

MINUTES
GWCCA STADIUM DEVELOPMENT COMMITTEE MEETING
November 21, 2014
10:00 a.m.
Executive Board Room

The following were in attendance:

Committee Members Present:

Taz Anderson
Anne Hennessy
Glenn Hicks
Lee Hunter, Chair
Tim Lowe, Ex-Officio
Doug Tollett

Committee Members Absent:

Bart Gobeil, State Advisor
Rep. Jan Jones, Legislative Advisor

GWCCA Staff Present:

Carl Adkins
Dale Aiken
Kevin Duvall
Mark Geiger
Jennifer LeMaster
Frank Poe
Pargen Robertson
Sherrie Spinks
Lindsay Strickland

Guests:

Elena Cizmaric, AMB Group
Bill Darden, Darden & Company
Wayne Wadsworth, HHRM Joint Venture

Chair Hunter called the meeting to order at 10:05 a.m. and asked for a motion to approve the July 15, 2014 meeting minutes.

A motion to approve the July 15, 2014 GWCCA Stadium Development Committee meeting minutes was made by Taz Anderson, seconded by Doug Tollett, and unanimously approved.

NEW STADIUM PROJECT (NSP) UPDATE

The NSP Guaranteed Maximum Price will not be presented to the Committee today but will be presented at the December 2, 2014 Board of Governors meeting. Today the Committee will receive an update from Bill Darden (Darden & Company) and Wayne Wadsworth (Senior Vice President and Principal in charge of the project for Holder, Hunt, Russell, Moody Joint Venture) on the status of construction and the scheduling process to date. Construction has been moving along at an incredible pace with:

- 65+ sub-contractors
- Average daily manpower - 400 workers
- Peak daily manpower - 2,000 workers (late 2015)
- Foundations completed – 90%
- Concrete columns/slabs completed – 10%
- Overall construction completed – 8%

The team is doing an excellent job. The Committee viewed an impressive presentation showing a 4D view of the stadium coming out of the ground.

COMMERCIAL ADVERTISING REQUEST FOR PROPOSALS

Since the last Stadium Development Committee (SDC) meeting, the Atlanta Hall Management Advertising Agreement for the Marietta Street Parking Deck video board was executed on September 30, 2014. Terms include the following guaranteed revenue.

- FY15 = \$187,500 (for 6 months)
- FY16 – FY19 = \$250,000/year
- FY20 = \$62,500 (FY15 balance)
- Total guaranteed = \$1.25M (5 years)

At the July 15, 2014 SDC meeting, the Committee gave their approval for staff to issue a Request for Proposal (RFP) for GWCC Commercial Advertising Sales Services. The RFP was issued September 9, 2014. Proposals were received from the following four firms.

- ATMedia Outdoor
- Clear Channel Outdoor (CCO)
- Media Brokers International (MBI)
- Parketing, LLC

The RFP Evaluation Committee consisted of the following staff members.

- Kevin Duvall, Chair
- Mark Adams, GWCC Director of Sales
- Kelsey Cunningham, GWCC Marketing Specialist
- Mark Geiger, GWCC Director of Marketing
- Jim Ridgway, GWCC Director of Event Services
- Josh Robison, GWCC Director of Engineering

They reviewed the proposals and narrowed the list down to two finalists, MBI and CCO. Oral presentations from the two finalists were received on October 29, 2014. The finalists also took a tour of the campus to see current and potential inventory. MBI offered a straight revenue split of 70% GWCC / 30% MBI for all revenue. COO offered a varying revenue split ranging from 61% GWCC / 39% COO for first \$250K, up to 65% GWCC / 35% COO for anything over \$2M.

The Evaluation Committee unanimously selected MBI as the best qualified to meet the commercial advertising needs of the Congress Center based on the following:

- Local company, 23 years in business, 70employees, \$72M annual revenue
- They are media placement specialist for digital and static signage.
- Have LED Division. (advertiser funded plans to generate shared revenue and defray installation cost)
- Received College Football Hall of Fame contract for entrance screen and scoreboard on their field.
- Had a great presentation geared to the Congress Center with numerous ideas for future concepts.

MBI's business terms include:

- Three-year agreement
- MBI sells internal and external commercial advertising (digital & static)
- Revenue split of GWCC 70% / MBI 30%
- Start date of January 1, 2015, pending approval (6 months FY15 & FY18)

Potential gross revenue would be \$1.2M to \$2M based on MBI strategy of securing four to five large advertisers with bundle digital and static inventory (package deals) at \$300K to \$400K per advertiser.

The Committee was reminded that prior to the RFP being issued the Falcons were approached regarding an advertising brokerage agreement and they offered a revenue split ranging from 70% GWCC / 30% Falcons for the first \$200K to 62.5% GWCC / 37.5% Falcons for anything over \$2M. This offer included the Marietta Street Parking Deck digital sign.

At this time, staff recommended Committee approval to advance the MBI License Agreement proposal to the full Board at the December 2, 2014 Board meeting for their consideration and approval.

The Stadium Development Committee expressed some concern about making sure the Congress Center entered into the best agreement possible. They asked staff to circle back with the Falcons to make sure they did not want to adjust their original proposal and also asked staff to go back to MBI to see if they would consider a better split, possibly 80% GWCC / 20% MBI since the Congress Center is funding the inventory.

Staff then recommended Committee approval for the Executive Director and staff to continue negotiations with MBI.

At this time Chair Hunter asked for a motion to approve staff's second recommendation.

A motion authorizing the Executive Director and staff to continue negotiating business terms with Media Brokers International (MBI) for a Commercial Advertising Agreement which could be brought to the full Board for consideration and approval at the December 2, 2014 Board of Governors meeting was made by Glenn Hicks, seconded by Anne Hennessy, and unanimously approved.

There being no further business to discuss, the meeting adjourned at 11:26 a.m.

Respectfully submitted:

Approved:

Dale Aiken, Assistant Secretary

Lee Hunter, Chair