



**MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES**

**Tuesday, May 27, 2014, 9:00 A.M.**

**1010 Metrodome Square Building, Lower Level Conference Room**

**1010 South 7<sup>th</sup> Street, Minneapolis, MN 55415**

**1. CALL TO ORDER**

Chair Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority to order at 9:03 AM.

**2. ROLL CALL**

Commissioners Present: Chair Kelm-Helgen, Commissioner Butts Williams, Commissioner McCarthy, Commissioner Benson and Commissioner Griffith.

Commissioners Absent: None

**3. ADOPTION OF AGENDA**

Chair Kelm-Helgen presented the agenda. Commissioner McCarthy moved approval of the agenda, seconded by Commissioner Butts Williams and approved unanimously – 5 YEAS, 0 NAYS.

**APPROVED**

**4. APPROVAL OF AUTHORITY MEETING MINUTES**

Commissioner Butts Williams moved approval of the April 18, 2014 Regular Meeting Minutes, the April 18, 2014 “Committee of the Whole” Work Session Minutes, the May 14, 2014 Special Meeting Minutes and the May 15, 2014 Special Meeting Minutes, seconded by Commissioner Benson and approved unanimously – 5 YEAS, 0 NAYS.

**APPROVED**

**5. CHAIR’S REPORT**

Chair Kelm-Helgen reported that there has been significant progress made on the construction site. Allen Troshinsky will offer a more detailed report later in the meeting.



Chair Kelm-Helgen reported that Minnesota was successful in securing the Super Bowl bid for 2018. She believes this bodes well as the Authority looks to attract other big events. The reason that the State of Minnesota and the City of Minneapolis invested the money into this facility is for economic purposes, and we are seeing that come to fruition through securing major events such as the Super Bowl. It is estimated that 100,000 people will be coming to the city in 2018. These people will fill the hotels and restaurants and shop in our stores. Minneapolis is also a finalist for the NCAA Final Four. This will be decided in November 2014. The bid was submitted on May 9, 2014 and the co-chairs of the local organizing committee will be announced soon. In addition, the Ryan Development that is moving forward. A groundbreaking ceremony for the Wells Fargo Towers along with urban park took place this week.

Special board meetings were held earlier in the month to interview third party operator candidates. The Authority and Team will be conducting follow-up interviews within the next couple of weeks. Final selection will occur in July 2014. As this selection is important to the Authority and Team, a lot of time will be spent vetting the candidates.

Chair Kelm-Helgen wanted to make special mention with the Super Bowl. The Vikings and the Wilfs led this entire effort. It was the group of 32 NFL owners that took the vote. The real hard work in getting the bid completed came through the Team. Chair Kelm-Helgen thanked them for their work. Commissioner McCarthy also thanked the Team for their efforts. He asked if the Indianapolis Final Four study were the only numbers to go on for the revenue projections. Chair Kelm-Helgen responded that as the city is quite similar to Indianapolis, it was the best model to develop projections. It is estimated that it will bring \$70-\$90 million into the community. It is a 4-day event, and is much different from the Super Bowl. Approximately 20,000 hotel rooms were required for the Super Bowl while the Final Four only requires 12,000 rooms. The All-Star game requires 29,000 rooms. The Super Bowl is estimated to bring in \$300 million. While these are just estimates and we can't be sure, there will still be significant economic impact through these major events.

## **6. BUSINESS**

### **a. Action Items**

#### **i. Approve & Authorize Request for Qualifications & Proposals – Parking Services**

In February 2014, the MSFA purchased the Downtown East Parking Garage and McClellan Block Parking Lot. The Downtown East Parking Garage has 453 parking spaces and the McClellan Block Parking Lot has 250 surface parking spaces.

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



At the time of closing on the properties, to ensure business continuity, the existing parking management company, Alatus, LLC was retained to manage both the Downtown East Parking Garage and the McClellan Block Parking Lot. The contract with Alatus, LLC provides for a 90 day written notice of termination.

The staff is requesting authorization to issue a Request for Proposals for the ongoing management of the Downtown East Parking Garage and McClellan Block Parking Lot.

**Recommendation: The Authority authorizes the issuance of a Request for Proposals for Parking Management Services.**

**Commissioner McCarthy moved approval of the recommendation. Commissioner Griffith seconded the motion.**

**APPROVED**

#### **ii. Approve 2014 Salary Recommendations**

The Authority's human resources consultant and staff reviewed salary and wage rate information from published salary surveys to assist in recommending an increase for 2014. The surveys projected salary budget increases of 2.6%-3.1% for the national average, Minnesota and Minneapolis.

The Commissioner of Minnesota Management & Budget (MMB) approved a 3% increase in the compensation limit of employees of local and metropolitan units of government effective July 2013 and a 3% increase effective July 2014.

The Authority has an estimated annualized salary expense of \$1,115,416.00 for non-labor agreement employees. The annualized cost of the recommendation for 2014 for the MSFA personnel is \$28,532.82.

The last wage rate adjustment for the Authority staff was approved by the MSFA Board at the December 2012 meeting and was implemented on January 1, 2013.

The maintenance employees were granted severance packages in February and are on a lay-off status pending the opening of the MMPS, so there are no Construction and General Laborers' Local No. 563 active employees.

Due to the closure of the H.H.H. Metrodome, there have been a number of job changes and re-assignment of duties to reflect the current workload of the operation. The Director of Facilities and Engineering duties changed from overseeing the physical plant at the Metrodome to consulting on all aspects of the construction of the new MMPS.

The current responsibilities include contract management for Hammes, HKS, Mortenson and other project consultants, issuing RFPs and bids as required and reviewing the new stadium operating plans.



It is proposed that with the changed responsibilities, the position title be changed to Senior Stadium Director.

The position of Event Services Manager has changed from event-related responsibilities to the direction of the business operations. The responsibilities include administration of the parking operations, human resources, MSFA risk management, capital asset management, website and contract document management, consulting on MMPS project elements and future events marketing. It is proposed that with the changed responsibilities, the position title be changed to Director of Business Operations.

The Technical Services Manager position has changed from managing all of the building services at the H.H.H. Metrodome to managing the maintenance of the parking operations, providing project management for any construction projects needed on the parking properties, overseeing storage of MSFA assets, overseeing the disposition of assets, and consulting on the technical and operational elements for the MMPS. It is proposed that the title for this position be changed to Manager of Technical and Parking Services.

It is recommended that the salary and wage rate schedules and position titles be adjusted as follows:

1. 3.0% - cost of living increase for all employees
2. Change of position from Director of Facilities and Engineering to Senior Stadium Director
3. Change of position from Event Services Manager to Director of Business Operations. Increase salary to reflect the change of responsibilities.
4. Change of position from Technical Services Manager to Manager of Technical and Parking Services

**Recommendation: The Authority approves the attached 2014 salary and wage schedule and position changes effective June 1, 2014.**

**Commissioner McCarthy moved to approve the recommendation. Commissioner Butts Williams seconded the motion.**

**APPROVED**

## **b. Report Items**

### **i. Budget Report**

Attached is the fourth quarter budget report for the Minnesota Sports Facilities Authority, for the period from January 1, 2013 through December 31, 2013.

The budgetary comparison report for the operating, repair/replacements and concessions account includes the Authority's adopted 2013 annual budget, actual revenues and expenses as of the fourth quarter 2013,



the change in account balance, and the ending account balance as of December 31, 2013. The Authority's fourth quarter 2013 operating revenues totaled \$20,543,956, operating expenses totaled \$20,874,742, and net non-operating revenues and expenses were \$890,411. As of December 31, 2013, the account balance increased by \$559,625, and the ending account balance was \$12,639,848.

The budgetary comparison report for the stadium project trust account includes the project budget, actual revenues and expenses for 2012, actual revenues and expenses as of December 31, 2013, and a project-to-date column. As of December 31, 2013, the stadium project trust account revenues totaled \$588,346, project expenses were \$53,102,181, net non-operating revenues and expenses were \$0, capital contributions were \$52,513,835, and the ending account balance was \$0.

Project-to-date revenues totaled \$1,421,527, project-to-date expenses totaled \$56,482,300, and project-to-date contributions were \$55,060,773, for a net account balance of \$0.

Also attached is the December 31, 2013 cash and investment summary.

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

## ii. Equity Update

During the past month, the Equity Program conducted a number of outreach activities. The project was in its fifth month and continues to exceed expectation. Activities where the Equity Program was highlighted reflected the following:

- Interior Finishes MWBE Meet & Greet
- Retractable & Fixed Seat Pre-Proposal MWBE Meet & Greet
- Military Action Group Meeting Update
- Mechanical MWBE Meet & Greet
- Interior Finishes #8 Meet & Greet (Masonry, Metals, Glass, Doors, Food Services Equip.)

The project reports were submitted April 20, 2014 with March 2014 results. The April 2014 report is currently being reviewed. These are anticipated to be posted on the MSFA website for transparency purposes.

- The EAF is currently conducting outreach and training for resource efforts in support of the project.
  - Outreach: 290 Workers identified; 80 available for hire
  - Training: 58 Minorities; 19 Women; 3 Veterans (Total: 80)
  - EAF Event identified 38 community members available for hire
- Mortenson/Thor Construction provided a workforce report, **as of March 31, 2014**.
  - Exceeding both minority (32%) and women (6%) goals at;
  - **36% minority, 9% women and 5% veteran**
  - 118,952.3 hours total
  - **46 Workers from the TARGETED ZIP CODES** in the metro area
- HKS provided a Targeted Business report on design activity, **as of March 31, 2014**.



- Exceeding both MBE (8%) and WBE (11%) goals at;
  - **MBE 8.89%**; 18 Firms; 3.23% Paid to date (\$2,852,690)
  - **WBE 11.11%**; 19 Firms; 6.31% Paid to date (\$3,567,630)
- Mortenson/Thor Construction provided a Targeted Business report, *as of March 31, 2014*. Exceeding both MBE (9%) and WBE (11%) goals at;
    - 36 MBE Contracts totaling 12%; (\$61,383,524.50)
    - 42 WBE Contracts totaling 25% (\$126,259,934.41)
    - 2 WBE firms totaling 1.3% (\$6,750,000)
    - Total Commitment in February: \$513,983,889

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

## **ii. Construction Project Update**

Allen Troshinsky offered a construction update on behalf of Mortenson/Thor. There has been a tremendous amount of activity continuing on site. A transition has been occurring out of the earthwork and into vertical construction activities. It is obvious to those passing by the site. Excavation was completed in May 2014. Concrete work is 15% complete. Those concrete activities are related to columns, walls and elevated slabs. The east sideline where the lower club level is located is taking shape and expanding in a clockwise and counterclockwise direction. Plumbing and electrical work is continuing and a permanent drainage system is being established. The 5<sup>th</sup> tower crane will arrive in another couple of weeks. This will be the last tower crane. In the month of June, mobile tower cranes will arrive to facilitate steel erection. Concrete foundation work continues on the site as well. Elevated concrete is forming the main concourse. One level has been poured. Mortenson/Thor will continue to expand the steel erection work. This will begin in earnest in July. Mortenson/Thor is developing two foundational elements of the primary steel beam that will support the roof. After that element is sourced, another column will be erected with 32 tons embedded into it. This is very similar to what can be seen in the construction milestone activities. Mortenson/Thor is precipitating the start of the structural steel work. As previously noted, Mr. Tittle offered a report on the equity numbers, which are trending very well. The project is currently exceeding the goals for workforce and targeted business participation. In April 2014, the project averaged 325 workers per day, which is a reflection of earthwork activities winding down. There will be another peak in a month as steel erection workers begin to mobilize to the site. Procurement efforts have begun this month and will carry through in a phased process through the end of the summer. Mortenson/Thor is advertising and conducting outreach efforts through community-based meetings and meetings with the trades. Another noteworthy item is that safety week occurred in early May. Contractors across the US participated in a week filled with activities promoting safety on the job site. Mortenson/Thor was happy to participate in these events as they shine a light on safety in the workplace. Authority and Vikings representatives spoke to the workforce, which lent the perspective of customers and owners to the workforce. In summary, the project remains on time and on budget and is trending well with equity participation.



7. **PUBLIC COMMENT**

One individual came forward to address the board.

1. Lennie Chism – Mr. Chism relayed his concerns regarding the equity goals and hiring for new stadium operations post construction. He questioned Authority staff responses to his inquiries and is seeking more information on what opportunities will be made available for minorities in the new stadium.

8. **DISCUSSION**

No discussion occurred.

9. **ANNOUNCE FUTURE MEETINGS**

Friday, July 18, 2014 at 9:00 A.M – MSFA Board Meeting, 1010 Metrodome Square Building

10. **ADJOURNMENT**

There being no further business to come before the Authority, Commissioner Benson moved to adjourn the meeting, seconded by Commissioner McCarthy and approved unanimously.

The meeting was adjourned at 9:43 am.

ADOPTED this 20<sup>th</sup> day of June 2014 by the Minnesota Sports Facilities Authority

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Duane Benson, Secretary

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Ted Mondale, CEO/Executive Director



**MINNESOTA SPORTS FACILITIES AUTHORITY SPECIAL MEETING MINUTES**

**THURSDAY, JUNE 5, 2014, 10:30 A.M.**

**Dorsey & Whitney Law Firm,**

**50 S 6th St #1500, Shanghai Conference Room, Minneapolis, MN 55402**

**1. CALL TO ORDER**

Chair Michele Kelm-Helgen called the special meeting of the Minnesota Sports Facilities Authority to order at 10:26 AM.

**2. ROLL CALL**

Commissioners Present: Chair Kelm-Helgen, Commissioner Butts Williams, Commissioner Benson, Commissioner McCarthy and Commissioner Griffith.

Commissioners Absent: None

**3. MOTION TO CLOSE MEETING**

Commissioner Benson moved to close the meeting pursuant to Minnesota Statutes section 13D.05, subdivision 3(d) and section 473J.11, subdivision 1(d). The closed portion of the meeting will be for interviewing General Manager candidates for Providing Pre-Opening, Management, Operating and/or Marketing Services for the MN Multi-Purpose Stadium. Commissioner McCarthy seconded the motion.

**APPROVED**

**4. MOTION TO OPEN MEETING**

Commissioner Griffith moved to open the meeting. Commissioner Benson seconded the motion.

**APPROVED**

**5. ADJOURNMENT**

There being no further business to come before the Authority, Commissioner Benson moved to adjourn the meeting, seconded by Commissioner McCarthy and approved unanimously – 5 YEAS, 0 NAYS. Chair Kelm-Helgen adjourned the meeting at 5:47 PM.





ADOPTED this 20th day of June 2014 by the Minnesota Sports Facilities Authority

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Duane Benson, Secretary

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Ted Mondale, CEO/Executive Director