

MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION AUTHORITY BOARD OF DIRECTORS MEETING – AUGUST 26, 2014

A meeting of the Board of Directors of the Metropolitan Entertainment & Convention Authority (“MECA”), a Nebraska nonprofit corporation, was called to order by Chairman Dana Bradford at 10:00 a.m. on August 26, 2014, in the MECA Board Room at CenturyLink Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

Present: Chairman Dana Bradford, Ms. Diane Duren, Mr. John Lund, Mr. Jay Noddle, and Mr. Willy Theisen.

Proof of Publication:

Notice of the meeting was published in The Daily Record on August 19, 2014, and in the Omaha World-Herald on August 19, 2014.

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. Duren moved for approval of the minutes of the June 26, 2014 MECA Board Meeting, seconded by Mr. Theisen.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon stated that July was a travel month for him, starting in Portland for the Annual Conference of International Association of Venue Managers. He also stated that he just returned from Tokyo, Japan with the Omaha Sports Commission to see the FIVB Volleyball World Grand Prix. Next summer, that event will be held at CenturyLink Center Omaha. It was played this year in the Ariake Coliseum. It’s an event that will fit nicely in our facility. The tournament is a round-robin playing over five days and averaging around 10,000 people a day. With the taste for good women’s volleyball in our market, we should do well. Mr. Dixon also mentioned that Mr. Kevin Raymond has just been promoted to Vice President, Operations and Technology. He has been with MECA for 12 years, and is off to a good start. Mr. Dixon said that we wish Kim Tracy the best as she moves onto her new position with OPPD.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge stated there are currently 133 events on the books with 221 event days. She stated that since the last report (given in June), there have been 25 events and 37 event days, and over 5,000 hotel room nights booked for the next five years. In addition, we have had 24 license agreements signed. Ms. Niebrugge stated that we were awarded the Council of Engineering and Scientific Society Executives conference (CESSE) which represents 178 executive directors and meeting planners.

We competed against Anchorage. Hilton Omaha, the Omaha Convention and Visitors Bureau (OCVB) and MECA, will work together to put this conference on. The client plans to do one of their receptions at TD Ameritrade Park Omaha.

Ms. Niebrugge also stated that they recently attended the Meeting Planners International (MPI) Conference. We had 20 appointments with meeting planners. We have a team get-together with the post-con meeting to discuss the appointments we had and what conferences fit here in Omaha. We attended ASAE in Nashville, as did Mr. Theisen. On August 28th, we have a post-con with them. The OCVB hosted a client event during that conference and it was exciting to have 30 executive directors invited and attend that event. Attendees talked to the sales team, visited about Omaha, and explored business opportunities. This year we had 3,200 executives attend the conference. Twenty-five percent of them were first-time attendees. Eighty-three percent of the attendees are final decision makers. This conference is an awareness conference for the city of Omaha. You do not get an RFP, we showcase Omaha in our booth and have fun with meeting planners and build the relationship. Then, we move that relationship to the next level when they come back with touch points for the OCVB, Hilton Omaha and MECA.

At TD Ameritrade Park Omaha we presently have 15 contracted events in the club lounge. After the College World Series, we receive many calls and interest in having a unique event in the club lounge.

Mr. Theisen added that he was fortunate enough to be invited to the new six million dollar convention center in Nashville. He said the Omaha booth at ASAE was in the right position and staffed with a great looking team. There was a lot of activity and showcased our city very well against all the competition.

Corporate Sales and Marketing Update

Mr. Tom O'Gorman stated that since the last board meeting, we held the One Republic concert which was very well attended. In June, we held a World Lightweight Championship fight that was electric. Right now, we have the Eagles, Eric Church, River City Rodeo, Ringo Starr, Cher, Walking with Dinosaurs, Motley Crue, NCAA Second and Third Round Basketball, and FIVB World Volleyball Championship on sale. We have also finalized UNO's schedule. We are working with the Big East and will have the finalized Creighton schedule by the end of the week. At TD Ameritrade Park Omaha we completed the TD Ameritrade College Home Run Derby in July. We continue discussions with the FXFL to finalize its schedule and get their tickets on sale. We were recently awarded the Big East 2015 Baseball Tournament. In September, we are up for review by the Big 10 for 2016 and 2018.

The suites are sold out. We do have one client who might be looking to do an assignment assumption, so we are currently working with that client. We have four club seat accounts that did not renew on this cycle which equates to 16 seats. We are in the process now of filling those seats. In regards to sponsorships, we are 92% sold out. This month has been about reaching out to the client, looking at their ROI from last

year, and talking through new designs, logos, and working through all the digital electronics for them.

Chairman Bradford asked Mr. O’Gorman if the events currently on sale are on pace with what the promoters want to see. Mr. O’Gorman stated that Motley Crue was initially questionable but it is pacing really well. Slipknot and Korn was just announced and is a very heavy metal, younger audience which helps our programming. Chairman Bradford asked when the Big 10 Baseball decision would be made. Mr. O’Gorman stated it was submitted in June and a review and decision would be made in September. Mr. Theisen asked about the potential Crawford fight by year’s end and what kind of crowd we might expect. Mr. O’Gorman stated the seating capacity would be 15,000 and the event could be a potential sell out.

Operations and Technology Update

Mr. Kevin Raymond stated he was excited to be part of the Operations team. We have a terrific staff and he looks forward to continuing the success. Mr. Raymond stated that July and August are slow for events but the Operations staff keeps busy doing annual maintenance, repairs, and projects that can’t be done during the heavy event season. Some of those projects included cleaning the retractable seats on the north and south ends of the arena and upgrade the wi-fi that will increase our capacity and help support larger events. Mr. Raymond stated that they also redesigned the shot clocks for basketball as current ones have been used for ten years and are somewhat unlevel and can be unsteady during game play. On the main concourse, the floors have been waxed. In the Convention Center, crews painted, replaced ceiling tile, and cleaned all carpets. In the Grand Hallway, we installed energy efficient LED lights that have a technology called Daylite Harvesting System which detects the light in its environment and allows it to adjust dim or increase based on that light. We anticipate a significant cost savings compared to the old system.

At TD Ameritrade Park Omaha, projects and repairs included installing protective straps so that switches cannot be flipped during weather conditions.

In addition, we have been working with Olsson & Associates to pull out part of our parking system signage that we have in Lot G. The next step is to reroute the fiber from the east side to the west side of 12th & Cass up to Capitol, so we can operate the signage.

Chairman Bradford inquired if the wi-fi for the arena flows into the convention space. Mr. Raymond stated that we do not have free public wi-fi in the convention center, as it is sold as a service to exhibitors and trade shows. On the arena side, wi-fi is intended for MECA staff, tenants and media. Mr. Bradford also inquired whether when someone is on this property, they can get free wi-fi in certain areas. Mr. Raymond stated there are hot spots available in Java.com and upstairs by the skywalk. Mr. Theisen mentioned that one of the amenities that he saw at the ASAE Convention was free wi-fi. Mr. Theisen talked to four or five cities at the ASAE Convention where wi-fi is an amenity they are using to bring events there. Mr. Theisen stated he thinks we should provide free wi-fi. Mr. Dixon stated that free basic wi-fi is not free. You must put the infrastructure in place to do that and it is pricey. He added, if we are going to do it, we

need to do it right. Mr. Lund inquired as to what would be the cost of providing free wifi. Mr. Dixon stated it could be seven figures and estimated a million to a million and a half dollars. Mr. Raymond stated we have been exploring costs just for the arena and estimates are well into the seven figures. The convention center would also be close to that figure. Chairman Bradford asked if someone is in a breakout meeting in the convention space, can they pull out their iPad and pull down information. Mr. Raymond stated that would depend on requests from clients who want to provide Wi-Fi for their attendees. He also stated that we do have the ability to provide that. In fact, we do bulk pricing, whether it is 5 or 500. Mr. Raymond stated the new cellular distributing antenna system (DAS) has helped a lot. A year ago when people would come to a basketball game, concert, or the Berkshire meeting, their cell phones didn't work well. To fix that, we have been working with Crown Castle and have the CenturyLink Center DAS up and running with Verizon. AT&T is currently being installed. We worked very aggressively over at TD Ameritrade Park Omaha and added Verizon and AT&T before the College World Series. We are starting negotiations with a third carrier, and that is looking promising at this point. Chairman Bradford asked how it would work to pump the phone system inside the arena, and if kids could do selfies and get them out. Mr. Raymond answered yes, and that's a common misconception about cellular data vs. Wi-Fi. For the average concert goer who has Verizon or AT&T service, texting, internet, Instagram, Facebook, and Twitter works well. Mr. Theisen asked Mr. Raymond if he could do some work on quotes on Wi-Fi installation and check with our partner CenturyLink. Ms. Niebrugge stated that we don't hear from the associations that Wi-Fi is expensive because a lot of cities have Smart City Networks, which is a third party contract and is very expensive. What we hear from meeting planners is that they go to the facility and it's free, but they cannot get their attendees on in a timely manner, the speed wasn't there, and only a few could access at a time. Mr. Theisen stated that there was an event hosted here that was a large event, the sponsors of that event talked with him afterwards that they had to find a sponsor to bring in a server during their time so they can have that Wi-Fi access. Mr. Raymond indicated you have the initial capital investment of the equipment, but it's the bandwidth. He also said he and Ms. Niebrugge looked into a few facilities that offered the free Wi-Fi, you get on it free, but it is slow. Mr. Theisen stated he would like to see figures before the next board meeting. Chairman Bradford inquired about Wi-Fi and 4G. Mr. Raymond indicated we are currently 4G in both facilities with the capacity. The initial testing was the sell-out crowds of Creighton basketball and the CWS. The DAS system was built using this facility as a model for other facilities across the country. Chairman Bradford requested that Mr. Raymond develop information for the board on Wi-Fi for the next meeting. Mr. Theisen concluded that it is a great sales tool that would be nice for Omaha to have.

Mr. Lund asked about the placement of staff after the closing of the Omaha Civic Auditorium. Mr. Raymond stated that most of the Civic staff were offered at least a part-time position in the other facilities, if not a full-time position. Mr. Dixon stated that one person came over to this facility and another chose not to. The City of Omaha hired one employee and he is still the caretaker of the Civic and has a guaranteed position when the City closes the Civic.

Mr. Lund asked if there were any comments coming out of CWS and if organizers gave a list of improvements they would like to see next year. Mr. Dixon indicated there is an

Operational Advisory Meeting prior to the Annual Meeting in September in which they will talk about the goals and objectives of where the NCAA wants to see us. Wi-Fi is big on their wish list. Mr. Dixon also stated that coming out of the Series, we heard complaints in previous years from fans that they couldn't get a signal out on their cell phone. That complaint was non-existent this year with the new DAS system. AT&T came in and set up a large antenna (COW) that was not fired up because the DAS system was so efficient and powerful that their coverage was sufficient. We also used the better signal to monitor fans who expressed plans on social media of running on the field. As soon as they tweeted, we were able to locate the individuals and probably stopped a number of kids from jumping the fence to run on the field.

Levy Restaurants Update

Ms. Chris VanDorn reported that two weeks ago we presented a sampling of Suite and Concessions menus to the MECA VP Team, as well as the entire MECA staff. In this format of tasting, we solicit feedback from everyone so that we can take their suggestions and make some modifications to menu items and recipes prior to rolling them out at the beginning of the season. Based on that feedback, the Chefs have decided to take on Mac-N-Cheese in every format possible. We had quite a few Mac-N-Cheese options this year that we are going to be presenting but there is a grilled Mac-N-Cheese sandwich that was by far the standout favorite, as well as a smoked chicken quesadilla. In the Suites, the hands-down winner was the Chef's smoked short ribs which are part of a BBQ package that will be available in the Suites, as well as a roasted corn casserole. We will also be rolling out new desserts in the Suites. The favorite was a chocolate brownie dessert.

The date is set for the annual beginning of the season training. For CenturyLink Center Omaha, the training is in September and again in the spring before the baseball season starts. We require that all the people go through one live training a year so if anyone from the ballpark is still on-board and missed it in the spring, they will take this one coming up on September 15th. There will be 1,000-1500 people trained that day over the course of three sessions. Training runs about 3-4 hours and consists of a 90 minute alcohol service training that ends with a test that they have to take and pass in order to have completed it. There are also five different OSHA testings, a policy against harassment that includes sexual harassment, cash handling policies and department specific skills testing. All of that is done before they are rolled out into their individual departments or to a new department before the season starts.

Ms. VanDorn announced a new and exciting program they are hoping to roll out as a partner with Saving Grace Food Rescue. This is a local perishable food rescue and delivery nonprofit agency. They will pick up food donations from restaurants, caterers, grocery stores and such. They deliver the food at no charge to local nonprofit agencies that serve families in need; pantries, missions, after school programs, daycares, senior centers, and churches. The biggest challenge is the timing - most of our events are late at night and most of the agencies that could benefit don't have the means to pick-up those food items after the event is over. With Saving Grace, we will be able to arrange for pick up for those items that are available and they will coordinate with whatever group has the best ability to use it. That information will be shared with staff so they know what kind of impact is being made with some small operational changes on our

side. Ms. Duren asked if there's a concern with the liability related to that. Ms. VanDorn stated Levy has worked with their Legal Department and they say we are protected by the Good Samaritan Law. However, Levy takes it a step further and requires they sign some paperwork. This will be rolled out in September.

Ms. VanDorn announced that Executive Chef Lamar Nolden is relocating with Levy back to Detroit. A replacement has been hired. Tom Elder, will be starting on September 9th with a couple of days transition with Lamar. Mr. Noddle commented that he thought Mr. Elder was great and has a great personality. Mr. Theisen commented that he liked Mr. Elder's presence and liked his mannerisms and the chicken dish he created. Mr. Lund asked where Mr. Elder came from. Ms. VanDorn stated he worked for Levy and in the past was at McCormick Place in Chicago and with the Hilton Properties in Washington, DC. Mr. Gordon Humbert from the Hilton Omaha had previously worked with Mr. Elder at the Palmer House in Chicago early in their careers. Mr. Humbert indicated he was excellent. Mr. Noddle stated that he has renewed enthusiasm and it seemed like a really good fit. Ms. VanDorn stated that with his interaction so far, it seems like a really nice fit and that she is excited to get him on board.

Public Relations Update

In Ms. Kristi Andersen's absence, Mr. Dixon reported that the Midland's Business Journal wrote a nice article about our upcoming events and mentioned the Ernie Goss report and the economic impact CenturyLink Center Omaha has had on our community.

The Terence Crawford fight generated a lot of media coverage for us, locally and nationally. We have our fingers crossed that this is going to come back through again.

Mr. Kevin Coffey, from the Omaha World Herald, wrote a nice article and interviewed Mr. Tom O'Gorman about what goes into booking a concert. It was well written and appreciated.

As far as guest services are concerned, we held the One Republic concert in July and had no significant issues. In fact, it was one of the better shows we have done this year.

Ms. Duren and Mr. Theisen both commented that it was a great article in the Omaha World-Herald about the field management and commended Ms. Andersen on her work and sending out those types of articles.

Committee Updates:

Internal Governance Committee

Ms. Diane Duren reported that the Internal Governance Committee met on Wednesday, August 20, 2014. Chairman Dana Bradford, Mr. Stephen Curtiss, Director of Finance for City of Omaha, Mr. Roger Dixon, Ms. Lea French, Ms. Kristi Andersen, and Ms. Duren were all in attendance. The discussion centered on the organization and the responsibilities of the committee and the process of establishing a plan for meeting those responsibilities. After the board approval of the Code of Business Conduct and Ethics Policy, Human Resources sent out the policy to all MECA employees and board

members. All of these annual certificates of compliance have been returned. At the next meeting, Ms. Duren will report if there were any exceptions and how they were resolved.

Ms. Duren also reported that the committee determined that the board meeting minutes would now be published on the MECA website.

Chairman Bradford stated that this committee is well underway, it has been nice to work with the management team, and they are making a lot of progress under Ms. Duren's leadership.

Real Estate Committee

Mr. John Lund reported for this committee. The committee consists of Mr. Lund as Chair, Chairman Dana Bradford, and Mr. Steve Jensen, former Planning Board Director for the City of Omaha. Mr. Lund stated that Mr. Jensen has a lot of history and is very willing to be a part of this committee. He has a great working relationship with the Mayor, City, and City Council and that is invaluable. Mr. Lund also stated that relationship building is something we always need to strive for. The first committee meeting started with a very high level discussion about our strategic plan and how we work with the city, community, and developers. He also stated that their biggest mission is to stay ahead of it; know what's going on, be a part of what's going on, and not miss out on anything. The facilities' footprint is critical. The experience that people have when they come here is very important to us. The parking is always a challenge and will continue to be as the years go on. Part of our discussion talked about the street car, the rail car and the VRT. There was a study done by the City that cost about \$1 million plus, now there is a second phase of that study that is going to be done here as soon as City Council votes on it in the next couple weeks. There is another \$1 to \$1.5 million to be spent. Fortunately, the Federal Government pays for over \$1 million of that. Some local contributors are also helping with that cost-UNMC, Mutual of Omaha, and others. That study is to determine the feasibility and cost of this rail system. Mr. Lund indicated he thinks it is going to happen, and it is important for us. This transportation is a huge part of our success. The cost of this VRT is approximately \$30 million and the cost of the rail is \$130 million.

Mr. Lund reported that the Omaha Civic Auditorium is under review by a couple of developers; the mixed-use campus was discussed in the paper and they are hopeful for an anchor tenant or corporate headquarters, but that's yet to be seen. That is something that we want to keep an eye on since that's in our neighborhood.

Mr. Lund had a conversation with Mr. Mike Moylan to get an update on the Capitol District Project and to keep everyone informed. There was a slight delay in financing with EB5. Fortunately, he has a great lender, First National Bank, who has stepped up during that process and filled the gap, and it has not slowed Mr. Moylan down. Mr. Lund questioned if they were going to be out of the ground and hit the date for the 2016 US Swim Trials, and Mr. Moylan stated yes, weather permitting, he will hit the dates for the 2016 Swim Trials and CWS. Mr. Moylan had a recent event for Omaha Fashion Week that went fine now that he controls that lot.

This committee's objective is to continue to keep the board abreast of situations, and to meet regularly with Mr. Jensen. Mr. Lund stated it might be wise to bring Mr. Jensen in to make a presentation on the 2030 plan. Chairman Bradford stated that under the Master Plan in 2009, it remains the City's intent under Mayor Stothert's leadership to hang onto that vision. That vision does call for some urban development in and along 10th Street. That would involve Lot B and D. It is important that we understand that Master Plan and can interact in ways that can take the city forward with its vision; but at the same time we don't want an adverse effect on our parking arrangements. Maintaining a dialogue on this front is very important.

Arena Committee

Mr. Jay Noddle stated that the Arena Committee met formally on August 11, 2014. The committee consists of: Former Mayors Mike Fahey and P.J. Morgan and current City Council members Aimee Melton and Ben Gray. All of the committee members were provided with a great deal of information ahead of time. Mr. Noddle reported that they completely reviewed the information and were very well prepared. Both Mr. Tom O'Gorman and Mr. Roger Dixon made presentations to the committee. The conversation was lively, very positive, and inspiring. We were pleased with the interaction and discussion. Mr. Noddle initially gleaned that we have a great facility; we are ahead of many, we are a little spoiled and that we started at a time when there wasn't much competition in the marketplace. We have been able to maintain our position. Our staff is equally terrific and very well thought of throughout the industry, in spite of some perceptions that we would do things much differently. We are blessed with a great staff. They are very effective and they know what they are doing. The industry is very fluent, highly confidential; just the littlest leak, an innocent text or hash tag can really change what affects success in the pursuit of sporting events and other entertainment events. We know from the booking agents and the artists themselves that Omaha is a great market. Our venue is very much desired. We have the ability to do things in this building that the public doesn't fully appreciate. For example, most of the time the buses and RV's, or whatever the road and stage crews or artists themselves are travelling in, can be parked completely inside of the building, which is not the case in other venues. Some of these seem like little things, but when you get good clinical information about how the tours are contemplated, how it's all rolled out, and the little amenities for entertainers and their crews, it makes a big difference. It is a credit going all the way back to the planning of this facility and some of the insight from the consultants who helped plan this place. Some of the realities are that the marketplace has changed and we need to stay ahead of the curve. That may mean a few different amenities in the building, although those don't seem to be behind at all. We do know that about every 3-4 years we need to update our technology. It is things like Wi-Fi, video screens, and technology that will enhance the overall experience in the building. I know there has been a lot of discussion about events like Paul McCartney; Omaha really was never on Paul McCartney's radar screen. Many agents look at Lincoln and Omaha as one market. The buildings are 54 miles apart and we are often considered one marketplace. There is a decision made early on to go to those markets and if there is a new building in the market and if it is comparable sized, in spite of the success that may have occurred in this building, they often go to the new building and try it. The real test is what happens the third time they come to a marketplace. We just need to make sure that Omaha and the CenturyLink Center Omaha in particular, gets

that repeat trip. So if we are two out of three, then we are in pretty darn good shape. The group will meet regularly over the next six months and we will get ourselves in a position to make a recommendation of a strategic plan than can keep this building full with both entertainment related events, sporting events, and also events that can use multiple facilities here. I don't remember the number, but there are a limited number of events that take place that use even two, let alone all three of our facilities; the ballpark, the convention center and the arena. We can look more into that and understand the business a little bit better. Our group is excited and energized. There was a comment from the four 'public officials' that they are very pleased with the transparency in place and their access to information, and they certainly communicate that to their colleagues.

Convention Center Committee

Mr. Willy Theisen stated that the Convention Center Committee, which he chairs, has had two meetings; June 19th and August 7th. There are no scheduled dates but probably will meet every 4-6 weeks.

Mr. Theisen prepared a statement of what this committee is trying to do: Omaha is an exceptional town with exceptional convention facilities. How can MECA increase the size and scope of its convention business and generate an even greater impact in the community? The Convention Center Committee is tasked with coming up with a strategic plan intended to accomplish just that. Greater economic impact is in order to accomplish the subject and the committee needs to understand what it takes to be competitive among the most competitive facilities in the industry. What will it take to develop the value proposition that is so compelling that it will make Omaha among the most competitive convention players in this business? When the committee's work is done we will know what that value proposition looks like and know what is required to create and market it. Mr. Theisen stated that's what the task is and we are very fortunate to have Mr. David Brown, President of the Omaha Chamber; Dana Markel, Executive Director of the OCVB; and Mr. Jay Noddle on the committee. The meetings have been spirited. We are getting to know the committee members better, understand what our challenges are, and then will adapt accordingly to get a plan together.

One item was addressed with Mr. Kevin Raymond, about the Wi-Fi. Mr. Theisen would like to look and see what the cost of free Wi-Fi is, possibly a staging of things and maybe a three prong project over the course of time. This is high on his list.

Another important factor is the increased days available for the convention center. If we are going to increase our business, we have to take a hard look at increasing the days available, which takes a look at our booking procedures. Mr. Theisen would also like to know how those booking procedures are done before he makes any suggestions. From the ASAE convention, Mr. Theisen spent a fair amount of time looking into software programs available. He requested Mr. Raymond check into and examine the opportunity of obtaining a package that would help us with these placements and possibly count down the turnover times a bit, instead of it being a judgment. He said it seems from the people he has talked to that there may be more efficient ways of doing it and customize it so the OCVB and MECA could work hand-in-hand. For example, if a person calls the OCVB, the software program could be pulled up and with adjustments, they could tell the caller that we could probably accommodate you. Mr. Theisen would

like for them to look at such a software program that would (1) give more of an opportunity to book a few more events, (2) cut down the turnaround time, (3) improve communications between the City, County, State, and OCVB and (4) to be a little more flexible, work together, and improve economic results for MECA and our entire community. That's what our committee is going to do. Mr. Theisen stated he enjoyed working with all the people on our committee. Chairman

Chairman Bradford asked Mr. Theisen, as he is sorting this out, if he is leaning a little bit on the consultant. Mr. Theisen stated yes, but he doesn't want to spend money recklessly. He said we need some hard comparative data and a little direction on best practices and we will work with the consultant. She clearly understands MECA's business. Their reports and presentations were very valuable. Mr. Dixon stated that the consultant was at the conference he recently attended and she is willing and ready to help. Mr. Theisen indicated he will be putting together a list of categories that need her expertise. Mr. Noddle stated that the two committees will piggy-back with each other, with respect to the consultants. The Arena committee plans to visit one-on-one or a video conference with Live Nation, Dan Barrett, and with Crossroads. The more information we can glean from all that, the more informed our decisions and recommendations will be. The two committees may also piggy-back on meeting times.

Chairman Bradford stated that he certainly appreciated all the work that is being done on these committees. When you look at the big picture, we are focused on compliance, collaboration, and competitiveness. From the Internal Governance Committee we are looking at all of the policies and ensuring that we are compliant in every respect. The Real Estate Committee is an ongoing effort where we have to be collaborative in the advancement of this area for the betterment of Omaha. At then at the end of the day, the Arena and Convention Committee business is all about competition. We have to be able to compete. We have world-class facilities and there is no reason that we can't be among the best. This is all about sustaining that competitive advantage that we have had, recognizing that there is a lot more competition out there today. If we have learned anything through our review, we found quite a bit of additional competition. I think the review of the business from the Arena and Convention Committee will flow into Mr. Dixon's hands so that he can shape a strategic plan for the business over what will likely be a three year period, or perhaps even beyond. This will also shape our capital needs analysis, which is another big thing that we need to figure out. As everyone knows, the investments that are required to sustain this kind of facility are significant and we have to make sure that we maintain these facilities at a high level. The committee work you are doing is very important and thank you.

Contract Approvals:

Chairman Bradford indicated that of the six contract approvals, one is being tabled; the Capital Reserve Policy Revision is out in a draft form, but there will be no vote today.

MECA

Corporate Insurance Renewal

- Aon Risk Services has presented MECA's insurance applications to the insurance marketplace for CenturyLink Center Omaha and TD Ameritrade Park Omaha. Many carriers declined to quote since they were unable to match MECA's current program and rates.
- After a review of the proposals received and negotiation with the carriers, we recommend staying with the incumbent carriers for all lines of coverage. The incumbent carriers' renewal numbers continue to be extremely competitive.
- With the Omaha Civic Auditorium no longer under management, attendee exposures are down resulting in a lower General Liability premium as well as the related Umbrella coverages. Total premiums are down by \$3,597 or 10.9%.
- Workers' Compensation premiums are down due to the removal of the Omaha Civic Auditorium payroll. The premium decreased by \$3,802 or 6.9%.
- Property insurance premiums increased by \$2,749 or 4.5% due to increased property values from asset additions this past year. This was a good renewal considering the flood claim we had three years ago and two storm damage claims currently in process.
- Based on the recommended carriers, MECA's overall cost for the program will decrease by \$5,320 or 2.0% from the prior year. The renewal premiums and associated carriers are summarized in the table on the following page.

Mr. Bradford stated that the first contract we are going to discuss and approve is the Corporate Insurance Renewal that is being put forth by Ms. Lea French. Mr. Bradford asked Ms. French for any comments. Ms. French commented that an interesting point is that Aon takes this out to the marketplace and tries to get other carriers to bid on our business and usually had a pretty good response. This year, our rates are so good and they know what our rates are, that they could not get anyone else to bid other than the incumbent carriers. Of all the expenses that we have in this organization, this is the only one that has gone down year, after year, after year. This is great news, even considering the big flood claim, we were really surprised to see our rates come in as good as they did. We are very thrilled with the renewal.

Chairman Bradford asked if anyone had questions. Ms. Duren stated that she didn't know what TULIP was until she Googled it and it is a tenant user's liability. She asked Ms. French to tell her about what that covers. Ms. French stated that MECA requires liability insurance from every tenant and client. That is difficult for some groups, for example, weddings have difficulty providing us with \$2 million worth of general liability. They are able to purchase general liability insurance through this TULIP program. For a small event it is about \$150 for that certificate. Mr. Dixon stated it is essential for our business to have something like that and Aon is probably one of the few, and Elly Whaley, our booking agent, is the insurance agent for that. Mr. Noddle asked if this was a one year renewal. Ms. French stated yes, one year. Mr. Noddle asked if we have explored multiple renewal years. Ms. French stated that we have not, but could definitely ask the question and she is sure it has been broached over the last 10 years. Mr. Noddle stated he had seen in a few instances of two and three year deals. Mr. Dixon asked if Mr. Noddle was talking about commercial properties where they have the same thing or where, as we have millions of people in and out of here? Mr. Noddle stated it is a way to lock down the P & C portion. The numbers are so good, the market place is likely to go one direction – the wrong direction. Mr. Noddle just wondered when

the right time might be to ask that question, understanding that it may not be applicable or doable for all the different kinds of coverage, but there could be a few of these that could be locked down for 2-3 years. Ms. French stated that we do have an insurance consultant that we work with and that she will forward that question to them. Mr. Noddle asked the name of the consultant. Ms. French stated Premier Risk Management out of New Jersey is our insurance consultant. They were brought on a few years ago and through the flood claim they helped us out with FEMA. They are a great resource for us. Mr. Noddle stated it might be worth a question and it may not be a tough answer. Ms. French will proceed in contacting them.

Chairman Bradford read the following Resolution:

RESOLVED, that the contracts for purchase by MECA of insurance coverages from the following carriers for the indicated coverages and premiums, as generally set out on the attached summary, are hereby approved:

Liberty Mutual	
Property	\$ 61,682.00
Travelers	
Crime	\$ 5,947.00
Pro Sight	
Commercial General Liability	\$ 29,253.00
Commercial Automobile	\$ 4,334.00
TULIP	\$ 2,500.00
Workers' Compensation	\$ 51,624.00
Navigators	
1 st Excess Umbrella	\$ 55,000.00
Liberty/Ohio	
2 nd Excess Umbrella	\$ 34,775.00
Philadelphia	
Directors & Officers Liability	\$ 9,846.00
Fiduciary Liability	\$ 1,311.00
Wesco	
Directors & Officers Liability - Excess	\$ 14,500.00

FURTHER RESOLVED, that Roger Dixon as President/CEO is authorized on behalf of MECA to execute said Agreements.

Chairman Bradford asked for any public comment and asked for a motion.

Moved by Mr. Noddle, seconded by Mr. Lund.

Motion carried: 5-0.

Capital Reserve Policy Revision

This agenda item was tabled. It is currently still in draft form.

Security Equipment, Inc. Repair Agreement

Project Summary:

- This agreement with Security Equipment, Inc. ("SEi") is for repairs and improvements to the monitoring and video surveillance system at CenturyLink Center Omaha and TD Ameritrade Park Omaha.
- During the security system upgrade in 2014, there were repairs and improvements identified. Now that the upgrade is completed, an agreement has been submitted to perform this work.
- The current security system is proprietary to SEi. Therefore, this agreement is not subject to competitive bidding procedures.
- At this date, negotiations are substantially complete.

Major Agreement Terms:

- The project is billable on a time and materials basis. The total cost of the project will not exceed \$35,000 for CenturyLink Center Omaha and \$15,000 for TD Ameritrade Park Omaha.
- It is anticipated that the repairs and improvements will be completed by October 2014.

Mr. Raymond commented that the security upgrade was done several months ago and some areas we were aware of but didn't want to make changes or repairs until the new system was in place. This is the time where we budgeted for it and feel it will enhance our security and some are basic repairs that are needed over the last several years, especially here at CenturyLink Center Omaha.

Chairman Bradford read the following Resolution:

RESOLVED, that the Agreement between MECA and Security Equipment, Inc. (SEi) for repairs and improvements to the monitoring and video surveillance system 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 same.

Chairman Bradford invited public comment and asked for a motion.

Moved by Ms. Duren, seconded by Mr. Lund.

Motion carried: 5-0.

Olsson Associates, Inc. Agreement Ratification and Addendum

Project Summary:

- In early July 2014, it was the recommendation of MECA's management to enter into an agreement with Olsson Associates, Inc. ("Olsson") for the reconfiguration of the Parking Lot Information System ("System") in and around Lot G.
- With the construction of the new Marriott hotel, Lots E, F, G and H were sold to The Capitol District, LLC, and will no longer be utilized for MECA events.
- The System has been operating with the original configuration that was installed by Olsson.
- The fiber optics for the System run underground to all way-finding signs that direct guests to the most convenient lot available. Olsson will disconnect the fiber that runs to the signs, loops and parking booths affected by construction, re-route to the system mainframe and upgrade the software. Olsson will be responsible for developing new signage plans based upon traffic flows, with lots E, F, G and H eliminated from the system.

RFP Process:

- This project was not competitively bid since the System was initially installed by Olsson and they are best positioned to make the modifications needed in the timeframe required based on the construction schedule.
- Negotiations were completed in July.

Major Agreement Terms:

- Before construction drawings were completed, the initial estimate for this project was \$125,000.
- The initial scope of work for the project was contracted in mid July 2014 at a cost of \$47,500, plus an additional \$2,500 for ancillary equipment.
- After further development and refinement of the construction plans, it was determined that 12th Street would also be affected. This area was not included in the original agreement. The cost of the project will be increased by \$43,000, which includes a contingency. The scope of the additional work was detailed in Letter Agreement Amendment #1.
- Written approval by MECA must be obtained in the event additional work is required.
- It is anticipated that the work will be completed in the Fall of 2014.
 1. It is the recommendation of MECA's management that the Board ratify the President/CEO's execution of the finalized agreement with Olsson Associates.
 2. In addition, MECA's management is requesting that the Board approve this agreement being amended for the additional work listed on Letter Agreement Amendment #1.

Mr. Raymond stated that Olsson is getting our equipment and fiber out of lot G so they can begin development. Also, in the first addendum that they identified, they were across Davenport on 12th Street, and that is a major hub for the fiber. Some needs to go back down to Cass Street and go across to the west side so we can continue up to Capitol.

Mr. Lund inquired if this was a budgeted expense? Ms. French indicated this was not a budgeted item as it was not anticipated. Mr. Dixon stated that we got the monies for the reimbursement for D4 and that would be offsetting there. We just can't go into Lot G and tear out our fibers that are in there because then our loop center will not work with the rest of the parking. It is a necessary project. Mr. Noddle asked that "in order for us to turn over the lot for the new private development, do we have an expense?" Mr. Dixon indicated it was anticipated but it didn't get into the budget. Mr. Lund mentioned that the reimbursement from the City has been received and another one will be coming for Lot D.

Chairman Bradford asked for any public comment and asked for a motion.

Chairman Bradford read the following Resolution:

RESOLVED, that the Agreement and Amendment between MECA and Olsson Associates, Inc. for the reconfiguration of the Parking Lot Information System in and around Lot G, as more fully described on the attached summary, are hereby approved and Roger Dixon as President/CEO is authorized on behalf of MECA to execute same.

Moved by Mr.Theisen, seconded by Mr. Noddle.

Motion carried: 5-0.

ServPro of Fremont/NW Omaha Storm Damage Agreement

Project Summary:

- This agreement with ServPro of Fremont/Northwest Omaha is for demolition and restoration services to repair ceilings, walls and floors at CenturyLink Center Omaha. Water damage occurred after a roof drainpipe broke during heavy rains on May 11, 2014.
- Water poured in the arena side of the building from the fourth floor to the first floor, damaging many areas. The most notable areas include Suites 1 and 2, and the Operations Department offices. Ceilings were removed and replaced, carpets were dried and treated, and drywall was dried or replaced as necessary. Large fans and dehumidifiers were used to remove moisture from the open cavities behind walls, the main concourse, as well as other public areas.

RFP Process:

- A Request for Proposal was not submitted since this was an emergency repair and time was of the essence to assess the damage, determine the proper repair and complete the work with no loss of events or structural damage to the facility.

Major Agreement Terms:

- The project cost is \$24,236 and includes all labor, equipment, and materials.
- The repairs were completed in June 2014.

It is the recommendation of MECA's management that the Board approve the President/CEO's execution of the finalized agreements with ServPro of Fremont/Northwest Omaha.

Mr. Raymond stated this goes back to May when we had the water damage; it was restoration and construction that needed to be performed due to events. Mr. Theisen inquired about the downspouts, drains, or tiles; and asked what the fix was. Mr. Raymond stated that it is due to the pressure on the pipes when during 8-10 inches of rain. That situation was addressed and we are working to inspect all other pipes. It can be rather challenging because they are inside the building so it's not like you can walk up and remove a panel. The engineers that designed the system have been contacted. The number of breaks that we have had is unusual. Mr. Theisen asked if they are 90 degree angles? Mr. Raymond stated that is where they were breaking due to wear and tear.

Chairman Bradford read the following Resolution:

RESOLVED, that the Agreement between MECA and ServPro of Fremont/Northwest Omaha for demolition and restoration services to repair ceilings, walls and floors at CenturyLink Center Omaha due to water damage from heavy rains on May 11, 2014, 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 same.

Chairman Bradford asked for any public comment and asked for a motion.

Moved by Ms. Duren, seconded by Mr. Lund.

Motion carried: 5-0.

Steven's Enterprises Advertising/Sponsorship Agreement
Summary:

MECA entered into negotiations with Steven's Enterprises dba Applebee's Neighborhood Bar & Grill ("Advertiser") for the following advertising at CenturyLink Center Omaha:

- Advertiser's offer shall be printed on the ticket backs of a minimum of one (1) out of every four (4) tickets printed at CenturyLink Center Omaha Box Office throughout the term of the Agreement.
- Advertiser will have first right of refusal to renew the advertising rights outlined in the Agreement provided Advertiser renews for a three (3) year term. The fee for any renewal is subject to change. Advertiser must notify MECA in writing no later than ninety (90) days prior to the expiration of the Term of its intent to negotiate a renewal of the Agreement.

Major Agreement Terms:

The term of the Agreement shall be for three (3) years beginning August 1, 2014 continuing through July 31, 2017. The total amount due is twenty-two thousand five hundred dollars (\$22,500.00) payable by Advertiser in the following installments:

August 1, 2014 -- \$7,500.00
August 1, 2015 -- \$7,500.00
August 1, 2016 -- \$7,500.00

It is the recommendation of MECA's management that, subject to review by counsel, the Board approve the President/CEO's execution of the finalized agreement with Steven's Enterprises.

Mr. O'Gorman stated this is a renewal of the ticket back sponsorship.

Chairman Bradford read the following Resolution:

RESOLVED, that the Advertising/Sponsorship Agreement between MECA and Steven's Enterprises d/b/a Applebee's Neighborhood Bar & Grill for advertising at CenturyLink 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 Advertising/Sponsorship Agreement following its finalization in a form reasonably approved by counsel.

Chairman Bradford asked for any public comment and asked for a motion.

Moved by Mr. Noddle, seconded by Mr. Theisen.

Motion carried: 5-0.

Executive Session

Chairman Bradford stated it is now 11:15 a.m. and invited a Motion to go 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. Duren, seconded by Mr. Lund.

Motion carried: 5-0.

Adjournment

Motion to come out of Executive Session and to adjourn made by Ms. Duren, seconded by Mr. Noddle.

Motion carried: 5-0.

Adjournment (12:10 p.m.)