



MINNESOTA SPORTS FACILITIES AUTHORITY MEETING AGENDA

Friday, October 12, 2018, 9:00 A.M.

U.S. Bank Stadium Medtronic Club

1005 South 4th Street, Minneapolis, MN 55415

A portion of the meeting will be closed, pursuant to Minnesota Statutes, Section 13D.05, subd. 3(b), to discuss attorney-client privileged matters regarding claims related to the storm water retention and infiltration system

1. CALL TO ORDER
2. APPROVAL OF PRIOR MEETING MINUTES - August 17, 2018
3. BUSINESS
 - a. Action Items
 - i. Approve Aramark Contract Amendment**
 - ii. Approve SMG Contract Amendment**
 - iii. Contract award for ADA Seating**
 - iv. Contract award for AMP Room Cooling**
 - v. Contract award for Summit Academy**
 - b. Reports
 - i. Executive Director Report
 - ii. SMG Report
 - c. PUBLIC COMMENTS
4. DISCUSSION
5. ANNOUNCEMENT OF NEXT MEETING – November 9, 2018 at U.S. Bank Stadium in Hyundai Club at 9 A.M.
 - d. Action Items
 - v. Motion to close meeting**
 - vi. Discuss Attorney-Client privileged matters**
 - vii. Motion to reopen meeting**
6. ADJOURNMENT

****Items in bold require action***



MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – August 17, 2018 at 9:00 A.M.
U.S. Bank Stadium Medtronic Club
1005 South 4th Street
Minneapolis, MN 55415

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 9:00 A.M.

2. ROLL CALL

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

3. APPROVAL OF MEETING MINUTES – August 17, 2018. *See, Exhibit A.*

4. BUSINESS

a. Action Items

i. Approve SMG Contract Amendment

James Farstad, Executive Director of the MSFA, stated that the MSFA would like to further revise the First Amendment (dated June 30, 2016), which clarified the timing of services provided by SMG. This revision would change the MSFA’s fiscal year in the agreement, as well as amend certain provisions affected by the MSFA’s fiscal year change.

Chair Vekich asked Mr. Farstad if he could provide specifics of the changes that will be made. Mr. Farstad provided the board with three examples: SMG will be required to follow governmental accounting standards for financial reporting, the timing of services provided by SMG will be clarified, and lastly, the bond requirement for SMG will be increased from \$1 million to \$6.885 million.

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

The MSFA authorizes the Chair and Executive Director to negotiate and execute the Second Amendment to the Management and Pre-Opening Services Agreement with SMG.

ii. Approve Hammes Contract Extension

Mr. Farstad stated that the MSFA entered into an Owner's Representative Agreement with Hammes Company Sports Development, Inc. (Hammes Company) on August 5, 2012 to help with various aspects of development and construction for U.S. Bank Stadium. He explained that Hammes Company's contract has expired, but the MSFA continues to need their services for close-out tasks, and requested that the board approve the extension of the agreement with Hammes Company on an hourly fee and month-to-month basis.

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

The MSFA authorizes the Chair and Executive Director to negotiate and execute Amendment No. 9 to the Owner's Representative Agreement with Hammes Company Sports Development, Inc. for additional services on an hourly fee and month-to-month basis.

iii. Approve 2018-2019 Property Insurance Program

Mary Fox-Stroman, MSFA's Director of Finance, stated that Willis Towers Watson (the MSFA's insurance broker) originally marketed the property policy for U.S. Bank Stadium for the policy period from September 18, 2016 to September 18, 2017. At that time, AIG offered the lowest quote, which included a three-year pricing commitment. The policy limit of \$1.2 billion includes real and personal property and business interruption coverage with a deductible of \$100,000 per occurrence. This policy also includes boiler and machinery equipment and terrorism coverage.

Commissioner McCarthy moved and Commissioner Sertich seconded the motion to approve the following recommended motion, which was unanimously adopted:

The MSFA authorizes the Chair and Executive Director to finalize negotiations and execute contracts for the property insurance program at U.S. Bank Stadium.

iv. Approve Sale of Surplus Equipment

Mr. Farstad stated that as U.S. Bank Stadium enters into its third year of operation, stadium staff continues to streamline food and beverage offerings and services. The MSFA would like to minimize

surplus concessions equipment and small wares that are no longer required to support foodservice operations in a process similar to the sale of excess construction equipment that was associated with the Metrodome in 2017. Mr. Farstad would like the board to approve a sealed bid auction process, which would be posted in the state register and on the MSFA's website.

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

The MSFA authorizes the Executive Director to conduct a sealed bid auction to dispose of surplus concession equipment and smallwares.

b. Report Items

i. Executive Director's Report

Mr. Farstad stated that, pursuant to the Parking ramp agreement, Ryan Constructions deposits (on a monthly basis) funds into the Dennison Parking trust account, which is used to pay for ramp maintenance and capital improvement costs, with a total annual deposit of \$87,000. Within the 2018 calendar year, there have been 4 approved expenses, which include contracts with Wheeler Hardware for door repairs, Otis Elevator for anti-skid guards on the ramp escalators, Ski Data to repair barrier motors, and Eco Lighting Solutions for the installation of 27 new ceiling lights for the Downtown East parking ramp. Those four maintenance projects have equated to \$40,875, which is within budget and lower than repair costs in 2017.

Mr. Farstad reported that the stadium will be implementing Direct TV into U.S. Bank Stadium. He stated that the MSFA recently approved the SMG budget for capital improvements, which included a line item titled "Other Capital Items" in the amount of \$250,000. The MSFA previously stated they would address the board if any of these funds would be spent, and Mr. Farstad noted that the stadium has a desire to increase the channel count to 89 stations, costing roughly \$14,000. Commissioner Butts Williams asked if any suite owners have ever requested different types of TV channels in the suites, and Mr. Farstad stated that there has never been specific requests from suite holders, but the stadium does need to provide certain football channels in the suites, which is included in the Direct TV package.

Lastly, Mr. Farstad provided the board with an update on Capital Procurement. He stated that the MSFA is currently tracking 9 capital projects for SMG, and that these projects are making great progress. He stated that the first priorities are to move forward with ADA seating and ADA door modifications for restrooms, and also noted that the stadium is working on improving security coverage in concourses and premium areas by installing an additional 15 cameras. Progress has also been made on the AMP room, Food Service Pantry, and the HVAC Modifications, which will allow for reduced energy costs in the building. Chair Vekich asked Mr. Farstad if all of the improvements will be completed by the time the

Vikings season begins, and Mr. Farstad stated that everything the MSFA wanted in place for the season has been completed. Chair Vekich announced that the process Mr. Farstad created for Capital Procurement has been very effective and efficient. Commissioner Butts Williams stated that there are currently two major stadiums currently being built, one in Los Angeles and another in Las Vegas, and noted that both of these stadiums will have “state of the art” technology. Commissioner Butts Williams asked Mr. Farstad if U.S. Bank Stadium will be keeping up with updated technology. Mr. Farstad stated there is a detailed 30-year plan for technology improvements, and that U.S. Bank Stadium has already began implementing new technology, and will continue to do so throughout the years.

ii. Patrick Talty Stadium Event Update

Patrick Talty, SMG’s General Manager, presented an event update to the board. After the completion of the presentation, Commissioner McCarthy asked Mr. Talty if ESPN’s X-Games will be returning to U.S. Bank Stadium in the future. Mr. Talty stated that the X-Games will be returning to U.S. Bank Stadium in both 2019 and in 2020. Mr. Farstad asked Mr. Talty how many hours of television programming was broadcasted, and Mr. Talty confirmed that there was roughly 100 hours.

Chair Vekich asked Mr. Talty if he could provide the board with an NCAA Final Four update. Mr. Talty stated that the Final Four comes to U.S. Bank Stadium every month for meetings, and that this month’s topic was the stadium perimeter, which will be smaller and tighter than during the Super Bowl. He stated that the next month they will be discussing food, beverage and concession planning to find an efficient way to serve all of the attendees. Lastly, Mr. Talty announced that the NCAA is estimating that over 70,000 people will attend the Final Four festivities.

Commissioner McCarthy asked Mr. Talty if the public tour program is still active when there are corporate events within the building. Mr. Talty explained that there are two types of tour programs available. He stated that if a company or individual hosts an event at the stadium, they are able to request a tour for the attendees of their event. The second program is a 90-minute public tour, and tickets are available to be purchased online. Lastly, Mr. Talty also reported that the stadium will begin hosting educational tours in 2018 and 2019, which is part of the Minnesota public schools’ STEM program. Students will receive a 20-minute classroom style lecture, and will then begin a 110-minute tour of the stadium which will discuss the science of the building.

c. September board meeting date change

Chair Vekich stated that the September board meeting was originally schedule for September 21, 2018, but the meeting date will need to be changed. Once a new date has been selected, it will be announced to the public.

5. PUBLIC COMMENT / DISCUSSION

Chair Vekich opened the board meeting to the public for discussion, but announced that the public comments portion is not subject to a question and answer session.

1. Peter J. Wilson: Mr. Wilson was concerned about the Super EID event, and why the event was not advertised to the public. He stated that the event was planned so quickly and was wondering how an entity could be formed, a contract could be signed, and how an event could be put together last minute with such a large group of attendees. Mr. Wilson then asked Mr. Vekich if people will be staying at the stadium, if they will be camped outside of the stadium, and what steps for security are being taken for this event.

2. Greg Meyer: Mr. Meyer presented his concerns and questions to the MSFA board regarding the Super EID event. He stated that he was very concerned as to where the funds are coming from and who is supporting the event financially. He inquired if the MSFA is running background checks, how many people are expected to attend, and why was the event not advertised. He then asked Chair Vekich where he would find the answers to the questions. Chair Vekich stated that the answers to those questions are not public information. Mr. Meyer asked Chair Vekich if any tax-payers' dollars are funding the event, and Chair Vekich confirmed that no tax dollars are being used for the event. Mr. Meyer asked who is paying for the event, and Chair Vekich stated that that information is not public. He then asked if sacrificing of animals would be taking place at the stadium, and Chair Vekich stated that there will be no animals allowed inside of the stadium. Lastly, Mr. Meyer asked if people were allowed to spend the night at the stadium, and Chair Vekich stated that no one is allowed to stay overnight.

3. Marni Hockenberg: Ms. Hockenberg expressed her concerns about the Super EID event, and as a Jewish woman, she stated that having 50,000 Muslims, who follow Sharia Law, does not make her feel safe in Minneapolis. She then held up an Israeli flag and asked if she were walking down the street with the flag during the Super Eid event, if she would be safe. Lastly, she stated that the Muslim brotherhood is prevalent in Minneapolis, and that martyrdom is their inspiration, and that the Jihad is their way of life.

4. Michele Even: Ms. Even stated that she has been investigating child care fraud in the state of Minnesota, and when she was made aware of the Super EID event, it was a red flag. She questioned how a community that is mostly subsidized by the government is able to afford to rent out U.S. Bank Stadium for two days. She then asked: Has the event been paid in full? Is this event tax exempt? Will the Muslims be spending the night inside the stadium? What are the plans for public transportation? She also noted that part of the Super EID event involves the sacrificing of animals, and she inquired whether or not that will be taking place inside the stadium. Lastly, Mr. Even asked why the event is not listed on the website.

5. Bob Carrillo: Mr. Carrillo expressed his concerns about the Super EID event. He stated that hosting this event is a big mistake, and noted that the public is entitled to answers to their questions that were presented to the board. He stated that it can take years to put together a large event, and is concerned that the event was put together last minute, and planned within 30 days. Lastly, Mr. Carrillo stated that this a national issue, and that we should all be afraid.

6. Jodie RN: Ms. Jodie stated that she went through the lower Pentair magnetometers twice, and noted that her titanium metal hip implant did beep. She questioned if the stadium security is secure, and that it is a red flag.

7. AJ Nemec: Mr. Nemec stated that his friend Mr. Rob will be speaking on his behalf. Mr. Rob stated that he does not have a problem with Muslims, and that he has a tattoo of the scripture on his arm. He stated that thousands of people come to visit Minneapolis to see U.S. Bank Stadium, and the building has become part of the Minneapolis skyline. He asked if the Super EID event is the type of event that should be affiliated with a building that was funded with tax payers dollars. Mr. Rob stated that the right to worship is fantastic, but warned that the stadium officials may not understand what the event will become.

8. Don Huizenga: Mr. Huizenga is concerned that there was no real process in renting out the stadium for the Super EID event, and that the event is a religious ceremony. He stated that all previous events in the stadium have been nondenominational, and believes that this violates the separation of church and state, as only the Muslim religion will be celebrated.

9. Alley Waterbary: Ms. Waterbary stated that she will no longer make a public comment, as all of her concerns had already been addressed by previous citizens.

10. Bob Enos: Mr. Enos' biggest concern is the lack of transparency with the Super EID event, and he noticed that there has been a media-blackout regarding the event. He stated that if you google "Super EID", there are no references online, including U.S. Bank Stadium's website. He stated that the absence of information is raising red flags, which is the public's main concern. Lastly, Mr. Enos then handed a data practice request to the board, and stated that he is requesting a copy of the contract with the Super EID organization, and any other correspondence relating to the event.

6. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced that the next MSFA meeting will be held in September 2018, and the date will be announced shortly.

7. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 10:05 A.M.

Approved and adopted the 12th day of October 2018, by the Minnesota Sports Facilities Authority.

Tony Sertich, Secretary/Treasurer

James Farstad, Executive Director



October 12, 2018

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Approve First Amendment to the Food and Beverage, Catering, and Concession Agreement with Aramark

The MSFA entered into the Food and Beverage, Catering, and Concession Agreement on January 30, 2015 with Aramark to provide concessionaire services for U.S. Bank Stadium. The First Amendment clarifies Red Zone commission structure and Chef Partner Royalties, provides refinement of the methodology for cost charged by Aramark for purchases made by MSFA and Team and provides for the amortization of certain additional smallware purchases provided by Aramark. The MSFA also desires to revise the Agreement to reflect a change in the due date of the annual Capital Expenditure Budget to provide the MSFA additional time for capital planning.

Recommended Motion: *The MSFA authorizes the Chair and Executive Director to negotiate and execute the First Amendment to the Food and Beverage, Catering, and Concession Agreement with Aramark.*



October 12, 2018

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Approve Third Amendment to the Management and Pre-Opening Services Agreement with SMG

The MSFA entered into the Management and Pre-Opening Services Agreement on August 22, 2014 with SMG to provide management and pre-opening services for U.S. Bank Stadium. Then on June 30, 2016 the parties entered into the First Amendment to clarify the timing of the services provided by SMG and to amend the compensation due and payable to SMG. On August 17, 2018, the parties entered into the Second Amendment to change the MSFA's fiscal year and amend certain provisions affected by the MSFA's change in fiscal year.

MSFA wishes to formalize in a Third Amendment, as it is not clear in our contract, ticketed trade shows, high school sports, and youth sports are not subject to a Facility Fee. This has been the practice by SMG and the MSFA to date. The Facility Fee is charged to a ticket buyer for certain events held at the facility. This fee is customary for all sports and entertainment venues across the Twin Cities as well as the nation.

Additionally, we recommend amending the contract language to allow the Facility Fee to be changed by approval of the Chair and Executive Director. This change is to ensure U.S. Bank Stadium remains nimble and competitive in the market when competing for large entertainment and sporting events.

Aramark currently pays 1% of their gross sales to offset concessions utility usage. This currently is not applied to Stadium utility costs. We recommend modifying the contract language to apply the Aramark utility offset fee to Stadium utility expenses.

Recommended Motion: *The MSFA authorizes the Chair and Executive Director to negotiate and execute the Third Amendment to the Management and Pre-Opening Services Agreement with SMG*



October 12, 2018

MEMORANDUM

TO: MSFA Members

FROM: James Farstad, Executive Director

SUBJECT: Authorize the Award of the ADA Platform Railing and Fixed Seats

The MSFA issued a request for proposals on August 22, 2018 seeking vendors to supply and install additions to ADA platform railing and fixed seats for the stadium. Two bids were received on September 18, 2018 from Construction Results and LS Black.

Staff recommends that Construction Results be awarded this work. Construction Results proposal was \$133,971. These additions to the ADA platforms is currently scheduled to be completed December 2018.

Recommendation Motion: *The MSFA authorizes the Executive Director to negotiate and execute a contract with Construction Results for additions to stadium ADA platforms for \$133,971.*



October 12, 2018

MEMORANDUM

TO: MSFA Members

FROM: James Farstad, Executive Director

SUBJECT: Authorize the Award of the Amp Rooms Cooling Contract

The MSFA issued a request for proposals seeking vendors to supply and construct redesigned cooling for the amp rooms on August 14, 2018. Two bids were received on September 13, 2018 from Harris Mechanical and Metropolitan Mechanical Contractors.

Staff recommends Harris Mechanical be awarded the contract for the amp room cooling, as their proposal was the most comprehensive and included integration the stadium's building management system. This scope will reduce overall energy consumption and energy costs.

The total cost of the Harris Mechanical solution is \$415,880. Staff recommends beginning with a phase one of \$135,000 in fiscal year 2018-2019 as currently budgeted. Staff also recommends that the remainder of the work be funded in the 2019-2020 capital budget.

Recommended Motion: *The MSFA authorizes the Executive Director to negotiate and execute a contract with Harris Companies for the first phase of amp room cooling for \$135,000.*



October 12, 2018

MEMORANDUM

TO: MSFA Members

FROM: James Farstad, Executive Director

SUBJECT: Authorize Execution of Contract with Employment Assistance Firm

Minn. Stat. §473J.12 requires that *“...the authority shall contract with an employment assistance firm, preferably minority-owned, or owned by a disabled individual or a woman, to create an employment program to recruit, hire, and retain minorities for the stadium facility.”*

The MSFA recognizes the great strides that SMG and Aramark have made in hiring and maintaining a diverse workforce at U.S. Bank Stadium (“Stadium”) for large and small events, and the MSFA is committed to supporting SMG, Aramark, and other Stadium partners in recruiting and retaining a diverse group of employees.

MSFA staff requests permission for the Chair and Executive Director to negotiate a contract with Summit Academy OIC to continue to conduct outreach programs for potential employees at U.S. Bank Stadium.

Recommended Motion: *The MSFA authorizes the Executive Director to negotiate and execute a contract not to exceed \$125,000 covering the period October 12, 2018 – October 12, 2019 with Summit Academy OIC to serve as the MSFA’s employment assistance firm.*