



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

Wednesday, February 19, 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 Michele Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority to order at 9:02 AM.

2. ROLL CALL

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

Commissioners Absent: None

3. ADOPTION OF AGENDA

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

APPROVED

4. APPROVAL OF AUTHORITY MEETING MINUTES

Approval of Authority Minutes for Regular Meeting of January 17, 2014. Commissioner Benson moved approval of the January 17, 2014 Regular Meeting Minutes, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

5. CHAIR'S REPORT

Chair Kelm-Helgen reported things have moved quickly on the project since the last board meeting. The Authority resolved the lawsuit and the bond sale moved ahead. That helped pay bills and let the Authority close on the Downtown East (DTE) site. The DTE site on Chicago Avenue has a 450 car-parking ramp beneath it. She feels this is important to the project as we move forward. It needs to be kept open for those who use transit.



More significantly, the DTE site is part of the broader Ryan development.

Wells Fargo is also part of this signature park. They will provide 600 jobs in two towers.

In addition, the Authority has closed on the Chicago/4th McClellan property, which will be a parking ramp. The Authority will own the parking ramp. It is important to the new stadium, but can also be used during the week by the Wells Fargo employees. It will now be a revenue generator. Ryan Companies, the City of Minneapolis and the Authority are working together to be successful in the bids for the NCAA Final Four and the Super Bowl. The Ryan skyway will connect the stadium to the downtown core. People can stay at hotels, park and still be able to walk in the skyway to the new stadium, which is a big advantage. The Ryan deal was very complicated to complete, but will have such an impact on the stadium.

The Authority also finalized the seat sale. Approximately 14,000-15,000 seats were sold. Albrecht Signs still has some seats in their warehouse for sale. It was a big benefit to the communities and schools who received the seats and even those who picked up a seat or two as mementos.

Construction is moving ahead quickly. Mortenson will provide a more detailed update later.

Chair Kelm-Helgen has been working with Lester Bagley on the Super Bowl bid. The city of Minneapolis is one of three finalists. Work has begun in earnest on the bid. Richard Davis, Doug Baker and Marilyn Carlson Nelson are the co-chairs. Work will continue on the details of the bid, which are considerable, as well as fundraising. The bids are due April 1, 2014 and a decision will be made in mid-May, 2014. The city was also announced as a finalist for the NCAA Final Four. Their process is longer. The decision will be made in mid-November, 2014. A number of Authority staff and the broader community are helping with the bid.

Along with Lester Bagley and Mortenson, the Authority took to the road to talk about the new stadium and how construction is going. A public listening session was held in Duluth on February 5, 2014. Chair Kelm-Helgen spoke at a tourism conference with over 300 in attendance and then a public town hall style meeting was held later in the evening. The Authority and Team will travel to Mankato on March 5, 2014 and Moorhead on April 9, 2014. Chair Kelm-Helgen will also speak in Fergus Falls earlier that day.

Chair Kelm-Helgen reported that she also spoke at a town hall meeting in Eagan, which was attended by a good number of people. People continue to be interested in the new stadium.

6. BUSINESS

a. Action Items

i. Award Contract-Investment Management Portfolio Services

On August 23, 2013 the Minnesota Sports Facilities Authority (Authority) awarded the contract for Investment Portfolio Management Services to U.S. Bank. Then on December 13, 2013, staff informed the Authority that we were unable to finalize an agreement with U.S. Bank.

Staff then contacted Sit Investment Associates, Inc., one of the proposers, and negotiated an annual fee of 25 basis points. Then on December 13, 2013, staff recommended that the contract be awarded to Sit Investment Associates. During December and January 2014, staff and legal counsel attempted to finalize the terms of a



contract with Sit Investment Associates. However, Sit Investment Associates changed their terms and required a minimum annual fee of \$25,000. This was unacceptable to staff and legal counsel.

U.S. Bank contacted staff and stated that they were now able to comply with our contractual requirements as U.S. Bank is now registered as a municipal financial advisor. Staff then contacted legal counsel and requested that they seek to finalize an agreement with U.S. Bank.

U.S. Bank agreed to a flat asset based fee of 15 basis points for both investment management and custody reporting services. U.S. Bank services will include custody reporting, transaction settlement, cash transfers, investment policy review, performance review meetings, annual strategic reviews and research and analysis tools that support the investment strategy.

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to execute a professional services agreement with U.S. Bank for investment portfolio management services and custody services.

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

APPROVED

b. Report Items

i. Report Update-Contract for Special Inspections & Quality Control

Staff has negotiated contracts for the above matter. The work is being split between two firms, Terracon and Braun Intertec. Terracon will be performing steel inspections work in St. Louis, MO at the Hillsdale fabricating facility through their local office and local personnel. That portion of the work is about \$140K. The remaining scope of work will be by Braun for stadium concrete testing and steel inspections work on site and steel inspections at various area steel fabricating facilities. The Braun Intertec scope and Terracon scope of work are expected to be within project budget amount of \$3.5M.

Recommendation: This report is for information only. No Board action is required.

ii. Equity Update

On January 30, 2014, the MSFA conducted its bi-monthly Stadium Equity Oversight Committee Meeting, pursuant to the Equity Plan, Section 3. The meeting was attended by a minimum of the required participants identified in the Equity Plan.

The meeting highlighted reports by the Design Architect, Construction Manager and a presentation/report by the Employment Assistance Firm:



- Alex Tittle provided an introduction and welcome to the attendees.
- Summit Academy summarized the Employment Assistance Firm's process and method of engagement.
 - Advertised method of acquiring workforce, to include workforce fair in April 2014
 - 18 Workers identified via outreach and 2 are prepared for employment
- Mortenson/Thor Construction provided a workforce report, **as of December 31, 2013.**
 - Exceeding both minority (32%) and women (6%) goals at;
 - 34% in November to 41% minority, 12% in November to 11% women and 0% in November to 2% veteran
 - 2,508 in November to 8,328 hours total
 - 4 Workers from the Targeted Zip Codes in the metro area
- HKS provided a targeted business report on design activity, **as of January 9, 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 December 31, 2013.**
Exceeding both MBE (9%) and WBE (11%) goals at;
 - 2 in November to 15 MBE firms totaling 9% in November to 13%;
 - 3 in November to 21 WBE firms totaling 16% in November to 32%
 - 0 in November to 1 VBE firms totaling 0% in November to .5%

During the meeting, we also discussed events that have and are anticipated to occur to educate the public, encourage small businesses and locate a Minnesota workforce for the project.

Recommendation: This report is for informational purposes only. No Board action is required.

iii. Construction Project Update

Allen Troshinsky from Mortenson Construction offered an update on the construction process. There is a tremendous amount of work happening. Mortenson/Thor is about 30% complete with the earthwork itself. This is just over a quarter million yards moved.

Mortenson/Thor is approximately 10% installed with deep foundation (drilled piers) following excavation from east to west.

People passing by are seeing columns rising out of the ground. Column and foundation walls will continue to rise. All tracking is scheduled.

Demolition is going forth in the next couple of days. Once Mortenson/Thor is completely satisfied as to what happened earlier this week, they will move forward.



This weekend is the rise of the next tower crane and then on March 3rd, another tower crane will be erected. Concrete foundations continue to move westward. The next milestone will be the elevated decks, which will make up the concourses of the building.

What you may not see are the underground plumbing and electrical parts of the building.

The labor is roughly over 100 people on site. Mortenson/Thor have put several hundred workers through orientation. That number will steadily increase as construction proceeds.

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

8. **PUBLIC COMMENT**

No one requested to comment.

9. **DISCUSSION**

Commissioner Griffith mentioned that the Authority should examine the taxes and jobs it is using on this job, and then add those numbers to the Wells Fargo transaction. He believes the Authority should figure out a way to put together a dashboard effect on the local economy. This was a good deal, which is becoming an extraordinary deal. People should be rewarded for that. Commissioner Benson added that a dashboard cannot only make the case, but the Authority should track it as it goes on through the end.

10. **ANNOUNCE FUTURE MEETINGS**

Friday, March 21, 2014 at 9:00 A.M – MSFA Board Meeting, 1010 Metrodome Square Building

11. **ADJOURNMENT**

There being no further business to come before the Authority, Commissioner McCarthy moved to adjourn the meeting, seconded by Commissioner Benson and approved unanimously – 5 YEAS, 0 NAYS. Chair Kelm-Helgen adjourned the meeting at 9:36 am.



ADOPTED this 21st day of March, 2014 by the Minnesota Sports Facilities Authority

Duane Benson, Secretary

Ted Mondale, CEO/Executive Director