

Minutes
Regular Meeting of the Board of Directors
METROPOLITAN FOOTBALL STADIUM DISTRICT
Wednesday, November 14, 2018

Board members present:

Ray Baker	Don Johnson	Jim Harrington
Roy Palmer	Gabe Fenton	Tim White
Gene Ciancio		

Agenda Item 1:

Call to Order

On Wednesday, November 14, 2018, a meeting of the Board of Directors of the Metropolitan Football Stadium District was called to order at 10:06 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 June 20, 2018 and August 14, 2018 was made by Don Johnson, seconded by Gene Ciancio and unanimously approved.

Agenda Item 3:

Naming Rights Payment Schedule

Matt Sugar reviewed the Naming Rights Payment schedule that was approved by the board last year. The schedule allowed Stadium Management Company, LLC ("SMC"), who assumed the Naming Rights contract, to pay in quarterly installments, which they did and all payments were made on time. SMC is again requesting to make quarterly payments for the Naming Rights in the total amount of \$3,895,800 with the interest rate reflecting the interest rate of 1.50% that the District has been earning.

Craig Umbaugh, legal counsel for the District, stated that there are three years left on this naming rights agreement. Ray Baker proposed that the district extend the quarterly payment agreement for the remaining years left on the contract or until another naming rights partner is found.

After further discussion, a motion to approve SMC making its \$3,895,800 payment in equal quarterly installments of \$973,950 on each of October 1, 2018, January 1, 2019, April 1, 2019 and July 1, 2019, provided that commencing on October 1, 2018, all remaining unpaid principal shall accrue interest at

the rate currently earned by the District of 1.50%, with such interest to be payable to the District with each quarterly payment was made by Ray Baker, and seconded by Roy Palmer, and unanimously approved. This amended payment schedule is not assignable by SMC or PDB without the further consent of the District.

Agenda Item 4:

2019 Proposed Budget

Matt Sugar, along with Paige Stiltner from the District's accounting firm, Stiltner and Associates LLC, reviewed the proposed budget with the Board. Matt noted that the budget is consistent with previous years with no major changes.

Jay Roberts, General Manager for the Stadium Management Company, updated the board regarding upcoming Capital Repair and Replacement items. The request for 2019 is estimated to be \$5.286 million. SMC did not proceed with \$2.1 million dollars' worth of replacement and repairs that had been authorized for 2018 and therefore SMC is requesting to roll over \$2.1 million dollars into the request for 2019. As such the total request for 2019 will be \$7.4 million dollars. The budget will be updated to represent these revised figures in the budget.

Zach Myhra, Director of Facilities for SMC, discussed the repair and replacements for 2019 in further detail. Proposed projects include new mechanical equipment, replacing the TV distribution system, and the LED sports lighting. SMC has gone through an RFP process for the new LED sports lighting system and is proposing to use Musco Sports Lighting. Musco will replace the lighting that illuminates the seating bowl and the field. This will give the stadium more flexibility to turn the lights on and off for theatrical events. There is a 25 year warranty for these fixtures as well as an estimated 10% rebate on the cost. SMC believes these lights will be a big improvement from the current stadium lighting system as the current system has reached the end of its useful life. This system will also allow the stadium to have a lighting system that is close to what is needed for FIFA standards in order to host a World Cup soccer game and the stadium would only need to add some additional lighting instead of having to replace the entire system. The actual request for Capital repairs will be brought to the board for approval at the March 2019 board meeting.

There being no other comments or questions from the Board, Ray opened the meeting for public comment. There being no public comment, Ray asked for a motion to approve the 2019 budget. Roy Palmer made the motion to approve the budget in the form presented at the meeting, directing staff to take any and all such actions necessary to file the budget and authorizing the Chair to take such actions as necessary to comply with law. The motion was seconded by Tim White and the budget was unanimously approved.

Agenda Item 5:

2019 Accounting Services Proposal

The board reviewed the proposal from Stiltner & Associates to provide accounting services to the District for the 2019 year. Matt noted this proposal is the same as the previous year with no increase in fee. After discussion by the board, Ray requested a motion to approve. Tim White made the motion to accept the Accounting proposal, which was seconded by Gene Ciancio and unanimously approved.

Agenda Item 6:

2019 Audit Services Proposal

Matt Sugar outlined the proposal for audit services from JDS for the calendar year 2019. The proposal is the same as the previous year. Gene Ciancio moved to approve the contract proposal with the auditors for 2019 and authorize the Chair to execute the contract and all documents necessary to fulfill the purposes of the resolution. It was seconded by Tim White and unanimously approved.

Agenda Item 7:

Stadium Update

Jay Roberts briefed the board on upcoming events at the stadium. Upcoming events include the CHSAA 4A and 5A football games to be held on Saturday, December 1st. A Super Cross event will be taking place April 2019, and this will be the first time the stadium is hosting this event. Jay said that there are a couple big concerts in the process of being scheduled for summer 2019. More information will be released soon on these. Other summer events include Gold Cup soccer and Global Dance Festival. Jay noted that the process of selecting a concessionaire is ongoing. Don Johnson and Matt Sugar have been assisting in the process.

No action from the board is required at this time.

Agenda Item 8:

Comments from the Public -- None

Agenda Item 9:

Comments from the Board--None

Agenda Item 10:

Other Matters

Matt Sugar discussed the progress of the creation of the metropolitan district to help finance infrastructure for the potential development to the south of the stadium. The metropolitan district election process to organize the metropolitan district has been concluded and the election has been certified by a judge. The City has held five steering committee meetings as well as two public meetings

regarding the planning and design. Both meetings were very well attended and there has been a lot of input from the community, businesses, and community leaders. The District and SMC are considering the creation of a special purpose vehicle, tentatively called Stadium Investment Company, to undertake the development.

Craig mentioned the continuing discussions with the Denver Housing Authority (DHA) and the entity DHA created, Sun Valley EcoDistrict, regarding a transfer of parcels of land. The district parcel of Parking Lot N would be transferred to DHA and two DHA parcels on Old Colfax will be acquired by the District. Ray noted that there may be the need for a board meeting in December 2018 to approve the transaction, and Craig will keep the board updated on the progress.

No action from the board is required at this time.

Agenda Item 11:

Adjourn

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

Next meeting is scheduled for Wednesday, March 13, 2019