



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

Friday, April 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 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

Commissioner McCarthy moved approval of the March 21, 2014 Regular Meeting Minutes, seconded by Commissioner Benson and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

5. CHAIR'S REPORT

Chair Kelm-Helgen reported that there's been quite a bit of discussion regarding the Super Bowl bid. She reminded everyone that Minnesota is a finalist for the Super Bowl in 2018, and that the final bid submission is due May 7, 2014. The NFL owners meeting and final selection will occur May 20, 2014.



Chair Kelm-Helgen also mentioned that Minnesota is a finalist for the NCAA Final Four. The local bid committee traveled to the Final Four events in Dallas, TX. It is pretty clear that the NCAA is interested in Minnesota as a host. Chair Kelm-Helgen believes that Minnesota has a good opportunity for selection in the 2017-2020 ranges. With the Super Bowl potentially occurring in 2018, Minnesota would host the preliminary round the year before which would more likely be in 2018 or 2019. The good news in many ways is that the Final Four selection will not be made until November. Minnesota will know if it's been selected for the Super Bowl and can thus, have a better sense of timing.

Chair Kelm-Helgen provided an update on the third party operator selection. Final proposals will be due April 30, 2014. Interviews and selection will occur in May and early June 2014.

Last week, Hennepin County announced its new clinic development and expansion, adding yet another development to the Downtown East (DTE) neighborhood. Just a few blocks away, \$196 million worth of development is taking place. When looking at the developments that are occurring around the stadium site, one can see how economic activity is being spurred. The Ryan development is spurring \$400 million with an additional \$101 million investment in a hotel above the McClellan ramp being proposed. It is interesting to say the least to see the development that's being generated in the area. The interest in the area is good news for the neighborhoods. The state's interest of seeing the generation of economic development as well as jobs is being realized. Yesterday, the last truckload of Metrodome debris was taken off of the construction site. Demolition was completed a month ahead of schedule. This is a huge mark in progress. Mortenson will be giving a more detailed update shortly.

Chair Kelm-Helgen also mentioned that the MSFA Board would be holding its first work session following this regular meeting. Staff and consultants will be making presentations to the board. This session is open to the public. The presentations will review the construction progress, and the board will also receive a report from the owner's representative. The board will hear about the Authority's organizational transition by its outside HR consultant. This presentation will highlight how the Authority is transitioning from its role in Metrodome operations to a much more vigorous project manager.

6. BUSINESS

a. Action Items

i. Authorize Amendment to Agreements

Approve and Authorize Second Amendment to Stadium Disbursing Agreement

The Authority in collaboration with the Minnesota Vikings, and related entities, desire to make certain technical corrections to the stadium disbursing agreement, to transfer lien waiver escrow responsibility from our legal counsel to the disbursing agent, to conform the definition of "business day," to clarify M.A. Mortenson's responsibility to provide revised lien waivers, in the event of partial payments, with the Master Application for Payment, and to revise the compensation schedule of the disbursing agent so that it is consistent with their amended proposal.



Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Second Amendment to the Stadium Disbursing Agreement.

Commissioner Benson moved approval of the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

Approve and Authorize Second Amendment to the Amended and Restated Construction Funds Trust Agreement

The Authority in collaboration with the Minnesota Vikings, and related entities, desire to make certain technical corrections to the Amended and Restated Construction Funds Trust Agreement, including to conform the definition of "business day" and to correct a definition as listed in the agreement and make language modifications in the applicable paragraph(s) of the agreement.

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Second Amendment to the Amended and Restated Construction Funds Trust Agreement.

Commissioner Benson moved approval of the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

Approve and Authorize Amendment to Exhibit F-2 of the Amended and Restated Development Agreement

On November 22, 2013 the Authority authorized the Chair and CEO/Executive Director to finalize and execute the Amended and Restated Development Agreement which incorporated certain technical corrections, supplements to the original Development Agreement and described how the parties would work together to build the new Minnesota Multi-Purpose Stadium.

The Authority in collaboration with the Minnesota Vikings, and related entities, desire to amend Exhibit F-2 of the Amended and Restated Development Agreement to reallocate budget amounts amongst the various expense budget lines. Exhibit F-2 was prepared based on concept drawings for the project. Construction drawings are nearly complete and certain budget amounts need to be reallocated within the total project budget amount of \$975 million. Also, during the construction period, additional reallocations may be needed. All project budget increases will be presented to the Authority for review and approval.

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to reallocate budget amounts and, accordingly, to execute any required amendments to the Amended and Restated Development Agreement regarding corresponding revisions to Exhibit F-2.



Commissioner Benson moved approval of the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

ii. Authorize Project Change Orders - Mortenson

The Authority's procurement policies provide that any project change order that exceeds \$500,000 be approved by the Board. The Minnesota Vikings have requested certain changes to the project. The Team will fund those changes. The requested changes (PCO) are as follows:

- PCO No. 15; This PCO provides for structural changes and modifications to increase the size of the West end video board (88'x 50' to 120' x 68'). The increased video board size also necessitates precast stadia bowl riser changes and seating relocation.

Cost: \$599,613.00

- PCO No. 19; This PCO provides for certain modifications and equipment to incorporate rear projection video walls into the Fire & Ice Club spaces.

Cost: \$632,608.00

Approval of the PCO No. 15 & 19 will increase Mortenson's contract amount by \$1,232,221. Mortenson's new contract amount will be \$764,767,793.

Recommendation: The MSFA approves CSA Revision No. 11 to Mortenson in the Add Amount of \$1,232,221.00. Furthermore, authorize the CEO/Executive Director to execute CSA Revision No. 11.

Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

iii. Authorize Amendment to Project Capital Budget

On December 13, 2013, the Minnesota Sports Facilities Authority (Authority) approved a capital budget of \$975,000,000 to allow for the expenditure of funds for project costs related to the stadium project. The Minnesota Vikings have requested certain changes to the project as discussed in the memorandum for approval of change orders to the Mortenson Construction Services Agreement - CSA Revision No. 11. This revision includes pending change order No. 15 for \$599,613 and pending change order No. 19 for \$632,608 for a combined total of \$1,232,221. Due to this contract revision, the project budget needs to increase by \$1,232,221. The Team will fund this project budget increase.



Also, on February 10, 2014, the Authority closed on the Development Agreement with the City of Minneapolis (City) and Ryan Companies US, Inc. whereby Ryan will develop, construct or operate certain parking ramps and skyways in Downtown East. The City and the Authority have agreed to provide certain funding for the development and acquisition of portions of the project. The Authority needs capital budget authorization to spend funds on this project. A project budget will be prepared and presented to the Authority at a future meeting.

Recommendation: The Authority approves an increase of \$1,232,221 to the project capital budget, thereby increasing the total project budget from \$975,000,000 to \$976,232,211 and the Authority authorizes the expenditure of funds for the Downtown East project.

Commissioner Butts Williams moved to approve the recommendation. Commissioner Griffith seconded the motion.

APPROVED

iv. Approve & Authorize Issuance of a Request for Qualifications & Proposals – DAS/Wi-Fi

The new stadium will require a distributed antenna system to provide for reinforcement of cellular service signals within the stadium. The combination of large amounts of concrete and steel from which stadiums are constructed tends to block service providers' signals. Similarly, more and more event patrons are carrying Wi-Fi enabled devices. The density of these devices increases within a stadium environment. There is a need to provide a high-density Wi-Fi system to provide information (data/video) as part of recent NFL standards.

The DAS and Wi-Fi systems are not included in the stadium project budget. The Authority and Team agreed during the discussion of the Development Agreement that a proposal would be solicited for these systems. There is potentially a source of revenue from these systems that the Authority and Team would share. It is believed that some savings can occur by comingling these systems and purchasing in aggregate.

Staff is requesting the Board authorize the issuance of a Request for Proposal (RFP) for DAS/Wi-Fi systems. Staff will return at a later date with a recommendation on this matter.

Recommendation: The MSFA board authorizes the issuance of an RFP for DAS/Wi-Fi Systems as outlined above.

Commissioner Butts Williams moved to approve the recommendation. Commissioner Benson seconded the motion.

APPROVED

iv. Approve & Authorize Issuance of a Request for Qualifications & Proposals – Plaza Concession Services



The MSFA (Authority) staff is looking at ways to maximize the use of the property owned by the Authority as well as providing valuable services to the employees working on the MMPS during the construction period.

As part of the Downtown East Ramp on Block 6 that is owned by the MSFA, there is a concession building that was used during Metrodome events. The concession building contains food service equipment and smallwares.

With construction occurring on the site of the MMPS and the Ryan Development site, the number of construction workers will grow to over 1,100 on the stadium site with hundreds of additional construction workers on the Ryan Development site.

There is a need for the construction workers to have an opportunity to obtain a meal quickly and conveniently. The concession building, located adjacent to the east side of the stadium site is well situated to provide food service to serve the needs of the construction workforce.

To provide concession services, the MSFA will require a food and beverage operator to provide all of the operational requirements and maintenance associated with the Plaza Concession Services.

Recommendation: The Authority authorizes the issuance of a Request for Qualifications & Proposal for Plaza Concession Services.

Commissioner Butts Williams moved to approve the recommendation. Commissioner Benson seconded the motion.

APPROVED

b. Report Items

i. Equity Update

During the past month, the Equity Program conducted a number of outreach activities. The project was in its fourth month and significant progress was made. Activities where the Equity Program was highlighted reflected the following:

- Non Long Span Structural Steel MWBE Meet & Greet
- Retractable & Fixed Seat Pre-Proposal MWBE Meet & Greet
- NAMC Monthly Meeting Update
- EAF: Employment Opportunity Fair (over 600 attendees)
- NAACP Meeting



The project reports were submitted in March with February's numbers and are currently on the MSFA website for transparency purposes.

- Summit Academy summarized the Employment Assistance Firm's "EAF" process and method of engagement.
 - 103 Workers identified via outreach and 51 are prepared for employment
 - EAF Event registered a total 432 people of an approximate 600+ attendees
- Mortenson/Thor Construction provided a WORKFORCE report, **as of February 28, 2014**.
 - Exceeding both minority (32%) and women (6%) goals at;
 - 35% minority, 10% women and 5% veteran
 - 55,306 hours total
 - 30 Workers from the TARGETED ZIP CODES in the metro area
- HKS provided a TARGETED BUSINESS report on design activity, **as of February 28, 2014**.
 - Exceeding both MBE (8%) and WBE (11%) goals at;
 - 8.89% MBE and 11.11% WBE
 - 18 MBE firms and 19 WBE firms committed to project
- Mortenson/Thor Construction provided a targeted business report, **as of February 28, 2014**.
Exceeding both MBE (9%) and WBE (11%) goals at;
 - 32 MBE Contracts totaling 12.4%; (\$57,162,658)
 - 35 WBE Contracts totaling 19.6% (\$84,336,478)
 - 1 VBE firms totaling .5% (\$2,400,000)
 - Total Commitment in February: \$434,429,975

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

ii. Construction Project Update

Allen Troshinsky offered a construction update on behalf of Mortenson/Thor. There has been a tremendous amount of progress since the last month when the board convened. The workforce on the site has grown to the extent where workers have put in as many hours in March 2014 as they had in all the previous months combined. With the Dome having been fully demolished, this has allowed for more contractors to be mobilized to the site. The public can watch these activities remotely online through www.vikings.com. Activities are occurring in every available corner. Demolition activities were substantially completed with the last celebratory truck leaving the site earlier this week. Frattalone Companies is nearing substantial completion with excavation activities. The bulk of the material will be leaving next week. Ames Construction will stay throughout the summer working in minor areas. Once excavation activities are complete, this will allow Mortenson/Thor to realize if there are subsurface problems. Foundation activities are occurring with 1/3 of the deep foundation in place at this time. These activities are occurring clockwise and counterclockwise around the site. The concrete activities consist of walls and columns, and elevated slabs are beginning to be formed. The first concrete pour marked a major milestone in the project. Concrete work is about 5% complete and is continuing to ramp up and grow. On May 4, 2014, the 4th tower crane will be erected. The 5th tower crane will be erected in June 2014, which will then complete the number of tower cranes on site.



Individuals can see the mobile cranes that are continuing to mobilize to the site in order to supplement the tower cranes. Mechanical and electrical work is also occurring underground on the site. The labor force is bulging to 300 people on average on a daily basis. There has been a significant uptick in the workforce. As Mr. Tittle relayed, the workforce and targeted business numbers are trending positively with the project team exceeding the equity goals. Mortenson/Thor does not anticipate any major swings as they continue on the concrete phase. In regards to business participation, this is a quiet time. It was reported last month that packages would begin to be advertised soon with almost half of the subcontractor force being hired. This represents \$400 million worth of work with 1/3 of that consisting of women and minority-owned businesses. These procurement activities will kick off in May 2014. An outreach session will be held where specific trade contractors can meet and can really understand what contractors are seeing in the construction industry. This will help Mortenson/Thor craft procurement packages and allow them to have the ability to right size the packages. This will maximize opportunities for Minnesota subcontractors to participate. In summary, the project remains on time and on budget with the equity metrics trending in a positive direction.

Commissioner Griffith asked if a female minority veteran would fill all 3 categories within the equity program numbers. Mr. Troshinsky reported that yes that would be the case. A person could fulfill two or three categories.

Commissioner Griffith then asked Mr. Troshinsky what keeps him awake at night. He asked what he perceives to be the biggest risk to the schedule or budget. There is a tremendous focus on maintaining the project schedule and budget. Those activities consume the attention of many managers and stakeholders. Mr. Troshinsky responded that he is confident they will succeed on that front. What keeps him awake at night is the day-to-day work, which involves monitoring the workforce, maintaining budget and price and completing work safely and in a quality manner. They meet with all managers and workers on site to drive home the message of safety and quality.

Chair Kelm-Helgen referenced the lights being on at night on the site and work occurring 24 hours. She asked if this is normal and built into schedules so that the project can stay on time. Mr. Troshinsky responded that the earthwork activities were the exception. These nighttime activities will be scaling back now. The bulk of the activities will occur on the normal Monday-Friday time frame with folks occasionally working later in the day or on Saturdays. Mortenson/Thor desperately wants to avoid fatigue.

7. PUBLIC COMMENT

No one requested to comment.

8. DISCUSSION

No discussion occurred.



9. **ANNOUNCE FUTURE MEETINGS**

Friday, May 16, 2014 at 9:00 A.M – MSFA Board Meeting, 1010 Metrodome Square Building

10. **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.

The meeting was adjourned at 9:39 am.

ADOPTED this 27th day of May 2014 by the Minnesota Sports Facilities Authority

Duane Benson, Secretary

Ted Mondale, CEO/Executive Director