



Minnesota Ballpark Authority Board Meeting Minutes – April 13, 2017

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for April 13, 2017 to order at 1:00 p.m. The roll was taken. Commissioners Joan Campbell, Paul Williams and James Campbell were present. Commissioner David Ybarra participated by telephone.

Commissioner Joan Campbell moved approval of the agenda, seconded by Commissioner Williams and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED

Commissioner Williams moved approval of the January 12, 2017 meeting minutes seconded by Commissioner Joan Campbell and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED

Chair's Report – Chair Margaret Anderson Kelliher reported that she and Executive Director Kenney are scheduled to meet with the Twins next week to review the Twins 2016 financials as outlined in the Lease Agreement. Overview will be provided for the Board at the July meeting.

Chair Anderson Kelliher stated that she, along with Executive Director Kenney and MBA legal counsel met with the legislative auditor, James Noble and legislative counsel, Elizabeth Stawiki regarding the MBA's suite use policy and Code of Conduct. The board has been working together on updating the MBA suite use policy and the Code of Conduct that will be put forth in Resolution 17-MBA-130 and voted on today.

Executive Director's Report – Executive Director Dan Kenney stated that the renovations to Target Center are ongoing and will continue through October 2017. He noted that an addition to the skyway is being built at the intersection of 2nd Avenue and 7th Street and will connect to Target Center near Ramp A. This renovation necessitated the repositioning of the Rod Carew statue on the plaza along 7th Street.

ACTION ITEMS

Resolution – 17-MBA-128

Purpose:

To authorize the expenditure of funds from the Minnesota Ballpark Authority's Ballpark Capital Projects Fund to reimburse the Minnesota Twins for the cost of capital repairs to the plaza bridge.

Background:

Target Plaza serves as the primary pedestrian connection between Target Field and the Warehouse District. The plaza is comprised of three bridges that span over Interstate 394: Bridge 27B48 runs parallel to 7th Street; Bridge 27B49 runs south of the ballpark ticketing area; and Bridge 27B50 runs parallel to Ramp B.

The Minnesota Department of Transportation (MnDOT) requires the bridges to be inspected every other year. The MBA contracts with Short Elliott and Hendrickson (SEH) for inspection services and the 2016 report was issued in December. While SEH found the bridges to be generally in very good condition, a pier cap on Bridge 27B49 required repair. For the first 15 years of the Ballpark Lease, the MBA is responsible for capital repair costs on the plaza. For years 16 through 30 of the Lease, these capital repair costs are split evenly between the MBA and the team.

The Ballpark Lease provides that the team may manage CapEx projects. To ensure the repairs were completed in advance of the 2017 season, the Twins managed contracting for the bridge capital repairs. After receiving the inspection report, MBA staff worked with SEH and the team to finalize the scope of the bridge repairs. The team sought bids from multiple contractors and selected the lowest responsible bidders to complete the work and to provide for testing and inspection services in accordance with MnDOT requirements and specifications. The bridge repairs were finished before the end of March.

MBA staff is requesting authorization to reimburse the team for the cost of the bridge repairs and the testing and inspection services.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the expenditure of funds from the MBA's Ballpark Capital Projects Fund in an amount not-to-exceed \$53,000, to reimburse the Minnesota Twins for the cost of the capital repairs on the plaza bridge and the testing and inspection services.

APPROVED

Commissioner David Ybarra attended by phone and while not allowed to vote because not physically present, said he favored the resolution.

Resolution 17-MBA-129

Purpose:

To authorize an amendment to the budget to increase the budget for the new LED lighting project to account for the sales taxes on the new equipment and the associated electrical engineering services.

Background:

On October 6, 2016, the Minnesota Ballpark Authority authorized the expenditure of funds from the Ballpark Capital Reserve Fund for new LED lighting at Target Field in an amount not to exceed \$1.625 million (Resolution 16-MBA-124).

The lighting project was the first request the MBA received from the team to use Capital Reserve Funding. From 2010 through 2016 the Minnesota Twins elected to fund \$18.9 million in Ballpark CapEx projects.

After seeking bids from three LED lighting vendors, the Twins selected Ephesus for the ballpark lighting project. The Ephesus proposal offered the most competitive pricing, fixtures with more dimming and adjustment features, a solution for the under-canopy lighting, and a 20-year warranty on the product.

The new field lighting and canopy lighting systems were installed over the course of the off-season and are in place and operating as designed.

While the project was completed for the \$1.625 million contract amount, the original project estimate did not include costs for the sales taxes on the new equipment (\$127,000) and the associated electrical engineering services (\$18,000).

MBA staff is requesting authorization to work with the Minnesota Twins to enter into a cost reimbursement agreement with a new not-to-exceed amount of \$1.77 million for the LED lighting project.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes an increase of \$145,000 in the capital project budget for the installation of new LED lighting at Target Field.

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority authorizes the expenditure of funds from the Ballpark Capital Reserve Fund in a total amount not-to-exceed \$1.77 million to pay for these improvements.

BE IT FURTHER RESOLVED that the Chair and Executive Director are authorized to enter into any necessary agreements to reimburse the team for the LED lighting project costs and staff is directed to disburse funds as directed.

APPROVED

Commissioner David Ybarra attended by phone and while not allowed to vote because not physically present, said he favored the resolution.

Chair Anderson Kelliher reported on the revised MBA Suite Use Policy and the updated Code of Conduct. Chair Anderson Kelliher said that the MBA has always had a Code of Conduct and suite use policy. Resolution 130 includes changes to MBA Commissioner and charity suite use. Under the new policy, the suite will be mostly used for charitable purposes. Commissioners can be in the building during games with their credentials and for approved business purposes. The new policy does allow the Executive Director to utilize the suite for baseball purposes with approval by the Chair and one board member. The board will continue to monitor the legislation related to the US Bank Stadium Authority and may revise the policy in the coming months, based on the final legislation.

Resolution 17-MBA-130

Purpose:

To adopt a revised MBA suite use policy and an updated MBA Code of Conduct

Background:

The Minnesota Ballpark Authority (MBA) was established by the Legislature in 2006 to oversee the design, construction and operation of the ballpark. The MBA owns the 15-acre site and Target Field on behalf of the public. The MBA is responsible for ensuring that the Minnesota Twins operate, maintain, repair and manage the ballpark in a first-class manner. As the ballpark's public owner and long-term asset manager, the Minnesota Ballpark Authority uses the MBA office space and suite throughout the year to observe event day operations, how the building is functioning, and how the facility's various systems are working. Being in and around the ballpark during events helps to inform decisions on team-funded alterations, as well as proposed capital investments funded through the MBA. Since Target Field opened in 2010, the Minnesota Ballpark Authority Board has approved more than \$18 million in team-funded ballpark alterations and capital improvement projects.

In light of the discussion at the Legislature regarding suite access policies, the MBA Chair and the Executive Director have been working with MBA legal counsel to review the MBA's current suite use policy, the MBA charitable use policy, and the MBA Code of Conduct. The attached suite use policy

revision and updated Code of Conduct seek to align the MBA's policies with the intent of the pending legislation and the recommendations included in the report from the Office of the Legislative Auditor.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority adopts the revised MBA suite use policy and the updated MBA Code of Conduct.

APPROVED

Commissioner David Ybarra attended by phone and while not allowed to vote because not physically present, said he favored the resolution.

Executive Director Kenney gave a brief overview of the annual correspondence letters that the MBA receives from the Twins regarding the Annual Maintenance Expenses for 2016 and the budgeted amounts for 2017; the Tenant Ballpark Property Schedule for 2016; the Team contributions to Youth Activities and Youth and Amateur Sports and the Affordable Seating Plan for the 2017 season.

DISCUSSION ITEMS

Target Field Concessions Update– Pete Spike, General Manager, Delaware North. Mr. Spike gave a report on the 2017 concessions at Target Field. He discussed 2016 success stories and new items on the menu for 2017. Delaware North continues to work on recruitment efforts for hiring for the 2017 season. There are hundreds of positions available and Delaware North will be offering more job fairs in April. A big recruitment effort is by current employees who receive a bonus if the employee refers someone and that person is hired. Working with non-profit organizations has also proven successful.

Target Field Operations Update – Matt Hoy, Minnesota Twins Senior V.P. of Operations. Mr. Hoy stated that the building came through the winter with no significant issues and was up and running very well on Opening Day. Billy Joel is schedule to perform at Target Field on July 28th and the Backstreet Boys, Georgia Line and Nelly will play the following night. The same stage set up will be used but different production companies will be producing. The St. John's football game is schedule for September.

Gary Glawe, Minnesota Twins Senior Director, Ballpark Systems. Mr. Glawe reported that the LED lights and video boards that were installed during the off-season are exceeding expectations. The lights can be programed for any event or situation and in any color. The ballpark received LEED Silver Certification in 2011 and the Twins have reapplied as the certification expires after five years. Mr. Glawe said that there will be more to report on the recertification at the July MBA Board meeting.

Financial Report – Executive Director Kenney gave an overview of the MBA 2016 financial summary in the meeting packet and the first quarter financials for 2017.

There being no further business, Chair Anderson Kelliher moved to adjourn. The motion was approved unanimously - 4 YEAS, 0 NAYS. The board meeting of the Minnesota Ballpark Authority for April 13, 2017 was adjourned at 2:13 p.m.

Next Meeting: July 13, 2017.