

Date: 01/07/2021

Phone call: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. YTD Rent Payments
2. Public Safety Liability and AD&D Invoices
3. Trust Budget

CONFIDENTIAL
STADIUM AUTHORITY/STADIUM MANAGER
DISCUSSION OF STADIUM BUILDER LICENSE (SBL) ISSUES
January 14, 2021 | 2:00 – 3:00 p.m.
Zoom Meeting

Stadium Manager Attendees:

Jim Mercurio, Executive Vice President & General Manager
Jihad Beauchman, Vice President, Deputy General Counsel
Jas Sajjan, Senior Manager, Public Affairs & Strategic Communications

Stadium Authority Attendees:

Deanna J. Santana, Executive Director
Brian Doyle, Stadium Authority Counsel
Sujata Reuter, Assistant City Attorney
Ruth Mizobe Shikada, Assistant City Manager
Kenn Lee, Treasurer
Christine Jung, Assistant to the Executive Director

CONFIDENTIAL DISCUSSION ON SBL ISSUES

**MINUTES FROM
STADIUM AUTHORITY/STADIUM MANAGER
MONTHLY COORDINATION MEETING
January 21, 2021 | 9:00 – 10:30 a.m.
Zoom Meeting**

ManCo Attendees:

Jim Mercurio, Executive Vice President & General Manager
Jihad Beauchman, Vice President, Deputy General Counsel
Jas Sajjan, Senior Manager, Public Affairs & Strategic Communications

Stadium Authority/City Attendees:

Deanna J. Santana, Executive Director
Brian Doyle, Stadium Authority Counsel
Kenn Lee, Treasurer
Ruth Mizobe Shikada, Assistant City Manager (for Items 1, 2, 5 and 7)
Manuel Pineda, Assistant City Manager (for Items 5, 8, and 9)
Christine Jung, Assistant to the Executive Director
Rachel Copes, Senior Management Analyst

AGENDA

1. COVID Update from Stadium Manager
a. Levi's Stadium – Vaccination Site Update

ManCo's Executive Vice President & General Manager Jim Mercurio shared that ManCo offered Levi's Stadium as a potential vaccination site to Santa Clara County (County). ManCo conducted a walkthrough of the Stadium with the County, which Assistant City Manager Ruth Shikada and Fire Chief Ruben Torres participated in. ManCo is currently working through a list of questions that the County sent them and hope to respond back later that day. Executive Director Santana asked if ManCo was planning to execute an agreement with the County for the use of the facility. Mr. Mercurio responded that they planned on making it an NFL event but there has not been any confirmation yet whether the stadium would be used as a vaccination site. Ms. Santana shared that when the Santa Clara Convention Center was a COVID-19 medical site, there was an assumption that public safety resources would be provided, which the City did not agree to. Stadium Authority Counsel Brian Doyle asked if the vaccinations would occur indoor or outdoor to which Mr. Mercurio responded that the ManCo and the County were looking to provide the vaccinations indoors.

(The following discussion regarding Item 1 occurred later during the meeting.)

Ms. Santana noted that the County is asking cities if they can provide logistical resources to support the vaccination sites. If public safety resources from the City are discussed/brought up, she would like to be part of that conversation along with Ms. Shikada. Mr. Mercurio said that any assumptions would be captured in the agreement and that he doesn't see public safety in his list of questions received from the County. He also reiterated the vaccinations will likely be indoors so there might be less of a need for police support, but he would let the City know if public safety is needed. Ms. Santana brought up the need for post-event disinfection and the need to document those services so that it's clear who is responsible. Mr. Mercurio noted that the Stadium Manager has cleaning procedures that they will use.

Ms. Santana noted that the City had experience with working with the County on similar efforts for the COVID-19 treatment site at the Santa Clara Convention Center. There was general discussion on what may be required from the City such as public safety resources or City staff to assist with administrative tasks for the vaccination site. Mr. Mercurio said that he would notify and include Ms. Santana and Ms. Shikada in the discussion with the County if the need for City resources comes up. Ms. Santana reiterated that the City and Stadium Authority fully support vaccination sites, but details, logistics, and costs need to be very clearly laid out.

2. Stadium Builder Licenses (SBLs)

a. Paper Copy SBL Project: Status on requested SBL index/tracking documents

(Executive Director Santana had to take an urgent call during this part of the meeting)

ManCo's Vice President, Deputy General Counsel Jihad Beauchman said that the Stadium Manager didn't have an index for paper copy SBLs; however, they do have a list of all current SBL Holders. Mr. Doyle said without getting into what the Board said during Closed Session, the general feedback was that the Stadium Manager was demonstrating incompetence by not having this information organized and by not providing copies of Stadium Authority's records. Mr. Beauchman said there was a misunderstanding because he thought that the Stadium Authority previously requested for an index of the hard copy SBLs, which the Stadium Manager doesn't have. He said the Stadium Manager provides a thorough quarterly report to the Stadium Authority. Mr. Doyle said there was no misunderstanding, the Stadium Authority does not have SBL records and any changes made to the terms of those agreements because the Stadium Manager kept those records from the Stadium Authority. Mr. Beauchman said the Stadium Manager has made one bucket of changes to the SBLs and those were related to the construction of the Stadium. Mr. Doyle said the Stadium Authority was spending a lot of money to find out the terms for SBL Holders. Mr. Beauchman said that they could provide a list of Owner's Club but obligations to the Stadium Authority was the same. Mr. Doyle said that the Stadium Authority was looking for a spreadsheet that contained hyperlinks to SBLs and a matrix that would list out the different SBL types, and each set would have these terms and exhibits, what has been paid, and what's remaining in payments. Mr. Beauchman said that the Stadium Manager may have a list of SBL Holders who have paid.

Ms. Shikada asked what data the Stadium Authority can receive from the Stadium Manager at this time. She asked about the list of SBL Holders and their seats that Mr. Beauchman brought up earlier in the conversation - would the list contain information about how much payment is left, what has been paid, and the value of the SBL. Mr. Beauchman answered that he was almost certain the Stadium Manager could provide that information. Ms. Shikada said it would be helpful to start with bite-size chunks of data so that the Stadium Authority could have a better understanding of what there is. Mr. Beauchman said the list would provide the Stadium Authority with a better understanding of who owns an Owner's Club seat, regular seat, and club seat. However, the list would not contain parking information so the Stadium Authority would still have to go into the actual agreement to look for that information,

Ms. Shikada confirmed that the Stadium Authority would need that type of information, but the other information was more critical at this time. Mr. Beauchman said that they could put together a list that contains SBL Holders' names, seat numbers, SBL account numbers, SBL price, and how much is left to be paid on their SBL. He mentioned that the information would be live until that date because the Stadium Manager was still collecting payments. Ms. Shikada noted that the Stadium Authority understood that the status of payments was a snapshot in time and that this information may updated later, but it would be helpful to have something now. Mr. Beauchman said that the Stadium Manager would provide that list and that he assumed the Stadium Authority wanted to build its own SBL system. Mr. Doyle said that's what the Stadium Authority Board is asking for and they're disappointed with the previous administration because the

Stadium Authority should have always had those SBL records because they belonged to the Stadium Authority.

b. Digital SBLs: Status on transferring files to SCSA for proper archiving

Mr. Beauchman shared that the Stadium Manager is looking for a way to export the digital SBLs that were executed in DocuSign. One option is to click on each DocuSign agreement and download them individually. However, their preference is to perform a mass download and they're looking at what they can do. Assistant to the Executive Director Christine Jung clarified that she accessed the DocuSign account and tried the click and download approach but the account only contained agreements dating back to a few months and not to the 2018 date when the Stadium Authority started utilizing DocuSign to execute the agreements.

c. SCSA to provide direction to Manco on SBL's – CONFIDENTIAL (if follow up required from scheduled meeting on 1/14/2021)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. **Status Update on Insurance Claim Filed on Behalf of SCSA – CONFIDENTIAL**
Assistant City Attorney Su Reuter and Risk Manager Greg Bych participated in this confidential discussion.

[REDACTED]

4. Follow up on Non-NFL Event Documentation Questions

Treasurer Kenn Lee stated that the Stadium Authority had sent a letter to the Stadium Manager to get clarification on questions and additional details on supporting documentation that the documentation lacked. Mr. Lee asked for an update of when the Stadium Manager would be responding to the December 1 letter that the Stadium Authority sent to the Stadium Manager, which outlined questions regarding Non-NFL Event documentation the Stadium Manager has previously submitted. Mr. Beauchman said that he wasn't sure about the request but that he would look into the status of the Stadium Manager's request. Mr. Lee noted that he just shared the letter with Mr. Beauchman via email.

5. Status Update on Existing Projects

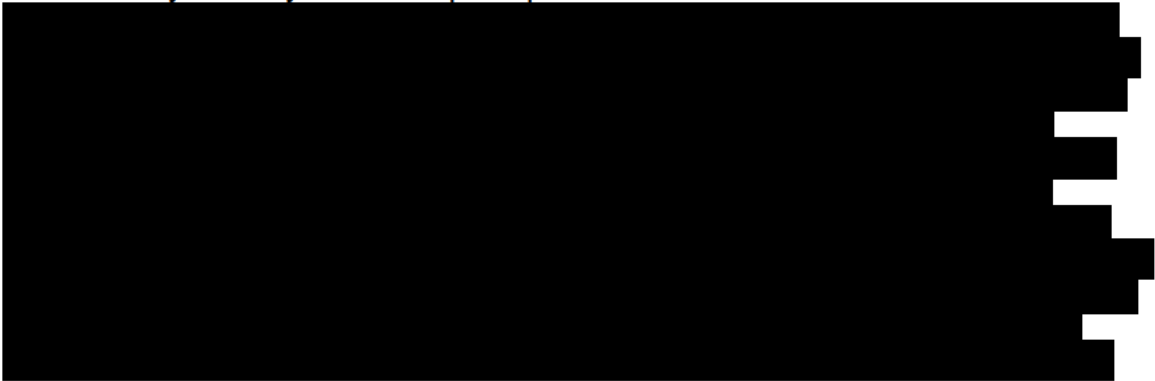
a. ADA Improvements on Red Lot

i. Space count

Mr. Mercurio noted that he received 3-4 options for the lot. He said that the Stadium Manager's team was still going out to the lot to check out the space counts, and should have that completed on Wednesday, January 27. Mr. Mercurio also proposed having Ms. Shikada in future meeting discussions with Cedar Fair.

ii. Potential plans for consideration – CONFIDENTIAL

Assistant City Attorney Su Reuter participated in this confidential discussion.



b. HVAC Emergency Repair

Mr. Mercurio shared that the HVAC repair was still in progress.

c. Concessionaire Project and status on requested Levy Innovation and Investment Funds balances and summary of previously funded projects

Mr. Beauchman noted that he sent the Innovation and Investment Funds balances and projects over to the Stadium Authority. Ms. Shikada confirmed that staff received Mr. Beauchman's fund balance summary but still needed to review the information. Mr. Mercurio shared that the Stadium Manager was working with the City's Fire Department to schedule inspections for the concessionaire project and Mr. Beauchman said that the project would likely come under budget.

6. SCFD Outstanding Violations and Resolutions

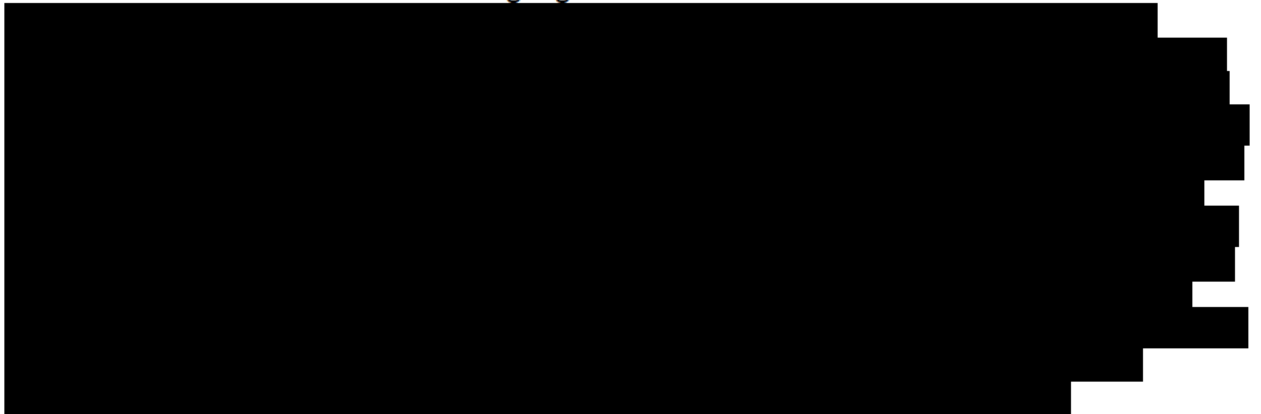
Deputy Fire Chief Jeremy Ray participated in the following discussion.

Mr. Mercurio stated that he received the City's Fire Department's response letter regarding Stadium fire violations and saw that some items were still outstanding. He noted that Fire Chief Ruben Torres and Ms. Shikada looked at the H2/H3 storage room at the Stadium when they came by to examine the Stadium as a potential vaccination site. Deputy Chief Jeremy Ray said that there were 32 fire violations for the Stadium and the Stadium Manager closed out 14 violations so that there

are 18 left. He noted that many of those open items can be resolved by the Stadium Manager submitting documents.

Chief Ray shared that the biggest area of concern for the City's Fire Department was the smoke system that has not been certified and that travel for construction is allowed by the County order so the out-of-area contractor should be able to travel to Santa Clara and inspect the smoke detector. Mr. Mercurio was happy to hear that the out-of-area contractor could travel into Santa Clara under the current County order and said that he would communicate that information to the contractor. Chief Ray said that the Fire Department's other concern was the Stadium Manager's proposal to change the H2/H3 storage occupancy. Specifically, there had not been any good solutions in the past when the Stadium Manager previously stored hazardous materials at the Stadium and Chief Ray brought up the example of how the Stadium Manager inappropriately stored propane in the past. He communicated the need for a solution for storing hazardous materials, especially flammable materials, at the Stadium. Mr. Mercurio shared that the Stadium Manager has been getting feedback from different inspectors. He noted that the Stadium Manager will store propane offsite since they didn't need as much onsite and that he wanted to work with the Fire Department to work out a resolution. Chief Ray agreed to have the Fire Department and Stadium Manager get back together to discuss the issue.

7. **Naming Rights Signage Replacement (Levi's)**
 - a. **Specific request to meet directly with City Planning Division & City of Santa Clara's Procurement Team regarding process, scope and contract preference and requirements. City to provide an acceptable template.**
Confidential discussion about Levi's Signage.



8. **Application to City Building Dept. & SCFD – H2/H3 to S1 storage submitted**
 - a. **Submitted classification change from H3/H2 to S1 storage to building dept.**
This item was discussed during Item 6. SCFD Outstanding Violations and Resolutions.
9. **Status Update on RFP for Electrical Services**

Mr. Mercurio provided an update that the Stadium Manager anticipated concluding the electrical services RFP the last week of January or early February.

SCSA Board Direction for Stadium Manager Follow Up

- Compliance Plan and Oversight of Corrective Action (including Validation)
- Number of public riders for large stadium events
- Analysis regarding Event Day Parking Costs
- Stadium Manager Report to Board Summarizing Contracts Let on Behalf of Stadium Authority
- May 27, 2020 Letter regarding COVID-19 Plan for the Stadium, revolving loan, the buffet invoice, maintenance of the Stadium, and event parking/public transportation.
- Stadium Manager Presentation to the Board on Transparency Efforts/Enhancements

Upcoming SCSA Board Meeting Dates

- January 26, 2021
- February 16, 2021
- March 2, 2021
- March 16, 2021
- April 13, 2021
- May 11, 2021
- June 8, 2021
- July 13, 2021
- August 24, 2021
- September 21, 2021
- October 19, 2021
- November 16, 2021
- December 14, 2021

Date: 01/21/2021

Phone call: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Lender Budget
2. Public Safety Liab Insurance
3. Repair Invoice Payment Status
4. FY19/20 Non-NFL Event review questions
5. Revolving Loan Credit
6. Rent Status

Date: 01/27/2021

Phone call: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Lender Budget
2. Public Safety Liab Insurance
3. Repair Invoice Payment Status
4. FY19/20 Non-NFL Event review questions
5. G&A Invoice

Date: 1/28/2021

In-Person Meeting: Linh Lam (SCSA), Rachel Copes (SCSA), David Presley (SCSA), Esther Chi (ManCo)

Topic: Shared Expenses (FY2019-20)

- 9:00 am - 11:45 am (2.75 hours) – Review supporting documents for samples chosen
- 12:45 pm – 4:45 pm (4.00 hours) – Review supporting documents for samples chosen

Date: 1/29/2021

In-Person Meeting: Linh Lam (SCSA), Rachel Copes (SCSA), David Presley (SCSA), Esther Chi (ManCo), Chris Steele (ManCo)

Topic: Shared Expenses (FY2019-20)

- 9:00 am – 12:00 pm (3.00 hours) – Review supporting documents for samples chosen
- 1:15 pm – 4:00 pm (2.75 hours) – Review supporting documents for samples chosen
- 4:00 pm – 4:45 pm (0.75 hour) – Review questions with Esther Chi and Chris Steele (Security, Engineering, and Grounds)

Date: 2/1/2021

In-Person Meeting: Christine Jung (SCSA) and Craig Graber (ManCo)

Topic: 2021 Operational and Public Safety Documents

- SCSA staff picked up binders and USB containing draft annual operational and public safety documents

CONFIDENTIAL
STADIUM AUTHORITY/STADIUM MANAGER
MEETING ON LEVI'S SIGNAGE PROCUREMENT
February 9, 2021 | 1:00 – 2:00 p.m.
Zoom Meeting

Stadium Manager Attendees:

Jenti Vandertuig, Procurement Contractor
Jihad Beauchman, Vice President, Deputy General Counsel

Stadium Authority Attendees:

Deanna J. Santana, Executive Director
Brian Doyle, Stadium Authority Counsel
Ruth Mizobe Shikada, Assistant City Manager
Kenn Lee, Treasurer
Mark Giovannetti, Purchasing Manager
Christine Jung, Assistant to the Executive Director

CONFIDENTIAL DISCUSSION ABOUT LEVI'S SIGNAGE.

Date: 2/12/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Lender Budget
2. 20/21 Rent
3. Naming Rights
4. Equipment/Asset Listing
5. SBL Amortization
6. Bank Balance
7. Stadium Signage

Date: 2/25/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Naming Rights Receipt
2. SBL Receipt Timing
3. FY2020/21 Rent

Date: 3/4/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. CFD Payment
2. Monthly O&M Invoice
3. SBL Payment

Date: 3/11/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Monthly O&M Invoice
2. SBL Proceeds
3. Bank Incumbency Certificate
4. Timing of year end distributions

**MINUTES FROM
STADIUM AUTHORITY/STADIUM MANAGER
BUDGET MEET AND CONFER MEETING
March 16, 2021 | 2:30 – 4:00 p.m.
Zoom Meeting**

ManCo/Stadium Manager Attendees:

Jeff Fong, Vice President, Finance
Jihad Beauchman, Vice President, Deputy General Counsel
Jas Sajjan, Senior Manager, Public Affairs & Strategic Communications

Stadium Authority Attendees:

Deanna J. Santana, Executive Director
Brian Doyle, Stadium Authority Counsel
Kenn Lee, Treasurer
Christine Jung, Assistant to the Executive Director

Introductions were made since ManCo's Vice President, Finance, Jeff Fong, hasn't met everyone before. Treasurer Kenn Lee started the meeting by thanking ManCo for meeting and stating that while the Stadium Authority was meeting with ManCo and hope that the conversation would be fruitful, the meeting itself did not change the positions that the Stadium Authority have taken in the litigation or the Stadium Authority's position that the Board has the final say on the Stadium Authority budget.

Mr. Lee said ManCo asked for areas of proposed budget disagreement that required discussion so he thought that the Stadium Authority and ManCo staff could go through each one together. The first topic was the Stadium Manager's expenses. Mr. Lee referenced his budget presentation from March 9, 2021 and stated, as you saw in the presentation, the Stadium Authority has allocated a portion of Stadium Manager's expenses in legal contingencies and that was based on our Board's action from 2019. He said from his perspective as Treasurer, he had to make sure that the Stadium Manager's expenses all aligned with state laws. Mr. Lee noted that as he responds to the Board's direction, he has to make sure from a cost allocation position that there is no double charging. He restated that was the direction that he received from the Board.

Mr. Lee said that he was very interested in Mr. Fong's offer to review the documents and back up documents that he had been tasked to review. He noted that in the past there has been varying levels of review and that the current process where Linh Lam and Rachel Copes (from the Stadium Authority) went over to Levi's Stadium to review documents with Esther (from ManCo), while helpful was not efficient. He asked if there could be a monthly review or some other review on a regular basis where Stadium Authority staff can go down to the stadium to review documents so that the Stadium Authority could release payments. Mr. Lee said that he didn't know if Mr. Fong's offer included those conditions that he shared but if that it was a possibility, that would help the Stadium Authority move everything forward.

Mr. Fong thanked Mr. Lee for his feedback. He stated that when he looks at the budget, he sees it in two pieces. Mr. Fong noted that if we look at the payroll piece, what he would be interested in is what Mr. Lee was looking from a budget perspective to release the \$4.2M shared manager expenses related to payroll.

Mr. Lee acknowledged that the Stadium Manager has expressed concern about personal ID confidentiality. He stated that he would be interested in being able to verify Stadium Manager staff through position classification, position numbers, and other information. He used his position as an example of being allocated 20% to Stadium Authority and 80% to City. He said having a similar breakdown from Stadium Manager for these classifications and how they are allocated to Shared Stadium Expenses, Shared G&A costs, Non-NFL costs, SBL Sales and Marketing, see employee information, and any area that Stadium manager charges that would be helpful to validate how those charges are allocated across those areas or any other areas, e.g., vaccination site. Mr. Lee noted that the Stadium Authority would keep the names confidential, and that having position numbers and job classifications would be helpful. Additionally, if the Stadium Manager has multiple positions in the same job classification they could just number off the positions. Mr. Lee explained that was how things were done on the City side.

Mr. Fong said that starting with the \$4.2M was the simplest because the split for all of the departments is 50/50, with grounds keeping splitting 70/30. He said the Stadium Manager gave the Stadium Authority a list of jobs for that are shared with the Stadium Manager, so they can use that or put something together to show how it will tie to the budget. Mr. Fong said that they can review everything with Stadium Authority staff virtually or as a small group in a large conference room with everyone wearing a mask so that staff can test whoever they wanted to test. He noted that there are 45 full time employees and that those are the options that they would be open to.

Executive Director stated that Stadium Authority staff has tried the virtual review in the past but it didn't work. Stadium Authority Counsel Doyle asked Mr. Lee if Mr. Fong had answered his question. Mr. Lee responded that with respect to COVID, he wants to respect the COVID rules in place. He stated that it would be helpful to have information in a very similar way of how the Stadium Authority shares a spreadsheet with that information with the Stadium manager. He said for example, Mr. Fong's position would be broken down by areas. The Stadium Authority's spreadsheet shows salaries, overhead, benefits. Mr. Lee said that with that information broken down into that detail, he would be able to vouch that that information ties back to the budget. He noted that was just one example of the details he was looking for but a spreadsheet showing Shared Expenses, G&A, SBL sales and services, and any other allocation that the Stadium Manager is charging to Non-NFL, NFL or vaccine. He said that the spreadsheet can add up the allocations and show that a position adds up to 100%. Mr. Lee also said a spreadsheet would be a lot more helpful than going down to look at the records and asked Mr. Fong if that information is helpful in terms of demonstrating what he was trying to figure out. Mr. Fong confirmed that what Mr. Lee said made sense. He said the split is fine so you can tie out the total. He brought up that certain positions have the same title so some people can be easily identified. Mr. Lee asked if position numbers would address that issue, for example listing them out like Position 1, Accountant, etc.

Mr. Doyle stated that on the topic of confidentiality, it is normal to see consultants' pay and that the idea that as a consultant, the Stadium Manager gets to hide how much they get paid by public funds doesn't make sense. ManCo's Vice President, Deputy General Counsel Jihad Beauchman responded that the Stadium Manager disagreed with making that information public. He noted that there are various vendors being used by the City, and other public entities. Mr. Doyle said the Stadium Authority was not trying to know their salaries and that the Stadium Authority just wants to know how much Stadium Authority was paying for the time that they were working on Stadium Authority's behalf. He provided the example of Sam Singer [a City and Stadium Authority consultant], which the Stadium Manager requests public records for. Mr.

Doyle noted that the invoices only show the rate of what the consultant is being paid but not his overall salary.

Mr. Beauchman stated that some of that information is there and sometimes it's not. He said that the Stadium Manager doesn't have an issue of showing the Stadium Authority salary information, but they don't want that information becoming public information. He asked if there can be some system to provide indemnity for that information. Mr. Doyle responded that as we have said before, the Stadium Authority believes that records of public funds spent on the Stadium Manager are public records. He noted that it was not up to the Stadium Manager to decide whether something is a disclosable public record, just like the Stadium Authority/City couldn't hide their public salaries. He referenced a Supreme Court case that requires that disclosure of public information. Mr. Doyle said that we heard that you'd like to keep it confidential, but we can't promise that we won't disclose that information if someone requested it.

Mr. Beauchman responded that that is why the Stadium Manager doesn't want to disclose that information. He referenced back to the Stadium Manager employees and said that the staff are split 50/50. He said that we don't understand the idea of double billing for these positions since this is the general operation of the stadium. He said these are not employees who charge their time to different events. Mr. Beauchman stated these are 50/50 employee who are splitting their time with the Stadium Authority because there isn't any time allocation.

Ms. Santana said it is known what is needed from the Stadium Manager based on the Board's discussions and actions. She noted that staff have already shown the Stadium Manager's charges and the lack of documentation publicly to the Board and public. She said it is the Stadium Authority's position that until those charges are reviewed, we cannot reimburse the charges, and that the Stadium Authority has been clear about what is needed in terms of transparent and easy to trace information. She also stated that the responses to the December 1 letter are unclear so if the Stadium Manager changes that information to something that would be easy for staff to verify, then we could release the public funds for payment. She restated that no one wants to not pay workers.

Mr. Beauchman clarified that the documentation that Stadium Authority staff shared was Non-NFL expenses, not shared expenses. Ms. Santana responded that all staff has is a document with a bunch of numbers and that we needed supporting documentation that is easy to trace to make sure that staff that is being charged for shared expenses is not double billing to non-NFL events: which, at this point, based on documentation is not easy to confirm.

Mr. Beauchman provided a specific example of one of their Stadium Operations staff whose time is 50/50 [split between Stadium Authority and Stadium Manager] and makes \$100,000 salary. Mr. Beauchman clarified that his time is not allocated to a specific event and that it would truly be a 50/50 split between the two parties. Mr. Beauchman stated that we're willing to show their employee numbers and other benefits information, which will give you an idea of what they will be paid.

Ms. Santana said that she wants to make sure that based on his tracking information it's easy to show that he's not going to show up as numerical numbers (that don't make sense) in the non-NFL expenses. She stated that staff has to be able to trace the expenditures so that they could validate the numbers in both shared expenses and Non-NFL expenses. Mr. Beauchman noted that these individuals don't track their time. He said they are shared [between the Stadium Manager and Stadium Authority] and split 50/50.

Mr. Doyle stated that you have a universe of people who are split 50/50 and others who would show up similar to the in the lump sum \$156,000 of expenses in the example of the Redbox Bowl documentation provided by Mr. Lee last week, show that universe of people who are split 50/50 in the spreadsheet and show people who charge their time to other allocations. Mr. Lee added that based on Mr. Beauchman's example, the exercise should be easy. He said, in a spreadsheet, show employees who work on G&A, shared expense, SBL sales and marketing and obviously if a position does not show up in other areas there is no double billing. Mr. Lee said, it would be great if the Stadium Authority can check this information on regular basis. He further stated, if we can validate how those people get charged then we can vouch for these expenses and get this paid. He noted that all he was looking for was a spreadsheet that would have information that ties back to the budget, which would be more efficient.

Mr. Beauchman asked if the Stadium Manager was able to produce this spreadsheet to be reviewed on site, would the Authority be able to do that. Mr. Lee confirmed that the Stadium Authority could do that on the regular basis, which would allow staff to validate the positions and expenses. He also said that it would be helpful if the information is all compiled so that it can help speed things up. He reiterated that it would be helpful to review the information on a regular basis, whether that is monthly or something else, that the information is all prepped and ready for review. Mr. Lee noted that this was his suggested process given the Board's direction.

Mr. Beauchman stated that he didn't think we were too far apart. He asked if Stadium Authority staff had seen any examples of double billings and to provide an example because he was unaware of any. Mr. Lee answered that it's more of what the Stadium Authority doesn't have so we are unable to confirm their expenses. Ms. Santana added that the best example is the bunch of numbers on the document that we showed to the Board that included a handwritten amount of \$156,000 (Redbox Bowl example provided by Mr. Lee last week). She said the information might be clear to the Stadium Manager but not to the Stadium Authority so we are looking for a way to validate those expenses.

Ms. Santana also inquired about the status of the Stadium Manager's response to the December 1 letter that the Stadium Authority sent regarding questions for the supporting documentation that was submitted. Mr. Beauchman answered that there will be a response to the December 1 documentation. He noted that their fear was that there was a specific example of people double billing, but it appears that it was speculation because of what the Stadium Authority doesn't know. Ms. Santana clarified that the Stadium Authority was worried that it was being double billed. She noted that neither Mr. Lee or her could release public funds without supporting documentation and that the Stadium Authority's fears are valid based on what has recently happened. She also said that it has been nearly four months since the December 1 letter was sent and the documents that were submitted were woefully insufficient.

Mr. Beauchman said the shared expense payroll is very easy to tie out to show the 50/50 split. He noted that they have enough information to go back to their team and have Kenn go to the Stadium to review, starting with the shared stadium staff who are split 50/50 and 70/30 split and not allocating time to events.

Mr. Lee brought up the G&A chart that Mr. Fong showed during his budget presentation, which lumped departments together. He noted, when we talk about cost allocation, it's helpful to know where they are. He provided some examples and said when it comes to budget and actuals, it's very clear where things are charged. Mr. Lee restated that we could move on once we have that

information and are able to validate it. He said he hoped the Stadium Authority and Stadium Manager could get there based on this conversation.

Mr. Fong said he appreciated the feedback and that they would take it back and see if they could come up with something that meets the Stadium Authority's needs and still keeps the Stadium Manager's confidentiality. Mr. Lee responded that if they can provide position names, position numbers, and other information then he could make correlate the information. He restated that the information that he's looking for is position number, job titles, no names, and the allocations of the positions so he can validate their actuals and where they're budgeted. Mr. Lee said that Rachel from his team provides that information to Darren Wong (from ManCo) as part of the budget process. He stated that what he's asking for is a very similar process that can be in a spreadsheet or packet that would help make the review process efficient. Mr. Fong said they would take Mr. Lee's feedback and clarification and come up with something that can work for everybody.

CONFIDENTIAL DISCUSSION ABOUT LEVI'S SIGNAGE.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Mr. Lee said the third and last item for discussion was G&A costs. Mr. Beauchman said he didn't think that we touched on the pie chart of G&A costs, which was made up of payroll and contracts that were approved. He stated that the Stadium Manager was trying to find areas where there is agreement. Their understanding is that there are areas agreement, e.g., ABM, which was a Shared Stadium Expense that was brought to the Board and approved by the Board. He asked why Stadium Authority needed to review something that was previously approved by the Board. Mr. Lee answered that in a very similar way, there is a need to validate

their expenses to ensure that state and regulations were followed. He said it would be helpful to see the contracts and see how they were procured. He noted that by having that detail, all he needed was just a spreadsheet of contracts, their dollar amounts and supporting documents including contracts and how they were procured. Mr. Lee said that he felt that the Board's direction to him was very clear and he hoped that the Stadium Authority could review those documents expeditiously and get those bills paid.

Mr. Beauchman said that they see that pie chart of additional expenses and it seemed that the concerns were in terms of expenses that needed some level of public works procurement, some level of state law compliance, bidding requirements and prevailing wage. He suggested carving out the expenses related to public works/prevaling wage and where there is dispute between the parties. Mr. Beauchman said it seems as if there should be a way to budget the other non-public works related items. He said there are items that concern prevailing wages, procurement requirements, public bidding, compliance with state laws, and that you don't have an issue with. He asked if the Stadium Manager could segment funds on those things that the Stadium Authority are concerned about and include the things that there are no concerns about, e.g., people attending conference, as part of the budget. He envisioned those to be day to day expenses.

Ms. Santana said part of what we've been talking about in the last couple weeks is that there are opportunities to advance Purchase Orders and travel expenses and bundled authority. She provided an example that the Stadium Manager could send a contract for uniforms and get that ready for Board approval and when they have expenditures for that item, they would send the appropriate documents to Kenn to get paid. She also provided an example of how to advance the release funds for payment for travel expenditures. Ms. Santana noted that the Stadium Manager could submit a list of all the conferences that they were planning to attend for the year and to ask for approval to send their staff to those conferences, without further Board action.

Mr. Beauchman said the Board's concern was about public works and prevailing wage. Ms. Santana clarified that there is a concern about how the Stadium Manager was procuring things, in general. She reminded him that when Stadium Authority was looking at prevailing wage, staff found that there were no bidding or legal contracts in place. She also reminded him that at one point the Stadium Authority discovered that the Stadium Manager was manufacturing documents to create the illusion of compliance. Mr. Beauchman said that they are trying to segment things that are about the disputes but that there was a difference between setting the budget and getting things approved.

Mr. Beauchman said there are no concerns in certain areas so it doesn't make sense to not set a budget. He stated that the budget is the budget and when you want to utilize it, you get approval for it. He noted that the current set up where they're put in a litigation reserve is a departure from regular practice. Mr. Beauchman said they're trying to see if there's an ability to set the budget and they'll still do the things that they're required to do, but that he just wanted to get them in a position where there are all these disputed areas in the budget when it's not a dispute.

Mr. Lee said that the budget was submitted at a very high level and the Stadium Authority has asked for more detail. He said when the Stadium Manager talks about segmenting areas for approval, none of those details were submitted with the budget. He noted that if there are areas that are not related to public works procurements, the Stadium Authority would need to see an itemized list of vendors. Mr. Beauchman said if you look at some of the other line items, there

are things that don't touch public works at all. He started referring different line items that would or wouldn't have public works.

Ms. Santana clarified that the Board's action was focused on removing contract authority for Executive Director because it wasn't just about prevailing wage, it was also about contracts and their legal practices overall. She asked Mr. Beauchman to bring their contracts forward to get them approved. She noted that the Stadium Manager can look at the contract reports that SVP has done to bring 5-6 contracts at a time to get Council approved, noting that this was an efficient approach.

Mr. Beauchman said he agreed but noted that the Board action was about contract authority so they're wondering why it is tied into the budget. He stated the contract authority is separate from budget. Ms. Santana responded that we don't know about the legal compliance of the contracts. Mr. Beauchman clarified that there are ones that are not for public works. He said you have things like ABM which is still a valid contract process. He said this is the budgeting process and asked why things were being carved out.

Ms. Santana asked if that was part of the Stadium Manager's budget responses. She told him that he had today to respond because everything goes public on Thursday. Ms. Santana said that she was open to hearing proposals about the general types of services that the Board can approve but noted that the Stadium Manager would have to do the carve out and show the Stadium Authority the contracts.

Mr. Beauchman said there is a line item on outside service. He pointed out for that segment, they are planning to carve out ABM and budget for that item. but everything outside of that line item, has the ability to be public works related. He asked that the Stadium Authority set the budget for those non-public works items so there is some sort of direction on those items. Mr. Beauchman confirmed that everything related to the signing authority would still apply but at least the Stadium Manager would have direction from Board on those items.

Ms. Santana asked if he submitted something for the Stadium Authority to review. Mr. Lee also clarified that when Mr. Beauchman said look at outside services, there is equipment that might have public works components. Mr. Beauchman said purchase of equipment would not be public works-related but services may. Mr. Lee and Mr. Beauchman discussed possibilities of what could or couldn't be carved out due to their nature of being potentially public works related. Ms. Santana clarified that sometimes combining services and equipment can be more cost efficient. She asked Mr. Beauchman that if he had some information by way of proposal because it feels like the Thursday deadline won't be met. She noted that the Stadium Authority can form some sort of recommendation that we will work through these items and come back to the Board for action.

Mr. Beauchman stated that he would just recommend that the Stadium Authority would carve out what is clearly not public works, e.g. uniforms, travel and expense. He asked Mr. Lee to look at things to carve out. Ms. Santana asked Mr. Beauchman to submit those requested carve outs so that Mr. Lee doesn't have to guess what those items are.

On a separate topic, Ms. Santana followed up with Mr. Beauchman regarding questions that Assistant to the Executive Director Christine Jung sent about the electrical repairs. She told him that the agenda reports are close to being finalized and that the plan was to include the Stadium Manager's responses to the agenda report. Mr. Beauchman confirmed that he received the email but had not reviewed the questions yet. There was agreement to move the electrical

repairs service agreements to the April 6 meeting if the Stadium Manager didn't meet the March 17 deadline to submit their responses.

Ms. Santana requested Mr. Beauchman to send Mr. Lee what they needed. She reiterated the importance of having the Stadium Manager respond to the December 1 letter. Mr. Beauchman answered that he didn't have a timeline, but he would bring that information back to the team.

Mr. Lee redirected the conversation to G&A costs. He said the Stadium Authority submitted a G&A budget of \$5.1M to the Board, while the Stadium Manager proposed to lower that amount to \$3.1M. Mr. Lee stated that Measure J does not allow City to subsidize the Stadium Authority's costs and that the Stadium Authority's position is that the \$5.1M is needed to provide oversight as needed and to perform the work required. He noted that the Board has discretion over its own budget.

Ms. Santana shared that the Board directed some additional work items to staff as part of the study session. She noted that in addition to the financial management system, new referrals, Stadium Builder Licenses, there is a lot of work and that new resources are needed. Mr. Beauchman said they understood Measure J and Stadium Authority requirement to cover its cost. He stated that one of their responsibilities is to make sure that the Stadium Authority is being responsible. He said, you saw our comparison where your G&A costs are up 67%. Mr. Beauchman said that he was going to keep the legal costs completely separate from the numbers he is talking about. He said that the Stadium Manager is seeing that staffing costs go up close to 80% during pandemic.

Mr. Doyle responded that the costs are going up because of ManCo's mismanagement and lawsuits. He said if you want to cut those lawsuits and we can cut the costs drastically. Mr. Beauchman stated that they were discussing that internally and are taking it back to see what that looks like. He asked Mr. Doyle to have the same conversation with the Board.

Mr. Beauchman asked what proposal or settlement Mr. Doyle would suggest. Mr. Doyle stated that the Stadium Authority asked that there would be a disinterested manager to manage Non-NFL Events, who did not have self-dealing, and that abided by state laws. Mr. Beauchman responded that the proposal can't be what you're asking for. He noted that was what the Stadium Authority was looking to achieve, but what they're trying to do is see if there is reasonable negotiation about settling the continuing legal disputes.

Ms. Santana said that she thought that the presentation went back and forth. She clarified that the Stadium Authority has not hired a Deputy City Manager and Management Analyst to purposely keep costs down. She acknowledged that the Stadium Authority cut those major positions and with the more initiatives that the Board has assigned, the workload has increased, and the Stadium Authority has artificially kept vacancies to keep the costs low and absorbed the workload with existing staff.

Mr. Beauchman said that the Stadium Manager doesn't have that information yet. He said from their perspective they see that a year when there were no events, why would we see an increase in staffing? Ms. Santana provided an example that Stadium Authority was still spending significant resources to review FY 19/20 documents this fiscal year due to the Stadium Manager's late submittal and incomplete documentation. Ms. Santana told Mr. Beauchman that the Stadium Authority would discuss additional initiatives during Thursday's meeting. There was agreement that both parties were open to what that looks like and that it may take an additional meeting. Ms. Santana clarified that Stadium Authority staff are receiving documents later from

the Stadium Manager so they are reviewing them in a different fiscal year. She said Stadium Authority can explain that as part of its March 23 report to demonstrate where the expenditures are spent.

Date: 3/17/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Year-end distributions

**MINUTES FROM
STADIUM AUTHORITY/STADIUM MANAGER
QUARTERLY STATUS MEETING
March 18, 2021 | 9:00 – 10:30 a.m.
Zoom Meeting**

ManCo Attendees:

Jim Mercurio, Executive Vice President & General Manager
Jihad Beauchman, Vice President, Deputy General Counsel
Jas Sajjan, Senior Manager, Public Affairs & Strategic Communications

Stadium Authority/City Attendees:

Ruth Shikada, Assistant City Manager
Manuel Pineda, Assistant City Manager (for Items 6 and 7b)
Brian Doyle, Stadium Authority Counsel
Kenn Lee, Treasurer
Rachel Copes, Senior Management Analyst
Christine Jung, Assistant to the Executive Director

A G E N D A

Assistant City Manager Shikada shared that Executive Director Santana had an emergency and would not be participating in the meeting.

1. Board Referrals and Other Follow Up Items

a. Public Safety Costs Per Event

Ms. Shikada shared that SCSA placed this item on the agenda to let the Stadium Manager know the Board asked for those numbers, which staff was preparing. She said due to deployment numbers being involved that the information would be presented in Closed Session. ManCo's Executive Vice President & General Manager Jim Mercurio agreed with the decision to present the information in Closed Session due to the sensitivity surrounding deployment numbers.

b. Marketing Plan Questions from Board as Transmitted on March 11, 2021

Ms. Shikada asked if Mr. Mercurio's email that was received by SCSA that morning included the Stadium Manager's responses to the SCSA's Marketing Plan questions. Mr. Mercurio stated that he did share the Marketing Plan responses as well as other items. Ms. Shikada said that staff was still reviewing the documents. Assistant to the Executive Director Christine Jung said that she briefly reviewed the responses and understood that there were two separate Marketing Budgets for two different types of events but she did not see staff costs as part of the budgets. Mr. Mercurio first responded that the staff costs were Shared Expenses then asked ManCo's Vice President, Deputy General Counsel Jihad Beauchman to confirm whether staff costs were included. Mr. Beauchman confirmed that the Marketing Budgets did not include staff costs because they were budgeted separately, which should be documented in the responses.

c. Third-party Assessment of Marketing Plan as Transmitted on March 11, 2021

Ms. Shikada shared that the Board expressed interest in having a third-party assessment of the Marketing Plan. She noted that the Board wanted someone else to look at it and provide an overall picture and critique of what that we're looking for. Mr. Beauchman responded that he would refer back to the Stadium Manager's response in the Marketing Plan response but that they were open to the idea.

d. Status of Final Stadium Operation and Maintenance Plan (SOMP)

Ms. Shikada asked if Mr. Mercurio sent the final SOMP that morning. Mr. Mercurio responded that SCSA had two points that it had asked the Stadium Manager to review: one where SCSA agreed with their proposed change and another where SCSA asked the Stadium Manager to incorporate Stadium Engineers into the maintenance schedule. He clarified that sometimes the Stadium Engineers oversaw contractors doing the work so they will incorporate that information and send the redacted version sometime mid next week. Ms. Jung asked for clarification whether the copy the SCSA previously received was redacted. Mr. Mercurio answered that anything that is sensitive remained in the Stadium office. He noted that they sent the version they provided to SCSA was redacted because anything that could compromise the stadium remains at the office for viewing. Ms. Jung thanked him for the clarification.

e. Parking Research and Data for Transportation Management and Operations Plan (TMOP) and Parking Plans

Mr. Mercurio provided an update that the Stadium Manager sent the parking information that the SCSA requested for the Parking Plans that morning as part of his email. He also mentioned that they were working to finalize the other operational and public safety documents that the SCSA was working with the Stadium Manager on. He shared that they would send the SCSA the refreshed copies once they compiled the rest of the information.

Ms. Shikada asked for clarification on the information contained in each column. Mr. Mercurio clarified that the Stadium Manager didn't control the "outside lots" column, but they received that information from the City/Stadium Authority based on the permit fee. He said that they broke down the different types of parking so that the City/Stadium Authority could understand them and totaled the numbers on the bottom and provided an average and average by year which should give the City/SCSA information requested.

2. Updates from Stadium Manager: Quarterly Status Meeting (First Amendment to Stadium Management Agreement)

a. Financial performance of past Non-NFL Events

i. Non-NFL Events P&L for quarter end 12/31/2020

Mr. Mercurio said there weren't any events, but they sent the P&L.

b. Status of future Non-NFL Events

i. Booked Events

ii. Pipeline Events

Mr. Mercurio provided a brief update that the Stadium Manager had two events in the pipeline, which were contingent on county restrictions. He said that he could start to see more activity and people are anxious for events but that's all the Stadium Manager has at this moment.

c. Private Parking Agreements

i. Executed private parking agreements

ii. Ongoing negotiations for private parking agreements

Director of Community Development Andrew Crabtree participated in this discussion.

Mr. Mercurio shared that the Stadium Manager added back Yellow 2 and Yellow 3 lots based on news from Related would not start construction during the 2021 NFL football season. He also shared that there were discussions on Blue Lots 1, 2, and 3.

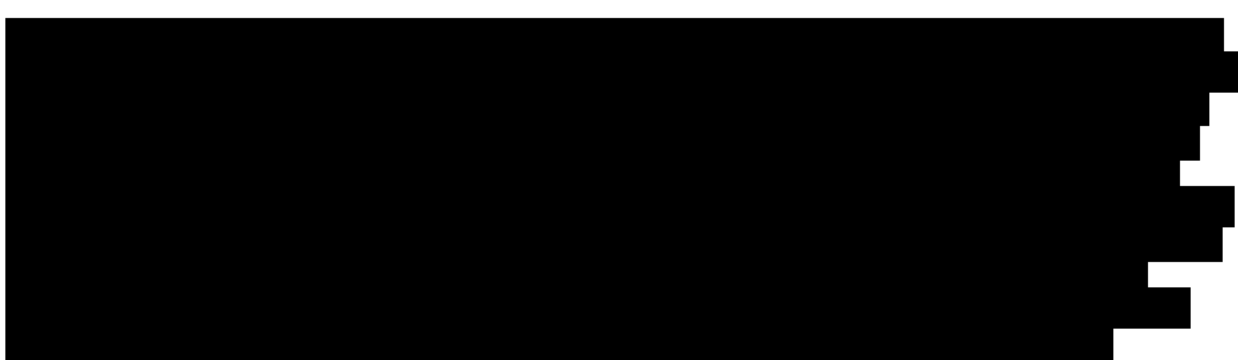


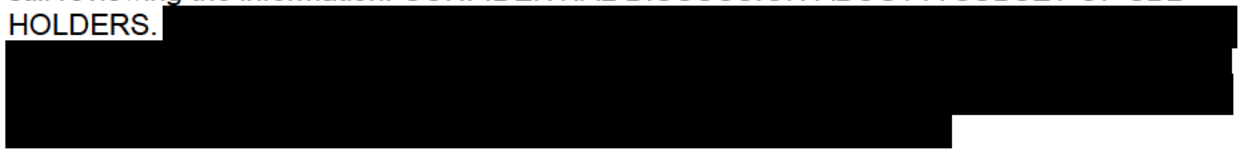
Ms. Shikada asked Director Crabtree if there was any additional information needed. Mr. Crabtree said he didn't have anything right now but there might be questions in the future. He said that his department was always in constant communication with the Stadium Manager. Mr. Crabtree noted that based on what Mr. Mercurio described, it sounded like the information they needed.

There was discussion about the ADA improvements, which is documented under Item 7(a).

3. Stadium Builder Licenses (SBLs)

a. Paper Copy SBL Project: Status on requested SBL index/tracking documents

Mr. Beauchman said for Item 3a, the Stadium Manager sent over a tracking document that had a list of all active SBLs as SCSA requested. Ms. Shikada confirmed that staff received it but was still reviewing the information. CONFIDENTIAL DISCUSSION ABOUT A SUBSET OF SBL HOLDERS.



b. Digital SBLs: Status on transferring files to SCSA for proper archiving

Ms. Jung shared that SCSA staff checked their DocuSign account with their IT Department and found that they are only able to access SBLs that were executed up to a couple months ago. Mr. Beauchman said that he didn't think there was a DocuSign time limit. He suggested another option was referencing the emails that SCSA should have received emails from DocuSign whenever an SBL was executed. He said that the issue with DocuSign was that they could go in

to search for someone but that they weren't able to do a bulk download of all the executed SBLs because that's not a feature that Docusign has. He said that they would have to have someone click through each SBL to download them and they want to try the bulk download before they go to that option. Mr. Beauchman referred SCSA staff back to the SCSA's SBL emails from Docusign.

Ms. Jung clarified that she was unsure whether any emails had been deleted from the SCSA's email account and that the Stadium Manager should have those files downloaded as the manager of the SBLs. Mr. Beauchman responded that the Stadium Manager didn't really go back to the contracts often because most of them had standard benefits. The key information that they need is seat numbers, which they pull, so they don't refer to the actual SBLs a lot. He noted that if for some reason they needed to refer to the actual SBLs, they just look them up in Docusign. He said that he would look into whether there was some sort of repository. Ms. Jung thanked him and asked him to please check whether they did have a repository because SCSA did not have the same retention in Docusign. Mr. Beauchman said he would.

c. Expired SBLs from 2019

Mr. Beauchman provided an update that the tracking spreadsheet also included a list of SBL contracts that expired. He said that the Stadium Manager was working to get those SBL Holders to resign their original SBLs. Ms. Jung referenced Larry MacNeil's (from ManCo) letter which said those SBLs holders were not notified that their SBLs were not executed and asked for clarification about the delay for getting the SBLs signed if the SBL Holders were unaware that their SBLs were not executed. She noted that there were twenty SBL Holders with expired SBLs and that the SCSA had signed four already and two pending in Docusign which SCSA planned to sign, and asked for the plan for the remaining 14 SBL Holders. Mr. Beauchman confirmed that they identified the SBL Holders and are reaching out to get them to resign their SBLs. He noted that people are a little confused but we're working on the SBLs.

d. Status on Confidential follow up items

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4. **Confidential Update from Stadium Manager on Insurance Claim Filed on Behalf of SCSA**
Risk Manager Greg Bych participated in this confidential discussion.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. Follow up on Non-NFL Event Documentation Questions

Mr. Lee said followed up on the letter he sent letter to the Stadium Manager on December 1, 2020 with questions and follow up items. He said, as part of our March 16 Meet and Confer meeting Mr. Beauchman said it would come soon. Mr. Beauchman confirmed that their response should come in the next few business days.

6. Response from Stadium Manager for SCSA Questions Regarding On-call Electrical Maintenance and Repair Service Agreements

Mr. Beauchman said that this item was discussed during the March 16 Meet and Confer meeting and that they would move the item to early April. He said the Stadium Manager would respond to the SCSA's questions later this week or early next week. Mr. Doyle shared that his reaction for the agreements was that was a high dollar value. He said he wanted to make sure that the Stadium Manager understood that repair is different than a capital project. He restated that he thought the agreements amounts were an extraordinary amount. Mr. Mercurio confirmed that the agreements would not be used for CapEx. Mr. Doyle asked him to provide more details. Mr. Mercurio agreed to put that together for the SCSA and that an entire review of the system was coming up.

7. Update from Stadium Manager on Existing Projects

a. ADA Improvements on Red Lot

Assistant City Attorney Su Reuter and Director of Community Development Andrew Crabtree participated in this confidential discussion.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b. HVAC Emergency Repair

Mr. Mercurio shared that the Stadium Manager would have something for SCSA sometime in next couple of business days as they go through the work associated with the project. He said they will provide an update next week.

Ms. Shikada referenced the list of Board referrals on the agenda and said that we need to start working on those. Mr. Mercurio responded that the Stadium Manager has addressed some of these items. He referenced Larry MacNeil (from ManCo) providing information on public ridership and parking costs months ago. Mr. Doyle said that the easiest thing would be if the Stadium Manager sent SCSA a copy of what they've previously submitted and staff would see if the referrals have been addressed. Mr. Mercurio answered that he guess the Stadium Manager could do that.

SCSA Board Direction for Stadium Manager Follow Up

- Compliance Plan and Oversight of Corrective Action (including Validation)
- Number of public riders for large stadium events
- Analysis regarding Event Day Parking Costs
- Stadium Manager Report to Board Summarizing Contracts Let on Behalf of Stadium Authority
- May 27, 2020 Letter regarding COVID-19 Plan for the Stadium, revolving loan, the buffet invoice, maintenance of the Stadium, and event parking/public transportation.
- Stadium Manager Presentation to the Board on Transparency Efforts/Enhancements

Upcoming SCSA Board Meeting Dates

- March 23, 2021
- April 13, 2021
- May 11, 2021
- June 8, 2021
- July 13, 2021
- August 24, 2021
- September 21, 2021
- October 19, 2021
- November 16, 2021
- December 14, 2021

Date: 3/19/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. Yearend distribution
2. Budget Amendments in Q3 posted report
3. March O&M Invoice

Date: 3/24/2021

Phone Call meeting: Rachel Copes (SCSA), Esther Chi (ManCo), Larry MacNeil (ManCo), Linh Lam (SCSA)

- Financial Management System Phase I Implementation
 - Ms. Lam will work with Armanino to schedule the kickoff meeting for the first week of July and will clarify if the kickoff meetings are with both parties (ManCo/SCSA) or separate
 - Mr. MacNeil will provide the Non-Disclosure Agreement to Armanino the week of March 29, 2021
 - Both parties are confident in the timeline to implement Non-NFL and Shared Expenses in the new FMS by the end of FY21/22. However, the SBL portion may be more complicated but will be discussed further with Armanino.
 - ManCo created a separate company code in their system to enter SBL's and will kick it off April 1, 2021

Date: 3/25/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. CFD Scheduled Payment
2. Excess Revenue Distribution Timeline
3. April O&M Invoice
4. FY2019/20 Non-NFL Event Review

Date: 3/26/2021

Teams meeting: Rachel Copes (SCSA) and Darren Wong (ManCo)

1. April O&M Invoice

**MINUTES FROM
STADIUM AUTHORITY/STADIUM MANAGER
SHARED STADIUM EXPENSES REVIEW MEETING
March 30, 2021 | 1:00 – 5:00 p.m.
Levi's Stadium**

Stadium Manager Attendees:

Jihad Beauchman, Vice President, Deputy General Counsel
Esther Chi, Vice President & Controller
Alex Acton, Finance Manager

Stadium Authority Attendees:

Kenn Lee, Treasurer
Linh Lam, Assistant Director of Finance
Christine Jung, Assistant to the Executive Director

The meeting started with introductions between staff. Treasurer Kenn Lee stated that the two groups had a shared goal of trying to validate the \$4.2M of Shared Expense salaries. Vice President, Deputy General Counsel Jihad Beauchman described the process of how ManCo staff would share information for Stadium Authority staff's review during the meeting, which was through the TV screens hooked up to staff's laptops. He said the documents would show names, salaries and other information that ManCo staff hoped that Stadium Authority staff would keep confidential. He said the information will be relevant for FY 2021 and there wouldn't be any information for past fiscal years since they were concentrating on the \$4.2M. He reemphasized the importance of keeping their employees' information confidential.

Mr. Lee agreed and said that when Stadium Authority and ManCo staff talked during the March 16 Meet and Confer Meeting, Stadium Authority staff said that they were interested in keeping ManCo's employee names confidential. He said if there were employee numbers, we're happy to take notes of that fashion. Mr. Beauchman responded that they can decide on what that looks like and that they're trying to get Stadium Authority staff the information they need. Mr. Lee stated that Stadium Authority staff wanted to make sure that they were being efficient. He noted that Assistant Director of Finance Linh Lam has visited the stadium in the past to validate expenses and that having employee numbers would keep things efficient for future reviews.

ManCo's Finance Director Alex Acton began showing the Draft FY 2021 budget which included the 45 positions that were charged to Shared Expenses. He then shared a spreadsheet on the screen that included those positions' salaries, overtime, bonuses, taxes and benefits and their corresponding allocations split between StadCo and the Stadium Authority (50/50 split for all positions except for groundskeeping staff who are split 70/30). The bonuses and taxes are grouped at usual allocation rates. We have a bonus pool for employees showing 50/50. Part-time allocation for Procurement, Stadium Ops, and Guest Services staff. Mr. Acton stated that the data being presented in total rolled up to the \$4.2M in the budget.

Mr. Lee asked if Stadium Authority staff could get a copy of the document that was being shared on Mr. Acton's screen. Mr. Beauchman denied the request and said that ManCo could not send the document but that they were happy to have Stadium Authority staff view the information. Ms. Lam asked if ManCo staff would be able to provide the same information (annual salary,

overtime, and bonuses) with employee IDs instead of employee names. She stated that having some sort of unique identifier that would maintain the confidentiality of employee identities while allowing Stadium Authority to be able to cross reference information would be helpful. Mr. Beauchman responded that they're not in the position right now to share that information but they could discuss that option. He said they were still trying to figure out the best way to get the information to Stadium Authority staff and that they were happy to have Stadium Authority staff view it but as of right now they didn't have a plan to show the identifier.

There was discussion about what that unique identifier information may look like. Mr. Lee noted that at some point, Stadium Authority staff want to have that information so that they're able to provide details on how to get back to the \$4.2M and we can validate. Mr. Beauchman stated that ManCo provided the salary information rolled up and that the information they will provide will show the underlying details that the Stadium Authority wants to see. He clarified that ManCo's concern was maintaining confidentiality and whether Stadium Authority staff's notes would tie back to the identifier. Mr. Lee said the level of detail that Stadium Authority staff was looking for was like the list of Stadium Authority positions, classifications, salaries, benefits, and overhead that they had provided to ManCo during the budget process. He said from a note taking perspective, Stadium Authority staff were trying to validate information from a budget position, so things like positions and job functions. Mr. Lee noted as staff validated the information, they might have some follow up questions. He explained that he was trying to validate the information in a way that he would be able to present to the Board the details behind the \$4.2M through his notes.

Mr. Beauchman explained that ManCo staff was trying to figure out how to do the same thing. He provided the example of groundskeeping and said the information that Stadium Authority staff view was same as what was totaled in the budget. He clarified that ManCo didn't want specific information tying back to position numbers, which they wanted to keep confidential.

Mr. Beauchman acknowledged that he understood what Stadium Authority staff was saying from public entity's perspective, but ManCo didn't think the information being shared was public information. He said the information would provide Stadium Authority staff back up for what they needed, and he thought that could be done without putting the specifics in the notes. Mr. Lee agreed that made sense but provided a couple points of clarification. He stated that ManCo knew what the Stadium Authority's position on what was considered public information. He also stated that it has also been made clear that the Stadium Authority wanted to respect the confidentiality of ManCo. Mr. Lee said Stadium Authority staff thought they could respect the confidentiality on what was being presented on the screen. He noted however, staff's notes were just notes if someone asked for more supporting documentation. Mr. Beauchman stated that the idea is that the information would not be directly tied to employees and that the information would be sufficient for the Stadium Authority staff to view the roles and confirm the backup. He noted that there was a concern about double billing, that people weren't doing what they're paid to do so today's supporting backup should address those concerns. He acknowledged that he understood the Stadium Authority wanted copies of the information and that while ManCo couldn't meet that request, they hope that the Stadium Authority's concerns would be addressed by reviewing the specific roles and duties.

Ms. Lam asked if we were able to look at the positions and roles could ManCo provide employee IDs so at the end of the year when Stadium Authority staff looks at Shared Expenses,

they can cross reference and can trace back the employees. Mr. Beauchman answered to the extent that Ms. Lam was asking for the rolled-up amounts for the positions that was something they could provide. Ms. Lam confirmed that total positions rolled up with employee information was sufficient. Mr. Beauchman asked for clarification and provided an example of labeling employees with sample identifiers (e.g., G1, G2, G3) and providing their salary information rolled up as a department. Ms. Lam agreed that was what she was asking for, along with the employees' ID numbers. Mr. Beauchman provided another example of how the information could be verified when Stadium Authority staff reviewed everything for budget purposes, such as the positions identified as G1, G2, G3 and their total actuals for the groundskeeping budget item. Ms. Lam shared that it would be even easier to just provide the employees' ID numbers so that Stadium Authority staff can trace those positions and tie back the costs when they look back in the budget. Mr. Beauchman asked if Stadium Authority staff would do that on site, which Ms. Lam confirmed. Mr. Beauchman said that he was generally comfortable with that process and asked if Ms. Lam would leave with the G1, G2, G3 matching with the identifier. Ms. Lam said that she hoped to get the employee ID as the unique identifier. Mr. Beauchman said to the extent that the total salaries are rolled up by department they should be comfortable with providing that information. Mr. Lee said that information would be helpful so Stadium Authority staff could validate how much was spent out of the amount budgeted.

Mr. Beauchman stated that shouldn't be a concern since he didn't think there were any departments with only one person. Mr. Acton shared that there was a department with two people. Vice President & Controller Esther Chi added that ManCo does use employee IDs numbers to log in. Ms. Lam restated that having employee ID information would be very helpful as an identifier to help Stadium Authority staff validate and tie back information to Shared Expenses next year when preparing the budget. Mr. Beauchman stated that ManCo would need to figure out the best way to signify employees and they should be able to create something to tie back to the roll up which was what the need. He noted that the focus for today's meeting was to look at the budgeted items and that the focus on tying back the actuals could take place later, and that it generally seems like they could do it but they wanted to make sure that its done in a way that is rolled up. Mr. Lee agreed and said the unique identifier would be helpful because we want to be efficient. He noted that anything that the group does now would expedite the verification process later on. He also said that in the Stadium Authority's notes, staff would respect the confidentiality.

Ms. Lam and Mr. Lee requested Mr. Acton to start going through the data in the spreadsheet which contained names and salary information for the 45 full-time ManCo employees who make up the Shared Expense salaries that are allocated between Stadium Authority and ManCo. Mr. Lee asked to start with the Engineering Department staff, which has 15 positions. Mr. Acton stated that the Engineering Department had 11 Stationary Engineers, one Assistant Chief Engineer, one chief engineer, one Vice President, Stadiums Operations, and one Administrative Engineering Coordinator. Ms. Lam asked whether the staff are salary or hourly. Mr. Acton answered that all the positions are unionized, so hourly, except for the Vice President and Administrative Engineering Coordinator positions. Mr. Lee asked about the average salaries, and Mr. Acton provided sum of the staff's hourly rates, overtime, and taxes and benefits. ManCo staff stated that only one position received a bonus. Mr. Lee also asked questions about one Engineering position's salary to clarify whether the amount shown was 100% of their salary, which ManCo staff confirmed that it was.

Mr. Lee asked ManCo staff to provide more detail about Stationary Engineers' responsibilities. Mr. Acton answered that ManCo sent over the positions' job descriptions and pulled up the document for everyone's review. Mr. Lee noted that all the positions looked filled and asked if the staff were still going in without events at the stadium. Mr. Beauchman answered that the Stationary Engineers are still there for routine work around the stadium. Mr. Acton noted that the number of Engineering staff has been pretty static over the years. Mr. Beauchman noted that the number of staff was the basic level of what was needed to operate the building. Mr. Lee asked if there is a bigger workload when there are events. Mr. Acton noted that if the Stadium Authority wanted to know what the Engineering staff did during events, they could work towards getting staff that information. Ms. Lam asked if the Engineering staff charged their times to events. Mr. Acton answered that all of the employees whose information was being shown were split 50/50 so they do not charge to specific events.

Mr. Lee referenced the ongoing vaccination site at Levi's Stadium and the engineers keeping the building running. He asked whether ManCo did a cost allocation to charge the Engineer's time back to the vaccination site. Mr. Beauchman answered that in past years there were up to 300 days when people are in the building and no matter what, those expenses are split 50/50. He noted that Stadium Authority and ManCo did that when they put the contract together so that amount is split and that the number of events would not impact the split amount. In reference to the vaccination site, Mr. Beauchman said that Guest Services Representatives were working on the vaccinations and their costs would not be charged to Shared Expenses.

Mr. Lee asked about security at the Stadium and whether they were also helping with the vaccination site. He also asked if the security staff would be working whether or not there were events. Mr. Beauchman responded with an example of someone sitting in the command center, which was needed regardless of events. He noted that there's going to be one even if there is extra security for vaccination site, which they did have and the extra security would not be reflected in Shared Expenses.

Mr. Lee asked about the security dog that sniffed staff's cars prior to the entering the stadium and whether that security was for both Levi's Stadium and the practice facility. Mr. Beauchman answered that the security dog and security person was just for Levi's Stadium and the process that was being used when Stadium Authority staff came into the building was the Levi's Stadium check in process regardless whether people were here for Stadium Authority or NFL work. He noted those people are still being charged 50/50 and that will continue even though the day to day may vary. He said there used to be more Stadium Authority events than NFL events so the 50/50 split wasn't based on number of events. Mr. Lee asked how the Shared Expense staff filled out their timesheets and whether they charged to events. Mr. Beauchman confirmed that they did not charge to events. Mr. Lee asked whether the Shared Expense groundskeeping staff also worked on the practice facility. Mr. Acton answered that he believed there are separate people for the practice facility.

Mr. Lee referred to the spreadsheet and asked if ManCo staff could sum up all the totals for salary, overtime, bonuses, and taxes and benefits, which Mr. Acton obliged. Stadium Authority staff reviewed the totals for salary, overtime, bonuses, and taxes and benefits for each department (Engineering, Stadium Operations, Guest Services, Groundskeeping, and Security). Ms. Lam and Mr. Beauchman discussed whether this is the type of information that the Stadium Authority would need rolled up for validation.

Mr. Lee asked whether the Engineering staff were responsible for CapEx projects. Mr. Beauchman answered that they assisted and advised what needs to be done. Mr. Lee asked if

there was a different team that would work on CapEx projects. Mr. Beauchman answered that the Engineering Department was the primary group responsible for that work, with ManCo's Executive Vice President & General Manager Jim Mercurio overseeing the projects. Mr. Beauchman noted that there may be nuances that he was not communicated but what he communicated was based on his understanding.

Ms. Lam asked how the Shared Expense staff's taxes and benefits were determined. Mr. Acton answered that those numbers were based on what benefits employees elected last fiscal year. He noted that the budget was put together back in January so if ManCo anticipated any staff having merit increases then they grew their benefits by 3%. He also noted that employees could elect for different benefits (e.g., insurance one year and not the next year) so the actual number is dependent on what people elect. Ms. Lam asked if that benefit amount also included overhead. Mr. Acton confirmed that overhead was not part of Shared Expenses.

Mr. Lee said that when he looked at taxes and benefits, he noticed that they varied between the departments. Mr. Acton said the biggest difference is for Engineering and that is because they're unionized. Mr. Lee asked for clarification if the benefits included health insurance and other items, which Mr. Acton confirmed. Mr. Lee asked for the matching contribution amount. Ms. Chi answered that it's 50% employee contribution, 2.5% of employee salary or \$3,750, whichever one is lowest. Mr. Beauchman added that the maximum amount of contribution was \$3,750. Mr. Lee whether the taxes portion was just standard payroll tax and social security, which Ms. Chi confirmed.

Ms. Lam asked Mr. Acton to go to the section in the spreadsheet that showed the Stadium Authority's allocation (50/50 split for all staff except those in groundskeeping, which have a 70/30 split). Mr. Lee asked to go back to the Engineering positions on the spreadsheet and asked whether the number of Engineering staff was the same over the years. Mr. Acton said that the number was mostly the same, but the Vice President of Operations used to be in the Stadium Operations Department so that is the only difference.

Mr. Lee moved on to the Groundskeeping Department, which had three staff. Stadium Authority staff reviewed each individual's salary as well as the average salary. Mr. Lee asked if promoters for events, e.g., Monster Jam, had their own groundskeeping staff. Mr. Beauchman answered that promoters would have their own groundskeeping staff but ManCo's groundskeeping staff would work with them to figure out what they need. Mr. Lee referred to the budget document that contained the job descriptions for the groundskeeping staff's responsibilities, which included water management and prepping the surface for games and events. He asked whether the groundskeeping staff would oversee piping too, like the broken recycled water line. Mr. Beauchman didn't think that the groundskeeping staff would be involved with that. Mr. Acton noted that what they were sharing was based on what they knew about the positions. Mr. Lee said that he understood and that he just wanted to get a good understanding of what the staff were responsible for. Mr. Beauchman added that the groundskeeping staff were responsible for everything natural above the concrete and stated again that he did not think that they were involved with irrigation. Mr. Lee asked whether the groundskeeping staff were also responsible for the turf around the rim of the field. Mr. Beauchman said yes, it was because the staff's purview was within the green boundaries.

Mr. Lee noted that the meeting was about staff's salaries but asked if ManCo used other contracts for groundskeeping. Mr. Beauchman answered that the groundskeeping staff were responsible for the majority of the work, but they had contractor for when the sod got damaged. He said their staff would be responsible for the day to day operations and management.

Mr. Lee asked if Mr. Beauchman anticipated letting Stadium Authority perform a similar type of this review for contracts and other items in the future. Mr. Beauchman referenced the annual audit and stated that they expected that things would be audited through that process. He noted, in terms of breaking down every single budget, they haven't discussed that internally because that's not something that they've ever done for the budget process. He shared that their position was that reviewing items individually was part of the end of the year audit which has been done. Mr. Beauchman noted that ManCo would continue bringing new agreements forward for the Stadium Authority Board to approve but they haven't talked about outside services. Mr. Lee shared that having that information would be helpful in planning ahead for next year's budget.

Mr. Beauchman said that ManCo would follow what is required by agreements. He acknowledged that Mr. Lee received direction from the Stadium Authority Board but said that is separate from what the agreements state. He referenced back to the agreements and ManCo's focus on what is required by the agreements. He noted, that as far as they knew, the agreements didn't require them to be that forward looking. Mr. Beauchman added that they wanted to get to a point where there is a good understanding what is spent and that they were open to having those discussions but they understood what the previous direction from 2019 looked like. He said that they were looking for middle ground to move beyond the position of what the agreement required if both parties agreed.

The next department that was reviewed was Guest Services, which had two positions. Ms. Lam asked, in reference to the low number of staff, if most of the staff were outsourced. Mr. Acton answered that there were a lot of part-time people, who are involved with training and that the two full time staff managed all those people. Mr. Beauchman asked Stadium Authority to be discreet with the information related to Guest Services and Groundskeeping due to those departments' only having a few staff.

Mr. Lee asked if other Guest Services staff were contractors. Mr. Beauchman answered they were and they charged to specific events that they worked. He noted that general training time got charged 50/50. He said that the two Guest Services staff were responsible for making sure that there are enough Guest Services staff, that they got their training, and that there were enough people on site for events. The two full time Guest Services staff were charged 50/50. Mr. Acton added that the part-time contractors were hired by 49ers. Mr. Lee asked if the two staff were managing all the part time people who were working the vaccination site, which Mr. Beauchman confirmed. Mr. Lee asked what the staff did during the pandemic when there were no events. Mr. Acton shared that there used to be 4-5 people in Guest Services. Mr. Lee asked whether the headcount for Guest Services would increase as events picked up. Mr. Beauchman said for discussion purposes, there would be changes to the Guest Services department but that applied generally for all departments. He noted that the change wouldn't happen this year but especially for this group there was a drop and they anticipated seeing more events for FY 2022/23.

Security was the next department that was reviewed. Mr. Beauchman noted that this department was responsible for operating security. Mr. Lee asked for clarification whether these staff would be the ones at events. Mr. Beauchman clarified that there is separate event day security provided through their contractor, Landmark. He noted that Landmark's 2017 contract was approved by the Stadium Authority Board so Stadium Authority staff should have a copy. Landmark works with the City's Police Department and the Security Department is the group that works with Landmark to manage that operation. Mr. Lee asked if during COVID-19, whether

the Security staff were onsite or working remotely. Mr. Acton and Mr. Beauchman answered that some staff work offsite but some do go in, such as ManCo's Director of Security. Mr. Beauchman added that some of the Security staff managed the technology, so they had to be on site to make sure those things were operating. Mr. Lee asked whether Guest Services and Groundskeeping staff have been working offsite during the pandemic. Mr. Beauchman answered that the Guest Services staff have been mostly remote but Groundskeeping have working on site.

Stadium Operations was the next department to be reviewed. The department contained a variety of positions that were responsible for things from A/V, warehouse, to procurement, etc. Stadium Authority staff reviewed departmental staff's salaries.

Mr. Lee and ManCo staff discussed IPTV (internet on screen) and whether the Manager had his own crew. Mr. Beauchman explained that the IPTV was a big system that you need expertise to manage the system. Ms. Lam asked questions about a management position and whether it was hourly. Mr. Acton said that he believed the position was non-exempt. Ms. Chi shared that staff's management titles did not automatically meant that they're exempt.

There was discussion about whether the assumption was that things would go back to normal by 2022. Mr. Acton answered that some of budgeted costs may be reduced from some of the actuals for 18/19 but if the stadium is busy then they may need more resources.

Mr. Lee asked whether the Stadium Operations staff were offsite during COVID-19. Mr. Acton answered there was a healthy mix. Mr. Beauchman added that staff worked offsite when they could but came in when they are needed onsite. Ms. Lam noted that there was one vacancy on the Stadium Operations team. Mr. Lee asked for clarification whether the stadium operations applied to only Levi's Stadium or other 49ers facilities as well. Mr. Beauchman answered that the stadium operations were only for Levi's Stadium. There was discussion about the SAP practice facility and associated staff.

Going back to the spreadsheet, Mr. Lee asked about the bonus pool amount that was on the bottom of the worksheet. He asked how the bonus figures were determined. Mr. Acton clarified that bonus pool was just for full time staff. He explained the process for bonuses, which were recommended by Mr. Jim Mercurio, approved by HR and then approved by the president. Mr. Lee asked whether the bonuses were based on salary or contracts. Mr. Acton answered that the bonus pool itself was determined by historic bonus amounts. Mr. Lee asked if during a COVID environment, there would be less bonuses distributed. Mr. Beauchman responded that he didn't think the amount would be a lot less. Mr. Lee asked for more clarification about the process for recommending bonuses at the end of the year, which Mr. Beauchman provided.

Mr. Lee noted that Finance staff were not included in the spreadsheet. Mr. Beauchman answered that was correct because the spreadsheet only dealt with Shared Expenses under the Lease. The positions in the spreadsheet were split 50/50 and 70/30 as defined by the Lease. Mr. Lee asked if Finance staff ever charged as Shared Expenses, which Mr. Beauchman said no, they would have never charged to Shared Expenses. He referenced the graph in ManCo's budget presentation and said that those are staff below the line and don't charge 50/50. Mr. Lee asked him to confirm that Stadium Builder Licenses staff were also below the line, which Mr. Beauchman confirmed. Mr. Lee asked whether the G&A invoice included Finance staff's time. Mr. Acton responded by providing his position as an example – his position was G&A and not Shared Expenses, so he charged his time when he worked on Stadium Authority work. Mr. Lee

asked if information was reflected on staff's timecards. Mr. Acton answered that they did charge the time in their payroll system, ABI Mastermind.

Mr. Lee asked if Ms. Lam wanted the unique identifier for these people whether they would see the same people in the system. Mr. Beauchman answered that these people are only in Shared Expenses. Mr. Lee asked if at some point later that day, whether Stadium Authority could see how a Shared Expense staff tracked their time. Ms. Chi responded that Shared Expense staff did not track their time. She said that they used ABI Mastermind for management staff to track their time on Stadium Authority work. She provided an example of Stadium Builder License staff, who are exempt, indicating how much time they spent on Stadium Builder Licenses work. Mr. Lee asked who pays for the staff who charge directly to an event. Mr. Acton asked for more clarification, which Mr. Lee used Ms. Chi's time as an example of how she would potentially charge her time based on time spent on Stadium Authority and non-Stadium Authority work. Ms. Chi said she would document the hours spent on Stadium Authority work in the ABI Mastermind payroll system. Mr. Acton added that those costs would be reflected in the "Other G&A" line item. Mr. Beauchman said that the Other G&A line item was tied to Stadium Authority and not specific items and events.

Mr. Lee asked if planning for events were charged to an event. Mr. Beauchman answered that was a general expense and not charged to an event. Mr. Lee asked how general event costs are allocated. He noted that the Shared Expenses allocations were clear and he understood how costs to NFL events and Non-NFL events were charged. Mr. Beauchman noted that he didn't want to get too far into that topic because they are a part of the loss for this upcoming year. He said that no events occurred in 2021 but there was still prospecting that occurred so there were costs. He noted that it was clear to ManCo staff there were separate buckets but he understood that those might not be as clear to Stadium Authority staff.

Mr. Lee stated that having the spreadsheet of the different buckets would help Stadium Authority staff explain the numbers to the Stadium Authority Board. He said that the type of review that Stadium Authority and ManCo went through made it a little less efficient. He noted that he was trying to learn and understand the information as much as he could and to avoid misinformation.

Ms. Lam asked if exempt employees had to enter their time, which Mr. Acton answered they did not have to track their time. Ms. Lam asked about ManCo's procurement staff, which she understood to be a Procurement Manager and a part time person. Mr. Acton told her that the Procurement staff were part time and that they had two open positions and one person just joined.

Mr. Lee asked to do some salary sampling from the spreadsheet and reference their salaries against what was in the system, which ManCo staff agreed to. Mr. Acton noted that the actuals may not match up because the budgeted amounts were estimates. Stadium Authority staff reviewed the salaries for 13 staff (5 in Stadium Operations, 2 in Security, 1 in Guest Services, 1 in Groundskeeping, and 4 in Engineering) against their bi-weekly pay in ManCo's payroll system.

There was discussion about how inflation was accounted for and then staff moved on to a position that received a bonus but the net difference was \$0 because that position did not receive a salary increase. There was discussion about that person's offer contract included the bonus. Mr. Lee asked ManCo staff to show the pool of bonuses again on the spreadsheet. The bonus potential for full time staff was \$305,000.

Mr. Lee asked for more detail about the procurement staff. Mr. Acton answered that the part time positions would help the Procurement Manager and would be split 50/50. Ms. Lam asked Mr. Acton if he could scroll back so Stadium Authority staff could see how many people were sampled. Mr. Acton noted that the sampled positions were: 5 in stadium ops, 2 in security, 1 in guest services, 1 in groundskeeping, 4 in engineering. Mr. Beauchman asked Stadium Authority staff to maintain ambiguity of the people who got selected for Guest Services and Groundskeeping.

Mr. Lee asked for the breakdown for part-time staff. Mr. Acton shows an updated spreadsheet that includes the rate for the guest services people, number of staff and number of trainings. Mr. Lee noted that there were no employee names on the sheet and asked if the sheet was something that ManCo could provide. Mr. Beauchman acknowledged that the information did look very general but he would have to check with the team.

Mr. Lee asked for more information about the different types of training for part-time Guest Services staff, which ManCo staff answered (rookie training for new staff and veteran training for staff who have been there a while). The spreadsheet contained multiple types of training: rookie training, veteran training, ADA training, TEAM & Conflict Resolution training, and CPT. He noted that when Mr. Beauchman brought the request back to the team, it would be helpful to add that the part-time information was more generalized and that it would be more efficient to have a copy of the detail so he didn't have to take down all the notes. Mr. Beauchman said he would.

Mr. Lee asked for more information on the scheduling process for part-time staff during the pandemic. Mr. Acton there were still costs because the stadium was open; however part-time people will come back once events return. Mr. Lee asked if the training costs were coordinated to events. Mr. Acton answered yes, so the training costs were way down last year. He noted that didn't mean that they didn't do any trainings, because they did, but there was just less. Ms. Lam asked Mr. Acton to clarify whether Guest Services staff charged to events when there were events, which he confirmed.

Mr. Lee asked to look at the Stadium Operations part-time staff. The Stadium Ops part-time staff spreadsheet reflected 8 positions: Logistics Supervisor, Logistics staff, Loading Dock Warehouse Supervisor, Loading Dock Warehouse Staff, A/V Staff, Office Staff, Command Post Manager, and Medical Risk Staff. ManCo staff noted that these are day to day staff who are not tied to training. Mr. Lee asked about anticipated 10 hours worked per week for two positions (Command Post Manager and Medical Risk Staff) and asked what those positions were responsible for. Mr. Acton responded that he didn't know exactly but that generally, the logistics staff were in the stadium everyday doing everything. Mr. Beauchman asked his team whether the part-time staff were included in the job descriptions that ManCo provided the Stadium Authority. Mr. Acton answered that ManCo only provided the descriptions for full time staff. Mr. Lee asked if the part-time staff would use the ABI Mastermind payroll system to track their time, which Mr. Acton confirmed.

Mr. Lee asked whether any of the people would charge to events. Mr. Acton answered that if they work on an event, then they will charge their time to that event. Mr. Lee asked whether all the part-time positions were filled during COVID. Mr. Acton shared that the Command Post Manager and AV staff positions were not filled now. He noted as things get going at the stadium, ManCo planned to bring those staff back.

Mr. Lee asked whether ManCo used a scheduling software to track the part-time staff's time. Ms. Chi answered that would be ABI Mastermind. Mr. Lee asked whether ABI could produce summarized reports that doesn't contain employee information so that Ms. Lam could tie back the part-time staff costs charged during an audit. Mr. Chi said that they could probably run reports by totals, departments, and monthly in ABI. She shared that they had an ABI cost report that was sent monthly for Guest Services staff that they used to reclass to specific amounts. Ms. Lam asked whether the part-time staff were allocated in ABI. Ms. Chi responded that she hasn't looked at that but it wouldn't be fixed. She noted that she didn't know how the Guest Services Director/Manager scheduled the staff and that the schedules could look very different week to week. There was more discussion about how part-time staff's time was tracked in the ABI Mastermind system. Mr. Acton noted that he was not in the system all the time but the reports should be able to pull the breakdown of what was charged to events (e.g. \$20 to rolling stone, \$80 to something else).

Stadium Authority staff then requested to look at the part-time Procurement positions, which included three positions and had a total budget of \$190,175. Mr. Lee asked for clarification as to why two of the procurement part-time positions were anticipated to work 39 weeks instead of 52. Mr. Acton answered that ManCo was planning to bring those positions on after Q1 of this fiscal year. Mr. Lee asked him to confirm that moving forward the two positions would be anticipated to work 52 weeks out of the year, which Mr. Acton confirmed. Mr. Lee asked for more detail about the procurement staff's responsibilities. Mr. Beauchman answered that those positions would help with procurement like sourcing and bidding.

Mr. Lee noted Mr. Beauchman brought up uniforms and contracts during a previous meeting. Mr. Beauchman said that they were just discussing the \$4.2M for salary that day. Mr. Lee asked ManCo staff to confirm that the \$4.2M was totaled by adding everything such as bonuses, salaries, etc. Mr. Acton confirmed that they got that number by adding up the gross amounts and multiplying it by 50%.

Mr. Lee and Ms. Lam listed the outstanding items that were requested from ManCo: Part-time details, offer letter for the management position that was discussed regarding salary and bonus, and the list of the FTEs with the unique identifier. Mr. Beauchman said the last item was part of a larger conversation but that they should be able to get back to Stadium Authority staff about the other two items fairly quickly. Ms. Lam shared that the unique identifier information was something that was very helpful. Mr. Beauchman said he understood but that he saw the meeting as the first step towards verifying the \$4.2M in Shared Expenses. He noted that the most important thing was Stadium Authority staff being comfortable about what they reviewed that day. He said that he hoped that Stadium Authority staff could use that information to tie back the numbers. Mr. Lee agreed that the meeting and information shared through the screen was very informative and it was good to know and understand the information. Mr. Lee said he would check in with the Stadium Authority team to build out what was needed to check out the information. He noted that while they did sampling for the employees, and he took some notes on the part-time staff, it would be helpful to have more documentation as more back up and to help with the validation that Ms. Lam would come back for later for the actuals. Mr. Lee said from a process cycle it makes sense all the way through to speed things through. Ms. Lam added that it would be very helpful to cross walk the unique information for NFL events.

Mr. Lee stated that Stadium Authority staff have not seen a lot of detail for G&A costs, including who's charging what. He said that's also where we're trying to validate the different pools and some of those details are needed. Mr. Lee provided examples of City departments and Spectra, a City contractor that manages the Santa Clara Convention Center, and requiring details from a

due diligence standpoint. Mr. Beauchman noted that ManCo was different from the City's department but he acknowledged that the two groups got a lot done during the meeting and that would lead to working together more in the future. He ended the meeting by stating that the two groups could have an open conversation about how to progress from there.