



Minnesota Ballpark Authority Board Meeting Minutes – July 21, 2022

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for July 21, 2022, to order at 9:00 a.m. The roll was taken. Commissioners David Ybarra and Jim Campbell were present. Commissioner Tony Sanneh was absent.

Commissioner Jim Campbell moved approval of the agenda, seconded by Commissioner David Ybarra, and approved unanimously – 3 YEAS, 0 NAYS.

APPROVED

Commissioner Jim Campbell moved approval of the April 14, 2022, meeting minutes seconded by Commissioner David Ybarra and approved unanimously – 3 YEAS, 0 NAYS

APPROVED

Public Comment Period – no public comment.

Chair's Report – no report.

Executive Director's Report – Executive Director Kenney noted that on April 22nd the new public art mural located on the plaza was unveiled. The back metal panels of the mural have since been enclosed to provide more long term support. The Public Art Advisory Committee is now working with the mural artists to design new signage on the back panels that face 7th street that would tie in to the theme of the mural.

Audit Committee Report – Chair David Ybarra reported that the Audit Committee met on June 29th. MBA staff presented a proposed 2023 MBA General Fund Budget of \$660,000 to the Committee and the 2023 budget request to Hennepin County for a Capital Reserve contribution of \$1,483,825. These proposals were approved by the Audit Committee to be sent to the MBA Board for approval at today's meeting.

ACTION ITEMS

Resolution 21-MBA-183

WHEREAS, Joan Campbell was appointed by the City of Minneapolis in 2006 to serve on the Minnesota Ballpark Authority Board of Commissioners; and

WHEREAS, Ms. Campbell brought vast public sector experience to the MBA having served on the Minneapolis City Council from 1990 to 2002, the Minneapolis Central Library Implementation Committee from 2000 to 2006 and the Metropolitan Council from 1973 to 1989, which included the period of time when the construction of the Metrodome was approved; and

WHEREAS, as MBA Commissioner, Ms. Campbell's many contributions included serving as the Board's Treasurer and Audit Committee Chair, and during construction of the ballpark, served as the MBA representative on the Ballpark Accessibility Advisory Committee, and

WHEREAS, during the design and construction of Target Field, Ms. Campbell was diligent in her commitment to ensuring that the ballpark would be built on time and on budget, that it would be the best possible ballpark and one that would last for generations to come; and

WHEREAS, the ballpark project finished ahead of schedule, achieving LEED Silver Certification, and opened to rave reviews including being named the #1 Sports Stadium Experience in North America in 2010 by *ESPN The Magazine* and the Best Ballpark of 2010 by *Ballpark Digest*; and

WHEREAS, after Target Field opened Ms. Campbell and the MBA Board continued to advance the MBA's vision for creating a vibrant ballpark district by investing \$1.8 million to fund public art and enhanced public spaces at Target Field Station; and

WHEREAS, significant private sector investment has followed the successful development of the ballpark, including the renovation of the Ford Center, the addition of numerous restaurants and tap rooms, the development of Dock Street Flats, the T3 building, Junction Flats, the Be The Match headquarters, the Element Hotel, the Fillmore Minneapolis and the North Loop Green project now under construction.

NOW THEREFORE BE IT RESOLVED, that the Minnesota Ballpark Authority hereby expresses its most sincere appreciation to Ms. Campbell for her many years of dedicated service in overseeing the design, construction and operation of Target Field as a member of the Minnesota Ballpark Authority Board of Commissioners from 2006 through February of 2022; and

BE IT FURTHER RESOLVED, that MBA Board gratefully acknowledges Ms. Campbell's valuable contributions, overall vision, and leadership that helped build a strong foundation for the organization; and

BE IT FURTHER RESOLVED, that Ms. Campbell's kindness, sense of humor and dedication to the MBA mission will be greatly missed by the MBA Board and staff.

APPROVED

Resolution 21-MBA-184

Purpose:

To authorize submittal of the proposed 2023 MBA Operating and Capital Reserve Budget to Hennepin County.

Background:

Minnesota Laws, Chapter 473, Section 473.757, subdivision 11 provides that Hennepin County may use certain proceeds from the authorized sales and use tax revenue to pay for governmental operating costs of the Authority, other than operating and maintaining the Ballpark. And subdivision 1 authorizes Hennepin County to make grants to the Authority for reserves for Ballpark capital improvements. The MBA and Hennepin County have entered into a grant agreement that provides details regarding the annual grant for Authority operating costs along with annual payments into a reserve fund for ballpark capital improvement expenses. The Grant Agreement requires the Authority to submit a proposed operating and capital improvement budget to Hennepin County before August of each year. A final budget will be adopted by the MBA Board in October.

Attached is the MBA proposed operating (Schedule A) and capital reserve (Schedule B) budget for 2023. The MBA Audit Committee reviewed the proposed budget on Wednesday, June 29, 2022, and has recommended approval.

Schedule A summarizes the proposed General Fund budget for 2023, representing a 1.2% decrease in expenditures from the 2022 budget.

Per the Grant Agreement, Hennepin County also agrees to make annual payments for 30 years into a special revenue fund for future ballpark capital improvements. The authorized annual contribution shall be \$1,100,000 in the first year and escalates by an inflation index thereafter.

The Development Agreement between the Twins and MBA defines Consumer Price Index (CPI) increases for rent payments and capital contributions to the Special Revenue Fund. This increase is calculated in the index known as the US Department of Labor Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, United States City Average, All items. It has been agreed to by all the parties that the change in CPI base will be calculated as the change from January 2010 to June of the current year then multiplied by the original 2010 contribution, resulting in an annual contribution for the following year.

The proposed budget for the Capital Reserve Fund includes estimated Twins Rent and Hennepin County capital contribution using the CIP change from January 2010 through June 2022. For Hennepin County, this payment will be \$1,504,207 in 2023.

The Ballpark Lease Agreement between the MBA and the Minnesota Twins, LLC Section 3.1 outlines annual Tenant rent of \$900,000, of which \$600,000 is indexed for inflation annually. As calculated for the period beginning January 2010 through June 2022 the Twin's rent amount will be \$1,120,477 for 2023.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority Board hereby approves the Audit Committee recommendation for a Proposed MBA General Fund Operating Budget of \$660,000 and 2.8 Full-Time Equivalents, and authorizes the Executive Director to submit the proposed 2023 MBA operating budget, attached as Schedule A, to Hennepin County, requesting a grant of \$660,000 from Hennepin County Ballpark Sales and Use Tax; and

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority Board hereby approves the Audit Committee recommendation for the Proposed MBA Capital Reserve Fund Budget of \$2,774,000, including capital project appropriations for Ballpark Control Room and Video Boards, per Resolutions 21-MBA-173 and 21-MBA-181, as shown in Schedule B.

APPROVED

Resolution 21-MBA-185

Purpose:

To authorize the expenditure of funds from the Minnesota Ballpark Authority's Ballpark Capital Projects Fund to reimburse the Minnesota Twins for costs associated with capital improvements at Gate 3; and to authorize the Chair and Executive Director to enter into any necessary agreements to provide for the expenditure of funds.

Background:

Over the past several months, MBA staff, the team, and Mortenson Construction have been working to develop a long-term solution to drainage challenges at Gate 3 on 5th Street, that have impacted the offices of the Grounds Crew and other staff support space located at field level.

Mortenson did selective demolition around the existing expansion joints and the edge of the building late last year. A forensic engineering firm reviewed the findings and made specific recommendations on the necessary improvements.

Reconstruction work began in February and included: (1) replacing the expansion joint at the ticket counter; (2) installing new sub-slab drainage at the sidewalk expansion joint to the foundation wall to allow moisture from the expansion joint to drain away from the ballpark into the soil; (3) adding a new heavy duty waterproof traffic coating at Gate 3; and (4) replacing sections of the existing sub-roof located above the office space and replacing the sealant at the stair and slab to wall interface.

Working in collaboration with the team and MBA staff, Mortenson has done this work on a time and materials basis and has agreed to participate in funding the long-term solution. The cost for these improvements was \$498,507. Mortenson agreed to absorb one-third of the total and has invoiced the team for \$332,338. The team has requested, and MBA staff is recommending 50/50 cost split on the remaining balance, with the MBA funding \$166,169 of the project costs.

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 \$166,169 to reimburse the Minnesota Twins for costs associated with the capital improvements at Gate 3.

BE IT FURTHER RESOLVED that the Chair and Executive Director are authorized to enter into any necessary agreements to provide for the expenditure of funds from the Ballpark Capital Projects Fund.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, Senior VP, Operations, Minnesota Twins. Matt Hoy noted that the Twins are still in first place in their division. Attendance has continued to improve over the summer and the recent Twins/Brewers game was a sellout. Over the weekend Jim Kaat's number was retired and the team will be celebrating Jim Kaat and Tony Oliva's induction into the Baseball Hall of Fame in a few days. In August, the team will also be inducting Dan Gladden and Ron Gardenhire into the Twins Hall of Fame. A post game concert featuring Cole Swindell will be on August 4th. A custom-made electric mall train is now on the main concourse near Section 105. Plans to utilize the train will start by giving children rides around the main concourse. In August, the team will be adding some mini golf holes near Gate 34. The team is in the process of finalizing plans and pricing with Mortenson for replacing all video products and video boards in the stadium. The scoreboard installation is on schedule to be ready by March 15, 2023. As of now, Opening Day for the Twins will be April 6, 2023.

Financial Report – Brenda Juneau, MBA Finance Coordinator. Ms. Juneau reported on the financials for the period ending June 30, 2022. Spending in the General Operating Fund is down 6% from this time last year related to less need for contracted services. The Board approved two major projects from the Capital Reserve Fund, the Control Room project and scoreboard/video displays project. The budget and year-to-date amounts for those projects are shown on page 4. The MBA continues to have a healthy and stable fund balance.

There being no further business, Chair Margaret Anderson Kelliher moved to adjourn. The motion was approved unanimously 3 YEAS 0 NAYS. The board meeting of the Minnesota Ballpark Authority for July 21, 2022 was adjourned at 9:25 a.m.

Next meeting: October 13, 2022