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

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

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on July 3, 2018, and in the *Omaha World-Herald* on July 3, 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:

Ms. Buffett moved for approval of the minutes of the June 20, 2018, MECA Board Meeting, seconded by Ms. Washington.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon stated he could not be more proud of the entire MECA team for their hard work and dedication ensuring that the NCAA Men’s College World Series (CWS) was again a very successful event. The hot and humid weather, as well as rain delays, were a factor that affected the CWS this year.

The press conference announcing Major League Baseball coming to TD Ameritrade Park Omaha (TDAPO) was on June 21. Mr. Dixon is anticipating a great game between the Kansas City Royals and the Detroit Tigers on June 13, 2019, two days before the CWS begins at TDAPO.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge stated that there are currently 138 events on the books, utilizing 258 event days, with over 80,000 hotel room nights for the fiscal year ending 2017-2018. Since the June 20, 2018 Board meeting, 24 events with over 48 event days and over 8,000 hotel room nights have been added. In addition, 25 license agreements have been signed.

Corporate Sales & Marketing Update

Mr. Tom O’Gorman stated that since the last Board meeting on June 20, 2018, the Request for Proposal (RFP) process has begun for the name change which will be effective September 1, 2018.

This is also a busy time contractually as work has begun on CenturyLink Center Omaha (CLCO) renewals for Club seats and the Suites. They are currently in phase II of the process with 98% renewing their existing contracts.

Operations and Technology Update

Mr. Kevin Raymond also took the opportunity to recognize the staff’s hard work and efforts for the CWS in June. MECA spends months meeting with all the partners prior to the CWS regarding planning, scheduling and managing the Series, but what it really comes down to is execution of the event. This was proven by the very first game of the Series that set a National Collegiate Athletic Association (NCAA) record at just shy of 4 ½ hours for the longest game. This threw planning off a bit, but the changes, many hours of hard work, and extremely hot weather had no effect on the staff’s positive attitude, professionalism and willingness to help. There were also a few games delayed because of the first game of the day. The staff was given 65 minutes from the third out of the first game until the first pitch of the second game, to clear the stadium, assist Levy with restocking and cleaning, and opening gates 30 minutes later to let in as many fans as possible. There were late nights MECA was calling or sending emails regarding changes, and the staff did a great job of volunteering to work extra shifts to accommodate schedule changes caused by rain delays and additional games. Generally the second Sunday of the Series the staff is given a break to get some rest; however, Imagine Dragons played that night to a sold-out crowd at CLCO. In addition, the Finals Game 3 of the Championship was played this year in conjunction with the Sugarland concert at CLCO. Lastly, the weather decided to turn the Home Run Derby into a Saturday and Sunday event. Mr. Raymond expressed kudos once again to all part-time and full-time staff for their determination to make these events successful.

July is typically project time for operations, and this year is no exception. Demolition of concrete on the Aksarben Terrace is nearly complete. They are installing the membrane and will pour concrete. The project is on track to be completed by August, weather permitting. Finally, Mr. Raymond noted they are in the final stages of finishing the roof work on Hall A and Hall B. This work should be completed by fall.

Levy Food & Beverage Update

Ms. Chris VanDorn echoed the sentiment of being proud of the commitment of the Levy team and provided a breakdown of statistical information for the CWS. The 2018 total food and beverage sales represents an overall increase of just over 7.6% from the prior year, even though the attendance levels compared to last year were basically flat. The food sales this year increased slightly by nearly 5% and total dollars for beverages increased by almost 3%. The split had food sales at 45% and beverages at 55% of the total sales - representing a 1% change, which was attributed to moderate temperatures last year. Concessions revenue was up 9% over last year, group sales catering up 13.5% (attributed to the rain delay meals for the teams), suites up 3.7%, Club lounge down 3%, and in-seat service was down 20% (attributed to fans relocating to dryer areas). Although the attendance levels this year were flat, Levy experienced a

significant increase in per caps due to rain delays. Additionally, the Championship games played on Tuesday and Wednesday were the highest two Championship games, revenue wise, that Levy has had since taking over the Series in 2011.

Operationally, the biggest change Levy experienced this year was NCAA's approval of an additional 4-6 beer portable locations on the concourse to try to alleviate the lines. The NCAA also approved the sale of alcohol at the food portable locations, which fans who wished to purchase both food and alcohol really appreciated as they only had to wait in one line to buy both items. The sale of alcohol at the food portables alone this year made up 10% of the total concession/alcohol sales. There was an increase in food sales at each one of those portable locations as well. Levy was able to incorporate some local craft beer options, which made up 7.5% of total concession alcohol sales as a result of the additional locations. Local options included: an Infusion Vanilla Bean, Nebraska Brewing Pale Ale, Pint 9 Grapefruit IPA, Lucky Bucket Strawberry Blonde, and Brickway Raspberry Hefeweizen.

There was a total of 83 food and 29 beverage options throughout the Series this year, but it was no surprise to learn that bottled water continues to be the highest selling overall item at 73,419 bottles sold. Ms. VanDorn also reviewed seven of the consistently top selling items which included: jumbo hotdogs jumping to 35,237; peanuts at 23,701; waffle cones at 20,015; nachos at 18,160; pretzels increased to 16,870; chicken tenders at 13,283; and cheeseburgers at 12,070. Specialty items continue to do well. The foot-long sausages remained one of the most popular with nearly 3,700 foot-longs sold; Philly steak sandwich which was new this year, was 2,803; the walking taco at 2,585; Grounds Crew Tachos remain a huge favorite out of one location with 1,840 sold; smoked rings, which were new this year at 1,253; the NachOmaha which got a lot of play in the media was 1,229; and the chicken parm bites were 1,077. In total, Levy sold just over 268,000 food items, and of those, the top seven items make up 52% of the total items sold.

This was the second year that programs were only offered for sale inside the Stadium. Programs were not available to surrounding local businesses who had been discounting them before the fans got inside the Stadium which depressed sales. Sales increased again this year with the change, and Ms. VanDorn reported sales of 239 programs over last year representing a 7.5% increase.

As Mr. Raymond previously mentioned, while everything was going on at TDAPO, there were two conferences simultaneously occurring at CLCO, as well a few pre-game parties for some of the CWS teams, the Imagine Dragons and Sugarland concerts, the Home Run Derby, followed by WWE Smackdown Live on July 3. Ms. VanDorn closed saying that she was happy to be part of the Levy team, and so proud of all their hard work successfully executing all the events.

Public Relations Update

Ms. Kristyna Engdahl stated from a public relation standpoint, it has been a very busy month at the arena and stadium with the naming rights announcement, the Men's College World Series, the Imagine Dragons and Sugarland concerts, WWE Smackdown Live as well as several large scale events in the convention center.

CLCO received wide-spread and even state wide coverage of the naming rights announcement, most, if not all, with mention of what this agreement means for the future of the facility. While some people are hesitant to embrace the new name (just as with the last name change), eventually it will become second nature and work its way into the community's vocabulary.

The College World Series was slightly complicated this year from a communication standpoint as weather delays really threw a wrench into the plans. There was plenty of pre-Series press talking about unfavorable weather and lightning strikes, however when those scenarios struck, MECA collaborated with the NCAA on social media in an attempt to directly reach the broadest base possible. There were also some late nights, emailing newsrooms with updates for their morning TV and radio shows, which made a big difference when it came to communicating parking options and things of that nature. MECA is so thankful for their help. This was the first time the clear bag policy was implemented at TD Ameritrade Park – sadly of course, some guests missed the message, but for the most part guests seemed to get the clear bag message prior to arrival. Ms. Engdahl fielded minimal complaints about the new policy. There were also several incredible stories, on social media and elsewhere, about families, friends and fans traveling long distances just to be here, which is partly what makes this event so special.

Lastly, Ms. Engdahl noted a lot of interest with the arena events, specifically U2 (MECA welcomed media from a couple different states for that show), Shania Twain, Imagine Dragons, and Sugarland. MECA also helped to facilitate a jam-packed media morning for WWE Smackdown Live last week ahead of the Tuesday, July 3 live show.

Committee Updates:

Internal Governance Committee

Ms. Dana Washington reported that the Internal Governance Committee met on Monday, July 9, 2018, at MECA's offices. In attendance were Ms. Washington, Chairwoman Duren, Mr. Robert Freeman, Mr. Dixon, and Ms. DeAnn Olsen. The Committee reviewed the May 2018 Financial Statements. It was noted that it was a very good month financially, due to three concerts that performed well in the arena. 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.

The Committee reviewed the Quarterly MECA Investment Summary, and found the summary to be reasonable and consistent with policy.

Finally, the Committee discussed the auditor and tax preparation services.

Real Estate Committee

Mr. Noddle stated that the Lot B Agreement between MECA and the City of Omaha has been approved by the City Council. There is no activity at this time in regards to development inquiries.

The Riverfront Revitalization Plan, as well as MECA's role in the project, was made public and openly discussed on June 12, 2018. Mr. Dixon noted that he, along with other key executives

from MECA, will meet with architects in August to begin the process. Chairwoman Duren added that she and Mr. Dixon will be traveling to Dallas in July to see how they manage the process and to help answer any questions. MECA's Counsel, Mr. Bob Freeman, is currently in the process of working through the legal document that will manage the relationship between the City of Omaha, the Riverfront Development and MECA.

Contract Approvals:

Chairwoman Duren indicated there are two contracts requiring approval.

MECA

Bland & Associate, PC

RESOLVED, that the Agreement between MECA and Bland & Associates, PC for audit and tax preparation services for three years, 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.

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

Moved by Ms. Washington seconded by Ms. Buffett.

Motion carried: 5-0

CLCO

Security Equipment, Inc. "SEi"

RESOLVED, that the Agreement between MECA and Security Equipment, Inc. to upgrade the current building security system which includes access control and video monitoring at CenturyLink Center Omaha and TD Ameritrade Park 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.

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

Moved by Mr. Kelley seconded by Ms. Buffett.

Motion carried: 5-0

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Tuesday, August 21, 2018, at 8:30 a.m. in the MECA Board Room.

Executive Session

Chairwoman Duren stated the time is 8:49 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 Ms. Washington seconded by Mr. Kelley.

Motion carried: 5-0.

Adjournment

At 9:20 a.m. a motion was made to adjourn, made by Ms. Buffett, seconded by Mr. Kelley.

Motion carried: 5-0

Adjournment 9:20 a.m.