

GRANT CONTRACT

THIS GRANT CONTRACT is made and entered into by and between the **COUNTY OF LANCASTER, NEBRASKA**, a political subdivision of the State of Nebraska, hereinafter referred to as "**Sponsor**", and **FRIENDS OF LIED - LIED CENTER FOR PERFORMING ARTS**, a nonprofit corporation, hereinafter referred to as "**Grantee**". Individually, the Sponsor and the Grantee may be referred to as a "Party," and collectively they may be referred to as "Parties."

WITNESSETH:

WHEREAS, the Grantee=s primary purpose is to operate a visitor attraction which is owned by the public or a nonprofit organization; and

WHEREAS, the Grantee has established a project for: expanding and improving an existing visitor attraction; planning or developing such expansion, improvements, exhibits or additions; acquiring or expanding exhibits for existing visitor attractions; or promotion and advertising costs associated with such exhibits; and

WHEREAS, the Sponsor desires to expend County Visitor Improvement Grant funds to support the Grantee's project.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed as follows by the Parties hereto:

1. Purpose: The purpose of this Grant Contract is to provide funding for the Grantee=s Project, as described in Attachment AA@, attached hereto and hereby incorporated by this reference.

2. Scope of Services: The Grantee agrees to complete the Project. Grantee agrees that it shall expend the funds granted hereunder only for the Project.

4. Grant: In order to assist the Grantee in financing the cost of the Project, the Sponsor shall make a Grant in the amount of \$175,000.00 from the Lancaster County Visitors Improvement Fund ("Grant Funds").

5. Term: The term of this Grant Contract shall be from December 1, 2016 through September 30, 2018. The Sponsor may extend the term of the Grant upon good cause shown by the Grantee. Any extension of the Grant term must be in writing and signed by both Parties. Any Grant amount that remains unencumbered by the end of the Grant term, or any reasonable extension thereof, shall be retained by Sponsor and placed in the Lancaster County Visitor Improvement Fund.

6. Project Budget: A Project Budget shall be prepared and maintained by Grantee. Grantee shall carry out the Project and shall incur obligations against and make disbursements of funds provided hereunder by the Sponsor only in conformity with the Project Budget. The Project Budget may be revised from time to time, but no budget or revision thereof shall be effective unless and until the same is approved in writing by the Sponsor.

7. Payment of Grant: Upon completion of the Project, Grantee shall submit a claim or claims for Grant Funds to the Sponsor and (a) a detailed listing of all expenditures and a professional external audit of Grantee that covers the period of the expenditures; or (b) a detailed listing of all expenditures and copies of all receipts, cancelled checks, contracts and/or other documents that substantiate those expenditures. Payment of the claim(s) will be made only upon completion of the Project and only after Grantee assures the Sponsor in writing that the Grantee's Project has been completed in accordance with the Grant Contract, and completed in a timely manner.

PROVIDED: The Grantee understands and agrees that the Lancaster County Visitors Improvement Fund ("Improvement Fund") is the sole source of payment of Grantee's claim(s) for Grant Funds pursuant to this Grant Contract. Grantee's claim(s) shall not be paid from the Lancaster County General Fund, or from any other Lancaster County Fund. If for any reason the amount of funds in the Improvement Fund shall be insufficient to meet all obligations of the Improvement Fund, then the Sponsor, in its sole and absolute discretion, will determine the amount of Grant Funds, if any, that can be paid to the Grantee based on the amount of the funds available in the Improvement Fund, until sufficient funds in the Improvement Fund become available to pay Grantee's claim(s) for Grant Funds in full, and the Parties agree that no interest on the amount of such claim(s) shall be due or owing from Sponsor to Grantee as a result of any such delay in Sponsor's payment of Grantee's claim(s), whether such claim(s) be considered liquidated or unliquidated. Grantee agrees that Grantee has no reasonable expectation of payment of any kind from any other source except the Improvement Fund.

8. Audit and Inspection: Grantee shall permit and shall require its agents and employees to permit the Sponsor or its authorized representative to inspect all work, materials, payroll, records of personnel, invoices of materials, and other relevant data and records; and to audit the books, records, and accounts of Grantee pertaining to the Grant Contract and the Project.

9. Not Discriminate: In its performance of this Grant Contract, the Grantee shall not discriminate on the basis of race, creed, sex, national origin, religion, age, marital status, or disability, with respect to either provision of services or in its employment practices.

10. Sponsor Not Obligated to Third Parties: This Grant Contract is not intended to, and does not, create any rights or benefits on behalf of any person other than the Parties to this Grant Contract. Sponsor shall not be obligated or liable hereunder to any person other than the Grantee.

11. Prohibited Interests: Neither Grantee nor any of its contractors or their subcontractors shall enter into any contract, subcontract, or arrangement in connection with the Project provided herein, or any property included or planned to be included in the Project in which any officer, agent, or employee of Grantee during his tenure or for one year thereafter has any financial interest, direct or indirect.

12. Nonperformance: In the event the Grantee fails to complete the Project or fails to meet any of the requirements outlined in this Grant Contract, during the term of this Grant Contract, then and upon the happening of such event, Sponsor shall give written notice to Grantee of such failure to complete, and Grantee shall not receive payment of Grant Funds.

13. Severability: If any portion of this Grant Contract is held invalid, the remainder hereof shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of the applicable law.

14. Independent Contractor: It is the express intent of the Parties that this Grant Contract shall not create an employer-employee relationship, and the Grantee, or any other employee or other person acting on behalf of Grantee in the performance of this Grant Contract, shall be deemed to be independent contractor(s) during the entire term of this Grant Contract or any renewals thereof. Grantee shall not receive any additional compensation in the form of wages or benefits from the Sponsor which are not specifically set forth in this Grant Contract. Grantee shall assume full responsibility for payment of all federal, state, and local taxes or contributions imposed or required under unemployment insurance, social security and income tax law, with respect to Grantee or any such employees of Grantee as may be engaged in the performance of this Grant Contract. It is the express intent of the Parties that this Grant Contract shall not create an agency relationship between the Parties. Neither the Sponsor nor its employees shall be deemed agents of the Grantee, and neither the Grantee nor its employees shall be deemed to be agents of the Sponsor.

15. Hold Harmless: The Grantee shall indemnify and hold harmless the Sponsor, its agents, employees and representatives from all claims, demands, suits, actions, payments, liability, judgments and expenses (including court-ordered attorneys= fees), arising out of or resulting from the performance of this Grant Contract that results in bodily injury, civil rights liability, sickness, disease, death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, and is caused in whole or in part by the Grantee, its employees, agents or representatives, either directly or indirectly employed by them. This Section will not require the Grantee

to indemnify or hold harmless the Sponsor for any losses, claims, damages and expenses arising out of or resulting from the negligent or intentional acts of the Sponsor, its agents, or employees.

16. Insurance Requirements: The Grantee shall, prior to beginning work, provide proof of insurance coverage in a form satisfactory to the Sponsor, which shall not withhold approval unreasonably. The coverages and minimum levels required by this contract are set forth below and shall be in effect for all times that work is being done pursuant to this Grant Contract. No work on the Project or pursuant to this Grant Contract shall begin until all insurance obligations herein are met to the satisfaction of the Sponsor, which shall not unreasonably withhold approval. Self-insurance shall not be permitted unless consent is given by the Sponsor prior to execution of the Grant Contract and may require submission of financial information for analysis. Deductible levels shall be provided in writing from the Grantee's insurer and will be no more than \$25,000.00 per occurrence. Said insurance shall be written on an **OCCURRENCE** basis, and shall be **PRIMARY, with any insurance coverage maintained by the Sponsor being secondary or excess.**

a) **Workers' Compensation.** The Grantee shall provide proof of workers' compensation insurance of not less than minimum statutory requirements under the laws of the State of Nebraska and any other applicable State. Employers' Liability coverage with limits of not less than \$500,000.00 each accident or injury shall be included. The Grantee shall also be responsible for ensuring that all subcontractors have workers' compensation insurance for their employees before and during the time any work is done pursuant to this Grant Contract.

b) **Commercial General Liability.** The Grantee shall provide proof of Commercial General Liability Insurance with a minimum limit of not less than \$1,000,000.00 each occurrence and \$2,000,000.00 aggregate. These minimum limits can be met by primary and umbrella liability policies. Coverage shall include: Premises-Operations, Products/Completed Operations, Contractual, Broad Form Property Damage, and Personal Injury. Such coverage shall be endorsed for the general aggregate to be on a **PER PROJECT** basis, and the Grantee shall provide an additional insured endorsement acceptable to the Sponsor. The required insurance must include coverage for all projects and operations of Grantee or similar language that meets the approval of the Sponsor, which approval shall not be unreasonably withheld.

c) **Automobile Liability.** The Grantee shall provide proof of Automobile Liability coverage, which shall include: Owned, Hired and Non-Owned. Bodily Injury and Property Damage Combined Single Limit shall be at least \$1,000,000 Per Accident.

d) **Additional Insured** An Additional Insured endorsement shall be provided to Sponsor naming Sponsor as additional insured under the commercial general liability policy.

e) **Certificates.** The Grantee shall provide certificates of insurance and endorsements evidencing compliance with these requirements. The Grantee's insurance shall include an endorsement to provide for at least thirty (30) days' firm written notice in the event of cancellation. Intent to notify is not acceptable. During the term of the Grant Contract and during the period of any required continuing coverages, the Grantee shall provide, prior to expiration of the policies, certificates and endorsements evidencing renewal insurance coverages. The Parties agree that the failure of Sponsor to object to the form of a certificate and/or additional insured endorsement provided shall not constitute a waiver of this requirement.

f) **Minimum Scope of Insurance.** All Liability Insurance policies shall be written on an "Occurrence" basis only. All insurance coverage are to be placed with insurers authorized to do business in the State of Nebraska and must be placed with an insurer that has an A.M. Best's Rating of no less than A:VII unless specific approval has been granted otherwise.

g) **Sovereign Immunity.** Nothing contained in this clause or other clauses of this Grant Contract shall be construed to waive the Sovereign Immunity of the Sponsor.

17. Employee Verification: In accordance with Neb. Rev. Stat. §§ 4-108 through 4-114, Grantee agrees to register with and use a federal immigration verification system, to determine the work eligibility status of new employees performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. § 1324a, otherwise known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986. Grantee shall not discriminate against any employee or applicant for employment to be employed in the performance of this Section pursuant to the requirements of state law and 8 U.S.C. § 1324b. Grantee shall require any subcontractor to comply with the provisions of this Section.

18. Forbearance Not Waiver: Sponsor's failure or neglect to enforce any of its rights under this Grant Contract shall not be deemed to be a waiver of Sponsor's rights.

19. Venue: If either Party brings against the other Party any proceeding arising out of this Grant Contract, that Party may bring that proceeding against the other Party only and exclusively in the Lancaster County District Court in Lincoln, Nebraska, and each Party hereby submits to the exclusive jurisdiction of that court for purposes of any such proceeding.

20. Integration: The Parties hereby agree that this Agreement constitutes the entire understanding of the Parties and supersedes all prior contracts, agreements and negotiations between the Parties regarding the subject matter of this Grant Contract, whether verbal or written.

EXECUTED by Grantee this ____ day of _____, 2017.

For the Board of Regents of the University of Nebraska, FRIENDS OF LIED - LIED CENTER FOR PERFORMING ARTS, a Nonprofit Corporation, Grantee.

BY: William Steyer
Title: Executive Director

Witness

EXECUTED by Sponsor this ____ day of _____, 2017.

APPROVED AS TO FORM THIS
____ day of _____, 2017.

LANCASTER COUNTY, NEBRASKA
a Political Subdivision, Sponsor

BY: _____
for Joe Kelly
Lancaster County Attorney

BY: _____
Todd Wiltgen, Chair,
Lancaster County Board of Commissioners

August 4, 2017

Lancaster County Board of Commissioners
555 South 10th Street Suite 110
Lincoln, NE 68508

Re: Coverage for University of Nebraska – Lied Center Seat Replacement

Dear Sir or Madam:

Please be advised that for purposes of providing coverage for general liability exposures resulting from negligent acts, errors or omissions of the University of Nebraska its officers, agents, employees, and students in training, the University of Nebraska does purchase excess insurance coverage under a policy of insurance but is “self-insured” for a portion of any loss as authorized by Neb. Rev. Stat. 85-1,126. After a self-insured retention of \$1,000,000 per occurrence, the University of Nebraska has excess general liability insurance policy with a limit of \$10,000,000 per occurrence with a \$10,000,000 annual aggregate.

The University of Nebraska maintains specific funds in its General Risk-Loss Trust, as authorized by Neb. Rev. Stat. 85-1,126, to pay losses and expenses incurred by the University resulting from negligent acts, errors or omissions of the University, its officers, agents, employees and students in training up to \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

Even though the University of Nebraska is responsible for a large self-insured retention, it nevertheless recognizes and reaffirms its responsibility to accept liability for damages, and to pay such damages from its General Risk-Loss Trust, in those instances where insurance would otherwise have provided coverage, and where a claim is properly filed in accordance with the requirements of the Nebraska State Tort Claims Act.

Sincerely,



Gayle M Schanou
Director, Risk Management and Benefits

LANCASTER COUNTY VISITORS IMPROVEMENT FUND
GRANT REQUEST

Name of Organization Friends of Lied - Lied Center for Performing Arts

Contact Person Bill Stephan, Executive Director

Address/City/State/Zip 301 North 12th Street, Lincoln, NE 68588

Telephone 472-4700 Fax 472-2725 Email wstephan2@unl.edu

Organization Status: Non-Profit Association Civic Group Other
(If other, please attach explanation)

Applicant Government/organization Federal ID number 47-0727188

If tax exempt organization, designate IRS classification: 501(c)3 501(c)6.

Provide a detailed description of your exhibit/attraction:

Please refer to attached narrative document: "Detailed Description of Exhibit/Attraction" section

Number of attendees estimated: Out of town 40,000 Local 110,000

Check all that apply:

- Expanding and improving any existing visitor attraction.
- Planning or developing such expansion improvements, exhibits or additions.
- Acquiring or expanding exhibits for existing visitor attractions.
- Promotion and advertising costs associated with such exhibits.

Please describe project as indicated above.

Please refer to attached narrative document: "Description of Project" section

Project Start Date December 2017 Completion Date September 2018

Is this project part of a larger renovation project? no

If yes, please describe the entire project:

As it pertains to the grant related project, provide breakdowns of radio and television advertising, showing individual costs, call letters and cities of origin. Also give breakdowns of magazine advertising by individual publications and costs. Similarly, separate the costs for brochures, travel shows by location, billboard advertising, etc. Include target market demographics. Not Applicable

Total projected budget (attach detailed budget)

Total Revenue \$187,574.13 Total Expense \$362,574.13

How will your project impact new visitor recruitment and lodging tax revenues?

Please refer to attached narrative document: "Project Impact on Tourism" section

Estimated annual visitors: Local 110,000 Outside of Lincoln 40,000

Estimated Annual economic impact of your facility and/or project based on lodging tax use
(Use multipliers listed below)

Is this based on annual use of the facility or for a specific event/exhibition? Annual use

of hotel rooms utilized 12,000 x 350 (* Multiplier – see below)

* National/Regional event Multiplier - \$375 per night

* State event - \$350 per night

* Local event - \$245 per night

TOTAL ECONOMIC IMPACT BASED ON FORMULA \$4,200,000

Is this grant request in addition to other project related grant requests? Not Applicable

If yes, then list other grant requests _____

Grant amount requested from Visitors Promotion Committee

\$175,000

Signature of Applicant Bill Stephen

Date _____

Return Application (s) to:

Lincoln Convention and Visitors Bureau

Attn: Jeff Maul, Executive Director

1135 M St. Suite 300

Lincoln, NE 68501

For more information:

(402) 434-5343

jmaul@lincoln.org

Lied Center for Performing Arts
A Request to the Lancaster County Visitors Improvement Fund
April 2017

Detailed Description of Exhibit/Attraction

As Nebraska's "Home for the Arts," the Lied Center for Performing Arts has enriched the State of Nebraska by providing exceptional experiences in the performing arts since 1990. The mission of the Lied Center is to educate, inspire and entertain the people of Nebraska through the performing arts. Every year more than 150,000 patrons visit the Lied to experience the finest in music, theater and dance, including over 40,000 individuals visiting from outside of Lincoln and Lancaster County. The Lied Center is one of a small number of Lincoln attractions that are top of mind as visitors plan trips to the area.

The Lied Center is the venue of choice for a variety of local, regional and international conferences and special events that bring tens of thousands of visitors to Lancaster County. The largest of these, the International Thespian Festival, brings over 5,000 visitors to Lincoln annually for its six-day gathering at the Lied. The Nebraska State Music Educators Association Conference brings over 2,600 visitors to Lincoln. These two conferences alone account for an estimated 10,000 night stays at area hotels, many of which are booked to capacity as a direct result of these events.

At any major popular performance, as many as 30 percent of the patrons come to Lincoln from outside the county. Marquee performances of national profile, such as Jerry Seinfeld, Merle Haggard, Tony Bennett, *Riverdance*, Mannheim Steamroller and *Matilda the Musical*, make the Lied Center a cornerstone of Lancaster County's tourism industry.

In 2014, the Lincoln Chamber of Commerce awarded the Lied Center the Tourism Development Award for its significant contributions to Lincoln's tourism industry. Top entertainment industry trade publication *Pollstar* has recognized the Lied Center as a Worldwide Ticket Sales Top 100 Theater for the past four years.

Beyond performances on the stage, the Lied Center transforms lives through extensive educational outreach programs for university students, community members and children of all ages. The Lied Center not only presents internationally touring acts, but is also a commissioner of new artistic works. Since the Lied's creation, the Lied has commissioned over 25 new works in music, theater and dance. The Lied has a storied commitment to presenting the greatest artists in the world. Past artists at the venue have ranged from the Bolshoi Ballet and the Jazz at Lincoln Center Orchestra with Wynton Marsalis to the Alvin Ailey American Dance Theater. As part of the University of Nebraska, the Lied Center annually tours international artists across the state to rural communities, enhancing the Lied's statewide profile and paving the way for future visits to the Lied and Lincoln.

The Lied Center features a 2,259-seat main concert hall and a 250-seat black box theater, the Johnny Carson Theater. The venue also features several multipurpose spaces that can be used for special events. The Lied Center is recognized nationally as both a performing arts venue and as a major university presenter. Standing at the center of achievement, creativity, imagination, learning, discovery and diversity in the arts, the Lied is one of the top performing arts venues in the Midwest.

Description of Project

Through the proposed project, the Lied Center will update the seats in the main concert hall, one of the major projects among a long list of comprehensive upgrades to the 27-year-old facility that will keep the venue consistent with its world-class artistic standards and ensure it continues to draw visitors throughout the region.

The Lied Center is still outfitted with its original seats from 1990, which are riddled with broken pads, rips in the fabric and broken springs, and are no longer meeting the standards of comfort and aesthetics generally associated with a major performing arts venue.

The time that Lied patrons spend in their seats significantly shapes their perceptions of the full “Lied Center Experience” and is highly influential on their overall impressions of the venue, as audience surveys continue to indicate.

At 27 years and counting, the seats have reached (or passed) the end of their life expectancy, a process accelerated through increased attendance at the Lied in the past five years. Based on an audience survey conducted in 2014, the lack of comfort of many of the seats was one of the most common customer concerns. Updating these seats – replacing the springs, cushions and seatbacks – will make a far better and lasting impression on the Lied’s entire patron base and ensure return visits. Neglecting this work will erode perceptions of the Lied Center’s prestige and translate into fewer patrons in the long term.

Full seat replacement has been estimated at a minimum of \$1.5 million, nearly five times more than the present proposal for replacement of seat pans and worn and damaged parts and upholstery. Management feels that the venue’s outstanding acoustics should be preserved, and changing the seat composition from metal to plastic would be a risky undertaking, which any new seat model would require. By keeping the current model and replacing worn parts, the acoustic impact of the upgraded seats will be nominal.

While three companies initially indicated they would provide estimates, two of these, American Seating and Hussey Seating, were not able to supply metal seat pans identical to the originals. They proposed plastic replacements that would have an effect on the hall’s acoustics and aesthetics. Only Irwin Seating came back with an estimate that met the conditions set forth. Irwin’s estimate is the basis for the proposal, \$287,673.90 for materials. An additional \$32,000 in estimated labor expenses will be incurred by Lied Center/UNL facilities staff for installation. UNL also requires \$22,377.17 in contingency funding and \$20,523.06 in project management expenses, for a project total of \$362,574.13.

The project will include the purchase of 2,270 and installation of 2,168 seat pans (the metal structure under the seat cushion), including the springs, cushion and upholstery. The 102 additional parts ensure that discontinuation of the model will not affect the Lied’s ability to maintain the seats during their lifetime. This project will retain the existing wood backs, but replace the inner wooden back support structure, as well as all padding and upholstery. The project will include the replacement of 160 outer wood backs, 90 inner wood backs and 100 small and 200 large armrests that have been damaged through the years. The project will reuse the existing seat number plates found on the front of the seats and ensure a fabric and wood stain match that will continue the hall’s classic look.

Seat backs are made of a seven-layer mahogany plywood with a stained outer back, which mounts and attaches by “L” bracket onto the inner back. The inner back is also plywood, which mounts to the seat frames with brackets. The inner backs are curved to mate with the outer backs.

The seat pans include the pivoting mechanism that attaches to the metal frame that, in turn, is attached to the floor of the hall. These pivots are severely worn to the point that many seats no longer fully rotate to an upright position that would allow for safe flow of foot traffic during events and, more importantly, during a fire emergency. These no longer meet the current fire code requirements.

Twenty-five years is beyond the useful life expectancy for this type of seat. The renovation of these seats is necessary for safety, comfort and the overall patron experience. This in turn makes a lasting impact on the venue’s overall reputation and ability to attract visitors.

The work will be completed over the course of about nine months, starting with the manufacturing of the parts in December 2017. We would expect to have parts delivered by March 2018 and begin installation in the summer of 2018, with project completion in September 2018.

In preparation for the celebration of the Lied’s 25th anniversary season (September 2014 – April 2015), several projects were completed to enhance the building and add more space to accommodate growing audiences from Lincoln and beyond. The first ever addition to the Lied Center opened in October 2012. Named the Lied Commons, it averages well over 100 events per year, including musical performances, wedding receptions and dozens of professional meetings and conferences. Through the generosity of the VPC, a brand-new state-of-the-art sound system was installed in the Lied Center’s main auditorium in 2012 to provide improved clarity and sound quality for all amplified performances, and in 2015, the main entrance canopy was replaced, greatly enhancing the aesthetics and safety of the building. A new digital marquee has provided prospective customers with current information about upcoming performances. The roof has been replaced; the HVAC system is being improved; and dozens of additional projects have improved the overall patron experience at the Lied Center. All of these projects have been supported in part or in full by private donations and funding, with a total of almost \$4 million raised to help prepare the Lied Center for its future.

Despite the completion of these essential enhancements, additional projects are needed to maximize each Lied Center patron’s experience, thereby increasing their enjoyment of the performance, with the seating update in the present request at the top of the list of priorities. More than 30 percent of the Lied’s patron base comes from outside of the Lincoln area. In order to make that trip worthwhile, it is necessary to provide a world-class atmosphere and experience for all patrons, from the moment they arrive to their drive back home.

As a self-supporting non-profit with limited public funding support, the Lied Center is challenged to generate funding to cover costs of one-time major capital improvements. Private donors are normally less than enthusiastic about supporting projects like seat renovations, fire panels and water pumps, leaving limited sources of funding for venue revitalization outside of organizations like VPC. The Lied Center has a small maintenance endowment that covers annual repair expenses, but beyond that has little capital to cover major, one-time venue improvements. If the VPC is unable to fund the seat renovation project at the full level of request, the project will have to be delayed for a year or more. With the resources provided by this grant, the seat renovation project will have a positive impact on the Lied Center and surrounding businesses for the next 25 years.

Project Impact on Tourism

The Lied Center is one of Lancaster County's largest tourist attractions. The Lied Center's season of world-class artists brings, on average, over 40,000 visitors annually from outside of Lancaster County to Lincoln. The Lied's ability to ensure return visitors is linked to the perception of the venue's convenience, professionalism and comfort across the entire patron experience. Through word-of-mouth, the reputation of the Lied among existing patrons spreads to prospective patrons. The need to be sensitive to these perceptions is more acute with the opening of the Pinnacle Bank Arena in downtown Lincoln, a state-of-the-art facility often compared to the Lied by visitors, despite its larger size and different overall purpose.

Each year, events at the Lied Center have a great impact on the number of rooms reserved at area hotels. Individuals associated with the Lied Center utilize approximately 12,040 hotel rooms annually. Of those 12,000, approximately 6,500 hotel rooms are reserved by clients that rent the Lied Center for various events. A majority of these clients are affiliated with the International Thespian Festival and the Nebraska State Music Educators Association Conference as well as artists that choose to reserve their own hotel accommodations. The remainder of hotel nights comprise over 500 room nights booked by the Lied Center for season artists and 5,000 more rooms reserved by our patrons. These visitors, in turn, patronize local restaurants, convenience stores and retail shops.

Beyond the presentations on its season calendar, the Lied Center is a venue that plays an important role in the conference business in Lincoln. The Lied is home to a variety of major events and festivals that bring tens of thousands of visitors to Lancaster County, many of whom use area hotels.

Events that will be positively impacted by this proposal include the International Thespian Festival, Nebraska Music Educators Association, Midwest Cup Show Choir Competition and Regional College Theater Festival, as well as many other conferences, meetings, graduation ceremonies and special events.

The upgrades outlined in this proposal will help attract new special events and conferences that bring visitors to Lincoln. Event planners look for and expect venues to have modern, comfortable seating that looks and feels consistent with the standards of the work on stage. Frequently, independent promoters bring marquee performers of international stature to the Lied, such as Jerry Seinfeld and Crosby, Stills & Nash in past seasons. For the Lied to remain attractive to these presenters, the seating upgrade is essential.

Conclusion

The Lied Center remains grateful to the Lancaster County Convention and Visitors Bureau for its past support and for its careful consideration of the present request. The Lied Center takes its role in the economy of Lincoln and Lancaster County very seriously and will always continue to look for ways to enhance the area as a visitor destination. The proposed seating upgrade is essential to the Lied's ability to maintain and contribute to the area's tourism business and economic vibrancy.

**Lied Center for Performing Arts
Concert Hall Seat Replacement and Repair Budget**

Income

Grants - Rogers Foundation	\$ 45,395.60
Hixson-Lied Endowment	\$ 20,000.00
Friends of Lied	\$ 122,178.53

Total Income **187,574.13**

Expenses

Upholstered seats, springs and pans - 2,270	\$ 193,108.90
Upholstered Inner Seat Backs - 1,150	\$ 65,527.00
Outer Seat Backs - 250	\$ 20,500.00
Small Armrests - 100	\$ 1,016.00
Larger Armrests - 200	\$ 2,022.00
Shipping	\$ 5,500.00
Construction Contingency (UNL)	\$ 22,377.17
Project Management/Construction Inspection (UNL)	\$ 20,523.06
Labor - Contract	\$ 20,000.00
Labor - Lied Staff	\$ 12,000.00

Total Expenses **362,574.13**

Surplus/(Deficit) **(175,000.00)**

Amount of Request **175,000**

Annual Marketing Budget
Lied Center for Performing Arts
July 1, 2016 - June 30, 2017

Postage	\$ 46,795
Publishing/Printing/Photography	\$ 7,500
Promotional Materials	\$ 29,000
Program Book	\$ 61,250
Email Delivery	\$ 9,000
Video Production	\$ 15,647
Ticket Stock Expense	\$ 8,000
General Marketing/PR Expense	\$ 13,100
Broadway Expense	\$ 211,100
Season Shows Expense (Non-Broadway)	\$ 119,400
Brochures, Groups, Single Tickets Expense	\$ 121,500
Rental of Conference Facilities	\$ 600
Web Design Services	\$ 500
All Other Contracted Services	<u>\$ 7,200</u>
Total Marketing Budget ^[a]	\$ 650,592

Notes:

[a] Represents all marketing efforts at the Lied Center related to the annual operating budget.

Lied Center for Performing Arts
Annual Operating Budget
July 1, 2016 - June 30, 2017

	<u>Budget</u>
Revenue	
1 Ticket Sales	\$ 2,825,401
2 Ticket Fees	\$ 283,065
3 Ad Sales	\$ 103,650
4 Misc. Earned Income	\$ 93,217
5 University Related Income [a]	\$ 375,825
6 Misc. Contributed Income [b]	\$ 17,344
7 Facility Rentals	\$ 676,710
8 University Foundation	\$ 907,515
9 Friends of Lied	\$ 473,000
10 Program Sponsorships	\$ 219,188
11 Grants	\$ 120,407
12 Maintenance Endowment [c]	\$ 151,732
13 Total Revenue	<u>\$ 6,247,052</u>
Operating Expenses	
14 Salaries/Wages/Benefits	\$ 2,266,880
15 Union Contracted Labor	\$ 188,318
16 Contracted Season Artist Fees	\$ 2,007,856
17 Misc. Contractual Expenses [d]	\$ 294,379
18 Operating Expenses	\$ 378,597
19 Operating Supplies	\$ 126,782
20 Marketing	\$ 650,592
21 Travel	\$ 77,668
22 Items for Resale	\$ 22,750
23 Repair/Maintenance	\$ 158,232
24 Total Operating Expenses	<u>\$ 6,172,052</u>
25 Net Operating Revenue(Expense)	<u>\$ 75,000</u>

Notes:

[a] Funds provided from University departments, includes: masterclass/residency fees, UCARE, student ticket subsidy (CFA), Hixson-Lied & Chancellor's funding.

[b] Arts Across NE partner fees, professional service fees and student ticket subsidies from other universities.

[c] Accumulative activity for the year occurs in the 4th quarter.

[d] Artist hospitality, teaching artists, hotels, shuttle, etc.



Seating Proposal

Valid for 90 Days

DATE: Friday, April 28, 2017
QUOTE EXPIRES: Saturday, August 26, 2017
TO: Lied Performing Arts
 Lied Performing Arts
REFERENCE: Lied Performing Arts
 Lincoln, NE

We are pleased to offer the following proposal for Irwin Seating model: XX-6•XX•XX

QTY	DESCRIPTION			EXTENDED
2270	6S Cushion - upholstered seat with serpentine spring construction and steel seat pan. Fabric: Grade W, KM Woolevet Claret Bronze oval seat designation number plates. 6S id letter on seat hinge (not embossed into pan) Custom powdercoat match.			
PRICE: \$ 85.07 Net per chair, FOB Grand Rapids				\$ 193,108.90
<small>PRICING BASED ON SHIPMENT IN 2018</small>				
NET ADDS / DEDUCTS				
QTY	DESCRIPTION	NET		
1150	New Upholstered inner backs w/KM Woolevet Claret fabric 9/16" thick 9-ply, 2" back foam on inner backs and new welt cords	\$ 56.98	\$	65,527.00
250	New Finished Outer Backs Wood veneer outer panel with thickness and stain to match existing backs Shape to match existing backs with concealed fasteners	\$ 82.00	\$	20,500.00
100	New Hardwood end armrests shaped and stain to match existing	\$ 10.16	\$	1,016.00
200	New Hardwood center armrests shaped and stain to match existing	\$ 10.11	\$	2,022.00
1	Freight	\$ 5,500.00	\$	5,500.00
Total Amount			\$	287,673.90

TERMS AND CONDITIONS

- Payment Terms are to be approved by Irwin Seating Company

Unless otherwise noted:

- This proposal is subject to Irwin Seating Company Standard Terms and Conditions.
- This proposal is based upon the use of standard Irwin Seating Company products, manufactured using standard Irwin Seating Company methods.
- Pricing is based on 54" wide fabric without a pattern or direction orientation specified. Railroaded (directional) fabrics or fabric with repeats may result in additional costs.
- Pricing is F.O.B. factory and does not installation or sales tax performance and payment bonds.
- If applicable, sales tax will be charged based on the tax rate in effect at the time of billing. For tax exempt orders, please provide Irwin Seating Company a copy of your tax exempt certificate along with your purchase order for review and approval.
- Pricing is based on shipment in the 2018 calendar year.
- Adherence to project milestones as outlined in the critical date schedule is required to meet requested shipment dates.
Any deviations from the conditions mentioned above may result in additional installation charges, the need for alternative anchoring, etc.
- Pricing is valid for 90 days from date of issue. If purchase order is not received within 90

days of this quote date Irwin Seating Company reserves the right to reissue the quotation with adjusted pricing.

If you have any questions, please contact your Irwin Seating Company Project Administrator for clarification.

IRWIN SEATING COMPANY

Todd Higgins
Project Administrator

August 4, 2017

Lancaster County Board of Commissioners
555 South 10th Street Suite 110
Lincoln, NE 68508

Re: Coverage for University of Nebraska – Lied Center Seat Replacement

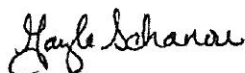
Dear Sir or Madam:

Please be advised that for purposes of providing coverage for general liability exposures resulting from negligent acts, errors or omissions of the University of Nebraska its officers, agents, employees, and students in training, the University of Nebraska does purchase excess insurance coverage under a policy of insurance but is “self-insured” for a portion of any loss as authorized by Neb. Rev. Stat. 85-1,126. After a self-insured retention of \$1,000,000 per occurrence, the University of Nebraska has excess general liability insurance policy with a limit of \$10,000,000 per occurrence with a \$10,000,000 annual aggregate.

The University of Nebraska maintains specific funds in its General Risk-Loss Trust, as authorized by Neb. Rev. Stat. 85-1,126, to pay losses and expenses incurred by the University resulting from negligent acts, errors or omissions of the University, its officers, agents, employees and students in training up to \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

Even though the University of Nebraska is responsible for a large self-insured retention, it nevertheless recognizes and reaffirms its responsibility to accept liability for damages, and to pay such damages from its General Risk-Loss Trust, in those instances where insurance would otherwise have provided coverage, and where a claim is properly filed in accordance with the requirements of the Nebraska State Tort Claims Act.

Sincerely,



Gayle M Schanou
Director, Risk Management and Benefits

CERTIFICATE OF INSURANCE

DATE

8/7/2017

PRODUCER BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA 3835 HOLDREGE LINCOLN NE 68583	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.
INSURED BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA 3835 HOLDREGE LINCOLN NE 68583	INSURERS AFFORDING COVERAGE INSURER A: Self Insured Trust Agreement INSURER B: INSURER C: INSURER D: INSURER E:

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A		GENERAL LIABILITY	SELF INSURED TRUST	7/1/2017	6/30/2018	EACH OCCURRENCE	\$1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	
		GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	
		<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				GENERAL AGGREGATE	\$3,000,000
						PRODUCTS - COMP/OP AGG	
A		AUTOMOBILE LIABILITY	SELF INSURED TRUST	7/1/2017	6/30/2018	COMBINED SINGLE LIMIT (Ea Occurrence)	\$1,000,000
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (per person)	
		<input checked="" type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (per accident)	
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (per accident)	
		<input checked="" type="checkbox"/> HIRED AUTOS					
		<input checked="" type="checkbox"/> NON - OWNED AUTOS					
		GARAGE LIABILITY				Auto Only - Ea Accident	
		<input type="checkbox"/> ANY AUTO				Other than Auto Only:	
						EA ACC	
						AGG	
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	
		<input type="checkbox"/> DEDUCTIBLE					
		RETENTION \$					
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	As required by State of Nebraska statute Carrier Gallagher Bassett	7/1/2017	6/30/2018	WC STATUTORY LIMITS	State required
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				OTHER	
		If yes, describe under SPECIAL PROVISIONS below				E. L. EACH ACCIDENT	
						E. L. DISEASE-EA EMPLOYEE	
		OTHER				E. L. DISEASE-POLICY LIMIT	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Proof of coverage for University of Nebraska-Lincoln.

CERTIFICATE HOLDER

CANCELLATION

Lancaster County Board of Commissioners 555 South 10th Street Suite 100 Lincoln, NE 68508	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE: David E. Lechner <div style="text-align: right; margin-top: 10px;"> </div>