



MINNESOTA
SPORTS FACILITIES
AUTHORITY

MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – January 25, 2024, 8:00 A.M.
U.S. Bank Stadium
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 8:02 A.M.

2. ROLL CALL

Commissioners present: Chair Michael Vekich, Bill McCarthy, Angela Burns Finney, and Sharon Sayles Belton. Commissioner Tony Sertich participated remotely.

3. APPROVAL OF MEETING MINUTES – December 21, 2023

Chair Vekich asked for a motion to approve the minutes of the December 21, 2023, meeting. Commissioner Sayles Belton moved, and Commissioner Burns Finney seconded the motion. The minutes of the December 21, 2023, board meeting were unanimously approved and adopted as presented. See, Exhibit A.

4. REPORT – JE Dunn and The Tegra Group

i. Update on the Secured Perimeter Project – Phase I

Chair Vekich asked Mr. Alan L’esperance, JE Dunn, to provide an update on the secured perimeter project. Mr. L’esperance said work on the project slowed down during the holiday period. He said they are finishing the installation of the bollards along 11th Avenue, replacing the cable barrier along 6th Street, pouring concrete at the loading dock area, and demolishing the fence around the parking lot. Mr L’esperance presented construction photos to the board. He then discussed the construction schedule

and said they are 60% complete with installation of the bollards, and installation of the wedge barriers will begin in late February 2024. Mr. L'esperance said the project workforce is approximately 23% women and 25% minority and the project is on-time and on-budget.

Commissioner Sayles Belton discussed her recent tour of the Secured Perimeter project, and she said it was a good experience to see the bollards and the fencing in person as it gave her a better feel for the project. She said she learned a lot about the project and what has been completed-to-date to enhance the safety and security of the building for guests.

5. BUSINESS

a. Action Items

i. Authorize Negotiation and Execution of a Contract for the Point of Sale System

Chair Vekich asked Ms. Mary Fox-Stroman to discuss the Point of Sale System project. Ms. Fox-Stroman said on December 12, 2023, the Authority published a Request for Proposals for the Point of Sale System for the food and beverage operations at U.S. Bank Stadium. The project includes replacement of hardware equipment, printers, payment devices, and kitchen displays and it includes installation and setup of the equipment. Ms. Fox-Stroman said two proposals were received, and an advisory committee comprised of members of the Authority, ASM Global, Aramark Sports and Entertainment, and the Minnesota Vikings interviewed the proposers. The total cost for the POS system is \$1,365,000, and Aramark has agreed to pay the annual software subscription fees and related costs. Ms. Fox-Stroman said procurement and installation of the equipment needs to begin prior to the next board meeting and additional time is needed to review the final submittals from the proposers and to make a final selection of a contractor. *See, Exhibit B.*

Chair Vekich asked Mr. John Drum and Mr. Ed Kroics, ASM Global, to discuss the Point of Sale System project. Mr. Drum said the current Point of Sale (POS) system was installed in 2016 and is used for all food and beverage concessions sales in the stadium. The system is at its end of life as the vendor will no longer support it and software updates will no longer be available. Mr. Kroics said the guest experience for food and beverage services in stadiums has evolved since the stadium opened in 2016. POS systems can now add stored values on game tickets, link payments to game tickets, and integrate with the IPTV system and the menu boards.

Commissioner Sayles Belton asked how many vendors sell POS systems? Mr. Drum commented there were four companies in 2016, however these companies have consolidated and now there are only two companies that offer food and beverage POS systems for stadiums. Commissioner Sayles Belton asked if this would create new marketing opportunities with the new technology? Mr. Drum said it does create more opportunities for the Minnesota Vikings. Commissioner McCarthy asked if this project would replace the “Hawkers” equipment? Mr. Drum said yes, it would replace that equipment.

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

The Minnesota Sports Facilities Authority authorizes the Chair and Interim Executive Director to make a final selection of a contractor, finalize negotiations, and execute a trade contract agreement with the selected contractor for an amount not to exceed \$1,365,000.

ii. Approve 2023-2024 Concession Capital Reserve Budget Amendment #1

Chair Vekich asked Ms. Fox-Stroman to discuss the Concession Capital Reserve Budget Amendment. Ms. Fox-Stroman said Aramark recently recommended revisions to the concession capital plan that would improve their catering and concessions operations and replace the Point of Sale (POS) System that was just discussed. The original concession capital reserve expense budget did not include the POS system project. Ms. Fox-Stroman said the budget amendment would increase the budget by \$1,062,840 for a total concession capital reserve expense budget of \$1,718,514. 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 approves the revised Concession Capital plan and an increase of \$1,062,840 to the 2023-2024 Concession Capital Reserve Expense Budget, for a total Concession Capital Reserve Expense Budget of \$1,718,514.

iii. Approve Temporary Construction Easement Agreement with Hennepin County for 425 Park Avenue for ADA Accommodations

Chair Vekich asked Ms. Fox-Stroman to discuss the Temporary Construction Easement Agreement with Hennepin County. Ms. Fox-Stroman said the easement agreement would facilitate construction of safety improvements along 425 Park Avenue in Minneapolis and reconstruction of the pedestrian ramps at the intersections of 4th Street and 5th Street. Ms. Fox-Stroman said the term of the easement is from April 1, 2024 through June 30, 2025, however it is anticipated that the work would be completed by May 31, 2024. See, Exhibit D.

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

The Minnesota Sports Facilities Authority authorizes the Chair and Interim Executive Director to execute the Temporary Construction Easement Agreement with Hennepin County and all related documents for the 425 Park Avenue project.

iv. Approve 2024 Pay Equity Reports

Chair Vekich asked Ms. Fox-Stroman to present the 2024 Pay Equity Reports. Ms. Fox-Stroman mentioned the Minnesota legislature passed the Local Government Pay Equity Act in 1984 to correct gender-based wage discrimination in public employment in Minnesota. She said the Authority's Pay Equity reports are due to Minnesota Management and Budget (MMB) by January 31, 2024.

Ms. Fox-Stroman said MMB required the Authority to use their software program for pay equity compliance analysis, testing, and reporting. Ms. Fox-Stroman said test results were not available to the Authority because the Authority has only one male job class and the system requires three or more male job classes to perform the statistical analysis. She said the Alternative Analysis Test was used to determine compliance, and this test is a manual review of the Authority's job data as of December 31, 2023. Ms. Fox-Stroman said compensation disadvantages were not found, and the Authority's job classes are in compliance with the Pay Equity Act. See, Exhibit E.

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

The Minnesota Sports Facilities Authority approves the 2024 Pay Equity Implementation Report and the Compliance Report.

v. Election of Officers

Chair Vekich announced the nomination of incumbent Commissioner McCarthy as Vice Chair and Commissioner Sayles Belton as Secretary/Treasurer. Chair Vekich asked three times, if there are any other nominations of officers. No other nominations were announced. Chair Vekich then closed the nomination process.

Chair Vekich requested a roll call for the nomination of Commissioner McCarthy as Vice Chair. Commissioner McCarthy abstained from the vote, Commissioner Burns Finney, Commissioner Sertich, Commissioner Sayles Belton, and Chair Vekich voted in the affirmative for the nomination of Commissioner McCarthy as Vice Chair.

Chair Vekich then requested a roll call for the nomination of Commissioner Sayles Belton as Secretary/Treasurer. Commissioner Sayles Belton abstained from the vote. Commissioner Burns Finney, Commissioner McCarthy, Commissioner Sertich, and Chair Vekich voted in the affirmative for the nomination of Commissioner Sayles Belton as Secretary/Treasurer.

Chair Vekich announced Commissioner McCarthy is the Vice Chair and Commissioner Sayles Belton is the Secretary/Treasurer for the Authority and this election of the officers is effective as of February 12, 2024.

b. Report Items

i. MSFA Q4 – 2022-2023 Budget Report – June 30, 2023

The Authority's Q4 2022-2023 Budget Report as of June 30, 2023 was included in the board meeting materials for all Commissioners. See, *Exhibit F.*

ii. U.S. Bank Stadium Updates

a. ASM Global Update

Chair Vekich asked Mr. John Drum, General Manager of U.S. Bank Stadium, to comment on events. Mr. Drum said ASM is proud to close out the Minnesota Vikings season with the final game on New Year's

Eve, and he wanted to thank all stadium partners on a great football season. Mr. Drum commented that they also closed out the Ultimate Touchdown Tour program at the end of the football season. He said this was the second year that they offered this great tour program, and it was a huge success with increased attendance. Mr. Drum said tonight was the final night of the Winter Warmup event for runners and skaters, and they look forward to the February event calendar as the stadium will host the Home and Remodeling Show, Twin Cities RV Super show, Monster Truck shows, and the Upper Deck Golf event. He said the concert calendar is full and it includes the Chris Stapleton concert on April 6, 2024, Kenny Chesney concert on May 4, 2024, Morgan Wallen concert in June, and Metallica and Zach Bryan concerts will be held in August 2024. Lastly, Mr. Drum said they hosted an End of Season party for their part-time employees to thank employees for their valuable work.

b. Aramark Update

Mr. Drum said Jen Freeman, General Manager Aramark, was not available today. He said Aramark had another successful year with their great food and beverage premium and catering services and their concession services.

c. Minnesota Vikings Update

Chair Vekich asked Mr. Lester Bagley, Minnesota Vikings, to comment. Mr. Bagley said the Team had some challenges this past season, they are now preparing for the NFL Draft Party in April 2024, and they are looking forward to their next season. Mr. Bagley said they ended this year's STEM program for students. He said it was an excellent learning experience for students to see this amazing building and use Vikings statistics and building data to educate students in Grades 3-6.

d. Legislative Update

Chair Vekich asked Mr. Amos Briggs to comment on this year's legislative session. Mr. Briggs said the legislative session convenes on February 12, 2024, and it is the 2nd year of the biennium. Mr. Briggs commented that Minnesota legislators are watching the State's November forecast adjustments as many proposals are seeking funding from the State. Mr. Briggs said the Minnesota legislative committees visited the stadium and we informed them of the State's role with respect to the stadium, and we showcased the building and the building's operations. Mr. Briggs also said Governor Walz's staff

visited the stadium, and we highlighted the secured perimeter project and the need for funding for the Secured Perimeter project Phase II, and other future long-term stadium needs.

Chair Vekich asked Mr. Bagley to comment on the legislative session. Mr. Bagley said many of the legislators are new and we need to educate them on the features of the stadium and its future capital needs such as the secured perimeter project. Mr. Bagley commented on MN Sports & Events (MNS&E) and said their mission is to bring major sporting events to Minnesota. He mentioned it would be great to host events such as Wrestle Mania, Big 10 Football, and NCAA Wrestling at U.S. Bank Stadium.

6. PUBLIC COMMENTS

There were no public comments.

7. DISCUSSION

There was no discussion.

8. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced the next MSFA meeting will be held on Thursday, February 15, 2024, at U.S. Bank Stadium in Mystic Lake's Club Purple.

9. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 9:18 A.M.

Approved and adopted the 21st day of March 2024, by the Minnesota Sports Facilities Authority.



Sharon Sayles Belton, Secretary/Treasurer



Mary Fox-Stroman, Interim Executive Director

EXHIBIT A



MINNESOTA
SPORTS FACILITIES
AUTHORITY

MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – December 21, 2023, 8:00 A.M.
U.S. Bank Stadium
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, Bill McCarthy, Angela Burns Finney, Tony Sertich, and Sharon Sayles Belton.

3. APPROVAL OF MEETING MINUTES – October 19, 2023

Chair Vekich asked for a motion to approve the minutes of the October 19, 2023, meeting. Commissioner McCarthy moved, and Commissioner Sertich seconded the motion. The minutes of the October 19, 2023, board meeting were unanimously approved and adopted as presented. *See, Exhibit A.*

4. REPORT – JE Dunn and The Tegra Group

i. Update on the Secured Perimeter Project – Phase I

Chair Vekich asked Mr. Alan L’esperance, JE Dunn, and Ms. Julie Dotzenrod, The Tegra Group, to provide an update on the project. Mr. L’esperance said the crash rated retaining wall near Pentair Gate is finished, the mulch beds are complete, and they plan to finish landscaping the areas in the spring. He said the new anti-climb fence is being installed which will replace the chain link fence, bollards are being installed on 11th Avenue, and the bollards will have stainless-steel sleeves. Mr. L’esperance then presented construction progress photos to the board. Mr. L’esperance discussed the construction schedule and said they have

installed 50% of the anti-climb fence and 60% of the bollards. Installation of the bollards will continue into January, and they plan to install the wedge barriers in January and February 2024. Mr. L'esperance concluded his comments and said to date their workforce is approximately 20% women and 22% minority and the project is on-time and on budget.

Ms. Julie Dotzenrod said staff from Populous and Thorton Tomasetti met with the Authority, The Tegra Group, ASM Global, and the Minnesota Vikings to inspect the completed project work and create a punch list of open items. Ms. Dotzenrod said The Tegra Group will continue to review construction progress.

Commissioner Sertich asked how the warm weather impacted the project? Mr. L'esperance said that it allowed the construction team to work longer and more efficiently.

5. REPORT – Populous

i. Update on the Secured Perimeter Project – Phase II

Chair Vekich discussed the Secured Perimeter Project and said Phase I included construction of a permanent secured perimeter on three sides of the stadium, the north, east, and south, and it included installation of anti-climb/crash rated fencing, wedge barriers, and bollards. Chair Vekich said the Authority needs to begin planning for Phase II of the project to complete the design of the permanent secured perimeter on the west side of the stadium. Chair Vekich noted the permanent secured perimeter will enhance public safety and protect Minnesota's asset, U.S. Bank Stadium.

Chair Vekich asked Mr. Tyler Robertson, Populous, to discuss the concept design plan for Phase II. Mr. Robertson discussed the project scope for Phase II and he presented their concept design. Mr. Robertson discussed the project goals, and he provided an overview of the design's features: architectural, civil and site, protective design, structural, mechanical, electrical, plumbing and technology, and audio/visual. He said the plan would include anti-climb/crash rated fencing, wedge barriers, bollards, and entry structures for access to the stadium. Mr. Robertson then presented the site plan for major events and the daily site plan, the planned materials for the entry structures, and their vision for stadium operations on the plaza on game days.

Chair Vekich commented that there is more work to be done and that the Phase I fence materials blend very well with the building. He said the plan is to continue with that approach for Phase II so that the public can

walk up to the stadium and see and enjoy this spectacular building. Chair Vekich said completion of Phase II will achieve our goal to protect Minnesota's asset, U.S. Bank Stadium, with a permanent secured perimeter.

Commissioner Sayles Belton asked if public art would be included in Phase II. Chair Vekich said yes public art is part of the plan and in January 2024 he hopes to have a preliminary plan for public art and a project budget. Chair Vekich said that the public art will be funded by the Authority.

Chair Vekich continued his discussion on Phase II and said Ryan Companies prepared a cost estimate for Phase II based on the concept design prepared by Populous. Ryan's cost estimate for Phase II is \$62.3 million and it is based on 2023 costs and a construction start date in late 2024. Chair Vekich mentioned that one year ago the estimated cost for Phase II was \$48 million, however, the cost estimate now includes an inflation factor of 4% and state-of-the-art frictionless security screening was added to the scope. Chair Vekich asked Mr. John Drum, ASM Global, and Mr. Lester Bagley, Minnesota Vikings, to share their comments on the Phase II project.

Mr. Drum said the planning process for Phase I and II with the Minnesota Vikings has been collaborative. Mr. Drum said ASM Global's role is to ensure the safety and security of our guests. Mr. Drum also said on non-event days the secured perimeter will not restrict the public from interacting with the building.

Mr. Bagley thanked Chair Vekich for his leadership on this important project. He said the Vikings appreciate the Authority's work to protect their fans and the best stadium in the NFL. Lastly, he said it is important to continue to maintain the Department of Homeland Security's Safety Act designation.

6. **BUSINESS**

a. **Action Items**

i. **Approve Trade Contract Agreement for Artificial Playing Surface Replacement Project**

Chair Vekich asked Mr. Ed Kroics, Director of Operations for ASM Global, to discuss the Artificial Playing Surface Replacement Project. Mr. Kroics said the current turf system was installed in 2019 and it will reach its end of life at the end of this NFL football season. U.S. Bank Stadium hosts many private and sporting events on the field including football, baseball, softball, and soccer. He said planning for this project began last spring as a project budget of \$1,352,000 was included in the 2023-2024 capital budget. Mr. Kroics said the entire turf needs to be replaced, and the project is scheduled to begin in February

2024 and will be completed in six weeks. Mr. Kroics said Act Global America's proposal offers the best value for the Authority and their proposal included 2.5" Monofilament turf, for a cost of \$1.3 million.

Chair Vekich asked Mr. Bagley and Mr. Drum to comment on the project. Mr. Bagley said it has been a collaborative effort by the advisory committee comprised of Eric Gold, DA Hogan as the project consultant, the Authority, ASM Global, and the Vikings. Mr. Bagley said collectively the committee agreed the 2.5" monofilament turf is the best option for the stadium. Mr. Bagley said player safety is fundamental and this is a good investment. Mr. Drum said the 2.5" monofilament turf surface would be the best option for the stadium, and replacing the current playing surface with the monofilament surface is an improvement to the stadium. He also said the committee pushed the proposers and asked them to condense the installation timeline to six weeks so the stadium would be ready for events in April 2024.

Commissioner Sayles Belton asked if the proposer plans to recycle the turf. Mr. Drum responded U.S. Bank Stadium is a zero-waste facility with 90% diversion. He said the proposers were asked to develop creative solutions to minimize the impact on sustainability. Mr. Drum said the sand and rubber infill can be reused and that very little of the turf will not be recycled.

Commissioner McCarthy asked what is the plan for labor union workers on the project. Mr. Kroics commented that he plans to schedule a meeting with the Trade Council, Union Business Manager, Act Global America, ASM Global, and the Authority to discuss the labor needs for the project.

See, Exhibit B.

Commissioner Sertich moved, and Commissioner McCarthy 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 finalize negotiations and execute a contract with the selected artificial playing surface contractor for an amount to not exceed the project budget amount of \$1,352,000.

ii. Approve Sixth Amendment to the Management and Pre-Opening Services Agreement with ASM Global

Chair Vekich asked Mr. Jay Lindgren, General Counsel, to discuss the Sixth Amendment to the Management and Pre-Opening Agreement. Mr. Lindgren said ASM Global provides an annual Net Operating Income (NOI) Guarantee to the Authority, and they provide a surety bond in the amount of \$6,885,000. Mr. Lindgren said recently ASM Global was asked to provide a surety bond that would increase annually as the amount of the annual NOI increases. Mr. Lindgren said the annual NOI Guarantee for the year beginning on July 1, 2024 is \$7,452,545, and this would be the requested surety bond amount. Lastly, Mr. Lindgren said this amendment also modifies the definition of Operating Expenses to include only fifty percent of the bond premium cost. See, Exhibit C.

Commissioner Sayles Belton 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 finalize and execute the Sixth Amendment to the Management and Pre-Opening Services Agreement with ASM Global.

iii. Approve Joint Powers Agreement with County of Wright for Stadium Security

Chair Vekich asked Mr. Lindgren to discuss the Joint Powers Agreement (JPA) with Wright County. Mr. Lindgren said Wright County has been a law enforcement partner for the stadium. He said the current JPA with Wright County will expire on December 31, 2023. Mr. Lindgren also said the new JPA would be a multi-year agreement for the years 2024-2026.

Commissioner Sayles Belton asked if the Authority had agreements with other counties. Chair Vekich asked Mr. John Drum to comment. Mr. Drum said ASM Global 's approach has been to have multiple partners participate in the law enforcement for the stadium. He mentioned McLeod County and Anoka County also have JPA's with the Authority, in addition the Minneapolis Police department and the Hennepin County Sheriff's Office provide law enforcement officers for stadium security. See, Exhibit D.

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

The Chair and Executive Director are authorized to negotiate and enter into a Joint Powers Agreement with County of Wright to provide law enforcement and security at the stadium.

iv. Approve Professional Services Agreement with The Tegra Group for Owner's Representative Services

Chair Vekich asked Ms. Mary Fox-Stroman, Director of Finance, to comment on the Professional Services Agreement with The Tegra Group. Ms. Fox-Stroman said The Tegra Group provided owner's representative services during the planning and design phases of the Secured Perimeter Project-Phase I and now they are providing their services during the construction administration phase of the project. She said their services are needed to complete Phase I and there is a need for their services for Phase II. Ms Fox-Stroman said The Tegra Group provided a proposal to continue their owner's representative services through December 31, 2024, for an estimated fee of \$360,000.00. See, Exhibit E.

Commissioner Sayles Belton moved, and Commissioner McCarthy 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 execute a professional services agreement with The Tegra Group for owner's representative services for a contract amount not to exceed \$360,000.00 for the period from January 1, 2024 through December 31, 2024.

v. Approve 2024 MSFA Board Meeting Dates

Chair Vekich recommended the following dates for the 2024 monthly board meetings: January 18, 2024; February 15, 2024; March 21, 2024; April 18, 2024; May 16, 2024; June 20, 2024; July 18, 2024; August 15, 2024; September 19, 2024; October 17, 2024; November 21, 2024; and December 19, 2024. See, Exhibit F.

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 adopts the above 2024 board meeting calendar.

vi. Nomination of Interim Executive Director

Chair Vekich informed the board that Cohen Taylor has started the search for the Executive Director position and the Director of Finance position, and it may take several weeks to complete their search. Chair Vekich said Mr. Ben Jay's last day will be December 31, 2023, and we need to appoint an Executive Director for the interim period. Chair Vekich then nominated Ms. Mary Fox-Stroman as the Interim Executive Director. See, Exhibit G.

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

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 \$192,144 during the interim period.

b. Report Items

i. MSFA Annual Comprehensive Financial Report – June 30, 2023

Chair Vekich invited Ms. Fox-Stroman and Mr. Christopher Knopik, Clifton Larson Allen, LLC to present the Authority's annual financial report and discuss the results of the audit. Ms. Fox-Stroman said that the report could not have been done without the professionalism, hard work, and dedication of Ms. Sue Arcand, and she thanked Ms. Arcand for her contributions to the report. Ms. Fox-Stroman then discussed the various sections of the annual report. Ms. Fox-Stroman discussed the Letter of Transmittal, the organization chart, and the Government Finance Officers Association (GFOA) Certificate of Achievement Award for the prior year's report, and she said this year's report would be submitted to the GFOA for the certificate program. She then discussed the Independent Auditor's Report and their

unmodified (clean) opinion on the financial statements, Management’s Discussion and Analysis, and the Basic Financial Statements and the Notes to the Financial Statements. Ms. Fox-Stroman then asked Mr. Knopik to discuss the audit. Mr. Knopik said they issued an unmodified opinion on the Authority’s Basic Financial Statements. He said they did not have any audit findings or internal control deficiencies. Mr. Knopik said the auditing standards require them to communicate directly with the Board on internal controls and other matters and on governance. He said they issued two letters, the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters and the Governance Letter and these letters are included in the board materials. Mr. Knopik briefly described the two letters. He concluded his remarks saying the Authority’s internal controls are strong which is good especially with such a small staff. See, [Exhibit H](#).

ii. Stadium Updates

a. ASM Global Update

Chair Vekich asked Mr. John Drum, General Manager of U.S. Bank Stadium, to comment on events. Mr. Drum said this year’s football season was exciting as the Minnesota Vikings hosted two Monday Night Football games in the stadium and this showcased the building on national television. Mr. Drum said the stadium hosted the Billy Joel/Stevie Nicks concert on Friday, November 10, 2023, and then they did a quick field conversion for the Vikings game on Sunday. Mr. Drum said he wanted to acknowledge the great efforts of all stadium partners on the successful field conversion. Mr. Drum then commented on private events and said the stadium has been very busy, and the Ultimate Touchdown Tours had record setting attendance this year. He also said the Winter Warm Up event had a great start on Tuesday, December 5, 2023, and this event is scheduled for Tuesday and Thursday evenings through January 2024. Mr. Drum then commented on future events and said the Vikings have two more home games, and in February 2024 the stadium will host the Minneapolis Home and Remodeling Show, Metro RV Dealers Twin Cities RV Super Sale, Monster Jam, and Upper Deck Golf.

b. Aramark Sports & Entertainment Update

Chair Vekich asked Ms. Jenifer Freeman, Aramark General Manager, to provide an update on food and beverage services. Ms. Freeman said Aramark is getting ready for the Vikings Winter White Out game with new items on their catering menu. She said the Team Member breakfast was a success as they provided staff members with a hot breakfast menu on Sunday and the breakfast started at 5:00 a.m.

Ms. Freeman said they are searching for new staff members including a warehouse manager, a suite manager, and a new chef. She also said they began brainstorming new premium food service menu ideas for the 2024 football season. She concluded by saying Aramark works closely with local charities to identify opportunities for unopened food donations and this year has been very successful.

c. Minnesota Vikings Update

Chair Vekich asked Mr. Lester Bagley, Minnesota Vikings, to comment. Mr. Bagley said the Vikings have two home games remaining in the 2023 NFL football season and Sunday's game is the Winter White Out game. Mr. Bagley said the Vikings have many community events with the players to support the community. He said the Vikings partnered with the Minnesota Science Museum for the Vikings Voyage STEM program and this program is a great learning experience for students.

7. PUBLIC COMMENTS

There were no public comments.

8. DISCUSSION

There was no discussion.

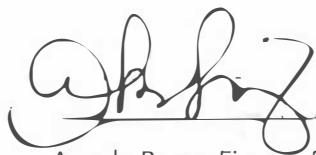
9. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced the next MSFA meeting will be held on Thursday, January 18, 2024, at U.S. Bank Stadium in Mystic Lake's Club Purple.

10. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 9:37 A.M.

Approved and adopted the 25th day of January 2024, by the Minnesota Sports Facilities Authority.

A handwritten signature in black ink, appearing to read 'A. Burns Finney', written over a horizontal line.

Angela Burns Finney, Secretary/Treasurer

A handwritten signature in black ink, appearing to read 'Mary Fox-Stroman', written over a horizontal line.

Mary Fox-Stroman, Interim Executive Director



EXHIBIT B

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

MEMORANDUM

TO: MSFA Commissioners

FROM: Mary Fox-Stroman, Interim Executive Director

DATE: January 25, 2024

SUBJECT: Authorize Negotiation and Execution of a Contract for the Point of Sale System

On December 12, 2023, the Authority published a Request for Proposals (RFP) for the 2024 Point of Sale (POS) System Project for the food and beverage operations at U. S. Bank Stadium. The current POS system was installed just prior to the stadium opening in 2016 and it will reach its end of life this spring. This POS project includes replacement of the current POS system with new hardware equipment including 513 fixed POS bundles with fixed touch screen displays, customer receipt printers, and payment devices; 125 handheld POS devices; 20 fixed kitchen displays with printers; installation and setup of the equipment, and annual software subscription fees.

Two proposals were received in response to the RFP. The proposals were reviewed by an advisory committee comprised of members of the Authority, ASM Global, Aramark Sports and Entertainment (Aramark), and the Minnesota Vikings. Both proposers were interviewed by the advisory committee. The total cost for the POS system is approximately \$1,365,000, and Aramark has agreed to pay the annual software subscription fees and related costs that are included in this cost.

The project's current timeline has a start date in February 2024 and the substantial completion date is April 6, 2024.

Procurement and installation of the equipment needs to begin prior to the next board meeting that is scheduled for February 15, 2024, so staff is requesting additional time to review the final submittals from the proposers and for the Chair and Interim Executive Director to make a final selection of a contractor.

Recommended Motion:

The Minnesota Sports Facilities Authority authorizes the Chair and Interim Executive Director to make a final selection of a contractor, finalize negotiations, and execute a trade contract agreement with the selected contractor for an amount not to exceed \$1,365,000.



MEMORANDUM

TO: MSFA Commissioners
FROM: Mary Fox-Stroman, Interim Executive Director
DATE: January 25, 2024
SUBJECT: Approve 2023-2024 Concession Capital Reserve Budget Amendment #1

On June 21, 2023, the Authority approved the 2023-2024 Concession Capital Reserve Account Budget and Plan, and the original expense budget amount was \$655,674. Aramark Sports & Entertainment recently recommended revisions to the concession capital plan that would improve their catering and concessions operations and replace the Point of Sale (POS) System.

The original budget did not include a budget for replacement of the Point of Sale (POS) System. The estimated cost for replacement of the POS System is \$1,365,000.

The revised Concession Capital Reserve plan includes eight projects for a total budget of \$1,718,514. It is recommended that the 2023-2024 Concession Capital Reserve Account Budget be increased by \$1,062,840, and the total expense budget would be increased to \$1,718,514.

Revised Concession Capital Reserve Plan:

- | | |
|---------------------------------------|--------------------|
| 1. Beverage dispensers | \$ 13,253 |
| 2. Additional electrical services | \$ 7,955 |
| 3. Display monitors | \$ 20,681 |
| 4. Freezers | \$ 19,487 |
| 5. Grill conversion | \$ 10,138 |
| 6. Ice machines | \$ 32,000 |
| 7. Beverage Market-equipment/graphics | \$ 250,000 |
| 8. Point of Sale System | <u>\$1,365,000</u> |

Total Concession Capital Reserve Projects \$1,718,514



Concession Capital Reserve Account:

	2023-2024 Original Budget	Budget Amendment #1	2023-2024 Revised Budget
Revenues	\$ 800,000	-	\$ 800,000
Expenses	\$ 655,674	\$ 1,062,840	\$1,718,514
Change in Account Balance	\$ 144,326	(\$1,062,840)	(\$ 918,514)
Beginning Account Balance	\$1,786,381	-	\$1,786,381
Ending Account Balance	\$1,930,707	(\$1,062,840)	\$ 867,867

Recommended Motion:

The Minnesota Sports Facilities Authority approves the revised Concession Capital plan and an increase of \$1,062,840 to the 2023-2024 Concession Capital Reserve Expense Budget, for a total Concession Capital Reserve Expense Budget of \$1,718,514.



MEMORANDUM

TO: MSFA Commissioners

FROM: Mary Fox-Stroman, Interim Executive Director

DATE: January 25, 2024

SUBJECT: Approve Temporary Construction Easement Agreement with Hennepin County for 425 Park Avenue for ADA accommodations

Hennepin County has requested the Authority grant a temporary construction easement to the County to facilitate construction of safety improvements along 425 Park Avenue in Minneapolis and reconstruct the pedestrian ramps at the intersections of 4th Street and 5th Street. The project will include ADA accommodations to serve users with limited mobility and any necessary grading work associated with the improvements. The term of the easement is from April 1, 2024 through June 30, 2025, however it is anticipated the work would be completed by May 31, 2024.

The Authority needs to execute the Temporary Construction Easement Agreement with the County to grant the easement.

Recommended Motion:

The Minnesota Sports Facilities Authority authorizes the Chair and Interim Executive Director to execute the Temporary Construction Easement Agreement with Hennepin County and all related documents for the 425 Park Avenue project.



MEMORANDUM

TO: MSFA Commissioners

FROM: Mary Fox-Stroman, Interim Executive Director

DATE: January 25, 2024

SUBJECT: Approve 2024 Pay Equity Reports

The Minnesota legislature passed the Local Government Pay Equity Act in 1984 to correct historic gender-based wage discrimination in public employment in Minnesota. The Act requires local units of government to submit a pay equity report to the State of Minnesota every three years. The Authority's Pay Equity reports must be submitted to Minnesota Management and Budget (MMB) by January 31, 2024.

MMB requires local units of government use their software program for pay equity compliance analysis, testing, and reporting. One of the tests, the statistical analysis test, compares salary data to determine if female dominated job classes are paid consistently below male-dominated job classes of comparable work value (job points). The results of this test are not available because the Authority has only one male job class and the system requires three or more male job classes to perform the statistical analysis. Therefore, the Alternative Analysis Test was used to determine compliance.

The Alternative Analysis Test is a manual review of job data to determine if there is a compensation disadvantage for at least 80% of female job classes as compared to male job classes, and if compensation differences can be accounted for by years of service or performance. The Authority's job data as of December 31, 2023 were reviewed and compensation disadvantages were not found. The Authority's job classes are in compliance with the Pay Equity Act. The Salary Range Test and the Exceptional Service Pay Test are not applicable for the Authority's compliance testing.

The Authority's 2024 Pay Equity Implementation Report and Compliance Report are attached.

Recommended Motion:

The Minnesota Sports Facilities Authority approves the 2024 Pay Equity Implementation Report and the Compliance Report.

Pay Equity Implementation Report

Part A: Jurisdiction Identification

Jurisdiction: Minnesota Sports Facilities Authority
1005 Fourth Street South

Jurisdiction Type: Other

Minneapolis, MN 55415

Contact: Mary Fox-Stroman

Phone: (612) 335-3311

E-Mail: mary.fox-
stroman@msfa.com

Part B: Official Verification

1. The job evaluation system used measured skill, effort responsibility and working conditions and the same system was used for all classes of employees.

The system was used:

Description:

Used the 2021 Job Match points.

2. Health Insurance benefits for male and female classes of comparable value have been evaluated and:

There is no difference and female classes are not at a disadvantage.

3. An official notice has been posted at:
on MSFA website and emailed to employees.

(prominent location)

informing employees that the Pay Equity Implementation Report has been filed and is available to employees upon request. A copy of the notice has been sent to each exclusive representative, if any, and also to the public library.

The report was approved by:

Minnesota Sports Facilities Authority

(governing body)

(chief elected official)

(title)

Part C: Total Payroll

\$550554.00

is the annual payroll for the calendar year just ended December 31.

- Checking this box indicates the following:
- signature of chief elected official
 - approval by governing body
 - all information is complete and accurate, and
 - all employees over which the jurisdiction has final budgetary authority are included

Date Submitted: 1/19/2024

Compliance Report

Jurisdiction: Minnesota Sports Facilities Authority
1005 Fourth Street South

Report Year: 2024
Case: 1 - 2024 DATA (Private (Jur Only))

Minneapolis, MN 55415

Contact: Mary Fox-Stroman

Phone: (612) 335-3311

E-Mail: mary.fox-stroman@msfa.com

The statistical analysis, salary range and exceptional service pay test results are shown below. Part I is general information from your pay equity report data. Parts II, III and IV give you the test results.

For more detail on each test, refer to the Guide to Pay Equity Compliance and Computer Reports.

I. GENERAL JOB CLASS INFORMATION

	Male Classes	Female Classes	Balanced Classes	All Job Classes
# Job Classes	1	2	0	3
# Employees	1	2	0	3
Avg. Max Monthly Pay per employee	16012.00	11056.50		12708.33

II. STATISTICAL ANALYSIS TEST

A. Underpayment Ratio = 0 *

	Male Classes	Female Classes
a. # At or above Predicted Pay	1	2
b. # Below Predicted Pay	0	0
c. TOTAL	1	2
d. % Below Predicted Pay (b divided by c = d)	0.00	0.00

*(Result is % of male classes below predicted pay divided by % of female classes below predicted pay.)

B. T-test Results

Degrees of Freedom (DF) = 1	Value of T = 0.000
-----------------------------	--------------------

a. Avg. diff. in pay from predicted pay for male jobs = 0

b. Avg. diff. in pay from predicted pay for female jobs = 0

III. SALARY RANGE TEST = 0.00 (Result is A divided by B)

A. Avg. # of years to max salary for male jobs = 0.00

B. Avg. # of years to max salary for female jobs = 0.00

IV. EXCEPTIONAL SERVICE PAY TEST = 0.00 (Result is B divided by A)

A. % of male classes receiving ESP = 0.00 *

B. % of female classes receiving ESP = 0.00

*(If 20% or less, test result will be 0.00)



MEMORANDUM

TO: MSFA Commissioners
FROM: Mary Fox-Stroman, Interim Executive Director
DATE: January 25, 2024
SUBJECT: Q4 - 2022-2023 Budget Report as of June 30, 2023

Attached is the Q4 Budgetary Comparison Report for the period from July 1, 2022 through June 30, 2023 for the MSFA’s operating account, capital reserve account, and concession capital reserve account. Following is a high-level summary of the accounts’ activities for the fiscal year ended June 30, 2023:

Operating Account

The operating account is used to account for the MSFA’s operations including ASM Global’s operation of U.S. Bank Stadium.

<u>OPERATING ACCOUNT</u>	2022-2023 Original Budget	2022-2023 Amended Budget	Q4 – Actual* 7/01/22-6/30/23
Operating revenues	\$41,693,423	\$41,693,423	\$56,266,687
Operating expenses	(\$38,212,581)	(\$38,212,581)	(\$47,318,974)
Operating income/(loss)	\$3,480,842	\$3,480,842	\$8,947,713
Net nonoperating revenues/(expenses)	\$12,000	\$12,000	\$5,853,540
Transfer to Capital Reserve Account	(\$5,000,000)	(\$5,000,000)	(\$5,00,000)
Change in Account Balance	(\$1,507,158)	(\$1,507,158)	\$9,801,253
Beginning Operating Account Balance	\$24,040,213	\$24,040,213	\$24,040,213
Ending Operating Account Balance	\$22,533,055	\$22,533,055	\$33,841,466

* Note: The Authority implemented Governmental Accounting Standards Board Statement No. 87, Leases, beginning with the prior fiscal year. This required recognition of lease revenues in the operating and capital reserve accounts and reductions in the operating and capital payment revenues from the Minnesota Vikings in these accounts. The Authority also recognized (lease) interest expense in the operating and capital reserve accounts related to the stadium purification system and reduced stadium commitments expense in the operating account and capital expense in the capital reserve account.

The Authority implemented Governmental Accounting Standards Board Statement No. 96, *Subscription Based Information Technology Arrangements* beginning with the current fiscal year. As a result of this implementation the Authority recognized interest expense in the capital reserve account.

During this fiscal year the Minnesota Vikings made operating payments that totaled \$10,149,445 and a capital payment of \$1,844,811 per the terms of the Stadium Use Agreement.

Capital Reserve Account

The capital reserve account is used to account for the stadium's capital improvement projects including the Secured Perimeter Project-Phase I.

<u>CAPITAL RESERVE ACCOUNT</u>	2022-2023 Original Budget	2022-2023 Amended Budget	Q4 – Actual* 7/01/22-6/30/23
Capital revenues	\$3,614,181	\$19,314,181	\$22,676,134
Capital expenses	(\$5,334,952)	(\$23,646,553)	(\$5,442,734)
Net income/(loss)	(\$1,720,771)	(\$4,332,372)	\$17,233,400
Transfer from Operating Account	\$5,000,000	\$5,000,000	\$5,000,000
Change in Account Balance	\$3,279,229	\$667,628	\$22,233,400
Beginning Capital Reserve Account Balance	\$20,834,177	\$20,834,177	\$20,834,177
Ending Capital Reserve Account Balance	\$24,113,406	\$21,501,805	\$43,067,577

Concession Capital Reserve Account

The concession capital reserve account is used to account for the stadium's concession capital improvement projects.

<u>CONCESSION CAPITAL RESERVE ACCOUNT</u>	2022-2023 Original Budget	2022-2023 Amended Budget	Q4 – Actual 7/01/22-6/30/23
Concession capital reserve revenues	\$800,000	\$800,000	\$1,004,890
Concession capital reserve expenses	(\$259,122)	(\$259,122)	(\$249,763)
Net income/(loss)	\$540,878	\$540,878	\$755,127
Transfers	-	-	-
Change in Account Balance	\$540,878	\$540,878	\$755,127
Beginning Concession Capital Reserve Account Balance	\$1,031,254	\$1,031,254	\$1,031,254
Ending Concession Capital Reserve Account Balance	\$1,572,132	\$1,572,132	\$1,786,381

SUMMARY OF CASH AND INVESTMENTS

As of June 30, 2023

<u>Description</u>	<u>Amount</u>
Cash and Cash Equivalents:	
U.S. Bank – operating and payroll accounts (DDA)	\$221,629
U.S. Bank – SBL account (DDA)	\$1,157,744
U.S. Bank – ASM Global managed accounts (DDA) operating, box office, event marketing, and cash on hand	\$33,813,543
U.S. Bank investment account:	
First American Government Obligation Fund – (Includes Operating of \$8.9m, Capital reserve of \$26.7m, Secured Perimeter project of \$15.1m, Concession Capital reserve of \$1.7m)	\$52,435,346
Total Cash and Cash Equivalents	\$87,628,262

The Q4 – July 1, 2022 – June 30, 2023 Budget Comparison Summary is attached.

YEAR 2022-2023 BUDGET
Operating Account, Capital Reserve Account, Concession Capital Reserve Account
Q4 - July 1, 2022 to June 30, 2023

	2022-2023 Original Budget	2022-2023 Amended Budget as of 1/26/2023	2022-2023 Amended Budget as of 6/21/2023	Q4 Actual 7/1/22-6/30/2023
Operating Account				
Revenues:				
Stadium operating payments				
State of Minnesota operating payment	\$ 7,077,482	\$ 7,077,482	\$ 7,077,482	\$ 7,285,647
Minnesota Vikings operating payment and Lease Revenues*	\$ 10,149,445	\$ 10,149,445	\$ 10,149,445	\$ 11,503,783
Stadium operating revenue-ASM Global	\$ 24,402,296	\$ 24,402,296	\$ 24,402,296	\$ 36,893,416
Miscellaneous revenues	\$ 64,200	\$ 64,200	\$ 64,200	\$ 583,841
Total operating revenues	\$ 41,693,423	\$ 41,693,423	\$ 41,693,423	\$ 56,266,687
Expenses:				
Personal services	\$ 806,081	\$ 806,081	\$ 806,081	\$ 515,763
Professional services	\$ 1,319,763	\$ 1,319,763	\$ 1,319,763	\$ 1,013,467
Supplies and network support	\$ 111,731	\$ 111,731	\$ 111,731	\$ 122,790
Stadium contractual commitments	\$ 798,619	\$ 798,619	\$ 798,619	\$ 580,568
Insurance	\$ 350,990	\$ 350,990	\$ 350,990	\$ 358,311
Miscellaneous	\$ 472,636	\$ 472,636	\$ 472,636	\$ 109,650
Stadium operating expenses-ASM Global	\$ 34,352,761	\$ 34,352,761	\$ 34,352,761	\$ 44,618,425
Total operating expenses	\$ 38,212,581	\$ 38,212,581	\$ 38,212,581	\$ 47,318,974
Operating income/(loss)	\$ 3,480,842	\$ 3,480,842	\$ 3,480,842	\$ 8,947,713
Nonoperating Revenues/(Expenses):				
Revenues-Investment earnings	\$ 12,000	\$ 12,000	\$ 12,000	\$ 5,953,940
Interest expenses and other expenses*	\$ -	\$ -	\$ -	\$ (100,400)
Total nonoperating revenues/(expenses)	\$ 12,000	\$ 12,000	\$ 12,000	\$ 5,853,540
Net Income/(loss) before transfers	\$ 3,492,842	\$ 3,492,842	\$ 3,492,842	\$ 14,801,253
Transfers:				
Transfer to Capital Reserve fund	\$ (5,000,000)	\$ (5,000,000)	\$ (5,000,000)	\$ (5,000,000)
Change in Account Balance	\$ (1,507,158)	\$ (1,507,158)	\$ (1,507,158)	\$ 9,801,253
Beginning Operating Account Balance	\$ 24,040,213	\$ 24,040,213	\$ 24,040,213	\$ 24,040,213
Ending Operating Account Balance	\$ 22,533,055	\$ 22,533,055	\$ 22,533,055	\$ 33,841,466
Capital Reserve Account				
Revenues:				
State of Minnesota/City of Minneapolis Capital payment	\$ 1,769,370	\$ 1,769,370	\$ 1,769,370	\$ 1,821,411
State of Minnesota/City of Minneapolis Excess Sale Tax payment	\$ -	\$ -	\$ -	\$ 2,210,198
State of Minnesota Capital payment for Secured Perimeter-Phase 1	\$ -	\$ -	\$ 15,700,000	\$ 15,700,000
Minnesota Vikings Capital Cost payment and Leases Revenues*	\$ 1,844,811	\$ 1,844,811	\$ 1,844,811	\$ 2,083,811
Interest Revenues	\$ -	\$ -	\$ -	\$ 822,539
Miscellaneous revenues	\$ -	\$ -	\$ -	\$ 38,175
Total revenues	\$ 3,614,181	\$ 3,614,181	\$ 19,314,181	\$ 22,676,134
Capital Expenses:				
Capital Expenses	\$ 5,334,952	\$ 7,946,553	\$ 23,646,553	\$ 5,431,904
Interest expense per GASB Statement No. 87 and 96	\$ -	\$ -	\$ -	\$ 10,830
Total expenses	\$ 5,334,952	\$ 7,946,553	\$ 23,646,553	\$ 5,442,734
Net Income/(loss) before transfers	\$ (1,720,771)	\$ (4,332,372)	\$ (4,332,372)	\$ 17,233,400
Transfers:				
Transfer from Operating Account	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Change in Account Balance	\$ 3,279,229	\$ 667,628	\$ 667,628	\$ 22,233,400
Beginning Capital Reserve Account Balance	\$ 20,834,177	\$ 20,834,177	\$ 20,834,177	\$ 20,834,177
Ending Capital Reserve Account Balance	\$ 24,113,406	\$ 21,501,805	\$ 21,501,805	\$ 43,067,577
Concession Capital Reserve Account				
Revenues:				
Concession Capital Reserve payment	\$ 800,000	\$ 800,000	\$ 800,000	\$ 1,004,890
Total revenues	\$ 800,000	\$ 800,000	\$ 800,000	\$ 1,004,890
Concession Capital Expenses:				
Net Income/(loss) before transfers	\$ 540,878	\$ 540,878	\$ 540,878	\$ 755,127
Beginning Concession Capital Reserve Account Balance	\$ 1,031,254	\$ 1,031,254	\$ 1,031,254	\$ 1,031,254
Ending Concession Capital Reserve Account Balance	\$ 1,572,132	\$ 1,572,132	\$ 1,572,132	\$ 1,786,381

*Note: The Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the fiscal year ended June 30, 2022. As a result of this implementation the Authority recognized lease revenues in the operating and capital reserve accounts and reduced the operating and capital revenues from the Minnesota Vikings in these accounts, and the Authority recognized interest expense in the operating and capital reserve accounts and reduced stadium commitments expense in the operating account and capital expense in the capital reserve account. The Authority implemented Governmental Accounting Standard Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*, for the fiscal year June 30, 2023. As a result of this implementation the Authority recognized interest expense in the capital reserve account. During the fiscal year, the Minnesota Vikings made operating payments totaling \$10,149,445 and a capital payment of \$1,844,811 per the terms of the Stadium Use Agreement.