

Minutes
Regular Meeting of the Board of Directors
METROPOLITAN FOOTBALL STADIUM DISTRICT
Thursday, December 5, 2013

Board members present:

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

Agenda Item 1:

Call to Order

On Thursday, December 5, 2013, a meeting of the Board of Directors of the Metropolitan Football Stadium District was called to order at 10:30 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 June 20, 2013 was made by Jack , seconded by Joy and unanimously approved.

Agenda Item 3:

Proposed 2014 Budget

The proposed 2014 budget was reviewed by the board. Ray Baker noted that the budget was prepared by the District staff with input from the District's accounting firm, Dix, Barrett and Stiltner, P.C., and the board proceeded to discuss the budget. Norm asked for clarification of the amount difference between actual through 10/31/2013 and estimated for year end, it was explained that there are typically several revenue generating events and payments that occur at year- end and that these will add to the District's income. Ray, Norm and other board members had additional discussion on the budget. At the conclusion of the board discussion, Ray asked if there were any comments from the public; there being no comments from the public, Ray asked if there were any additional comments from the board. There being no comments, Ray asked for a motion to approve the 2014 budget. Norm Early, 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 Roy Palmer and the budget was unanimously approved.

Agenda Item 4:

2014 Audit proposal

Ray asked Matt Sugar to outline the proposal for audit services for the calendar year 2014. Matt stated that the auditors, JDS Associates, are the same auditors the District used last year. The proposal and engagement letter is similar to the prior year. Ray and Norm each stated that he believed the proposal to be reasonable. Ray requested questions from the board and there being none, requested a motion to approve the contract with the auditors for 2014 and authorize the Chair to execute the contract and all documents necessary to fulfill the purposes of the resolution. Gene Ciancio made a motion to approve, seconded by Jack Hilbert and unanimously approved.

Agenda Item 5:

2014 Accounting proposal

The board reviewed the proposal from Dix, Barrett and Stiltner, P.C. to provide accounting services to the District for the 2014 year. Matt Sugar stated this proposal is very similar to prior years and the District believes it has received good service from this firm. Ray requested additional comments from the board and there being none, requested a motion to approve the contract and authorize the Chair to execute the contract and all documents necessary to fulfill the purposes of the resolution. Roy Palmer made a motion to approve, which was seconded by Gabe Fenton and unanimously approved.

Agenda Item 6:

Approval of Parking Agreement with Regional Transportation District

Ray Baker asked Craig Umbaugh, legal counsel, to review the Agreement among SMC, RTD and the District. Craig noted that the board discussed negotiations and possible terms of such an agreement at its last meeting. Subsequently, a final agreement on generally the terms previously discussed was approved by the RTD District Board and SMC. The agreement is in the form of a sublease between Stadium Management for Parking Lot M to RTD for use in connection with the light rail stop. As the lease term is 30 years which extends beyond the existing terms of the Broncos lease, which has 18 years to go, the District's consent to the additional years is required. Lot M consists of 1,169 spaces. RTD has options to terminate or reduce usage after years 3, 10, and 15, as RTD would like to continually evaluate the usage and if RTD reduces its usage, the rent would be reduced proportionately. It was also agreed that rent resets may be requested at years 15, 30, and 45 based on fair market value at the option of either party. Pursuant to the agreement, SMC has the right to exclude 15 days per year from the agreement for football games and to elect another 15 days per year for concerts or other events that may be scheduled. If more than 15 dates are elected, the rent is proportionately reduced. RTD is responsible for the maintenance of the lot and plans to improve the lot. SMC will remain responsible for any repairs pertaining to its usage. Ray Baker noted that SMC has studied this issue thoroughly for the past eight or nine months and SMC supports this agreement. Ray said he requested that SMC and RTD approve the agreement before coming to the Board. Ray noted that RTD cannot build structured parking on this site without the District and SMC's permission. The District and SMC retain the right to develop on Lot M, but have the obligation to provide alternative parking. Joy Burns asked what the rent was under the lease, and Craig stated that the first year rental total is \$677,417, which is based on an appraisal, and it increases by the CPI. Ray noted that counsel for SMC and the District did a good job on this agreement and working cooperatively with RTD. Roy Palmer stated that after looking at the agreement, he feels it helps the community, brings revenue in, helps RTD, and helps the long-term Sun

Valley neighborhood plan. Jack Hilbert stated this is a win-win situation, as you are not requiring RTD to build another parking structure, but rather you are using existing facilities in order to maximize their benefit, resulting in a cost savings for RTD as well as cash revenue for the District. Roy Palmer stated even if RTD takes the 3-year out, there is no loss to the District or team and indeed there are additional revenues for that period.

There being no further comments, Norm Early made a motion to approve the RTD Parking Agreement, to authorize the Chair to execute the agreement and all other documents necessary to fulfill the purposes of the resolution. The motion was seconded by Gene Ciancio, and unanimously approved.

Agenda Item 7:

Centerplate Capital Improvements Addendum Contract

Ray Baker requested that Craig Umbaugh review the Third Amendment to the Concession Agreement. At the last board meeting, Centerplate committed to invest \$750,000 into a beer garden and IPTV menu boards. Subsequent to that discussion, Centerplate requested an amendment to its contract that if Centerplate were to be terminated early under their agreement, Centerplate would get a pro rata share of the \$750,000 investment back. The District requested that it be made clear that the District has no liability for the repayment of these funds, which was included which was included in the Third Amendment.

There being no other Board or public questions, Roy Palmer made a motion to approve the Third Amendment to the Concession Agreement, to authorize the Chair to execute the Third Amendment and all other documents necessary to fulfill the purposes of the resolution, which was seconded by Norm Early and unanimously approved.

Agenda Item 8:

Ring of Fame Monument Agreement

The Board discussed the Ring of Fame monuments at the south end of the stadium. The monuments of Ring of Fame members were installed and paid at the sole cost of the Broncos. The Agreement is necessary because although the monuments were paid for by the Broncos, they are on District property which is leased to the Broncos and the proper permission needs to be documented. The Agreement provides that the monuments will remain on the property as long as the Denver Broncos are playing at the site. The Broncos are responsible for maintaining the monuments and they plan to add monuments in future years as new Ring of Fame members are added. Several board members noted that the monuments were done in a first-class manner. There being no further questions, a motion was made by Joy Burns to approve the agreement between the District and Denver Broncos, and to authorize the Chair to execute the agreement and to execute such other documents as necessary to fulfill the purposes of the resolution. The motion was seconded by Jack Hilbert, and unanimously approved.

Agenda Item 9:

Capital Improvement Update

Ray Baker asked Matt Sugar to update the board on the capital improvements. Matt stated the capital improvements are approximately 98 percent complete. As discussed at the previous meeting, WJHW is responsible for confirming that all work is completed and properly installed, and they are coming to conclusion. Closeout documents are being worked on and there are few remaining items to finish on the lower concourse. Ray Baker asked Andy Gorchov of SMC to comment. Andy stated that the Broncos have contributed additional dollars beyond what was anticipated as well as Centerplate contributing. Andy stated that some signage and lighting elements at the 50 yard line area of the concourse remain to be completed. Recently completed was a high school helmet wall located at Gate 8. This wall displays every helmet from every Colorado high school football program. Andy said all systems have been commissioned and everything looks good so far according to WJHW. Roy Palmer asked that the Board be updated on the completion. Matt stated that he is working with WJHW and he will hope to provide an update of this information at the next board meeting.

Agenda Item 10:

General Development Plan/Sun Valley

Matt Sugar reviewed the General Development Plan for Sun Valley. He stated that this is an ongoing process the City has undertaken. The Sun Valley neighborhood is one of Mayor Hancock's top three priorities for redevelopments in the City and County of Denver. The planning staff is moving forward looking at what can be done to improve the area, and have gone through a planning process and are now looking at a general development plan. Matt said the best way to describe a GDP is a "30,000 foot" look at the area to see what kind of infrastructure and what kind of improvements are necessary and what type of development is possible. The City has been keeping the major land owners, which include RTD, Xcel, MFSD and Denver Housing Authority, updated as to its plans and process. The City would like to have the General Development Plan completed at the end of January. SMC and the District are working on comments. Of particular concern to SMC and the District is to make sure the traffic management plan is integrated into any redevelopment plans, as this could impact game-day traffic and other neighborhoods. The west-line rail stop, for which parking with RTD was approved, provides a great opportunity for the area. Ray Baker stated this would be a gigantic opportunity for the area, not just one neighborhood, but multiple neighborhoods. Matt said there is no specific project yet. Roy Palmer and Norm Early said they would like to be involved as board members in working on the planning process.

Agenda Item 11: Public Comments

Jerry Olson asked about the GDP boundary. Mr. Olson stated that the areas west and north of the GDP area and Federal Boulevard and Colfax need attention to redevelopment. Matt Sugar, board members and Mr. Olson discussed the possible expansion of the boundaries and concluded that idea made sense and should be suggested to the City. The City is planning its next meeting for December 10, 2014.

Agenda Item 12:

Board Comments -- None

Agenda Item 13:
Other Matters -- None

Agenda Item 14:
Adjourn

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

Next meeting TBD