

**LOUISIANA STADIUM AND EXPOSITION DISTRICT**  
**BOARD OF COMMISSIONERS MINUTES**  
**FROM THE MEETING OF JUNE 23, 2022**

**PRESENT:** Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith.

**ABSENT:** Commissioners, Casey J. Robin and Wells Watson

**ROLL CALL and WELCOME**

Chairman France called the June 23, 2022 meeting to order at approximately 1:10 p.m.

**Present:** Chairman, Kyle M. France, John A. Alario, Jr., Hilary H. Landry, Glen D. Smith, and Henry Baptiste

**Absent:** Commissioners Casey J. Robin, Wells Watson

**I. APPROVAL OF MINUTES OF MAY 26, 2022 MEETING**

Chairman France asked for a motion for approval of the Minutes for the May 26, 2022 LSED Board of Commissioners Meeting. Commissioner Alario moved for approval of same, seconded by Commissioner Smith. All were in favor, and the Minutes of the May 26, 2022 Board meeting were adopted.

**II. ASM REPORT**

Mr. Thornton begins his report by discussing the 2022 fiscal year end. The LSED is on track to have a small fund balance as cash flow tends to slow during the months of July and August. Typically in the past the range balance has been in \$7 million to \$8 million range but this year it will be less. The team meets every year to do a five-year capital plan analysis and that report will be shared during the August meeting. The original budget planned for 80% of the 2019 collections and it looks like we will be closing out the fiscal year closer to 83%, which is ahead of our year forecast. With the hotel tax rates increasing, we are hoping to see even better numbers in 2023. Unfortunately, we were not successful at the Legislature this year and we were unable to secure the \$5.2 supplemental funding, which would have been a big help in terms of cash flow.

In terms of events Zane and the team will be reporting upcoming events such as Essence and Monster truck. Construction in the building has presented some challenges in terms of concessions and circulation through the building but there are plans in motion to help accommodate everyone safely at minimal inconvenience.

Mr. Thornton concludes his report by sharing the progress at the Shrine on Airline and highlighting the \$15 funding from the Parish to refurbish the stadium that would accommodate football, rugby and soccer. They were also able to secure \$10 million capital outlay appropriation in the legislative session to supplement the \$15million. There have also been conversations with Jefferson Parish and the Saints on future development opportunities.

**[This concludes Mr. Thornton's Report.]**

Mr. Holmes begins his report by giving a high-level summary of the 2023 Fiscal Year Budget, which was presented with visuals and documents given to each Commissioner. Included in the budget are the projected revenues of which two-thirds is hotel and other associated taxes and

the balance comes from self-generated revenues, which includes event proceeds. Keeping these data points in mind, we anticipate about 90 percent of pre-COVID collections, which a ten percent increase from last fiscal year. Events activity is increasing so we are budgeting for 30 events between Champions Square and Smoothie King Center and we are expecting higher spending at these events due to the cashless environment and the modernization of our payment and inventory tracking system. ASM benefits locally from a corporate partnership with Ticketmaster that helps to sell more tickets and drive revenues.

On the expenditure side, we are experiencing many of the same challenges as other organizations including inflation, which will cause an increase in the discretionary budget for goods, services, supplies and professional services. We are anticipating the first full year of returning to full-blown operations post-COVID and the budget reflects the increased costs of securing and retaining employees and rebuilding our staff. Also built into the budget are the costs of maintenance projects that we typically try to self-fund in the event of emergencies prior to events and things of that nature.

The LSED facilitates or manages over \$32 million in revenue from the Saints and Pelicans to the State but that money is not a part of the LSEDs operating budget. He also mentioned that \$28 million of the \$43.3 expenses are for debt service used to pay vendors and operators and building personnel. The report tracking the budget will be given every month as usual to keep everyone abreast of any changes.

Mr. Thornton then highlights that due to construction, certain revenue producing events and consumer shows are not able to take place but will be reinstated once construction is complete and could help generate and recover up to \$4 million in lost revenue.

Mr. Holmes concludes his report by mentioning the resolution extending the Centerplate food service contract for a limited period of time while the parties work on a longer term arrangement. He also mentioned that ongoing construction that will continue throughout Essence Festival weekend and the different measures in place so things run smoothly.

**[This concludes Mr. Holmes' Report.]**

Mr. Collings begins his report by highlighting the upcoming Essence and Monster Truck events, which are slated to be sold out as many events have been in recent months. More upcoming events include Mary J. Blige in October and Khelani in Champion Square on August 31<sup>st</sup> in Champion Square.

Tim Suire then took a moment to discuss events at the Shrine on Airline, including rugby games, Saints mini camps and other events in partnership with the Parish and local organizations.

Mike Schilling discusses the challenges of hosting Essence fest during construction and the methods and protocols to ensure that all runs smoothly. He also discusses the buildout of the stages and facilities management during events to prevent overwhelm.

Farrow Bouton gives an overview of the challenges faced and progress made in regards to staffing for events. There have been two jobs fair in the last couple of months, one that yielded around 100 employees. Staffing is moving in a positive direction and third-party vendors are still assisting in filling in the gaps as needed. Mr. Bouton also highlighted the first employee appreciation event held for staff after two years of COVID, which was a great event enjoyed by all in attendance.

Kathleen Turner gave an update on the DBE spending and RFPs for stadium cleaning for which over 50 DBE suppliers were sourced. There's also an RFP for the Alario Center Gutter and

Downspout replacement project for which 40 suppliers were sourced. In partnership with Youth Force Nola there will be a career showcase and 50 students will attend and we will also be hosting eight of their students as interns in July.

**[This concludes Mr. Collings' Report.]**

#### **IV. FINANCE REPORT**

Mr. Weidler begins the financial report by thanking Evan for his presentation of the budget. Every line of the budget is supported by documentation and took about three months to compile. The current forecast is close to a break-even with slight excess cash. A major budgeting issue is that the state is not funding the insurance premiums which will cause serious cash flow issues in the coming months. For that reason the insurance premiums will need to be deferred until November.

Mr. Weidler completes his report by noting that the repayment to the State depends on the financial situation but could take up to six months.

**[This concludes Mr. Weidler's report]**

#### **V. CONSTRUCTION REPORT**

Ms. Long begins her report by highlighting the additional \$10 million in funds added to Capital Outlay for the John Alario Jr. Sports Complex Phase 2 construction. Construction drawings will be finished by the end of June and construction is expected to continue October 1<sup>st</sup>.

In regards to the Alario Center, Duplantis Design Group is developing a repair scope to level and repair pavers in the front of the building. The gutter and downspout replacement bid package has been on the LSED website and those bids are due June 27<sup>th</sup>.

There are construction projects at TPC or Shrine on Airline.

In regards to the Smoothie King Center, the LED exterior boards are shipping from Connecticut to New Orleans two weeks early and we are expecting them to be delivered by July 4<sup>th</sup>. The boards should be installed by mid-August subject to weather conditions. The only other Smoothie King project is the press box to an event party area called the Warehouse.

Ms. Long concludes her report by discussing the Master Plan. Phase 3b is underway and there are various levels of construction in the northeast, northwest from Level 00 all the way up to Level 500. Construction includes, demolition, electrical rerouting.

**[This concludes Ms. Long's Report.]**

#### **VI. LEGAL REPORT**

Shawn M. Bridgewater begins her LSED Legal Report, presenting the following five (12) Resolutions, which were approved by the Board of Commissioners as noted below:

On motion of Commissioner Alario, seconded by Commissioner Smith, the Louisiana Stadium and Exhibition District authorized and approved an appropriation the Budget for the LSED 2023 Fiscal Year (July 1, 2022 through June 30, 2023) which is inclusive of the Summary,

the Consolidated Cash Flow Statement, the Facility Statement of Income for the Caesars Superdome, the Facility Statement of Income for the Smoothie King Center, and the Administrative Services Budget. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-35** passed.

On motion of Commissioner Alario, seconded by Commissioner Baptiste the Louisiana Stadium and Exhibition District authorized, designated and approved The Advocate as the LSED's official newspaper of record for the 2022-2023 Fiscal Year. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-36** passed.

On motion of Commissioner Landry, Seconded by Commissioner Smith, the Louisiana Stadium and Exhibition District recommended the execution of an Addendum to the existing Management Agreement between the State of Louisiana and SMG, dated June 13, 1977, as amended through the Seventh Amendment, dated February 2, 2015.

As the political subdivision having jurisdictional authority over the Caesars Superdome and the Smoothie King Center, the LSED has been satisfied with the performance of professional management services by SMG at these facilities and recommends that the State of Louisiana, through the Office of the Governor, proceed with an Addendum to modify certain provisions of the Management Agreement on terms and conditions that are favorable to the State of Louisiana. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-37** passed.

On motion of Commissioner Alario, seconded by Commissioner Landry, the Louisiana Stadium and Exhibition District authorized and approved and ratified the Engagement Letter of Laporte, A.P.A.C. to compile and finalize the Annual Fiscal Report for the LSED as required by the State of Louisiana, Division of Administration Office of Statewide Reporting and Accounting. Policy, for the year ending on June 30, 2022 and to issue an Accountant's Compilation Report. The authorized fee for the services rendered will not exceed the cap that is set forth in the engagement letter. Chairman Kyle M. France is authorized to sign the Engagement Letter on behalf of the LSED pursuant to the Resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-38** passed.

On motion of Commissioner Smith, seconded by Commissioner Landry, the Louisiana Stadium and Exhibition District authorized and approved the Engagement Letter of Laporte, A.P.A.C. to provide the Annual Basic Financial Statements for the LSED for the year ending June 30, 2022, and to issue the Accountant's Compilation Report. The authorized fee for the

services rendered will not exceed the cap that is set forth in the engagement letter. Chairman Kyle M. France is authorized to sign the Engagement Letter on behalf of the LSED pursuant to the Resolution. Approval of the resolution was recommended

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-39.**

On motion of Commissioner Landry, seconded by Commissioner Smith the Louisiana Stadium and Exhibition District authorized and approved the Contract for Professional Services between the LSED and Laporte, A.P.A.C. for the July 1, 2022 through June 30, 2023 Contract year to perform the general accounting services on an hourly basis for the Contract amount as stated therein. Chairman Kyle M. France is authorized to sign the Contract for Professional Services on behalf of the LSED pursuant to the Resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-40.**

On motion of Commissioner Alario, seconded by Commissioner Baptiste the Louisiana Stadium and Exhibition District authorized and approved the Contract for Professional Services between the LSED and Chaffe McCall, L.L.P. for a term from July 1, 2022 through June 30, 2023. The fees and expenses paid for these professional services are governed by the State of Louisiana, Hourly Fee Schedule, as set by the Attorney General's Office. Chairman Kyle M. France is authorized to sign the Contract for Professional Services on behalf of the LSED pursuant to the Resolution. The source of funds for the contract is the LSED Capital Reserve account and there are sufficient funds to support the resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-41.**

On motion of Commissioner Smith, seconded by Commissioner Alario the Louisiana Stadium and Exhibition District requested approval, pursuant to La. R.S. 42:263, for the LSED to enter into a Contract for Professional Services with Riess LeMeiux, LLC, to act as special counsel for the LSED in any and all matters relating to the Construction Manager at Risk contract for the Superdome Master Plan Project. Fees for legal services with respect to the Contract shall be paid by the LSED in accordance with the terms and conditions of the Reiss LeMeiux Contract and shall be governed by the State of Louisiana Hourly Fee Schedule as set forth by the Attorney General's Office. The Resolution authorizes Chairman Kyle M. France to execute the Contract on behalf of the LSED. The source of funds for the Reiss LeMeiux Contract is the LSED Capital Reserve account and there are sufficient funds to support the Resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-42.**

On motion of Commissioner Landry, seconded by Commissioner Baptiste the Louisiana Stadium and Exhibition District authorized, approved and ratified the execution of the Phase 3b Guaranteed Maximum Price Amendment to the Master Plan CMAR Contract. Pursuant to the terms and conditions of the Phase 3b GMP Amendment, Broadmoor will perform the work described therein for a not to exceed sum of \$234,923,000.00 subject to additions and deductions as may or may not be made by the LSED in accordance with the Master Plan CMAR Contract Documents. The source of funding for the Phase 3b GMP Amendment is the Master Plan Project Budget, and there are sufficient funds to support this Resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-43.**

On motion of Commissioner Landry, seconded by Commissioner Smith the Louisiana Stadium and Exhibition District authorized, approved and ratified the execution of a deductive change order in the amount of \$132,000.00 to the Contract by and between the LSED and All Start Electric with respect to the Smoothie King Center Exterior LED Video Display Project. All Star Contract Change Order No. 001 provides for a reduction to the All Star Contract in the amount of \$132,000.00 to account for an extension of the Project completion date until October 1, 2022. All Star Contract Change Order No. 001 has the Staff Analysis Support and Recommendation of ASM Global and has been approved by the LSED Construction Committee. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-44.**

On motion of Commissioner Smith seconded by Commissioner Landry the Louisiana Stadium and Exhibition District accepted the recommendation of SMG, in its capacity as the Manager of the LSED facilities to accept the proposal for the purchase by SMG and/or its subsidiary, ASM Global of certain equipment from First Data Merchant Services LLC, d/b/a/ ByPass that will be used for the replacement and modernization of the food service point-of-sale system at the LSED facilities ("Point of Sale Equipment). On or about April 15, 2022, a request for proposals was issued by SMG seeking prices for Point of Sale Equipment to be utilized at the LSED facilities. Following the evaluation by the selection committee, the submission of the Fiserve/ByPass team received the highest score and was selected by the committee to provide the Point-of-Sale Equipment for the price of \$1,696,388.00. This Resolution has the Staff Analysis Support and Recommendation of SMG and ASM Global. The source of funds for the Point of Sale Equipment is the LSED Capital Reserve Fund and there are sufficient funds available to support the Resolution. Approval of the resolution was recommended.

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-45.**

On motion of Commissioner Smith seconded by Commissioner Baptiste the Louisiana Stadium and Exhibition District accepted the recommendation of SMG and ASM Global, in SMG's capacity as the Manager of the LSED facilities to amend the Concession Agreement dated July 1, 2014 with Service America Corporation d/b/a Centerplate (now known as Sodexo Live!) ("Concessionaire") to extend the term of the Concession Agreement for period of one (1) year, commencing July 1, 2022 and expiring on June 30, 2023 on terms and conditions that are agreed to by SMG and ASM Global. This Resolution has the Staff Analysis Support and Recommendation of SMG and ASM Global. Approval of the resolution was recommended

Voting in favor were Chairman, Kyle M. France, John A. Alario, Henry Baptiste, Hilary H. Landry, Glen D. Smith. **Motion 22-46.**

**[This concludes the Legal Report.]**

**VII. BOARD REPORTS**

None.

**VIII. OTHER BUSINESS**

None.

**IX. ADJOURNMENT**

Chairman France asks for a motion to adjourn. On motion of Commissioner Alario, the June 23, 2022 LSED Board meeting adjourned at 1:57 p.m.