

LOUISIANA STADIUM AND EXPOSITION DISTRICT
BOARD OF COMMISSIONERS MINUTES
FROM THE MEETING OF FEBRUARY 25, 2021

PRESENT: Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, J.P. Morrell, Wells T. Watson, Casey J. Robin, and Henry N. Baptiste.

ABSENT: None.

ROLL CALL and WELCOME

Chairman Kyle France called the February 25, 2021 meeting to order at approximately 1:05 p.m. Present: Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, J.P. Morrell, Casey J. Robin, Wells T. Watson, and Henry N. Baptiste. Absent: None.

Chairman Kyle M. France reads aloud the Certification under Act 302 of the 2020 Regular Session of the Louisiana Legislature related to open meetings, pursuant to which the LSED is authorized to conduct the December meeting via telephone conference.

Chairman France, with the assistance of Matt Boyd, ASM's IT Manager and Katie Bourque, ASM's Business Operations Coordinator, conducts a roll call, with four commissioners responding. Legal Counsel confirms there is a quorum in order to proceed with the Board meeting.

I. APPROVAL OF MINUTES OF JANUARY 28, 2021 MEETING

Chairman France asked for a motion for approval of the Minutes of the (January 28, 2021) Board Meeting. Commissioner Landry moved for approval of same, seconded by Commissioner Robin. All were in favor, and the Minutes of the January 28, 2021 Board meeting were adopted.

II. ASM REPORT

Doug Thornton begins the ASM report by providing updates on the business industry forecast for the remainder of the fiscal year, and current budget outlook. With respect to the industry forecast, Mr. Thornton notes that there is increased optimism among event organizers regarding a late third/fourth quarter start this year. Disney on Ice and Monster Jam are routing for spring and summer dates of 2021. There have been conversations about hosting Monster Jam in the late summer, which would be after our current fiscal year, but during fiscal year 2022. The return of live entertainment business is going to rely on the mass public getting vaccinated. Only 15 percent of shows that have not yet been rescheduled have been refunded, which shows there is a lot of consumer confidence for future shows.

With four months to go before the close of the fiscal year and despite that hotel taxes are down about \$40 million and self-generated revenues are down about \$21 million, we have closed the gap on our deficit to about \$5.5 million for the remaining portion of the fiscal year. There have been significant steps taken to reduce the deficit such as a \$3.5 million reduction in SG&A and overhead and indirect costs. That is basically cutting staff and some maintenance deferral. That is about 16 percent reduction in the operating expenses for the two buildings over the course of the fiscal year. In order to fund the deficit, all of the capital improvement dollars, any surpluses, fund balances, and capital reserves were transferred into the current year budget cycle to fund the deficit. An agreement was made with the Saints in terms of deferment of the Master Lease payment for Champions Square, which saves about \$2.6 million. A total of \$24 million will be used from borrowed capital to fund the deficit as well. There is still \$2.6 million that has been requested

through the Cares Act, that was used to cover COVID related extraordinary costs with respect to the reactivation of the Superdome and Smoothie King Center. Mr. Thornton notes we hope to see a positive impact in regards to the ongoing litigation between the State and Harrah's Casino in regards to the hotel tax distribution on the comp rooms if it goes in favor of the State.

Mr. Thornton turns to Ms. Long to ask that she share highlights of the ongoing Phase II renovations. Ms. Long proceeds to discuss several photos that illustrate the extensive work that is ongoing at the Superdome. Mr. Holmes also discusses certain aspects of the renovation and the impacted area of the facility.

[This concludes the ASM report]

Alan Freeman presents the Facility Operations Report by reporting that in the month of February the Pelicans hosted 8 games and the average attendance for those games was 2,140. Mr. Freeman notes that the permitted attendance by the City is gradually increasing. It has gone from 1,535 to 2,487. Currently, the permitted attendance is 2,700 and the Pelicans are hoping that they will be allowed to have up to 4,000 fans in the building. The food and beverage per capita is averaging at \$18 per person. Pre-game briefings are taking place at Opening Act instead of the Smoothie King Center due to lack of space. Temperature testing before entering the Smoothie King Center is required by the City of New Orleans. NBA has required tunnel covers for the players so that they are not exposed to the general public and x-ray machines for anyone who brings bags into the building, which will continue every year as well. Moving the media from court side to the 300 level of the building has also been a necessary covid safe requirement.

Mr. Freeman turns it over to Mr. Farrow who discusses the mandated NBA zone access in the Smoothie King Center. The zone access is comprised of a red-light system with green, red, and yellow signage. The green zone is designated for the general public, the yellow is designated for the media and some back of house, and the red zone is reserved for all player personnel. Mr. Farrow notes that anyone working in the red zone has to be covid tested twice within a 3 or 4 day period prior to a game.

Mr. Freeman continues with his Pelicans report by stating that the NBA only released the first half of the schedule before the season began and has just recently received the second half. The second half schedule reflects 9 home games for the Pelicans in the month of March, 8 games in April, and 3 in May to close out the season with the last regular season game being on May 16th. There has been many inquiries to hold dates for the first quarter of 2022 and it should pan out to be a really busy time due to the Pelicans Basketball games, Final Four, and a lot of concert activity. The Weeknd will host a show in New Orleans on February 22nd of 2021, and Essence Fest has been cancelled at the Superdome and will host smaller shows in nightclubs or theaters. We anticipate the return of Bayou Classic this fall and the SWAC Conference is having a spring football schedule this year. High School Football is anticipating a return back to New Orleans in December of this year and there is continuous conversations with the Sugar Bowl staff for the January 1, 2022 Sugar Bowl and also to host the September LSU and Florida state game. Mr. Freeman closes by mentioning that there are high hopes to host a Monster Truck Show in the Superdome this July.

[This concludes the Facility Operations Report]

Evan Holmes presents the Services Report by providing a brief update on current renovations. He notes that the terms of an extension for TPC to continue management services at the TPC Louisiana was finalized, which ties the management and the agreement for the Zurich Classic to the same time frame allowing stability for the local charitable partner. Ongoing discussions with Nola Gold are being held with respect to reserving them as a tenant this year and discussing the VenueShield activation plan with them to ensure appropriate social distancing and safety for fans and employees. The Shrine on Airline is being discussed as a potential site for vaccination.

[This concludes the Services Report.]

Mr. France comments on the herculean effort that it has taken to put on the Pelican games for a very small number of fans and commends the ASM staff for their efforts.

IV. FINANCE REPORT

David Weidler presents the Finance Report by stating that hotel tax is down 78 percent, which is really hurting us budget wise. Gross revenues are also down \$8.6 million, which is an 84 percent drop. On the Smoothie King Center side, it's down 90.7 percent in gross revenue. Mr. Weidler also reiterates that he has requested a \$12 million supplemental budget to pay for insurance premiums and other contractual obligations to get us through the fiscal year. He closes by noting that Capital money is being used to cover major repairs.

[This concludes the Finance Report.]

Mr. France commends Mr. Weidler for his tireless efforts to manage the budget and finances during the shortages.

V. CONSTRUCTION REPORT

Eileen Long presents a brief summary of the construction projects.

Master Plan Superdome Renovation: With respect to Phase 2, there has been a lot of fast paced demolition and construction happening. Contractors have been working double shifts in order to finish all the work prior to the upcoming football season. Concrete demolition is under way in the East and West corners of the dome for the installation of future super-vomitories in all four quadrants on the 200 level. The demolition of concrete slabs and seating areas in the event level are also taking place. Seventy-Five 90 foot pipes will be installed in the same area. The new renovation will provide fans with unobstructed views to the field. During the first week of March, precast removal on the 200 level corners will begin. Ms. Long concludes by discussing construction progress through photos shown on a slide show with respect to different areas of the Superdome.

Alario Center Kitchen Replacement Project: The project is still projected to be completed around April 7th, five weeks before the contract date of May 13th. Ninety (90) percent of the wall panels, sidewalks, and mechanical pads have been installed. The interior is currently being painted and next week the stainless steel walls and hoods will be installed with kitchen equipment to be installed the week after.

TPC-Louisiana Bunker Renovation project: The project was completed with no punch list items on February 8th.

Westwego Sports Complex: The architect Duplantis Design Group is in design development for Phase 2. 75 percent of the drawing has been reviewed. Duplantis has put a new package together that was submitted for conditional use after the shifting of the layout due to the wetlands. A public meeting will occur on April 9th and then the Jefferson Parish Council Meeting will occur on May 21st. By the end of the month, we should receive an updated estimate for construction as well as final design development drawings from DDG. The new date for bidding construction still remains around July 1st, with start of construction to happen in August of 2021.

[This concludes the Construction Report.]

VI. LEGAL REPORT

Shawn M. Bridgewater introduced the LSED Legal Report and presented the following 6 Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Robin, seconded by Commissioner Watson, the LSED authorized and approved an appropriation from the LSED Capital Reserve Account in the amount of \$45,780.00 to purchase equipment and make repairs necessary to maintain and operate the Mercedes Benz Superdome, the Smoothie King Center, and Champions Square for the 2020-2021 Fiscal Year. The source of funds for the resolution is the LSED Capital Reserve Account, and there are sufficient funds to support this Resolution.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, Casey J. Robin, and Wells T. Watson. Voting against: None Abstaining: None Absent: None. Motion **21-5 passed**.

On motion of Commissioner Baptiste, seconded by Commissioner Landry, the LSED authorized, ratified and approved Guaranteed Maximum Price Adjustment Nos. 11 and 13 ("GMP Adjustment Nos. 11 and 13") to the Guaranteed Maximum Price Amendment for the Construction Manager at Risk Contract by and between the LSED and Broadmoor, LLC, with respect to Phase 1a of the 2019 Superdome Capital Improvements Project ("Master Plan Project"). GMP Adjustment Nos. 11 and 13 (copies of which are attached to the Resolution) provide for the following:

- (a) GMP Adjustment No. 11 provides for an increase to the Master Plan Project Guaranteed Maximum Price in the amount of \$586,947.00 for added costs associated with the various items set forth and more fully described on GMP Adjustment No. 11 attached to the Resolution.

- (b) GMP Adjustment No. 13 provides for (i) a no cost change to the Master Plan Project Guaranteed Maximum Price for the demolition of necessary plumbing and HVAC equipment due to the ramp demolition to take place in all 4 quads at the Project Site; (ii) an increase to the Master Plan Project Guaranteed Maximum Price in the amount of \$18,372.00 for added costs associated with the demolition of necessary existing flooring materials, preparation of flooring, and epoxy patching and application of a floor sealer in the freight elevator lobbies and adjacent rooms at the Master Plan Project site all as more fully described on GMP Adjustment No. 13 attached to the Resolution; and (iii) a no cost change to the Master Plan Project Guaranteed Maximum Price associated with the fire sprinkler scope as it pertains to impacted areas required to facilitate construction for base scope of work that is more fully described on GMP Adjustment No. 13 attached to the Resolution.

This Resolution has been recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect), and has been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funding for GMP Adjustment Nos. 11 and 13 is the Master Plan Project Budget, and there are sufficient funds to support this Resolution. The execution of GMP Adjustment Nos. 11 and 13 by LSED Project Representative, Commissioner Hilary Landry is hereby authorized, ratified and approved.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, Casey J. Robin, and Wells T. Watson. Voting against: None Abstaining: None Absent: None. Motion **21-6 passed**.

On motion of Commissioner Watson, seconded by Commissioner Morrison, the LSED authorized, approved, and ratified the execution of (i) the AIA A133-2009 Agreement, by and between Broadmoor, LLC ("Broadmoor"), dated December 18, 2020, as the Construction Manager at Risk ("CMAR Contract"), with respect to Phase 2 of the 2019 Superdome Capital Improvements Project ("Master Plan Project"), and (ii) the Guaranteed Maximum Price Amendment, Exhibit A to the CMAR Contract, dated January 29, 2021, with respect to Phase 2 of the Master Plan Project ("GMP Amendment"). Pursuant to the terms and conditions of the GMP Amendment, Broadmoor will perform the work described therein for a not to exceed sum of \$47,660,000.00, subject to additions and deductions as may or may not be made by the LSED in accordance with the Master Plan CMAR Contract Documents.

This Resolution has been recommended by Legends Hospitality (Master Plan Project Manager) and Trahan Architects (Project Architect) and has been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funding for the CMAR Contract and the GMP Amendment is the Master Plan Project Budget, and there are sufficient funds to support this Resolution. The execution of the CMAR Contract and the GMP Amendment by Chairman Kyle M. France is hereby authorized, ratified, and approved.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, Casey J. Robin, and Wells T. Watson. Voting against: None Abstaining: None Absent: None. Motion **21-7 passed.**

On motion of Commissioner Robin, seconded by Commissioner Baptiste, the LSED authorized, approved, and ratified Trahan Architects to provide additional architectural services with respect to the 2019 Superdome Capital Improvements Project (the "Master Plan Project") in accordance with Additional Services Request No. 20 ("ASR #20") under its Contract for architectural services, dated March 25, 2019, as amended ("Trahan Contract"). ASR #20 provides for additional architectural services that relate to the Wifi Design and Documentation with respect to Phases 3-5 of the Master Plan Project, all as more fully described in ASR # 20 (a copy of which is attached to the Resolution). The additional architectural services that are provided for in ASR #20 will be performed for a not to exceed fee of \$128,397.00.

This Resolution has been recommended by Legends Hospitality (Master Plan Project Manager) and has been approved by the Master Plan Project Team, consisting of the LSED Project Representative, the ASM Project Representative, and the New Orleans Saints Project Representative. The source of funds for ASR #20 is the Master Plan Project Budget and there are sufficient funds to support the Resolution. The execution of ASR No. 20 by Commissioner Hilary Landry is hereby authorized, ratified and approved.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, and Wells T. Watson. Voting against: None Abstaining: None Absent: Casey J. Robin. Motion **21-8 passed.**

On motion of Commissioner Landry, seconded by Commissioner Morrison, the LSED authorized the negotiation and execution of a Non-Exclusive Facility Use Agreement ("Agreement") by and between the LSED and NOLA Gold Rugby Corporation ("NOLA Gold") with respect to the limited use of the Stadium on Airline Drive for a series of NOLA Gold rugby games on such terms and conditions as are acceptable to Chairman Kyle M. France and LSED legal counsel. Once in final form and following approval of LSED counsel, Chairman Kyle M. France is hereby authorized to execute the Non-Exclusive Facility Use Agreement on behalf of the LSED, with same to be ratified at a subsequent LSED meeting.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, Casey J. Robin, and Wells T. Watson. Voting against: None Abstaining: None Absent: None. Motion **21-9 passed.**

On motion of Commissioner Landry, seconded by Commissioner Robin, the LSED authorized and approved the execution of the Certificate of Substantial Completion ("Certificate") with respect to the Contract between the LSED and Duinick, Inc., for the TPC-LA Large Bunker Renovation Project, TPC-2020 Bunker Renov- AFC 1.0, dated September 18, 2020 (the "Project Contract"). The Certificate provides that the work performed under the Project Contract is sufficiently complete in accordance with the Contract Documents to allow the owner to utilize the work for its intended purpose.

This Resolution has the Staff Analysis Support and Recommendation of ASM Global and has been approved by the LSED Construction Committee. Chairman Kyle M. France is hereby authorized to execute the Certificate of Substantial Completion.

Voting in favor were Commissioners Kyle M. France, Hilary H. Landry, Gregory A. Morrison, Henry N. Baptiste, Casey J. Robin, and Wells T. Watson. Voting against: None Abstaining: None Absent: None. Motion **21-10 passed.**

[This concludes the Legal Report.]

VII. BOARD REPORTS

VIII. OTHER BUSINESS

IX. ADJOURNMENT

The LSED February 25, 2021 monthly meeting adjourned at 2:23 p.m.