

Minutes
Regular Meeting of the Board of Directors
METROPOLITAN FOOTBALL STADIUM DISTRICT
Monday, June 27, 2016

Board members present:

Ray Baker	Don Johnson	Jim Harrington
Roy Palmer	Joy Burns (via phone)	Jack Hilbert
Gabe Fenton	Gene Ciancio (via phone)	

Agenda Item 1:

Call to Order

On Monday, June 27, 2016, a meeting of the Board of Directors of the Metropolitan Football Stadium District was called to order at 11:30 a.m. by Ray Baker. As there was a quorum, the following business was conducted.

Agenda Item 2:

Approval of Minutes

A motion to approve the minutes of March 16, 2016 was made by Roy Palmer, seconded by Don Johnson and unanimously approved.

Agenda Item 3:

2015 Audit

Ray Baker introduced Jill Korenek, a partner of the JDS Professional Group, who is the District auditor. Jill reviewed the audited financial statements and noted that the District received an “unmodified” opinion for the audit. Jill noted that the audit process went very smoothly and JDS Professional Group identified no concerns. In response to a question, Jill stated that there were no recommendations this year regarding additional internal controls and they are not suggesting any significant adjustments at this time. Jill stated that there were no new accounting standards adopted during the year so the financial statements are similar to those from the prior year. Jill pointed out that the bankruptcy of Sports Authority was discussed in a note to the audit. Ray Baker noted that the auditors had reviewed the audit with the Audit Committee and the committee recommends accepting the audit.

After further discussion, a motion to accept the Audit and to authorize the staff to file it with the appropriate state agencies was made by Don Johnson, and seconded by Jack Hilbert, and unanimously approved.

Agenda Item 4:

Lot N – Chris Parr, Denver Housing Authority

Matt Sugar reviewed a proposed Option Agreement pursuant to which Denver Housing Authority would have the option to purchase the property designated as Lot N, subject to a number of conditions being satisfied, including a transfer of property currently owned by DHA to the District. Matt introduced Chris Parr of DHA. Chris provided the board with an overview of the proposal to exchange DHA parcels at 2510 and 2534 W. Colfax Avenue for the District's parcel which is 2775 W. 13th Avenue (Parking Lot N). Lot N is south of the stadium and is close to other parcels currently owned by DHA. The DHA parcels are in closer proximity to the stadium along Old Colfax.

Chris stated that DHA is seeking such an option in conjunction with its application for a planning grant for Sun Valley. The city has been very supportive of the concept. Jay Roberts with Stadium Management Company commented that it would help consolidate the District's property and it would help out the Sun Valley Neighborhood.

After further discussion, a motion to approve the Option Agreement and authorize the chair to execute the Option Agreement and any other related or necessary documents was made by Jack Hilbert, seconded by Joy Burns, and unanimously approved.

Agenda Item 5:

Mile High Monument – Zach Myhra

SMC is constructing a miniature stadium that will hold up to 300 people in parking Lot J. The project is currently called the Mile High Monument. SMC is hoping for completion by late summer or early fall, but there is no scheduled opening date at this time. There will be a combination of bleacher seating and seats from Mile High Stadium. The space will be used for event related activities including tailgating and other game day activities, such as viewing away games. A permanent name for the monument will be revealed at the opening date.

No action from the board is required at this time.

Agenda Item 6:

Conditions Assessment Status

Matt Sugar asked Zach Myhra to join him to update the board regarding the conditions assessment. The conditions assessment was awarded to a team headed by HNTB in April. The team was in the stadium last month and the District and SMC will be receiving the first draft of the assessment shortly. The goal is to have the final draft deliverable by September, at which time there will be a joint review by SMC and the District.

The purpose of the assessment is to review the viability of the stadium over the next 30 years and provide an overall evaluation of the stadium's needs in one concise document detailing the costs over the 30 year time frame. Matt noted that the District and the Broncos combined have spent over \$90 million in capital costs in the 16 years that the stadium has been open.

No action from the board is required at this time.

Agenda Item 7:

Naming Rights Status

Ray Baker asked Craig Umbaugh, District legal counsel, to update the board on the status of the Sports Authority bankruptcy and the status of the naming rights contract. Craig said that Hilco Streambank was hired by the debtors to sell the intellectual property assets of Sports Authority, which includes the naming rights contract. Hilco Streambank has set an internal deadline for today, June 27, 2016 for bids. The deadline has previously been extended a number of times. Craig said that in the absence of a bidder, they could extend the deadline again.

Under the current framework, there is a deadline set for July 8th for objections to any proposals. The District filed a reservation of the right to object in May 2016. Craig stated that Sports Authority is not in default of the contract as the payment is due on August 1.

The board discussed preparation of a draft request for proposal for a valuation consultant that could assist the District with potential naming rights sponsors.

No action from the board is required at this time.

Agenda Item 8:

Comments from the Public

Karl Stecher, a Broncos season ticket holder since 1976, addressed the board about his concerns with the naming rights and the stadium. Mr. Stecher stated his opposition to the selling of the naming rights and would like to see that any name other than Mile High Stadium be rejected by the District board. He

feels that the stadium is identifiable with the City and County of Denver, and for this reason, should be called simply Mile High Stadium. Mr. Stecher acknowledged that there is an income stream derived from naming rights that needs to be accounted for, but feels nonetheless that the name should not be for sale.

The board thanked Mr. Stecher for his comments.

Agenda Item 9:

Comments from the Board--None

Agenda Item 10:

Other Matters--None

Agenda Item 11:

Adjourn

There being no other business, a motion to adjourn was made by Jim Harrington, and was seconded by Don Johnson and unanimously approved.

Next meeting is scheduled for Wednesday, September 21, 2016