



Minnesota Ballpark Authority Board Meeting Minutes – April 11, 2019

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for April 11, 2019 to order at 9:00 a.m. The roll was taken. Commissioners Paul Williams, David Ybarra and James R. Campbell were present. Commissioner Joan Campbell was absent.

Commissioner James R. Campbell moved approval of the agenda, seconded by Commissioner David Ybarra and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED

Commissioner Paul Williams moved approval of the January 10, 2019 meeting minutes seconded by Commissioner Campbell and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED

Chair’s Report – Chair Margaret Anderson Kelliher noted that there would be a closed session at the end of the meeting for the performance evaluation of Executive Director Dan Kenney. Following the closed session, the meeting will reconvene and a summary of the evaluation will be provided as well as a resolution regarding the conclusions. Chair Anderson Kelliher also stated that she and Executive Director Kenney have been in discussions with the City of Minneapolis and BNSF regarding an easement for BNSF on the Cedar Lake Bike Trail. Resolution 150 on the meeting agenda addresses the issues being negotiated by the parties.

Executive Director’s Report – Executive Director Dan Kenney reported that he has been working with the team regarding future planning for the ballpark including the scoreboard, ribbon boards and control room. Dave St. Peter and Executive Director Kenney plan to meet with the newly elected Hennepin County Board members in the coming months to update them on the accomplishments at the ballpark and to inform them of future plans for the facility. The US Bank Stadium Authority has expressed a desire to come and visit Target Field and to look at security measures and the Gate 34 alterations.

ACTION ITEMS

4-11-19 Proposed Resolution 19-MBA-150

Purpose:

To authorize the Chair or Vice Chair and the Executive Director to negotiate and enter into amendments to agreements related to the use of the Cedar Lake Trail by BNSF Railway Company for vehicular access for maintenance purposes. There are two agreements to be amended: the Operations and Maintenance Agreement, dated September 8, 2009, as amended (the “O&M Agreement”) by and among the Minnesota

Ballpark Authority (the “MBA”), the Metropolitan Council (the “Met Council”), Twins Ballpark LLC (the “Tenant”), and Minnesota Twins LLC (the “Twins” and, together with the Tenant, collectively referred to as the “Team”); and the Construction License and Maintenance Agreement, dated May 23, 2007 (the “CLMA”) by and between the MBA and BNSF Railway Company (“BNSF”).

Background:

The Cedar Lake Trail is a well-used bicycle and pedestrian path that runs adjacent to the ballpark. As part of the negotiations leading up to the construction and completion of the ballpark, the MBA acquired the property underlying a portion of the Cedar Lake Trail from the Minnesota Department of Transportation (“MNDOT”) and from BNSF. Both MNDOT and BNSF placed deed restrictions on the property, restricting it to trail use only. The MBA then granted an easement to the City of Minneapolis (the “City”), which owns, operates and controls the Cedar Lake Trail. The easement agreement only allows limited use of the trail by the MBA and the Team, restricting use for “servicing the ballpark” and for use by utilities.

As part of the Met Council’s planned southwest light rail transit project, the Met Council plans to extend the Green Line, serving Minneapolis, St. Louis Park, Hopkins, Minnetonka and Eden Prairie (the “Green Line Extension”). It will connect to the Blue Line and to the Northstar Commuter Rail Line. The Met Council has been pursuing a full funding grant agreement with the Federal Transit Administration, which is anticipated to be approved in early 2019, which will conclude the formal funding process for the project. Construction of the Green Line Extension is also expected to begin in early 2019.

A portion of the Green Line Extension will be constructed on property owned by BNSF, known as the Wayzata Subdivision. As a result of the construction, BNSF’s access to the Wayzata Subdivision will be impacted. BNSF has requested that the Met Council identify an alternative access route for maintenance purposes. The Met Council identified a preferred route using a portion of the Cedar Lake Trail which is located on the MBA’s property (Exhibit A, attached).

Under the terms of the existing agreements between and among the MBA, BNSF, the Met Council, the City, the Team and MNDOT, BNSF’s request to use the Cedar Lake Trail for vehicular access for maintenance purposes is not permitted.

The MBA Executive Director and legal counsel have been involved in negotiations with the Met Council, Team, City and BNSF in order to facilitate BNSF’s request to use the Cedar Lake Trail for vehicular access for maintenance purposes. Of paramount importance, the MBA goal has been to ensure that the terms of the transaction provide the MBA with an appropriate level of protection and indemnification for BNSF’s use of the Cedar Lake Trail for vehicular access for maintenance purposes, in particular given the MBA does not own, operate or control the Cedar Lake Trail.

The parties have been working collaboratively on recommendations that would amend the Construction License and Maintenance Agreement, and the Operations and Maintenance Agreement as follows:

1. Allow BNSF to use the Cedar Lake Trail for vehicular access for maintenance purposes.
2. Address provisions in the Cedar Lake Trail Easement Agreement with the City to allow for such use.
3. Establish protocols between the City and BNSF as to such use.
4. Provide the MBA with an appropriate level of liability protection and indemnification.
5. Provide for consent by MNDOT and BNSF, as the holders of the deed restrictions, to allow BNSF to use the Cedar Lake Trail for vehicular access for maintenance purposes.

6. Provide that the Met Council is responsible for making any improvements to the BNSF access route over the Cedar Lake Trail, and for any relocation of bollards, security fencing or other similar improvements on the MBA property.
7. Allow and require the Met Council to keep the MBA's improvements within the BNSF Wayzata Subdivision painted and free from graffiti.
8. Add Met Council and the City to the amendment to the CLMA to facilitate the above.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the Chair or Vice Chair and Executive Director to negotiate and enter into amendments to the Construction License and Maintenance Agreement and to the Operations and Maintenance Agreement consistent with the terms and conditions stated above, and substantially in the form on file with the MBA on the date hereof, with such necessary and appropriate variations, omissions and insertions as are not materially inconsistent with such forms as the Chair or Vice Chair and Executive Director in their discretion shall determine, provided that the accepting thereof by the Chair or Vice Chair and Executive Director shall be conclusive evidence of such determination.

APPROVED

4-11-19 Proposed Resolution 19-MBA-151

Purpose:

To authorize the expenditure of Minnesota Ballpark Authority funding from the Ballpark Capital Projects Fund for pedestrian lighting along 5th Avenue North; to authorize MBA staff to finalize the scope, design and cost details with the City of Minneapolis; and to authorize the Chair and Executive Director to enter into any necessary inter-agency agreements to achieve these improvements.

Background:

In April 2008, the Minnesota Ballpark Authority adopted Resolution 08-MBA-05R1, which created the Ballpark District Enhancements and Public Art Incentive fund.

The fund was set up to allow the MBA to work with other government agencies, private developers, and other interested parties to encourage the coordinated development of amenities that would serve both the long-term interests of the ballpark and this emerging area of the City. Priorities for this fund include public art, streetscape and way-finding enhancements.

Over the past several years, the Minnesota Ballpark Authority has worked with the Minnesota Twins, Target Corporation, Hennepin County, the Minnesota Department of Transportation, the City of Minneapolis, and other partners to complete several public realm improvement projects around both Target Field and Target Field Station. The MBA Board approved funding for pedestrian lighting on 3rd Avenue North in 2009 and funding for lighting on 6th Avenue North in 2015.

This year the City of Minneapolis will be reconstructing 5th Avenue North from near 5th Street to Washington Avenue. While this is a key connection from the North Loop to Target Field and Target Field Station, the existing project scope does not include pedestrian lighting.

Consistent with the MBA's previous efforts, there is an opportunity to enhance the pedestrian environment and the connections between the North Loop and Target Field. MBA staff is requesting authorization to work with the City of Minneapolis to enter into a cost participation agreement in an amount not-to-exceed \$200,000 to add pedestrian lighting to the 5th Avenue North project.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the expenditure of funds from the Ballpark Capital Projects Fund in an amount not-to-exceed \$200,000, for the purpose of adding pedestrian lighting on 5th Avenue North, as part of the street reconstruction project being led by the City of Minneapolis.

BE IT FURTHER RESOLVED that MBA staff is authorized to finalize the scope, design and cost details with the City, and the Chair and Executive Director are authorized to enter into any necessary inter-agency agreements to achieve these improvements.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, Senior VP, Operations, Minnesota Twins. Mr. Hoy reported that in 2018 the Annual Maintenance Expenses were \$6.9 million and for 2019 the budget will be \$7.2 million. \$15.3 million was spent on the Tennant Ballpark Property in 2018. There were approximately 53 projects of various sizes and scope, the largest was the conversion of the Metropolitan Club to Bat and Barrel. Construction projects for 2019 so far include the Gate 34 Experience and the new Batter’s Eye in centerfield. Other smaller projects were in the concessions areas and control systems. The facility did well over the winter with only a few minor issues with the sprinkler system and one small pipe leak along the 3rd base side of the ballpark.

Target Field Concessions Update – Pete Spike, General Manager, Delaware North Sportservice. Mr. Spike reported on several 2018 highlights. He said that \$1.2 million was donated back into the community 501(c)3 program, Target Field held four capacity concerts, Target Field was PETA’s most vegan friendly MLB ballpark and there were continued sustainability efforts with green initiatives and landfill diversion. 2019 initiatives include the Gate 34 alterations and adding more small, local vendors and food items to Target Field concessions. New retail opportunities include an expanded line of women’s apparel, Prince merchandise, North Woods Designs and new player jersey’s La Tortuga 64, Willians Astudillo, Nelson Cruz, CJ Cron, Marwin Gonzalez and Jonathan Schoop. Expanded recruitment efforts have been implemented for staffing issues along with referral programs offering \$200 for referrals and sign on bonus opportunities.

Financial Report – Brenda Juneau, MBA Finance Coordinator. Ms. Juneau reported on the 2018 Financial Summary. At the end of 2018 the combined fund balances totaled approximately \$22 million which is a decrease of \$2 million from the prior year, primarily because of the reimbursement to the Twins for a portion of the cost for the Bat and Barrel project and concourse expansion. Investment income is up and the General Fund is stable. The MBA’s 10% of Target Field event revenue for 2018 totaled over \$376,000.

Meeting adjourned at 10:03 a.m. for Closed Session - Performance Evaluation of Executive Director, Dan Kenney.

Reconvened meeting at 10:20 a.m. – Summary of Conclusions of Evaluation and Resolution.

19-MBA-152

Purpose: To authorize the Chair to execute an amendment to the employment agreement with the Executive director of the Authority.

Background: On August 18, 2006, the Minnesota Ballpark Authority entered into an employment agreement with Dan Kenney, Executive director of the Authority. Among other terms and conditions, the

agreement states that each year of the Executive Director's employment, the Authority shall review and may adjust the Executive Director's base salary in its sole discretion. This resolution authorizes the Chair to enter into an amendment to that agreement.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the Chair to enter into an amendment to the Employment Agreement with the Executive Director with the following terms:

1. Base Salary: Increase the annual base salary to an annual base salary of \$175,275.00, effective January 1, 2019.
2. Employment term: Extend the term of employment through August 21, 2020.
3. All other terms and conditions of the employment agreement to remain the same.

APPROVED

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 11, 2019 was adjourned at 10:25 a.m.

Next Meeting: July 9, 2019