

Minutes
Regular Meeting of the Board of Directors
METROPOLITAN FOOTBALL STADIUM DISTRICT
Tuesday, September 20, 2016

Board members present:

Ray Baker	Don Johnson	Jim Harrington
Roy Palmer	Chauncey Billups	Jack Hilbert
Gene Ciancio		

Agenda Item 1:

Call to Order

On Tuesday, September 20, 2016, a meeting of the Board of Directors of the Metropolitan Football Stadium District was called to order at 9:08 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 August 25, 2016 was made by Gene Ciancio, seconded by Don Johnson and unanimously approved.

Agenda Item 3:

Conditions Assessment Update – Lanson Nichols

Lanson Nichols, Vice-President of Sports Architecture with HNTB, briefed the board on the results of the conditions assessment of Sports Authority Field at Mile High. This assessment provides a road map and a guide for on-going assessment of the stadium over the next 30 years. The assessment had two parts to it, with the first part looking at the infrastructure of the building. This includes looking at the age of the systems and their expected life span. Part two was looking at the current trends for stadiums in the NFL including what goes in to the newer stadiums currently being built across the NFL.

Lanson reviewed an outline with the board that highlighted some of the major areas of the infrastructure and anticipated needs including the stadium exterior, seating bowl, concourses, interiors, site concrete and drainage, stadium frame and concrete flatwork, plumbing systems, food service equipment, and audio/visual. The outline goes in to great detail for each of these areas.

Lanson discussed trends in NFL stadiums and the need for NFL teams to constantly review what fans want, need, and expect. According to Lanson, some of the current trends include standing room only positions with drink rails overlooking the field, field level premium 50 yard clubs with patios, end zone clubs, museums, hall of fame spaces and updated technology.

Lanson noted that the stadium is currently very well maintained and that SMC has been doing an excellent job of sustaining and planning for the stadium. According to Lanson, it is very difficult to project costs 30 years in the future as many factors can influence building maintenance and construction costs not the least of which is simply the annual escalation factor. The final draft will set forth the recommendations and will provide a road map for decision making regarding the care, upkeep and improvement of the stadium. The assessment can be evaluated and updated based on shorter segments of time (e.g., 3-5 years) as well as to reflect the priorities of the District and the Denver Broncos.

No action from the board is required at this time.

Agenda Item 4:

Naming Rights Update

The board reviewed a letter from Joe Ellis, President and CEO of the Denver Broncos. The Denver Broncos received assignment of the Naming Rights Agreement between the District and TSA Stores, Inc., in August 2016 pursuant to an order of the bankruptcy court. The letter requests that the Naming Rights fee due under the contract be paid quarterly, with the first payment due October 1, 2016. The existing agreement with TSA Stores, Inc. provided for payment on a yearly payment schedule. The request would not change the other terms of the agreement, only the payment schedule. It was discussed and decided that this would be a 1 year agreement for the quarterly payments and that this payment provision would not be applicable if the naming rights are sold to another sponsor. The Broncos are working diligently on identifying a new naming rights partner. Roy Palmer asked about interest that would have accrued on the total amount, if paid, and if that lost interest should be considered in these new quarterly payments.

After further discussion, a motion to approve Stadium Management Company, LLC, and PDB Sports, Ltd., as assignee under the Agreement for Naming Rights, make its \$3,601,890 payment in equal quarterly installments of \$900,472.50 on each of October 1, 2016, January 1, 2017, April 1, 2017 and July 1, 2017, provided that commencing on October 1, 2016, all remaining unpaid principal shall accrue interest at the rate currently earned by the District, with such interest to be payable to the District with each quarterly payment was made by Jack Hilbert, and seconded by Jim Harrington, and unanimously approved. This amended payment schedule is not assignable by SMC or PDB without the further consent of the District.

Agenda Item 5:

Stadium Updates – Zach Myhra

Zach Myhra updated the board that SMC has completed all of their capital repair and replacements for the season and the last piece they are working on is replacing some of the sidewalk concrete. The new security system is in place and is working very well according to Zach. The Mile High Monument has been a popular site to visit, with around 3,000 people entering on a game day.

No action from the board is required at this time.

Agenda Item 6:

Comments from the Public

Michael Guiietz, a representative of the Jefferson Park Neighborhood Association, briefed the board about the Association working with Community Planning and Developing about rezoning a block between Decatur and Elliot by 25th to allow residential and commercial mixed use.

Agenda Item 7:

Comments from the Board--None

Agenda Item 8:

Other Matters--None

Agenda Item 9:

Adjourn

There being no other business, a motion to adjourn was made by Gene Ciancio, and was seconded by Roy Palmer and unanimously approved.

Next meeting is scheduled for Wednesday, November 16, 2016