



**MINNESOTA SPORTS FACILITIES AUTHORITY
MEETING AGENDA
September 29, 2017, 9:00 A.M.**

**U.S. Bank Stadium – Hyundai Club
401 Chicago Avenue, Minneapolis, MN 55415**

A portion of the meeting may be closed, pursuant to Minnesota Statutes Section 13D.05, subd. 3(b), to discuss attorney-client privileged matters concerning potential claims related to exterior wall systems.

1. CALL TO ORDER
2. APPROVAL OF PRIOR MEETING MINUTES - August 25, 2017
3. BUSINESS
 - Executive Director Report
4. PUBLIC COMMENTS
5. DISCUSSION / NEW BUSINESS
6. ANNOUNCEMENT OF NEXT MEETING – November 10, 2017
 - Establish 2018 Meeting Schedule
7. MOTION TO CLOSE MEETING
8. DISCUSS ATTORNEY-CLIENT PRIVILEGED MATTERS
9. ADJOURNMENT



**MINNESOTA SPORTS FACILITIES AUTHORITY
Minutes of August 25, 2017 Meeting**

**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 9:00 A.M.

2. **ROLL CALL**

Commissioners present: Michael Vekich, Tony Sertich, Barbara Butts Williams, Bill McCarthy and Laura Bishop.

3. **ADOPTION OF AGENDA**

Prior to approving the meeting agenda, Chair Vekich recommended that the Board defer consideration of the proposed amendment to the Summit Academy agreement until after the equity hiring report. There were no objections to that recommendation and the revised agenda was unanimously approved.

Chair Vekich congratulated Commissioner Butts Williams for recently being recognized as an AARP “50 over 50” leader within the Minnesota community. He explained that the honorees are breaking down the misconception that pushing oneself professionally and taking risks are solely the domain of the young. These business leaders aren’t in it for themselves, but are growing Minnesota’s economy while being good stewards of resources and talent. Chair Vekich stated that Commissioner Butts Williams is an extraordinary business, academic and community leader. She began her career over 45 years ago in business training and leadership development, rising quickly into key several leadership roles. She has impacted the lives of thousands of adult learners as well as organizational leaders. The Board and attendees joined in congratulating Commissioner Butts Williams’ on her accomplishments and well-deserved recognition.

4. **APPROVAL OF PRIOR MEETING MINUTES**

Chair Vekich confirmed that the Commissioners had received and reviewed the draft minutes of the MSFA’s prior two meetings. Upon a motion duly made and seconded, the meeting minutes from the

July 21, 2017 Board meeting and August 3, 2017 special Board meeting were unanimously approved and adopted as presented. See, Exhibits A and B.

5. **BUSINESS**

a. **Action Items**

i. **Approve Amendment to RSM Agreement**

Mr. Evans presented a background memorandum and stated the MSFA currently has a contract with RMS US, LLP (“RSM”) for information technology consulting services, and advisory services related to government and construction accounting and reporting. Mr. Evans explained that because the maximum fee under RSM’s existing contract has been met, the MSFA needs to amend the agreement to increase the contract amount by \$125,000. See, Exhibit C. Commissioner Sertich moved and Commissioner Butts Williams seconded the motion to approve the following recommendation, which was unanimously adopted:

The MSFA authorizes the Chair and Executive Director to execute an amendment to the contract with RSM US LLP for \$125,000.

ii. **Approve Contract for Aramark Cooking and Holding Agreement**

Mr. Evans stated that the cooking and holding equipment procurement proposal includes items that will be utilized throughout the Stadium, including both at general concession stands and in clubs. He explained that because the procurement contract exceeds \$250,000, Board approval is needed in order to accept the proposal from Stafford-Smith, Inc. See, Exhibit D. Following discussion, Commissioner McCarthy moved and Commissioner Bishop seconded the motion to approve the following recommendation, which was unanimously adopted:

The MSFA Board accepts the proposal and awards the contract for Stadium concessions cooking and holding equipment to Stafford-Smith, Inc. for a total value of \$273,700.46. The Board authorizes the Chair and Executive Director to enter into a contract with Stafford-Smith to purchase that equipment.

iii. **Approve Property Insurance Program**

Mary Fox-Stroman, MSFA Director of Finance, discussed the MSFA’s current property insurance program, as well as the property insurance program for the 2017-18 policy year, which begins September 18, 2017. See, Exhibit E.

Chair Vekich asked Ms. Fox-Stroman if the policy is the same as previous years, and Ms. Fox-Stroman confirmed that it is the same policy; however, the value has increased since construction of U.S. Bank Stadium (“Stadium”) is now complete. Following further discussion, Commissioner Bishop moved and Commissioner Sertich seconded the motion to approve the following recommendation, which was unanimously adopted:

The MSFA Executive Director, in consultation with the Chair, is authorized to finalize negotiations and execute contracts for the property insurance program at U.S. Bank Stadium for the period September 18, 2017 to September 18, 2018.

iv. Approve Use of MSFA Suites by SMG

Mr. Evans stated that the MSFA's Suite policy authorizes SMG to utilize the two Authority Suites at the Stadium for marketing purposes consistent with SMG's two-page memorandum dated August 14, 2017. See, Exhibit F. He noted that at the request of MSFA staff, SMG prepared those detailed procedures on how and when the Authority Suites may be used for (i) Minnesota Vikings games, and (ii) Authority events. See, Exhibit G. During the course of his remarks, Mr. Evans suggested a revision to the Authority's existing *Policy and Purpose for Usage of MSFA Suites by Authority Board Members, Staff and SMG*, to clearly state that alcoholic beverages will not be purchased or reimbursed by the Authority. See, Exhibit H. That proposal was unanimously accepted and adopted by the Board.

Chair Vekich noted that this is the strongest Suite use policy in the United States, and feels that the MSFA has addressed every concern raised by the Office of Legislative Auditor. He suggested that at a future meeting, the Board may wish to consider procedures for potentially allowing community groups to use the Suites during Authority events.

Following discussion, Commissioner Bishop moved and Commissioner Butts Williams seconded the motion to approve the following recommendation, which was unanimously adopted:

The Minnesota Sports Facilities Authority (1) approves the SMG Procedures regarding use of the Authority Suites (including sale of the Authority Suites for market rates during Authority Events); (2) publicly affirms the language in the Stadium Use Agreement that the Authority or its agents will not sell the Authority Suites (or the corresponding tickets) for Vikings events; and (3) confirms that alcoholic beverages may be served in the Authority Suites, but only by direct purchase by guests.

b. Report Items

i. Equity Program Update

Mr. Tittle, the MSFA's Equity Consultant, reported on the Stadium's equity hiring results for the first six months of calendar year 2017. See, Exhibit G.

Chair Vekich noted that the Stadium's equity program is a core value of the MSFA, and that the strong numbers from the first quarter show great progress. Commissioner McCarthy asked Jay Lindgren, MSFA counsel, if goals set forth in state statute were for Stadium construction or operations, and Mr. Lindgren replied that they address both, but originally mainly focused on construction. Commissioner McCarthy noted that the state recently raised the women-owned business and workforce goal to 20%, and inquired if that will affect the Stadium. Mr. Tittle responded by confirming that Human Rights Commissioner Lindsay did raise the goal from 6% to 20%, and it will be up the Board to decide if it wants to increase the MSFA goal.

Commissioner Butts Williams commented that the current equity hiring percentages are high, and she believes the MSFA and its partners are making good progress toward achieving/exceeding those goals. She asked Mr. Tittle how the MSFA and its partners can keep on track and sustain these results. Mr. Tittle stated that the best way to continue moving forward is to start strong with clear and concise requests for proposals (“RFP”), and ensure that the broader Twin Cities community is aware of and engaged in the Stadium’s capital improvement projects. Commissioner Butts Williams stated that the MSFA has set a high standard of equity within the NFL, and inquired if Mr. Tittle believed the Stadium can continue that reputation. Mr. Tittle stated that he believed the Stadium’s strong equity reputation will continue, and noted that Jenn Hathaway, MSFA Director of Communications, has been working diligently with vendors in the community, while also compiling equity data from Aramark and SMG to track their progress.

Commissioner Sertich asked Mr. Tittle if the women’s equity goal increasing from 6% to 20% affected the MSFA’s goals, and Mr. Tittle stated that the increase will not drastically impact the MSFA, but that the MSFA and its partners should take this change seriously and try their best to integrate the new standard into ongoing Stadium operations. Mr. Evans stated that when the MSFA issues an RFP, the MSFA staff publishes it in the *State Register*, and also advertises the opportunity with a list of approved contractors. Minority, veteran and women-owned companies can register as a Stadium vendor/supplier and, as such, will receive email notifications when an RFP has been posted. Mr. Evans commented that the MSFA staff is working diligently to sustain the Authority’s aggressive equity numbers.

Commissioner Bishop asked Mr. Tittle where the biggest gaps and opportunities are now, as the Stadium has transitioned from construction to operations. Mr. Tittle stated that the greatest opportunities are with guest experience and food-and-beverage jobs, and the most challenging gap is recruiting veterans. He noted that veteran status is self-identified so the numbers may not be as accurate, and suggested veterans need to be more heavily targeted. He is hopeful that the numbers will increase once the NFL season begins, but noted that event-day positions traditionally have a higher turnover rate, so the MSFA must keep its employment assistance firm (“EAF”) actively engaged.

Following Mr. Tittle’s report, the Board accepted and approved the equity hiring report as presented.

c. Action Items

Chair Vekich stated the Board would now consider the final action item on the meeting agenda.

v. Approve Amendment to Summit Academy Agreement

Mr. Evans stated that in July, the Board authorized the MSFA staff to negotiate a new agreement with Summit Academy OIC (“Summit”) to continue serving as the Authority’s EAF. During discussions with Summit he learned Summit had provided services to MSFA’s third-party partners at the Stadium (Aramark, SMG and Monterrey Security) between February and June 2017, but had not been compensated for that work. Accordingly, he was recommending that the total amount payable to Summit under the new agreement be increased by \$25,000. See, Exhibit J.

Commissioner McCarthy thanked Summit and Louis King, its President and CEO, for all their work during the Stadium's construction. He noted that in the past, the MSFA paid Summit when workers were placed in jobs, and questioned what the increased contract amount will pay for since Mr. Tittle already is working with Aramark and SMG to recruit minorities, women and veterans. Mr. Evans stated that Summit, as the Authority's EAF, is an important partner in assisting Mr. Tittle, Aramark and SMG during the employee recruitment and hiring process. He noted that if the Board wishes to pay Summit based on specific performance standards, the MSFA can stage Summit's payments throughout the term of the agreement. Commissioner McCarthy stated that he believes the MSFA should only pay the EAF for work performed, as he wants to ensure that the Authority is spending money wisely and effectively.

Chair Vekich stated that the MSFA should add measurable milestones to the new Summit agreement. Commissioner Bishop agreed, and stated that such milestones and due diligence are needed and important, especially when there is a high turnover rate of employees. Commissioner Butts Williams commented that it is important that we maintain a close working relationship with the community, and feels that Summit has helped the MSFA do that in the past.

Chair Vekich then called on Louis King to address the Board. Mr. King stated that in the public equity hiring update meeting held last spring, the numbers showed that Summit had placed hundreds of workers in positions at the Stadium, thereby validating that Summit has substantially contributed to the success of the MSFA equity program. He stated that the foundation for Summit's work is now built, and they are committed to sustaining those equity numbers. Mr. King then thanked Commissioner Butts Williams for her comments and her efforts to maintain a strong working relationship with the community.

Following discussion, Commissioner Sertich moved and Commissioner Butts Williams seconded the motion to approve the following recommendation, which was unanimously adopted:

The MSFA authorizes the Executive Director, in consultation with the Chair, to negotiate and execute an agreement not to exceed \$125,000 covering the period July 1, 2017 – June 30, 2018 with Summit Academy OIC to serve as the MSFA's employment assistance firm.

b. Reports Items (continued)

ii. Executive Director Report

Mr. Evans reported that it has been a busy summer, as the Stadium hosted the X-Games, Guns N Roses and Coldplay, and now is preparing for the U2 concert in September and the upcoming Minnesota Vikings' season.

Mr. Evans provided an update on the status of the work being performed on the exterior metal panels on the Stadium, stating that the MSFA's primary interest is ensuring that the Stadium is a safe and secure structure for all guests. He noted that the MSFA has been working closely with the Stadium's designers, engineers and contractors to inspect and remediate any installation or fastening problems detected with the metal panels. It has been estimated that approximately 10% of the panels on the

exterior of the Stadium need to be repaired, and there currently are eight lifts and a sizeable crew working on that project. Mr. Evans stated the project seems to be on schedule and, hopefully, will be completed by mid-to-late September. He reiterated that the remediation work is under warranty, and that it will be completed at no cost to the public.

Mr. Evans reported that since moving from the construction phase to operations, there have been ongoing capital improvement projects at the Stadium, two of which are underway. He thanked the MSFA's Stadium partners for their work, and noted that while the capital procurement process sometimes seems tedious, it is critical that the procedures be followed.

In conclusion, Mr. Evans thanked Chair Vekich for his commitment, noting that he has quickly become a great addition to the MSFA. While acknowledging that the Chair position is part-time, Mr. Evans noted that Chair Vekich has been dedicating a great deal of time and energy on MSFA matters.

7. **PUBLIC COMMENTS / DISCUSSION**

1. Constance Peppin. Ms. Peppin addressed the Board regarding potentially retrofitting the Stadium's exterior glass to provide greater bird safety. Earlier this year, Ms. Peppin, along with Jerry Bahls, Anne Laughlin and Jim Sharpsteen met with the MSFA to discuss the two-year Audubon study taking place during the spring-fall bird migration seasons. She stated that she appreciates the MSFA's current efforts to deter bird collisions, including the change in lighting and the addition of blackout curtains for the NCAA Final Four Tournament in 2019.

2. Louis King. Mr. King stated that in listening to the Board's discussion, he wanted to continue assisting the MSFA as its EAF partner. He stated that minorities continue to grow in the workforce, and that structurally Summit has a strong relationship with the Twin Cities' minority communities, including a large social network in their neighborhoods. He believes that the MSFA's equity goals should not be set by Minnesota statute, since those numbers are a "thing of the past". He concluded by stating that by 2040, it is estimated that over 40% of the workforce will consist of people of color.

Chair Vekich thanked both Ms. Peppin and Mr. King for their comments.

8. **ANNOUNCEMENT OF NEXT MEETING**

Chair Vekich announced that the next MSFA meeting will be held September 29, 2017 at 9:00 A.M. at U.S. Bank Stadium in the Hyundai Club. He noted that because the September and October Board meetings are only a few weeks apart, there is a possibility the October meeting may be cancelled. He stated the MSFA will notify the public once a final decision has been made.

9. **ADJOURNMENT**

There being no further business to come before the MSFA, the meeting was adjourned at approximately 10:00 A.M.

Approved and adopted the 29th day of September 2017, by the Minnesota Sports Facilities Authority.

TONY SERTICH, Secretary/Treasurer

RICHARD G. EVANS, Executive Director