



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

FRIDAY, November 22, 2013, 9:00 A.M.

**Hubert H. Humphrey Metrodome, Halsey Hall Room
900 South 5th Street, Minneapolis, MN 55415**

1. CALL TO ORDER

Chair Michele Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority to order at 9:05 AM.

2. ROLL CALL

Commissioners Present: Chair Kelm-Helgen, Commissioner Butts Williams, Commissioner Benson, Commissioner McCarthy and Commissioner Griffith.

3. ADOPTION OF AGENDA

Chair Kelm-Helgen presented the agenda. Commissioner Benson moved approval of the agenda, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

4. APPROVAL OF AUTHORITY MEETING MINUTES

Approval of Authority Minutes for Regular Meeting of October 25, 2013. Commissioner McCarthy moved approval of the October 25, 2013 Regular Meeting Minutes, seconded by Commissioner Benson and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED



5. **CHAIR'S REPORT**

Chair Kelm-Helgen reported that staff is bringing back the final project labor agreement for the board to see. The board had already approved and authorized staff to move forward with developing a project labor agreement with Mortenson Construction and labor unions. Today's report will highlight the major details that have been agreed to by all parties.

Chair Kelm-Helgen highlighted that a major milestone has been reached in the project with today's meeting as the board will be reviewing and approving the project's Guaranteed Maximum Price (GMP). She explained that with the creation of this public document, all the other ancillary project documents had to be amended to get everything in line with the GMP. Coming to a GMP has taken a lot of hard work and time. Chair Kelm-Helgen acknowledged all the staff and consultants who spent many hours working out the details.

The GMP essentially brings the construction budget to approximately \$763 million, which is included within the overall \$975 million price of the new stadium. While bids came in higher than expected, the good news is that overall statewide construction is on the upswing. As some bids were coming in higher than originally anticipated, some decisions had to be made in order to meet the overall \$975 million budget. Chair Kelm-Helgen explained that the MN Vikings stepped up to help close the gap. Mortenson Construction also stepped up with contributions from its contingency fund. These contributions, along with the Authority transferring funds from its own contingency fund, helped to close the gap. By closing this gap, the Authority and Team were able to keep the iconic design developed by HKS. All major design elements will be maintained.

Chair Kelm-Helgen reported that the new stadium groundbreaking ceremony will take place on December 3rd at 10 am at the Metrodome. This will be an exciting day as Mortenson Construction moves ahead with many of its bid package awards.

6. **BUSINESS**

a. Action Items

i. Approve & Authorize Stadium Development Agreement Amendment

ii. Approve & Authorize Stadium Use Agreement Amendment

The Minnesota Sports Facilities Authority ("Authority") previously approved the execution of the Development Agreement (the "Original Development Agreement") and Use Agreement (the "Original Use Agreement") with the Minnesota Vikings on October 3, 2013.

The Authority in collaboration with the Minnesota Vikings, and related entities, has prepared an Amended and Restated Development Agreement in order to incorporate certain technical corrections, supplement the Original Development Agreement and further describe in detail how the parties will work together to build the new Minnesota Multi-Purpose Stadium.



The Amended and Restated Development Agreement further details:

- How the stadium will be financed
- What will be included in the design of the new stadium
- The relationship of the parties to the agreement
- What the role of the stadium developer is

The Authority in collaboration with the Minnesota Vikings, and related entities, have also prepared an Amended and Restated Use Agreement in order to incorporate certain technical corrections, supplement the Original Use Agreement and further describe in detail how the Minnesota Vikings, and related entities, will use the new stadium for the next 30 years, with terms of extension.

The Amended and Restated Use Agreement further details:

- The revenue streams for the Minnesota Vikings and the Authority and timing of financial matters
- The relationship of the parties to the agreement
- Outlines the management, budget and expenses of the new stadium

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Amended and Restated Development Agreement and Amended and Restated Use Agreement. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

iii. Approve & Authorize State Grant Funding Agreement

In connection with the development of the new Minnesota Multi-Purpose Stadium (the “New Stadium”), the Minnesota Legislature approved the appropriation of \$498,000,000 (the “Appropriation Grant”) to the Commissioner of Minnesota Management and Budget (“MMB”), which proceeds are authorized to be provided to the Minnesota Sports Facilities Authority (“Authority”) to assist the Authority in the financing of the New Stadium.

The Authority, in collaboration with the State of Minnesota and MMB, has drafted a General Fund Appropriation Bond Proceeds Grant Agreement – Construction Grant (the “Grant Agreement”) that describes the Appropriation Grant and the disbursement of proceeds to the Authority for the development of the New Stadium.

The Grant Agreement details:

- The grant of proceeds from the Appropriation Grant
- The use of grant proceeds by the Authority in connection with the development of the New Stadium
- The relationship of the parties under the agreement and related agreements
- The timing and mechanics of the disbursement of grant proceeds by MMB

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Grant Agreement and all related documents. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED



iv. Authorize Execution of Team Financing Documents

In connection with the development of the new Minnesota Multi-Purpose Stadium (the “New Stadium”) and in accordance with the Development Agreement, as amended, the Minnesota Sports Facilities Authority (“Authority”) agreed to cooperate with the Minnesota Vikings to facilitate the financing of the New Stadium.

The Minnesota Vikings have prepared certain financing documentation to secure funds for its financial contribution to the New Stadium (the “Financing Documents”) that require the Authority to execute and deliver certain resolutions, certificates, legal opinions and other documents related to such Financing Documents and the New Stadium.

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Financing Documents and all related items reasonably related thereto. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

v. Approve Downtown East Purchase Agreement & Settlement Agreement

On October 23, 2013, Ted Mondale and Michele Kelm-Helgen, with consent of the Minnesota Vikings, agreed, subject to approval by the Minnesota Sports Facilities Authority (Authority) to purchase the property known as “Downtown East” (“DTE”) for \$17.1 million. DTE is a one-block parcel immediately west of the Metrodome, which includes an underground parking ramp, the Public Plaza area on its southeast corner, the Metrodome stop on the Hiawatha Light Rail line, and a potential development site on its northwest corner. Mr. Mondale and Ms. Kelm-Helgen signed a formal Purchase Agreement, also subject to Authority approval, on November 14, 2013. The purchase price, \$17.1 million, is a compromise between the appraisal obtained by the Authority and the much higher valuation asserted by the DTE owner, Minneapolis Venture LLC (“Venture”). In connection with the purchase, the Authority and Venture also agreed to settle the pending litigation concerning the right to extend the Use Agreement for game-day and other events on the Public Plaza. The Authority will retain the right to use the Public Plaza for the rest of this season and will own the property thereafter.

Owning DTE will give the Authority control of 455 parking stalls immediately adjacent to the new stadium site and preserve the open space of the Public Plaza. This also facilitates the planning and construction of the public park area associated with the “Ryan-Wells Fargo” project.

The Purchase Agreement for DTE requires Authority approval on or before November 22, 2013. The sale is scheduled to close, assuming various contingencies are satisfied, on or before February 15, 2014. The principal contingencies are clean title to the property, acceptable environmental conditions and sale of the stadium bonds to finance the purchase. The closing on the sale will also lead to the final dismissal of the litigation, which is currently stayed pending completion of the purchase.



Recommendation: The Authority approves the Purchase Agreement executed by Mr. Mondale and Ms. Kelm-Helgen and approves the purchase of DTE subject to the terms and conditions of the Purchase Agreement. The Authority also approves the settlement of the litigation concerning the Use Agreement. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

vi. Approve & Authorize Design Services Agreement Amendment No. 2

Contract amendment No. 2 is a technical amendment regarding certain design-related issues. The amendment provides more clarity and reinforces HKS' requirement to design the ETFE roof. Second, the amendment also clarifies contractual requirements relative to the access and use of the Building Information Modeling documents. Lastly, the revision provides for HKS' agreement with Mortenson Construction on the design schedule for producing contract documents for the new stadium.

Recommendation: The Authority approves Design Services Agreement Amendment No. 2. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

vii. Approve Insurance Program for Construction Project

Willis developed a comprehensive insurance program for the stadium construction project which includes the following insurance policies: General Liability only-Owner Controlled Insurance Program (OCIP), Excess Liability, Builders Risk, Owners' Protective Professional Indemnity (OPPI), Pollution Liability, Railroad Protective Liability, and Ocean Cargo and Delay Insurance. The insurance program was marketed to several carriers, a variety of competitive quotes were received, and several options were reviewed by the Authority, the Team, and our consultants. CBIZ and RMCS reviewed the details of the proposed insurance program on behalf of the Authority and agreed with the Willis recommendation for placement of the program.

Following is a summary of the recommended project insurance program.

Primary Owner Controlled Insurance Program (OCIP) - General Liability Only

A traditional primary Owner Controlled Insurance Program (OCIP) typically includes both workers' compensation and general liability insurance coverage. An OCIP provides construction project insurance coverage for the owner, the construction manager, and the trade subcontractors. Quotes for a traditional program were received and based on the higher than expected quoted premiums, we decided to evaluate a general liability only-OCIP.

A general liability only-OCIP provides general liability insurance coverage for the project and provides coverage for the owner, the construction manager and the enrolled trade subcontractors. For this type of



program, the workers compensation liability coverage for the project would be provided individually by the construction manager and the trade subcontractors. Two carriers provided quotes for a general liability-only

OCIP. The recommended carrier is Hartford as the Hartford quote provided the broadest coverage for all of the general liability options and it included coverage and carrier consistency to 12 years after project completion. The other quote was cheaper in terms of net cost to the project and it had a lower deductible. However the quote had more restrictive coverage terms than the Hartford quote.

The Hartford policy includes a general liability limit of \$2 million for each occurrence, \$4 million annual general aggregate and \$4 million for products/completed operations. The policy includes terrorism coverage.

The Hartford quote includes a \$500,000 deductible and the quoted premium was:

<u>Carrier</u>	<u>Rating</u>		<u>Premium</u>
Hartford	A XV	Fixed cost premium	\$1,290,862
		Deductible loss aggregate	1,900,000
		Loss conversion costs	152,000
		Primary costs at maximum	<u>\$3,342,862</u>

Excess Liability

The excess liability policy has a limit of \$200 million based on a tower of limits from several carriers. This policy does not have a deductible. It does provide terrorism coverage.

<u>Carrier</u>	<u>Rating</u>	<u>Layers</u>	<u>Premium</u>
Berkshire	A XV	\$25 million excess primary policy	\$ 953,305
AWAC	A XV	\$25 million excess of \$25 million	395,920
Great American/ Axis	AXIV/A+ XV	\$ 50 million excess of \$50 million	426,120
TBD		\$100 million excess of \$100 million	425,000
Total		\$200 million	<u>\$2,200,345</u>

Builders Risk

The proposed builders risk policy provides limited coverage to the existing property, and broad coverage to property during the course of construction, off-site storage, transit coverage, and delay in start-up and soft cost coverage. A quota share placement for the builders risk program was developed. Ten markets were contacted and provided quotes at various levels of participation. Three markets were selected for the quota share placement: Zurich (lead market 35%), AIG (50%), and Travelers (15%). The quota share arrangement brings three of the largest construction underwriters in the United States to this project.

The policy limit is \$1,135,658,065, which includes hard construction costs, limited existing property, tower cranes, and delay/soft costs for the Authority and Team. The total hard cost insurable value is \$894,941,065.



This policy has a \$100,000 deductible for property damage, a 30-day waiting period for delay and it includes terrorism coverage.

<u>Carrier</u>	<u>Rating</u>	<u>Premium</u>
Zurich	A+ XV	
AIG	A XV	
Travelers	A+ XV	
Total combined premium		<u>\$2,695,094</u>
(this premium is subject to audit)		

Owners' Protective Professional Indemnity (OPPI)

This policy provides insurance coverage for claims by the Authority against a design professional for a breach of professional duty in the performance of professional services related to the stadium project. The policy indemnifies the Authority and the Team for a loss in excess of a design professional's insurance, subject to the provision of the limit of liability and self-insured retention. Design professionals include: architects, engineers, land surveyor, landscape architect, interior designers, construction managers, and others. The design professionals on the project include: HKS, Inc, Mortenson, American Engineering & Testing, EVS, Inc., Kimley-Horn and Associates, Inc., Hammes Company, Braun Intertec Corporation, Langan Engineering and Environmental Services, Stantech Consulting Services, Inc., and Lerch Bates.

For this type of policy, the Authority (owner) is the beneficiary in the event that the Authority asserts a claim against the design professionals and their underlying insurance is deficient in areas not excluded by the policy. The policy provides coverage for damages incurred as a result of negligence of the design professionals. The policy is in excess of the design professionals' professional liability insurance and supplements the limits of liability that the design firms carry on their professional liability policies. The policy also pays on behalf of the Authority for third party claims expenses and damages that the Authority is legally obligated to pay because of a claim from a third party, subject to the self-insured retention and limit of liability. Third party claims arise from an actual or alleged negligent act, error, or omission of the design professional in the rendering or failure to render professional services.

Seven markets were contacted and six carriers offered quotes based on a layered and quota share placement. Following is the list of carriers who will participate on the quota share policy for a total policy limit of \$75 million with a \$500,000 self-insured retention. The policy term is 33 months with a nine (9) year extended reporting period.

Quota Share for Protective Indemnity			
<u>Carrier</u>	<u>Rating</u>	<u>Claims and Third Party Claims</u>	<u>Premium</u>
Zurich	A+ XV	\$20million/\$20million	\$2,357,951
Swiss RE/XL	A+XV/AXV	\$20million/\$20million excess of \$20million/\$20million	1,300,000
Catlin	A XV	\$10million/\$10million excess of \$40million/\$40million	500,000
AWAC	A XV	\$ 5million/\$ 5million excess of \$50million/\$50million	200,000



SwissRE/XL	A+XV/AXV	\$10million/\$10million excess of \$55million/\$55million	350,000
QBE	A XV	\$10million/\$10million excess of \$65 million/\$65million	<u>300,000</u>
Total		\$75million	<u>\$5,007,951</u>

(this premium is subject to audit)

Terrorism Coverage is available from Zurich – the lead \$20 million of coverage – for an additional premium charge of \$58,949 (2.5% of quoted premium).

Pollution Liability

Pollution liability includes coverage for the construction site and other identified sites for new pollution conditions and pre-existing pollution conditions, on-site and off-site remediation costs, third party claims for bodily injury and property damage, and defense expense. Pollution liability also includes coverage for the contractors for third party claims for bodily injury, property damage, remediation costs, and defense costs.

Four markets were contacted and three quotes were received with options for a \$100,000 or a \$250,000 self-insured retention, and a 5-year or 12-year completed operations and terrorism coverage.

The recommended carrier is Great American Insurance Company (GAIC) due to its pollution market experience and its experienced claim personnel. The policy will have a limit of \$25 million and a term of 33 months. The policy includes terrorism coverage, it has a self-insured retention of \$250,000, and it has 5 year completed operations coverage.

<u>Carrier</u>	<u>Rating</u>	<u>Premium</u>
GAIC	A XIV	<u>\$362,674</u>

Railroad Protective Liability (RRP)

A railroad protective liability policy is required for the stadium project due to the adjacent rail exposures of the Hiawatha Light Rail Transit line. Metropolitan Council requires limits of \$5 million per occurrence and \$10 million annual aggregate. A firm quote from the marketplace has not been secured. However, Willis estimates that the premium will be \$350,000.

Ocean Cargo and Delay Insurance

An ocean cargo policy will need to be purchased for the long-span steel purchases from Europe due to the critical path nature of this material. The ocean cargo policy will include coverage for Delay In Start Up. This is a critical coverage in the event that a steel shipment is lost and the construction schedule is negatively impacted. A firm quote from the marketplace has not been secured, however, Willis estimates that the premium will be \$850,000.

INSURANCE CARRIER RATINGS:

Staff has followed the practice that no policy rating of less than A7 by Best will be acceptable unless approved by specific action of the Authority.



Best’s Insurance Reports published annually by A.B. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best’s Rating which attempts to measure the comparative position of the company or association against industry averages.

RATINGS:

Guide to Best Ratings Levels and Categories:

<u>LEVEL</u>	<u>CATEGORY</u>
A++, A+	Superior
A, A-	Excellent
B++, B+	Very Good
B, B-	Fair
C++, C+	Marginal
C, C-	Weak
D	Poor
E	Under Regulatory Supervision
F	In Liquidation
S	Rating Suspended

Recommendation: That the Authority approves the insurance program for the stadium construction project and authorizes the Chair and CEO/Executive Director to purchase all of the policies for the program. Policy premiums may be adjusted based on adjustments to the quote or estimate. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

viii. Authorize Issuance of a Request for Proposal – RAP (Environmental Action Implementation)

Staff hired Braun Intertec to perform a phase I and phase II environmental analysis of the Metrodome site. Braun performed some limited soil borings in the East main parking lot as part of the phase II work. Prior geotechnical borings on the site by American Engineering Testing had indicated some subsoil issues relative to rubble and petrochemical elements. With the information Braun collected, it was determined that further soils evaluation was needed to be performed to attempt to quantify the soils that could be considered regulated and those unregulated. Regulated soils need to be treated separately and differently than unregulated soils. Unregulated soils can be used as clean fill while regulated soils can be used only in specific locations and for specific uses. The added soils evaluation provided information that a layer of cinder-like materials exists approximately 12 feet below the surface at the approximate elevation of 11th Avenue. Those cinder materials likely exist as a result of prior uses of the property prior to construction of the Metrodome. The cinder materials from Braun’s testing are considered regulated soils. Braun has calculated that potentially 200,000 cubic yards of soils could be considered regulated soils of about 400,000 cubic yards to be handled.



Simultaneously, staff contracted with Braun to develop a Response Action Plan (RAP) for submittal to the Minnesota Pollution Control Agency. This RAP was developed to describe those response actions that will be undertaken, to identify and manage contaminated soil during the mass excavation of soils for the stadium construction, as well as actions to manage potential regulated wastes at the Site during the redevelopment of the Site. The RAP has been submitted to the MPCA. Braun has had discussions with the MPCA regarding when the RAP would be approved.

Based upon those conversations Braun believes the RAP will be approved before November 27, 2013 and prior to excavation of the site. That excavation date is projected to be December 1, 2013.

The RAP implementation will require an environmental contractor to monitor and evaluate the soils during excavation. Testing of soils will be conducted as needed to determine whether they are regulated or unregulated. Services will be needed beginning December 1, 2013.

Staff requests the Board approve issuing a Request for Proposals for these services. Due to the immediate need for environmental services, staff has solicited estimates from AET, Braun Intertec and Wenck. The fee estimates provided by the firms were \$225,050, \$506,280, and \$329,000 respectively. Staff recommends entering into a contract with AET.

Recommendation: The Authority determines that the solicitation of estimates described herein is consistent with the Authority Procurement Policy and authorizes the Chair and CEO/Executive Director to negotiate and execute an agreement with American Engineering Testing (AET).

Recommendation: The Authority authorizes the Chair and CEO/Executive Director to enter into contract with AET for the RAP Environmental Implementation Services. Commissioner Benson moved to approve the recommendation. Commissioner Griffith seconded the motion.

APPROVED

ix. Approve & Authorize Construction Services Agreement Amendment No. 5 (Guaranteed Maximum Price)

Staff, in consultation and collaboration with the Minnesota Vikings has reached agreement with Mortenson Construction on a Guaranteed Maximum Price (GMP) for the new Minnesota Multipurpose Stadium project to be constructed on the current site of the HHH Metrodome. Key elements of this agreement are as follows:

- The GMP has been established at a cost of \$762,941,876.
 - Included within the GMP are lump sum allowances for SAC permits, fixed seating, lighting, retractable bleachers, athletic equipment, soil remediation, sponsorship/naming rights signage, elevator finishes, operable walls and certain site concrete items.
 - Included within the GMP are quantity allowances for structural concrete reinforcement, non-long span structural steel and exterior metal louvers.



- The Authority has a project contingency of \$30.0M upon approval and signatures of the parties.
- If the GMP is approved, the work would start on site with fencing of a portion of the East main parking lot on Monday, November 25, 2013. Excavation would be expected to start the night of December 1, 2013. Mortenson Construction would coordinate its work activities around scheduled events at the HHH Metrodome. The last scheduled event is the Minnesota Vikings football game on December 29, 2013. Cessation of building operations is projected to be January 18, 2014. The date of substantial completion is July 15, 2016.

With approval of Mortenson's GMP, a number of subcontracts will come for staff and team approval. Staff expects many of these subcontracts to be Minnesota firms. These include initially:

- **Mass Excavation and demolition; Structural Excavation and Site Utilities**
 - Ames Construction (mass excavation) Burnsville, MN
 - Frattalone Construction (demolition), Little Canada, MN
 - Hanson Custom Crushing (concrete crushing), Forest Lake, MN (WBE firm)
 - JD Donovan, Inc (trucking), Rockville, MN (WBE firm)
 - Shaw Trucking (disposal trucking), East Bethel, MN (MBE firm)
 - Our Team Advantage (concrete trucking), St. Paul, MN (MBE firm)
 - MBE, Inc. (concrete trucking), Delano, MN (MBE firm)
 - K.A. Kamish Excavation, Inc (seat demolition), South St. Paul, MN (WBE firm)
 - Utility Sales & Supply (supplier of pressure relief material), Loretto, MN (MBE firm)
 - Yaw Construction Group (wood lagging), Minneapolis, MN (MBE firm)
 - On Call Pavement Sweeping (street sweeping), Elk River, MN (WBE firm)
 - EVS, Inc (surveying), Eden Prairie, MN (MBE firm)
 - Chippewa Forest Products (wood lagging), St. Paul, MN (WBE firm)
 - Veit & Co (structural excavation & drilled foundations), Minneapolis, MN
 - E & J Rebar, Inc (provide & place rebar), Ramsey, MN (WBE firm)
 - HTPO (surveying), Eden Prairie, MN (WBE firm)
 - Rock on Trucking (trucking), Waite Park, MN (WBE firm)
 - Tarraf Construction, Inc (concrete placing), Eden Prairie, MN (MBE firm)
 - On-Call Sweeping, Inc (street sweeping), Elk River, MN (WBE firm)
- **Steel supplier and steel fabricator/installer**
 - LeJeune Steel Company (supplier), Minneapolis, MN
 - Danny's Construction (fabrication/installation) Shakopee, MN (WBE firm)
 - Tek Steel Fabricators (catwalks/stair fabrication) East Bethel, MN (MBE firm)
 - Bald Eagle Erectors (structural steel erection & temp shoring), Forest Lake, MN (MBE firm)
 - Yaw Construction (temp foundations, grouting), Minneapolis, MN (MBE firm)
- **Preview Center Phase II**
 - Yaw Construction (general), Minneapolis, MN (MBE firm)
 - Mag Mechanical (mechanical), Minneapolis, MN (MBE firm)



- Elliot Contracting (electrical), Minneapolis, MN (MBE firm)
- **Third-Party Layout Control**
 - EVS, Inc, Eden Prairie, MN (MBE firm)
- **Site Fence**
 - Action Fence, Burnsville, MN
- **Portable toilets, and dumpsters will be provided by Targeted Group Businesses**
 - Biff's (temporary toilets), Shakopee, MN
 - Taraff Construction (on-site sanitation), Eden Prairie, MN (MBE firm)

Mortenson's awards to its subcontractors meets with the requirements of the Equity Plan.

Recommendation: The Authority approves Construction Services Agreement Revision No. 5 to Mortenson Construction in the Add Amount of \$760,587,241. Including prior amendments, this brings the contract cost for the Mortenson Construction work to \$762,941,876. Furthermore, authorize the Chair and CEO/Executive Director to execute Construction Services Agreement Revision No. 5 with Mortenson Construction as outlined above. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

b. Report Items

i. Report on Award of Trustee Services

The Minnesota Sports Facilities Authority (Authority) in collaboration with the Minnesota Vikings (Team) solicited proposals for trustee services. Two proposals were received and reviewed by Authority and Team representatives. The proposals were compared as to the selection criteria and cost. US Bank was selected as the trustee.

US Bank fees will be in accordance their proposed fee schedule dated October 25, 2013.

Recommendation: None. This is for informational purposes. No action is required at this time.

ii. Report on Project Labor Agreement

As you may recall, the Minnesota Sports Facilities Authority (Authority) has discussed and approved the use of a project labor agreement ("PLA") for the new stadium construction. The PLA is an agreement between Mortenson Construction and the Minneapolis Building and Construction Trades Council. At the Authority's meeting of August 23, 2013, the Authority adopted a resolution requiring the use of a PLA. The resolution also specifically approved a draft PLA and required Mortenson Construction and the Minneapolis Building and Construction Trades Council to negotiate a final PLA "in substantially the same form as the draft PLA." The resolution also authorized the Authority's representatives (the Chair and CEO/Executive Director) to take such steps as necessary to implement the resolution, including the determination whether the final PLA conformed to the approved draft.



Mortenson Construction and the Minneapolis Building and Construction Trades Council have negotiated a final PLA. It is attached to this report as **Exhibit A**.

The Board Chair and I have determined the final PLA is “in substantially the same form as the draft PLA” and therefore we have instructed Mortenson and the Minneapolis Building and Construction Trades Council to execute the final PLA. This is great news for the Project because the PLA will:

- Promote labor harmony and ensure that construction will proceed without interruption from labor disputes;
- Support the Equity Plan’s Workforce Program by providing the unions’ full support and cooperation in that regard;
- Promote cost-effective, timely, and safe construction by providing access to a reliable supply of well-trained and skilled construction trades personnel;
- Establish uniform terms and conditions of employment; and
- Assure greater productivity and quality from construction trades personnel.

Recommendation: None. This report is for informational purposes. No action is required at this time.

7. **PUBLIC COMMENT**

One individual came forward to address the MSFA Board.

1. Chuck Turchick, Topic: Mr. Turchick requested that the Authority adopt a new policy that will publicize all guests who use Authority-owned suites at stadium events as well as outline the public purpose behind their attendance.

8. **DISCUSSION**

None

9. **ANNOUNCE FUTURE MEETINGS**

Tuesday, December 3, 2013 at 10:00 A.M – Groundbreaking Ceremony, Main Lot, HHH Metrodome
Friday, December 13, 2013 at 9:00 am – MSFA Board Meeting, Halsey Hall.



10. **ADJOURNMENT**

There being no further business to come before the Authority, Commissioner Griffith moved to adjourn the meeting, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS. Chair Kelm-Helgen adjourned the meeting at 10:05 am.

ADOPTED this 13th day of December, 2013 by the Minnesota Sports Facilities Authority

Duane Benson, Secretary

Ted Mondale, CEO/Executive Director