

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – JULY 13, 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 9:23 a.m. on July 13, 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 July 6, 2022, and in the *Omaha World-Herald* on July 6, 2022.

Approval of Minutes:

Mr. Kelley moved for approval of the minutes of the June 14, 2022, MECA Board Meeting, seconded by Mr. Gray.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon stated that some of the attendees from the Billings Montana Chamber of Commerce who were here in June are still raving about The RiverFront and what Omaha has been able to accomplish with the help of the philanthropic community. They have a similar situation with a county-controlled arena/fairgrounds and are trying to determine if an authority similar to MECA makes sense or if they should move to a privately managed facility. Chairwoman Duren added that the presentations were well done and gave them an idea of how MECA operates. They were very interested with the interaction and support received from the philanthropic community.

The State of Nebraska has awarded \$3.625 million to MECA from the Shovel Ready Grant that was applied for in July 2021. These funds will be used for the installation of the security bollards around Charles Schwab Field Omaha (CSFO) and the CHI Health Center Omaha (CHIHCO).

Mr. Dixon provided an Operation Update for Mr. Kevin Raymond who was unavailable to attend.

There were no weather delays for this year’s National Collegiate Athletic Association (NCAA) Men’s College World Series (CWS), other than the on-field presentation for opening ceremonies being cancelled due to lightning and the threat of adverse weather.

The new walk-through metal detectors, which allowed fans to pass through a scanning device without the need to be wanded/searched, exceeded expectations. It enhanced stadium security and provided quicker ingress with approximately 450 fans admitted per minute during peak times.

Typically, July and August are slower months on campus and allow MECA to focus on projects. This year during that timeframe CHIHCO will host seven arena events (Heartland Pride, Greta Van Fleet, Machine Gun Kelly, Jason Aldean, Lumineers and Kevin Hart). Additionally, there is only one week in the convention center without events.

The security bollard project has moved from CSFO to CHIHCO, and completion is anticipated by the first of November.

Staffing for events remains a considerable challenge and MECA is considering a late summer job fair.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge reported that there are currently 97 events on the books, utilizing 211 event days for the current fiscal year. Since the June 14 Board meeting, nine events with 15 event days and over 1,700 hotel room nights have been added in the next five years. In addition, 12 license contracts have been signed.

This year MECA will host 20 city-wide conventions.

Corporate Sales & Marketing Update

Mr. Tom O’Gorman distributed an article from *Pollstar* Magazine entitled, “Top 200 Arenas”. This report listed the top ticket sales worldwide and CHI Health Center Omaha was ranked 44th in the world.

Focus has shifted towards renewals for both CHIHCO and CSFO. There are three suites and approximately 90 club seats available for renewal at CHIHCO. At CSFO, there are roughly 182 club seats in sections 204 and 220. These seats were offered for single day sales during the Men’s College World Series (CWS) which helped supplement revenue.

The next concert announcement will be at the end of August.

Levy Food & Beverage Update

Ms. Chris VanDorn stated that this year’s CWS ran smoothly and was very successful for food and beverage operations.

This year’s revenues actualized over budget by 23.9% and represented a combined 10.5% increase over total 2021 CWS revenues, despite having two fewer games than in 2021. The food and beverage split this year was 40% food and 60% beverage, which was almost identical to 2021.

Breakdown by department in comparison to 2021: concessions up 7.2% over 2021; club lounge up 15%; suites up 14.5%; InSeat service up 15.3%; and group sales catering was up 59.7% (NCAA returned to normal catering in lieu of the concessions gift cards offered last year and PrimeSport had two hospitality areas this year).

Operational changes included: a grab-and-go location was added underneath the scoreboard between gates 2 and 3 to help alleviate some of the push at the nearby beverage portables during busier times. Fans could walk through the area and grab their own items to purchase with six points of sale placed at the end to help move customers through the lines quickly. This was well-liked and very successful. Sales from this location alone accounted for 8.9% of total concession beverage revenues; the beer portable at Gate 2 was expanded to four points of sale instead of two, again to help with lines in that high demand area; along with the return of Fan Fest, the Buffalo Wild Wings bar returned to Lot C during regular Fan Fest hours, along with two Prime Sports hospitality locations this year, one inside the building and one outdoors in Lot C within the FanFest area; signature items were returned to all of the concession stands and offered a total of 67 food items on menus and 33 beverage items; the Philly Steak food portable returned to section 133 and experienced the highest sales this location has ever done, with a 73% increase in sales for the Series over the last time it was open in 2019; mobile payments were facilitated for vending in the seats this year, which was a tremendous success for subcontractors, including one new sub who sold Kettle Corn this year; and additionally, when Coldstone elected not to return this year, E-Creamery was added to the club level, and sales represented a 3% increase over prior year despite having fewer games.

The highest selling item overall this year again was bottled water with a combined total of 131,513 sold. Not surprising due to the heat this year, but it represents a 21% increase over 2021 and that was in addition to the water monsters being available again at Gates 2, 3 and 4. A total of 244,349 food items were sold in concessions during the event this year. The top five selling food items that all hit over 13,000 units sold from all locations and make up 45.7% of total concessions food sales were: jumbo hot dogs at 46,161; Bavarian pretzels at 19,485; peanuts at 19,167; cheeseburgers at 13,753; and ice cream at 13,247.

Of Levy's new signature items for 2022, the top five were: Grand Slam Nachos at 6,893; Philly Steak Sandwich at 2,748; O'Dog at 1,742; Chicken in a Pickle at 1,725; and the Jalapeno Popper Dog at 1,188.

There were 16 total new concession items which combined made up just under 10% of the total food items sold.

Prior to the start of the Series, it was unknown how the new format would impact sales, with opening day being on Friday instead of Saturday, and all days leading up to the championship games being double-game days. Levy started out strong and set several single day sales records this year. Friday, which was day 1 set the record for the highest one-day sales since the stadium opened, with days 2, 3 and 4 following with 2nd, 3rd and 4th highest one-day sales. Day 6, which was Wednesday, took the 5th highest sales day record. Additionally, the Saturday and Sunday championship games now hold the records, respectively, for the 1st and 2nd highest revenues of any championship games.

Ms. VanDorn added that the success of this event does not come without incredible amounts of planning, hard work and dedication from an amazing team of people. Recognition was given to Levy's entire team of managers, both local and to all of those who flew in to assist during the event, as well as all hourly team members and volunteer groups who showed up with positive attitudes every day (despite the heat) and gave this event everything they had. A successful Series could not be done without each and every one of them.

Public Relations Update

Ms. Kristyna Engdahl stated in mid-June the Men's College World Series commenced with the annual press conference, which included presentations from MECA, Mayor Jean Stothert, the NCAA and CWS of Omaha. While full participation from local media affiliates is typically anticipated, this year welcomed the return of the special MCWS menu tasting. Levy's creations received rave reviews from various TV and print publications. A special live tasting was even accommodated on the ESPN radio network.

The MCWS presented many unique storytelling opportunities this year, with the retirement of longtime organist Jerry Pawlak, and ongoing communications about heat precautions in place at Charles Schwab Field Omaha. Social media was also utilized to share gate entry and gametime information.

The next and most immediate focus will be general admission for Greta Van Fleet, which will employ a wristband system similar to Billie Eilish. Hopefully this will mitigate the urge for these particular fans to congregate overnight. Questions are already being received, and the process is known to be effective, so outreach is underway.

Committee Updates:

Internal Governance Committee

Mr. Tom Kelley reported that the Internal Governance Committee met on Thursday, July 7, 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 Curtiss, City of Omaha Finance Director.

The Committee reviewed the May Financial Statements, which were strong. 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.

The Committee discussed the quarterly investment review. MECA remains highly liquid and is gradually increasing the amount of return on liquid funds.

Mr. Kelley commended the team on securing the Shovel Ready Grant.

Finally, the annual Code of Conduct & Business Ethics document was updated and distributed.

Real Estate Committee

Mr. Jay Noddle stated real estate inquiries about downtown Omaha are on the rise with the completion of The RiverFront's first park, Gene Leahy Mall.

The Redevelopment Agreement for the streetcar and urban core was unanimously approved by the Omaha City Council two weeks ago. The Omaha Streetcar Authority has retained an interim director, Rick Gustafson. Mr. Gustafson has had proven success throughout the country with like projects.

The Omaha City Council approved funding to the Backstop Agreement for the 30% drawings associated with the Streetcar Project. Funding is in place and early work has begun.

Recently the City hired a consultant for the Streetcar Project that validates the analytics of the financial model. The preliminary report indicates the results are favorable. The bond underwriters are involved, and it appears bond offerings could happen before Thanksgiving. If the City can sell enough bonds the project will immediately move forward; if bond revenues fall short there may be a pause on the project.

The truck route is being solidified, and work could begin within twelve months. Design and bidding still needs to take place. The delay may be favorable as some construction material costs are starting to decline slightly.

Lastly, there will be four new private development projects between Interstate 480 and Cuming Street that will begin in the next 12 months. This immediate area will get busier, though it is unclear at this time if it will affect parking during major events.

Mr. Kelley inquired if there were any substantial updates on building a garage on Lot D. Mr. Noddle stated none that he was aware of but there are plans to bid and award plans on the 'Baby Bob' before the end of the year. The 'Baby Bob' will connect the Bob Kerry Pedestrian bridge from the riverfront to north downtown Omaha. Construction could begin in the spring with completion ideally in early 2024. The future garage location on Lot D will be taken into consideration. Mr. Dixon added that the passage of the City's Turnback Tax may cause the project to be accelerated. Chairwoman Duren inquired if supply chain issues are easing up. Mr. Noddle replied somewhat, but on a very limited basis. Acquisition of mechanical and electrical items continue to be problematic. Mr. Dixon added that Levy still has difficulty receiving some food and beverage items and has made menu changes based on supply chain issues.

Contract Approvals:

Chairwoman Duren indicated there are three contracts requiring Board approval.

DLR Group, Inc.

RESOLVED, that the Agreement between MECA and DLR Group, Inc. to provide renderings to update the original design for the meeting room expansion at CHI Health 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.

Moved by Mr. Gray seconded by Mr. Kelley.

Motion carried: 5-0

First Wireless, Inc./D&D Communications

RESOLVED, that the Agreement between MECA and First Wireless, Inc./D&D Communications for the purchase of two-way radios, accessories, charging stations and programming for CHI Health 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.

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

Moved by Mr. Kelley seconded by Mr. Gray.

Motion carried: 5-0

Perficut Site Management

RESOLVED, that the Agreement between MECA and Perficut Site Management to provide landscaping services at CHI Health Center Omaha and Charles Schwab Field 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. Noddle.

Motion carried: 5-0

Next Board Meeting

The next Board of Directors Meeting is scheduled for Monday, September 12, 2022, at 1:15 p.m. in the MECA Board Room.

Executive Session

Chairwoman Duren stated the time is 10:00 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 Mr. Gray, seconded by Mr. Kelley.

Motion carried: 5-0.

Adjournment

At 10:13 a.m. a motion was made to come out of Executive Session, and to adjourn, made by Mr. Gray, seconded by Mr. Noddle.

Motion carried: 5-0

Adjournment 10:13 a.m.