



MINNESOTA
SPORTS FACILITIES
AUTHORITY

MINNESOTA SPORTS FACILITIES AUTHORITY

Meeting Minutes – March 17, 2022, 8:00 A.M.

U.S. Bank Stadium Medtronic Club
401 Chicago Avenue, Minneapolis, MN 55415

1. **CALL TO ORDER**

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 8:00 A.M.

2. **ROLL CALL**

Commissioners present: Chair Michael Vekich, Angela Burns Finney, Bill McCarthy, and Tony Sertich.

Commissioners absent: Sharon Sayles Belton.

3. **APPROVAL OF MEETING MINUTES – February 17, 2022**. See, Exhibit A.

4. **BUSINESS**

a. **Action Items**

i. **Approval of 2021-2022 Concession Capital Reserve Budget Amendment #3**

Ms. Fox-Stroman, Director of Finance for the MSFA, stated that on June 17, 2021, the Authority approved the 2021-2022 Concession Capital Reserve Account Budget and Plan and the original expense budget was \$175,363. She mentioned the budget had been amended twice and the revised expense budget was \$493,537. She also mentioned that Aramark Sports & Entertainment recommended updates to the concession capital plan that would improve their catering and concessions operations and service delivery in the clubs. Their suggested changes included modifications to the finish kitchens in the Little Six Club and FMP Club. The revised Concession Capital Reserve plan includes 11 projects for

a total budget of \$609,260. Staff recommended that the budget be increased by \$115,723 for a total expense budget of \$609,260. *See, Exhibit B.*

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

The Minnesota Sports Facilities Authority approves an increase of \$115,723 to the 2021-2022 Concession Capital Reserve Expense Budget, for a total Concession Capital Reserve Expense Budget of \$609,260.

ii. Approval of Gephart Electric Company Contract Amendment for Digital Video Recording Upgrade

Ms. Fox-Stroman, Director of Finance for the MSFA, stated that the MSFA had approved the contract with Gephart Electric Company for \$284,880 for procurement and installation of an Avigilon video surveillance server and the Avigilon failover licenses. She mentioned that during installation of the equipment it was determined that additional electrical power was needed for the Data Center rack, IP addresses needed to be programmed into the security cameras, and transceivers needed to be installed. Gephart proposed to complete this additional work for \$13,526, for a total contract amount of \$298,406. *See, Exhibit C.*

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

The Minnesota Sports Facilities Authority authorizes the Chair and Executive Director to enter into a contract amendment with Gephart Electric Company in the amount of \$13,526 for a total contract amount of \$298,406.

b. Report Items

i. Stadium Updates
ASM Global

John Drum, General Manager of U.S. Bank Stadium, provided the MSFA board with a quick update on stadium events. He said that the Monster Jam events and the Super Cross event went well and that guests really enjoyed the shows. He stated that the first gala event returned to the stadium and that more events are returning to the stadium and several businesses are attracted to the stadium for hosting events. Mr. Drum mentioned that college baseball games has been the focus for March 2022 as 75 games were played by the University of Minnesota, local colleges, and colleges from surrounding states. Looking ahead Mr. Drum said that the RV Show opens today at 10am and it runs through Sunday. He informed the MSFA that Eric Church concert tickets went on sale last Friday and ticket sales were very strong. Lastly, he mentioned that ASM Global recently announced that they are now managing four venues in Minnesota, one in Bemidji, one in Rochester, and the two in Minneapolis - the Target Center and U.S. Bank Stadium.

Aramark Sports & Entertainment

Jen Freeman, General Manager of Aramark, provided a brief update on the Concessions and Catering Operations at U.S. Bank Stadium. Aramark has been busy during the month of March 2022 with so many baseball games. She said they are looking forward to the RV Show that starts today. Ms Freeman said they will be busy during the month of May 2022 with a full calendar of catering events. Their recent focus has been on development of new culinary menu items. The chefs have been creating new recipes and testing new items with their managers. Aramark recently had an operational “recap” with clients and partners as they look for improvement opportunities and changes for future events. Aramark has also been working with the Minnesota Vikings and their new food and beverage partners for the upcoming season. She said there is a lot of hype for their new products. Lastly, Ms Freeman mentioned that they are recruiting for new employees at local colleges, and they have been developing plans for supply chain issues to ensure that deliveries are not delayed. Ms Freeman closed her discussion with her comment that everyone is excited for the busy concert schedule in August 2022.

5. PUBLIC COMMENTS

There were no public comments.

6. DISCUSSION

There was no discussion.

7. **MOTION TO CLOSE MEETING**

Chair Vekich asked the Commissioners for a motion to close the meeting pursuant to Minnesota Statutes section 13D.05, subdivision 2 (b) and 3(b), to discuss attorney-client privileged information matters regarding a personnel matter. Commissioner Burns Finney moved and Commissioner Sertich seconded the motion, which was unanimously adopted.

The meeting was closed at 8:14 A.M.

Individuals present at the closed meeting: Chair Michael Vekich, Commissioner Burns Finney, Commissioner McCarthy, Commissioner Sertich, and Jay Lindgren.

Commissioner absent at the closed meeting: Sharon Sayles Belton

8. **MOTION TO OPEN MEETING**

Commissioner McCarthy moved to open the meeting and Commissioner Burns Finney seconded the motion, which was unanimously adopted.

The meeting was opened at 8:49 A.M.

Chair Vekich read the following statement regarding the MSFA's Closed Session:

"Commissioners and Authority stakeholders. As you know, the Authority just completed a closed session to address a pending personnel matter. We have unanimously approved an employee-requested separation agreement for our project coordinator.

The Minnesota Sports Facilities Authority exists to protect the interests of the State of Minnesota and Minnesotans. The Commissioners and Authority staff take this role very seriously and we did so with every aspect of this matter.

The Authority encourages employees to report instances of discrimination, retaliation, harassment or other potentially illegal or inappropriate behavior, and maintains an open-door policy with leadership. Further, our personnel policies strictly prohibit discrimination, harassment and other illegal or inappropriate behavior and prohibit retaliation for raising complaints or concerns.

On December 15, 2021, our project coordinator Elizabeth Proeitz, submitted a grievance to the Authority asserting gender discrimination and inappropriate communications by the Authority's executive director, James Farstad, as well as concerns about potentially harassing communications.

The Authority immediately responded and engaged a well-respected and neutral attorney, Sheila Engelmeier, with broad experience in such matters, to conduct an independent third-party investigation into the concerns raised.

After an extensive investigation and assessment of the situation, the investigator and her team determined they did not find that there had been intentional discrimination or an actionable harassment.

The investigation did, however, conclude the executive director had engaged in multiple corroborated instances of unprofessional communications demonstrating unconscious gender-based bias. To be clear, these were instances of unprofessional verbal communications.

On February 25, Ms. Proeitz requested a separation package. The Authority acknowledged the courage it took to raise her concerns and today made the collective decision to approve a separation agreement for her.

The total gross amount of the agreement is \$110,000 (less applicable withholdings and deductions) and will be paid in accordance with the Authority's normal payroll procedures. This is roughly equivalent to a year's salary and benefits. The corresponding agreement is public information.

The investigator did not recommend the executive director's termination, he took responsibility for his actions, expressed remorse, and signed an agreement expressing his willingness to improve. However, Mr. Farstad informed us on Monday (March 14) of his retirement.

Today, I will be asking the Authority to appoint Mary Fox-Stroman, our director of finance, as interim executive director effective immediately."

Chair Vekich made the following motion, I move to authorize the Chair, Executive Director, and legal counsel to take actions consistent with the discussion during the closed meeting.

Commissioner Sertich moved and Commissioner Burns Finney seconded the motion, which was unanimously adopted.

Chair Vekich then stated “Without objection, I am going to modify the agenda regarding appointment of an Interim Executive Director.

Chair Vekich made the following motion, I move to appoint Mary Fox-Stroman as Interim Executive Director and to exercise all authority given to the Executive Director at an annual salary of \$174,500 during the interim period.

Commissioner Burns Finney moved and Commissioner Sertich seconded the motion, which was unanimously adopted.

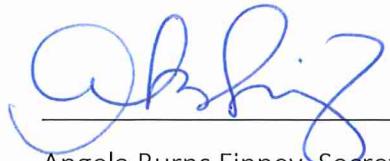
9. **ANNOUNCEMENT OF NEXT MEETING**

Chair Vekich announced that the next MSFA meeting will be held on Thursday April 21, 2022, at U.S. Bank Stadium in the Medtronic Club.

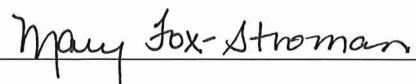
10. **ADJOURNMENT**

There being no further business to come before the MSFA, the meeting was adjourned at 8:54 A.M.

Approved and adopted the 21st day of April 2022, by the Minnesota Sports Facilities Authority.



Angela Burns Finney, Secretary/Treasurer



Mary Fox-Stroman, Interim Executive Director

Exhibit A



MINNESOTA
SPORTS FACILITIES
AUTHORITY

MINNESOTA SPORTS FACILITIES AUTHORITY

Meeting Minutes – February 17, 2022, at 8:00 A.M.

Mill City Museum 704 S 2nd St, Minneapolis, MN 55401

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 8:00 A.M.

2. ROLL CALL

Commissioners present: Chair Michael Vekich, Angela Burns Finney, and Tony Sertich.

Commissioners absent: Bill McCarthy and Sharon Sayles Belton.

3. APPROVAL OF MEETING MINUTES – December 16, 2021. See, Exhibit A.

4. BUSINESS

a. Action Items

i. **Approval of Second Amendment to Stadium Builder’s License Marketing and Sales Agreement**

Ms. Fox-Stroman, Director of Finance at the MSFA, stated that the Stadium Builder’s License Marketing and Sales Agreement between the Authority and the Minnesota Vikings Football, LLC (the “Team”) governs all aspects of the Team’s marketing and sales of stadium builder licenses (“SBLs”) which were authorized under the Stadium Act to help pay for a portion of the Stadium construction. Throughout the construction period, the Team served as the Authority’s agent for the sale of the SBLs under a Marketing and Sales Agreement. At this point, SBLs are in a “resale” phase only and net proceeds are to benefit the

Stadium's long-term capital needs. Staff and the Team have negotiated revisions to the Agreement and agreed to clarify the allocation of proceeds to the Authority and the Team (as SBL Agent) resulting from:

- a) The sale or resale by the Authority of any SBL upon or following the reacquisition of such SBL by the Authority or the termination of any previously existing SBL relating to the same seating in the Stadium
- b) Any sale, transfer, or other assignment of an SBL by the holder.

See, Exhibit B.

Chair Vekich asked Jay Lindgren, Council to the MSFA, if he would provide a brief overview of the SBL program to the board members. Mr. Lindgren stated that under the Stadium Act, the legislature created the authority to sell (SBLs) to help raise construction capital. He noted that the Act directs that the Team will serve as the MSFA's agent in the marketing and selling of the licenses, and also mandates that the proceeds of the SBL sales are to be part of the Team's minimum financial contribution. In 2013, as part of the Team's financing package, the MSFA and the Team entered into a Marketing and Sales Agreement that made the Team responsible for selling SBLs and dedicating the proceeds as part of the team's financing. Mr. Lindgren stated that in 2021, the Team completed all of its financing obligations and the MSFA received approximately \$7 million for its capital reserve account from amounts not needed for construction financing. Mr. Lindgren stated that at this point, SBLs are in a "resale" marketplace, meaning they are being transferred from one owner to another. This Amendment continues to have the Team serve as the MSFA's agent for the resale and establishes the maximum amount of SBL transfer fees (\$150 unless otherwise agreed to in the future) and the maximum Team administrative expense allowance for managing the transfer program (\$70,000 annually, inflating by 2% annually). Lastly, Mr. Lindgren noted that no MSFA operating funds will be used to pay for the transfer fees or the administrative expenses. He stated that sufficient revenues exist from the SBL sales program to cover the costs.

Commissioner Burns Finney asked Mr. Lindgren if this amendment is a ten-year extension, and Mr. Lindgren stated that the term was ten years from the opening of the stadium, so only four years remain.

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

The MSFA authorizes the Chair and Executive Director to finalize and execute the Second Amendment to the Stadium Builder's License Marketing and Sales Agreement.

b. Report Items

i. Stadium Updates

ASM Global Update:

Ann Dunne, Assistant General Manager of U.S. Bank Stadium, provided the MSFA board with a stadium update. She stated that the 2022 Winter Warm Up concluded, and then U.S. Bank Stadium hosted a very successful Minneapolis Home + Remodeling Show. Ms. Dunne noted that dirt was brought into the stadium during the week of February 7th to begin preparations for the two-day Monster Jam event that was held on February 12th and 13th, and this weekend the Monster Energy Supercross event would be held. Ms. Dunne announced that beginning March 1st, collegiate baseball games would begin at the stadium. Teams from around the country will participate in the games, including the University of Minnesota. Ms. Dunne also stated that in addition to baseball, U.S. Bank Stadium will be hosting a four-day Metro RV Dealers Twin Cities RV Super Show in March. Lastly, Ms. Dunne notified the board that U.S. Bank Stadium has partnered with GatherWell to supply the public and stadium guests with COVID-19 Rapid Tests. She noted that the testing site provided a great convenience to stadium guests, as the City of Minneapolis recently required proof of vaccination, or a negative COVID-19 test to enter the stadium. The testing stations were also open and available inside the building on event days to ensure that all guests were able to attend stadium events.

Commissioner Sertich asked Ms. Dunne if the public continues to book private events at the stadium, and how many events are scheduled. Ms. Dunne stated that due to the Omicron COVID-19 variant, most of the December and January events were rescheduled, however the event schedule for April and May is getting very busy.

Chair Vekich asked Ms. Dunne how many concerts are planned for the summer, and Ms. Dunne stated that there will be five concerts. One of the concerts has yet to be announced but will be made public within the next couple weeks.

Aramark Update:

Chair Vekich read the Aramark update on behalf of Jen Freeman, Aramark General Manager at U.S. Bank Stadium, as she was unable to attend the meeting. Chair Vekich stated that Aramark finished the 2021-2022 NFL season in January with a strong concession and catering operation. He noted that Aramark is looking forward to the Monster Energy Supercross event this weekend, and that they are busy preparing for a month of collegiate baseball games and the Twin Cities' Metro RV Dealers Super Show in March. In addition, Chair Vekich stated that the Aramark team is currently creating new menus for the suites and all-inclusive clubs that will be introduced during the upcoming 2022-2023 NFL season, and modifications are being made to the catering menus. Chair Vekich noted that Aramark is holding recap meetings with each of their food and beverage partners and developing ways to enhance the concessions program for the next Minnesota Vikings season. In addition, Aramark is exploring opportunities to partner with new local vendors in U.S. Bank Stadium. Aramark's focus has been on recruitment of new event day staff, stated Chair Vekich. They are also busy developing a new hire training program that will be implemented during the stadium's summer events. Lastly, Chair Vekich stated that Aramark has extended two employment offers for the Assistant General Manager and Premium Sales Manager.

iv. Minnesota Vikings Updates

Lester Bagley, Executive Vice President of Public Affairs, provided the board with a Minnesota Vikings update. Mr. Bagley began his report by thanking the MSFA for all their efforts and work on the SBL amendment and stated that he appreciates the partnership. He stated that the 2021 NFL season has concluded, and the Minnesota Vikings are planning for the 2022 season with preparations for the NFL Draft and Training Camp. He announced that the Minnesota Vikings, after a long and diligent search, hired a new General Manager and Head Coach. Kwesi Adofo-Mensah is the new General Manager of the Minnesota Vikings, and before he entered the NFL, Mr. Adofo-Mensah began his professional career as an associate portfolio manager on Wall Street. He received his bachelor's degree in economics from Princeton University and went on to receive his master's degree in economics from Stanford University.

Mr. Bagley also stated that today, the Minnesota Vikings are officially announcing Kevin O'Connell as the new head coach of the Minnesota Vikings. Mr. O'Connell was formerly the offensive coordinator for the Los Angeles Rams and brought that team to the Super Bowl victory in February 2022. Mr. Bagley stated that he is excited about the new leadership, and that it should be a refreshing change.

5. PUBLIC COMMENTS

There were no public comments.

6. MOTION TO CLOSE MEETING

Commissioner Sertich moved to close the meeting pursuant to Minnesota Statute section 13D.05, subdivision 3(b) to discuss attorney-client privileged matters regarding the settlement of Ugoretz v. ASM Global, Minnesota Sports Facilities Authority, et al. Commissioner Finney seconded the motion.

The meeting was closed at 8:22 A.M.

Individuals present at the closed meeting: Chair Michael Vekich, Angela Burns Finney, Tony Sertich, and Jay Lindgren.

Commissioners absent at the closed meeting: Bill McCarthy and Sharon Sayles Belton

7. MOTION TO OPEN MEETING

Commissioner McCarthy moved to open the meeting and Commissioner Finney seconded the motion.

The meeting was opened at 8:44 A.M.

8. DISCUSSION

Jay Lindgren briefly discussed the settlement matter.

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

The Minnesota Sports Facilities Authority directs the Chair, Executive Director, and Legal Counsel to take action consistent with the discussion during the closed meeting.

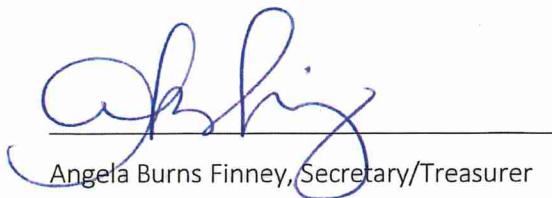
9. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced that the next MSFA meeting will be held on Thursday March 17, 2022, at U.S. Bank Stadium in the Medtronic Club.

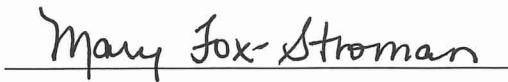
10. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 8:45 A.M.

Approved and adopted the 17th day of March 2022, by the Minnesota Sports Facilities Authority.



Angela Burns Finney, Secretary/Treasurer



Mary Fox-Stroman

Mary Fox-Stroman, Interim Executive Director



MINNESOTA
SPORTS FACILITIES
AUTHORITY

Exhibit B

Minnesota Sports Facilities Authority
1005 4th Street South, Minneapolis, MN 55415

MEMORANDUM

TO: MSFA Commissioners

FROM: Mary Fox-Stroman, Director of Finance

DATE: March 17, 2022

SUBJECT: Approve 2021-2022 Concession Capital Reserve Budget Amendment #3

On June 17, 2021, the Authority approved the 2021-2022 Concession Capital Reserve Account Budget and Plan and the original expense budget amount was \$175,363. Since then the budget has been amended twice, first on August 19, 2021, the expense budget was increased by \$74,637 as projects were added to the plan; and then on December 16, 2021, the expense budget was increased by \$243,537 for repairs to the concession rack refrigeration system, this resulted in a revised expense budget of \$493,537.

Aramark Sports & Entertainment recently recommended updates to the concession capital plan that would improve their catering and concessions operations and service delivery in the clubs. Their suggested changes include modifying the finish kitchens in the Little Six Club and FMP Club by adding capacity to the Halton hoods, adding double bank fryers and induction units, adding electrical services, and purchasing additional small wares.

The revised Concession Capital Reserve plan includes 11 projects for a total budget of \$609,260. It is recommended that the 2021-2022 Concession Capital Reserve Account Budget be increased by \$115,723 and the total expense budget would be increased to \$609,260.

	2021-2022 Original Budget	Budget Amendment <u>#1 & #2</u>	2021-2022 Amended Budget	Budget Amendment <u>#3</u>	2021-2022 Revised Budget
Concession Capital Reserve Account					
Revenues	\$ 600,000		\$ 600,000		\$ 600,000
Expenses	\$ (175,363)	\$ (318,174)	\$ (493,537)	\$ (115,723)	\$ (609,260)
Change in Account Balance	\$ 424,637	\$ (318,174)	\$ 106,463	\$ (115,723)	\$ (9,260)
Beginning Account Balance	\$ 749,386		\$ 749,386		\$ 749,386
Ending Accoung Balance	\$1,174,023	\$ (318,174)	\$ 855,849	\$ (115,723)	\$ 740,126

The revised 2021-2022 Concession Capital Reserve Project Expense Budget and Plan:

	<u>Budget</u>
1. Installation of corner guards on overhead doors	\$ 4,000
2. Purchase of Hawkers Point of Sale project	\$ 91,164
3. Electrical power modifications for Concessions	\$ 3,100
4. Electrical power modifications for North & South Mural Walls	\$ 35,376
5. Purchase of storage cabinets	\$ 2,282
6. Purchase of stanchions and sign holders	\$ 12,002
7. Purchase and installation of portable wraps	\$ 11,799
8. Press Box coffee conversion	\$ 20,000
9. Concession rack refrigeration system	\$ 243,537
10. Little Six Club and FMP Club Kitchen modifications	\$ 155,000
11. Other projects	\$ 31,000
Total Concession Capital Project Expense Budget	<u>\$ 609,260</u>

Recommended Motion:

The Minnesota Sports Facilities Authority approves an increase of \$115,723 to the 2021-2022 Concession Capital Reserve Expense Budget, for a total Concession Capital Reserve Expense Budget of \$609,260.



MEMORANDUM

TO: MSFA Commissioners

FROM: Mary Fox-Stroman, Director of Finance

DATE: March 17, 2022

SUBJECT: Approve Gephart Electric Company Contract Amendment for Digital Video Recording Upgrade Project

On September 23, 2021, the Authority approved the contract with Gephart Electric Company for \$284,880 for procurement and installation of an Avigilon video surveillance server and the Avigilon failover licenses.

During installation of the equipment it was determined that additional electrical power was needed for the Data Center rack, IP addresses needed to be programmed into the security cameras, and Pro Labs SFP transceivers needed to be installed. Gephart Electric Company has proposed to complete this additional work for \$13,526, for a total contract amount of \$298,406.

Recommended Motion:

The Minnesota Sports Facilities Authority authorizes the Chair and Executive Director to enter into a contract amendment with Gephart Electric Company in the amount of \$13,526 for a total contract amount of \$298,406.