



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

Friday, July 18, 2014, 9:00 A.M.

**1010 Metrodome Square Building, Lower Level Conference Room
1010 South 7th Street, Minneapolis, MN 55415**

1. CALL TO ORDER

Chair Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority to order at 9:00 AM.

2. ROLL CALL

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

Commissioners Absent: None

3. ADOPTION OF AGENDA

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

APPROVED

4. APPROVAL OF AUTHORITY MEETING MINUTES

Commissioner Griffith moved approval of the June 20, 2014 Regular Meeting Minutes and the July 8, 2014 Special Meeting Minutes, seconded by Commissioner Benson and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

5. CHAIR'S REPORT

Chair Kelm-Helgen indicated that Mortenson/Thor would be offering a more detailed construction update later in the meeting. Everyone has seen the arrival of the large crawler crane on the site. It is one of the world's largest cranes and has been attracting interest. People have been bringing their kids and grandchildren to see the crane. It arrived on June 30, 2014. It was fully erected and tested on July 10, 2014. It stands 400 feet tall when at full height. The question has been asked of why the crane is so high.



The average peak of the new stadium is over 300 feet tall. Normal cranes at 300 feet can't lift steel beams to the height needed, as they would only be the same height as the roof. The crane will be here for 15 months.

Work has continued on the NCAA Final Four bid. Staff and the bid committee are preparing for a site visit from the NCAA staff in August. The NCAA staff will look at stadium plans and the site. Chair Kelm-Helgen reported that the bid committee will need to assure the NCAA that they are ready to host the Final Four. The selection will occur in November 2014.

The Authority is continuing to work on the third party operator selection. The third party operator will conduct stadium operations and sales and marketing. The Authority and Vikings are continuing with interviews and proposal reviews of the three finalists. This will continue in a special closed meeting following today's regular board meeting. The Authority will recess and move off-site to continue discussions. Chair Kelm-Helgen anticipates that selection will occur at the end of July 2014 or in August 2014.

Chair Kelm-Helgen reminded everyone that they talked last month about budget reconciliation with Mortenson/Thor, HKS, Inc, the Vikings and the Authority. Chair Kelm-Helgen reported that they are getting very close to finalizing numbers. A very detailed budget report will be presented, and some budget items will need to be adopted. A detailed budget review will occur next month.

Chair Kelm-Helgen also offered a report about the legislative audit. The legislative auditor reported a clean audit for the Authority. There were no findings. This is amazing for a project of this size. A couple of organizational findings had been reported last year. For example, the Authority was advised to keep the project budget separate from the Authority's regular budget. Chair Kelm-Helgen congratulated Mary Fox-Stroman and her staff for their leadership in making sure that the Authority followed all of the recommendations and that they have the state's confidence in how they approach finances.

The Authority will be releasing a dashboard that will be tracking milestones and measurements of the stadium's progress as well as its economic impact. The dashboard will be sent out to the media and will be published on the Authority's website. The dashboard was created as a result of Commissioner Benson's suggestion. Chair Kelm-Helgen thanked the board for their involvement in putting it together. The Authority will be updating it on a monthly basis to track where it's at against goals.

Chair Kelm-Helgen introduced Donovan Jones, who will be serving as the Equity Specialist for the Authority. She thanked the board for allowing the hire.

6. BUSINESS

a. Report Items

i. Equity Program Update

During the past month, the Equity Program was involved in a number of outreach events and significant activities. The project was in its sixth month and continues to exceed expectation. Activities where the Equity Program was highlighted reflected the following:



- Twin Cities Diversity Council Meeting
- WMVBE Meet & Greet: Package #9
- Conducted Seven Workforce Site Visits
- Downtown Development Committee Meeting
- DTE, Ryan WMVBE Meet & Greet: Parking Garage/Skyways

The project reports were assessed as of May 2014. These reports are posted on the MSFA website for transparency purposes. *The next Stadium Equity Oversight Committee will be on 7/31/2014.*

- The EAF is currently conducting outreach and training for resource efforts in support of the project.
 - Outreach: 530 Workers identified; 92 available for hire
 - Training: 71 Minorities; 18 Women; 3 Veterans (Total: 92)
- Mortenson/Thor Construction provided a WORKFORCE report, **as of May 31, 2014.**
 - Exceeding both minority (32%) and women (6%) goals at;
 - **36% minority, 9% women and 5% veteran**
 - 223,837 hours total
 - **76 Workers from the TARGETED ZIP CODES** in the metro area
- HKS provided a TARGETED BUSINESS report on design activity, **as of May 31, 2014.**
 - Exceeding both MBE (8%) and WBE (11%) goals at;
 - **MBE 8.89%**; 17 Firms; 3.81% Paid to date (\$2,852,690)
 - **WBE 11.11%**; 14 Firms; 7.40% Paid to date (\$3,838,890)
- Mortenson/Thor Construction provided a targeted business report, **as of May 31, 2014.** Exceeding both MBE (9%) and WBE (11%) goals at;
 - 26 MBE Contracts totaling 10%; (\$60,661,312)
 - 44 WBE Contracts totaling 21% (\$126,118,155)
 - 3 VBE firms totaling 1.27% (\$7,558,000)
 - Total Commitment: \$517,004,255

Recommendation: No action is required at this time. This report is for informational purposes only.

ii. Construction Update

Allen Troshinsky offered a construction project update on behalf of Mortenson/Thor. He introduced other team members who were specifically involved in planning efforts. In total, the project has 54 team members. Nate House is one of the integrated construction coordinators. Eric Grenz is a construction executive who oversees all structural elements. Trevor Delong is in charge of steel operations and all enclosure activities. The team members were present to show a 4D model of the construction. The model shows what is scheduled to occur day by day. The schedule is married with the model of the project. It brings elements of 3D architectural models with the 4th dimension of time.

Mr. House introduced himself and relayed that he has been working behind the scenes overseeing the structural steel and ensuring that every activity is integrating the design with the schedule. Mr. House stated that he has been working with Mortenson Construction for 7 years.



He received an architectural degree from the University of Minnesota. He has worked on a lot of sports complexes such as Target Field and the Amsoil Arena in Duluth.

He stated that the 4D model builds out projects virtually so they can see how it comes together. This helps tremendously from a safety standpoint. This ensures that they can hit the ground and can be successful. The model shows from today's date, verbatim what anyone can see out in the field.

He went on to describe the model in further detail, highlighting what the colors represent and where everything is located in relation to other elements. Mr. House also relayed that there are 450 people on site right now.

Mr. DeLong introduced himself and stated that he has been with Mortenson Construction for 10 years. He is originally from Wisconsin where he graduated from Wisconsin Stout. He was hired on with Mortenson in Denver where he built high-rises, museums and warehouses. He also worked on Lincoln, Nebraska's arena for the Huskers. He has been in Minnesota for the past 6-7 months working on the steel plan with LeJeune and Danny's. Mr. DeLong used the 4D model to show how the steel would be assembled and erected over the coming months. On June 2015, they will start to enclose the roof. By October 2015, they will be completely done with the roof.

Mr. Grenz used the model to show steel and concrete activities as they relate to the bowl area. There is a lot of work happening behind the scenes besides steel. Interior build-outs are happening concurrently with the concrete and steel enclosure. Commissioner Benson asked how extreme weather is built into the schedule. Mr. Grenz said that they take this into account when developing the baseline schedule. They work in weather days, which account for the average number of rain days and the average inches of snow in the winter. They plan it into the schedule so that the completion date is not impacted. Mr. DeLong indicated that Mortenson/Thor has also built in temporary conditions to help with weather impacts. For instance, they have built a working surface that absorbs rain and diverts the water.

Chair Kelm-Helgen stated that from the Authority and Team's standpoint, they recognize that this is a very complex project and that it is the largest building ever constructed in the state. It is a tremendous asset to the economy to have a local company like Mortenson leading this project. Local subcontractors have been the greatest partnership. This past winter, Minnesota exceeded normal cold and snowfall conditions as well as normal rainfall. She commented on how Mortenson/Thor stayed on schedule by having work occur overnight. This is a good representation of the work that they do.

Mr. Troshinsky concluded the report by reminding everyone that they are meeting the equity goals for businesses and workforce. They are trending well through June and heading into July. 22 EAF placements have been made on the site. Mortenson/Thor is tracking residents working in targeted zip codes. That number is close to 90 participants. This will continue to increase as they go forward. Procurement activities described over the last meetings will continue through this summer. All award activity will conclude in the September and October time frame. These activities include finishes, equipment and interiors.



Mr. Troshinsky re-emphasized the 4D model as a tool that they are using every day to plan work that will occur months in advance. It is such a valuable tool to communicate to all trades. It is difficult for people to put together plans when there are thousands of documents to review and they're changing every day. The model helps break everything down so that they are able to deliver a quality project. It demonstrates new technologies that are out in field.

Recommendation: No action required at this time. This report is for informational purposes only.

iii. Comprehensive Annual Financial Report – December 31, 2013

Mary Fox-Stroman presented the Comprehensive Annual Financial Report (CAFR) of the Minnesota Sports Facilities Authority (Authority) for the fiscal year ended December 31, 2013. The CAFR is divided into three major sections: introductory, financial, and statistical. Each section has a divider page that explains what is included in the section.

The financial section includes the independent audit opinion, management's discussion and analysis and the basic financial statements including the notes to the financial statements. On June 6, 2014, the Minnesota Office of the Legislative Auditor (OLA) issued an unqualified (clean) audit opinion on the Authority's financial statements for the year ended December 31, 2013. A separate audit report on internal control over financial reporting and compliance and other matters will be issued at a later date. The OLA has informed us that they do not anticipate any audit findings in their report; however, they have not completed the final review of their work.

At December 31, 2013, total assets were \$97,583,203, total liabilities were \$21,182,582, and net position was \$76,400,621. Of this amount, \$24,144,345 represents unrestricted net position, which may be used to meet the Authority's ongoing operations, and \$52,256,276 represents its investment in capital assets. For the fiscal year ended December 31, 2013 operating revenues were \$20,543,956, operating expenses were \$25,228,819, total non-operating revenues were \$993,582, capital contributions were \$52,513,835, thus the change in net position for the fiscal year was \$48,822,554.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the five-month fiscal period ended December 31, 2012. We believe that this CAFR meets the certificate program requirements and we are submitting it to the GFOA to determine its eligibility. The award is typically received six months after submission of the report.

Recommendation: No action is required at this time. This report is for informational purposes only.

7. PUBLIC COMMENT

No individuals came forward to address the MSFA Board.



8. **DISCUSSION**

No discussion occurred at this time.

9. **ANNOUNCE FUTURE MEETINGS**

Friday, August 22, 2014 at 9:00 A.M (rescheduled from August 15)– MSFA Board Meeting,
1010 Metrodome Square Building

10. **MOTION TO CLOSE MEETING**

Commissioner Griffith moved to close the meeting pursuant to Minnesota Statutes section 13D.05, subdivision 3(d), and section 473J.11, subdivision 1(d). The closed portion of the meeting will be to discuss non-public data derived from proposals for Providing Pre-Opening, Management, Operating and/or Marketing Services for the MN Multi-Purpose Stadium. Commissioner Butts Williams seconded the motion.

APPROVED

11. **DISCUSS NONPUBLIC DATA DERIVED FROM PROPOSAL**

12. **MOTION TO OPEN MEETING**

Commissioner Butts Williams moved to open the meeting. Commissioner Benson seconded the motion.

APPROVED

13. **ADJOURNMENT**

There being no further business to come before the Authority, Commissioner Benson moved to adjourn the meeting, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

The meeting was adjourned at 3:40 pm.



ADOPTED this 22nd day of August 2014 by the Minnesota Sports Facilities Authority

Duane Benson, Secretary

Ted Mondale, CEO/Executive Director