BOARD OF GOVERNORS MEETING

OCTOBER 31, 2023
Approval of Minutes
September 13-14, 2023
Financial Update

Rey Rodriguez
Director of Finance
## Financial Snapshot: September

<table>
<thead>
<tr>
<th>Month</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$2,985,708</td>
<td>$3,549,283</td>
<td>$564K 18.9%</td>
</tr>
<tr>
<td>Expense</td>
<td>$3,948,780</td>
<td>$4,484,224</td>
<td>$535K 13.6%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>($963,072)</td>
<td>($934,941)</td>
<td>$28K</td>
</tr>
</tbody>
</table>
## Financial Snapshot: YTD thru September 2023

<table>
<thead>
<tr>
<th>Month</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$10,103,047</td>
<td>$12,342,524</td>
<td>↑ $2.2M, 22.2%</td>
</tr>
<tr>
<td>Expense</td>
<td>$13,392,580</td>
<td>$14,141,116</td>
<td>↑ $749K, 5.6%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>($3,289,533)</td>
<td>($1,798,592)</td>
<td>↑ $1.5M</td>
</tr>
</tbody>
</table>
## FY24 – Q1 Rolling Forecast Update

<table>
<thead>
<tr>
<th>Year-End Profit/(Loss)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget</strong></td>
<td>$1,401,377</td>
</tr>
<tr>
<td><strong>Projection</strong></td>
<td>$1,658,600</td>
</tr>
</tbody>
</table>
Questions?
Signia By Hilton Atlanta
Development Update

Theonie Alicandro
COO/General Counsel
Drew Company Atlanta, LLC
Agenda

- Flood Event September 14, 2023
- Construction Update
- Hilton Milestones
- Schedule
- Path to Completion
- Change Order No. 15
- Development Budget Update
- Questions
Challenges as of September 13, 2023

➢ Maintaining Schedule/Stacking of Work
➢ Weather
➢ Variable Cost Events
24 Hours Later This Happened
Northside Drive
Hilton Team Dining
Hilton Team Dining
Employee Locker Room

**Before**

**After**
HR/Security Offices

Before

After
Back of House Spaces
Peace Meeting Rooms

Before

After
Remediation and Reconstruction

- Servpro and Full Circle Restoration were immediately called to the site on Sept. 14, 2023, to begin mitigation efforts to stop the water and begin remediation.

- Immediately notified our builders risk insurer, Zurich, of the incident; claims adjuster and third-party consultant were assigned to case and have visited site.

- By Sept. 25, 2023, received all clear from Servpro and Full Circle Restoration to begin reconstruction work.

- Notified by Zurich that we could begin reconstruction work.

- Drywall reconstruction work commenced on Sept. 26, 2023.

- Skanska and Drew worked to assemble assessments from each impacted trade subcontractor totaling approximately $2M in damages.
Construction Update

October 2022

October 2023
Construction Update: Entry
Construction Update: Registration
Construction Update: Lobby Feature Wall
Construction Update: Lobby Sculpture
Construction Update:
Dream Ballroom
Construction Update: Triumph Ballroom
Construction Update: Capolinea
Hilton Milestones: Levels 6-23
Hilton Milestones: TCO #1

Employee Locker Rooms

Uniform Carousel
Hilton Milestones: TCO #1

HR and Security Offices
48 Days Until Substantial Completion...
Per Change Order No. 004, Substantial Completion Date is **Dec. 18, 2023**

Previously reported tracking one (1) day behind schedule from material shortage issue/adverse weather in May 2022 and eight (8) days of delays due to adverse weather for a total of nine (9) days. **Skanska has now reported additional two (2) impact days, Sept. 14-15, 2023, stemming from the immediate rain event and day after for work stoppage due to water mitigation purposes with ongoing assessment for other cost and time impacts.**

Despite flood event, Hilton Milestones and Substantial Completion Date are intact.

Working with Chaifetz Consulting, Inc.

Over 2,000,000 man-hours to date!
Path to Completion

➢ Continue guest tower interiors, including tile work, wall covering, installation of guestroom lit vanity mirrors, unit doors, vanities, carpet, owner-installed FF&E, including wardrobes, headboards and desks

➢ Completion fire life safety systems

➢ Finish work throughout podium, including lobby sculpture

➢ Ongoing installation of kitchen equipment

➢ Delivery of OS&E for guest rooms and podium

➢ Inspections by Fulton County Health Dept.
Change Order No. 15

Scope and coordination issues include additional track and switches for operable partitions in Triumph Ballroom and other minor miscellaneous items.

Change Order No. 15 in an amount $64,522 will be executed by Executive Director pursuant to his signing authority and will be paid out of Owner's Hard Cost Contingency.
# Development Budget Update: October 2023

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised GMP Hard Cost (including CO No. 15)*</td>
<td>$331,636,929</td>
</tr>
<tr>
<td>Preconstruction Fee (not in GMP)</td>
<td>$394,170</td>
</tr>
<tr>
<td>Owner Direct Hard Cost</td>
<td>$3,521,685</td>
</tr>
<tr>
<td>Owner’s Hard Cost Contingency</td>
<td>$2,364,740</td>
</tr>
<tr>
<td><strong>Total Hard Cost</strong></td>
<td><strong>$337,917,524</strong></td>
</tr>
<tr>
<td>Total Soft Cost</td>
<td>$109,499,267</td>
</tr>
<tr>
<td>Owner’s Soft Cost Contingency</td>
<td>$2,077,759</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$450,422,689</strong></td>
</tr>
<tr>
<td>Total Hard &amp; Soft Cost Contingency</td>
<td>$4,442,499</td>
</tr>
</tbody>
</table>

*Owner's Hard Cost Contingency decreased from last month in amount of **$64,522** due to Change Order 15
## Development Budget Update

<table>
<thead>
<tr>
<th>Total development budget</th>
<th>$450,422,688</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total spend through 9.30.2023</td>
<td>$365,879,355</td>
</tr>
<tr>
<td>Percent spend through 9.30.2023</td>
<td>81.23%</td>
</tr>
</tbody>
</table>
Questions?
Mercedes-Benz Stadium Capital Project Update

Dietmer Exler
SVP/Chief Operating Officer
Molly B’s 2.0
Mercedes Benz Stadium
Current Molly B’s Club Space
Capacity: 160
Conceptual Design Overview

- Footprint Layout
- Access & Arrival
- Bar Location
- Pantry
- Outer Restroom Location
Conceptual Design for New Molly B’s Club
New Molly B’s Club Overview

- Extending the S1 level to build out a new club space above the existing Molly B’s
- The new space will have two separate clubs, connected via stairs: a super-premium Season Ticket Member club upstairs and an add-on dining/bar experience downstairs
- Increase of 128 bowl facing seats (144 new seats on upstairs, loss of 16 seats downstairs)

Timeline
- Projected completion 2024
AT&T Lofts
Mercedes-Benz Stadium
Capacity:
5 suites with 109 bowl seats

In use since August 2023
(Beyonce Concert)
Questions?
GWCC Building B & AB Connector Escalator Modernization Recommendation

Ken Stockdell
Director, Project & Program Management
Project Highlights

➢ Original units from 1983 Phase II and Phase III construction; 30 – 40 years old
  ▪ Industry expected life is 20-25 years

➢ Although well maintained, units are increasingly unreliable

➢ Parts very difficult to obtain
  ▪ Broken shaft on unit B24; replacement part six (6) month lead-time
  ▪ Routine parts take up to six (6) weeks
Project Highlights

➢ Procurement Process
  ▪ Design Services: Lerch Bates
  ▪ Issued RFP via Procurement Registry
  ▪ Received three proposals
  ▪ Selected Kone

➢ Modernization Cost: $15,100,000

➢ Project Duration: Approx. 3 years
  ▪ Number of Units: 33
  ▪ Design/submittals/approvals: 8 weeks
  ▪ Procurement/fabrication: 25 weeks
  ▪ Modernization work: 12-15 weeks each unit
Questions?
Kone, Inc.
Procurement Resolution

Pargen Robertson
Legal Counsel
NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of the Geo. L. Smith II Georgia World Congress Center Authority that the Executive Director is authorized, though not required, to execute and deliver, in substantially similar form to the one attached hereto as Exhibit A, but subject to the occurrence or satisfaction of any and all applicable contingencies, terms and conditions, an agreement for escalator modernization services, but only so long as such agreement complies with applicable law and, in the judgment of the Executive Director, is consistent with the corporate purposes and mission of the Authority and the Authority’s sound business practices.

BE IT FURTHER RESOLVED that the Executive Director is authorized to take any and all actions, to execute and deliver any and all documents, agreements, certificates and instruments and to take any and all steps deemed by the Executive Director to be necessary or desirable to consummate the execution of an agreement for such services and to carry out the purpose and intent of the foregoing resolution, and all actions heretofore taken in furtherance thereof are hereby ratified and confirmed in all respects.
Questions?
Building A Meeting Room

Carpet Replacement

Kevin Duvall
Chief Operating Officer
Project Highlights

➢ Existing meeting room broadloom carpet is 20+ years old with many embedded stains and tears

➢ New tile carpet has been installed in 6 meeting rooms to showcase new look and test durability

➢ Tiles can be replaced if there are tears or stains that cannot be removed
Project Highlights

➢ A total of 42,763 square feet of carpet will be installed covering the remaining 22 Building A meeting rooms

➢ Total cost: $443,187; includes demolition of existing carpet, production of new carpet, installation, and attic stock

➢ Agreement issued to Shaw Contract Flooring/Spectra Contract Flooring, a Georgia-based company producing carpet in Georgia
Questions?
Spectra Carpet Procurement Resolution

Pargen Robertson
Legal Counsel
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BE IT FURTHER RESOLVED that the Executive Director is authorized to take any and all actions, to execute and deliver any and all documents, agreements, certificates and instruments and to take any and all steps deemed by the Executive Director to be necessary or desirable to consummate the execution of an agreement for such sale of goods and to carry out the purpose and intent of the foregoing resolution, and all actions heretofore taken in furtherance thereof are hereby ratified and confirmed in all respects.
Questions?
Next Scheduled Meeting

December 5, 2023
THANK YOU