



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: April 18, 2023

TITLE: Contracts Requiring Board Approval

- a. Exclusive Sports Medicine Provider for Athletics, Minnesota State University, Mankato
- b. Athletics Apparel Contract, Southwest Minnesota State University
- c. Student Center/Library Bookstore Renovation, Metropolitan State University

Proposed New Policy or
Amendment to Existing Policy

Approvals Required by
Policy

Other Approvals

Monitoring/Compliance

Information

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities

Brian Yolitz, Associate Vice Chancellor for Facilities

Tim Anderson, System Director for Procurement and Contract Management

Rick Straka, Vice President for Finance and Administration, Minnesota State University, Mankato

Deb Kerkaert, VP for Finance & Administration, Southwest Minnesota State University

Jennifer Flowers, Director of Athletics, Southwest Minnesota State University

Ginny Arthur, President, Metropolitan State University

Stephen Kent, Vice President for Finance and Operations, Metropolitan State University

Chris Maas, Director of Facilities, Metropolitan State University

PURPOSE

Board Policy 5.14, Contracts, Procurements, and Supplier Diversity, requires Board of Trustees approval of any procurement, lease agreement, or professional, technical, or consulting service contract with a value in excess of \$1,000,000 or contract amendment that would increase the total value of a contract to more than \$1,000,000.

Contract Requiring Board Approval: Exclusive Sports Medicine Provider for Athletics, Minnesota State University, Mankato

BACKGROUND

This contract's purpose is to provide sports medicine support for Intercollegiate Athletics and to provide sports medicine physicians coverage for identified sports competitions and weekly medical appointments coverage for student athletes. The provider will also partner with athletic training staff on the diagnosis, treatment and rehabilitation of injuries.

The contract will supplement sports medicine coverage provided by the university's athletic training staff that will include physician coverage for selected higher risk sports, along with weekly on-campus visits during the school year to assist with injury evaluation. The partnership is expected to yield a substantial investment by the contracted sports medicine partner of cash, sponsorship, and in-kind benefits that will in part be used to offset up to 50% of the institution's athletic training staffing costs.

FINANCIAL TERMS

An RFP was designed as an income contract that should require no expense or investment by the institution. The RFP process was established to solicit vendor interest in a new contract. Although the current partner submitted a proposal, this award will be viewed by all parties as a new contract. We anticipate the value of the contract to not exceed \$4,500,000. Minnesota State desires to enter into a contract with the successful Vendor(s) effective December 1, 2023 or on the date the last recognized signature is obtained, whichever occurs later. The length of such contract(s) will be five (years) and seven (7) months; ending on June 30, 2029 pending final Board of Trustees approval.

The sourcing process was based on a request for proposal (RFP) process. The RFP was published on January 5, 2023 with a vendor response deadline of March 1, 2023. The responses were independently evaluated by a five-person committee across five established criteria using the RFP template scorecard. The committee considered the following factors in awarding the RFP: Annual cash investment to the university, net athletic sponsorship/investments, and physician coverage and in-kind services. The Mayo Clinic Health System was ultimately selected as the successful vendor.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract with Mayo Clinic Health System, not to exceed \$4,500,000 and with term of five years and seven months for the purposes of providing exclusive sports medicine coverage. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to enter a contract with Mayo Clinic Health System, not to exceed \$4,500,000 and with term of five years and seven months for the purposes of providing exclusive sports medicine coverage. The Finance and

Facilities Committee further recommends that the Board of Trustees direct the chancellor or his designee to execute all necessary documents.

Date Presented to the Finance and Facilities Committee: 4/18/2023

Date Presented to the Board of Trustees: 4/19/2023

Date of Implementation: 4/19/2023

Contract Requiring Board Approval: Athletics Apparel Contract, Southwest Minnesota State University

BACKGROUND

The purpose of this contract is to provide exclusive Adidas head to toe footwear, clothing and accessories for the Southwest Minnesota State University (SMSU) athletic department. Athletic teams and the department purchase uniforms, practice gear, and other accessories via this contract. Having the department in a unified apparel brand, along with our SMSU colors and logo being used, builds very strong brand awareness for SMSU athletics. The Adidas gear is well respected and also provides the SMSU student-athletes and coaches quality gear. The contract also includes the opportunity to promote the University, department, and teams by selling athletic apparel and merchandise to the general public. This is coming before the Board of Trustees for two (2) reasons: 1) the extension moves the contract past 5 years and, 2) the extension causes the total value of the contract to exceed \$1 million.

The goal is to extend the current contract by one additional year, before issuing a new RFP. The additional year is being requested in large part due to the leadership change in the SMSU athletic department. Director of Athletics, Jennifer Flowers, began in July which would have been the appropriate time to initiate the RFP given this is the final year of the contract. Ms. Flowers is requesting an extension as she needed time to understand the contract, how it is or is not working currently for the respective SMSU teams and determine what is necessary to be included in the next RFP. Apparel and accessories contracts are very large contracts and to possibly change brands is a significant investment by the department. It will take years to implement a change like that, if that is the eventual direction. The extension allows SMSU and Ms. Flowers to follow a significantly more appropriate timeline for putting the contract out on RFP, making a decision, and transitioning in whatever direction is chosen.

FINANCIAL TERMS

The original contract dates were July 1, 2018 - June 30, 2023, which came at the conclusion of a public RFP process that was issued on December 20, 2017. We are asking for a one-year extension so the contract would end June 30, 2024. The original contract was \$875,000. We believe the extension will add an additional \$225,000 making the full six-year contract worth \$1,100,000. Payment will be from the general fund and student activities and local account used for fundraising.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter a contract amendment with BIG Athletics for one year and an additional \$225,000 to bring the total contract to six years and \$1,100,000 for the purposes of providing athletics apparel and accessories. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

RECOMMENDED BOARD MOTION

The Board of Trustees authorizes the chancellor or the chancellor's designee to enter a contract amendment with BIG Athletics for one year and an additional \$225,000 to bring the total contract

to six years and \$1,100,000 for the purposes of providing athletics apparel and accessories. The Finance and Facilities Committee further recommends that the Board of Trustees directs the chancellor or his designee to execute all necessary documents.

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Date Presented to the Board of Trustees: 4/19/2023

Date of Implementation: 4/19/2023

**Contract Requiring Board Approval: Student Center/Library Bookstore Renovation,
Metropolitan State University**

BACKGROUND

Metropolitan State University seeks board approval for a construction contract not to exceed \$1,500,000 to renovate its Student Center and Library Bookstore to align space assignments and increase utilization while creating a more welcoming environment for students, employees and visitors as outlined in the university's Comprehensive Facilities Plan.

Student Center renovations transform the former cafeteria space on the first floor to accommodate the Student Parent Center and Food Pantry and relocates the Bookstore from the Library. Renovation of the vacated Library Bookstore space enables relocation and realignment of the Institute for Community Engagement and Scholarship and the Gordon Parks Gallery and creates flexible hoteling type space for university employees. See Attachment for details.

FINANCIAL TERMS

This construction contract will be funded with university operating funds and not exceed \$1,500,000. Subject to board approval, the construction contract will be publicly advertised via QuestCDN, our electronic bidding system, and awarded to the lowest responsible bidder.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$1,500,000 to renovate the library and student center at Metropolitan State University. The Board of Trustees directs the chancellor or their designee to execute all necessary documents.

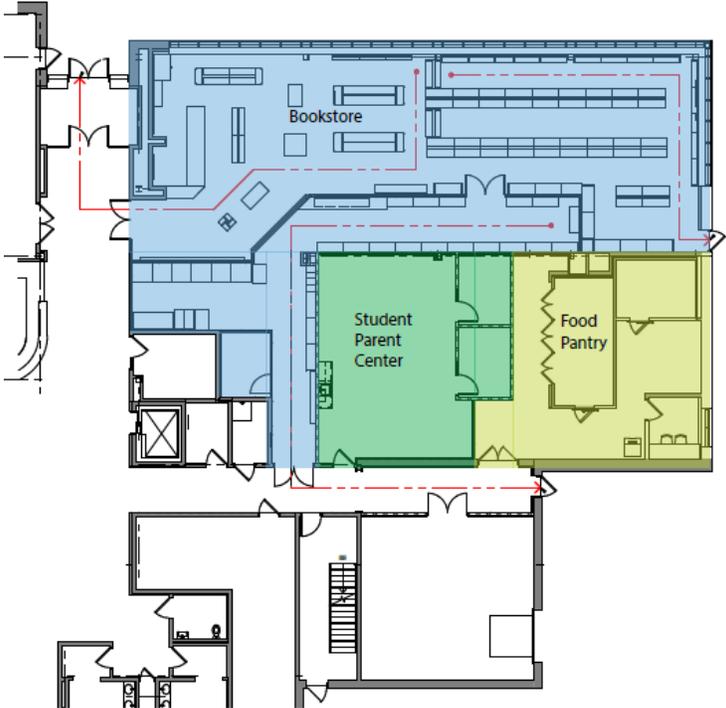
RECOMMENDED BOARD MOTION

The Board of Trustees authorize the chancellor or the chancellor's designee to enter into a construction contract not to exceed \$1,500,000 to renovate the library and student center at Metropolitan State University. The Board of Trustees directs the chancellor or their designee to execute all necessary documents.

Date Presented to the Finance and Facilities Committee: 4/18/2023
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ATTACHMENT A
Student Center and Library Bookstore Renovation
Metropolitan State University

Student Center Renovation – Floor Plan



Library Renovation – Floor Plan

