

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF AUGUST 25, 2016

PRESENT: Kyle M. France, Kathleen B. Blanco, Henry N. Baptiste, Hilary H. Landry, Renee A. Lapeyrolerie, Casey J. Robin, and Gregory A. Morrison.

ABSENT: None

I. ROLL CALL and WELCOME

Chairman Kyle France called the August 25th meeting to order and led those in attendance in the Pledge of Allegiance and then a moment of silence to remember those impacted by flooding in our State. Present were Chairman France and Commissioners Blanco, Baptiste, Landry, Lapeyrolerie, Robin, and Morrison. Absent: None. There was a full quorum for the meeting.

II. APPROVAL OF MINUTES OF July 20, 2016 MEETING

Chairman France asked if there was a motion for approval of the Minutes of the July 20, 2016 Board Meeting. Commissioner Morrison moved for approval of same, seconded by Commissioner Robin, all in favor, and the Minutes of the July 20 23 Board Meeting were adopted.

Chairman France welcomed all of the guests to the Louisiana-owned TPC golf course and then moved into the Operations Reports commencing with Doug Thornton.

III. SMG REPORT

Doug Thornton begins his SMG general matters report by congratulating Alan Freeman for his work in securing the contract for the NBA All-Star Game and working with concert promoters and the NBA to successfully move a concert, clear the date for the NBA, negotiating a Use Agreement, and securing the support of the Convention and Visitors' Bureau and the Sports Commission. We will also host the 2017 NBA All-Star weekend, which includes a "Jam Session," an interactive version of the NFL experience, with games for children. The Celebrity All-Star and Developmental League All-Star Games will also be held at the Dome.

With the Saints season set to open, a preview of the video boards and suites was held for Saints season ticket holders; with the team's 50th anniversary, there will be seeing a lot of branding and media attention. The September 26th Monday night game will be the 10th anniversary after the homecoming game (following Katrina); ESPN will do in-depth reporting on what transpired following the hurricane and how the Saints and the Superdome were able to come back and rebuild. There will be a lot of media presence because of the anniversary, which is a very significant milestone in the City's history.

Mr. Thornton makes note that Bayou Country Superfest is leaving Baton Rouge. Discussions have begun with them to place that event in the Superdome. Though this event occurs during the scheduled NBA play-off dates, our prior relationship with its producer, Quint Davis, could logistically make it work.

Mr. Thornton briefly discusses the Energy Savings Contracts with respect to the completion of the LED lights, which are different, bright, and energy-efficient. He also mentions another proposal with respect to ESCO II and then turns the discussion over to Evan Holmes for the LSED Services Report.

Mr. Tobler thanks Luke Farabaugh and his staff for hosting the meeting at the Tournament Players Course (“TPC”) and asks Mr. Farabaugh to say a few words concerning work that has been performed at the facility over the past 12 to 18 months.

Mr. Farabaugh explains that during the past year renovations were made to the clubhouse – new carpet, the AC systems, substantial improvements to the infrastructure for the Zurich Tournament, and widening/reinforcing of cart paths. The Tournament Service Area has grown from four to eight acres of usable area space, which is where the television compound, caterers, and operations for the tournaments take place. The CBS and PGA crews commented that the TPC’s Tournament Service Area has gone from average to one of the top three Tournament Service Areas on the PGA Tour. Mr. Holmes welcomes the Board to take a tour around the compound.

Mr. Holmes continues his report and references an approved \$4.0M encumbrance resolution from several months ago for work identified and to be performed in the future. He states that the Board will have the opportunity to approve each individual project as it moves along. Another project (not part of that encumbrance) is at the Zephyrs Field for \$742,000.00 that will be dedicated to infrastructure work relating to the stairwells and elevators. Funds have been allocated to make sure there are no life safety issues at the facility.

Mr. Holmes stated that Mia Fredricks has had discussions concerning the Tour Group Program (at the Dome) and is in the process of writing lesson plans and learning about the educational goals. We are in the process of investigating what’s been developed with some of the peer educators, and we want to make sure this is marketable and workable for the children who visit.

There is discussion regarding ongoing Capital Outlay projects for the TPC and Alario Center, and the meeting is then turned over to Alan Freeman for the Facility Operations report.

Everything went well for the Guns N’Roses July 31st concert at the Superdome, and Def Leppard performed at the Smoothie King Center. Food, beverage, and merchandise spending were approximately \$42 a head. Lynyrd Skynyrd and Peter Frampton performed at Champions Square on August 5th. Upcoming events will be the Saints season kick-off and Beyoncé at the Dome on September 24. There’s also a nationally-televised Monday night Falcons game two nights following the Beyoncé concert. We are meeting with the promoter to map this out and make it happen.

The Smoothie King Center will host Drake, Maroon 5, the Dixie Chicks, and 5 Seconds of Summer. Champions Square gets activated for Saints games, but there are also concerts by Lil Wayne, Brantley Gilbert, and Alabama Shakes. Events for the NBA All-Star Weekend are still in the works and will be scheduled in both the Dome and Arena between February 11th and February 20th. The Pelicans have announced its schedule, opening at home on October 26th against the Denver Nuggets and then Cleveland on January 23rd. Monster Trucks have reconfirmed for January 28, Cirque du Soleil February 1st-5th, and Arena Cross at the SKC March 11th-12th. World of Wheels will not be returning. Jennifer Cooke has been working with a local promoter (who owns part of the boat show), who announced that New Orleans will host a new show in July 2017 called Beachbody. The Essence Music Festival is in July, and then Beachbody will occupy the Dome for about two weeks. We have also acquired three-year contracts to host a sportsman’s show in the Dome and New Orleans Wild Wheels in July.

Doug Thornton comments that with the Dome being booked for July 2017, we were unable to bid on the CONCACAF Gold Cup for that year but are bidding for either 2019 or 2021. Mr. Thornton has

had discussions with Relevant Sports, who handles an event called the International Champions Cup, about the possibility of doing a six-stadium package with SMG, to include New Orleans next year.

Mr. Freeman goes through a slide presentation of revenues at the facilities, shots of various concerts, ticketed and non-ticketed events, parties/proms/weddings/business meetings at the Dome, and the dismantling/installation of the old and new boards. Pre-game walk-throughs for the LSED Board will be on September 11th and throughout the season. The presentation continues with the 400-level suites and new restrooms. Speaker cabinets are replaced from time to time, and the 500-level concessions stands have been freshened.

Pat Tobler explains replacement of feeder cables coming from the Entergy vault to the facility and the shut-down to install some of the meters and monitors. Cables were retested and inspected, and a decision was made to replace the splice, which is now operating above or beyond capacity over the entire 12 sets of feeders, done at no cost by All-Star Electric.

Mr. Freeman continues his report concerning job fairs conducted to replace about 20% of the event personnel that is generally lost from year to year, and the training required.

Mr. Farrow Bouton reports on the local, state, and federal law enforcement agency meetings held at the Dome. These agencies are on site during Saints games, as well as the City of New Orleans, to lend great support with respect to safety and security.

Mr. Freeman announced that the Smoothie King Center received the Prime Site Award for its building.

IV. FINANCE REPORT

David Weidler begins his report concerning the additional surplus of \$443,000.00 that is available for capital projects. The Superdome, Arena, and Champions Square exceeded budget, and taxes exceeded by \$3.5M. It has been a very good financial year for the LSED, which appears to be continuing. The hotel/motel tax for the first two months of the current fiscal beginning July 1, exceeded last year by \$584,000 – the Dome exceeded budget by \$400,000, the Arena about \$1.0M, and Champions Square a couple of thousand dollars. The last page of Mr. Weidler's report is a summary of the year-end results for the time period covering the three facilities revenue for the current fiscal year. June is finished, and the audit is ongoing. LaPorte is doing the compilation, which should be complete in September.

V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company presented his construction report. At the Dome, scoreboards/video boards are in place and operational. The lighting project, part of ESCO, is complete. We had a setback with the countertop and millwork companies from Denham Springs due the floods, so alternative vendors were re-acquired. Phase II audio project is complete. Mr. Tobler explains the new lighting in the Dome can be "dialed back" and adjusted should the Saints or anyone else request it.

VI. LEGAL REPORT

Shawn Bridgewater introduced the LSED Legal Report and presented the following Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved the Resolution pertaining to the Superdome Garage Structural Repair Project with respect to the termination of the One Construction Contract and the selection of CM Combs Construction as the next lowest responsive bidder, the Resolution having the support of The Tobler Company, with sufficient funds available from Capital Outlay to support the Resolution. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Blanco, seconded by Commissioner Robin, the LSED authorized and approved a Capital Reserve Account appropriation of \$266,411.83 for the purchase and installation of equipment necessary to operate and maintain the Superdome and Smoothie King Center, SMG to receive competitive proposals for procurement of the equipment. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Lapeyrolerie, seconded by Commissioner Morrison, the LSED authorized and approved the proposal of Wiss, Janney, Elstner Associates, Inc. to perform a visual survey and prepare a summary report with respect to the 200-300 level roof system leakage at the Mercedes-Benz Superdome and the warranty claim filed with the manufacturer in October 2015. The Resolution had the Staff Analysis support of The Tobler Company and the LSED Construction Committee, and sufficient funds were available from the LSED Capital Reserve Account. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Blanco, seconded by Commissioner Landry, the LSED authorized, approved, and ratified the signatures of Chairman France and/or Pat Tobler to Change Order 002 with respect to the sports LED fixture replacement at the Alario Center in Halls A and B, providing for replacement of three attic stock fixtures with additional DMX controllers, cables, programming, and training. This Resolution had the Staff Analysis Recommendation and support of The Tobler Company, and the source of funding for this Project was Capital Outlay. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Baptiste, seconded by Commissioner Blanco, the LSED authorized and approved the signatures of Chairman France and/or Pat Tobler to the Certificate of Substantial Completion with respect to the Contract between the LSED and Hi-Tech Electric, Inc. of Delaware for replacement of sport LED light fixtures in Halls A and B at the Alario Center, having found that the work performed under the Contract was reviewed and found to be substantially complete in accordance with the Contract documents. This Resolution had the Staff Analysis and Recommendation of The Tobler Company. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Robin, seconded by Commissioner Blanco, the LSED authorized and approved the signature of Chairman France and/or Pat Tobler to Change Order Nos. 010 through 015 pursuant to the Contract between the LSED and Durr Heavy Construction, LLC for the TPC Period 3 Civil Improvements Project. These Change Orders did not constitute any new work and were merely an accounting with respect to the unit costs already completed and approved by The Tobler Company, the engineer, Lourie Consultants, and the Tournament Players Club. This Resolution had the Staff Analysis and Recommendation of The Tobler Company, and the source of the funding was Capital Outlay. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized and approved the dedication of \$742,000 from the LSED Capital Reserve Account for critical repairs needed at Zephyrs Field with respect to the emergency stairwell and elevator system projects. These projects were previously approved by the Board, work to be subject to appropriate procurement bidding processes, as required by law. This Resolution had the Staff Analysis support of SMG, The Tobler Company, and the LSED Construction Committee. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved an increase in the amount of \$4,881.42 in legal fees and costs that were incurred over the \$125,000 cap provided for in the legal contract with Chaffe McCall, L.L.P. for the term from February, 2016 through June, 2016. This increase was due to the extensive input and involvement of legal counsel required to address legislative issues in the first and second special legislative sessions, as well as the regular session not contemplated nor anticipated in the estimated Contract amount. Voting in favor: Chairman France and Commissioners Blanco, Landry, Lapeyrolerie, Morrison, Robin, and Baptiste. Voting Against: None. Abstaining: None. The motion passed.

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

Lydia Folse, General Manager of the Alario Center, introduces herself, along with Michael Samardzija (Assistant General Manager), Drew Copponex (Supervisor of Operations), Ryan Favret (Marketing Manager Assistant), and Tom Perlis (a new Marketing Associate). Referring to some of the improvements and remediation projects at the Center, Mike Samardzija gives a brief recap of what they've been doing and what they are looking forward to do. The movie Supercon, the largest contract in the Center's history, was filmed 90% under roof. Due the flood in Baton Rouge, the Alario Center will host the USA Weighlifting 2016 National University & U25 Championships in September, the Super Bowl National Prep Classic in January, and the NOLA National Invitational Gymnastics Meet. An agreement has just been signed with NOLA Baseball at Segnette Field.

Ms. Folse invites the Board to hold a meeting at the Alario Center.

Cookie Rojas advises the Board that an agreement was also just executed with ESPN for the first nationally televised high school football game on September 23rd, and that his colleague, Mr. Trotter, will be a Centerplate partner at Zephyrs Stadium when the season opens. Mr. Rojas thanks SMG, Pat Tobler, and his crew for assisting with specific projects to ensure the safety of all fans.

IX. ADJOURNMENT

On motion by Commissioner Morrison to adjourn, with no objection, the August 25, 2016 public meeting of the LSED was adjourned.