

Minutes
Meeting of the Board of Directors
METROPOLITAN FOOTBALL STADIUM DISTRICT
Friday, August 5, 2022

Board members present:

Ray Baker	Don Johnson	Jim Harrington
Richard Sapkin	Alex Boian	Gene Ciancio – via phone
Bob Lee	Tim White	Steve White

Agenda Item 1:

Call to Order

On Friday, August 5, 2022, a meeting of the Board of Directors of the Metropolitan Football Stadium District was called to order at 11:01 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 15, 2022, was made by Steve White, seconded by Bob Lee and unanimously approved.

Agenda Item 3:

Lease and Management Agreement

Matt Sugar, Director of Stadium Affairs, explained that there are two things that the District Board will need to decide today regarding the sale of the Denver Broncos. The first item is Article 41 which is an actual consent to the sale. This states that the District agrees to the new ownership and that they are abiding by all of the rules and regulations of the Lease and Management agreement. The second item refers to Article 33 of the agreement.

Matt Sugar introduced Thomas Ragonetti, the Districts' legal counsel, who explained that Article 33 addresses what the Stadium District receives if there is a sale of the franchise. The Article discusses a Sharing Amount and a formula for calculating that amount right in the lease. Today, the District needs to approve that Sharing Amount, that was computed by the Denver Broncos under that formula and checked by the District's Auditing firm, Jill Korenek with JDS Professional Group.

Mr. Ragonetti also explained that Article 41 is where the District Board has the obligation to consent to any sale of the franchise and will be asking for resolution to this. So, the two resolutions for today's meeting are to approve the sale of the franchise and to approve the Sharing Amount.

Matt Sugar discussed further how the Sharing Amount was calculated. Article 33 describes the sale with a minimum amount of \$1 million dollars or 2%, whichever is higher of this calculated amount. The "Sharing Amount" comes to \$41,037,951. Upon the sale of the team, that amount will be paid to the District to be distributed proportionally back the counties and municipalities that paid in the original sales tax, with one specific condition, the funds are to be spent on Youth Activities Programs. This is defined in both the lease and the legislation. Mr. Baker mentioned that all the amounts have been verified by the Denver Broncos, the District, and the Colorado Department of Revenue.

After a discussion of Article 33 by the board, a motion was made by Jim Harrington, and the second of Rick Sapkin to approve:

(a) the Sharing Amount of \$41,037,951 under the Act and Article 33 of the Lease and as set forth in Exhibit A attached hereto and incorporated by reference; and

(b) the distribution of the Sharing Amount funds to the municipalities and counties within the District, based upon their proportionate share of sales and use tax paid under the Act; and

the District hereby authorizes the Chairman, any officers, District staff, or their representatives to disburse the Sharing Amount funds pursuant to, and, and to take such further action as may be necessary to effectuate the purpose of, this resolution.

The Metropolitan Football Stadium District upon the motion of Don Johnson, and the second of Steve White, approves the Sale, and consents to the Sale and change of managerial control as to PDB and Stadium Company, which is deemed an assignment pursuant to Article 41 of the Lease, and the District authorizes the Chairman to execute such documents and take such actions as may be necessary to effectuate the purposes of this resolution.

Agenda Item 4:
Stadium Update

Jay Roberts, General Manager of Stadium Management Company ("SMC"), briefed the board on upcoming events at the stadium. The stadium had one of the busiest summers with the BBQ festival, the Red Hot Chili Peppers concert, Global Dance, and the Kenny Chesney concert. Current projects are replacing the sod on the field, renovating the Broncos locker room, and completing renovations from the fire damage.

Mr. Roberts stated there was an unfortunate tragedy resulting in a fatality at the end of the Kenny Chesney concert. Mr. Roberts also stated that SMC is constantly reviewing safety aspects throughout the building.

Zach Myhra, Director of Facilities for the Stadium Management Company ("SMC"), further updated the board on the fire renovations. They are receiving the last few items they need to finish, which has been delayed by supply chain issues. Crews should be finishing up within the next few weeks and should be completed by the first Broncos game which is on August 13th.

No action from the board is required at this time.

Agenda Item 5:

Comments from the Public

Mr. Joe Ellis, President and CEO of the Denver Broncos, thanked the board for their work and support during his time with the Denver Broncos.

Agenda Item 6:

Comments from the Board

Ray Baker, along with other members, thanked Mr. Ellis for his philosophy and great stewardship to the team and the community. Mr. Baker also thanked the board for their flexibility and willingness to attend these meetings.

Agenda Item 7:

Other Matters--None

Agenda Item 8:

Adjourn

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

Next meeting is scheduled for Wednesday, November 9, 2022