



Minnesota Ballpark Authority Board Meeting Minutes – July 17, 2025

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for July 17, 2025, to order at 2:00 p.m. The roll was taken. Chair Margaret Anderson Kelliher, Commissioners Justin Baylor, Jim Campbell and David Ybarra were present. Commissioner Tony Sanneh was absent.

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

APPROVED

Commissioner David Ybarra moved approval of the April 10, 2025, meeting minutes seconded by Commissioner Jim Campbell and approved unanimously – 4 YEAS, 0 NAYS

APPROVED

Commissioner David Ybarra moved approval of the July 7, 2025, audit committee minutes seconded by Commissioner Justin Baylor and approved unanimously – 4 YEAS, 0 NAYS

APPROVED

Public Comment Period – No public comment.

Chair's Report – No Chairs report.

Executive Director's Report – Executive Director Dan Kenney reported that Mortenson is making good progress on the concrete replacement project on the plaza, and that they are under budget relating to labor costs. Executive Director Kenney, along with Susie Helget and Commissioner Justin Baylor participated in a public art selection panel with the Twins for a black baseball mural on the main concourse of the ballpark. There were 11 responses to the Request for Qualifications (RFQ), and 5 finalists were selected to submit concepts for the Request for Proposals (RFP) process. Minneapolis artist, Antoine Jenkins, was selected and is

working with the committee on final design of the mural. The project is scheduled to be installed before the end of the season.

ACTION ITEMS

7-17-25 Proposed Resolution 25-MBA-215

Purpose:

To authorize a supplemental appropriation to amend the 2024 budget.

Background:

The MBA's annual general salary adjustments and employee benefits for the Administrative Manager and the Administrative Assistant positions are consistent with the terms of the labor agreements Hennepin County negotiates with its various employee bargaining units. Hennepin County typically adopts a resolution establishing pay adjustments and effective dates for employees in December, which is two months after the MBA Board adopts its annual budget. For 2024, the general salary adjustments along with increases in health insurance costs created a small budget gap.

MBA staff reviewed the status of the 2024 General Fund expenditures as they relate to the original adopted 2024 budget. The following table shows details of areas exceeding the authorized expenditure budget and where adjustments are required.

2024 General Fund Budget - Supplemental Appropriation						
SUPPLEMENTAL APPROPRIATIONS						
		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Personal Services	EXPENDITURE	82	892200	50020	Salaries & Wages	\$ 18,000
	EXPENDITURE	82	892200	50540	Health Insurance	\$ 11,000
Investment Earnings	REVENUE	82	892200	43100	Interest on Investments	\$ 29,000

Personnel services cost increased in 2024 for employee benefits.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$29,000, increasing the 2024 General Fund Budget, utilizing additional revenue from investment earnings to cover additional costs for personnel benefits in 2024.

APPROVED

7-17-25 Proposed Resolution 25-MBA-216

Purpose:

To authorize a supplemental appropriation to amend the 2025 budget for legal and personal services.

Background:

The MBA's 2025 operating budget was approved on October 10, 2024, prior to knowledge regarding the additional cost for legal fees as related to Hines Development. The budget for contract services is not sufficient to cover necessary legal fees for the current year.

The 2025 MBA adopted budget also did not capture increases in salaries and wages consistent with Hennepin County's pay adjustments for 2025. The difference between actuals and budget are expected to be approximately \$10,000. This difference includes budget for a PTO buy-back allowance employee benefit.

A Board action to increase the operating budget by \$40,000 will allow for the MBA to cover the additional legal and personal services needed.

2025 General Fund Budget - Supplemental Appropriation

SUPPLEMENTAL APPROPRIATIONS

		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Personal Services	EXPENDITURE	82	892200	50020	Salaries & Wages	\$ 10,000
Contracted Services	EXPENDITURE	82	892200	52129	Consulting-Legal	\$ 30,000
Investment Earnings	REVENUE	82	892200	43100	Interest on Investments	\$ 40,000

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$40,000, increasing the 2025 General Fund Budget for legal contract services and salaries and wages, increasing the revenue source budget for investment earnings.

APPROVED

07-17-25 Proposed Budget Resolution 25-MBA-217R1

Purpose:

To authorize submittal of the proposed 2026 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. 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 2026. The MBA Audit Committee reviewed the proposed budget on Monday, July 7, 2025, making a motion to recommend approval by the Board.

Schedule A summarizes the proposed General Fund budget for 2026, representing a 4.9% increase in expenditures from the 2025 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 CPI change from January 2010 through June 2025. For Hennepin County, the proposed amount is \$1,637,464 for 2026.

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 2025 the Twin's rent amount is \$1,193,162 for 2026.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority Board hereby approves the Audit Committee recommendation for a Proposed 2026 MBA General Fund Operating Budget of \$749,000 and 2.6 Full-Time Equivalents, and authorizes the Executive Director to submit the proposed 2026 MBA operating budget, attached as Schedule A, to Hennepin County, requesting a grant of \$749,000 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 2026 MBA Capital Reserve Fund Budget of \$ 3,277,574, as shown in Schedule B.

APPROVED

07-17-25 Proposed Resolution 25-MBA-218

Purpose:

To authorize the expenditure of funds from the Ballpark Capital Reserve Fund to renovate the Champions Club in advance of Opening Day 2026; to authorize MBA staff to finalize the scope, design and cost details with the Minnesota Twins; and to authorize the Chair and Executive Director to enter into any necessary agreements to achieve these improvements and provide for the expenditure of funds.

Background:

Minnesota Twins officials have met with Minnesota Ballpark Authority staff over the course of the year to discuss potential capital improvement projects to enhance the guest experience at Target Field.

As outlined in the attached letter from the team, the Champions Club is a key component of the ballpark. While the space has been well-maintained for 16 seasons, it has not had any major reinvestment since it first opened. The furniture and food service equipment need replacement, along with updating the interior space and replacing the existing exterior seats. For this project, the team is requesting up to \$5.25 million from the Ballpark Capital Reserve to fund the renovation of the Champions Club.

To put this request in context, since the facility opened in 2010, the team has exclusively funded more than \$64.3 million in capital improvement projects, and the MBA Board has authorized spending approximately \$23.5 million from the Ballpark Capital Reserve Fund. If this project is approved, by Opening Day 2026, the Ballpark Capital Reserve will have

funded approximately 31% of the total capital improvement costs at Target Field.

The Ballpark Capital Reserve Fund was established in 2007, as part of the Ballpark Lease Agreement between the Minnesota Ballpark Authority and the Minnesota Twins. Annual contributions from Hennepin County and the Minnesota Twins began in 2010, and the Capital Reserve Fund balance will be approximately \$16.2 million after the 2025 payments are received in December. The use of these funds is restricted to payment for CapEx Work, which is defined in the Lease as:

- (a) all capital modifications, replacements or additions to the Ballpark that (i) taken as a whole, can be demonstrated to be reasonably necessary, directly or indirectly, for the Team to maintain its relative financial position within MLB with regard to revenues from the Ballpark; or (ii) are reasonably necessary to keep the Ballpark in first-class condition or to prevent the facilities and amenities of the Ballpark from becoming materially outdated or obsolete in comparison to other MLB ballparks constructed between 2002 and 2010; provided, however, that work described in this subparagraph (a) performed during the first two (2) years of the Term shall not be CapEx Work; and
- (b) all work, the cost of which may properly be capitalized under GAAP, that is reasonably required to be performed in and about the Ballpark to repair, restore or replace any elements of the Ballpark necessitated by any damage, destruction, ordinary wear and tear or obsolescence.

MBA staff is requesting authorization to work with the Minnesota Twins to enter into a cost reimbursement agreement in an amount not-to-exceed \$5.25 million to fund the renovation of the Champions Club in advance of Opening Day 2026

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the expenditure of funds from the Ballpark Capital Reserve Fund in an amount not-to-exceed \$5.25 million to fund the renovation of the Champions Club.

BE IT FURTHER RESOLVED that the MBA is not responsible for any additional project cost escalation or project cost overruns.

BE IT FURTHER RESOLVED that MBA staff is authorized to finalize the scope, design and cost details with the Minnesota Twins, and the Chair and Executive Director are authorized to enter into any necessary agreements to achieve these improvements and provide for the expenditure of funds from the Ballpark Capital Reserve.

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$5,250,000 to the 2025 Capital Reserve Budget, funded by a transfer from the Capital Reserve Fund balance for the renovation of the Champions Club; and

BE IT FURTHER RESOLVED that the Executive Director be authorized to transfer and disburse funds as directed.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, MN Twins, Senior VP Operations

Mr. Hoy reported that after 48 home games 1,037,000 fans have attended games at Target Field. On July 11th, over 41,000 attended the game and the post-game concert featuring Nelly. On Sunday, July 13th, Byron Buxton hit for the cycle, something that had not yet been done at Target Field and the first Twins player to do so since 2019. Negotiations continue with North Loop Green on the Operations and Maintenance Agreement. A reflective product from 3M will be applied to windows on three floors of the apartment building on 5th Street to help cut down glare for the players and fans who face the building. The new self-service concession stands at sections 105 to 109 have been very well attended and have helped to move people quickly through that area. The scaffolding in the right field corner is for American Tower, the company that is in the process of installing a large 5G antenna system to improve cell and Wi-Fi coverage. The work should be completed by the end of the year or the beginning of next year. As Executive Director Kenney noted, the plaza concrete project is 65% complete. The Safety Act project installing bollards on 5th street is in process and will be complete by the end of the year. Work on the 7th street side will begin next year. The building is in good condition, but maintenance will be required for the upkeep of the lighting system and other parts of the ballpark in the coming years. The Champions Club will be renovated for the first time during the off season. Mr. Hoy announced that he will be retiring, and that Dave Horsman has been promoted to Senior Vice President of Operations, Mr. Hoy will be staying on in an advisory position through next year.

Financial Report – Brenda Juneau, MBA Finance Coordinator Ms. Juneau reported on the financials through June 30, 2025. The General Fund shows that we are under budget but now that contract amendments have been approved, invoices will be paid and the General Fund will update to show those costs. Capital Reserve fund dollars have been spent for the plaza project that was reported on today and that is going through now so will show up on the next report.

Commissioner James Campbell announced his retirement at the end of the meeting.

There being no further business, Chair Margaret Anderson Kelliher adjourned the meeting at 2:33 p.m. Next meeting: October 9, 2025