

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION  
AUTHORITY BOARD OF DIRECTORS MEETING – JANUARY 10, 2022**

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 1:11 p.m. on January 10, 2022.

**Roll Call:**

Present or participating via teleconference were: Chairwoman Diane Duren, Ms. Susie Buffett, Mr. Ben Gray, 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 3, 2022, and in the *Omaha World-Herald* on January 3, 2022.

**Approval of Minutes:**

Ms. Buffett moved for approval of the minutes of the November 16, 2021, MECA Board Meeting, seconded by Mr. Kelley.

Motion carried: 5-0.

**President/CEO Report:**

Mr. Roger Dixon stated that December is a slow month for MECA as the agencies and promoters typically all shut down for the holidays.

The federal vaccination mandate and uptick of COVID-19 cases have sparked HR policy discussions, which will be addressed during executive session. As of now, most events are holding to their schedules, even though MECA has lost a few smaller events. The December 28 Creighton Men’s Basketball game against Georgetown was cancelled, but later rescheduled to February 14.

**Other Business:**

**Convention Center Sales & Marketing Update**

Ms. Denise Niebrugge stated that there are currently 108 events on the books, utilizing 185 event days for the current fiscal year. Since the November 16, 2021 Board meeting, 26 events and over 9700 hotel room nights have been added and 17 license contracts have been signed.

**Corporate Sales & Marketing Update**

Mr. Tom O’Gorman reported that renewal processing is nearly complete for TD Ameritrade Park Omaha (TDAPO). Adjustments had to be made due to the COVID-19 Pandemic in 2020. As of

today, there are 303 seats that did not renew their agreement. The next step will be to process relocation requests and then fill the available seats.

Tickets for the NCAA Women's Volleyball National Championship went on sale today to Lincoln seat holders as well as MECA club seat holders. There were some issues with fans who did not get the seats they expected.

Sponsorship renewals are being finalized, two of which are already out to contract for renewal. Mr. O'Gorman believes new agreements will be signed soon for the two open sponsorships.

The future outlook looks positive as bookings continue into 2022 and 2023. There will be some exciting news to share in February and March.

### **Operations & IT Update**

Mr. Kevin Raymond stated that a slower event schedule has allowed staff to relax and regroup for what looks to be a busy new year.

Focus continues on hiring and some new approaches have been tried which have yielded better responses from job candidates. There will be another job fair scheduled in February for event staff.

The replacement of arena seats was briefly delayed due to the holidays and a COVID-19 outbreak with the entire installation crew. This project is on track to be completed in February.

The order for security barriers went to Kiewit at the beginning of December. The order was placed after finalizing a few small design changes with engineering. Mr. Raymond is confident that MECA will meet the goal having them installed at the stadium from March to May, moving over to the CHI Health Center Omaha (CHIHCO) in July.

Discussions continue with Charles Schwab Corporation in rebranding TDAPO. A bid will be released today for exterior signage and will be brought to the Board next month for approval. MECA has received all the information for logo specifications and feels a significant portion of this work can be completed before the start of the Men's College World Series (CWS).

Chairwoman Duren inquired if MECA had experienced any supply chain issues for the rebranding effort. Mr. Raymond responded that there is a signage company located in Omaha that has a large stockpile of material and believes there would not be an issue if MECA works with them.

### **Levy Food & Beverage Update**

Ms. Chris VanDorn reported that in addition to all the December calendar events, Levy has had several menu tastings with groups for upcoming events. The sales and culinary teams continue to do a great job presenting options to potential clients while navigating pricing and availability of items in the current market.

Levy continues to work ahead anticipating supply chain issues. Most recently, a number of suppliers have sent out notifications that they have permanently stopped producing previously

purchased items. There have been numerous times that Levy is not aware an item has been shorted in an order until the delivery arrives. Most of the time substitutions are seamless with no impact to guests. But more recently some of the supply chain issues have created minor changes in operations. Levy's purchasing team is currently working nonstop on finding substitutions or alternatives when possible and placing orders sooner so necessary adjustments can be made. There may be times when Levy will temporarily have to remove items from the menu until they become available again.

Chairwomen Duren asked if there are certain food items that are more difficult than others to get. Ms. VanDorn responded, that yes, a lot of special-order items, such as appetizers and desserts, are sparse. Items that have been popular, especially on the group sales side, are no longer being produced. Although some maybe permanent changes, there is a possibility that items will become available again once manufacturing and staffing have been restored at those locations.

### **Public Relations Update**

Ms. Kristyna Engdahl stated concerts continue to be announced, which has been helpful for CHI Health Center Omaha's publicity. In November, media monitoring caught 881 mentions for a reach of 946 million people. That resulted in an estimated publicity value of about \$8 million with the highest reach occurring on *Yahoo News*, *Omaha.com* and even *People.com*. It is likely December will look very similar.

MECA regularly receives questions about whether or not a concert will have entrant requirements, and what exactly a 'health check' means. A quick FAQ was designed and placed on the CHIHCO home page with drop down sections about, in general, which tests are accepted and testing window requirements. Guests are encouraged to monitor their email account and MECA's social media for evolving conditions as any show is subject to change.

Also in December, the Charles Schwab Corporation made the official announcement about TDAPO rebranding. MECA helped to coordinate local efforts with Charles Schwab focusing on national outreach. As with any name change, growing pains are to be expected, but MECA will launch a social media awareness campaign as the Men's College World Series approaches.

Chairwoman Duren inquired if *Pollstar Magazine* had published venue rankings, and if so, how did CHIHCO finish. Mr. Dixon responded that at year-end, CHIHCO was ranked 28 out of the top 200 venues.

### **Committee Updates:** **Internal Governance Committee**

Mr. Tom Kelley reported that the Internal Governance Committee met on Thursday, January 6, 2022, at MECA's offices. In attendance were Chairwoman Duren, Mr. Bob Freeman, Mr. Tom Kelley, Mr. Roger Dixon, Ms. Diane Mills, and Mr. Stephen Curtis, City of Omaha Finance Director.

The Committee reviewed the October Financial Statements. After overviews from and discussions with Ms. Mills, the Committee found the report to be reasonable compared to plan and prior periods, and consistent with standard MECA accounting practices.

In addition, the Committee reviewed the Fiscal Year 2021 Audit Report, which was found to be an unqualified opinion.

### **Real Estate Committee**

Mr. Jay Noddle stated that since the last Board meeting on November 16, 2021 arrangements for parking, trucks and new developments have all progressed. Omaha can look forward to an active and exciting year with new projects starting in the downtown area in 2022.

### **Year End Presentation**

Ms. Diane Mills presented the financial results for Fiscal Year 2020-2021, which ended on June 30, 2021.

Much like the year before, the last fiscal year experienced significant impact from the COVID-19 pandemic. While some larger events were able to resume or reschedule in a limited capacity such as Creighton Men's Basketball and the U.S. Olympic Swim Trials, business was mostly limited during the first three quarters of Fiscal 2020-2021.

Given its size and ability to accommodate social distancing, the convention center welcomed an uptick in activity during the fourth fiscal quarter. The end of the fiscal year also brought the return of the NCAA Men's College World Series to TD Ameritrade Park Omaha.

However, Fiscal 2020-2021 was largely spent cutting discretionary spending and renegotiating contracts, while advocating and applying for various federal assistance and grant programs, specifically, those intended for struggling businesses and live event venues. Ultimately, those dollars enabled MECA to invest in employee retention and enhanced sanitization technology, among other allowable operating costs.

Events continued to fall off the calendar during much of the last fiscal year, coinciding with the implementation of statewide restrictions based upon a venue's capacity. MECA submitted dozens of large event applications for every gathering exceeding 1000 people, while assuring ongoing compliance with the Douglas County Health Department's various Directed Health Measures (DHMs).

Throughout the winter and spring, DHMs required safety measures such as six feet of distance between guests and conformity with the City of Omaha's mask ordinance. For much of Fiscal 2020-2021, MECA also facilitated body-temperature checks for both staff and visiting guests.

However, due to a lack of nationally touring events and reduced seating capacities, MECA opted to offer money back to its premium seating holders – resulting in a 49% decline of premium seating revenues and advertising sponsorships. Downtime was dedicated to enhanced sanitizing efforts and building maintenance.

Along with ongoing re-examination of spending and budget necessities, MECA also participated in meetings with city, state and even federal leaders, shedding light on COVID-19's financial impact on the live events industry, while providing insight about its direct lifeline to the local

economy. MECA continued to research available aid or grant programs after experiencing several consecutive months of unprecedented dormancy.

As a last resort, MECA was forced to temporarily furlough about 35% of its full-time staff.

After several lengthy application processes, MECA benefited from Paycheck Protection Program (PPP) loans, a Shuttered Venue Operators Grant made available through the Federal CARES Act, and some grant dollars distributed through both Douglas County and the State of Nebraska.

These funds were used for expenses compliant with federal regulations such as: employee (and their benefits) retention, investment in sanitizing systems, personal protective equipment (PPE), fixed operating costs and other expenses necessary to combat the pandemic. At this time, MECA has returned to full staffing and is still hiring for various positions.

Those sources for alternative funding and COVID-19 relief aid totaled about 13.2 million dollars, which were appropriately used in accordance with each program's specifications. These funds proved crucial in the preservation of MECA's operations and facilities, assuring their readiness to coordinate events on behalf of the City.

From July 2020 through March of 2021, CHI Health Center Omaha was able to host a reduced amount of limited capacity gatherings. Socially distanced crowds returned for events such as the rescheduled 2021 U.S. Olympic Swim Trials, Disney on Ice, Professional Bull Riding (PBR), the NSAA State Wrestling Tournament and a couple of graduation ceremonies, to name a few.

Additionally, the NCAA Division I Women's Volleyball Championship selected the CHI Health Center Omaha to host their entire tournament, utilizing both the arena and convention center.

The arena did not welcome back a full capacity crowd until August of this current Fiscal Year (2021-2022) when Blake Shelton returned to Omaha, reprising his canceled show from March of 2020.

The Creighton Men's Basketball team went from drawing some of the largest crowds in the country, to hosting substantially less fans during their 2020-2021 season.

Attendance slowly crept upwards as the season progressed, starting with just about 10% of arena capacity, initially limited to the athletes' immediate family members. Creighton welcomed a slightly larger audience by the time their annual 'pink-out' game rolled around, and consistently accommodated social distancing in accordance with the Health Department's DHMs.

According to Creighton, the Bluejays have consistently drawn more than 141,000 fans per season to CHI Health Center Omaha, with last season being the only exception.

The CHI Health Center Omaha convention center was quicker to resume business in Fiscal 2020-2021 due to its ability to host smaller-format meetings and intimate in-person gatherings. During the fiscal year, over 100,000 guests utilized MECA's meeting and exhibition space for events such as the 66th Annual O'Reilly World of Wheels and the Home and Garden Show.

While remaining in compliance with ongoing DHMs, the convention center accumulated 73 event days, 19 of them being citywide event days.

Fortunately, many organizers opted to reschedule (instead of cancel) their events with MECA. Business in the convention center is notably returning to pre-pandemic levels, with bookings secured well into 2022, 2023 and beyond.

Turning to finances, before Tri-Park Construction Funding, MECA still managed to earn \$23.2 million in revenues during 2020-2021, a 3.1% decrease over prior year. MECA's revenues help cover employee wages and other operating costs as well as updates to facilities.

Fiscal 2020-2021 resulted in \$224,000 net profit before depreciation and amortization. Last year's figure, for reference, was \$178,000 in profits. Both years were negatively impacted by pandemic conditions which suspended operations and shuttered MECA-managed facilities.

Fiscal 2020-2021 was another complicated year for TD Ameritrade Park Omaha; the Creighton Bluejays baseball season endured multiple cancelations due to both weather and COVID-19 testing protocols. The biggest surprise came just weeks before the Division I Men's College World Series. In late May, the NCAA decided to permit full capacity at the 2021 Championship, breaking attendance records and crowning a first-time title winner, Mississippi State.

An uptick in activity towards the end of Fiscal 2020-2021 allowed MECA to distribute \$4.7 million dollars in TD Ameritrade Park Omaha profits with our stadium partners. As a reminder, MECA receives an annual management fee to operate the facility.

In this current fiscal year (2021-2022), Charles Schwab Corporation officially announced the ballpark's new name after their 2020 acquisition of TD Ameritrade. Effective this year, the downtown ballpark will be called Charles Schwab Field Omaha. MECA will help to oversee extensive rebranding efforts in the coming months.

One part of MECA's operations that experienced minimal disruption in Fiscal 2020-2021 was The RiverFront project.

Designs for permanent park amenities have been successfully finalized. Local and national interest remains consistent and positive for the project; with people from all over watching this state-of-the-art space take shape in the heart of downtown Omaha.

Gene Leahy Mall, Lewis & Clark Landing and Heartland of America Park are all steadily progressing on their individual timelines, with Gene Leahy Mall at The RiverFront reopening this summer.

During Fiscal 2021, \$59.3 million of The RiverFront's 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 monumental project.

Many of the events, exhibitions and meetings that postponed last fiscal year have opted to reschedule at MECA's facilities in 2022 and beyond. Following Blake Shelton's sold-out performance in August, artists such as Dan and Shay, Eagles and James Taylor have returned to the CHI Health Center Omaha arena, with more sold-out shows from Morgan Wallen, Billie Eilish and Greta Van Fleet still to come this year.

Additionally, the grand reopening of Gene Leahy Mall at The RiverFront is just months away, on Memorial Day weekend. It will be complete with a ribbon cutting and weekend full of free events and programming for community enjoyment.

While rebound has been slow and uncertain, MECA continues to accommodate the individual needs, requirements, and expectations of each visiting show. A gradual resumption of events seemingly indicates the return of MECA's industry, as we continually work to fill vacant positions throughout our operations.

In closing, Fiscal 2020-2021 was another challenging year, but with fiscal responsibility and diligent pursuit of alternative funding sources MECA was able to preserve its workforce, complete facility-wide safety and sanitization efforts and assure ongoing maintenance of these important city assets.

Planning for the future continues with marquee events such as the NCAA Division I Women's Volleyball Championship next winter and multiple citywide conferences. If trends continue, MECA may soon be on track for another record year.

#### **Contract Approvals:**

Chairwoman Duren indicated there is one contract requiring Board approval.

#### **Technology International, Inc.**

**RESOLVED**, that the Agreement between MECA and Technology International, Inc. for the purchase of thirteen portable outdoor tents, side panels and anchor equipment for use at 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. Gray seconded by Mr. Kelley.

Motion carried: 5-0

#### **Next Board Meeting**

The next Board of Directors Meeting is scheduled for Tuesday, February 8, 2022, at 1:15 p.m. in the MECA Board Room.

### **Executive Session**

Chairwoman Duren stated the time is 1:46 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. Gray, seconded by Ms. Buffett.

Motion carried: 5-0.

### **Adjournment**

At 1:54 p.m. a motion was made to come out of Executive Session, and to adjourn, made by Mr. Gray, seconded by Mr. Kelley.

Motion carried: 5-0

Adjournment 1:54 p.m.