

**MINUTES OF THE METROPOLITAN ENTERTAINMENT & CONVENTION
AUTHORITY BOARD OF DIRECTORS MEETING – JANUARY 14, 2020**

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 8:48 a.m. on January 14, 2020, in the MECA Board Room at CHI Health Center Omaha, 455 N. 10th Street, Omaha, Nebraska.

Roll Call:

Present: Chairwoman Diane Duren, Ms. Susie Buffett, Mr. Tom Kelley, Ms. Dana Washington, and Mr. Jay Noddle.

Proof of Publication:

Notice of the meeting was published in *The Daily Record* on January 7, 2020, and in the *Omaha World-Herald* on January 7, 2020.

A copy of the Open Meetings Law was posted on the table near the side entrance to the MECA Board Room.

Approval of Minutes:

Mr. Noddle moved for approval of the minutes of the November 13, 2019, MECA Board Meeting, seconded by Ms. Buffett.

Motion carried: 5-0.

President/CEO Report:

Mr. Roger Dixon stated this past month he attended USA Swimming’s Golden Goggle Awards in Los Angeles, California. While proceeds from the awards show benefit the USA Swimming Foundation, it is also a good way for the City of Omaha to support the organization. Ticket sales for this event are good, and potentially better than 2016.

Mr. Dixon recognized Ms. Chris VanDorn, who was recently promoted to Vice President of Hospitality Strategies with Levy. As a key member of the MECA team, this is a well-deserved promotion. The members of MECA's Board of Directors offered their congratulations to Ms. Van Dorn.

Other Business:

Convention Center Sales & Marketing Update

Ms. Denise Niebrugge reported that there are currently 133 events on the books, utilizing 244 event days for the fiscal year 2019-2020. Since the November 13, 2019 Board meeting, 21 events with 38 event days and over 7,000 hotel room nights have been added. In addition, 22 license agreements have been signed.

More than 3,500 tour operators, suppliers and exhibitors have come together to kick off a new year of business opportunity and growth for the American Busing Association's market place convention at CHI Health Center Omaha (CHIHCO). This city-wide convention has received a lot of positive local news coverage. It provides a larger economic impact for the City as the tour operators are able to witness first-hand what Omaha has to offer and hopefully bring them back. Ms. Niebrugge offered congratulations to Ms. Kaitlyn Tonack who did an outstanding job coordinating this event.

Corporate Sales & Marketing Update

Mr. Tom O'Gorman stated that during December he traveled to Pittsburgh, PA for a site overview for National Collegiate Athletic Association (NCAA) Women's Volleyball and to promote sales for the 2020 Volleyball Championship in Omaha. Tickets for this Championship went on-sale in December and continue to sell very well with just under 1,000 tickets left for this event.

MECA must have all bids submitted by February 3 for the 2022 – 2025 NCAA sporting event seasons.

The NCAA reviewed pricing on Club seats at TD Ameritrade Park Omaha (TDAPO) and have provided MECA their recommendations. Mr. O'Gorman is working with the Finance Department to create a working model. Club seat pricing information is anticipated for release in February.

Marketing is currently working on events for July, August and September. There have been some announcements but look for more to come.

Mr. Kelley asked how Omaha ticket sales for NCAA Volleyball look compared to Pittsburgh. Mr. O'Gorman responded that Omaha outsold Pittsburgh on opening day and noted that volleyball comes with a convention which is great for MECA. Ms. Niebrugge and her team will also be involved which will utilize most of the available space at CHIHCO.

Operations and Technology Update

Mr. Kevin Raymond reported that time off during the holidays allowed staff to enjoy holidays, relax and prepare for what will be a very busy and exciting 2020.

Typical of December, events slow down allowing time to complete ongoing projects. The replacement basketball court arrived, and after a close examination, it is exactly as expected. Installation of the sound system on the convention center side has been completed. It provides an improved quality of sound and adds some additional features.

Meetings continue weekly to discuss the vehicle security barriers project and to review the types and position placement. Phase 1 is on the agenda for the Board today. If approved, work would begin at the end of March and be completed in May before the Annual Berkshire Hathaway Shareholder's Meeting. Phases 2 and 3 would begin in July after the conclusion of the NCAA Men's College World Series (CWS) and U.S.A Olympic Swim Trials. Weather permitting, the project will be completed by the end of 2020.

The recent announcement from Major League Baseball (MLB) that all 30 teams have extended their netting has sparked discussions with NCAA and MECA. Also, on the agenda today for Board approval is a feasibility study to look at the current structure of TDAPO and determine what it would take to extend the netting to the foul poles. If approved, the study will tentatively be complete by the end of February. Findings would be reported in March, and Mr. Raymond will learn what next steps would be required to support the additional netting.

Mr. Kelley inquired if security barriers are also being considered for The RiverFront. Mr. Dixon responded these were already included in the construction plans and design; most of it will be built into the landscaping using trees, etc.

Levy Food & Beverage Update

Ms. Chris VanDorn stated that operationally Levy is well into the Creighton University Men's Basketball season. There are some popular new menu items this year. The new "bottomless" popcorn which is a larger size than sold in the past, has sales nearing 1,000 so far with the sales of the smaller sizes unaffected compared to last year. Additional new candy options have sales of over 1,400. Cook to order options, specifically the toasted Italian turkey sub, continues to be the standout favorite with the Philly cheesesteak loaded tater tot following close behind. The southwest steakhouse burger and smoked chicken nachos round out the top new favorite items. At this point in the season Levy has sold 2,500 more food items than this time frame last year.

Due to an explosion at the Dippin' Dot manufacturing facility in Paducah, Kentucky at the end of November, Levy has limited the number of Dippin' Dot locations open on the concourse. Initial reports were that it would not affect operations because the storage freezers were not impacted; but, by the second week of December Levy was limited on product flavors and quantities available. Currently there is only one location open with limited product. Normally it would not create much of an impact, however, nearly 70% of Levy's total Dippin' Dot sales for the entire year occur in the month of February. Timing is not ideal, and Levy hopes they can facilitate orders for February. They are also taking necessary steps to supply back-up options.

Despite the weather, Levy has already begun planning the baseball season menu. The premium concessions and culinary team have been working on menu development for nearly two months, anticipating the start of baseball season at the beginning of March.

Public Relations Update

Ms. Kristyna Engdahl reported that this weekend, the American Bus Association's convention took over the CHI Health Center, bringing approximately 3,500 people from across the country to Omaha. The Omaha Convention and Visitor's Bureau (OCVB) estimated in Monday's *Omaha World-Herald* article that the event injected \$7 million into the City's economy – earning local hotel community kudos from out-of-town guests. Approximately 330 local volunteers also participated in the event, answering questions and aiding MECA's visitors. The article stated that 'hospitality was on the lips of almost all the convention attendees' and that Omaha was represented well.

Meetings continue ahead of the First and Second Rounds of the NCAA Men's Basketball Tournament on March 20 and 22, strategizing everything from operations to communications and media-story opportunities.

Lastly, MECA, along with the NCAA, CWS of Omaha, Inc. and Bozell are consistently meeting regarding year-round communication strategies ahead of the College World Series and TD Ameritrade Park Omaha's 10-year anniversary. There will be more information on that subject within the coming weeks.

Committee Updates:

Internal Governance Committee

Mr. Tom Kelley reported that the Internal Governance Committee met on Monday, January 13, 2020, at MECA's offices. In attendance were Chairwoman Duren, Mr. Dixon, Mr. Bob Freeman, Mr. Kelley, Ms. Diane Mills, and Mr. Stephen Curtis, City of Omaha Finance Director.

The Committee reviewed the October and November 2019 Financial Statements. After overviews from and discussions with Ms. Mills, the Committee found the report to be reasonable compared to plan and prior periods, and consistent with standard MECA accounting practices.

This Committee also received the draft Fiscal Year 2018-'19 Audited Financial Statements and found them to have impressive results.

Lastly, the Committee reviewed the security barrier project and the impact it would have on the reserves.

Real Estate Committee

Mr. Jay Noddle reported on the project activity and development of downtown/midtown Omaha area. A solution may have been determined to minimize the impact of truck traffic in these areas.

Mr. Noddle touched on the important topic of encouraging businesses to locate, grow, and remain in the core of the City of Omaha. One initiative that is very important in the Legislature right now is LB720, which extends current financial incentives and offers new incentive packages for businesses to not only to come to Nebraska, but for the first time ever to stay in Nebraska. At this point there are only 11 states that offer a similar feature in their economic development and workforce development packages.

Year-end Financial Presentation

Ms. Diane Mills presented the financial results for Fiscal Year 2018-2019, which ended on June 30, 2019.

The last fiscal year brought plenty of excitement to MECA's facilities, including multiple sell-out concerts, record-breaking athletic attendance and important facility updates – a demonstration of ongoing efforts to improve the guest experience. MECA also remained focused on top-notch facility maintenance and steadfast customer service, which may be why more than half of 2019's convention center clientele was repeat business.

This year TD Ameritrade Park Omaha also welcomed the State's first regular season Major League Baseball game, which took place the Thursday before the NCAA Men's College World Series opening ceremonies. This event was made possible in part by the hardworking operations team, who changed out signage overnight to ensure they were ready for the opening of Fan Fest on Friday morning.

First, Ms. Mills focused on CHI Health Center Omaha. Just under 1-million people visited the facility in Fiscal 2018-2019, partly due to the many crowd-pleasing performances in the arena. Elton John's "Farewell Yellow Brick Road" tour-stop in Omaha sold-out in just minutes, and Eric Church sold-out his back-to-back "Double Down" tour-opener at the CHI Health Center. Other concerts included Dierks Bentley, Pink, KISS, Panic! at the Disco, Justin Timberlake, Luke Combs and Cher – all sold out shows, just to name a few.

Additionally, this year MECA welcomed a variety of family friendly events such as the return of Disney on Ice and Cirque du Soleil's "Crystal" – a visually stunning, multi-night event, which received rave-reviews.

The community reliably turns out in big numbers for athletic events at CHI Health Center Omaha. According to data collected by the NCAA, Creighton men's basketball once again ranked among the top ten in the country for average game attendance in their 2018-2019 season. Over its past 14 seasons, Creighton consistently draws some of the largest crowds in the Big East Conference.

Creighton women's volleyball can also break attendance records – their game versus Nebraska brought over 14,000 people to the facility, which was the largest "volleyball only" turnout in NCAA volleyball regular season history.

Local boxing champion Terence 'Bud' Crawford also drew his largest home-state crowd in Fiscal 2018-2019, with over 13,000 people packing into the arena to see his welterweight title match against Jose Benavidez Jr. Crawford did not disappoint his fans, winning in 12-rounds by TKO.

The convention center continues to be a reliable economic driver for our city, hosting 12 citywide groups this past fiscal year, for a total of 45,000 hotel room nights. One of 2019's new clients alone generated 3,300 of those room nights, along with a significant amount of food and beverage sales – not only within our facility, but within the community as well. As in previous years, returning clientele continue to make-up more than half of convention center business. This repeat business demonstrates the outstanding and consistent performance from MECA's sales team, event coordinators and event staff, and explains the convention center's overall success.

Turning to finances, MECA earned \$58.4 million in revenue in Fiscal 2018-2019, a 28% increase over the prior year. These revenues help cover employee wages and updates to the facilities.

Overall, fiscal 2018-2019 was another successful year, as MECA generated \$4.6 million dollars in net profits before depreciation and amortization.

With the CHI Health Center in its 17th year of operation, MECA understands the importance of investing net profits into facility maintenance and upgrades – with priorities set to keep up with and anticipate necessary updates as the building ages. Ms. Mills is confident that the dedicated efforts, and talented staff will ensure the facility stays competitive and profitable.

Along with concrete and roof repairs, MECA also invested in new arena speakers. The previous sound system was original to the building and in need of replacement. Feedback from both guests and media indicated a noticeable improvement in sound quality. Both the basketball court and shot-clock were also replaced in 2019, which will enhance both the fan and student athlete experience.

Additionally, last fiscal year MECA began the exploration and design of permanent security traffic barriers that will surround the MECA campus and improve overall safety.

Turning now to TD Ameritrade Park Omaha. Ms. Mills was pleased to report another strong year at the Stadium, where MECA hosted 16 Creighton home baseball games in Fiscal 2018-2019; and also welcomed the return of the Big Ten Baseball Tournament, which is here annually through 2022. The Big Ten Tournament also saw an uptick in attendance at TD Ameritrade Park Omaha this year, including during the tournament title game where the University of Nebraska (sadly) fell to Ohio State.

MECA also takes tremendous pride working with the NCAA Men's College World Series. Highlights from the 2019 CWS included at least one broken NCAA record, with Vanderbilt pitchers striking-out 764 batters this season – beating the old record of 732 in a single season. Additionally, Vanderbilt broke an SEC record with their 59th win in one season. And, history was made in Omaha this summer when MECA hosted the state's first regular season Major League Baseball game, bringing 25,000 people to the ballpark when the Kansas City Royals took on the Detroit Tigers.

All of those events combined contributed to \$7 million in profits at TD Ameritrade Park Omaha, which were distributed among the partners. As a reminder, MECA receives a small annual management fee to operate the facility.

Undoubtedly one of MECA's most significant developments in Fiscal 2018-2019 was the addition of a new endeavor: The Riverfront Revitalization Project, now simply titled "The RiverFront".

Based on its success with the arena, convention center and stadium, MECA was invited to oversee the development, operation and activation of The RiverFront. MECA Tri-Park Complex, LLC was created for the construction and management of the project, which consists of city-owned properties: Heartland of America Park, Gene Leahy Mall and Lewis & Clark Landing. Ground was officially broken at the Gene Leahy Mall in February 2019.

MECA Tri-Park Complex, LLC embarked on a 50-year agreement with the City of Omaha and Downtown Riverfront Trust (DRT) and is entrusted to maintain the almost \$300 million construction budget, consisting of both private and public funds, of which about \$50 million will be contributed by the City. At 90 acres, this is the largest redevelopment effort in Omaha's history.

MECA is currently well into Fiscal 2019-2020, but there are still plenty of exciting events to come, which include the return of the NCAA Basketball Tournament's First and Second rounds and the 2020 USA Olympic Team Trials for Swimming, the fourth consecutive trials to be hosted in Omaha. Additionally, the convention center is rapidly booking-up, with 18 citywide groups contracted in Fiscal 2019-2020 for a total of 238 event days and over 85,000 room nights. Construction will also continue throughout The RiverFront parks.

In closing, MECA is proud to have had a strong Fiscal 2018-2019. A substantial amount of our success can be attributed to hard working staff-members who help earn repeat business, while carrying out high-profile events that put Omaha in the national spotlight. MECA will work to continue bringing a variety of entertainment opportunities and sporting events to Omaha, providing good homes for Creighton men's basketball, baseball and the College World Series and utilizing our convention center space year-round to bring visitors to the City of Omaha.

Contract Approvals:

Chairwoman Duren indicated there are four contracts requiring Board approval.

CHIHCO & TDAPO

Kiewit Building Group, Inc.

RESOLVED, that the Agreement between MECA and Kiewit Building Group, Inc. to provide vehicle security bollards at various locations around CHI Health 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 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 Ms. Washington seconded by Ms. Buffett.

Motion carried: 5-0

CHIHCO

TriMark Hockenbergs

RESOLVED, that the Agreement between MECA and TriMark Hockenbergs to provide food service equipment at CHI Health Center Omaha, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized 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. Noddle.

Motion carried: 5-0

Iowa Rotocast Plastics, Inc.

RESOLVED, that the Agreement between MECA and Iowa Rotocast Plastics, Inc. to design, manufacture and deliver an Irish beverage cart to CHI Health Center Omaha, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized 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. Noddle seconded by Mr. Kelley.

Motion carried: 5-0

TDAPO

HDR

RESOLVED, that the Agreement between MECA and HDR to provide a Phase I feasibility study to extend the existing netting to each foul pole at TD Ameritrade Park Omaha, as more fully described on the attached summary, is hereby approved, and Roger Dixon as President/CEO is authorized 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 Ms. Buffett seconded by Ms. Washington.

Motion carried: 5-0

Next Board Meeting

The next MECA Board of Directors Meeting is scheduled for Wednesday, February 19, 2020, at 8:45 a.m. in the MECA Board Room.

Executive Session

Chairwoman Duren stated the time is 9:17 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. Noddle, seconded by Mr. Kelley.

Motion carried: 5-0.

Adjournment

At 9:55 a.m. a motion was made to come out of Executive Session, and to adjourn, made by Mr. Kelley, seconded by Ms. Washington.

Motion carried: 5-0

Adjournment 9:55 a.m.