Georgia World Congress Center Authority

BOARD OF GOVERNORS MEETING

March 26, 2019

Authority
Financial
Customer
Approval of Minutes
February 26, 2019
February Financial Update

Terrence Coleman,
Director of Accounting
## Financial Snapshot – February 2019

### Profit/Loss

- **Actual**: $5,975,695
- **Budgeted**: $4,269,885
- **YTD Actual**: $5,411,200
- **Budgeted**: $901,037

### Customers

- **(Estimated)**: 202,427*

### Economic Impact

- **(Estimated)**: $59M*

### H/M Tax

- **Actual**: $4.4M
- **Budget**: $4.4M
- **FY18**: $4.2M

*not including Super Bowl LIII
Questions?
FY19 Mid-Year Performance Update

Jennifer LeMaster,
Chief Administrative Officer
Performance Update

PERSONNEL COMMITTEE

FISCAL YEAR 2019: Q1-Q2
Welcomed 2.3M customers to the GWCCA campus

Hosted 219 events on the GWCCA campus

GWCCA events have generated $871.4M in economic impact
Key Performance Indicators

The #1 convention, sports and entertainment destination in the world

Facilities
• Over $100M in projects
• High-level of complexity and visibility
• Customer interface

Financial
• Projected to exceed budgeted net profit.

Customer
• OSAT is at 4.46
• More surveys year-over-year
• Doubled the number of planner surveys
OSAT FY18 vs. FY19

This Fiscal Year to date we are up to a 4.46 and have added over 1000 surveys in the last 3 months (on track for 3000 for year). We took a hit with a 3.9 in Nov from 247 exhibitor responses coming from Fabtech in one month (out of 516 exhibitors for the year). Still trending towards a 4.5 rather than a 4.4 from last year.
Other Notable Achievements
Vision 2025
Current Campus Collaborations

SCAD
SAVANNAH COLLEGE of ART and DESIGN

GT
GEORGIA TECH

Georgia State University
Atlanta corporations bank on beekeeping begetting better business

AJC New Findings | March 25, 2019

By Ben Brasch, The Atlanta Journal-Constitution
GWCCA.ORG 2.0

COMPELLING GUEST EXPERIENCES

"People are able to move so easily throughout the [GWCCA] campus. It is as compact a Super Bowl campus as we have seen in recent years." - Peter O'Reilly, NFL Senior Vice President of Events

LEARN MORE | PLAN YOUR EVENT
SUPER-Staffing
Most Popular Teammate
Yesterday, while attending the AHR Expo, I stopped at the Outtakes by the “A” Hall entrance looking for a banana and cup of coffee for breakfast. The two associates manning the shop let me know they didn’t have bananas and that I’d need to head over to the Outtakes in “B” Hall to find one. “That’s okay,” I said. “I’ll settle for coffee and a muffin.”

When I turned to pay for my breakfast goodies, the cashier handed a banana to me. “Where did this come from?” I asked. She informed me she had it in her lunch and wanted me to have it. I was floored by her generosity, called her a “goddess” and gave her a hug.

She had no way of knowing that I work for the North American Association of Food Equipment Manufacturers (NAFEM). Our event, The NAFEM Show, comes to the GWCC in February 2029 and I’m proud to share this small story of hospitality as a way of reconfirming the decision to return (our last show at the GWCC was in 2007).

Charlie Souhrada, CFSP, Vice President, Regulatory & Technical Affairs
North American Association of Food Equipment
Questions?
ACTION ITEM

CCLD Services Contract Review and Staff Request

Joe Bocherer,
Chief Commercial Officer
CCLD Networks

Exclusive Provider of Telecom and Internet Services for the Georgia World Congress Center Authority
History/Future Partnership

- Joined GWCCA family in 1996
- 25+ years as partner
- In 2000 became both our internal IT and Events solution partner
- One of first centers to install DAS for cell carriers
- 93% OSAT through FY18 and FY19 trending in Qualtrics-- #1 Department for GWCC
- Current contract through 2021

- Focus on next generations of Safety & Security, Digital infrastructure, IOT and expansion of data speed and delivery
- Partner/Consultant on current projects– Orange Deck, B/C Connector and Hotel
- Vetted terms w/3rd party for industry validation on commission & staffing structures
## IT Staffing Comparison

<table>
<thead>
<tr>
<th>2019 IT Positions</th>
<th>GWCC Yearly Amount billed by CCLD</th>
<th>Salary.com Atlanta Average Amount for GWCC Billed Positions</th>
<th>Salary.com Average Amount for presumed GWCC positions if IT handled in-house</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Director</td>
<td>$140,418</td>
<td>$219,942</td>
<td>$219,942</td>
</tr>
<tr>
<td>Network Analyst</td>
<td>$127,045</td>
<td>$132,241</td>
<td>$132,241</td>
</tr>
<tr>
<td>Sr. Network Engineer</td>
<td>$127,045</td>
<td>$148,512</td>
<td>$148,512</td>
</tr>
<tr>
<td>Creative Director - Web</td>
<td>$100,299</td>
<td>$159,158</td>
<td>$159,158</td>
</tr>
<tr>
<td>Network Technician II</td>
<td>$73,552</td>
<td>$80,517</td>
<td>$80,517</td>
</tr>
<tr>
<td>Network Technician III</td>
<td>$73,552</td>
<td>$97,158</td>
<td>$97,158</td>
</tr>
<tr>
<td>Sr. Systems Administrator</td>
<td>$100,299</td>
<td>$122,949</td>
<td>$122,949</td>
</tr>
<tr>
<td>Digital Design Engineer</td>
<td>$61,134</td>
<td>$76,870</td>
<td>$76,870</td>
</tr>
<tr>
<td>Sr. Systems Analyst</td>
<td>$100,299</td>
<td>$131,985</td>
<td>$131,985</td>
</tr>
<tr>
<td>Camera Maintenance Technician (removed with contract extension)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$68,490</td>
</tr>
<tr>
<td>Jr. Systems Analyst (CCLD does not bill GWCC)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$71,125</td>
</tr>
<tr>
<td>Jr. Network Engineer (presumed employee position if IT handled in-house)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$98,404</td>
</tr>
<tr>
<td>Network Technician I (presumed employee position if IT handled in-house)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$64,102</td>
</tr>
<tr>
<td>Totals</td>
<td>$903,643</td>
<td>$1,169,332</td>
<td>$1,471,453</td>
</tr>
</tbody>
</table>

- These figures do not include any amounts for Thomas, Blake, Jason, Jim, Matt, techs, etc. CCLD event staff also works on many administrative systems and projects without billing to the GWCC.
## Current/Proposed Commission Structure

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Event Commission</th>
<th>DAS Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-2007</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>2008-2012</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>2013-2021</td>
<td>25%</td>
<td>80%</td>
</tr>
</tbody>
</table>

### Event Revenue – Current Tiered Rates Above $3.5M

<table>
<thead>
<tr>
<th>Event Revenue</th>
<th>Current Event Commission Rate</th>
<th>Event Commission Rate w/ Contract Extension</th>
<th>DAS Commission Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $3.5M</td>
<td>25%</td>
<td>30%</td>
<td>80%</td>
</tr>
<tr>
<td>$3.5M - $4M</td>
<td>30%</td>
<td>35%</td>
<td>80%</td>
</tr>
<tr>
<td>$4M – $4.5M</td>
<td>34%</td>
<td>39%</td>
<td>80%</td>
</tr>
<tr>
<td>$4.5M - $6M</td>
<td>38%</td>
<td>43%</td>
<td>80%</td>
</tr>
<tr>
<td>$6M+</td>
<td>40%</td>
<td>45%</td>
<td>80%</td>
</tr>
<tr>
<td>Facility</td>
<td>Commission Structure</td>
<td>DAS Revenue</td>
<td>Contract</td>
</tr>
<tr>
<td>--------------</td>
<td>----------------------------------------------------------</td>
<td>-------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Charlotte</td>
<td>25% $1.33M Gross Revenue</td>
<td>$99K/Year</td>
<td>10 years thru 2022</td>
</tr>
<tr>
<td>Dallas</td>
<td>32% $2.4M Gross Revenue</td>
<td>Under Construction</td>
<td>10 years thru 2027</td>
</tr>
<tr>
<td>San Antonio</td>
<td>30% - 37% $2.5M Gross Revenue</td>
<td>N/A</td>
<td>10 years thru 2028</td>
</tr>
<tr>
<td>Anaheim</td>
<td>33% $2.55M Gross Revenue</td>
<td>N/A</td>
<td>7 years thru 2021</td>
</tr>
<tr>
<td>GWCCA</td>
<td>30% - 45% (Proposed % with extension) $3.6M Gross Revenue</td>
<td>$288K/Yr (AT&amp;T, Sprint, Verizon) $384K/Yr (with T-Mobile ‘18) (80% commission)</td>
<td>Current - 7 years thru 2021 Extension – 7 years thru 2028</td>
</tr>
<tr>
<td>Orlando</td>
<td>36.5% - to $6M 37.5% - 39.5% - $6m to $8.5M Additional 1% - &gt; $8.5M $7.4M Gross Revenue</td>
<td>$215K/Year</td>
<td>10 years thru 2028</td>
</tr>
<tr>
<td>Las Vegas</td>
<td>46% $10.2M Gross Revenue</td>
<td>N/A</td>
<td>7 years thru 2020</td>
</tr>
</tbody>
</table>
## CCLD Investment

<table>
<thead>
<tr>
<th>Equipment/Installation</th>
<th>Investment Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>500 Avigilon Cameras (Avg. $1,500/ea.)</td>
<td>$750,000</td>
</tr>
<tr>
<td>Black Box Video Players for Meeting Room Digital Signage</td>
<td>$200,000</td>
</tr>
<tr>
<td>42” NEC Monitors for Meeting Room Digital Signage</td>
<td>$75,000</td>
</tr>
<tr>
<td>Power Installation for Room Digital Signage</td>
<td>$50,000</td>
</tr>
<tr>
<td>Additional Network Switches (Approximately 30)</td>
<td>$100,000</td>
</tr>
<tr>
<td>Fiber/Copper/Conduit for all projects</td>
<td>$225,000</td>
</tr>
<tr>
<td>Total Labor</td>
<td>$425,000</td>
</tr>
<tr>
<td><strong>Total Investment</strong></td>
<td><strong>$1,825,000</strong></td>
</tr>
</tbody>
</table>

In addition to the investment above, the GWCC will realize a savings of approximately $100,000 per year with the elimination of the camera maintenance agreement. Over the life of the contract with CCLD Networks (Jan. 2019 thru Dec. 2028), the GWCC would save $1,000,000.
Terms

• CCLD Networks to contribute $1,825,000 in equipment, infrastructure and labor for IP camera system upgrade, meeting room digital signage and access control infrastructure.

• Authority to extend existing contract for a term of seven years, ending December 31, 2028.

• CCLD Networks will increase base commission structure from 25% to 30% and increase tiered structure up to 45%.
THANK YOU

Questions?
ACTION ITEM

Parking Services Contract Review and Staff Request

Joe Bocherer,
Chief Commercial Officer
Georgia World Congress Center Authority

Parking Access Revenue Control Systems (PARCS) Review
## SP+ Operational Timeline

<table>
<thead>
<tr>
<th>DATE</th>
<th>MILESTONE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug-16</td>
<td>SP+ Commence Operations</td>
</tr>
<tr>
<td>Sep-16</td>
<td>Overall Assessment: Controls- PARCS</td>
</tr>
<tr>
<td>Nov-16</td>
<td>First customer service/hospitality training</td>
</tr>
<tr>
<td>Jan-17</td>
<td>Implemented SP+ SOP, Third party mystery shopper program, improved</td>
</tr>
<tr>
<td></td>
<td>revenue controls</td>
</tr>
<tr>
<td>May-17</td>
<td>Customer service/hospitality training</td>
</tr>
<tr>
<td>Jul-17</td>
<td>Improved reservation experience/Park Mobile</td>
</tr>
<tr>
<td>Aug-17</td>
<td>Upgraded handheld technology/Park Hub</td>
</tr>
<tr>
<td>Aug - 17 to Present</td>
<td>Continued customer service/hospitality training - efficiencies</td>
</tr>
</tbody>
</table>
SP+ Parking Financial History

Financial Highlights

• FY18 $1.5M favorable to budget
• FY19 $1.1M favorable to budget (8 months)
• 550k total transactions in 2018
• 65% Credit Card transactions
• 33% Reservation transactions campus wide
• 88% Reservations for 2018 Atlanta Falcons
• 81% Reservations 2018 Atlanta United
• Additional revenue streams from area partners
  – $48k Omni valet overflow
  – $180k MBS staff parking
  – $24k State Farm staff parking
## Current PARCS Inventory: Challenges

### Three Separate PARCS Systems

- **T2**
  - Amano McGann
  - ParkHub

### Onsite Equipment

- **34 Lanes**
- **13 Cashier Power Pads**
- **32 Barrier Gates**
- **5 Ticket Dispensers**
- **4 Pay-in-lane**
- **1 Pay-on-foot**
- **17 Handhelds**

### Challenges

- Two/Three systems end of life
- Extended amount of down time
- Lack of controls
- Zero integration between the current systems
- Limited real-time monitoring/dashboard
- Limited to no integration with aggregators
- Limited marketing capabilities
- Over $200k spent in R&M and licensing fees for current PARCS systems
New Equipment Benefits

Enhanced Overall Customer Experience

- Single source campus wide PARCS system
- Future Proof/Open Ended
- High level of controls/Gates down 24/7
- Seamless transition from Variable rate (Pay on exit) mode to Event rate (Pay on entry) mode
- Increased lane flexibility
- License Plate Recognition (LPR) Technology
- Integration with all aggregators
- Integration with current turnstiles at MBS
- Real time monitoring of all data – Live dashboard
  - Transactions
  - Capacity
  - LPR (Who is in the decks/lots)
- Innovative marketing capabilities
- Extended warranty – Preventative Maintenance
- Robust local service team
- Demand based pricing
- Seamless arrival/departure experience
- Parking Services = Guest Service
- Transition from “Cashier” to “Ambassador”
- Real time lane management
- Ingress & Egress Efficiencies
- Provide a secure controlled environment
- Multiple payment solutions
- Multiple validation/reservation solutions
- Value add options
- NFC Technology “Fandango”
Investment - ROI - Procurement

Investment
$1.8m to $2m

ROI
• Annual Labor Savings
  – $380k

• Annual Revenue Improvement
  – 10% of current gross cash/credit = $667k

• Total Annual Savings/Revenue Improvements
  – $1,047,000

• Potential ROI
  – 21 to 23 months

Procurement
• SP+ procure and finance equipment on behalf of the Georgia World Congress Center Authority

• GWCCA and SP+ extend current management agreement for an additional 5 years

• Equipment will be amortized over 5 year period

• Recommend GWCC allocate 3% to 5% of gross revenue to a “Parking” reserve fund. Funds can be used to accelerate payment of financed amount – future capital expenditures
Thank You

Questions?
RESOLUTION

AUTHORITY REGULATIONS AND ORDINANCES

Pargen Robertson, GWCCA Legal Counsel
GWCCA Legislative Power

“The (Georgia World Congress Center Authority) shall have legislative power to adopt reasonable ordinances relating to the property, affairs, and administration of the authority for which no provision has been made by general law and which are not inconsistent with the general laws and Constitution of the State of Georgia and the laws and Constitution of the United States.” O.C.G.A. 10-9-4.1(b)
GWCCA Legislative Power

“The officers of the Georgia World Congress Center Police, including the Security Guard Division thereof, and law enforcement officers acting within the jurisdiction of the authority under paragraph (3) of subsection (d) of Code Section 10-9-15, and subject to the requirements of . . . the “Georgia Peace Officer Standards and Training Act,” shall be authorized to serve and execute warrants and to make arrests for violation of ordinances adopted by the authority.” O.C.G.A. 10-9-4.1(b)
GWCCA Legislative Power

“For the purposes of exercising the powers and responsibilities of such officers as peace officers under paragraph (8) of Code Section 35-8-2, including their duties and responsibilities with respect to matters occurring within the limits of the facilities of the authority or requests by another law enforcement agency to provide aid and assistance, such officers shall have the same authority, powers, privileges and immunities regarding enforcement of laws as law enforcement officers employed by the state.” O.C.G.A. 10-9-4.1(b)
FULTON COUNTY MAGISTRATE COURT HAS EXCLUSIVE JURISDICTION TO HEAR SUCH GWCCA CASES

“Prosecutions for violations of the ordinances of the authority shall be in the magistrate court sitting in the county in which such violation occurs as provided in Article 4 of Chapter 10 of Title 15.”

O.C.G.A. § 10-9-4.1(b)
PROSECUTION OF VIOLATIONS

“The maximum punishment for violation of such an ordinance shall be stated in the ordinance and shall not exceed a **fine of $500.00** or **imprisonment for 60 days, or both.**” O.C.G.A. 10-9-4.1(b).
AUTHORITY REGULATIONS AND ORDINANCES

Campus-wide Regulations and Ordinances

• What are we asking the Board to act on today?

• We seek to incorporate two new provisions into our Campus Regulations and Ordinances.

  • In Section 4.31.4 we seek to incorporate a prohibition on electric scooters on the GWCCA Campus.

  • In Section 4.30 we seek to incorporate a provision essentially clarifying a process for Executive Director approval for aircraft operations on the GWCCA Campus.
Questions?
NEXT MEETING

Tuesday, April 30, 2019