



**MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING AGENDA**

**Monday, March 21, 2016, 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
2. ROLL CALL
3. ADOPTION OF AGENDA
4. APPROVAL OF AUTHORITY MEETING MINUTES  
-Regular Meeting, February 19, 2016
5. CHAIR'S REPORT
6. BUSINESS
  - a. Action Items
    - i. Approve Construction Services Agreement – Contract Revision #67 and #68
    - ii. Approve Budget Adjustments
    - iii. Accept Team funding of NE Expansion Area
  - b. Report Items
    - i. NFL and Broadcast Network Cabling Report
    - ii. SMG Report on Hiring Security Provider for U.S. Bank Stadium
    - iii. Equity Update
    - iv. Construction Update
7. PUBLIC COMMENTS
8. DISCUSSION
9. ANNOUNCE FUTURE MEETINGS – Friday, April 15, 2016, 9:00 A.M. – Board Meeting
10. ADJOURNMENT



**MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING AGENDA**  
**Friday, February 19, 2016, 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 (MSFA) to order at 9:00 AM.

2. **ROLL CALL**

Commissioners Present: Chair Kelm-Helgen, Commissioner Butts Williams, Commissioner Griffith  
Commissioners Absent: Commissioner McCarthy and Commissioner Sertich

3. **ADOPTION OF AGENDA**

Chair Kelm-Helgen presented the agenda. Commissioner Butts Williams moved approval of the agenda, seconded by Commissioner Griffith and approved unanimously – 3 YEAS, 0 NAYS

**APPROVED**

4. **APPROVAL OF AUTHORITY MEETING MINUTES**

Commissioner Griffith moved approval of the January 15, 2016 Regular Meeting Minutes seconded by Commissioner Butts Williams and approved unanimously – 3 YEAS, 0 NAYS.

**APPROVED**

5. **CHAIR'S REPORT**

As you may recall, the Authority, Mortenson, and the Design Team have been engaged in negotiations and a mediation process. We have had many long sessions, over many months discussing how to address disputed cost issues that have arisen over the past years. The current disputed costs started at \$15 M and have now grown to \$16.8 M. The Minnesota Sports Facilities Authority and its consultants have estimated potential future disputed cost issues of \$9M-\$12M, which is expected to cover costs until Project completion. But to put this into perspective these cost disputes are less than 2% of the total project budget.

We think we have reached a sensible resolution of those issues, and we're pleased to present to the Board for its consideration a settlement agreement that could not only resolve the existing claims of



\$16.8M, but also creates a process that responsibly resolves an estimated \$9M-\$12M in future claims numbers, that together with current claims are estimated to be \$26M-\$29M.

The agreement reached calls for the Authority to contribute \$16.25M toward a settlement. I want to be clear, no additional state/taxpayer money is needed for this settlement. Current project funds along with an additional contribution from the Vikings will cover this as I will further outline.

The settlement includes a provision that calls for the Authority to deposit its contribution in an escrow account until Substantial Completion (which is July 29th,). This settlement has Mortenson assuming the financial risk for potential future cost issues until substantial completion. At that time, Mortenson will have the option to either accept the escrow amount in settlement of what are now existing claims and future claims. By Substantial Completion, what are today future estimated claims should be then fully known, as Mortenson will continue to track its actual costs on these claims from now until Substantial Completion. The knowledge of what those costs actually total at Substantial Completion will allow Mortenson to decide whether to accept the escrow in settlement of all claims or proceed forward with the arbitration it has filed, if its claim costs are significantly higher than we all anticipate today.

If Mortenson does not accept the Authority's escrow amount, the \$16.25M that the Authority has contributed will return to the Authority. The Authority also has the option of rejecting the settlement and receiving a return of its money, if the amount of certain future claims exceed their estimated cost and we decide we need to reserve this money to cover those future cost issues as well.

The premise of this escrow account structure is that it allows both parties to have protection to move in a different direction at Substantial Completion should either party experience major, unexpected cost increases. Neither party anticipates this will happen, but it provides protection to both parties.

For the MSFA to comfortably make this settlement, we needed to be sure we had enough money remaining in our contingency to close out the project. Our contingency release schedule and our current costs estimates, suggested we needed to leave at least \$10M in MSFA contingency to close out the project. We have accomplished this goal; in fact, we have exceeded this amount.

To further recap and detail where we are at, following this settlement, which places \$16.25M in an escrow account, the MSFA's contingency balance will be \$13.5M. We accomplished this with two major funding sources:

The MN Vikings have again stepped up and are adding \$5.4M to the project for this settlement agreement and for improvements that have to be made. In addition, the MFSFA has \$4.5M in our project budget that was designated early on as money allocated to the MSFA for project close-out costs. We are moving this \$4.5M to our contingency today to ensure we cover our costs and still have adequate contingency available to close out our project.

Furthermore, we are using this opportunity to fund some additional costs that arose as the project nears completion. A few examples of costs we are paying for today include things like cabling necessary for



local and national broadcasters in the building and increased security requirements that led to the purchase of walk through magnetometers.

I believe we have approached this budget/claims/mediation in a most responsible and fiscally conservative manner. Like everything on this project, it was a very complicated agreement, but creating a process that addresses current AND future claims is unavoidably complex. Our mediation took some time to complete, as we needed to make sure our contingent reserves were adequate to complete the project, and we scrubbed our budgets thoroughly before agreeing to a final settlement number.

We also wanted to make sure we covered future cost issues, so we have some certainty on costs, as we complete this project. Then, we ensured another level of protection through the Authority's ability to withdraw from the settlement just in case unexpected issues, which no one anticipates, should occur.

What is unique and hopeful about this settlement structure, however, is that it creates positive incentives for every party to act in a way that reduces the chance for and amount of future claims. These incentives should encourage and lead the Authority and Mortenson to accept the settlement escrow at Substantial Completion and thereby finalize the settlement.

This is another MAJOR milestone that we have completed, and it allows us to preserve the excellent, collaborative working relationship among the Authority, the Design Team, and Mortenson so we can complete this amazing building on time and on budget.

I want to thank the board for their support in our negotiations every step along the way, and our staff, our attorneys, our mediator and our consultants who helped us shape this agreement. Once again, it was a partnership with the Authority, the Vikings, Mortenson and the Design Team coming together and re-committing to the effective partnership we had formed.

We will answer any questions of the press following our board meeting, and copies of this statement are available for the press as well.

6. **BUSINESS**
  - a. **Action Items**
    - i. **Approval of mediation resolution**

During a special Board meeting at 8:00 a.m. on Friday, February 19, 2016, the Board will be discussing a proposed settlement of a demand brought by M.A. Mortenson Company. The template contract revision that was provided, was approved and can be executed by MSFA staff immediately upon acceptance of the Settlement Option by Mortenson.



**Recommendation:** *The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute a Settlement Agreement and Release, and related documents including the related contract revision template, regarding the demand filed by M.A. Mortenson Company on August 3, 2015 once all conditions precedent to that Agreement have occurred. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

APPROVED

ii. Amendments

1. Viking's Stadium Development Agreement Amendment
2. Viking's Stadium Use Agreement Amendment

The Minnesota Sports Facilities Authority (Authority) negotiated with the Vikings to provide certain additional enhancements to U.S. Bank Stadium. This will result in additional Vikings funding of approximately \$5.45 million. These enhancements require amendments to the Stadium Development Agreement and the Stadium Use Agreement.

The Second Amendment to the Second Amended and Restated Development Agreement will provide additional funding for certain:

- Broadcast cabling requirements for local and national media
- Magnetometers to enhance security
- Catwalk netting for enhanced operational safety
- Finalized field turf selections
- Stadium Plaza enhancements

This is funded by the Viking contributions and project allocations detailed in the amendment and the project budget adjustments.

The Fourth Amendment to the Amended and Restated Use Agreement designates certain long term Vikings usage rights within the Stadium based on the final designs and construction. These include:

- Chairman's Lounge area
- Team stores
- Team storage areas
- Team Hall of Fame
- Revised annual parking plan

Upon execution and final approval by the NFL and Vikings' lenders, the amendments would be incorporated into revised amended and restated agreements for clarity and ease of reference.



**Recommendation:** *The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Second Amendment to the Second Amended and Restated Development Agreement and the Fourth Amendment to the Amended and Restated Use Agreement, and to prepare and deliver updated amended and restated versions of the Development Agreement and the Use Agreement. Commissioner Butts Williams moved to approve the recommendation. Commissioner Griffith seconded the motion.*

**APPROVED**

### iii. Construction Funds Trust Agreement & Settlement Trust Agreement

The Settlement Agreement by and between the Minnesota Sports Facilities Authority (Authority), Minnesota Vikings Football Stadium, LLC, M.A. Mortenson Company, and the Design Team requires the Authority, the Team and the Design Team to place certain funds in a trust account to be held until the Settlement Amount is accepted or rejected. In order to receive and temporarily hold the settlement funds during the option period, a Settlement Funds Trust Agreement will be established by and between the Design Team, the Authority, the Team, and U.S. Bank as trustee. Additionally, minor amendments are required to the current Construction Funds Trust Agreement to allow the Authority to disburse funds to the Settlement Trust and subsequently disburse funds received from the Settlement Trust consistent with the Settlement Agreement and pursuant to the Authority's standard payment process for costs related to the stadium project.

Staff is requesting that the Authority authorize the Chair and the CEO/Executive Director to finalize the terms of and execute the Settlement Funds Trust Agreement and the related amendment to the Construction Funds Trust Agreement to ensure the proper safekeeping and ultimate distribution of funds.

**Recommendation:** *The Authority authorizes the Chair and the CEO/Executive Director to finalize the terms of and execute the Settlement Funds Trust Agreement and the related amendment to the Construction Funds Trust Agreement. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

**APPROVED**

### iv. Approval of Budget Adjustments

The items identified that require adjustments to the Master Project Budget are summarized below:

- A) Mediation Settlement and Additional Project Improvements
- B) Commemorative Brick Proceeds
- C) Mortenson Issue 3731, West Scoreboard Framing
- D) Lawrence Sign, Sponsorship Signage Package

Additional details regarding the above are outlined within the corresponding recommendations.



## A) Mediation Settlement and Additional Project Improvements

The MSFA, Team, HKS and Mortenson Construction have reached a Mediation Settlement Agreement related to existing and future claims. The settlement was reached with the understanding that funding will be set aside to cover the costs of the existing and future claims as outlined in the Settlement Agreement.

In addition, we are using this opportunity to fund some additional project improvements and costs that arose as the project nears completion. Examples of the project improvements include things like cabling necessary for local and national broadcasters, increased security requirements that led to the need for walk through magnetometers and additional funding to complete Plaza improvements.

The mediation settlement and additional project improvements are jointly funded by the MSFA and the Team as noted below and requires an increase to the Stadium Capital Budget to account for the additional Team Funding. The Team has agreed to fund a portion of the Total Cost for the settlement and additional project improvements, which is \$5,453,000.00.

**Recommendation:** *The MSFA approves an increase of \$5,453,000.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Uses section of the Stadium Master Project Budget would be modified as noted in Table 1. This increase is the Team's agreed upon contribution related to the Mortenson Settlement. The MSFA authorizes the Chair and CEO/Executive Director to execute the settlement inclusive of this contribution from the Team. This budget adjustment would become effective after Master Application for Payment No. 40 is finalized. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

**APPROVED**

## B) Commemorative Brick Proceeds

The Stadium Act authorized the MSFA to sell commemorative bricks to be displayed at the new stadium. The 1st Amendment to the 2nd Amended and Restated Development Agreement dated March 27, 2015 indicated that all costs for the design and installation of the Commemorative Bricks and the display areas would be funded from the sale of such Commemorative Bricks and the net proceeds from the sale of the Commemorative Bricks will be used to fund the Stadium Plaza. In order for the Project to fund those costs, it is necessary to incorporate that funding into the Master Project Budget. This additional funding as noted below will increase the Stadium Capital Budget by adding the Commemorative Brick Proceeds funding source.

The current projection for Commemorative Brick net proceeds is \$1,300,000.00 and this funding source will offset project costs anticipated against the Stadium Plaza Improvements budget line item. The Total Amount will increase the Commemorative Brick Proceeds, which is \$1,300,000.00.



**Recommendation:** *The MSFA approves the creation of a Commemorative Brick Proceeds Source of Funding within the Stadium Capital Budget. The Site Acquisition & Improvements line item within the Uses section of the Stadium Master Project Budget would be increased by the same amount. The MSFA authorizes the Chair and CEO/Executive Director to execute this increase based on current and projected revenues. This budget adjustment would become effective after Master Application for Payment No. 40 is finalized. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

**APPROVED**

### **C) Mortenson Issue 3731, West Scoreboard Framing**

Mortenson Construction submitted a Cost Issue to perform additional work as a result of requested changes to the Construction Documents. The following issue is funded as noted below by the Team and requires an increase to the Stadium Capital Budget to account for the additional Team Funding.

The Team has elected to add steel framing for signage above the west scoreboard, also known as Cost Issue 3731. The Team has agreed to fund the entire Total Cost for this issue, which is \$419,542.00 and will be included in a future CSA Contract Revision.

**Recommendation:** *The MSFA approves an increase of \$419,542.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Construction Contract within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is the Team's agreed upon contribution for Mortenson Issue 3731. The MSFA authorizes the Chair and CEO/Executive Director to execute a future CSA Contract Revision, inclusive of the aforementioned Issue. This adjustment would become effective after Master Application for Payment No. 40 is finalized. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

**APPROVED**

### **D) Lawrence Sign, Sponsorship Signage Package**

Lawrence Sign has submitted a proposal for a new contract to furnish and install Sponsorship Signage. The following Issue is funded as noted below by the Team and requires an increase to the Stadium Capital Budget to account for the additional Team Funding.

The Team has elected to award a contract to Lawrence Sign for the Sponsorship Signage Package. The Team has agreed to fund the entire Total Cost for this Issue, which is \$1,334,448.00.

**Recommendation:** *The MSFA approves an increase of \$1,334,448.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Furnishings, Fixtures & Equipment within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is the Team's agreed upon contribution for the Lawrence Sponsorship Signage Contract. The MSFA authorizes the Chair and CEO/Executive Director to finalize and execute the Lawrence Sign contract inclusive of the*





*aforementioned proposal. This adjustment would become effective after Master Application for Payment No. 40 is finalized. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

**APPROVED**

Summary:

The proposed budget adjustments outlined in this memorandum would modify the Stadium Master Project Budget as outlined in the attached Table 1 - Stadium Master Project Budget Summary.

Table 1  
 Stadium Master Project Budget Summary

Division	Description	Master Project Budget as of 2/15/16	Mediation Settlement and Additional Project Improvements	Commemorative Brick Proceeds	Mortenson Cost Issue 3731	Lawrence Sign	Adjusted Budget
<b>SOURCES OF FUNDS</b>							
00-25-005	Team Contribution	\$377,000,000.00					\$377,000,000.00
00-25-010	Private Contribution	\$100,000,000.00					\$100,000,000.00
00-25-015	Additional Team Contribution	\$107,930,246.94	\$5,453,000.00		\$419,542.00	\$1,334,448.00	\$115,137,236.94
00-30-005	State of Minnesota Contribution	\$498,000,000.00					\$498,000,000.00
00-90-005	Aramark Capital Investment	\$3,500,000.00					\$3,500,000.00
00-90-010	SMG Capital Investment	\$2,000,000.00					\$2,000,000.00
00-09-015	Verizon Capital Investment	\$8,328,432.00					\$8,328,432.00
00-09-020	NRG Cost Reimbursement	\$232,345.00					\$232,345.00
00-09-025	Commemorative Brick Proceeds	\$0.00		\$1,300,000.00			\$1,300,000.00
	<b>Total Sources of Funds</b>	<b>\$1,096,991,023.94</b>	<b>\$5,453,000.00</b>	<b>\$1,300,000.00</b>	<b>\$419,542.00</b>	<b>\$1,334,448.00</b>	<b>\$1,105,498,013.94</b>
<b>USES OF FUNDS</b>							
10-00-000	Site Acquisition & Improvements	\$54,679,754.35	\$1,675,000.00	\$1,300,000.00			\$57,654,754.35
20-00-000	Construction Costs	\$857,676,186.10			\$419,542.00		\$858,095,728.10
30-00-000	Furnishings, Fixtures & Equip.	\$55,904,040.27	(\$998,000.00)			\$1,334,448.00	\$56,240,488.27
40-00-000	Development Costs	\$84,864,143.88					\$84,864,143.88
	MSFA Capital Reserve	\$4,500,000.00	(\$4,500,000.00)				\$0.00
50-00-000	Financing Costs	\$0.00					\$0.00
60-00-000	Other Project Costs						\$0.00
	TCF Stadium Improvements	\$7,896,587.96					\$7,896,587.96
	SDC Group Contingency	\$8,000,000.00	(\$8,000,000.00)				\$0.00
	East Event Buildout	\$1,949,300.94					\$1,949,300.94
	Other Mutually Agreed Cost 1	\$733,407.00	\$1,300,000.00				\$2,033,407.00
	Other Mutually Agreed Cost 2	\$0.00	\$2,715,000.00				\$2,715,000.00
	IPTV Enhancement	\$4,244,090.69					\$4,244,090.69
	Mediation Settlement	\$0.00	\$16,250,000.00				\$16,250,000.00
90-00-000	Project Contingency	\$16,543,512.75	(\$2,989,000.00)				\$13,554,512.75
	<b>Total Uses of Funds</b>	<b>\$1,096,991,023.94</b>	<b>\$5,453,000.00</b>	<b>\$1,300,000.00</b>	<b>\$419,542.00</b>	<b>\$1,334,448.00</b>	<b>\$1,105,498,013.94</b>



v. **Mortenson Contract Revision 61**

Draft Contract Revision 61 has been prepared and the total value of the Contract Revision exceeds the staff approval level and therefore requires approval from the MSFA Board to execute.

A) **CONTRACT REVISION 61:**

Proposed Contract Revision 61 totals \$1,027,962.00 and includes the cost issues identified within Table 1 below. Team Financed Budget increases have previously been considered and approved by the MSFA.

**Recommendation:** *The MSFA approves an increase of \$1,027,962.00 to the Construction Services Agreement. The MSFA authorizes the Chair and CEO/Executive Director to execute CSA Revision No. 61. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

APPROVED

Table 1  
 CSA Contract Revision 61

Mort Issue	Cost Description	Owner Funding	Team Financed	MSFA Funding Source
3452	Perforated Panel Revisions	\$ 608,420.00		Owner's Contingency
3731	West Prow Video Board Sponsorship Sign Framing		\$ 419,542.00	Team Funded
TOTALS		\$ 608,420.00	\$ 419,542.00	
OWNER/TEAM TOTAL		\$1,027,962.00		

vi. **Second Amendment to lease for 511 Building**

The MSFA currently leases space from Timeshare Systems, Inc. for the temporary MSFA offices at 511 11th Avenue South. Additional, temporary space is required as staff compliments are increased in anticipation of Stadium opening. Staff seeks to lease an additional suite containing approximately 1280 usable square feet. The term of the lease would be through July 2016 at monthly rent of \$2815.20 through May, and \$2898.61 monthly for June and July.



**Recommendation:** *The Authority authorizes the Chair and the CEO/Executive Director to finalize and execute the Second Amendment to the Lease, dated as of January 23, 2015, as amended, under the terms outlined above. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

APPROVED

**vii. Approve Contract for Steven Maki Consulting**

On August 24, 2015 the Authority entered into a contract with Steven Maki Consulting PLLC for construction related consulting services. The contract will reach the maximum fee amount of \$100,000 that is allowed under the existing contract prior to the end of the current term of the contract, which runs from August 24, 2015 through July 31, 2016. In order to continue with the services provided by Steven Maki Consulting, the Authority needs to amend the existing contract to increase the contract amount by \$150,000 for a total contract amount not to exceed \$250,000 and to extend the contract term to December 31, 2016.

Steven Maki Consulting provides construction related consulting services in the following areas:

1. Participation in the following meetings:
  - a. Authority/Ryan Construction
  - b. Authority/City of Minneapolis
  - c. Authority/Metropolitan Transit Commission
  - d. Attendance at construction related meetings or Authority internal meetings as directed by the CEO/Executive Director
2. Project services as a consultant to the Owner on the following projects:
  - a. Ryan Ramp (1610 car) located between 3rd and 4th Streets and Chicago and Park Avenues in Minneapolis, MN
  - b. Stadium Skyway extending from the Ryan Ramp to U.S. Bank Stadium
  - c. West Stadium site work
  - d. West Plaza design and construction (coordination tasks with Team, HKS/subconsultants and Metropolitan Transit Commission)
  - e. NRG and supply of chilled water and steam
3. Consultant will perform the following tasks related to the stadium development:
  - a. Review for approval Ryan Construction payment applications
  - b. Stored materials review/approval on Authority behalf as part of project payment process and Merritt & Harris requirements
  - c. Review for approval AIA payment documents submitted relative to the West Plaza construction
  - d. Other tasks agreed upon in writing between the Authority and Consultant

**Recommendation:** *The Authority authorizes the Chair and CEO/Executive Director to amend the contract with Steven Maki Consulting PLLC to increase the contract by \$150,000 and to expire on December 31, 2016. Commissioner Butts Williams moved to approve the recommendation. Commissioner Griffith seconded the motion.*



APPROVED

### viii. Preliminary Capital Plan

In 2012, the Minnesota legislature enacted legislation authorizing the expenditure of public money for the construction, financing, operations, and long-term use of a new multi-purpose Stadium and established the Minnesota Sports Facilities Authority (“MSFA”) to fulfill this directive.

The Authority understands that on-going capital investment in the Stadium will be a critical component of ensuring both the short- and long-term use and success of the Stadium and the associated economic and community benefits that were anticipated by the public and private investment in the Stadium. In that light and as directed by the legislature, the Authority is in the process of preparing both a short- and long-term capital plan to proactively ensure the long-term use of the public’s asset- U.S. Bank Stadium.

In order to maximize the economic potential and community usage of the Stadium and to maintain the Stadium in a first-class manner throughout its life, MSFA staff in consultation with SMG, recommends that the MSFA establish capital planning guidelines for funding ongoing capital expenditures/capital reserve allocation over the 30-year term of the Vikings Use Agreement and potential extensions, thereby providing for a first-class Stadium over the next 50 years.

**Recommendation:** *The MSFA establishes a short- and long-term capital planning annual funding guideline of .75 of one percent of the construction related capital costs of the Stadium, or approximately \$7.0 million per annum inflating at 3 percent per year, for ongoing capital expenditures/capital reserve allocation. The recommended capital expenditure/capital reserve allocation should provide a level of capital reinvestment in the Stadium that will ensure the both the short- and long-term use and success of the public’s asset - U.S. Bank Stadium for decades to come. Commissioner Griffith moved to approve the recommendation. Commissioner Butts Williams seconded the motion.*

APPROVED

### b. Report Items

#### i. Equity Update

The project reports were assessed as of December 31, 2015. These reports are posted on the MSFA website for transparency purposes. *The next Stadium Equity Oversight Committee will be on March 23, 2016.*

- The EAF is currently conducting outreach and training for resource efforts in support of the project. *64 Trained and 74 Placements*
  - 837 Workers identified;
  - 165 Workers are available for hire
- **Total WORKFORCE** on the U. S. Bank Stadium Project, *as of December 31, 2015*
  - **Minority Goal (32%) & Women Goal (6%)** **EXCEEDING**
  - 37% Minority (1,115,844.20 hours)



- 9% Women (276,394.43 hours)
- 4% Veteran (132,455 hours)
- 337 Workers Hired from the TARGETED ZIP CODES in Minneapolis
  
- **Total TARGETED BUSINESS Construction activity, as of *December 31, 2015***
  - **MBE (9%) and WBE (11%) goals; EXCEEDING**
  
  - MBE: \$107,035,818.50 (13%)
  - WBE: \$135,551,882.40 (16%)
  - VBE: \$12,228,246.67 (1%)
  - **Total Targeted Business: (\$254,815,948)**
  
- **US Bank Stadium Operations**
  - Equity Plan under development
  - Market Study underway w/the University of Minnesota (Goal Setting & Etc.)
  - Employment Assistance Firm “EAF” Negotiating w/two respondents
  - Developing an Operations Business & Workforce Database (Preferred Vendor’s List)

**Recommendation: *No recommendation necessary. Report is for informational purposes only.***

## ii. Construction Update

John Wood and Ashley Krueger from Mortenson provided a construction update. The building is 90% complete and there are still 1,300 construction workers on site. The Medtronic Club and Club Purple are close to completion, along with 27 upper suites. In the upcoming months, Mortenson will be installing the turf, finishing the lower bowl, installing the remaining televisions, and will also work on finishing the Vikings players’ locker room.

Mortenson did discover water penetration coming from the snow gutters, which are installed to hold and melt the snow that slides off the roof of the stadium. The water is leaking inside the cavities in between the outer siding of the building and the interior wall; however, no water is leaking into the actual building structure. After much testing and investigating, a repair plan has been made, and will be implemented during the week of February 22<sup>nd</sup>. Roughly 30% of the exterior panels will have to be removed, along with the U.S. Bank signage located on the sides of the building. John Wood stated that the estimated time of completion for this repair is three months. It was noted that there will be no costs involved in this work that will be borne by the MSFA or the team.

## 7. PUBLIC COMMENTS

There were no public comments



8. DISCUSSION

There were no discussions

9. ANNOUNCE FUTURE MEETINGS

Friday, March 18, 2016, 9:00 A.M. – Board Meeting

10. ADJOURNMENT

There being no further business to come before the MSFA, Commissioner Griffith moved to adjourn the meeting, seconded by Commissioner Butts Williams and approved unanimously – 3 YEAS, 0 NAYS.

**APPROVED**

**The meeting was adjourned at 10:02 am.**

ADOPTED this 18th day of March 2016 by the Minnesota Sports Facilities Authority

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Secretary, Bill McCarthy

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Ted Mondale, CEO/Executive Director



March 21, 2016

**MEMORANDUM**

TO: MSFA Commissioners  
FROM: Scott Stenman  
SUBJECT: Construction Services Agreement Contract Revisions 67 and 68

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Draft Contract Revisions 67 and 68 have been prepared and the total value of each of these Contract Revisions exceeds the staff approval level and therefore requires approval from the MSFA Board to execute.

**A) CONTRACT REVISION 67:**

Proposed Contract Revision 67 totals \$334,374.00 and includes the cost issues identified within Table 1 below. Team Financed Budget increases have previously been considered and approved by the MSFA.

**Recommendation:** *The MSFA approves an increase of \$334,374.00 to the Construction Services Agreement. The MSFA authorizes the Chair and CEO/Executive Director to execute CSA Revision No. 67.*

**B) CONTRACT REVISION 68:**

Proposed Contract Revision 68 totals \$3,973,265.00 and includes the cost issues identified within Table 2 below. Team Financed Budget increases have previously been considered and approved by the MSFA.

**Recommendation:** *The MSFA approves an increase of \$3,973,265.00 to the Construction Services Agreement. The MSFA authorizes the Chair and CEO/Executive Director to execute CSA Revision No. 68.*

**Summary:**

The total increase to the Construction Services Agreement after the execution of Contract Revision 67 and Contract Revision 68 would be \$4,307,639.00.

Table 1  
CSA Contract Revision 67

Mort Issue	Cost Description	Construction Contingency	Owner Funding	Team Financed	Funding Source
2874	Signage Changes	\$ (2,016.83)		\$ 77,940.00	TCF Stadium Improvements
2938	AV/Electrical Game Clock Coordination	\$ (225.03)		\$ 8,696.00	TCF Stadium Improvements
3270	West Prow Catwalk Power and Access	\$ (827.82)		\$ 31,991.00	TCF Stadium Improvements
3638	Main Concourse Wall Tile & Backup			\$ (11,058.00)	TCF Stadium Improvements
3765	SSSI-Directory Signage Re-mobilizations	\$ (43.12)		\$ 1,666.00	TCF Stadium Improvements
3782	Upper Concourse Paint Exposed Ceilings	\$ (409.09)		\$ 15,809.00	TCF Stadium Improvements
3802	Water Filters in Suites	\$ (526.43)		\$ 20,344.00	TCF Stadium Improvements
3816	Upper Concourse Gyp & Paint at Fireproofing	\$ (1,216.83)		\$ 47,024.00	TCF Stadium Improvements
3821	Upper Concourse Gyp & Paint at Fireproofing	\$ (847.99)		\$ 32,771.00	TCF Stadium Improvements
3823	Norseman Lounge Fridge Re-selection	\$ (141.46)		\$ 5,467.00	TCF Stadium Improvements
3844	Event Level Suite Plumbing Beautification	\$ (155.52)		\$ 6,010.00	TCF Stadium Improvements
3884	SW Prow Scrim Framing at Façade Sign	\$ (1,555.40)		\$ 60,108.00	TCF Stadium Improvements
3944	Flex Monitors	\$ (820.64)		\$ 31,714.00	TCF Stadium Improvements
4020	Vikings Logo on Sports Equipment Padding	\$ (152.46)		\$ 5,892.00	TCF Stadium Improvements
TOTALS		\$ (8,938.62)	\$ -	\$ 334,374.00	
<b>OWNER/TEAM TOTAL</b>			<b>\$334,374.00</b>		



Table 2  
CSA Contract Revision 68

Mort Issue	Cost Description	Construction Contingency	Owner Funding	Team Financed	Funding Source
3085	Alternate 4 Doors Update	\$ (295.43)	\$ 11,417.00		Owner's Contingency
3113	RFI 2903 End Zone Suites - Platform Verif.	\$ (174.54)	\$ 6,745.00		Owner's Contingency
3185	Retractable Seating North Wall Lighting ROM	\$ (486.26)	\$ 18,791.00		Owner's Contingency
3275	5th & 6th Street improvements	\$ (1,407.09)	\$ 54,377.00		Owner's Contingency
3386	Appliance Schedule			\$ -	Team Funding
3504	CD Updates - Life Safety, Seating Spec, Ceiling Clarification	\$ -			No Cost Issue
3529	Added Chilled Water Manifold for Future Chiller	\$ (2,607.30)	\$ 100,759.00		Owner's Contingency
3574	Monitor Schedule Updates	\$ (338.09)		\$ 13,065.00	IPTV Enhancements
3583	Scrim in lieu of drywall at NW Upper Bowl	\$ (16,180.00)	\$ (49,262.00)		Owner's Contingency
3590	Valhalla Founder's Lounge Build Out	\$ (25,759.84)		\$ 995,488.00	IPTV Enhancements
3653	Added Exterior Cameras at Ticketing	\$ (866.34)	\$ 33,479.00		Owner's Contingency
3672	Field Level Build-up Section	\$ (464.33)	\$ 45,500.00		Owner's Contingency
3695	Ticketing Millwork Revisions	\$ -			No Cost Issue
3713	East Event Level Build-Out	\$ (51,731.07)	\$ 1,949,300.94	\$ 49,845.06	East Event Build-Out/IPTV
3760	Vikings Locker Room Door Revisions	\$ (1,447.33)	\$ 55,932.00		Owner's Contingency
3812	Exterior Trench Drain Slip Resistance	\$ (1,696.26)	\$ 65,552.00		Owner's Contingency
3824	Cane Detection Rail- Refabrication pricing per MSFA	\$ (3,258.75)	\$ 125,934.00		Owner's Contingency
3825	Upper Concourse Monitor Graphics	\$ -			No Cost Issue
3928	Wrapping of Exposed Fireproofing at East Escalators	\$ (2,260.87)	\$ 87,371.00		Other Mutually Agreed Costs
3935	West Side Soffits & Painting of Exposed Deck	\$ (9,850.14)	\$ 12,629.00	\$ 368,030.00	OMAC/IPTV Enhancements
3968	Trash Room Door Height Increase	\$ (801.16)	\$ 30,961.00		Owner's Contingency
4019	Sports Equipment Padding Foam Material		\$ (2,649.00)		Owner's Contingency
TOTALS		\$ (119,624.80)	\$ 2,546,836.94	\$ 1,426,428.06	
<b>OWNER/TEAM TOTAL</b>			<b>\$3,973,265.00</b>		



March 21, 2016

## MEMORANDUM

TO: MSFA Commissioners  
FROM: Scott Stenman  
SUBJECT: Approval of Budget Adjustments

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The items identified that require adjustments to the Master Project Budget are summarized below:

- A) Design Team Funding Contribution
- B) SMG Capital Investment – Furniture Contribution

Additional details regarding the above are outlined within the corresponding recommendations.

### A) Design Team Funding Contribution

As part of the February 2016 Settlement Agreements, the Design Team agreed to contribute \$300,000.00 towards the costs to utilize specific perforated metal panels on the exterior façade. This new funding from the Design Team requires an increase to the Stadium Capital Budget to account for the new Design Team Funding.

**Recommendation:** *The MSFA approves a new funding source of \$300,000.00 as the Design Team Contribution within the Stadium Capital Budget. The Other Project Costs line item within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is the Design Team's agreed upon contribution for the specified perforated metal panels. This adjustment would become effective after Master Application for Payment No. 41 is finalized.*

### B) SMG Capital Investment - Furniture Contribution

The Management and Pre-Opening Agreement between the Authority and SMG requires that SMG contribute \$250,000 to the project to offset costs for office furniture. This funding from SMG requires an increase to the Stadium Capital Budget to account for the additional SMG Funding.

**Recommendation:** *The MSFA approves an increase of \$250,000.00 to the SMG Capital Investment Source of Funding within the Stadium Capital Budget. The Furnishings, Fixtures & Equipment line item within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is SMG's agreed upon contribution for office furniture. This adjustment would become effective after Master Application for Payment No. 41 is finalized.*

**Summary:**

The proposed budget adjustments outlined in this memorandum would modify the Stadium Master Project Budget as outlined in the attached Table 1 - Stadium Master Project Budget Summary.

Table 1  
Stadium Master Project Budget Summary

Division	Description	Master Project Budget as of 3/17/16	3/21/16 Adjustments	Adjusted Budget
<b>SOURCES OF FUNDS</b>				
00-25-005	Team Contribution	\$377,000,000.00		\$377,000,000.00
00-25-010	Private Contribution	\$100,000,000.00		\$100,000,000.00
00-25-015	Additional Team Contribution	\$115,137,236.94		\$115,137,236.94
00-30-005	State of Minnesota Contribution	\$498,000,000.00		\$498,000,000.00
00-90-005	Aramark Capital Investment	\$3,500,000.00		\$3,500,000.00
00-90-010	SMG Capital Investment	\$2,000,000.00	\$250,000.00	\$2,250,000.00
00-09-015	Verizon Capital Investment	\$10,853,637.00		\$10,853,637.00
00-09-020	NRG Cost Reimbursement	\$232,345.00		\$232,345.00
00-09-025	Commemorative Brick Proceeds	\$1,300,000.00		\$1,300,000.00
00-09-030	Design Team Contribution	\$0.00	\$300,000.00	\$300,000.00
	<b>Total Sources of Funds</b>	<b>\$1,108,023,218.94</b>	<b>\$550,000.00</b>	<b>\$1,108,573,218.94</b>
<b>USES OF FUNDS</b>				
10-00-000	Site Acquisition & Improvements	\$58,792,254.35		\$58,792,254.35
20-00-000	Construction Costs	\$861,441,566.10		\$861,441,566.10
30-00-000	Furnishings, Fixtures & Equip.	\$57,059,953.27	\$250,000.00	\$57,309,953.27
40-00-000	Development Costs	\$85,017,883.88		\$85,017,883.88
50-00-000	Financing Costs	\$0.00		\$0.00
60-00-000	Other Project Costs	\$0.00		\$0.00
	TCF Stadium Improvements	\$7,751,976.96		\$7,751,976.96
	East Event Buildout	\$1,949,300.94		\$1,949,300.94
	Other Mutually Agreed Cost 1	\$2,029,707.00		\$2,029,707.00
	Other Mutually Agreed Cost 2	\$1,875,410.00	\$300,000.00	\$2,175,410.00
	IPTV Enhancement	\$3,106,590.69		\$3,106,590.69
	Mediation Settlement	\$16,250,000.00		\$16,250,000.00
90-00-000	Project Contingency	\$12,748,575.75		\$12,748,575.75
	<b>Total Uses of Funds</b>	<b>\$1,108,023,218.94</b>	<b>\$550,000.00</b>	<b>\$1,108,573,218.94</b>



March 18, 2016

**MEMORANDUM**

**TO:** MSFA Commissioners

**FROM:** Ted Mondale

**SUBJECT:** Accept Team funding of NE Expansion Area and authorize staff to negotiate and execute associated Use Agreement Amendment, and associated agreements with vendors and contractors

The Team has agreed to provide funding for completion of the NE Expansion Area which will create an additional venue within U.S. Bank Stadium. Current construction estimates are \$7.5 million. The Team will be responsible for all related costs. The Team and Authority usage rights for this area will require an amendment to the Amended and Restated Stadium Use Agreement (“Use Agreement Amendment”) including an annual payment for five years of \$300,000 by the Authority to the Team. This payment provides the Authority with use of the NE Expansion Area for Authority events for the life of the Stadium. Staff requests that the Chair and the CEO/Executive Director be authorized to negotiate and execute the Use Agreement Amendment. Staff also requests that the Chair and CEO/Executive Director be authorized to modify the Master Project Budget accordingly. In addition, staff requests that the Chair and CEO/Executive Director be authorized to negotiate and execute contracts with vendors and contractors for the work associated with the NE Expansion Area.

**Recommendation:** *The MSFA authorizes the Chair and the CEO/Executive Director to negotiate and execute the Use Agreement Amendment in connection with the NE Expansion Area. The MSFA also authorizes the Chair and CEO/Executive Director to increase the Team Additional Funding source and the Construction use within the Master Project Budget as necessary based on the final amount of the Team Privately Financed Enhancement determined in accordance with final costs. The MSFA also authorizes the Chair and CEO/Executive Director to negotiate and execute contracts with vendors and contractors for the work associated with the NE Expansion Area.*



March 21, 2016

**MEMORANDUM**

TO: MSFA Commissioners

FROM: Ted Mondale

SUBJECT: NFL and Broadcast Network Cabling Report

An RFP Broadcast Infrastructure was published on December 1, 2015 for the NFL and Broadcast scopes of work. The primary objectives of this RFP were to implement Broadcast Infrastructure including, but not limited to fiber optic cables and copper cables:

- Installation of fiber connections, copper connections, and ensure all operability of infrastructure.
- Design, coordination, supply, installation and testing of the complete Broadcast Infrastructure for the Project;
- All necessary Fiber Optic conduit, cabling, terminations and other equipment as needed to provide a turnkey installation and delivery of a fully operational Broadcast Infrastructure.

This infrastructure is available to all NFL Broadcast partners, such as ESPN, Fox Sports, CBS, etc. The infrastructure is the property of U.S. Bank Stadium and is not affected by any future changes in relationships between the NFL and Broadcast partners.

MSFA received three proposals that were subject to a detailed evaluation, vendor selection and contract negotiation process.

Proposers included:

Kraus Anderson  
M.A. Mortenson  
Bexel

Bexel provided a fully compliant proposal with the lowest total cost. All scopes will be funded by dollars in the Master Project Budget. Materials have been ordered and work on site will begin this month.

**Report:** *The Authority Chair and CEO/Executive Director executed a contract in the amount of \$839,590.00 on March 7, 2016 for the scopes of work listed above.*



March 21, 2016

## MEMORANDUM

TO: MSFA Commissioners  
FROM: Ted Mondale/Alex Tittle  
SUBJECT: Equity Program Update

The project reports were assessed as of January 31, 2016. These reports are posted on the MSFA website for transparency purposes. *The next Stadium Equity Oversight Committee will be on March 23, 2016.*

- The EAF is currently conducting outreach and training for resource efforts in support of the project.  
*64 Trained and 74 Placements*
  - 837 Workers identified;
  - 165 Workers are available for hire
- **Total WORKFORCE** on the U. S. Bank Stadium Project, *as of January 31, 2016*
  - **Minority Goal (32%) & Women Goal (6%) EXCEEDING**
  - 37% Minority (1,181,588, hours)
  - 9% Women (294,556 hours)
  - 4% Veteran (140,468 hours)
  - 349 Workers Hired from the TARGETED ZIP CODES in Minneapolis
- **Total TARGETED BUSINESS** Construction activity, as of *January 31, 2016*
  - **MBE (9%) and WBE (11%) goals EXCEEDING**
  - MBE: \$107,035,818.50 (12%)
  - WBE: \$135,551,882.40 (16%)
  - VBE: \$12,228,246.67 (1%)
  - **Total Targeted Business: (\$254,815,948)**
- **US Bank Stadium Operations**
  - Equity Plan under development
  - Market Study underway w/the University of Minnesota (Goal Setting & Etc.)
    - Data Collection: University of MN, SMG, Aramark and other local facilities
    - Prepared for Board Review/Approval on May 1, 2016
    - Analysis through a collaborative Advisory Committee
  - Employment Assistance Firm: Drafting Contract w/2 Organizations
  - Developing an Operations Business & Workforce Database
    - Preferred Vendors List
    - Reporting Mechanism
    - Timely / Accurate Data from Contractors