# RESOLUTION NO. 15431

SUBJECT:

Authorizing the County Executive to execute Memoranda of Understanding with the Jackson County Sports Complex Authority, a body corporate and politic of the State of Missouri, and the Kansas City Royals Baseball Corporation, a Missouri corporation, concerning the continued operation of and proposed improvements to the Harry S Truman Sports Complex.

INTRODUCED:

(Legislature As A Whole)

March 28, 2005

April 12, 2005

ADOPTED

(R#8137)

## IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

A RESOLUTION authorizing the County Executive to execute Memoranda of Understanding with the Jackson County Sports Complex Authority, a body corporate and politic of the State of Missouri, and the Kansas City Royals Baseball Corporation, a Missouri corporation, concerning the continued operation of and proposed improvements to the Harry S. Truman Sports Complex.

**RESOLUTION # 15431**, March 28, 2005

INTRODUCED BY Dan Tarwater, County Legislator

WHEREAS, by Resolution 8137, dated January 19, 1990, the Legislature did approve the current leases between the Jackson County Sports Complex Authority ("Sports Authority") and the Kansas City Royals Baseball Corporation for the operation of Kauffman Stadium at the County's Harry S. Truman Sports Complex; and,

WHEREAS, these leases now expire in the year 2015; and,

WHEREAS, Kauffman Stadium has served 34 seasons as the home playing site of the Royals; and,

WHEREAS, it is recognized that significant renovations are needed in order to extend the useful lives of these facilities and keep the facility competitive with other Major League Baseball stadiums; and,

WHEREAS, a Bi-State Sales Tax was proposed to provide funding for these renovations; and,

WHEREAS, the Bi-State Sales Tax referendum election held on November 3, 2004 failed; and,

WHEREAS, the Sports Authority remains in need of funds sufficient to complete the requirements of the "Existing Master Plan" as referred to in the Lease; and,

WHEREAS, the Sports Authority is conscious of possible alternative solutions to update the facility; and,

WHEREAS, it is essential to defer certain requirements of the Existing Master Plan in order to pursue the proposed alternatives; and,

WHEREAS, the Sports Authority, the Kansas City Royals Baseball Corporation and the lessees, have approved this memorandum of understanding deferring certain requirements of the "Existing Master Plan"; and,

WHEREAS, the execution of this Memorandum is in the best interests of the health, welfare, and safety of the citizens of Jackson County as well as the parties of the leases; now therefore,

BE IT RESOLVED by the County Legislature that the County Executive is authorized to execute the attached Memorandum of Understanding with the Jackson County Sports Complex Authority and Kansas City Royals Baseball Corporation.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

| APPROVED AS TO FORM:   |   |
|--|---|
| IlME Suyles  | Goden My  |
| Acting Chief Deputy County Counselor   | County Counselor  |
| Certificate of Passage   |   |
| I hereby certify that the attached resolutio duly passed on <u>foul</u> , 200 votes thereon were as follows: | on, Resolution#15431 of March 28, 2005, was 05 by the Jackson County Legislature. The |
| Yeas   | Nays  |
| Abstaining   | Absent/   |
| 4-13-05  | Mary so doing by Sy Switt<br>Mary so Spino. Clerk of Legislature                      |
| Date   | Mary of Spino, Clerk of Legislature   |

R#15431

#### MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is entered into as of the \_\_\_\_\_\_day of January, 2005, by and between the JACKSON COUNTY SPORTS COMPLEX AUTHORITY, a body corporate and politic, and a political subdivision of the State of Missouri (the "Sports Authority") and the KANSAS CITY ROYALS BASEBALL CORPORATION, a Missouri corporation (the "Royals").

#### **RECITALS**

- A. Pursuant to that certain lease dated January 19, 1990 (the "Lease"), the Sports Authority leases to the Royals certain property more fully described therein (the "Existing Lease Premises").
- B. Pursuant to its terms, the term of the Lease is currently scheduled to expire January 31, 2015.
- C. Attached to the Lease as <u>Exhibit I</u> is that certain document "Harry S. Truman Sports Complex Master Plan Re-evaluation" (the "Existing Master Plan"), which Existing Master Plan sets forth certain specified improvements, renovations, replacements and additions to be made by the Sports Authority to the Existing Lease Premises and the other portions of the Harry S. Truman Sports Complex (the "Complex"), and the schedule of lease years in which such improvements, renovations, replacements and additions are to be made to the Complex by the Sports Authority.
- D. On May 6, 2004 the Sports Authority and the Royals entered into a First Amendment to Lease Agreement (the "2004 Amendment") whereby a plan was devised, which if accomplished, would have extended the current Lease terms to January 31, 2030. This Amendment established a new Master Plan and provided a financing plan capable of funding the Lease term extension. This agreement was contingent upon the Sports Authority having the required financing in place by December 31, 2004, and failure to provide evidence of the funding by that date would cause the Amendment to be deemed null and void.
- E. Due to the failure of the Bi-State Sales Tax referendum election held on November 3, 2004, the Sports Authority was unable to secure sufficient funds to comply with the requirements of the 2004 Amendment. Thus by its express terms, the 2004 Amendment is now null and void and the Lease term is now deemed to be the initial term, as defined in the Lease, with an expiration date of January 31, 2015.
- F. The Sports Authority is currently seeking to obtain funds in sufficient amounts to complete the requirements of the Existing Master Plan as referred to in the Lease.
- G. The Sports Authority is also aware of the interest of some in the Kansas City business community and local governments in investigating alternative solutions to providing updated facilities for the Kansas City Royals and the Kansas City Chiefs. Such an investigation would include the development of a long term funding plan for such updated facilities (the "Sports Facilities Development Plan"). The Royals wish to support and assist the efforts of the Sports Authority in working with such other interests to pursue a long-term solution to meeting the teams' facilities needs in Kansas City.

- H. In order that the Sports Authority have the time necessary to pursue all the alternatives being proposed for a long term solution to the teams' facilities needs, the Sports Authority has requested that the Royals agree to defer certain requirements of the Existing Master Plan for a time with the Authority agreeing to fund certain other Existing Master Plan projects, all as set forth below.
- I. The Royals have agreed to defer certain requirements of the Existing Master Plan on and subject to the condition that the Sports Authority agree to the scheduling and completion of certain projects required under the Master Plan as set forth on <a href="Exhibit A">Exhibit A</a> attached hereto and by this reference made a part hereof (the "2006-2014 Schedule of Projects").

# NOW, THEREFORE, the parties agree as follows:

- The Royals agree to defer the requirements of the Existing Master Plan for projects relating to Kauffman Stadium until those dates set forth on the 2006-2014 Schedule of Projects attached hereto. The Sports Authority and the Royals hereby expressly agree that the Sports Authority shall be obligated to complete the Existing Master Plan projects for Kauffman Stadium that are set forth on the 2006-2014 Schedule of Projects attached hereto as Exhibit A in accordance with the terms of the Lease (subject to the modification of the Existing Master Plan herein set forth) on or prior to the dates set forth on the attached 2006-2014 Schedule of Projects. If and to the extent of any inconsistencies among the 2006-2014 Schedule of Projects attached hereto, the "JCSCA Master Plan—Kansas City Royals 2004 and 2005" attached to the Memorandum of Understanding Concerning Status of Master Plan Projects, dated April 22, 2003 (the "2003 MOU") between the Sports Authority and the Royals, the 2003 MOU, and the 2004 Amendment with respect to the scheduling and completion of projects for Kauffman Stadium, the terms of the 2006-2014 Schedule of Projects shall control. Without limiting the generality of the foregoing, it is the intent of the parties that scheduling and completion of projects for Kauffman Stadium for the years 2006 through and including 2014 as set forth on the attached 2006-2014 Schedule of Projects shall control over any other document or agreement between the Royals and the Sports Authority relating to the scheduling and completion of projects for Kauffman Stadium. Any and all references in the Lease to the Existing Master Plan shall mean and refer to the Existing Master Plan and modified by the attached 2006-2014 Schedule of Projects with respect to projects for Kauffman Stadium.
- 2. Anything in Paragraph 1 or elsewhere herein to the contrary notwithstanding, the Sports Authority shall provide funds not exceeding Five Million Dollars (\$5,000,000) to complete, by December 31, 2005, those certain Existing Master Plan projects agreed to by the Sports Authority, the Chiefs and the Kansas City Royals set forth in <a href="Exhibit B">Exhibit B</a> attached hereto and incorporated herein by reference.
- 3. The Royals agree to use its best reasonable efforts to cooperate with the parties identified in Recital G above in developing the Sports Facilities Development Plan before May 1, 2005.
- 4. The Sports Authority and the Royals acknowledge and agree that: at the Sports Authority's request, ThreeSixty Architecture has prepared a "Master Plan Update", dated October 27, 2004, consisting of Volumes 1 through 4 (the "360 Report"), which, among other things, contains scope evaluations and estimated costs for Existing Master Plan projects yet to be completed; although a copy of the 360 Report has been provided to the Royals; however, nothing contained in this MOU shall be interpreted or construed as the Royals' approval of all or

any portions of the 360 Report nor as any consent by the Royals to the contents thereof, including any recommendations therein, any description of scopes of projects or cost estimates.

- 5. This MOU shall be effective and binding upon the Sports Authority and the Royals only if a separate Memorandum of Understanding in substantially the form attached hereto as <a href="Exhibit C">Exhibit C</a>, is executed between the Sports Authority and the Kansas City Chiefs simultaneously herewith.
  - 6. Time is of the essence of this MOU.
- 7. This MOU may be executed by the parties hereto on separate counterparts, or separate signature pages, all of which shall be deemed originals, but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have set their hands thereto as of the date first written above.

JACKSON COUNTY SPORTS

KANSAS CITY ROYALS BASEBALL CORPORATION.

**COMPLEX AUTHORITY** 

Bv:

Dick Berkley, Chairman

Rv.

SVP, BULLIAN PERATIAS

Approved:

JACKSON COUNTY, MISSOURI

Bv:

Katheryn Shields, County Executive

COUNTY COUNSELOR

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# Exhibit A 2006-2014 Schedule of Projects JCSCA Masterplan Kansas City Royals - Kauffman Stadium

Original Masterplan Number

## Description

| Completion<br>Year: 2006 |   |
|--------------------------|---|
| 1.F.                     | Replace main and color matrix scoreboard electrical components and renovate computer control room. <b>Project to be completed prior to the first home game of the 2007 season</b> . |
| 10.A.                    | Replace graphics and signage throughout the stadium.  |
| 1.E.                     | Renovate concession stands and novelty stands.  |
| 11.A.                    | Replace concourse and toilet room speakers throughout the stadium.  |
| 17.C.                    | Upgrade the public toilets' lighting.   |
| 17.M.                    | Renovate the water spectacular electrical controls and wiring.  |
| 17.N.                    | Replace water spectacular electrical fixtures.  |
| 1.A.                     | Renovate the public toilets.  |
| 14.A.                    | Renovate elevators and escalators.  |
| 16.B.                    | Replace domestic water heaters.   |
| 2.A.                     | Replace missing and damaged trees and shrubs.   |
| 1.C.                     | Provide a Royals Hall of Fame building addition.  |
| 16.G.                    | Replace the water spectacular plumbing system.  |
| 17.H.                    | Replace all switchgear in center field scoreboard with N.E.M.A. 3R enclosures.  |

| 7.B.                     | Renovate the sunscreen and perimeter gutter, including tightening metal deck fasteners.           |
|--------------------------|---|
| 15.A.                    | Upgrade Energy Management System.   |
| 17.C.                    | Replace all switchgear, transformers, panelboards, etc. throughout the power distribution system. |
| 1.E.                     | Provide additional media/broadcast structures.  |
| 16.E.                    | Provide fire suppression systems for all office areas.  |
| 17.L.                    | Install a fire alarm system in accordance with local codes.                                       |
| 7.C.                     | Repair existing deck coatings, water repellents, and joint sealer waterproofing systems.          |
| 16.C.                    | Renovate water spectacular plumbing components as required.                                       |
| 2.C.                     | Resurface the pedestrian asphalt paving around the stadium.                                       |
| 1.B.                     | Renovate the administrative and support spaces on each level.                                     |
| 4.A.                     | Repair cracked and broken masonry block throughout the stadium, including the suites.             |
| 7.A.                     | Replace the suite and concession stand roofing systems.   |
| 7.B.                     | Replace waterproof coating in the water spectacular.  |
| 9.D.                     | Provide a special coating for exterior masonry walls throughout the stadium.                      |
| 9.F.                     | Replace carpeting in the clubhouse level and administrative and support spaces on all levels.     |
| 16.A.                    | Complete the replacement of any original and/or deteriorated plumbing fixtures.                   |
|                          |   |
| Completion<br>Year: 2007 | H   |
| 15.D.                    | Upgrade exhaust and heating systems for all public toilets and janitors' closets.                 |
| 17.A.                    | Provide emergency electrical service for lighting, communication, and elevator power.             |
| 2.B.                     | Replace chain link fencing and gates.   |
| 1.G.                     | Renovate ticket office.   |
| 8.B.                     | Replace ticket windows and hardware.  |
| 17.B.                    | Install permanent television cable and cable tray system to stadium from behind scoreboard.       |

| 16.A. | Replace water softener system.   |
|-------|--|
| 3.A.  | Repair cracks in concrete walls of the water spectacular pump room.  |
| 3.B.  | Repair cracks in concrete construction of the groundskeeping shop.   |
| 3.C.  | Repair cracks and eliminate water infiltration through the concrete wall of the right field service drive and bullpen. |
| 9.B.  | Provide a primer for scoreboard interior structural steel.   |
| 3.B.  | Repair and caulk view level and Club Level stair risers located in the seating areas.                                  |
| 3.C.  | Provide positive drainage at stadium seating areas.  |
| 9.A.  | Provide a special coating for foul ball poles and flag poles.  |
| 11.C. | Replace telephone system.  |
| 17.A. | Replace heat tracing on water and waste lines.   |
| 6.A.  | Replace the wood framed outfield wall.   |
| 9.C.  | Provide a special coating for stadium infield and outfield light standards and underside of sunscreen.                 |
| 9.E.  | Sandblast all light standards and examine welds prior to special coating.  |
| 7.D.  | Replace floor insulation under occupied space where floor is exposed to the exterior.                                  |
| 5.A.  | Caulk and repair handrails and railings.   |
| 10.A. | Replace damaged toilet accessories (tissue dispensers, towel dispensers, soap dispenser, etc.)                         |
| 5.A.  | Replace handrails and railings.  |
| 8.A.  | Replace damaged windows and pedestrian doors, frames and hardware throughout the stadium including the suites.         |
| 3.A.  | Miscellaneous concrete repair and annual inspection throughout the stadium.  |
| 5.B.  | X-ray and magnaflux all infield and outfield light standards.  |
| 16.B. | Renovate the water spectacular pumps, motors, valves, and other mechanical components.                                 |
| 17.B. | Replace and/or repair main switch board electrical operators.  |

| 17.B.                    | Replace defective field lighting components.  |
|--------------------------|---|
| 17.B.                    | Begin the implementation of the replacement of the concrete embedded conduit as per study completed in years 3-5 scope of work. |
| 17.E.                    | Renovate water spectacular electrical components as required.   |
| 17.D <sub>∗</sub>        | Complete the replacement of the concrete embedded conduit as per study completed in years 3-5 scope of work.                    |
|                          |   |
| Completion<br>Year: 2008 |   |
| 7.B.                     | Annually inspect and repair all sunscreen metal deck fasteners.   |
| 11.A.                    | Annually stretch the foul ball netting and replace the netting as required.   |
| 15.A.                    | Renovate the HVAC systems as required.  |
| 17.A.                    | Renovate concourse lighting.  |
| 15.B.                    | Upgrade Energy Management System.   |
| 17.B.                    | Renovate emergency electrical service for lighting, communication, and elevator power.  |
| 3.A.                     | Miscellaneous concrete repair and annual concrete inspection.   |
| 5.C.                     | Repair catch-all screens.   |
| 10.A.                    | Replace all the turnstiles and exit gates.  |
| 11.B.                    | Provide a new structure for the foulball netting.   |
|                          |   |
| Completion<br>Year: 2009 |   |
| 1.B.                     | Replace the playing field system.   |
| 6.A.                     | Replace the wood framed outfield wall.  |
| 10.B,                    | Replace damaged toilet accessories (tissue dispensers, towel dispensers, soap dispenser, etc.)                                  |
| 10.C.                    | Replace the toilet partitions as required.  |
|                          |   |

# Years 18-25 (2007-2014) - Remaining Items\*

- 4.A. Repair cracked and broken masonry block in all exterior walls, including the suites.
- 16.A. Replace domestic water heaters.
- 16.B. Renovate fire suppression systems as required.
- 1.A. Renovate the Royals Hall of Fame building addition.
- 1.C. Renovate the main scoreboard electrical components.
- 5.A. Caulk and repair handrails and railings.
- 7.A. Repair existing deck coatings, water repellents, and joint sealer waterproofing systems.
- 8.A. Repair ticket window hardware.
- 9.A. Replace the carpeting in the clubhouse.
- 5.B. X-ray and magnaflux outfield and infield light tower structures.
- 7.C. Repair floor insulation under occupied space where floor is exposed to the exterior and below the walk-in coolers and freezers.
- 2.A. Replace missing and damaged trees and shrubs.
  - \* Completion date (year) to be mutually agreed to by the Parties with consideration of the useful economic life of such items to the Royals and the remaining term of the Lease.

Exhibit A 2006-2014 MP Version 5C

# Exhibit B 2005 Schedule of Projects JCSCA Master Plan

| Original | Master |
|----------|--------|
| Plan Nur | nber   |

# Description

| Kauffman Stadiur | m  |
|------------------|--|
| 1.F. (18-25)     | Replace main and color matrix scoreboard electrical components and renovate computer control room. Project to be completed prior to the first home game of the 2007 season. (This is a partial project with engineering, design, and scope of work to be determined in 2005 for completion prior to the first home game of the 2007 season.) |
| 16.A. (6-10)     | Complete the replacement of any original and/or deteriorated plumbing fixtures. (Replacement of crucial deteriorated waste and drain lines to be completed in 2005)  |
| 1.E. (11-17)     | Renovate the concession stands and novelty stands. (This is a partial project with engineering, design, and scope of work to be determined in 2005 for completion in 2006.)  |
| 1.G. (11-17)     | Renovate ticket office. (This is a partial project with engineering, design, and scope of work to be determined in 2005 for completion in 2006.)   |
| Arrowhead Stadii | um   |
| 10.C. (3-5)      | Replace the toilet partitions in the women's public toilets at all levels.   |
| 1.B. (6-10)      | Renovate administrative and support spaces on each level.  |
| 16.A. (6-10)     | Complete the replacement of any original plumbing fixtures.  |
| 1.A. (11-17)     | Renovate the security offices.   |
| 1.C. (11-17)     | Renovate the team facilities level.  |
| 1.D. (11-17)     | Replace the playing field.   |
| 2.C. (11-17)     | Resurface the pedestrian asphalt paving areas around the stadium.  |
| 7.B. (11-17)     | Replace the suite and concession stand roofing systems.  |
| 8.A. (11-17)     | Replace damaged windows and pedestrian doors, frames and hardware throughout the stadium.  |
| 9.B. (11-17)     | Provide special coating for exterior masonry walls throughout the stadium.   |

# Exhibit B 2005 Schedule of Projects JCSCA Master Plan

# **Central Services**

| 11.B. (3-5)       | Provide liquid waste equipment.   |  |
|-------------------|---|--|
| 3.A. (11-17)      | General concrete repair and inspection.   |  |
| Shared Facilities |   |  |
| 11.A. (3-5)       | Replace car counters at toll booths.  |  |
| 17.B. (3-5)       | Replace all switch gear, transformers, panel boards, etc., throughout the existing power distribution center. |  |
| 1.A. (11-17)      | Repair toll booths.   |  |
| 2.B. (11-17)      | Replace missing and damaged trees, shrubs and lawns.  |  |
| 3.A. (11-17)      | General concrete curb and sidewalk repair.  |  |

EXHIBIT C

#### MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is entered into as of the \_\_\_\_\_\_ day of January, 2005, by and between the JACKSON COUNTY SPORTS COMPLEX AUTHORITY, a body corporate and politic, and a political subdivision of the State of Missouri (the "Sports Authority") and the KANSAS CITY CHIEFS FOOTBALL CLUB, INC., a Texas corporation authorized to do business in Missouri (the "Chiefs").

#### **RECITALS**

- A. Pursuant to that certain lease dated January 19, 1990 (the "Lease"), the Sports Authority leases to the Chiefs certain property more fully described therein (the "Existing Lease Premises").
- B. Pursuant to its terms, the term of the Lease is currently scheduled to expire January 31, 2015.
- C. Attached to the Lease as <u>Exhibit I</u> is that certain document "Harry S Truman Sports Complex Master Plan Re-evaluation" (the "Existing Master Plan"), which Existing Master Plan sets forth certain specified improvements, renovations, replacements and additions to be made by the Sports Authority to the Existing Lease Premises and the other portions of the Harry S Truman Sports Complex (the "Complex"), and the schedule of lease years in which such improvements, renovations, replacements and additions are to be made to the Complex by the Sports Authority.
- D. On May 6, 2004 the Sports Authority and the Chiefs entered into a First Amendment to Lease Agreement (the "2004 Amendment") whereby a plan was devised, which if accomplished, would have extended the current Lease term to January 31, 2030. The 2004 Amendment established a new Master Plan and provided a financing plan capable of funding the Lease term extension. The 2004 Amendment was contingent upon the Sports Authority having the required financing in place by December 31, 2004, and failure to provide evidence of the funding by that date would cause the Amendment to be deemed null and void.
- E. Due to the failure of the Bi-State Sales Tax referendum election held on November 3, 2004, the Sports Authority was unable to secure sufficient funds to comply with the requirements of the 2004 Amendment. Thus, by its express terms, the 2004 Amendment is now null and void and the Lease term is now deemed to be the initial term, as defined in the Lease, with an expiration date of January 31, 2015.
- F. The Sports Authority is currently seeking to obtain funds in sufficient amounts to complete the requirements of the Existing Master Plan as referred to in the Lease.
- G. The Sports Authority is also aware of the interest of some in the Kansas City business community and local governments in investigating alternative solutions to providing updated facilities for the Kansas City Royals and the Chiefs. Such an investigation would include the development of a long term funding plan for such updated facilities (the "Sports Facilities Development Plan"). The Chiefs wish to support and assist the efforts of the Sports Authority in working with such other interests to pursue a long-term solution to meeting the teams' facilities needs in Kansas City.
- H. In order that the Sports Authority have the time necessary to pursue all the alternatives being proposed for a long term solution to the teams' facilities needs, the Sports Authority has requested that the Chiefs agree to defer certain requirements of the Existing Master Plan for a time with the Authority agreeing to fund certain other Existing Master Plan projects, all as set forth below.
- I. The Chiefs have agreed to defer certain requirements of the Existing Master Plan on and subject to the condition that the Sports Authority agree to the scheduling and completion of certain

projects required under the Master Plan as set forth on <u>Exhibit A</u> attached hereto and by this reference made a part hereof (the "2005-2006 Schedule of Projects").

#### NOW, THEREFORE, the parties agree as follows:

- The Chiefs agree to defer the requirements of the Existing Master Plan for projects in Years 1 through 17 of the Lease between the Chiefs and the Sports Authority until December 31, 2007, at which time those Existing Master Plan projects uncompleted for Years 1 through 17 (either deferred hereby or previously deferred by prior agreements between the Chiefs and the Sports Authority) shall be completed by the Sports Authority in accordance with the terms and provisions of the Lease and the Existing Master Plan; provided, however, that the Sports Authority and the Chiefs hereby expressly agree that the Sports Authority shall be obligated to complete those Master Plan projects for Arrowhead Stadium that are set forth on the 2005-2006 Schedule of Projects attached hereto as Exhibit A on or prior to the dates set forth on the attached 2005-2006 Schedule of Projects. If and to the extent of any inconsistencies among the 2005-2006 Schedule of Projects attached hereto, the 2004 Amendment or the Existing Master Plan with respect to the scheduling and completion of projects for Arrowhead Stadium, the terms of the 2005-2006 Schedule of Projects shall control. Without limiting the generality of the foregoing, it is the intent of the parties that scheduling and completion of projects for Arrowhead Stadium for the years 2005 through and including 2006 as set forth on the attached 2005-2006 Schedule of Projects shall control over any other document or agreement between the Chiefs and the Sports Authority relating to the scheduling and completion of projects for Arrowhead Stadium. Any and all references in the Lease to the Existing Master Plan shall mean and refer to the Existing Master Plan as modified by the attached 2005-2006 Schedule of Projects with respect to projects for Arrowhead Stadium.
- 2. Anything in Paragraph 1 or elsewhere herein to the contrary notwithstanding, the Sports Authority shall provide funds not exceeding Five Million Dollars (\$5,000,000) to complete, by December 31, 2005, those certain Existing Master Plan projects agreed to by the Sports Authority, the Chiefs and the Kansas City Royals set forth in Exhibit B attached hereto and incorporated herein by reference.
- 3. The Chiefs agree to use its best reasonable efforts to cooperate with the parties identified in Recital G above in developing the Sports Facilities Development Plan before May 1, 2005.
- 4. The Sports Authority and the Chiefs acknowledge and agree that: at the Sports Authority's request, ThreeSixty Architecture has prepared a "Master Plan Update", dated October 27, 2004, consisting of Volumes 1 through 4 (the "360 Report"), which, among other things, contains scope evaluations and estimated costs for Existing Master Plan projects yet to be completed; although a copy of the 360 Report has been provided to the Chiefs, the Chiefs have not had sufficient time to review, nor engage its consultants to review, the 360 report; and, accordingly, nothing contained in this MOU shall be interpreted or construed as the Chiefs' approval of all or any portions of the 360 Report nor as any consent by the Chiefs to the contents thereof, including any recommendations therein, any description of scopes of projects or cost estimates.
- 5. This MOU shall be effective and binding upon the Sports Authority and the Chiefs only if a separate Memorandum of Understanding in substantially the form attached hereto as <u>Exhibit C</u>, is executed between the Sports Authority and the Kansas City Royals simultaneously herewith.
  - 6. Time is of the essence of this MOU.
- 7. This MOU may be executed by the parties hereto on separate counterparts, or separate signature pages, all of which shall be deemed originals, but all of which, taken together, shall constitute one and the same instrument.

| first written above.                       | CHIEFS                          |
|--|---------------------------------|
| JACKSON COUNTY SPORTS<br>COMPLEX AUTHORITY | KANSAS CITY FOOTBALL CLUB, INC. |
| By: Dick Berkley, Chairman                 | By: todma                       |
| Approved:                                  |                                 |
| JACKSON COUNTY, MISSOURI                   |                                 |
|  |                                 |
| D  |                                 |

Katheryn Shields, County Executive



#### EXHIBIT A

## KANSAS CITY CHIEFS ARROWHEAD STADIUM MASTER PLAN 2006

#### Years 3-5

- 7.C. Complete the replacement of the expansion joints at ramps and concourses in coordination with the membrane coating.
- 10.B. Replace all turnstiles and pass gates.
- 16.G. Provide fire suppression system for all offices, press box, guest's suites, stadium club, computer room, Room 117 novelty storage and all areas of the locker room level.
- 17.N. Provide emergency electrical service for lighting, communication and elevator power.

# **Years 6-10**

- 8.A. Renovate the glazing system at the press box and suites.
- 15.A. Complete the renovation and replacement of the HVAC systems as per study completed in Year 1 scope of work.
- 17.A. Upgrade ramp lighting system.

#### **Years 11-17**

- 5.B. X-ray and magnaflux all field lighting bents.
- 10.A. Replace graphics and signage throughout the stadium.
- 13.A. Repair the sauna, steam room, and whirlpool.
- 14.A. Renovate the elevators.
- 15.A. Upgrade Energy Management System.
- 17.C. Replace defective and inefficient field lighting fixtures.





# EXHIBIT A CONT. KANSAS CITY CHIEFS ARROWHEAD STADIUM MASTER PLAN 2007

#### Years 3-5

- 7.D. Caulk the expansion joints in the ramp columns.
- 11.A. Tighten and center the extra point cables.
- 15.B. Provide ventilation for field level concession stands.
- 17.A. Relocate existing transformers that are currently located below water entries.
- 17.H. Provide exterior grade lighting fixtures in press box camera and photographer location.
- 17.I. Provide television cable connections in a panelboard located in parking lot E.
- 17.J. Remove pole mounted lighting system at ramps and provide alternate lighting system. Poles to remain.
- 17.M. Replace light fixtures in the tunnel.

#### Years 11-17

- 9.A. Provide a special coating for playing field light bents.
- 9.C. Special coating for the scoreboard structures.
- 9.D. Sandblast all light standards and examine welds prior to special coating.
- 16.B. Replace water softener.