



MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – April 16, 2020 at 8:00 A.M.
Teleconference

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 8:00 A.M.

2. ROLL CALL

Commissioners present via phone: Chair Michael Vekich, Bill McCarthy, Barbara Butts Williams, Angela Burns Finney, and Tony Sertich

3. APPROVAL OF MEETING MINUTES – March 21, 2020. *See, Exhibit A.*

4. BUSINESS

a. Action Items

i. Final Stadium Master Project Budget

Mary Fox-Stroman, the Director of Finance at the MSFA, stated that Closeout of the Stadium construction process was completed and the final Master Application for Payment (MAP) #71, dated April 1, 2020, was submitted to the trustee and the disbursing agent for final payment processing. Mr. Farstad noted that Many adjustments were required to finalize the budget, including reconciliation and closeout of project contract values, reallocation of various uncommitted budget allocations, and other adjustments to the Sources and Uses of Funds. *See, Exhibit B.*

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

The MSFA Board accepts the final Stadium Master Project Budget.

b. Report Items

i. ASM Global Event Update

John Drum, Interim General Manager of U.S. Bank Stadium, provided the MSFA board with a stadium update. Mr. Drum stated that access to the stadium is now limited, and access is only being given to essential employees whose jobs require them within the building. The ticket office and team store remain closed, and stadium tours are all cancelled until further notice.

Mr. Drum announced that ASM Global has put together a Pandemic Management Plan, which requires temperature screenings and a medical survey prior to entry of the building. The use of face masks are highly encouraged while inside U.S. Bank Stadium, and PPE is made available to staff upon request. The compliance of individuals entering the stadium has been great, and employees appreciate these additional steps taken in order to ensure their health and safety.

Regarding Stadium events, Mr. Drum stated that ASM Global has been working with concert promoters on finding new dates for the Kenny Chesney and Rolling Stones concerts, as they have been postponed, and noted that most private events have been rescheduled for the fall. However, stadium staff is still preparing for the Minnesota Viking's 2020-2021 season as planned. Mr. Drum then noted that ASM Global and stadium partners are continuing to take guidance from the CDC, the State of Minnesota, and ASM Global corporate when it comes to the decision-making process as to when it is appropriate to safely reopen the stadium.

ii. Executive Director Report

Mr. Farstad began his report by giving a 3-point update about the external panel replacement project at U.S. Bank Stadium. Firstly, he discussed the safety precautions that are being taken to prevent the construction workers from contracting Covid-19. He noted that the following changes have been implemented to ensure that each employee remains healthy throughout the duration of the project: there is a safety meeting for all employees each morning as well as a voluntary temperature check upon

arrival of the construction site, site visits now consist of smaller teams, lunch breaks are socially distanced, washing stations have been installed, face masks are now required on lifts of two people or more, and safety reviews are now given at orientation. Employees and crews have been vigilant in following these new procedures, and no coronavirus cases have been reported. Secondly, he stated that all panels and insulation have been removed, except for the north west section, and the Henry Blueskin is currently being installed. Mr. Farstad noted that all progress of the project is being professionally tested and inspected regularly. Thirdly, Mr. Farstad stated that the west prow video board has been powered down and will be deinstalled over the next 7-10 days.

Mr. Farstad stated that the MSFA and Aramark are working on publishing multiple Request for Proposals that will be posted during the week of May 1st. Some of the projects include: purchasing of additional equipment (including deep fryers and smallwares), electrical work, and concession signage. The MSFA and Aramark are still aiming to have all projects completed before the start of the Minnesota Viking's preseason games.

Lastly, Mr. Farstad stated that there are many new technology installations being incorporated into U.S. Bank Stadium. ASM Global will soon begin self-installing IPTV upgrades, and the Verizon 5G expansion project should be up and running in May; however, this time frame is contingent on stadium safety procurers and the Covid-19 pandemic.

5. PUBLIC COMMENTS

There were no public comments.

6. DISCUSSION

There was no discussion.

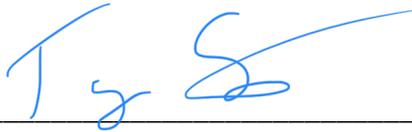
7. ANNOUNCEMENT OF NEXT MEETING

Chair Vekich announced that the next MSFA meeting will be held on May 21, 2020, at U.S. Bank Stadium in the Medtronic Club at 8:00 A.M.

8. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 8:36 A.M.

Approved and adopted the 21st day of May 2020, by the Minnesota Sports Facilities Authority.



Tony Sertich, Secretary/Treasurer



James Farstad, Executive Director
Minnesota Sports Facilities Authority

Exhibit A



MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – March 19, 2020 at 8:00 A.M.
Medtronic Club & Via Teleconference – U.S. Bank Stadium
401 Chicago Avenue
Minneapolis, MN 55415

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 8:00 A.M.

2. ROLL CALL

Commissioners present in person: Chair Michael Vekich

Commissioners present via phone: Bill McCarthy, Barbara Butts Williams, Angela Burns Finney, and Tony Sertich

3. APPROVAL OF MEETING MINUTES – February 28, 2020. See, Exhibit A.

4. BUSINESS

a. Action Items

i. Approve Project Budget Amendment

James Farstad, the Executive Director of the MSFA, stated that in order to complete the Stadium’s construction project closeout process, the Stadium Master Project Budget needs to be amended, including: reconciliation of project contract values, reallocation of various uncommitted budget allocations, and adjustments to the Sources and Uses of Funds within the Stadium’s Master Project Budget. It is expected that the Master Project Budget will be reduced by approximately \$1.4 million as a result. See, Exhibit B.

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 adjust the Sources and Uses of Funds of the Stadium Master Project Budget. A final Stadium Master Project Budget Report will be presented at a future board meeting.

ii. Approve Professional Services Agreement with The Tegra Group, Inc.

Mr. Farstad stated that the MSFA has selected The Tegra Group, Inc to serve as its Owners Representative for the Exterior Envelope (Panel Removal and Replacement) Project. The negotiated contract with The Tegra Group, Inc. would be in effect for 13 active project months in 2020 and 2021, at a cost of \$19,000 per month, in an amount not to exceed \$247,000. See, Exhibit C.

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

The Authority authorizes the Chair and CEO/Executive Director to negotiate and execute a contract for Owners Representative Services with the Tegra Group, Inc. in an amount not to exceed \$247,000.00.

b. Report Items

i. Q1/Q2 Budget Report – December 31, 2019

Mary Fox Stroman, Director of Finance at the MSFA, presented the Q1 and Q2 Budget Report, for the period through December 31, 2019, to the MSFA Board. See, Exhibit D.

Chair Vekich asked Mr. Farstad if he saw any concerns about with the budget with regards to the Covid-19 pandemic, and Mr. Farstad stated that ASM Global is conducting a cash flow review for the year of 2020 and so far there are no concerns, but he will report back to the board if any concerns arise.

ii. ASM Global Event Update

John Drum, Interim General Manager of U.S. Bank Stadium, provided the MSFA board with a stadium event update. Mr. Drum stated that due to the Covid-19 pandemic, new workplace procedures at the stadium have been put into place. The ticket office and the team store have been closed, enhanced cleaning and disinfecting within the stadium has begun, and only limited employees are working within the building. The pandemic has also caused a change in the event calendar. Some of these changes include: the cancellation of the NCAA Wrestling championship, the postponement of the Kenny Chesney Concert and the Rolling Stones Concert, the rescheduling of private events, and the cancellation of the public tours (through April 30th). Mr. Drum stated that when the CDC and the State of Minnesota deems it safe to hold large public gatherings, U.S. Bank Stadium and staff will be ready for concerts, Vikings Football, and any other future events. Lastly, Mr. Drum stated that these are extraordinary times, and that he applauds the efforts of the ASM Global team, all stadium partners for their hard work on keeping the building safe.

Commissioner Butts Williams thanked Mr. Drum not only for his report, but also for keeping his employees safe during these uncertain times. She noted that we are all in this together, and that we will come out of this pandemic stronger than before.

iii. Executive Director Report

Mr. Farstad began his report by giving an update about the external panel replacement project at U.S. Bank Stadium. He stated that the overhead protection and access routes have been put into place, and that crews have mobilized on the north and northwest portion of the building. The “U.S. Bank Stadium” signage removal has begun but is expected to be reinstalled before the Minnesota Vikings begin their 2020 football season.

Mr. Farstad reported that the MSFA is in the implementation sequence of the new equity plan and has already begun to gather equity data for the panel removal and replacement project.

Mr. Farstad noted that the MSFA is working closely with ASM Global on capital improvements, and together they are reforecasting the 2020-2021 cash flow, finalizing prioritization of potential capital items, and establishing board funding requests.

Mr. Farstad also stated that the field turf playing surface is being converted back to football configuration for the Minnesota Vikings' pre-season games, which happens in 3 phases: the removal of the baseball outfield and soccer sections, the installation of the Norseman logo at the 50-yard line, and the installation of the endzones. All three phases have been completed. The project close-out has a few remaining deliverables, including the submittal of the turf and warranty documentation, the gathering of the final engineering reports, and receiving the replacement stock for the damaged pads.

Lastly, Mr. Farstad stated that the MSFA continues to work with Dennison Parking on the installation of the ADA doors.

5. **PUBLIC COMMENTS**

There were no public comments.

6. **DISCUSSION**

There was no discussion.

7. **ANNOUNCEMENT OF NEXT MEETING**

Chair Vekich announced that the next MSFA meeting will be held on April 16, 2020, at U.S. Bank Stadium in the Medtronic Club at 8:00 A.M.

8. ADJOURNMENT

There being no further business to come before the MSFA, the meeting was adjourned at 8:33 A.M.

Approved and adopted the 16th day of April 2020, by the Minnesota Sports Facilities Authority.

Tony Sertich, Secretary/Treasurer

James Farstad, Executive Director



April 16, 2020

Exhibit B

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director
Mary Fox-Stroman, Director of Finance

SUBJECT: Final Stadium Master Project Budget

Today we are presenting a final report on the final Stadium Master Project Budget. At the Authority's March 19, 2020 meeting the board authorized adjustments to the Stadium Master Project Budget with the understanding that a report would be presented at a future meeting.

Closeout of the Stadium construction process was completed and the final Master Application for Payment (MAP) #71, dated April 1, 2020, was submitted to the trustee and the disbursing agent for final payment processing. Included in the MAP documentation was the Stadium's final Master Project Budget. Many adjustments were required to finalize the budget including reconciliation and closeout of project contract values, reallocation of various uncommitted budget allocations, and other adjustments to the Sources and Uses of Funds.

Table 1 below presents the Master Project Budget's Sources and Uses of Funds as of November 17, 2017, date the Authority previously approved the budget, budget adjustments, and the final Master Project Budget. Following is a summary of the budget adjustments that comprise the decrease of \$1,442,726.53 in both the Sources and Uses of Funds:

Sources of Funds net budget decrease of \$1,442,726.53:

- Increase in Interest Earned on Trust Accounts of \$54,440.76 as this was not recognized previously.
- Decrease in Additional Team Contribution of \$3,500,000.00 as these funds were no longer needed to complete the project.
- Increase in Other Contributions of \$2,002,832.71 as The Hartford refunded a portion of the prefunded loss reserve of \$1,002,832.71 and there was a settlement contribution of \$1,000,000.00.

Uses of Funds net budget decrease of \$1,442,726.53:

- Decrease in Site Acquisition & Improvements of \$27,638.49 due to adjustments to closeout previously authorized scopes of work.
- Decrease in Construction Costs of \$13,068,727.76 due to a decrease in the construction contract and retainage.
- Decrease in Furnishings, Fixtures & Equipment of \$45,668.87 due to adjustments to closeout previously authorized scopes of work.
- Increase in Development Costs of \$2,975,216.61 due to an increase in MSFA reimbursed consulting costs of \$1,390,920.18, increase in Owners Controlled Insurance Program's prefunded reassessment of \$1,596,100.71, and decrease in adjustments to previously authorized scopes of work of \$11,804.28.

- Decrease in Other Mutually Agreed Costs 1 and 2 of \$232,201.51 and \$99,075.00, respectively due to reallocation of costs.
- Increase in Costs Funded by the Construction Back Charge of \$351,135.73 due to an increase in commissioning costs.
- Increase in Project Contingency of \$604,232.76 due to the project's remaining balance of \$1,902,478.43 was paid to the Authority for future capital reserve uses.
- Increase in settlement contribution from budget of \$8,100,000 due to the funding provided under terms of the settlement agreement.

TABLE 1

U.S. BANK STADIUM				
Division	Description	Master Project Budget 11/17/2017	Budget Adjustments	Master Project Budget Final - 4/1/2020
SOURCES OF FUNDS				
00-15-005	Earned Interest - Trust Accounts	\$ 193.63	\$ 54,440.76	\$ 54,634.39
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	\$ 131,463,907.45	(\$3,500,000.00)	\$ 127,963,907.45
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	\$ 14,576,890.50		\$ 14,576,890.50
00-90-020	NRG Cost Reimbursement	\$ 232,345.00		\$ 232,345.00
00-90-025	Commemorative Brick Proceeds	\$ 1,600,000.00		\$ 1,600,000.00
00-90-030	Design Team Contribution	\$ 275,000.00		\$ 275,000.00
00-90-035	3rd Party Contribution	\$ 2,750,000.00		\$ 2,750,000.00
00-90-040	Local TV Station Licensing Proceeds	\$ 105,000.00		\$ 105,000.00
00-90-XXX	Other Contributions		\$ 2,002,832.71	\$ 2,002,832.71
	Total Sources of Funds	\$ 1,131,753,336.58	(\$1,442,726.53)	\$ 1,130,310,610.05
USES OF FUNDS				
10-00-000	Site Acquisition & Improvements	\$ 59,284,658.47	\$ (27,638.49)	\$ 59,257,019.98
20-00-000	Construction Costs	\$ 909,622,399.73	(\$13,068,727.76)	\$ 896,553,671.97
30-00-000	Furnishings, Fixtures & Equip.	\$ 66,868,265.64	(\$45,668.87)	\$ 66,822,596.77
40-00-000	Development Costs	\$ 87,561,247.15	\$ 2,975,216.61	\$ 90,536,463.76
60-00-000	Other Project Costs			\$ -
	TCF Stadium Improvements	\$ 6,787,243.41		\$ 6,787,243.41
	Other Mutually Agreed Cost 1	\$ 232,201.51	(\$232,201.51)	\$ -
	Other Mutually Agreed Cost 2	\$ 99,075.00	(\$99,075.00)	\$ -
	Costs Funded by the Construction Back Charge	\$ -	\$ 351,135.73	\$ 351,135.73
90-00-000	Project Contingency	\$ 1,298,245.67	\$ 604,232.76	\$ 1,902,478.43
	Settlement payout		\$ 8,100,000.00	\$ 8,100,000.00
	Total Uses of Funds	\$ 1,131,753,336.58	(\$1,442,726.53)	\$ 1,130,310,610.05

Recommended Motion: *The MSFA Board accepts the final Stadium Master Project Budget.*