



Minnesota Ballpark Authority Meeting Minutes – May 16, 2008

Chair Cramer called the meeting of the Minnesota Ballpark Authority for May 16, 2008 to order at 1:00 PM. The roll was taken and all Commissioners were present. Kathleen Lamb, Legal Counsel, was also present.

Commissioner Barb Sykora moved approval of the agenda, seconded by Commissioner Mike Vekich and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Commissioner Campbell moved approval of the April 18, 2008 meeting minutes, seconded by Commissioner Wade and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

PUBLIC COMMENT

- None

CHAIR REPORT

- Chair Cramer said that there was a press conference on the ballpark site yesterday marking the one year in period of construction.

EXECUTIVE DIRECTOR REPORT

Executive Director Kenney reported the following:

- On May 12, the Twins, area businesses and members of the North Loop Neighborhood Association had an initial meeting to begin to identify the ballpark district boundaries and discuss collectively an identity of warehouse and North Loop districts surrounding the Ballpark.
- The Hennepin County Rail Authority began a study to look at the capacity of LRT stations in vicinity of the Ballpark. In addition to the Hiawatha LRT and Northstar commuter lines there is a possibility that other rail lines will be connecting through this location in the future.
- Colleen Livermore has accepted a new position with Hennepin County. She will continue in her role with the MBA through the end of the State Auditor's final report and the MBA annual financial report and during that time, MBA staff is working to fill her position.

ACTION ITEMS

08-MBA-07 Resolution: To ratify (i) execution by the Chair and Executive Director on behalf of the Authority of an amendment to the Development Agreement increasing the Ballpark budget from \$390,000,000 to \$412,529,185, reflecting an additional contribution by the Team of \$22,529,185 to fund Ballpark enhancements, and (ii) approval by the Chair and Executive Director on behalf of the Authority of a conforming amendment to the Construction Management Agreement.

Background:

By Resolution No. 08-MBA-03, adopted February 27, 2008, the MBA Board approved an increase the Ballpark budget from \$390 million to \$412.4 million, reflecting an additional contribution of \$22.4 million by the Team to fund Ballpark enhancements with no additional County or MBA contribution, and authorized the Chair and Executive Director to approve the form of and execute on behalf of the MBA conforming amendments to the Development Agreement, and to approve on behalf of the MBA the form of conforming amendments to the Construction Management Agreement.

After announcement of the new budget for the Ballpark in February, on which the above action was based, additional work was done to refine final cost estimates. The purpose of this action is to conform the Authority's Ballpark budget authorization with the GMP Ballpark budget that has now been formally incorporated into the Development Agreement amendment and GMP amendment to the Construction Management Agreement.

Amendment No. 1 to Development Agreement, made as of April 21, 2008, provides for an increase in the Ballpark budget from \$390,000,000 to \$412,529,185 based on an additional contribution by the Team of \$22,529,185 to fund Ballpark enhancements with no additional County or MBA contribution. Amendment No. 1 to Development Agreement also includes approval by the MBA and the County of a conforming amendment to the Construction Management Agreement.

This budget adjustment increases the Team's additional Ballpark contribution by approximately \$129,000 over the amount of the Team's additional contribution reflected in the MBA Board's February action. There are no changes in the Ballpark contributions from the MBA or the County.

Action Requested:

BE IT RESOLVED that the MBA Board hereby ratifies execution and delivery by the Chair and Executive Director of Amendment No. 1 to Development Agreement, made as of April 21, 2008, reflecting an increase in the Ballpark budget from \$390,000,000 to \$412,529,185 based on an additional contribution by the Team of \$22,529,185 to fund Ballpark enhancements with no additional County or MBA contribution, and hereby ratifies approval of the conforming Amendment to Construction Management Agreement dated April 21, 2008.

Commissioner Vekich moved the amendment. It was seconded by Commissioner Campbell.
The motion was approved unanimously – 5 YEAS, 0 NAYS

APPROVED

08-MBA-08 Resolution: To authorize the Chair and Executive Director to execute an amendment to the Braun-Intertec consultant contract for Special Testing and Inspection Services, in the amount of \$800,000.

Background:

In the spring of 2007, proposals were solicited from qualified firms to provide special inspections and testing services as required by the International Building Code and local authorities.

On April 25th, 2007, staff presented to the Board Resolution No. 07-MBA-07-09, in which authorization was requested to enter into contract with Braun-Intertec to provide certain inspection and testing services, with an initial NTE contract amount of \$1,237,635, with the understanding that payment was to be made against that contract on a time-and-materials basis. Approval was subsequently given at that meeting.

Since that time, additional scope has been added to the Braun-Intertec contract, primarily in the form of inspections for the plaza/pedestrian bridges within MnDOT right-of-way. Additionally, the final design documents have resulted in numerous additions and increases to structural foundations and piles.

The costs for this scope of work fall within the project's current budget.

Action Requested:

BE IT RESOLVED that the MBA Board authorizes the Chair and Executive Director to execute Amendment No. 1 to the Braun-Intertec consultant contract, for continued special inspection and testing services in an increased amount of \$800,000, resulting in a new contract amount of \$2,037,635, which may not be exceeded without further Board authorization.

Discussion: Ed Hunter said that this resolution requests an increase to this Time and Materials contract to carry these special services through this construction season and into the next season. Mr. Hunter said that when we first put the budget together it was anticipated the special inspection and testing services would equate to about 1% of the total construction costs of \$400,000,000 overall we would expect to spend about \$4 million. Since Braun Intertec and American Engineering & Testing contracts total \$3 million they are well within that budget. Commissioner Vekich inquired as to what budget this contract is under and Mr. Hunter replied that it falls under both ballpark and infrastructure budgets and falls outside of the GMP budget.

Commissioner Campbell moved the resolution. It was seconded by Commissioner Wade.

The motion was approved unanimously – 5 YEAS, 0 NAYS

APPROVED

DISCUSSION ITEMS

A. LEED Certification Update – Bruce Miller, HOK Sport

Mr. Miller gave an update on HOK's LEED efforts on the ballpark project. There are two forms of sustainable design compliance for this project: The LEED process through the USGBC (Green Building Council) and secondly through the State of Minnesota Buildings Benchmarks and Beyond (B3) Guidelines. The B3 guidelines are a definite compliance issue that HOK is pursuing. The LEED issue is another compliance that HOK is pursuing on behalf of the MBA and the

Twins. HOK is evaluating a series of strategies in terms of the base design and the number of points needed for certification and consider the incremental costs each of those strategies might entail. Before filing HOK will decide what amount of LEED points they will pursue. The goal is 26 points which is needed to achieve LEED Certification and 33 points are required for LEED Certification Silver status. They will be filing the design submittal late summer or early fall of this year. Secondly they will file the construction piece with information received from Mortenson a month before the ballpark opens.

Mr. Miller distributed a list of the sustainable design plan strategies under review by HOK: sustainable sites, energy and atmosphere, indoor environmental quality, innovation and design process, water efficiencies and material resources which were discussed in detail.

B. Quarterly Report Women and Minority Employment Goals for Ballpark Project – Marvin Taylor, James Patterson, Minneapolis Civil Rights Department

Marvin Taylor, Director of the Outreach Program, briefly explained the Civil Rights Department's role in the project and process in monitoring goals for the ballpark project. He said that information is received from Mortenson and compiled into a database. Information they receive from subcontractors working on the site is verified with this database. Mr. Taylor said that in the Civil Rights Departments first quarter attempt at this they reported payments to contractors, which they have now decided is not comparing apples to apples. Instead, the Civil Rights Department now looks at committed contracts to general contractors and how much of that is committed to Women and Minority owned sub-contractors. To verify information received, they request written verification of committed dollar amounts directly from the targeted businesses. Mr. Taylor noted that there are times when the totals being reported by Civil Rights are not in line with what Mortenson is reporting, since some of the amounts are still in the process of being verified.

James Patterson gave a workforce diversity report for the first quarter of 2008. The total project workforce hours of 222,407 has reported 13,557 or 6.10% female hours and 34,429 or 15.48% minority hours. Because of a past request from the MBA Board, minority hours had been broken down by ethnicity on this report. The current project goals for SWMBE are 8% Small Business which is currently 2.4%, 10% Minority-Owned Business which is currently 4.9% and 12% Women-Owned Business currently reporting at 5.4%. Also, because of a previous request from the Board at the April meeting a chart was created showing minority labor participation by month and that is showing a steady increase.

Commissioner Vekich said that he would like to see further definition on existing employees and new employees for SWMBE and know more about recruiting efforts. Chair Cramer suggested that this information come from Mortenson. Mr. Taylor agreed saying that information was beyond the scope of work for the Minneapolis Civil Rights Department but could be provided by Summit Academy and Mortenson Construction.

Commissioner Wade asked whether the goals are achievable given the other major construction projects in the area, namely the 35W Bridge project and Gopher Stadium. He asked if those projects would cut back on the available workforce. Mr. Taylor agreed that the goals were very aggressive. The Civil Rights Department have done some studies with regards to availability and feel an achievable goal for skilled and unskilled labor is 11% so given the other major projects in the area, the 25% goal is aggressive. The other part of that equation though is that working with Summit Academy and other organizations is a good opportunity to infuse new people into the construction industry so it is an aggressive position but he is optimistic that they can get there

even though it will not be easy. Commissioner Wade said that he does not mind that it will take some work to get to those goals but asked if Mr. Taylor if he sensed that anyone wasn't trying hard enough to reach those goals. Mr. Taylor said that these are lofty and solid efforts in place to achieve the goals.

C. Construction and Planning Update – Ed Hunter, MBA Project Manager and Dan Mehls, Mortenson Construction

Ed Hunter reported that some major infrastructure items are moving forward. The sanitary sewer system to service the new ballpark is complete now and water supply systems will be complete next month and project team members will work with the City of Minneapolis will take ownership of them. During the summer Mortenson will finish half of the south parking lot to insure continued access to the site and maintain the flow of equipment delivery to the ballpark. In June, 3rd Avenue north of the Ballpark will be torn up for the installation of the Xcel Energy communications line.

Dan Mehls announced that the final Bid Package #7 was submitted to the market and bids will be taken in the fall. On-site 3400 piles have been driven and are now completed. Of the total 51,000 cubic yards of concrete required, 15,000 have been poured to date. Nine deck pours out of fifty have been completed. All precast beams are fabricated for the pedestrian plaza and bridges. Pedestrian bridge connections can be seen from Target Center. A mock up of a stone wall panel at the site can be viewed. Three primary areas where structural steel will be soon constructed are the Metropolitan Club, outfield steel, and the canopy steel. They will soon choose a playing field contractor which Mr. Mehls will discuss in greater detail next month. The single largest issue is the escalating cost of structural steel.

Workforce Participation – Lynn Littlejohn, Mortenson Construction

Lynn Littlejohn reported that the SWMBE project goal of 30% is currently being exceeded at 31%. Workforce participation goals are 25% minority and 5% female. The project levels through February were 16% minority and 6% female. Minority participation is increasing, but has not yet reached goal levels. In response to this, Mortenson has met with major subcontractors and stressed the importance of these goals and hiring practices.

Ms. Littlejohn said that Mortenson will be modifying their monthly report to look back three months to help identify any trends. They are also putting together a process to track “new” employees as requested by the Board. Ms. Littlejohn noted that it is an administrative challenge to collect that information and to interpret which employees are considered “new”.

Ms. Littlejohn said that with the opening of bid package #7 a recent open house was well attended. She also noted that she recently completed interviewing students for internships this summer. She noted that the MBA office will participate again this summer rehiring the intern they had last summer.

Commissioner Campbell commended Mortenson's safety record after being at the site earlier in the day and seeing first hand how many people are working there.

D. MBA Financial Report – Colleen Livermore, Ballpark Finance Coordinator

Ms. Livermore reported that \$119 million was received as a grant of the bond proceeds from Hennepin County. Almost all of these funds were converted to cash which will be needed for

upcoming requisitions. The last bond issue will come in June. Ms. Livermore said that the State Audit team is finishing up financial statements and have not yet reported final review points. Virchow Krause will be reporting on the update of agreed upon procedures at the June MBA meeting.

Commissioner Vekich asked if the State Auditor was doing a compliance audit. Ms. Livermore said that the State Auditor's office was only conducting a financial audit.

E. Washington D.C./Baltimore/New York Ballpark Tour – Susie Helget, Administrative Manager

Ms. Helget reviewed the itinerary for the May 20 through 22 MBA tour of Nationals Park in Washington D.C., Oriole Park at Camden Yards in Baltimore and the Mets Citi Field construction site in New York. She said that the tour will begin in Washington D.C. with John Stranix, Project Manager for the Washington Nationals, conducting the tour. The MBA will also meet with Anica Landreneau of HOK Sport and Bob Wolfe, Executive V.P. for the Washington Nationals to discuss the construction process and the steps that they took to achieve LEED certification silver status. Next, the MBA will tour Oriole Park at Camden Yards in Baltimore. While there, they will also have the opportunity to meet with members of the Maryland Stadium Authority and discuss their organizations role in the building of Oriole Park and how the organization has evolved since its inception in the early 1990's. They will also learn how the Camden Yards transportation system has been organized. Ms. Helget noted that Camden Yards is a major transportation hub with LRT, Commuter Rail, a bike path and good pedestrian connections all coming together. The MBA will also meet with Allison Asti, the former Executive Director of Maryland Sports Authority, who was with the organization from its inception until a few months ago and get her insight on construction of the Oriole Park. Lastly, the MBA will tour the construction site for the new Mets ballpark scheduled to open in 2009 and meet with representatives from the team who are working on the project.

Next Meeting:

- June 20, 2008

There being no further business, Commissioner Wade moved to adjourn. Commissioner Sykora seconded the motion. The motion was approved unanimously -5 YEAS, 0 NAYS. The meeting of the Minnesota Ballpark Authority for May 16, 2008 was adjourned at 2:20 P.M.