

METROPOLITAN SPORTS FACILITIES AUTHORITY

Regular Meeting
Friday, July 13, 2012
9:00 a.m.

Hubert H. Humphrey Metrodome
Halsey Hall Room
900 South 5th Street
Minneapolis, MN 55415

1. CALL TO ORDER

Michele Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority to order at 9:00 a.m.

2. ROLL CALL

Commissioners Present: Duane Benson, Bill McCarthy, Michele Kelm-Helgen

Commissioners Absent: Barbara Butts Williams, John Griffith

3. ADOPTION OF AGENDA

Chair Kelm-Helgen presented the agenda. *A motion was made by Commissioner Benson and seconded by Commissioner McCarthy to adopt the agenda. Motion carried.*

4. APPROVAL OF AUTHORITY MEETING MINUTES

Approval of Authority Meeting Minutes for Regular Meeting of June 22, 2012. *A motion was made by Commissioner Benson and seconded by Commissioner McCarthy to approve the minutes. Motion carried.*

5. BUSINESS

a. Action Items

- i. Approve Proposal & Award Contract – New Stadium Environmental Consultant**

The MSFA authorized issuance of a request for proposal for environmental consulting services at its meeting of 6/22/2012. Those services are required to develop and complete an Environmental Awareness Worksheet and Environmental Impact Statement. Those documents are required by the State of Minnesota.

A mandatory pre-proposal meeting was held by staff on July 6, 2012 to review the services. Five potential proposers attended the meeting.

On July 9, 2012 at 4pm two proposals were received. One proposal was provided by Wenck Associates, Inc. and the other by Kimley-Horn and Associates Inc.

In reviewing the proposals, staff found the Kimley-Horn (“KH”) proposal best meets the Authority’s objectives for the service. Key sub consultants for KH are SRF (traffic/noise, storm water management), AET (soil contamination analysis), and ZAN Associates (public outreach – DBE firm). (Below are key differences in the proposals:

- Experience – KH and proposed sub consultant SRF were directly involved in the EIS for Hennepin County for the Minnesota Twin Ballpark (Target Field). Wenck had experience with TCF Bank Stadium but it was in a sub consultant role.
- Completion – KH proposes to begin work in August of 2012 and complete the work in July of 2013. Wenck proposes to begin work in August of 2012 and complete the work in October of 2013.
- Staffing – KH proposes use of several women in various roles on the project including project management. Wenck’s proposes use of women but none in a prime management capacity. Both firms’ proposals include use of WBE/or DBE firms for outreach activities.
- Cost – the KH proposal is \$752,596. Wenck’s proposed cost is \$800,000. The proposal amounts are within the projected costs of \$750,000 - \$1,000,000 for the work.

Recommendation: *The Authority directed staff to negotiate with both proposers and bring back a recommendation for a contract award at the August 3rd meeting.*

ii. Authorize New Stadium Land Acquisition

Minnesota Laws 2012, Chapter 299, authorizes the MSFA to acquire real property for the purpose of Chapter 299: the construction, financing and long-term use of a stadium and related stadium infrastructure as a venue for professional football and a broad range of other civic, community, athletic, educational, cultural and commercial activities.

Currently, several efforts are underway with respect to land identification assessment. Jim Nelson, Eberhardt Advisors, has been assisting staff with the scope and services. On the Authority’s behalf, the Metropolitan Sports Facilities Commission authorized Nicollet Partners to do preliminary appraisal services, and Braun Intertec and American Engineering Testing to perform initial Phase I and Phase II testing on various parcels. Staff has met with many stakeholders, including the City of Minneapolis, Metro Transit, Metropolitan Council, MNDOT and Hennepin County to begin to understand the surrounding area and proposed uses. Additionally, by separate action today, the staff is also requesting approval for a consultant to prepare an Environmental Impact Statement.

In order to move ahead, staff is requesting authorization to begin negotiations with appropriate parties for the acquisition and assembly of parcels within the footprint of the stadium and stadium infrastructure. Negotiations would be subject to final approval by the Authority, pursuant to Chapter 299.

Recommendation: *The Authority authorizes the CEO/Executive Director and his designees to commence negotiations with appropriate parties for the acquisition and assembly of parcels within the footprint of*

the stadium and stadium infrastructure, subject to the final approval of the Authority. Motion made by Commissioner McCarthy and seconded by Commissioner Benson. Motion carried.

iii. Designate Investment Advisor & Custodian

Sit Investment Associates has been the Commission’s investment adviser since 1994. Sit currently manages one investment account, the Short Duration account. The cash and investment management program for the Minnesota Sports Facilities Authority must be managed in accordance with Minnesota Statutes Chapter 118A. Chapter 118A specifies the type of investments, contracts and agreements that are allowable for public funds. Sit has managed the account in accordance with the Investment Objectives and Guidelines including investment priorities: safety of principal, liquidity, yield, asset allocation, diversification/concentration of investments, credit quality, and permitted investments. As of June 30, 2012 the cost and market values of the account were:

<u>Cost</u>	<u>Market Value</u>	
Cash and cash equivalents	\$ 1,311,488.57	\$ 1,311,488.57
Bonds (FNMA, GNMA, FHLMC)	<u>\$ 8,729,002.96</u>	<u>\$ 9,048,730.42</u>
Total	<u>\$10,040,491.53</u>	<u>\$10,360,218.99</u>

On a monthly basis Sit provides a month-end statement which shows the security holdings report (account balance), investment results, portfolio performance monitor, account appraisal, and portfolio transactions. Sit’s fees are billed quarterly.

Following is a summary of returns since inception as reported on May 31, 2012 report:

	<u>May '12</u>	<u>YTD '12</u>	<u>1 Yr</u>	<u>Since Inception Annual</u>
MSFC Short Duration	+0.4%	+2.1%	+3.8%	+6.6%
Merrill Lynch 1-3 YR Treasury Index	0.0%	+0.2%	+0.9%	+4.6%

The Merrill Lynch 1-3 Year Treasury Index was selected as the benchmark to be used in the comparison to actual investment performance.

Wells Fargo is the custodian for the account. The custodian takes all steps to settle all transactions made by Sit Investment Associates and performs other actions that may be necessary to fulfill their custodial responsibilities including maintenance of a custody account which holds all cash and securities, settlement of securities transactions with brokers in accordance with the written direction of the investment manager, collection of investment income, and production of a monthly itemized statement showing the funds and securities held in the account as of the last day of the month. Wells Fargo fees are billed quarterly.

The agreements may be terminated with a 30-day written notice of termination.

The CEO/Executive Director and/or the Director of Finance are responsible for the management and safekeeping of cash and investments of the Authority.

Recommendation: *The Authority designates Sit Investment Associates as the investment advisor and Wells Fargo as the custodian for its Short Duration account and authorizes the Chair and CEO/Executive Director to execute contracts with Sit Investment Associates and Wells Fargo. Motion was made by Commissioner McCarthy and seconded by Commissioner Benson. Motion carried.*

iv. Approve Part-time Sr. Executive Assistant Position

The Minnesota Sports Facilities Authority has a need for a Part-time Senior Executive Assistant. This position will be responsible for coordinating all communications, resources and data which support the Chair, Board members, and the CEO/Executive Director. The position requires strong administrative and organizational skills and the ability to provide a variety of administrative and support services using advanced computer skills and strong communications skills.

The recruiting process will include advertisement of the position, review of applications, and interviews. The hourly pay rate will be commensurate with the position qualifications and responsibilities.

Recommendation: *The Authority approves the addition of a part-time Senior Executive Assistant position. Motion made by Commissioner McCarthy and seconded by Commissioner Benson. Motion carried.*

v. Authorize Enactment of Temporary Personnel Policy

Minnesota Laws 2012, Chapter 299, Subd. 4 states that “upon transfer of ownership all persons employed by the Metropolitan Sports Facilities Commission (Commission) shall be transferred to the Minnesota Sports Facilities Authority (Authority) without loss of right or privilege. Nothing in this section shall be construed to give any such person the right or privilege to continue in the same level or classification of employment previously held. The Minnesota Sports Facilities Authority may assign any such person to an employment level and classification which it deems appropriate and desirable in accordance with its personnel code.”

To facilitate the transition between the Commission and the Authority and to ensure the continuance of on-going operations of the stadium, following is a list of employment practices that will be implemented:

Employees of the Commission will become employees of the Authority on August 1, 2012. All of the employees’ personnel data and their employment records will be transferred to the Authority.

For seniority purposes, the date of employment for employees of the Authority will remain the same as their Commission hire date.

Full-time employees will be credited with their accrued benefits from Commission employment. These benefits are defined as any balance of accrued hours of vacation leave, sick leave, compensatory time, and banked holiday hours existing immediately prior to August 1, 2012. These benefits will continue to accrue at the same bi-weekly rates and basis that were accrued by Commission employees immediately prior to August 1, 2012.

Health and welfare benefits for collective bargaining employees will continue and will be paid in accordance with the terms of the collective bargaining agreement. Health, dental, life, and long-term

disability insurance benefits that were provided to the Commission's management and non-represented full-time employees immediately prior to August 1, 2012 will continue for Authority full-time employees.

All full-time and certain part-time employees of the Commission participate in Minnesota State Retirement System. Both the employer and the employee have a required contribution. The Authority will continue to pay the required employer contributions for all full-time and certain part-time employees.

A temporary personnel policy manual will be created for the Authority that ensures that the Authority engages in fair labor practices and is in compliance with all applicable laws, rules and regulations respecting employment and employment practices, terms and conditions of employment, and wages and hours, including, without limitation laws governing employment discrimination and occupational safety and health requirements. A temporary personnel policy is a requirement to attain good rates for our insurance policies including the public officials policy and workers compensation policy and for other matters.

Recommendation: *The Authority authorizes the Chair and CEO/Executive Director to create a temporary Personnel Policy Manual that will be effective as of August 1, 2012. The Personnel Policy Manual will be presented to the Authority for approval within 90 days after the transition date of August 1, 2012. Motion made by Commissioner Benson and seconded by Commissioner McCarthy. Motion carried.*

vi. Approve Resolution of Continuing Operations

**MINNESOTA SPORTS FACILITIES AUTHORITY
RESOLUTION NO. 2012-02
RESOLUTION OF CONTINUING OPERATIONS**

WHEREAS, Minnesota Laws 2012, Chapter 299, codified at Minn. Stat. Sec. 473J.25 provides that the Metropolitan Sports Facilities Commission (the "Commission") , within 90 days of the enactment of the statute, "shall pay its outstanding obligations, settle its accounts, and transfer its remaining assets, liabilities, and obligations" to the Minnesota Sports Facilities Authority (the "Authority"), and upon such transfer the Commission "is abolished;" and

WHEREAS, the statute also charged the Commission to pay the Authority's operating expenses, including personnel, salaries, office, equipment, consultants, and "any other costs" until the Commission is abolished; and

WHEREAS, the Authority has not yet adopted a budget or protocols authorizing expenses; and

WHEREAS, to facilitate the transition between the Commission and the Authority contemplated by the statute, and to ensure on-going operations of the stadium, the Authority hereby confirms the continuing operation and authorization of expenses throughout the transition and after abolition of the Commission, until such time as the Authority adopts a budget or formally authorizes expenses.

NOW, THEREFORE BE IT RESOLVED:

1. Until such time as the Authority adopts a budget that authorizes expenses, staff is hereby authorized to incur and pay such expenses as are reasonably necessary to support the Authority

and the continuing operation and oversight of the Authority stadium, including but not limited to processing payroll, purchasing supplies and equipment, paying vendors and consultants, and such other expenses as are authorized in the 2012 Commission budget or as approved by the CEO/Executive Director.

2. The Chair and CEO/Executive Director of the Authority are empowered to take all action and execute any documents that are necessary or convenient to effectuate this Resolution.

ADOPTED THIS 13th day of July, 2012 by the Minnesota Sports Facilities Authority.

vii. Approve Resolutions of Appreciation – MSFC Commissioners

**RESOLUTION NO. 2012-03
COMMENDING TED MONDALE, CHAIR
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Ted Mondale was appointed as the Chair of the Metropolitan Sports Facilities Commission in January 2011 by Governor Mark Dayton; and

WHEREAS, one of Ted Mondale’s first duties was to oversee restoration of the Metrodome roof, which had collapsed the month prior to his appointment; and

WHEREAS, Ted Mondale was charged by Governor Dayton to be his point person on the negotiation of terms for a new “People’s Stadium” that would serve as the home for the Minnesota Vikings for generations of fans in the future, as well as serve as the home for civic, community, athletic, educational, cultural and commercial activities for the residents of this state; and

WHEREAS, Ted Mondale worked tirelessly and was instrumental in working with the Governor, City of Minneapolis, Minnesota Legislature, the Minnesota Vikings and all other stakeholders in passing legislation to build a new People’s Stadium; and

WHEREAS, Ted Mondale has been named the Chief Executive Officer and Executive Director of the Minnesota Sports Facilities Authority; and

WHEREAS, Ted Mondale was integral to the Commission’s success in operating the Metrodome, the nation’s only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, throughout his term on the Metropolitan Sports Facilities Commission, Ted Mondale worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Ted Mondale for his service to the citizens of the State of Minnesota and commends him on his service as the Chair of the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-04
COMMENDING TIM BAYLOR
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Tim Baylor was first appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in January 2011; and

WHEREAS, Tim Baylor brought important perspective to the Metropolitan Sports Facilities Commission, due to his experience and background in business and professional sports; and

WHEREAS, Tim Baylor was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Tim Baylor has faithfully discharged his duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout his term on the Metropolitan Sports Facilities Commission, Tim Baylor worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Tim Baylor for his years of service to the citizens of the State of Minnesota and commends him on his service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-05
COMMENDING PEGGY LUCAS
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Peggy Lucas was first appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in January 1993; and

WHEREAS, Peggy Lucas worked to secure national events such as the NCAA Men's Final Four Basketball Tournament and the NFL Superbowl at the Hubert H. Humphrey Metrodome; and

WHEREAS, As the Chair of the Concessions/Marketing Committee, Peggy Lucas worked tirelessly and diligently with the Minnesota Twins, the Minnesota Vikings and the University of Minnesota on marketing and with concessions' vendors to ensure a great fan experience; and

WHEREAS, Peggy Lucas also currently serves as Secretary of the Commission; and

WHEREAS, Peggy Lucas was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Peggy Lucas has faithfully discharged her duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout her term on the Metropolitan Sports Facilities Commission, Peggy Lucas worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Peggy Lucas for her years of service to the citizens of the State of Minnesota and commends her on her service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-06
COMMENDING CHARLES T. LUTZ
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Charles T. "Chuck" Lutz was appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in October 2006; and

WHEREAS, Chuck Lutz has served on several committees of the Commission, including the Intergovernmental Relations Committee, the Concessions Committee and the Capital Improvements Committee, and has used his keen intellectual prowess and knowledge of community and economic development in service to the Commission; and

WHEREAS, Chuck Lutz was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Chuck Lutz has faithfully discharged his duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout his term on the Metropolitan Sports Facilities Commission, Chuck Lutz worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Charles T. Lutz for his years of service to the citizens of the State of Minnesota and commends him on his service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-07
COMMENDING PAUL REXFORD THATCHER, SR.
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Paul Rexford Thatcher, Sr. was first appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in 1983 and reappointed in January 2007; and

WHEREAS, Paul Rexford Thatcher, Sr. served as Chair of the Finance Committee for 16 years, and during his tenure oversaw and provided direction and stewardship for the financial and budgetary matters of the Commission; and

WHEREAS, Paul Rexford Thatcher, Sr. was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Paul Rexford Thatcher, Sr. has faithfully discharged his duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout his term on the Metropolitan Sports Facilities Commission, Paul Rexford Thatcher, Sr. worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Paul Rexford Thatcher, Sr. for his years of service to the citizens of the State of Minnesota and commends him on his service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-08
COMMENDING LOANNE THRANE
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Loanne Thrane was first appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in January 1985; and

WHEREAS, Loanne Thrane has served on the Metropolitan Sports Facilities Commission for 28 years and is its longest serving member; and

WHEREAS, Loanne Thrane worked to secure many national and international events at the Hubert H. Humphrey Metrodome, such as the NCAA Men's Final Four Basketball Tournament and the NFL Superbowl; and

WHEREAS, as Chair of the Intergovernmental Relations Committee, Loanne Thrane has directed the legislative and political relationships of the Commission, fostered an understanding of the

Commission's purpose and role and participated in representing the Commission with all of its many public partners; and

WHEREAS, Loanne Thrane has also served as the Chair of the Finance Committee and is currently the Vice Chair of the Commission; and

WHEREAS, Loanne Thrane's wisdom, sense of humor and good old-fashioned common sense contributed mightily to the Commission's success; and

WHEREAS, Loanne Thrane was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl, NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Loanne Thrane has faithfully discharged her duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout her term on the Metropolitan Sports Facilities Commission, Loanne Thrane worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Loanne Thrane for her years of service to the citizens of the State of Minnesota and commends her on her service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

**RESOLUTION NO. 2012-09
COMMENDING RAY WALDRON
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Ray Waldron was first appointed to the Metropolitan Sports Facilities Commission by the Minneapolis City Council in January 2005; and

WHEREAS, Ray Waldron has served as Chair of the Capital Improvements Committee, and during his tenure oversaw and directed matters relating to the repair, replacement, maintenance, and improvement of the Metrodome; and

WHEREAS, Ray Waldron is currently serving as Treasurer of the Metropolitan Sports Facilities Commission; and

WHEREAS, the Metropolitan Sports Facilities Commission and the public it serves have benefited from Ray Waldron's background and experience in organized labor; and

WHEREAS, Ray Waldron was integral to the Commission's success in operating the Metrodome, the nation's only public stadium that does not rely on a continuing tax subsidy to support its operations, maintenance or debt payments, and which has hosted the World Series, Special Olympics, a Superbowl,

NCAA Final Four, collegiate and amateur sports, countless concerts, civic events, and other programs, conferences and events; and

WHEREAS, Ray Waldron has faithfully discharged his duties and responsibilities and has willingly assisted in countless initiatives of the Commission; and

WHEREAS, throughout his term on the Metropolitan Sports Facilities Commission, Ray Waldron worked to achieve the highest level of service for the citizenry while maintaining the highest level of responsibility for public dollars.

NOW, THEREFORE, BE IT RESOLVED that the Minnesota Sports Facilities Authority extends its gratitude and appreciation to Ray Waldron for his years of service to the citizens of the State of Minnesota and commends him on his service to the Metropolitan Sports Facilities Commission.

ADOPTED THIS 13th day of July, 2012, by the Minnesota Sports Facilities Authority.

Chair Kelm-Helgen commented that several of these Commissioners have been in their positions for many years. The Authority is fortunate that they are assuming the well managed assets, liabilities and obligations of the MSFC.

viii. Approve Agreement – City of Minneapolis Security Costs 2012

The City of Minneapolis provided security services in the amount of \$175,643.54 for the ten Minnesota Vikings football games held during the 2011 football season. This amount included the closing of streets and additional police officers on the exterior of the stadium for Vikings games.

The estimated costs for 2012 for Vikings games will be \$185,000.00.

The actual costs, including any playoff games, will be determined at the conclusion of the 2012 football season. The term of the Agreement shall be from August 17, 2012 through January 31, 2013.

Recommendation: *The Authority approves the Agreement for the City of Minneapolis Security Costs 2012 and authorizes the Chair and CEO/Executive Director to execute said Agreement. Motion made by Commissioner McCarthy and seconded by Commissioner Benson. Motion carried.*

ix. Authorize RFP Legal Services

The Metropolitan Sports Facilities Commission has conducted its legal services over much of its existence with the McGrann Shea Law Firm. The legal services have been comprised of two parts: general legal services and legislative representation/lobbying services. Special legal services have been solicited on an as needed basis.

The MSFA will require various types of legal services for conducting its business for both operations and during construction of the new stadium. Because the cost of these services is expected to be significant, staff is requesting the Authority to authorize request for proposals for such services.

Recommendation: *The Authority authorize staff to solicit request for proposals for legal services. Staff will return at a later date with a recommendation. Motion made by Commissioner Benson and seconded by Commissioner McCarthy. Motion carried.*

b. Report Items

i. Owners Representative Update

The MSFA received 14 proposals for the above services on July 11, 2012 at 4pm. Staff is currently reviewing the proposals. Staff will return with a recommendation for action on this matter at the August 3, 2012 meeting.

The firms that provided proposals are:

- JMI Sports/LaSalle Group
100 Park Blvd.
San Diego, CA 92101
- IFG/Studio Five Architects/John Klipsch Consulting
105 W. Adams Street
Suite 2700
Chicago, IL 60603
- Hammes Company
22 East Mifflin Street
Suite 800
Madison, WI 53703
- Weston/IceMiller/CT Consultants
4832 Richmond Road
Suite 100
Cleveland, OH 44128
- Mehaffey Group
PO Box 554
North Liberty, IA 52317
- B & D Ventures/Eden Resources/Don Eyberg Architects
1140 Connecticut Ave.
Suite 400
Washington, DC 20036
- FAnderson/Schulze Corp./Stiles Const./Pegasus Group I
347 North New River Drive East
Suite 2603
Ft. Lauderdale, FL 33301-3169

- John R. Gockel & Associates, Inc
11120 Stanley Circle
Bloomington, MN 55437
- PC Sports/Bond Facilities Consulting
311 North 8th Street
Suite 102
Lincoln, NE 68508
- URS
100 South 5th Street
Suite 1500
Minneapolis, MN 55402
- Oxford Development Company/DLA+ Architects
One Oxford Centre
Suite 400
Pittsburgh, Pennsylvania 15219
- Clark Engineering/ICS/Perkins + Will
621 Lilac Drive North
Minneapolis, MN 55442
- Plenary Group USA LTD
333 Bay Street, Suite 4920
Box 18, Bay Adelaide Centre
Toronto, ON M5H 2R2
- MOCA Systems
9 Exchange Place
Boston Building, Suite 725
Salt Lake City, UT 84111

Recommendation: *No action is required at this time. This is for informational purposes only. Staff will return with a recommendation at the 8/3/2012 meeting.*

ii. New Stadium Program Review – Metrodome Next Program

Prior MSFC Actions

The Metropolitan Sports Facilities Commission in 2006 hired ROMA , a firm from San Francisco, California to examine urban planning issues for a new football stadium on the current Metrodome site. Following this, in 2008 the Commission issued request for proposals to perform preliminary design and evaluate the costs for a new stadium on the current site of the Metrodome (aka “MetrodomeNext”). The Commission selected HKS Architects from Dallas, Texas and local firm Mortenson, following interviews as its architectural and construction management consultants respectively. Key personnel of the Minnesota Vikings were intimately involved in all of the planning, work, and discussions. The conceptual through schematic planning work was based upon the following base program elements:

Programmatic design elements and work that will be analyzed for the Commission include:

- Ability to meet or exceed the requirements for a National Football League Franchise and a Super Bowl event.
- Ability to be multipurpose and be utilized for the following events
- NCAA Men's or Women's Championship Basketball
- Professional or amateur soccer
- Motorsports events
- Trade shows, community, or cultural events
- Amateur baseball
- Other national or international events
- Climate controlled facility with a retractable roof
- The Commission desires creativity and innovation in evaluating the retention and reuse of existing structure, systems, or equipment in the reconstruction of a stadium to the extent reasonable and practicable. As part of the conceptual design the architect shall review and determine to what extent necessary and practical demolition must occur to the HHH Metrodome as part of the reconstruction.
- Develop a sustainable design that achieves LEED certification if constructed
- Programmatic design elements must meet or exceed the requirements of the National Football League. The following programmatic design elements have been provided by the Vikings:
- 65,000 seats expandable to 72,000 seats for a Super Bowl
- Seating that meets all current ADA requirements
- 7,500 club seats (included in above seat count)
- 150 private suites. Suites to have size, capacity, and amenities of comparable NFL facilities
- 1155 car parking structure onsite as part of a 2500 parking spot requirement adjacent to the stadium
- Vikings Hall of Fame area
- Vikings team store
- State of the art audio and high definition video systems
- Restroom facilities which meet or exceed current stadium designs especially for women and families
- Compliance with all relevant codes including storm water management
- Increased numbers and improved means of vertical transportation within the facility including passenger elevators and escalators
- Loading dock and television truck areas (Minimum 60,000 sq. ft.)
- State of the art team locker and training facilities for game day
- Player and coaching staff family waiting areas
- Building Size approximately 1.6 million square feet
- Security elements and building setbacks consistent with current NFL and State of Minnesota requirements
- Exterior fan plaza areas for pregame production elements
- Club and restaurant opportunities within the stadium
- Concessions points of sale consistent with current NFL stadium design as well as necessary back of the house work areas.

- Additional office spaces for the Vikings and Commission including but not limited to ticketing, sales and marketing, conference room, concessionaire office, employee locker, and all other necessary spaces as usual and normal

Mortenson performed a detailed costing of the proposed design and estimated the project cost to be about \$982M (2009 estimate). The program document that was developed under this process was previously provided to Board members as part of its briefing manual and is located on the MSFC's website (www.MSFC.com).

Current Status

The State of Minnesota in its enabling legislation for the Authority this year listed a number of program elements that mirror those above. Specifically the new stadium would include:

- Approximately 1.5M square feet in size
- Approximately 65,000 seats expandable to 72,000
- Meet or exceed NFL program requirements
- Have approximately 150 suites
- Have approximately 7,500 club seats (included in the 65,000 seat count)
- Have year round space for team administrative operations, sales & marketing space including ticket office, team meeting space, locker and training rooms
- Have space for NFL team museum and Hall of Fame, retail merchandise and retain gift shop space, themed concessions and restaurants.
- Space for the Authority administrative offices
- 2000 parking spaces within one block of the stadium connected by skyway or tunnel to the stadium and 500 spaces within two blocks of the stadium with a dedicated walkway on game days.
- Elements sufficient to provide community and civic uses as determined by the Authority and other such components agreed to by the Authority and Team.
- A roof that is fixed or retractable/or having a roof feature.

The total project cost is \$975M.

Staff will be discussing with the Vikings and its consultants the applicability of the MetrodomeNext program document for future use in design/contractor procurements. Staff has sent the prior program document to key users of the Metrodome such as Feld Motorsports, the NCAA Mens Basketball Championship group, and to potential future users such as the Bowl Championship Series for their review and response as to its adequacy for their event use.

Recommendation: *No action is required at this time. This is for informational purposes only.*

iii. Monthly Financial Update – May 2012 Report

Mary Fox-Stroman presented the monthly financial reports. The report discussed was Metropolitan Sports Facilities Commission's Monthly Financial Report as of May 31, 2012. Included in the report are the budgetary comparison statements and the accounts receivable summary. Copies of the reports are on file in the Authority office.

iv. Insurance Update

A comprehensive property and casualty insurance program has been established by the Metropolitan Sports Facilities Commission (Commission) for the policy period from June 15, 2012 through June 15, 2013. Associated Insurance Agents (AIA) marketed this program by contacting several insurance carriers for information on pricing, availability, and capacity to insure the Metrodome and its operations. Due to the creation of the Minnesota Sports Facilities Authority (Authority) and the abolishment of the Commission AIA has initiated a transition process for the insurance program to ensure continuance of the insurance coverage. Following is a summary of the property and casualty insurance program including the policy type, insurance carrier, coverage limit, deductibles, policy premium, and the transition plan.

Property. The property program has a multi-tiered loss limit approach where each loss layer is less than the total blanket amount and it is structured to combine several layers together to provide the coverage for the total property value. This approach was necessary to achieve the required capacity, coverage, and cost parameters. The loss limit approach has four layers for a total property limit of \$315 million. The following insurers participate in the program:

Layer 1 - \$ 25 million – Lloyds of London

Layer 2 - \$ 25 million – Limit shared by Aspen (50%) and Arch (50%)

Layer 3 - \$250 million – Limit shared by Great American (20%), RSUI (40%), One Beacon (40%)

Layer 4 - \$ 15 million - Axis

The total premium for this approach was \$627,556.30. This policy includes the following deductibles: property and time element and named storms \$50,000, flood and earth movement \$100,000, property in transit \$25,000, and roof \$500,000. The policy includes \$1 million terrorism coverage and provides three years of business income. Transition plan for this policy is to endorse the policy to reflect the Authority as an additional insured until July 31, 2012. On August 1, 2012 the policy will be endorsed to show the Authority as the primary named insured and the Commission as an additional insured.

Roof Deductible Buy-Back. Mt Hawley renewed the roof deductible buy back policy for a premium of \$53,070.55. The policy limit is \$475,000 in excess of a \$25,000 loss per occurrence and an annual aggregate of \$950,000. The policy provides terrorism coverage. Transition plan for this policy is to endorse the policy to reflect the Authority as an additional insured until July 31, 2012. On August 1, 2012 the policy will be endorsed to show the Authority as the primary named insured and the Commission as an additional insured.

Boiler and Machinery/Equipment Breakdown. The property program excludes boiler and machinery/equipment breakdown coverage. Hartford Steam Boiler renewed the policy for a premium of \$8,860. The policy limit is \$100 million for equipment breakdown with a business income limit of \$6,417,500. The policy has a \$50,000 deductible and it provides terrorism coverage. Transition plan for this policy is to endorse the policy to reflect the Authority as an additional insured until July 31, 2012. On August 1, 2012 the policy will be endorsed to show the Authority as the primary named insured and the Commission as an additional insured.

Property Terrorism. Underwriters at Lloyds renewed the property terrorism policy for \$77,310. The policy limits is \$150 million for each occurrence and in the annual aggregate with a \$1 million deductible per occurrence. Transition plan for this policy is to endorse the policy to reflect the Authority as an

additional insured until July 31, 2012. On August 1, 2012 the policy will be endorsed to show the Authority as the primary named insured and the Commission as an additional insured.

General Liability and Umbrella. Axis provides coverage for both the general liability policy and the umbrella policy for a combined premium of \$64,139. This premium is flat and is not subject to audit. General liability policy limits are \$1 million per occurrence, \$2 million general aggregate, \$2 million products/completed operations aggregate including \$1 million per occurrence and aggregate limit for liquor liability, and \$300,000 fire legal liability. Deductible limit is \$0. Medical expense is not included. The policy provides terrorism coverage. Transition plan for this policy is to add the Authority to the policy with cross suits exclusion as of June 22, 2012. The policy will be cancelled and then rewritten on August 1, 2012 with the Authority as the primary named insured and the Commission as an additional insured to preserve defense coverage.

The Umbrella policy limit is \$10 million with a self-insured retention of \$10,000 for losses not covered by the primary policies. The policy provides terrorism coverage. Transition plan for this policy is to add the Authority to the policy with cross suits exclusion as of June 22, 2012. The policy will be cancelled and then rewritten on August 1, 2012 with the Authority as the primary named insured and the Commission as an additional insured to preserve defense coverage.

Commercial Automobile. Axis provides coverage for the commercial automobile policy for a premium of \$1,001. Limits are: bodily injury/property damage \$1 million, uninsured/underinsured motorist \$1 million and personal injury protection \$20,000. Deductibles for physical damage are \$250 for comprehensive and \$500 for collision. This policy includes terrorism coverage. Transition plan for this policy is to add the Authority to the policy with cross suits exclusion as of June 22, 2012. The policy will be cancelled and then rewritten on August 1, 2012 with the Authority as the primary named insured and the Commission as an additional insured to preserve defense coverage.

Crime. Chubb Group of Insurance Companies/Federal Insurance Co. provides this coverage for a premium of \$8,575. The policy limits are \$1 million for employee dishonesty, forgery and alteration and computer theft and funds transfer fraud with a \$5,000 deductible. Coverage includes a \$10,000 limit for theft, disappearance or destruction of money and securities. This policy includes terrorism coverage. Transition plan for this policy is to cancel the Commission policy effective July 31, 2012. The Authority is required to submit a new application and then a new policy will be written with an effective date of June 22, 2012.

Workers Compensation. SFM provides this coverage the workers compensation policy for a premium of \$28,838. The policy limits are statutory for Part A and \$1 million bodily injury by accident/disease for Part B employers' liability. The policy provides terrorism coverage. The premium is subject to an audit of payroll costs. Transition plan for this policy is that it would be effective until August 1, 2012 when Commission employees become employees of the Authority. A new policy will be written effective June 22, 2012 to provide coverage for the Authority employees and then on August 1, 2012 the former Commission employees will be added to the new policy.

Public Officials Liability.

Chartis/National Union Fire Insurance Co. provides this coverage for a premium of \$25,722. The policy limits are \$3 million for each Wrongful Act and \$3 million annual aggregate with a \$25,000 self-insured retention for each loss. The policy is claims made and responds to claims brought against the insured public entity, its employees and volunteers for any alleged or actual breach of duty, neglect, error,

misstatement or omission in the course of public duties including employment practices violations. The policy provides terrorism coverage. Transition plan for this policy is to cancel the Commission policy effective July 31, 2012 and exercise an extended discovery option for claims. The Authority is required to submit a new application and then a new policy will be written with an effective date of June 22, 2012.

There is an option to remarket the insurance program at the Authority's request with a 30-60 days written notification.

ANNOUNCE FUTURE MEETINGS

- a. Regularly Scheduled Meeting - Friday, August 3, 2012 at 9:00a.m.
- b. Retreat – Friday, August 3, 2012; after a short recess, following the 9:00am meeting

ADJOURNMENT

There being no further business to come before the Authority, a motion was made by Commissioner McCarthy and seconded by Commissioner Benson to adjourn the meeting. Motion carried. Chair Kelm-Helgen adjourned the meeting at 9:50 a.m.

ADOPTED this 3rd day of August, 2012 by the Minnesota Sports Facilities Authority.

William McCarthy
Secretary

Ted Mondale
CEO / Executive Director