



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

Friday, August 22, 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 9:03 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 Griffith 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 Benson moved approval of the July 18, 2014 Regular Meeting Minutes, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

5. CHAIR'S REPORT

Chair Kelm-Helgen commented on the large agenda before the board today. The project has reached several major milestones. She noted that in the past, they have referenced the budget challenges that resulted as changes were made in the design and scope of the building. As costs increased, the Authority spent a lot of time with the project partners to work on a variety of solutions. As there is very clearly no more state money, in order to stay within budget, there is one major piece that made a difference. The Vikings and Wilf family stepped up and agreed to put in an additional \$49 million. This will cover so many different things.



It covers items such as the increased price of steel, upper bowl ductwork, and the operable doors. While some items were mundane, some items such as the operable doors were key to the design. The Authority and Team have committed this design to the public and fans. All partners are committed to making this building a world-class facility. These items will be discussed in more detail later in the meeting. This is a significant step that will allow the project to move forward in a positive way.

Another milestone that the project will reach today is that the Authority has finalized a contract and agreement with a fine company, SMG. SMG will be the third-party operator for the new stadium. Later in the meeting, Doug Thornton will be providing more information on the company and their operating approach. The Authority and Team have significant confidence in this firm. Of the major firms who operate stadiums, they see this stadium as a significant opportunity. Each of the firms had very competitive proposals. From the state's perspective, there needed to be confidence that the firm could generate events for the stadium. What comes to the Authority comes to the state. The Authority can reinvest resources into the stadium with an ongoing capital reserve. SMG has a revenue guarantee to the Authority. This is a really important step forward.

Chair Kelm-Helgen reported that the Authority would be modifying the use agreement as well. The Vikings had been talking with Major League Soccer (MLS) and looking at obtaining a soccer franchise in the new stadium. The Authority is amending the use agreement so they can establish rent. The Authority aims to be completely transparent. An MLS franchise would be a significant tenant. The stadium was originally designed with soccer in mind, as it possesses such features like retractable seating. The Authority is amending the use agreement so that approximately \$340,000 per year is paid in rent. The franchise owner will pay all operating costs. If the Authority could have a significant tenant like that for 17 games that would be amazing. In the spirit of trying to move forward, they are taking a number of steps to let the MLS know they're serious.

Chair Kelm-Helgen indicated that Mr. Tittle will talk in more detail about this, but she wanted to mention how the project has been continuously meeting and exceeding the equity goals. Anyone who goes by the stadium site can see the activity. The workforce has grown to over 450 workers. Minnesota companies are working on the site. Targeted business participation has reached 29%, which is 9% over the targeted goal. Minority and women hiring has reached 38% and veteran hiring is at 5%. Mortenson/Thor has made this a major priority and all subcontractors have made it a major priority. The Employment Assistance Firm has helped with outreach, recruitment and training. These things don't happen overnight. Mr. Tittle has been working with HKS, Inc. and all of its subcontractors to meet their goals. This is a big milestone on this project. It is amazing to go this many months with these numbers. Things will go up and down but it is important to have such a positive trend line from the onset.

Since the last board meeting, the NCAA basketball committee and staff were in town conducting a site visit. As Minneapolis is a finalist for the NCAA Final Four, staff looked at the proposed competition venue and ancillary event sites. Final selection will occur in November 2014. The NCAA was primarily impressed about the new facility. The stadium has really strengthened the city's hand in being able to compete for big events.



6. BUSINESS

a. Action Items

i. Approve Project Budget Amendments

Approve Capital Budget Increase:

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 new Minnesota Multi-Purpose Stadium Project. Then on April 18, 2014, the Authority approved an Increase to the Master Project Budget (MPB) of \$1,232,221.00. On June 20, 2014, the Authority approved another increase to the MPB of \$1,310,722.00 for a revised project budget of \$977,542,943.00. Both of these increases were funded entirely by the Minnesota Vikings and paid for the following enhancements to the Project:

Description	Amount
Increased Video Board Size	\$ 599,613.00
Add Video Walls at Clubs	\$ 632,608.00
Add Escalators	\$ 1,071,662.00
Design Costs for Added TV's	\$ 239,060.00
TOTAL	\$ 2,542,943.00

To date, the Team Financed Contingency identified within paragraph 8.1(a)(iii) of the Development Agreement has not been included within the Master Project Budget as it was originally created as a backstop and was only to be utilized if required. The capital budgets presented to date and approved by the Authority have not included the Team Financed Contingency.

The original and current Source of Funds for the Project are as follows:

SOURCE OF FUNDS						
Division	Description	MPB 11/22/2013	4/18/2014 Adjustment	6/20/2014 Adjustment	Current Approved MPB	Notes
00	Team Contribution	\$477,000,000.00			\$477,000,000.00	Does <u>not</u> include Team Financed Contingency of \$26,447,957
00	Additional Team Contribution	\$ -	\$1,232,221.00	\$1,310,722.00	\$ 2,542,943.00	Does <u>not</u> include Team Financed Contingency of \$26,447,957
00	State of Minnesota Grant Agreement	\$498,000,000.00			\$498,000,000.00	
	PROJECT TOTAL	\$975,000,000.00	\$1,232,221.00	\$1,310,722.00	\$977,542,943.00	



The original and current Use of Funds for the Project are as follows:

USE OF FUNDS						
Division	Description	MPB 11/22/2013	4/18/2014 Adjustment	6/20/2014 Adjustment	Current Approved MPB	Notes
10	Site Acquisition & Improvements	\$ 50,556,389.00			\$ 50,556,389.00	
20	Construction Costs	\$762,941,876.00	\$1,232,221.00	\$1,071,662.00	\$765,245,759.00	
30	Furnishings, Fixtures & Equipment	\$ 57,600,000.00			\$ 57,600,000.00	
40	Development Costs	\$ 82,119,692.00		\$ 239,060.00	\$ 82,358,752.00	
50	Financing Costs	\$ -			\$ -	
60	Other Project Costs	\$ 16,230,000.00			\$ 16,230,000.00	
90	Project Contingency	\$ 5,552,043.00			\$ 5,552,043.00	Does not include Team Financed Contingency of \$26,447,957
	PROJECT TOTAL	\$975,000,000.00	\$1,232,221.00	\$1,310,722.00	\$977,542,943.00	

On May 2, 2014, HKS, Inc issued the Final Construction Documents for the Project. Mortenson Construction and HKS have spent considerable time and effort to evaluate these documents and compare them against the assumptions within the Construction Services Agreement between the Authority and Mortenson dated November 22, 2013.

For many reasons including market escalation, changes in scope and modified assumptions, the projected cost of the Final Construction Documents exceeded the costs included within the Construction Services Agreement. In an effort to reduce costs, the Authority staff, the Minnesota Vikings, Mortenson Construction and HKS has worked effectively to successfully reduce and/or eliminate unnecessary cost items and reduce the overall cost exposure. Rather than eliminate scope items from the project that would affect the fan experience or the multi-use nature of the Project, the Minnesota Vikings have agreed to commit additional funding to allow the project to maintain key design features and move forward collaboratively. Additionally, the Minnesota Vikings have agreed to fund some Add Alternates outlined within both the Development Agreement and the Construction Services Agreement.

As a result of this collaborative effort, the Minnesota Vikings have agreed to fund an additional \$19,659,100 above their previous commitment of \$2,542,943 to avoid scope cuts. The Authority staff and the Minnesota Vikings also believe it is appropriate at this time to reflect the \$26,447,957 Team Financed Contingency within the Master Project Budget as those dollars will be needed to complete the Project. Therefore, the total Additional Team Contribution will now be \$48,650,000.



With those adjustments, the Current and Proposed Source of Funds for the Project are as follows:

SOURCE OF FUNDS				
Division	Description	Current Approved MPB	Proposed MPB 8/22/2014	Notes
00	Team Contribution	\$477,000,000.00	\$ 477,000,000.00	
00	Additional Team Contribution	\$ 2,542,943.00	\$ 48,650,000.00	Includes Team Financed Contingency
00	State of Minnesota Grant Agreement	\$498,000,000.00	\$ 498,000,000.00	
	PROJECT TOTAL	\$977,542,943.00	\$ 1,023,650,000.00	

The current and proposed Use of Funds for the Project are as follows:

USE OF FUNDS				
Division	Description	Current Approved MPB	Proposed MPB 8/22/2014	Notes
10	Site Acquisition & Improvements	\$ 50,556,389.00	\$ 50,751,953.40	
20	Construction Costs	\$765,245,759.00	\$ 803,065,818.69	
30	Furnishings, Fixtures & Equipment	\$ 57,600,000.00	\$ 54,350,000.00	
40	Development Costs	\$ 82,358,752.00	\$ 86,215,419.03	
50	Financing Costs	\$ -	\$ -	
60	Other Project Costs	\$ 16,230,000.00	\$ 7,997,454.66	
90	Project Contingency	\$ 5,552,043.00	\$ 21,269,354.22	Includes balance of Team Financed Contingency
	PROJECT TOTAL	\$977,542,943.00	\$ 1,023,650,000.00	

Recommendation: The Authority approves an increase of \$46,107,057.00 to the project capital budget, thereby increasing the total project budget from \$977,542,943.00 to \$1,023,650,000.00. The Authority authorizes the Chair and CEO/Executive Director to reallocate budget amounts as necessary and to execute any required amendments to the Amended and Restated Development Agreement regarding corresponding revisions to Exhibit F-2. Commissioner Griffith moved to approve the recommendation. Commissioner McCarthy seconded the motion.

APPROVED



ii. Approve Development Agreement Amendments

The Minnesota Sports Facilities Authority (Authority) previously approved the execution of the Development Agreement (the “Original Development Agreement”) with the Minnesota Vikings on October 3, 2013 as subsequently amended. The Authority in collaboration with the Minnesota Vikings, and related entities, has prepared a subsequent Amended and Restated Development Agreement in order to incorporate certain changes to the master project budget, Vikings funding and related items.

Key provisions of the Second Amended and Restated Development Agreement include:

- Revisions to the master project budget
- Timing and amount of the additional Vikings funding
- Update to the cost savings provisions to reflect the changes in the Vikings funding and amendments to the Construction Services Agreement and Design Services Agreement

In conjunction with this Development Agreement amendment, the Vikings funding will also require the Authority to sign the Second Amendment to Amended and Restated Construction Funds Trust Agreement, Estoppel and Recognition Agreement, and certain other related documents.

Recommendation: The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Second Amended and Restated Development Agreement and the related documents identified above. Commissioner Benson moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

iii. Approve Design Services & Construction Services Agreement Amendments

In order to reflect the revised stadium project budget, the Minnesota Sports Facilities Authority, Minnesota Vikings Football Stadium, LLC, HKS, Inc., Thornton Tomasetti, Inc., M-E Engineers, Inc., and M.A. Mortenson Company have agreed on modifications to the existing Construction Services Agreement (“CSA”) and the Design Services Agreement (“DSA”) regarding a variety of design and construction matters.

Key provisions of the proposed amendments to the CSA and DSA include:

- Revisions to the DSA, including an increase in the Design Services Fee to reflect additional efforts by the design team;
- Revisions to the CSA, reflecting the budget adjustments presented to the Authority on August 22;
- MSFA and Vikings acceptance of certain value engineering, design, and scope changes to the Project;
- Authority’s allocation of funds from the Owner’s Contingency;
- Mortenson’s allocation of funds from the Construction Manager’s Contingency;
- Mortenson’s reduction of its GMP from the amount at which it would otherwise be set; and



- The Team’s contribution of additional funds to the Project.

These adjustments require execution of DSA Contract Revision No. 8, CSA Contract Revision No. 16, and certain other related documents.

Recommendation: That the Authority authorizes the Chair and the CEO/Executive Director to finalize and execute DSA Contract Revision No. 8, CSA Contract Revision No. 16, and the related documents identified above. Commissioner McCarthy moved to approve the recommendation. Commissioner Benson seconded the motion.

APPROVED

iv. Approve Insurance Program for Ryan Skyways & Block 1 Parking Ramp

Team Minnesota (Willis/CBIZAIA/RMCS) is in the process of finalizing an insurance program for the Ryan Skyways and Block 1 Parking Ramp construction projects. Willis has been negotiating with various insurance carriers to procure the requisite insurance coverage that would protect the Minnesota Sports Facilities Authority (Authority) and the Minnesota Vikings during the construction period of the skyways and the parking ramp. The insurance program will include the following insurance policies: contractors’ pollution liability, owners’ professional protective indemnity (OPPI), builders’ risk, and excess liability insurance. Several quotes have been received for the above listed policies that include various limits and coverage terms.

Willis is working with the various carriers to revise and update the limits and the associated premiums based on our recent discussion. Following is a list of the policies and the range for the estimated premiums:

Ryan Skyways and Parking Ramp Insurance Premium Estimates

	<u>Low</u>	<u>High</u>
Contractors Pollution Liability	\$ 12,658	\$ 29,143
OPPI	\$354,860	\$475,000
Builders Risk	\$ 24,551	\$109,551
Excess Liability	\$ 50,000	\$200,000
Total	\$442,069	\$813,694

Willis has also requested a change order to their contract for additional services for an additional fee of \$89,500 plus 5% of the premium for insurance coverage of the Ryan skyways and parking ramp construction projects.

Recommendation: That the Authority authorize the Chair and CEO/Executive Director to amend the Willis contract and purchase the requisite insurance policies for the Ryan Skyways and Block 1 Parking Ramp construction project. A complete insurance report will be presented at the next board meeting. Commissioner Butts Williams moved to approve the recommendation. Commissioner Benson seconded the motion.

APPROVED



v. Approve Downtown East Parking Management Contract

On May 27, 2014, the Authority authorized the issuance of a Request for Proposals for Parking Management Services.

Four proposals were received for the Construction Period Parking Management Services for the Downtown East (DTE) Ramp. Based on the proposals received, two firms were interviewed and staff is recommending that the Construction Period Parking Management Services be awarded to Imperial Parking (U.S.), LLC ("Impark").

Provisions of the proposal include:

- The term of the agreement will be from September 1, 2014 until December 31, 2015, unless terminated earlier.
- The Authority will retain the Gross Revenue minus the Operating Expenses derived from the DTE Ramp.
- Impark will receive a base monthly management fee of \$500 (the Authority pays our current management company a monthly fee of \$5,500).
- Impark will receive an annual incentive fee equal to 5% of the amount by which the Gross Revenue exceeds \$750,000 in any Operating Year or portion thereof.

In addition to several routine maintenance issues such as garage floor seal coating and re-painting the spaces and numbers, the Authority will need to expend funds to upgrade the access control and pay stations in the Downtown East Ramp to assure full compliance with PCI DSS (Payment Card Industry Data Security Standard) requirements. Cost of this upgrade will be between \$60,000 and \$80,000.

The Authority is overseeing the operation of the Downtown East Ramp until the Ryan Companies constructs for the Authority, the Block 1 Ramp on the McClellan Block and the Parking Agreement entered into by the Authority, Ryan Companies US, Inc. and the City of Minneapolis is effective (contemplated to be on or around January 1, 2016). The Ryan Management Period will begin at this time and the provisions of the agreement will commence. The provisions affect both the Downtown East Ramp and the McClellan Block. On September 1, 2014, Ryan will be given control of the McClellan Block site, eliminating the parking operation on that property.



Recommendation: The Authority approves the proposal provided by Imperial Parking (U.S.), LLC (“Impark”). Furthermore, authorize the Chair and CEO/Executive Director to enter into a Contract for Parking Management Services with Imperial Parking (U.S.), LLC (“Impark”) as outlined above. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

vi. Approve & Authorize Request for Qualifications/Proposals – Traffic Management Plan

As a follow up to the Final Environmental Impact Statement, a Transportation Management Plan (TMP) will need to be developed. The TMP will layout feasible cost-effective measures to address transportation management matters around the new stadium. These measures will include the actions to mitigate effects such as additional traffic, pedestrian flow/movement, and game day buses for example. The TMP will start from this list and indicate how these items will be managed for stadium events. The TMP will be a work in process document that will be refined by input by various stakeholders and be further refined once the new stadium is opened and there is actual experience with event operations.

The cost of this work is estimated to be in excess of \$100K and will be funded by the project. Staff will return at a later date with a recommendation on this matter.

Recommendation: The Authority approves issuing the Request for Qualifications and Proposals as outlined above. Commissioner Benson moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

vii. Approve & Authorize Request for Qualifications/Proposals – Commemorative Bricks

The Stadium Legislation states “The authority shall sell commemorative bricks to be displayed at a prominent location in the new stadium, for an amount to be determined by the authority. Funds raised through this section shall be appropriated to the commissioner of management and budget for transfer to the Minnesota Sports Facilities Authority.”

Staff is requesting the board authorize the issuance of a Request for Qualifications/Proposals for firms experienced in the sale of commemorative bricks for the new stadium.

Recommendation: The board authorizes the staff to issue a Request for Qualifications/Proposals for the sale of commemorative bricks. Commissioner Butts Williams moved to approve the recommendation. Commissioner Benson seconded the motion.

APPROVED



viii. Approve Use Agreement Amendments

The Minnesota Sports Facilities Authority (Authority) previously approved the execution of the Use Agreement with the Minnesota Vikings on October 3, 2013 as subsequently amended and restated (the “Use Agreement”), which contains certain provisions regarding a Vikings-owned Major League Soccer (“MLS”) franchise.

The Stadium Act (Minnesota Statutes Sections 473J.15, Subd. 15) requires that the Vikings have an exclusive right to establish a Vikings-owned MLS franchise in the new multi-purpose stadium for a period of five years after opening of the stadium.

In order to meet this statutory obligation, the Vikings have begun negotiations for an MLS franchise. The Vikings, as part of their overall investment of approximately Five Hundred Twenty-Six Million Dollars in the stadium, have funded initial improvements necessary to make the stadium MLS ready and the Vikings will be responsible for any additional costs necessary to secure and accommodate an MLS franchise in the stadium. The Stadium Act requires any use agreement for a Vikings-owned MLS soccer franchise to include rent based on market conditions and payment by the Vikings of game-day costs and reasonable marginal costs incurred by the Authority related to such MLS franchise. Based on the above, it is recommended that rent of Twenty Thousand Dollars, inflating at three percent each year, per MLS game be established. Based on current MLS schedules, this would yield approximately Three Hundred and Forty Thousand Dollars annually to the Authority.

The Use Agreement contains certain provisions related to the use of the stadium for MLS games. It is recommended that the Use Agreement be amended to include the payments described herein.

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

APPROVED

ix. Approve Third-Party Operator Contract

The Authority issued a request to submit a proposal of qualifications in March 2014 for the pre-opening, management, operating and marketing services for the new multi-purpose stadium. Four responses were received and three were deemed qualified and invited to submit proposals. Three proposals were received by the deadline of April 30, 2014. The firms responding were:

- AEG
- Global Spectrum
- SMG

The Authority and the Minnesota Vikings held multiple interviews with each of the proposers. As authorized under the Stadium Act, closed meetings were held with each of the proposers and the Authority board. Based upon the submittals and subsequent interviews, the Vikings and the Authority representatives unanimously recommend the selection of SMG.



The proposed contract term with SMG begins immediately and extends ten years from the opening of the stadium, plus a five-year extension at the option of the Authority. Some of the key contract provisions include:

- SMG will immediately assist with pre-opening activities and marketing of the stadium, with no management fee charged for such services.
- SMG will provide \$2,750,000 to the Authority prior to opening of the stadium. These funds will primarily be used to establish an event-marketing fund and cover costs of the Authority during the pre-opening period, which will be important to a successful opening of the stadium.
- Upon opening of the stadium, SMG will guarantee to the Authority annual income of \$6,750,000, increasing by two percent annually. This guaranteed payment is a key feature of the SMG agreement. These funds will provide a stable source of funds to the Authority and will allow the Authority to reinvest in the stadium, allowing the stadium to be maintained in a first-class manner for years to come.
- SMG's compensation will be based on a revenue sharing formula that provides compensation only if SMG's performance is sufficient to produce net operating income to the Authority in excess of \$6,750,000.
- The contract also contains multiple performance standards ensuring high quality services from SMG and guarantees that the stadium will be available for a variety of community and non-profit events, as well as major attractions like Vikings football and concerts.

SMG, founded in 1977, is one of the world leaders in venue management, marketing and development. SMG currently manages over 200 facilities worldwide, including four NFL stadiums – Soldier Field in Chicago; Mercedes Benz Superdome in New Orleans; NRG Stadium in Houston; and Everbank Field in Jacksonville. SMG-managed facilities have played host to numerous Super Bowls, World Cup soccer matches, NCAA championships, and numerous premier entertainment events.

Recommendation: The Authority authorizes the Chair and CEO/Executive Director to finalize negotiations with, and execute, the Pre-Opening, Management, Operating and Marketing Services Agreement with SMG. Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.

APPROVED

At this point in the meeting, the Authority invited Doug Thornton, Executive Vice President for SMG, to address the board and offer an overview of SMG.

Mr. Thornton offered a presentation, which highlighted SMG's major descriptors and assets as well as the key factors that make it ideal for the new MN Multi-Purpose Stadium. SMG has been an industry leader in facility management and possesses a 92% renewal rate with existing clients. It operates 4 NFL stadiums and in the last 10 years, has transitioned 23 facilities and opened 20 new facilities. It is highly rated in NFL best practices. SMG currently operates the Mercedes-Benz Superdome in New Orleans, EverBank Field in Jacksonville,



NRG Park in Houston and Soldier Field in Chicago. Moreover, SMG has a proven track record in working with public agencies. 92% of their client base consists of working with governmental agencies. Thus, they have deep experience in understanding transparency and compliance.

SMG also has a strong commitment to diversity in its workforce and is ready to work with the Authority's Equity Director to craft an equity plan for stadium operations. SMG has more experience than any other management firm in pre-opening plans, which is another essential factor to managing the new stadium. SMG has vast experience and connections with producing and promoting events. It possesses special event experience with procuring and producing multiple Super Bowls, Final Fours, college football championships and professional soccer events. It stands ready to aggressively pursue major events for the new stadium as well as accommodating the various community and cultural events Minnesotans experienced in the Metrodome.

b. Report Items

ii. 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 seventh month and continues to exceed expectation. Activities where the Equity Program was highlighted reflected the following:

- Stadium Equity Oversight Committee Meeting
- Package #8 Award to Custom Drywall (Tri-Construction Partnership)
- Workforce & Targeted Business Site Visits
- Ryan Development Planning and Agreements

The project reports were assessed as of June 2014. These reports are posted on the Authority website for transparency purposes. *The next Stadium Equity Oversight Committee will be on 9/25/2014.*

- 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 June 30, 2014.**
 - Exceeding both minority (32%) and women (6%) goals at;
 - **37% minority, 9% women and 5% veteran**
 - 284,721 hours total
 - **81 Workers from the TARGETED ZIP CODES** in the metro area
- HKS provided a TARGETED BUSINESS report on design activity, **as of June 30, 2014.**
 - Exceeding both MBE (8%) and WBE (11%) goals at;
 - **MBE: 3.53% Paid to date (\$1,133,781.08)**
 - **WBE: 7.04% Paid to date (\$2,262,335.96)**
- Mortenson/Thor Construction provided a targeted business report, **as of June 30, 2014.** Exceeding both MBE (9%) and WBE (11%) goals at;
 - 26 MBE Contracts totaling 10%; (\$60,941,311.50)



- 44 WBE Contracts totaling 21% (\$127,715,547.75)
- 3 VBE firms totaling 1.27% (\$7,558,000)
- Total Commitment: \$538,230,493

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

ii. Construction Project Update

Allen Troshinsky offered an update on behalf of Mortenson/Thor. The project has undergone a transition in recent weeks. Excavation activities are winding down, and companies such as Veit and Ames are demobilizing from the site. Companies like Seico, EMG, and Woody's are manning up and increasing their workforce. Structural steel activities are getting underway in earnest. The workforce has swelled to 550 people on site, and they are quickly approaching 600. Drilled piers and excavation activities are substantially complete. Concrete work is 35% complete. There are 6 elevated levels. There will be plenty of opportunities to work on areas of the project as concrete activities continue. Other areas such as mechanical work and electrical work are expanding and providing more work opportunities. The perimeter structural steel work is underway as well as slab on grade activities. On the North side, mechanical and electrical work is complete. The masonry phase of the project is commencing and metal stud framing contractors are mobilizing to the site. There is a tremendous amount of activity that is all occurring according to schedule. Going forward, companies will be manufacturing the precast stadia (walking surface of the bowl). They will also be manufacturing glass, structural steel and metal panels. These materials will form the face of the building. One can see the perimeter steel work that is taking place on the east end of the project. Precast concrete and metal panel activities will begin in December 2014. The concrete structure and the ring beam (the uppermost concrete structure of the building) will be constructed. In January 2014, glasswork will begin. The public will see the beginnings of the skeleton that will take the shape of the new stadium. Commissioner McCarthy commented on how watching the main truss take form is impressive. Commissioner Benson asked about the safety record. Mr. Troshinsky answered that the recordable incident rate (the standard measure report for OSHA) is 4.0. Commissioner Benson asked that that number represents. Mr. Troshinsky relayed that is a quarterly number and the measure represents 4 people working full-time on the site that has experienced some sort of injury. The measure is not directly related to severity. The measure is simply recordable incidents that they have to report to OSHA.

7. PUBLIC COMMENT

Two individuals came forward to address the MSFA Board.

1. Al Flowers: Mr. Flowers relayed his concerns of how there are many individuals in the queue waiting for work on the stadium project through the EAF's recruitment efforts.
2. Abdinizan Bihi: Mr. Bihi commented on Mortenson/Thor's past statement that if there was no work currently available on the stadium project that they would work to place individuals on other projects. He also echoed Mr. Flowers' concerns.



8. **DISCUSSION**

No discussion occurred at this time.

9. **ANNOUNCE FUTURE MEETINGS**

Friday, September 19, 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 Griffith and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

The meeting was adjourned at 10:17 am.

ADOPTED this 10th day of October 2014 by the Minnesota Sports Facilities Authority

Duane Benson, Secretary

Ted Mondale, CEO/Executive Director