



MINNESOTA SPORTS FACILITIES AUTHORITY  
Meeting Minutes – June 21, 2019 at 9:00 A.M.  
Medtronic Club – U.S. Bank Stadium  
Minneapolis, MN 55415

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 9:00 A.M.

2. ROLL CALL

Commissioners present: Chair Michael Vekich, Bill McCarthy, and Barbara Butts Williams  
Commissioners absent: Tony Sertich

3. APPROVAL OF MEETING MINUTES – May 17, 2019. See, Exhibit A.

4. BUSINESS

a. Action Items

i. Approve MSFA 2019-2020 Budget

Mary Fox-Stroman, the MSFA’s Director of Finance, presented the MSFA board with the 2019-2020 budget. See, Exhibit B.

Commissioner Butts Williams asked Ms. Fox-Stroman who manages the MSFA’s investments, and Ms. Fox-Stroman stated that U.S. Bank is our investment manager.

Commissioner Butts Williams moved and Commissioner McCarthy seconded the motion to approve the following recommended motion, which was unanimously adopted:

*The Minnesota Sports Facilities Authority adopts the attached 2019-2020 Budget for the fiscal period from July 1, 2019 through June 30, 2020 for the operating account, the capital reserve account, and the concession capital reserve account. The Authority authorizes the Chair and the Executive Director to make adjustments to the detailed revenue and expense budget lines within the operating account budget and to adjust the project budgets within the capital reserve project budget and concession capital project budget.*

**ii. Approve Albrecht Sign Company Contract**

James Farstad, MSFA's Executive Director, stated that the MSFA posted a Request for Proposal (RFP) for Flex Stand Signage for the installation of televisions in seven concession stands located throughout the stadium. Each concession stand will require 12 televisions, and the televisions will be used to present menu options that can be changed to meet the needs of various events. See, Exhibit C.

Commissioner McCarthy moved and Commissioner Butts Williams seconded the motion to approve the following recommended motion, which was unanimously adopted:

*The MSFA authorizes the Chair and Executive Director to execute a contract with Albrecht Sign Company for \$247,409 and a change order for \$51,365.*

**iii. Approve Contract with C.H. Skiem Consulting and Lockridge, Grindal, Nauen**

Mr. Farstad stated that the MSFA anticipates that Lockridge Grindal Nauen, P.L.L.P. and C.H. Skiem Consulting, LLC services will be needed through the next fiscal year from July 1, 2019 through June 30, 2020. He noted that Lockridge Grindal Nauen's contract amount would not exceed \$99,000, and C.H. Skiem Consulting contract amount would not exceed \$75,000. See, Exhibit D.

Chair Vekich asked Mr. Vekich if these contracts are consistent with prior years, and Mr. Farstad confirmed that they are consistent.

Commissioner Butts Williams moved and Commissioner McCarthy seconded the motion to approve the following recommended motion, which was unanimously adopted:

*The MSFA authorizes the Chair and Executive Director to execute a contract with Lockridge Grindal Nauen, P.L.L.P. for an amount not to exceed \$99,000 and a contract with C.H. Skiem Consulting, LLC, for an amount not to exceed \$75,000.*

## **b. Report Items**

### **i. Quarter 3 Budget Report**

Mary Fox Stroman, Director of Finance at the MSFA, presented the Q3 Budget Report, March 31, 2019, to the MSFA Board. See, Exhibit E.

### **ii. Final Four Update**

Patrick Talty, General Manager of U.S. Bank Stadium, provided the MSFA board with an update on the 2019 NCAA Men's Final Four. See, Exhibit F.

Chair Vekich stated that there was a \$6.9 million budget for the Final Four, and that the MFSA and SMG managed these expenses well. Chair Vekich then stated that U.S. Bank Stadium has the capability of hosting any type of national and international event, and Mr. Talty agreed and stated that the stadium was built for flexibility.

Chair Vekich asked Mr. Talty if U.S. Bank Stadium would host any future soccer events, and Mr. Talty said that it is a goal to bring back soccer events to the stadium.

Chair Vekich stated that the newly installed turf looks great. Mr. Talty stated that the most important goal is to protect players from injury. He also stated that additional padding was installed under the turf which add more protection more than the previous field. Chair Vekich expressed his concerns about the

disposing of the old turf, and Mr. Talty reassured him that the turf will be recycled, and that it would not go to a landfill. Mr. Farstad commented that the turf vendor donated a large portion of the field to a local church, and to the Minneapolis Montessori near the Basilica of St. Mary. He also noted that that the Minnesota Vikings purchased a portion of the turf from the turf vendor. Also, the Philadelphia Eagles purchased a part of the end zone as they were crowned Super Bowl champs on that field.

Commissioner Butts Williams asked about the lifespan of the new turf, and Mr. Talty stated that the original turf had a 5-6-year lifespan. However, the turf needed to be replaced after three years due to the large volume of events that were held on the field. The newly installed turf's life expectancy is between 3-4-years, and Mr. Talty stated that ActGlobal agreed to come and fix any issues with the turf free of cost. Mr. Talty stated that the turf may last longer than the 3-4-year lifespan, as there are fewer events scheduled than when the stadium opened in 2016.

5. **PUBLIC COMMENTS**

There were no public comments.

6. **DISCUSSION**

There was no discussion.

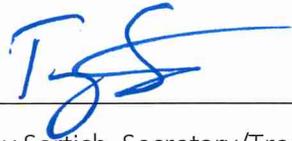
7. **ANNOUNCEMENT OF NEXT MEETING**

Chair Vekich announced that the next MSFA meeting will be held on July 19, 2019, at the Hennepin County Library in the RKMC meeting room at 9:00 A.M.

8. **ADJOURNMENT**

There being no further business to come before the MSFA, the meeting was adjourned at 9:42 A.M.

Approved and adopted the 19<sup>th</sup> day of July 2019, by the Minnesota Sports Facilities Authority.



\_\_\_\_\_  
Tony Sertich, Secretary/Treasurer



\_\_\_\_\_  
James Farstad, Executive Director

7/18/19



## Exhibit A

MINNESOTA SPORTS FACILITIES AUTHORITY  
Meeting Minutes – May 17, 2019 at 9:00 A.M.  
Hyundai Club – U.S. Bank Stadium  
Minneapolis, MN 55415

1. **CALL TO ORDER**

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 9:01 A.M.

2. **ROLL CALL**

Commissioners present: Chair Michael Vekich, Bill McCarthy, Tony Sertich, and Barbara Butts Williams

3. **APPROVAL OF MEETING MINUTES – April 26, 2019. See, Exhibit A.**

4. **BUSINESS**

a. **Action Items**

i. **Authorize Negotiation for the Casualty Insurance Program**

James Farstad, Executive Director of the MSFA, stated that on March 15, 2019, the MSFA awarded the casualty insurance program’s brokerage services contract to CBIZ for carrier marketing services, policy administration, management services, and claim advocacy services. He noted that CBIZ has been actively marketing casualty insurance policies, and several carriers have expressed an interest in the program and provided insurance indications. However, the insurance quotes will not be finalized for another two weeks, and the MSFA will need to execute a contract before the June 21, 2019 MSFA board meeting. See, Exhibit B.

Commissioner Sertich moved and Commissioner McCarthy seconded the motion to approve the following recommended motion, which was unanimously adopted:

*The MSFA authorizes the Chair and Executive Director to finalize negotiations and enter into contracts for the casualty insurance program. A full insurance report will be presented at the next MSFA board meeting.*

## **b. Report Items**

### **i. Executive Director Report**

Mr. Farstad reported that Garth Brooks presented two energized Stadium performances on May 3 and 4, 2019. He noted that Garth Brooks' team and the SMG Production Team, led by Tadd Wilson, put a huge amount of work into optimizing audio performance and acoustics for the concerts and their collaborative work was excellent and greatly appreciated. Both the Star Tribune and Pioneer Press wrote favorable reviews of the performance and audio experience.

Mr. Farstad then stated that he and Chair Vekich had a great conversation with the NCAA, and that they were very complimentary about the Stadium's look and performance for 2019 NCAA Men's Final Four Tournament. The NCAA said the quality of Stadium operations, safety and security, A/V production, IT coordination, food and beverage, and cleaning was the best they have ever seen.

Mr. Farstad then reported that the MSFA signed a contract with Act Global for the replacement of the Stadium's field playing surfaces. He noted that the original turf has been fully removed, including approximately 700,000 pounds of infill, both of which will be recycled. Mr. Farstad reported that 75% of the new shock pads have been installed with oversight from the pad manufacturer, and the new turf installation will be complete by May 31, 2019.

Mr. Farstad stated that on May 16, 2019, the Authority and Tempo Creative Equity Strategic Planning team met for the first time to discuss a stakeholder analysis mapping work-shop. The purpose of the first session was to identify key internal and external stakeholders who will participate and support the development of the U.S. Bank Stadium Equity Strategic Plan. Mr. Farstad reported that the end result of

this session was the identification of more than 60 stakeholders who will be included in stakeholder outreach in June.

Lastly, Mr. Farstad stated that there are currently 36 Concession Capital projects and the Minnesota Vikings designated capital projects in process. He noted that proposals have been received on 12 additional projects, and seven contract awards have now been completed. It is anticipated that these projects will be completed prior to the start of the upcoming Minnesota Vikings season.

## 5. PUBLIC COMMENTS

1. Constance Peppin: Ms. Peppin stated that the Audubon Chapter of Minneapolis, Friends of Roberts Bird Sanctuary, and Minnesota Citizens for the Protection of Migratory Birds request access to the findings and recommendations in the recently completed bird-mortality report. She noted that the Stadium glass is causing many bird injuries and deaths, and that the problem will get worse as trees and other vegetation mature. In order to prevent bird deaths, Ms. Peppin requested that the MSFA retrofit the Stadium glass, and she requested that the MSFA take immediate action to make the stadium bird safe. Lastly, she encouraged the MSFA to solve the problem of bird mortality by retrofitting the stadium.

## 6. DISCUSSION

There was no discussion.

## 7. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced that the next MSFA meeting will be held on June 21, 2019, at U.S. Bank Stadium in the Medtronic Club at 9:00 A.M.

8. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 9:12 A.M.

*Approved and adopted the 21<sup>st</sup> day of June 2019, by the Minnesota Sports Facilities Authority.*



Tony Sertich, Secretary/Treasurer



James Farstad, Executive Director

6/18/19



June 21, 2019

## Exhibit B

### MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director  
Mary Fox-Stroman, Director of Finance

SUBJECT: 2019-2020 Budget

Attached is the 2019-2020 Budget for the fiscal period from July 1, 2019 to June 30, 2020 for the Operating account, Capital Reserve account, and the Concession Capital Reserve account. The budget includes a narrative that presents highlights of each account and the line item budget.

**Recommended Motion:** *The Minnesota Sports Facilities Authority adopts the attached 2019-2020 Budget for the fiscal period from July 1, 2019 through June 30, 2020 for the operating account, the capital reserve account, and the concession capital reserve account. The Authority authorizes the Chair and the Executive Director to make adjustments to the detailed revenue and expense budget lines within the operating account budget and to adjust the project budgets within the capital reserve project budget and concession capital project budget.*

MINNESOTA SPORTS FACILITIES AUTHORITY  
YEAR 2019-2020 BUDGET  
July 1, 2019 to June 30, 2020

Operating Account	Amended Budget 2019	Projection 7/1/18-6/30/19	Budget 2020
<b>Revenues:</b>			
Stadium operating payments			
State of Minnesota operating payment	\$ 6,484,384	\$ 6,541,547	\$ 6,672,378
Minnesota Vikings operating payment	\$ 9,017,650	\$ 9,017,650	\$ 9,288,180
Stadium operating revenue-SMG	\$ 32,667,250	\$ 32,667,250	\$ 25,663,719
NCAA Final Four 2019 concessions	\$ 2,000,000	\$ 1,994,864	\$ -
MN LOC NCAA Final Four 2019 contribution	\$ 200,000	\$ 200,000	\$ -
Miscellaneous revenues	\$ 64,200	\$ 64,200	\$ 64,200
Total operating revenues	<u>\$ 50,433,484</u>	<u>\$ 50,485,511</u>	<u>\$ 41,688,477</u>
<b>Expenses:</b>			
Personal services	\$ 815,370	\$ 867,377	\$ 712,866
Professional services	\$ 1,864,450	\$ 1,800,000	\$ 1,609,725
Supplies and network support	\$ 221,000	\$ 280,000	\$ 221,000
Stadium contractual commitments	\$ 857,641	\$ 850,000	\$ 957,569
Insurance	\$ 190,916	\$ 160,000	\$ 322,118
Miscellaneous	\$ 516,668	\$ 508,668	\$ 186,220
Event cabin license fee	\$ 300,000	\$ 300,000	\$ 300,000
NCAA Final Four event expenses	\$ 6,915,008	\$ 6,915,008	\$ -
Stadium operating expenses-SMG	\$ 40,720,144	\$ 40,720,144	\$ 34,630,201
Total operating expenses	<u>\$ 52,401,197</u>	<u>\$ 52,401,197</u>	<u>\$ 38,939,699</u>
Operating income/(loss)	<u>\$ (1,967,713)</u>	<u>\$ (1,915,686)</u>	<u>\$ 2,748,778</u>
<b>Nonoperating revenues/(expenses):</b>			
Revenues-Investment earnings	\$ 60,000	\$ 140,000	\$ 84,000
Revenues-Taxes-State of Minnesota	\$ 1,854,554	\$ 2,430,018	\$ 2,430,018
Expenses-Stadium construction project expenses	\$ (210,000)	\$ (400,000)	\$ -
Expenses-Commemorative brick program	\$ -	\$ (1,210)	\$ -
Total nonoperating revenues/(expenses)	<u>\$ 1,704,554</u>	<u>\$ 2,168,808</u>	<u>\$ 2,514,018</u>
Net Income/(loss) before transfers	<u>\$ (263,159)</u>	<u>\$ 253,122</u>	<u>\$ 5,262,796</u>
<b>Transfers:</b>			
Transfer to Capital Reserve fund	\$ (1,000,000)	\$ -	\$ (4,500,000)
Change in Account Balance	<u>\$ (1,263,159)</u>	<u>\$ 253,122</u>	<u>\$ 762,796</u>
Beginning Operating Account Balance	<u>\$ 5,999,496</u>	<u>\$ 5,999,496</u>	<u>\$ 6,252,618</u>
<b>Ending Operating Account Balance</b>	<u><b>\$ 4,736,337</b></u>	<u><b>\$ 6,252,618</b></u>	<u><b>\$ 7,015,414</b></u>
<b>Capital Reserve Account</b>			
<b>Revenues:</b>			
Minnesota Vikings Capital Cost payment	\$ 1,639,091	\$ 1,639,091	\$ 1,688,263
State of Minnesota Capital payment	\$ 1,636,989	\$ 1,635,387	\$ 1,668,095
MN NCAA LOC Final Four contribution	\$ 1,700,000	\$ 1,700,000	\$ -
Total revenues	<u>\$ 4,976,080</u>	<u>\$ 4,974,478</u>	<u>\$ 3,356,358</u>
<b>Capital expenses</b>	<u>\$ 8,912,063</u>	<u>\$ 6,306,494</u>	<u>\$ 3,444,721</u>
Net Income/(loss) before transfers	<u>\$ (3,935,983)</u>	<u>\$ (1,332,016)</u>	<u>\$ (88,363)</u>
<b>Transfers:</b>			
Transfer from Operating Account	\$ 1,000,000	\$ -	\$ 4,500,000
Transfer from Concession Capital Account	\$ 600,000	\$ -	\$ -
	<u>\$ 1,600,000</u>	<u>\$ -</u>	<u>\$ 4,500,000</u>
Change in Account Balance	<u>\$ (2,335,983)</u>	<u>\$ (1,332,016)</u>	<u>\$ 4,411,637</u>
Beginning Capital Reserve Account Balance	<u>\$ 4,712,356</u>	<u>\$ 4,712,356</u>	<u>\$ 3,380,340</u>
<b>Ending Capital Reserve Account Balance</b>	<u><b>\$ 2,376,373</b></u>	<u><b>\$ 3,380,340</b></u>	<u><b>\$ 7,791,977</b></u>
<b>Concession Capital Reserve Account</b>			
<b>Revenues:</b>			
Concession Capital Reserve payment	\$ 850,000	\$ 914,240	\$ 800,000
<b>Concession capital expenses</b>	<u>\$ 1,085,055</u>	<u>\$ 619,270</u>	<u>\$ 705,080</u>
Net Income/(loss) before transfers	<u>\$ (235,055)</u>	<u>\$ 294,970</u>	<u>\$ 94,920</u>
<b>Transfers:</b>			
Transfer to Capital Reserve Account	\$ (600,000)	\$ -	\$ -
Change in Account Balance	<u>\$ (835,055)</u>	<u>\$ 294,970</u>	<u>\$ 94,920</u>
Beginning Concession Capital Reserve Account Balance	<u>\$ 1,429,865</u>	<u>\$ 1,429,865</u>	<u>\$ 1,724,835</u>
<b>Ending Concession Capital Reserve Account Balance</b>	<u><b>\$ 594,810</b></u>	<u><b>\$ 1,724,835</b></u>	<u><b>\$ 1,819,755</b></u>

# MINNESOTA SPORTS FACILITIES AUTHORITY

## 2019-2020 BUDGET

### SUMMARY

U.S. Bank Stadium will begin its fourth year of operations on July 1, 2019. Attached is the Fiscal Year 2019-2020 Budget for the period from July 1, 2019 through June 30, 2020. The budget includes three accounts, the operating account, capital reserve account, and concession capital account. Highlights of each account are discussed below.

### OPERATING ACCOUNT

#### Operating Revenues

Budgeted revenues for the operating account consist of the following four revenue sources:

State of Minnesota operating revenues	\$ 6,672,378
Minnesota Vikings operating revenues	\$ 9,288,180
Stadium operating revenues-SMG	\$ 25,663,719
Miscellaneous revenues	\$ 64,200
Total budgeted operating revenues	<u>\$ 41,688,477</u>

#### Operating Expenses

Budgeted expenses for the operating account include the following uses:

Personal services	\$ 712,866
Professional services	\$ 1,609,725
Supplies, network support costs	\$ 221,000
Stadium contractual commitments	\$ 957,569
Insurance	\$ 322,118
Miscellaneous expense	\$ 186,220
Event cabin license fee	\$ 300,000
Stadium operating expenses-SMG	<u>\$34,630,201</u>
Total budgeted operating expenses	<u>\$38,939,699</u>

#### **Personal Services**

The personal services budget includes the Chair's salary and the salaries and benefits for the four full-time MSFA employees:

Executive Director	1.0
Director of Finance	1.0
Accountant	1.0
Project Coordinator	<u>1.0</u>
Total full-time positions	<u>4.0</u>

Employee benefits include: health insurance, dental insurance, long-term disability insurance, life insurance, and retirement benefits from Minnesota State Retirement System.

### **Professional Services**

Professional services includes a variety of professional consulting services. The MSFA will continue to utilize the services of professional consultants for the following services:

- Legal services and Legislative Representation
- Document Management Consulting
- Employment Assistance Services
- Environmental and Engineering Services
- Financial Accounting, Auditing and Consulting Services
- Human Resources Consulting
- Investment Management Services
- Planning Services

### **Stadium Contractual Commitments**

The stadium contractual commitments and leases includes costs related to securing parking as required in the Stadium Act. The MSFA also has a long-term lease with Hennepin County for use of the Hennepin County Medical Examiner space for the U.S. Bank Stadium plaza area.

### **Insurance**

Insurance includes commercial general liability, excess liability, public officials and employment practices liability, crime insurance, cyber liability, and terrorism insurance. It also includes garage keepers' liability insurance for the leased parking areas.

### **Miscellaneous**

Miscellaneous expenses includes a variety of smaller expenses including: travel, meetings and training expenses, postage expenses, communication expenses, MSFA board member expenses, license and inspection fees, and bank fees.

### **Nonoperating revenues**

Nonoperating revenues include the following:

Revenues - Investment income	\$ 84,000
Revenues - Taxes - State of Minnesota	<u>\$2,430,018</u>
Nonoperating revenues	<u>\$2,514,018</u>

### **Transfer**

Budgeted transfers include a transfer to the capital reserve account of \$4,500,000 to fund various capital projects for improvements and/or upgrades to U.S. Bank Stadium.

Transfer to the capital reserve account	<u>\$4,500,000</u>
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**Account Balance**

Beginning account balance	\$ 6,252,618
Change in account balance	<u>762,796</u>
Ending account balance	<u>\$ 7,015,414</u>

**CAPITAL RESERVE ACCOUNT****Capital Reserve Revenues:**

The capital reserve account has the following budgeted revenues:

Minnesota Vikings capital cost payment	\$1,688,263
State of Minnesota capital payment	<u>\$1,668,095</u>
Total capital reserve revenues	<u>\$3,356,358</u>

- Per the terms of the Stadium Use Agreement between the MSFA and the Minnesota Vikings Football Stadium, LLC (Stadco), Stadco was required to contribute \$1,500,000 to the MSFA beginning in 2016, this amount increases annually by an adjustment factor of 3%. The MSFA received \$1,500,000 in 2016, \$1,545,000 in 2017, \$1,591,350 in 2018, and \$1,639,091 in 2019, and the estimated amount for 2020 is \$1,688,263.
- Per Minnesota Statute, 473J.12, subd.4 the state was required to contribute \$1,500,000 to the MSFA beginning in 2016 and this amount increases annually by an adjustment factor. The MSFA received \$1,500,000 in 2016, \$1,524,597 in 2017, \$1,589,310 in 2018, \$1,635,387 in 2019, and the estimated amount for 2020 from the State of Minnesota is \$1,668,095.

**Capital Reserve Expenses:**

The 2018-2019 capital reserve account budget of \$8,912,063 included 60 projects, however, not all of the budgeted project funds will be expended by June 30, 2019. Therefore, the budget for capital project commitments of \$1,194,721 at June 30, 2019 need to be rolled forward.

In addition, the 2019-2020 budget has a capital plan of \$1,500,000 for new capital projects and \$750,000 for Team designated projects. Staff will present a project budget request for these projects and the Team Designated projects at a subsequent MSFA board meeting.

Capital Budget Roll Forward	\$1,194,721
New Capital Projects	\$1,500,000
Team Designated Projects	<u>\$ 750,000</u>
Total 2019-2020 Capital Expenses	<u>\$3,444,721</u>

**Transfer**

Transfer from the operating account \$4,500,000

**Account Balance**

Beginning account balance \$3,380,340  
Change in account balance 4,411,637  
Ending account balance \$7,791,977

**CONCESSION CAPITAL RESERVE ACCOUNT**

**Concession Capital Reserve Revenues:**

Aramark Sports and Entertainment (Aramark), is the catering and concessionaire at U.S. Bank Stadium, and they are obligated to pay 2.5% of gross sales to the MSFA on a monthly basis for the concession capital reserve account. These funds are designated for concession related capital projects as described below.

Concession Capital Reserve Revenues \$ 800,000

**Concession Capital Reserve Expenses**

The 2018-2019 concession capital reserve account budget included 30 projects, however, not all of the budgeted project funds will be expended by June 30, 2019. Therefore, the budget for concession capital project commitments of \$455,080 at June 30, 2019 need to be rolled forward.

In addition, the 2019-2020 budget has a concession capital plan of \$250,000 for 10 new projects. Staff will present a project budget request for the unspecified concession capital projects at a subsequent MSFA board meeting.

Capital Budget Roll Forward \$ 455,080  
New Concession Capital Projects – unspecified \$ 250,000  
Total Concession Capital Reserve Expenses \$ 705,080

**Account Balance**

Beginning account balance \$ 1,724,835  
Change in account balance 94,920  
Ending account balance \$ 1,819,755

**Budget Change Authority**

The MSFA funds the cost of operations, capital improvements and concession capital improvements from current resources and the reserve account balances.

The Chair and Executive Director have the authority to make line item budget adjustments within an account and to establish and adjust budget line items.



June 21, 2019

## Exhibit C

### MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Approve Contract with Albrecht Sign Company

On April 4, 2019, the MSFA posted a Request for Quote (RFQ) for Flex Stand Signage for the installation of televisions in seven concession stands located throughout the stadium. Each concession stand required 12 televisions. The televisions will be used to present menu options that can be changed to meet the needs of various events. The following stadium locations were identified for the installation of the flex stand signage panels:

1. Flex Stand 134 (Pizza)
2. Flex Stand 113 (Rusty Taco)
3. Flex Stand 105 (Rusty Taco)
4. Flex Stand 114 (Pizza)
5. Flex Stand 122 (Rusty Taco)
6. Flex Stand 143 (1<sup>st</sup> and Fry)
7. Flex Stand 101 (Minneapolis Cocktail Co.)

The MSFA received three proposals for this project, and Albrecht Sign Company had the lowest cost proposal and has experience with similar projects within U.S. Bank Stadium. The cost for this project was \$247,409, which is included in the 2018-2019 Concession Capital Budget.

The MSFA would like to issue a change order with Albrecht Sign Company to add signage at the Flex Stand for Stone Arch Pizza (Section 307), for an additional cost of \$51,365. This cost is included in the 2019-2020 Concession Capital Budget.

**Recommended Motion:** *The MSFA authorizes the Chair and Executive Director to execute a contract with Albrecht Sign Company for \$247,409 and a change order for \$51,365.*



June 21, 2019

## Exhibit D

### MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director  
Mary Fox-Stroman, Director of Finance

SUBJECT: Approve Contract with Lockridge Grindal Nauen, P.L.L.P. and C.H. Skiem Consulting, LLC.

Staff anticipates that Lockridge Grindal Nauen, P.L.L.P. and C.H. Skiem Consulting, LLC services will be needed through the next fiscal year from July 1, 2019 through June 30, 2020

Lockridge Grindal Nauen, P.L.L.P. will provide the following services for an amount not to exceed \$99,000:

- Services regarding the conveyance of proposed legislation that is pending before the Minnesota Legislature (Legislature) and its potential impact on the MSFA
- Services regarding the coordination of the MSFA's appearances and communications with the Legislature, its various committees, and individual members
- Representation and lobbying services before the Legislature
- Convey information pertaining to relevant issues and their potential impact on the MSFA that are pending before the Governor's office and the various agencies within the executive branch of Minnesota state government
- Provide strategic political communications consulting on state and local government matters affecting the MSFA

C.H. Skiem Consulting, LLC will provide the following services for an amount not to exceed \$75,000

- Services regarding the close-out of the Stadium construction/project budget, Construction managers Contingency and Owners Contingency
- Services regarding the Stadium Management Agreement and the Concessions Agreement
- Analysis related to the Stadium Use Agreement

**Recommended Motion:** *The MSFA authorizes the Chair and Executive Director to execute a contract with Lockridge Grindal Nauen, P.L.L.P. for an amount not to exceed \$99,000 and a contract with C.H. Skiem Consulting, LLC, for an amount not to exceed \$75,000.*



June 21, 2019

## Exhibit E MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director  
Mary Fox-Stroman, Director of Finance

SUBJECT: Q3 Budget Report – March 31, 2019

Attached is the Q3 Budget Report for the period from July 1, 2018 through March 31, 2019 for the MSFA's operating account, capital reserve account, and concession capital reserve account. The report presents the original budget 2019, amended budget 2019, and year-to-date Q3 actual activities. Following is a high level summary of each account's activities:

### Operating Account

The operating account is used to account for the MSFA's operations which includes SMG's operation of U. S. Bank Stadium.

	<b><u>Amended Budget 2019</u></b>	<b><u>Actual</u></b>
Operating revenues	\$50,433,484	\$ 40,361,621
Operating expenses	(\$52,401,197)	(\$ 34,792,357)
Operating income	(\$ 1,967,713)	\$ 5,659,264
Net nonoperating revenues/(expenses)	<u>\$ 1,704,554</u>	<u>\$ 2,245,828</u>
Net income	(\$ 263,159)	\$ 7,815,092
Transfers	<u>(\$ 1,000,000)</u>	-
Change in account balance	(\$ 1,263,159)	\$ 7,815,092
Beginning account balance	<u>\$ 5,999,496</u>	<u>\$ 5,999,496</u>
<b>Ending account balance</b>	<b><u>\$ 4,736,337</u></b>	<b><u>\$ 13,814,588</u></b>

### Capital Reserve Account

The capital reserve account is used to account for capital improvements in the stadium.

Capital reserve revenues	\$ 4,976,080	\$ 4,928,568
Capital reserve expenses	<u>(\$ 8,912,063)</u>	<u>(\$ 4,673,422)</u>
Net income	(\$ 3,935,983)	\$ 255,146
Transfers	<u>\$ 1,600,000</u>	-
Change in account balance	(\$ 2,335,983)	\$ 255,146
Beginning account balance	<u>\$ 4,712,356</u>	<u>\$ 4,712,356</u>
<b>Ending account balance</b>	<b><u>\$ 2,376,373</u></b>	<b><u>\$ 4,967,502</u></b>

### Concession Capital Reserve Account

The concession capital reserve account is used to account for concession capital improvements in the stadium.

Concession capital reserve revenues	\$ 850,000	\$ 702,162
Concession capital reserve expenses	<u>(\$1,085,055)</u>	<u>(\$ 433,165)</u>
Net income	(\$ 235,055)	\$ 268,997
Transfers	<u>(\$ 600,000)</u>	<u>-</u>
Change in account balance	(\$ 835,055)	\$ 268,997
Beginning account balance	<u>\$1,429,865</u>	<u>\$ 1,429,865</u>
<b>Ending account balance</b>	<u><b>\$ 594,810</b></u>	<u><b>\$ 1,698,862</b></u>

<b>SUMMARY OF CASH AND INVESTMENTS</b>	
<b>As of March 31, 2019*</b>	
<b>Cash and Cash Equivalents:</b>	
U. S. Bank - operating account	\$224,766.55
U.S. Bank - payroll account	\$1,000.25
U.S. Bank – SMG managed accounts – operating account, box office account, and event marketing account and cash on hand	\$18,422,947.07
Total Cash and Cash Equivalents	<b>\$18,648,713.87</b>
<b>Investments:</b>	
U.S. Bank investment account	\$13,871,766.80
Total Investments	<b>\$13,871,766.80</b>

\* The above summary does not include the construction trust accounts.

# EXHIBIT F



# Final Four Update

MSFA June 21, 2019 Board Meeting

Patrick Talty, SMG General Manager

# Final Four Budget to Actual



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	12/10/2018	Update 6/19/2019	Variance to Budget	Notes
<b>Staffing</b>				
Guest Experience	\$ 120,600	\$ 136,821.51	\$ 16,221.51	
Security	\$ 700,000	\$ 549,002.75	\$ (150,997.25)	
Bus Parking Operations	\$ 40,000	\$ 40,000.00	\$ -	
Medical	\$ 60,000	\$ 74,914.28	\$ 14,914.28	
Fire	\$ 7,500	\$ 5,684.68	\$ (1,815.32)	
Law Enforcement Dispatchers/On Duty/Off Duty (LOC Cost)	\$ -	\$ -	\$ -	
<b>Total</b>	<b>\$ 928,100</b>	<b>\$ 806,423.22</b>	<b>\$ (121,676.78)</b>	
<b>Traffic Control</b>				
Traffic Control Barricades	\$ 26,400	\$ -	\$ (26,400.00)	
Hooded Meeters (LOC Cost except NCAA constituents)	\$ -	\$ 2,932.00	\$ 2,932.00	
Parking Lot Rental	\$ 456,000	\$ 507,682.79	\$ 51,682.79	
MNDOT Command Center	\$ 3,150	\$ 2,000.00	\$ (1,150.00)	
<b>Total</b>	<b>\$ 485,550</b>	<b>\$ 512,614.79</b>	<b>\$ 27,064.79</b>	
<b>Facility Operations</b>				
Electrician	\$ 146,400	\$ 293,216.32	\$ 146,816.32	
Bearcom Representative	\$ 7,800	\$ -	\$ (7,800.00)	
Basketball Court	\$ 3,600	\$ -	\$ (3,600.00)	
Operations Labor	\$ 180,090	\$ 186,028.23	\$ 5,938.23	
Retractables / railings	\$ 9,420	\$ 80,948.41	\$ 71,528.41	
Railing		\$ 5,680.41		
Turf Cover Labor (out only)	\$ 21,600	\$ 5,000.00	\$ (16,600.00)	
Storage of Equipment	\$ 140,000	\$ 143,339.34	\$ 3,339.34	
Cleaning Services	\$ 500,000	\$ 406,660.91	\$ (93,339.09)	
Equipment Rental	\$ 20,000	\$ 14,843.46	\$ (5,156.54)	
<b>Total</b>	<b>\$ 1,028,910</b>	<b>\$ 1,130,036.68</b>	<b>\$ 101,126.68</b>	
<b>Broadcast Operations</b>				
In-Venue Broadcast	\$ 205,200	\$ 158,737.54	\$ (46,462.46)	
Riggers	\$ 290,433	\$ 522,032.00	\$ 231,599.00	
Hands, Loaders, Etc.	\$ 202,311	\$ 132,506.33	\$ (69,804.67)	
Daktronics Vendors - 3 sets of shot clocks and peripherals	\$ 10,000	\$ 28,745.76	\$ 18,745.76	
Auxiliary Sound System	\$ 165,000	\$ 135,548.94	\$ (29,451.06)	
IT/Phones/Data	\$ 380,000	\$ 354,580.21	\$ (25,419.79)	
Copier costs/tech/Paper	\$ 20,000	\$ 26,150.08	\$ 6,150.08	
<b>Total</b>	<b>\$ 1,272,944</b>	<b>\$ 1,358,300.86</b>	<b>\$ 85,356.86</b>	

<b>Facility Setup</b>					
Beauty Shot Platform	\$	14,000	\$	-	\$ (14,000.00)
Risers Build out	\$	2,300,004	\$	2,285,555.01	\$ (14,448.99)
Tents	\$	40,000	\$	37,849.78	\$ (2,150.22)
Fence	\$	112,000	\$	167,177.50	\$ 55,177.50
Décor/Scrim (see Fence/Barricade totals)	\$	100,000	\$	3,500.00	\$ (96,500.00)
Ticket Trailers/Commons Flooring	\$	75,000	\$	65,398.95	\$ (9,601.05)
Rental Additional Porta potties	\$	6,500	\$	6,683.69	\$ 183.69
<b>Total</b>	<b>\$</b>	<b>2,647,504</b>	<b>\$</b>	<b>2,566,164.93</b>	<b>\$ (81,339.07)</b>

<b>Décor</b>					
Carpet/Pipe & Drape/Media Covering	\$	430,000	\$	543,960.68	\$ 113,960.68
Sound proofing Locker Room (included with Carpet/Pipe & Dra	\$	-	\$	20,960.83	\$ 20,960.83
<b>Total</b>	<b>\$</b>	<b>430,000</b>	<b>\$</b>	<b>564,921.51</b>	<b>\$ 134,921.51</b>

<b>Misc</b>					
SKOL Service Shuttle	\$	20,000	\$	8,495.00	\$ (11,505.00)
Employee Meals	\$	30,000	\$	49,583.58	\$ 19,583.58
Egress Study	\$	10,000	\$	23,000.00	\$ 13,000.00
Permitting	\$	-	\$	1,285.00	\$ 1,285.00
Misc	\$	-	\$	608.74	\$ 608.74
Utilities	\$	62,000	\$	62,000.00	\$ -
<b>Total</b>	<b>\$</b>	<b>122,000</b>	<b>\$</b>	<b>144,972.32</b>	<b>\$ 22,972.32</b>

<b>Expense Reductions</b>					
Verizon IT Reimbursement	\$	-	\$	(131,897.96)	\$ (131,897.96)
Parking Expense Billback	\$	-	\$	(88,196.00)	\$ (88,196.00)
Ryan Marketing IT Expense Billback	\$	-	\$	(10,600.00)	\$ (10,600.00)
Pending Billbacks (CBS GSL, Quince GSL, Medical)	\$	-	\$	(65,660.00)	\$ (65,660.00)
<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>(296,353.96)</b>	<b>\$ (296,353.96)</b>

<b>Additional Expenses</b>					
Snow Removal	\$	-	\$	100,983.90	\$ 100,983.90
Commons Damage	\$	-	\$	15,464.74	\$ 15,464.74
Weber Shandwick	\$	-	\$	34,621.00	\$ 34,621.00
<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>151,069.64</b>	<b>\$ 151,069.64</b>

<b>Estimate Totals</b>	<b>\$</b>	<b>6,915,008.00</b>	<b>\$</b>	<b>6,938,149.99</b>	<b>\$ 23,141.99</b>
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	Actual	Budget	Variance	
Expenses	\$ (6,938,150)	\$ (6,915,008)	\$ (23,142)	
Food & Beverage Revenue	\$ 1,819,055	\$ 1,700,000	\$ 119,055	Actual
Merchandise Revenue	\$ 163,073	\$ 200,000	\$ (36,927)	Actual
Program Revenue	\$ 12,736	\$ -	\$ 12,736	Actual
<b>Total Loss</b>	<b>\$ (4,943,286)</b>	<b>\$ (5,015,008)</b>	<b>\$ 71,722</b>	



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VIA EMAIL

Mr. Patrick Talty  
General Manager  
U.S. Bank Stadium  
511 11<sup>th</sup> Avenue S., Suite 401  
Minneapolis, MN 55415

Dear Patrick:

On behalf of the NCAA Division I men's basketball committee and staff, I would like to thank you and your team at U.S. Bank Stadium for a job well done during the 2019 Final Four in Minneapolis and throughout the 18-month planning process.

My team couldn't have spoken any more highly of you and the SMG staff. There were several significant hurdles that had to be cleared, and you and your team met each of them with a can-do attitude and positive approach. It didn't matter if it was the darkening of the stadium roof and windows or the enormity of the temporary seating build. You understood the importance of making sure every detail was thoroughly reviewed, and you made sure to provide us the things we needed to get the event set and running seamlessly.

Additionally, your extra efforts to create and host the back-to-back double-header basketball games in November/December 2018 to serve as a rehearsal for the Final Four was very much appreciated. Those games allowed us to see your team and your facility in basketball mode, provided us assurances that you could host a significant college basketball event, and gave us tangible insight into your commitment to making sure our event would be a success.

Please don't hesitate to reach out to me or any member of my staff if we can ever be of assistance to you.

Sincerely,

A handwritten signature in black ink that reads "Dan Gavitt".

Dan Gavitt  
Senior Vice President of Basketball



# Upcoming Events

- Walk for Amazing – A fundraiser for Children’s Minnesota; June 22
- LCMS (Lutheran Church Missouri Synod) Youth Gathering; July 11 – 15
- X Games; August 1 – 4
- Vikings vs. Seahawks (pre-season); Aug. 18
- Vikings vs. Arizona (pre-season); Aug. 24

# Open Positions & Upcoming Job Fairs

## Job Fairs:

- Tuesday July 9, 11am-1pm
  - Summit Academy OIC | 935 Olson Memorial Highway, Minneapolis, MN 55405
- Saturday July 13, 10am-11:30am
  - Takoda OIC | 1845 E. Franklin Ave., Minneapolis, MN 55404

*\*Please bring Gov't issued photo ID/Passport  
AND valid Social Security Card or Birth  
Certificate*

## Open Positions:

- Guest Experience & Tours Manager – FT
- Operations Coordinator – FT
- Cleaning Services Attendant – PT
- Guest Experience Lead – PT
- Guest Experience Representative – PT
- Tour Guide Representative – PT

