

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF SEPTEMBER 27, 2016

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

ABSENT: None

I. ROLL CALL and WELCOME

Chairman Kyle France called the September 27th meeting to order at 1:16 p.m. and led those in attendance in the Pledge of Allegiance. Present were Chairman France and Commissioners Baptiste, Landry, Lapeyrolerie, Robin, Blanco, and Morrison. Absent: There was a full quorum.

II. APPROVAL OF MINUTES OF August 25, 2016 MEETING

A brief deviation from the usual format of approval of prior meeting's Minutes (Chairman France going directly into the agenda), following which Chairman France notes this and proceeds with asking for a motion for approval of the Minutes of the August 25, 2016 Board Meeting. Commissioner Morrison moves for approval of same, seconded by Commissioner Landry. All were in favor, and the Minutes of the August 25 Board Meeting were adopted.

Chairman France again turned to the Operations Reports commencing with Doug Thornton.

III. SMG REPORT

Doug Thornton begins by introducing Center Plate's team: Senior VP Steve Trotter, General Manager Cornell Jupiter, and CP's chefs (noting that there are approximately 1200 workers on game day). Their work typically begins on Sunday mornings around 3:00 or 4:00 a.m., with batch cooking and loading the stands. Monday's night game produced a total gross profit of \$1.7 Million (or about \$22 per head) in food and beverage sales. Center Plate is a big part of this operation, and Mr. Trotter sees to it that we become better at making sure we keep people coming back. We receive high customer satisfaction scores, and tenants have all seen that level of improvement.

Mr. Thornton details the setting up and dismantling for Beyonce's show the Saturday before the September 26th Monday night game, from Center Plate's restocking all of the stands, cleaning the building and de-constructing the stage. The staff, Farrow Bouton's team, our operations and field crew did an incredible job. Alan Freeman and his group are congratulated for their hours of pre-planning.

Mr. Thornton states that hotel taxes are about \$100,000 for the year, maybe actually better than last year. Rates have topped out, and there is a decent supply of rooms in the

community. The forecast for 2017 will be below the two percent growth, maybe \$85,000 or \$89,000 above the same period last year. Traditionally, August is slow. The growth will not be there, and it will impact us potentially on the amount of reserve funding going forward for capital improvements. Alan Freeman is always pushing to get concerts and family and trade shows. Jennifer Cooke is doing everything to promote events at Champions Square, Club 44, and the club lounges. Traditionally, we have a net operating income of \$5.0 to \$5.50 Million from non-football/basketball events. AIR B&B has had a big impact on the hotel industry, along with the oil and gas downturn, which all affect ticket purchases. There is a lot of pressure on the economy that trickles down to the LSED, being a leisure-based city.

Mr. Thornton turns the meeting over to Evan Holmes for his report.

Evan Holmes begins his report by focusing on resolutions pertaining to the ESCO project. The Zephyr Field stairwell/elevator repair/replacement project was the first implemented for the new DBE solicitation/RFP, resulting in the selection of Manning Architects to lead that effort.

In December, the House Appropriations Committee will be bringing up all the political subdivisions/state agencies in the Executive Department, which the LSED is a part of, and David and Evan will be in Baton Rouge to testify.

The first Catholic League football game at Zephyrs was a big success. This was all part of the discussion in the renegotiation of the lease and to have an ownership group in place to develop additional event activities for Jefferson Parish to place the facility in more commerce.

Mr. Holmes refers to the TPC and the fact that Pat Tobler has been working with Luke, identifying the next priority list of projects with respect to Capital Outlay work.

Alan Freeman leads into his report referring to the 10th anniversary of the Dome's reopening and the large attendance at Monday's night game. Mr. Freeman reiterates that the Beyonce concert was a great show with respect to ticket sales and production. He highlights concerts held at the Smoothie King Center, which included Drake, the Dixie Chicks, and Five Seconds of Summer. With the start of basketball season, there was an open house and open practice with the Pelicans and a preseason game the following week.

Champions Square concerts wrapped up with Alabama Shakes; there was a total of ten shows for the season.

Upcoming events at various venues for the next month includes the Saints return on October 16 and corporate events that Jennifer Cooke has booked. The Pelicans opening game at the SKC will be on October 26, with Keith Urban on October 15, Maxwell and Mary J. Blige on December 1, the Red Hot Chili Peppers on January 10, and Ariana Grande on April 11, 2017. The official notice has gone out concerning Bayou Country Superfest at the Superdome next Memorial Day, and the Ragin Cajuns will be opening their 2019 season in the Superdome against Mississippi State. The SMG is still working closely with the NBA with respect to the

2017 All-Star Game, and a meeting was held with ESPN concerning the X-Games in New Orleans in 2021.

Mr. Freeman goes through a narrative of slides showing various events held at the Superdome, including the LCMS Conference, Guns and Roses, the Saints opener, and Beyonce's concert. The SKC hosted the Circus in July, Drake, Maroon 5, the Dixie Chicks, and Five Seconds of Summer. Champions Square hosted Josh Groban in July and Lil Wayne and Bradley Gilbert. Club 44 had an event, and there was Alabama Shakes.

Jennifer Cooke highlights slides, discusses the use of social media, and tickets sold through the e-blasts, which include placement of the turf, the Red Hot Chili Peppers, the New Cirque shows, and Ariana Grande.

A brief discussion is had with respect to the set up for Beyonce's concert and the turn around to prepare the Dome for Monday's night game, all of which is being put a time lapse video.

IV. FINANCE REPORT

David Weidler begins his report through July; August not being completed as of yet. Hotel/motel taxes ran about \$89,000, better than last year. Facility expenses, the Superdome, and Champions Square are on budget, with the Arena slightly better with lower expenses. There are no team-related expenses. We received a large dividend on workmen's comp for the last two years, about \$350,000 each year on the dividend, which brings our premiums down. The hotel tax is currently on target.

V. CONSTRUCTION REPORT

Pat Tobler of The Tobler Company presented his construction report by stating that they are still working through some minor issues with the contractor on the video boards and have not achieved final acceptance pending two complete NFL games and regular season games without any issues. The South board at Monday night's game having a couple of modules that got stuck. The 400-level suites are all complete, including the governor's suite. Minor punch list items are being worked out. ESCO I is wrapping up. By the end of the year, we should have a final acceptance of that work and then transition into a regular amortization period.

With respect to ESCO II, Associated Design Group ("ADG") is evaluating proposals, and we will provide a recommendation to the Construction Committee and the ESCO II Committee and then a vote to the full Board.

Garage structural repairs are underway, with the work being performed at night to accommodate daily parking.

Smoothie King Center boards are being finalized in preparation for the upcoming Pelicans games. The expansion joint work continues, and all went well with the water-testing of

the whole north face. Work continues on a couple of issues on the west and southeast sides, to be resolved shortly.

The Alario Center sidewalk replacement work Phase 1, Section 1, has started. Lourie has completed its geotechnical analysis with respect to the kitchen and hall seat foundation settlement work, and a recommendation should be received within the next two or three weeks.

Temporary repairs to the HVAC retrofits at the TPC have been done, and we have elected to hold off on final repairs as there was a good result from the April repairs and will incorporate that into the TPC work list.

Zephyrs RFQs for architectural construction professional services are an agenda item for today.

With respect to Westwego due diligence, we are a bit on hold until we get the appraisal and land acquisition underway.

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 Lapeyrolerie, seconded by Commissioner Morrison, the LSED authorized and approved a Capital Reserve Account appropriation in the amount of \$206,217.00 to purchase and install equipment necessary to operate and maintain the Mercedes Benz Superdome and the Smoothie King Center for the 2016-17 fiscal year, including the specific items described on the SMG Capital Reserve Request related to charges with: Olde Tyme Interiors, Crystal Clear Imaging, A.J. Labourdette Inc., AirPro Services, Automated Control Systems, Inc., General Glass Works, LLC, S&S Construction & Consulting, and Cetek.

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized and approved the proposal of Associated Design Group, Inc. ("ADG Proposal") with respect to the Energy Savings Performance Project Phase II, Project No. LSED-ECM-2016 (the "ESCO II Project") for an amount not to exceed \$116,000.00 for the purpose of providing energy consulting services and conducting the expert analysis at the Mercedes-Benz Superdome that will be required in connection with the ESCO II Project. The services that are to be performed pursuant to the ADG Proposal consist of (i) drafting the ESCO II Project RFP, the evaluation of the proposals received, participation in the pre-proposal conference and assisting in the selection of the company to perform the required services, (ii) assistance in the negotiation of the finalized Energy Performance Contract, to include the review of final costs and savings, (iii) assistance with peer review of the construction documents, and (iv) the performance of and construction administration services for the work performed, including review of shop drawings, field observations of work progress, review of applications for payment and attendance at weekly project meetings.

On motion of Commissioner Blanco, seconded by Commissioner Robin, the LSED took the following action with respect to LSED Project No. LSED-ECM-2016, related to Performance-Based Energy Efficiency Services to be provided pursuant to Louisiana Revised Statutes §§ 33:4547.1, *et seq.* (the “ESCO II Project”). This resolution authorized and approved an evaluation by Associated Design Group acting in its capacity as the independent third-party evaluation consultant on responses to RFPs for the Project and allowed for the (i) evaluation of the responses to the RFP’s that were advertised by the LSED with respect to the ESCO II Project, and (ii) the presentation of the evaluation and recommendations to the LSED Board for the award of the contract for the ESCO II Project. The selection of the contractor for the ESCO II Project and the authority to negotiate the contract with the selected contractor shall be ratified/authorized at the October LSED Board Meeting.

On motion of Commissioner Morrison, seconded by Commissioner Landry, the LSED authorized and approved the funding of the ESCO I Project through Qualified Energy Conservation Bonds. This Resolution pertains to the authorization and approval of the obligation to be incurred by the Louisiana Stadium and Exposition District pursuant to an Energy Savings Performance Contract to be issued and designated as a qualified energy conservation bond in a principal amount not to exceed \$6,000,000; making application to the State Bond Commission and the State of Louisiana Division of Administration for approval of said obligations and the required allocation; employing professionals in connection therewith; and providing for other matters in connection therewith.

The ESCO I Project will utilize the services of Foley Judell firm as bond counsel for the LSED. This Resolution authorizes the engagement of Foley Judell to serve as bond counsel for the LSED and further acknowledges that the LSED shall evaluate and select a Municipal Advisor and approve and ratify the selection of same at the October LSED Board Meeting. Finally, this Resolution authorizes all steps necessary to make application to the State Bond Commission for approval of the QECB Bonds with respect to the ESCO II Project.

On motion of Commissioner Landry, seconded by Commissioner Blanco, the LSED authorized and approved a proposal from Entronix, L.L.C. for an Energy Management Platform Contract (“Entronix Proposal”) to furnish and install meters and nodes at ten locations in the Superdome to capture energy consumption report data in connection with the future implementation of the LSED’s Energy Efficiency Project No. LSED-ECM-2016 (“ESCO II Project”) at the Superdome. Pursuant to the Entronix Proposal, the not to exceed contract price will be \$74,800.00. The funding source will be the LSED Reserve Account, with eventual reimbursement to the Reserve Account from the successful Energy Efficiency Contractor that is awarded the ESCO II Project.

On motion of Commissioner Robin, seconded by Commissioner Blanco, the LSED authorized and approved the proposal of Associated Design Group, Inc. (“ADG Proposal”) to perform consulting and professional electrical engineering services related to the design of various electrical system repairs at the Superdome (“Project”), said services to include the preparation of complete construction design documents for the Project, attendance of weekly meetings, and the preparation of weekly field observation reports with respect to the Project.

The consulting and professional electrical engineering services and fees are to be provided by ADG, for a not to exceed fixed fee of \$46,696.00, with this fee based on the Facility Planning & Control approved State Fee Curve. The source of funding is the LSED Reserve Account.

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized and approved the proposal of Associated Design Group, Inc. ("ADG Proposal") to perform consulting and electrical engineering services for the design of the replacement of four (4) electrical substations on the 500 level of the Superdome ("Project"), said services to include the preparation of complete construction design documents for the Project, the review of shop drawings for the Project, attendance at weekly meetings, and the preparation of weekly field observation reports with respect to the Project. The consulting and professional electrical engineering services are to be provided by ADG for a not to exceed, fixed fee of \$352,656.00, with this fee based on the Facility Planning & Control approved State Fee Curve. The source of funding for the Project is LSED Capital Outlay.

On motion of Commissioner Landry, seconded by Commissioner Baptiste, the LSED authorized and approved the proposal of Associated Design Group, Inc. ("ADG Proposal") to perform consulting and professional mechanical engineering services related to the design of various mechanical system repairs at the Superdome ("Project"), said services to include the preparation of complete construction design documents for the Project, the review of shop drawings for the Project, attendance at weekly meetings, and the preparation of weekly field observation reports with respect to the Project. The consulting and professional mechanical engineering services are to be provided by ADG for a not to exceed, fixed fee of \$88,064.00, with this fee based on the Facility Planning & Control approved State Fee Curve. The source of funding is the LSED Reserve Account.

On motion of Commissioner Robin, seconded by Commissioner Morrison, the LSED authorized and approved the proposal of proposal of Associated Design Group, Inc. ("ADG Proposal") to provide additional services and oversight on behalf of the LSED with respect to LSED-ECCM-2015, Superdome Energy Savings Performance Contract ("ESCO I Project"), beyond the original proposed scope for a total fee of \$34,060.00. ADG's increase in the Scope of Work will include:

1. ADG Attendance at weekly OAC meetings, in lieu of monthly meetings, for twenty-five (25) meetings; and
2. Review of all Entronix Metering locations and installations and provide a record drawing of same.

This Resolution has the Staff Analysis support of The Tobler Company and the LSED Construction Committee. The source of funding will be the ESCO I Project statutorily allowed 2.5% fee allowance and the LSED Capital Reserve Account.

On motion of Commissioner Landry, seconded by Commissioner Lapeyrolerie, the LSED authorized and approved execution of the Second Amendment ("Second Amended Option") to

the Option to Purchase and Right of First Refusal dated December 16, 2015 between the LSED and Churchill Farms, Inc. with respect to a tract of vacant land located on the West Bank in Jefferson Parish, Louisiana that will be utilized in the design and development of a sports complex ("Property"). The Second Amended Option extends the Option Period with respect to the Property through December 16, 2016, to further evaluate certain matters relating to the Property.

On motion of Commissioner Morrison, seconded by Commissioner Robin, the LSED authorized and approved the stair and elevator repair project at Zephyrs Stadium ("Project") and authorizes, acknowledges and approves the following:

- (i) On or about September 1, 2016, an evaluation team, comprised of five (5) members that included representatives of the LSED, the Zephyrs, and SMG, received and evaluated competitive responses ("RFP Responses") that were secured pursuant to the Request for Qualifications and Proposals that had been advertised with respect to the Project;
- (ii) The RFP Responses were evaluated utilizing a pre-determined set of criteria, and Manning Architects was selected as the professional of record with respect to the Project;
- (iii) The LSED accepts, approves, and authorizes the proposal of Manning Architects to perform the required architectural services for a not to exceed fee of \$74,036.40, in compliance with the Facility & Planning Control approved State Fee Curve; and
- (iv) The LSED authorizes the negotiation and execution of a contract with Manning Architects for the required architectural services.

Funding for this Project was previously approved by the LSED through the LSED Reserve Account with reimbursement from the LSED Capital Outlay funds.

VII. BOARD REPORTS

None.

VIII. OTHER BUSINESS

No Executive Session was needed.

IX. ADJOURNMENT

On motion by Chairman France to adjourn, with no objection, the motion passes, and the September 27, 2016 public meeting of the LSED was adjourned.