



MINNESOTA SPORTS FACILITIES AUTHORITY REGULAR MEETING MINUTES

Friday August 19, 2016, 9:00 A.M.

1010 Metrodome Square Building, Lower Level Conference Room

1010 South 7th Street, Minneapolis, MN 55415

1. **CALL TO ORDER**

Chair Kelm-Helgen called the meeting of the Minnesota Sports Facilities Authority (MSFA) to order at 9:01 AM.

2. **ROLL CALL**

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

Commissioners Absent: Commissioner Griffith

3. **ADOPTION OF AGENDA**

Chair Kelm-Helgen presented the agenda. Commissioner Sertich moved approval of the agenda, seconded by Commissioner Butts Williams and approved unanimously – 4 YEAS, 0 NAYS

APPROVED

4. **APPROVAL OF AUTHORITY MEETING MINUTES**

Commissioner McCarthy moved approval of the July 15, 2016 Regular Meeting Minutes seconded by Commissioner Sertich and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED



5. CHAIR'S REPORT

Chair Kelm-Helgen stated that the Grand Opening weekend of U.S Bank Stadium was successful, as over 190,000 people attended the Public Open House and toured the stadium. There were many family friendly events, which included live music, a Ferris wheel, and outdoor movies in the park.

The first inaugural event in the stadium was the international soccer game on August 3rd, and had a sell out crowd. There were over over 64,000 people who attended the game!

U.S. Bank Stadium also hosted their first two concerts, which featured a two-day series with Luke Bryan on August 19th, and Metallica on August 20th. Both shows were sold out, and people from around the country came to Minneapolis to see the concerts.

The Minnesota Vikings hosted their first pre-season football game against the San Diego Chargers on August 28th at 12:00pm, and the first regular season game against the Green Bay Packers is on September 18th at 7:30pm at U.S. Bank Stadium

Chair Kelm-Helgen was also excited to announce that a Prince Tribute concert will be held on Thursday, October 13th, which will feature many different artists. These artists participating will be announced at a later date.

Chair Kelm-Helgen announced that the stadium will host the Minnesota State High School League Boys and Girls Soccer Championships October 25th-November 3rd and the High School Football Championships November 10th-12th, November 17th-19th, and November 25th-26th. The Authority and Chair Kelm-Helgen hope to draw a big crowd to support the high school athletes.

6. BUSINESS

a. Action Items

i. Budget Adjustment

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

- A) Mortenson Issue 4213 – Verizon Electrical Infrastructure
- B) SMG Budget Transfer 6 – Cheerleader Locker Room Furniture
- C) SMG Budget Transfer 7 – Upper Suite Build Out Furniture
- D) SMG Budget Transfer 8 – Owner's Suite Furniture



- E) SMG Budget Transfer 11 – Southwest Loge Lounge Stools
- F) Flair Contract Revision 5 – Barrier Reset and Stern Footing
- G) Build 23 – Ticket Office Data and Fiber Wiring
- H) IPTV Reconciliation
- I) Carts of Colorado R3 – Additional Sales Tax for Mini-Suite Carts
- J) Mortenson Feb 2016 Settlement – Earned Interest
- K) Mortenson Feb 2016 Settlement – Design Contribution
- L) Lawrence Sign Scrim R3 – Additional Bowl Signage Costs
- M) Lawrence Sign Sponsorship R4 – Additional Sponsorship Signage
- N) Mortenson Issue 4034 – Relocation of Play Clocks
- O) Mortenson Issue 4161 – Norseman Logo Adjustments
- P) Commemorative Brick Proceeds

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

A) Mortenson Issue 4213 – Verizon Electrical Infrastructure

Mortenson submitted a cost issue to perform additional work as a result of requested changes to the contract documents. The following issue is funded as noted below by Verizon and requires an increase to the Stadium Capital Budget to account for the additional funding received from Verizon.

Verizon requested to add a new electrical panel as well as ground bars within the mezzanine of the DAS Room. Verizon has funded the Total Cost for this issue, which is \$36,265.00.

Recommendation: *The MSFA approves an increase of \$36,265.00 to the Verizon Contribution Source of Funding within the Stadium Capital Budget. The Construction Services Agreement within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is Verizon's agreed upon contribution for Mortenson issue 4213. The MSFA authorizes the Chair and CEO/Executive Director to execute Mortenson Contract Revision 90, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*



B) SMG Budget Transfer 6 – Cheerleader Locker Room Furniture

SMG submitted a proposal on behalf of Innovative Office Solutions to perform additional work as a result of requested changes from the Team. 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 furniture to the Cheerleader Locker Room. The Team has agreed to fund the entire Total Cost for this issue, which is \$3,549.33.

Recommendation: *The MSFA approves an increase of \$3,549.33 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line item 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 Cheerleader Locker Room Furniture. The MSFA authorizes the Chair and CEO/Executive Director to execute SMG Budget Transfer 6, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

C) SMG Budget Transfer 7 – Upper Suite Build Out Furniture

SMG submitted a proposal on behalf of Innovative Office Solutions to perform additional work as a result of requested changes from the Team. 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 furniture to the Upper Suite Build Out. The Team has agreed to fund the entire Total Cost for this issue, which is \$324,519.88.

Recommendation: *The MSFA approves an increase of \$324,519.88 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line item 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 Upper Suite Buildout. The MSFA authorizes the Chair and CEO/Executive Director to execute SMG Budget Transfer 7, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.

D) SMG Budget Transfer 8 – Owner’s Suite Furniture

SMG submitted a proposal on behalf of Innovative Office Solutions to perform additional work as a result of requested changes from the Team. 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 furniture to the Owner’s Suite. The Team has agreed to fund the entire Total Cost for this issue, which is \$72,465.72.

Recommendation: *The MSFA approves an increase of \$72,465.72 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line item 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 Additional Owner’s Suite Furniture. The MSFA authorizes the Chair and CEO/Executive Director to execute SMG Budget Transfer 8, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

E) SMG Budget Transfer 11 – Southwest Loge Lounge Stools

SMG submitted a proposal on behalf of Innovative Office Solutions to perform additional work as a result of requested changes from the Team. 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 provide additional stools for the Southwest Loge Lounge. The Team has agreed to fund the entire Total Cost for this issue, which is \$11,359.74.



Recommendation: *The MSFA approves an increase of \$11,359.74 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line item 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 Southwest Loge Lounge Stools. The MSFA authorizes the Chair and CEO/Executive Director to execute SMG Budget Transfer 11, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

F) Flair Contracting Revision 5 – Barrier Reset and Stern Footing

Flair Contracting submitted a proposal to perform additional work as a result of requested changes from the Team. 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 have Flair reset the site perimeter barriers after severe storms, as well as repour the stern footing. The Team has agreed to fund the entire Total Cost for this issue, which is \$33,744.00.

Recommendation: *The MSFA approves an increase of \$33,744.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Site Acquisition & Improvement line 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 Flair Contracting Contract Revision 5. The MSFA authorizes the Chair and CEO/Executive Director to execute Flair Contracting Revision 5, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

G) Build 23 – Ticket Office Data and Fiber Wiring

Build 23 submitted a proposal to perform additional work as a result of requested changes from the Team. 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 have Build 23 provide additional Data and Fiber wiring within the Ticket Office. The Team has agreed to fund the entire Total Cost for this issue, which is \$62,624.00.

Recommendation: *The MSFA approves an increase of \$62,624.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line 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 Build 23 Trade Contract. The MSFA authorizes the Chair and CEO/Executive Director to execute Build 23 Trade Contract, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

H) IPTV Reconciliation

The MSFA and Team authorized a Budget Transfer to reconcile the IPTV line item within the master Project Budget. This budget increase is funded by the Team and requires an increase to the Stadium Capital Budget to account for the additional Team Funding.

The Team has elected to proceed with this budget increase to reconcile the IPTV budget to \$0.00 to address previous over usage of this line item. The Team has agreed to fund the entire Total Cost for this issue, which is \$4,732.00.

Recommendation: *The MSFA approves an increase of \$4,732.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The IPTV Other Project Costs line 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 IPTV Budget Correction. The MSFA authorizes the Chair and CEO/Executive Director to execute IPTV Budget Correction, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

I) Carts of Colorado R3 – Additional Sales Tax on Mini-Suite Carts



Carts of Colorado submitted a proposal to perform additional work as a result of requested changes from the Team. 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 cover the additional sales tax for the Mini-Suite Carts provided by Carts of Colorado. The Team has agreed to fund the entire Total Cost for this issue, which is \$11,806.99.

Recommendation: *The MSFA approves an increase of \$11,806.99 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line 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 Carts of Colorado Revision 3. The MSFA authorizes the Chair and CEO/Executive Director to execute Carts of Colorado Revision 3, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

J) Mortenson Feb 2016 Settlement – Earned Interest

As part of the Mortenson Settlement, accrued interest on the escrowed settlement funds are to be included in the settlement with Mortenson. The escrowed funds accrued a total of \$193.63 in interest and this revenue needs to be accounted for as a source of funding.

Recommendation: *The MSFA approves a new Funding Source called Earned Interest totaling \$193.63 within the Stadium Capital Budget. The Construction Services Agreement line item within the Uses section of the Stadium Master Project Budget would be increased by the same amount. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*



K) Mortenson Feb 2016 Settlement – Design Contribution

As part of the Mortenson Settlement, the Design Team made a contribution towards the settlement in February 2016. Mortenson has since elected to accept the settlement, and the Design Team Contribution needs to be incorporated into the Master Project Budget to reflect the total amount of contract Revision 83.

Recommendation: *The MSFA approves a new Funding Source called Design Team Contribution (2) totaling \$2,750,000.00 within the Stadium Capital Budget. The Construction Services Agreement line item within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This increase is the Third Party Contribution agreed upon contribution for Mortenson CR 83. The MSFA authorizes the Chair and CEO/Executive Director to execute CR 83, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

L) Lawrence Sign Scrim R3 – Additional Bowl Signage Costs

Lawrence Sign submitted a proposal to perform additional work as a result of requested changes from the Team. 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 elected to cover additional costs for labor and materials based on schedule conflicts for the seating bowl signage. The Team has agreed to fund the entire Total Cost for this issue, which is \$383,432.00.

Recommendation: *The MSFA approves an increase of \$383,432.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line 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 Lawrence Sign Scrim Revision 3. The MSFA authorizes the Chair and CEO/Executive Director to execute Lawrence Sign Scrim Revision 3, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*



M) Lawrence Sign Sponsorship R4 – Additional Sponsorship Signage

Lawrence Sign submitted a proposal to perform additional work as a result of requested changes from the Team. 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 cover additional costs for labor and materials for the Sponsorship Signage Contract. The Team has agreed to fund the entire Total Cost for this issue, which is \$192,937.40.

Recommendation: *The MSFA approves an increase of \$192,937.40 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The FF&E line 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 Lawrence Sign Sponsorship Revision 4. The MSFA authorizes the Chair and CEO/Executive Director to execute Lawrence Sign Sponsorship Revision 4, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

N) Mortenson Issue 4034 – Relocation of Play Clocks

Mortenson has submitted a cost issue to perform work that results in a change to the Contract Documents. The following cost 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 elected to proceed with the relocation of several game clocks. The Team has agreed to fund a portion of this issue in the amount of \$35,524.00

Recommendation: *The MSFA approves an increase of \$35,524.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Construction Services Agreement within the Uses section of the Stadium Master Project Budget would be increased by the same amount. This*



increase is Verizon's agreed upon contribution for Mortenson issue 4034. The MSFA authorizes the Chair and CEO/Executive Director to execute Mortenson Contract Revision 84, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.

O) Mortenson Issue 4161 – Norseman Logo Adjustment

Mortenson has submitted a cost issue to perform work that results in a change to the Contract Documents. The following cost 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 elected to proceed with adjustments to the metal panel Norseman logo within the Vikings Locker Room for aesthetic reasons. The Team has agreed to fund the entire Total Cost for this issue, which is \$4,255.00

Recommendation: *The MSFA approves an increase of \$4,255.00 to the Additional Team Contribution Source of Funding within the Stadium Capital Budget. The Construction Services Agreement 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 4161. The MSFA authorizes the Chair and CEO/Executive Director to execute Mortenson Contract Revision 84, inclusive of the aforementioned Issue. Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

P) 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 \$1,600,000.00 and this funding source will offset project costs anticipated against the Stadium Plaza Improvements budget line item. The MSFA Board previously increased the budget by \$1,300,000.00 in February 2016 based on revenue projections at that time. The revised revenue projection requires an increase to the Commemorative Brick Proceeds line item of \$300,000.00.

Recommendation: *The MSFA approves the increase of a Commemorative Brick Proceeds Source of Funding within the Stadium Capital Budget by \$300,000.00. 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. 46 is finalized. Commissioner Butts Williams moved to approve the recommendation. Commissioner Sertich seconded the motion.*

Summary:

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



Table 1

US Bank Stadium

Master Project Budget Summary

| Division | Description | Master Project Budget as of 7/15/16 | Staff Budget Adjustments 7/16/16 - 8/18/16 | Proposed Budget Increases 8/19/16 | Adjusted Budget |
|-------------------------|--|-------------------------------------|--|-----------------------------------|---------------------------|
| SOURCES OF FUNDS | | | | | |
| 00-15-005 | Earned Interest - Settlement Trust Account | \$0.00 | | \$193.63 | \$193.63 |
| 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 | \$129,617,166.71 | | \$1,140,950.06 | \$130,758,116.77 |
| 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 | \$2,250,000.00 | | | \$2,250,000.00 |
| 00-90-015 | Verizon Capital Investment | \$13,310,167.00 | | \$36,265.00 | \$13,346,432.00 |
| 00-90-020 | NRG Cost Reimbursement | \$232,345.00 | | | \$232,345.00 |
| 00-90-025 | Commemorative Brick Proceeds | \$1,300,000.00 | | \$300,000.00 | \$1,600,000.00 |
| 00-90-030 | Design Team Contribution (1) | \$300,000.00 | (\$25,000.00) | | \$275,000.00 |
| 00-90-035 | Design Team Contribution (2) | \$0.00 | \$25,000.00 | \$2,725,000.00 | \$2,750,000.00 |
| | Total Sources of Funds | \$1,125,509,678.71 | \$0.00 | \$4,202,408.69 | \$1,129,712,087.40 |
| USES OF FUNDS | | | | | |
| 10-00-000 | Site Acquisition & Improvements | \$57,987,569.68 | \$0.00 | \$333,744.00 | \$58,321,313.68 |
| 20-00-000 | Construction Costs | \$886,182,067.10 | \$16,657,468.00 | \$2,801,237.63 | \$905,640,772.73 |
| 30-00-000 | Furnishings, Fixtures & Equip. | \$62,828,124.06 | \$244,639.94 | \$1,062,695.06 | \$64,135,459.06 |
| 40-00-000 | Development Costs | \$85,982,311.65 | \$472,996.63 | | \$86,455,308.28 |
| 50-00-000 | Financing Costs | \$0.00 | | | \$0.00 |
| 60-00-000 | Other Project Costs | \$0.00 | | | \$0.00 |
| | TCF Stadium Improvements | \$7,192,785.93 | | | \$7,192,785.93 |
| | East Event Buildout | \$0.00 | | | \$0.00 |
| | Other Mutually Agreed Cost 1 | \$658,094.34 | (\$91,663.68) | | \$566,430.66 |
| | Other Mutually Agreed Cost 2 | \$100,000.00 | | | \$100,000.00 |
| | IPTV Enhancement | (\$4,732.00) | | \$4,732.00 | \$0.00 |
| | Mediation Settlement | \$16,250,000.00 | (\$16,250,000.00) | | \$0.00 |
| | Team Funded Enhancements | \$31,398.69 | | | \$31,398.69 |
| | Sponsorship Power/Data Fund | \$742,920.00 | | | \$742,920.00 |
| 90-00-000 | Project Contingency | \$7,559,139.26 | (\$1,033,440.89) | | \$6,525,698.37 |
| | Total Uses of Funds | \$1,125,509,678.71 | (\$0.00) | \$4,202,408.69 | \$1,129,712,087.40 |



APPROVED

ii. Contract Revision 89 Approval

Draft Contract Revision 89 has been prepared and the total value of this Contract Revision exceeds the staff approval level and therefore requires approval from the MSFA Board to execute.

A) CONTRACT REVISION 89:

Proposed Contract Revision 89 totals \$1,752,445.00 and includes the cost issues identified within attached Table 1. Team Financed Budget increases have previously been considered and approved by the MSFA.

Recommendation: *The MSFA approves an increase of \$1,752,445.00 to the Construction Services Agreement. The MSFA authorizes the Chair and CEO/Executive Director to negotiate and execute CSA Revision No. 89. Commissioner Sertich moved to approve the recommendation. Commissioner McCarthy seconded the motion.*



Table 1

CSA Contract Revision 89

| Mort Issue # | Ref | Description | Construction Contingency | Owner Funding | Team Financed | Funding Source |
|-------------------------|---------|---|--------------------------|------------------------|----------------------|---------------------|
| 3023 | | MSFA/Team Naming Rights Event | \$ (269.92) | | \$ 10,431.00 | Team PFE |
| 3039 | ASI 241 | ASI 241 Signage and Wayfinding Clean-up | \$ 21,875.71 | \$ 9,589.50 | \$ 9,589.50 | Own. Cont./Team PFE |
| 4218 | | Additional Resinous at Sideline Club | \$ (160.96) | \$ 6,220.00 | | Owner Contingency |
| 4253 | CCD 374 | Field Goal Netting Supports | \$ (4,100.46) | \$ 158,462.00 | | Owner Contingency |
| 4269 | | Fireproofing at Added West Sponsor Board | \$ (199.46) | \$ 7,708.00 | | Owner Contingency |
| 4284 | CCD368 | Vikings Voyage Lighting | \$ (9,142.14) | | \$ 353,297.00 | Team PFE |
| 4302 | | Video Production Room Cooling | \$ (4,489.36) | \$ 178,583.00 | | Owner Contingency |
| 4311 | CCD 371 | Event Day Law Enforcement Space | \$ (10,083.91) | \$ 389,692.00 | | Owner Contingency |
| 4363 | | Infiltration Sys. Dewater Re-route and Duration | \$ (5,154.22) | \$ 199,185.00 | | Owner Contingency |
| 4373 | | 5th & 6th street Striping Revisions | \$ (1,536.97) | \$ 59,396.00 | | Owner Contingency |
| 4398 | CCD 392 | Architectural Requested Revisions | \$ (250.58) | \$ 9,684.00 | | Owner Contingency |
| 4414 | CCD 390 | Vikings Locker Room Lighting Revisions | \$ (1,434.16) | \$ 55,423.00 | | Owner Contingency |
| 4419 | | E. Main Con. Beautification Lighting Changes | \$ (56.68) | \$ 2,190.00 | | Owner Contingency |
| 4432 | | Vikings Training Room Knee Wall Removal | \$ (313.96) | | \$ 12,133.00 | Team PFE |
| 4438 | | Infiltration Sys. Corner Ext. & MH Access | \$ (994.62) | \$ 38,437.00 | | Owner Contingency |
| 4472 | CCD 381 | Ticket Office Wall and Door Revisions | \$ (3,546.70) | \$ 137,061.00 | | Owner Contingency |
| 4489 | CCD 389 | Gjallahorn Winches & Power | \$ 5,538.06 | | \$ 43,782.00 | Team PFE |
| 4493 | | Parking Lot Number Pavement Markings | \$ (265.82) | \$ 10,272.00 | | Owner Contingency |
| 4502 | CCD 397 | Sideline Club Flooring | \$ (150.40) | \$ 5,812.00 | | Owner Contingency |
| 4504 | | Antique Mirrors in Northwoods -AMG | \$ (960.58) | | \$ 37,122.00 | Team PFE |
| 4520 | | Install Sprinkler Head in Dryer Lint Trap | \$ (93.56) | \$ 3,615.00 | | Owner Contingency |
| 4523 | | Additional Etching at Upper Suites Build Out | \$ (148.50) | | \$ 5,739.00 | Team PFE |
| 4529 | | Upper Suite Build Out - Revised Glass Edge | \$ (35.64) | | \$ 1,377.00 | Team PFE |
| 4532 | | Broken Glass Caused by Vandalism | \$ (90.70) | \$ 3,505.00 | | Owner Contingency |
| 4543 | | Additional Tile at Column in Hydrotherapy Room | \$ (107.14) | \$ 4,140.00 | | Owner Contingency |
| TOTALS | | | \$ (16,172.67) | \$ 1,278,974.50 | \$ 473,470.50 | |
| OWNER/TEAM TOTAL | | | | \$1,752,445.00 | | |

Summary:

The total increase to the Construction Services Agreement after the execution of Contract Revision 89 would be \$1,752,445.00.

APPROVED



iii. Contract Revision Authority Extension

At the July 2016 Board meeting, you gave the Chair and CEO/Executive Director additional authority to make contract amendments and execute other contracts that may be required on an urgent basis, up to a total of \$2 million, in order to help close out the Stadium project in an efficient manner. This delegation of authority will expire upon the date of the September 2016 regular Board meeting. Since the July 2016 Board meeting, the Chair and CEO/Executive Director have executed a number of contract amendments and other contracts necessary to complete work on the Project that have reduced this \$2 million contracting authority. Staff therefore requests an extension of this authority with a revised limit of \$2 million (in total) until the September 2016 regular Board meeting.

Recommendation: *Until the next regular meeting of the MSFA Board, the MSFA authorizes the Chair and CEO/Executive Director to negotiate and execute (1) contract amendments with Mortenson Construction, or other contractors, and (2) other contracts not to exceed \$2 million in total as long as the amount of contract increases are otherwise included in the Master Project Budget or funded by the Vikings, in which case the Master Project Budget will be increased, under direction of the Chair and CEO/Executive Director, in the amount of the Vikings' contribution. Commissioner Sertich moved to approve the recommendation. Commissioner McCarthy seconded the motion.*

APPROVED

b. Report Items

i. Comprehensive Annual Financial Report for Fiscal Year End 12/31/15

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the Minnesota Sports Facilities Authority (Authority) for the fiscal year ended December 31, 2015. The CAFR is divided into three major sections: introductory, financial, and statistical.

The financial section includes the independent audit opinion, management's discussion and analysis, the basic financial statements including the notes to the financial statements, and required supplementary information. On June 28, 2016, the Minnesota Office of the Legislative Auditor (OLA) issued an unqualified (clean) audit opinion on the Authority's financial statements for the year ended December



31, 2015. A separate audit report on internal control over financial reporting and compliance and other matters was issued by the OLA and this report was released on August 18, 2016.

The basic financial statements include the statement of net position, the statement of revenues, expenses and changes in net position, the statement of cash flows, and notes to the financial statements.

The statement of net position presents information on the financial resources and obligations of the Authority on December 31, 2015. As of December 31, 2015 total assets were \$982,591,243, deferred outflows of resources were \$193,855, total liabilities were \$66,657,413, deferred inflows of resources were \$1,077,205, and net position was \$915,050,480. Net position is comprised of two components: investment in capital assets of \$907,139,710 and unrestricted net position of \$7,910,770, which may be used to meet the Authority's ongoing operations. Deferred outflows of resources represents a consumption of net position that applies to future periods (expense) and deferred inflows of resources represents an acquisition of net position that applies to future periods (revenue).

The statement of revenues, expenses and changes in net position presents information showing how the Authority's net position changed during the year. For the fiscal year ended December 31, 2015 operating revenues were \$569,448, operating expenses were \$3,274,744, which resulted in an operating loss of \$2,705,296. Net non-operating expenses were \$327,314, capital contributions were \$511,883,685 and the change in net position was \$508,851,075. Total net position at December 31, 2015 was \$915,050,480.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the year ended December 31, 2014. We believe that this CAFR meets the certificate program requirements and we submitted it to the GFOA to determine its eligibility. The award is typically received six months after submission of the report.

Recommendation: *None. This report is for informational purposes.*



ii. Fourth Quarter Budget Report 12/31/2015

Attached is the fourth quarter budget report for the Minnesota Sports Facilities Authority (Authority) for the period from January 1, 2015 through December 31, 2015.

The budgetary comparison report for the operating account includes the Authority's adopted 2015 annual budget, actual revenues and expenses through December 31, 2015, the change in account balance, and the ending account balance as of December 31, 2015.

The Authority's operating revenues for the fiscal year totaled \$569,448, operating expenses totaled \$4,985,316, and nonoperating net expenses were \$769,093. As of December 31, 2015 the account balance decreased by \$5,184,961 and the ending account balance was \$3,482,006. The ending account balance at December 31, 2015 dipped below the Authority's reserve policy of \$6 million primarily due to the allocation from the project of \$2.0 million that was initially included in the 2015 budget was later reallocated within the project. The operating account reserve balance will be above the requirement in 2016.

The budgetary comparison report for the U.S. Bank Stadium project trust account includes the project budget, actual revenues and expenses for 2012, 2013, 2014, first, second, third, and fourth quarter 2015, 2015 year-to-date, and a project-to-date column. For the period from January 1, 2015 through December 31, 2015 the stadium project trust account nonoperating contributions (noncapital) revenues totaled \$1,145,445, project expenses were \$489,790,651, capital contributions were \$488,645,206, and the ending account balance was \$3,101. Project-to-date nonoperating contributions (noncapital) revenues totaled \$8,895,560, project-to-date expenses totaled \$877,458,083, project-to-date capital contributions were \$868,575,419, and the net ending account balance was \$3,101.

For period from January 1, 2015 through December 31, 2015 the Block 1 Parking Ramp expenses were \$31,751,832 and capital contributions were \$31,751,832. Project-to-date expenses were \$48,631,305 and capital contributions were \$48,631,305, (U.S. Bank Stadium project has contributed \$16,008,215 and the City of Minneapolis has contributed \$32,623,090), and the account balance was \$0. The U.S. Bank Stadium project expenses and capital contributions also include \$16,008,215 for the Block 1 Parking Ramp.

Also attached is the December 31, 2015 cash and investment summary.

Minnesota Sports Facilities Authority

Cash and Investment Summary

December 31, 2015



Cash and Investment Summary as of December 31, 2015:

| SUMMARY OF CASH AND INVESTMENTS | |
|--|-----------------------|
| Cash and Cash Equivalents: | |
| U. S. Bank - operating account | \$199,887.84 |
| U.S. Bank - payroll account | \$1,000.04 |
| U.S. Bank investment account | \$70,969.64 |
| Total Cash and Cash equivalents | \$271,857.52 |
| Restricted Cash and Cash Equivalents: | |
| Trust accounts for SBLs and construction project and Funds Held by Chicago Title and Funds held by SMG | \$2,183,808.36 |
| U.S. Bank Operating account-held for commemorative brick program | \$432,923.78 |
| Total Restricted Cash and Cash Equivalents | \$2,616,732.14 |
| Investments: | |
| U.S. Bank investment account | \$4,203,176.00 |
| Total Cash and Investments | \$7,091,765.66 |

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



7. PUBLIC COMMENTS

There were no public comments

8. DISCUSSION

There were no discussions

9. ANNOUNCE FUTURE MEETINGS

Friday, October 21st, 2016, 9:00 A.M. – Board Meeting

10. ADJOURNMENT

There being no further business to come before the MSFA, Commissioner McCarthy moved to adjourn the meeting, seconded by Commissioner Butts Williams and approved unanimously – 4 YEAS, 0 NAYS.

APPROVED

The meeting was adjourned at 9:26 am.



ADOPTED this 16th day of September 2016 by the Minnesota Sports Facilities Authority

Secretary, Bill McCarthy

Ted Mondale, CEO/Executive Director