



## louisville arena authority

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**Board of Directors Meeting**  
**April 20, 2009**  
**9:00 a.m. EST**  
**Kentucky International Convention Center**  
**Louisville, KY**

**Directors in Attendance:** Mr. Larry Bisig, Mr. Todd Blue, Mr. Tim Corrigan, Ms. Reba Doutrick, Mr. Eric Gunderson, Ms. Alice Houston, Ms. Cissy Musselman, Mr. James Patterson, Ms. Lindy Street (via phone), Metro Council President David Tandy (Ex Officio), Mr. Dan Ulmer, Mr. Robert Woolery, Chairman Jim Host

**Directors Absent:** Mr. Junior Bridgeman, Mr. Lanny Greer (Ex Officio), Vice Chairman Larry Hayes, Mr. William Summers V

**Consultants and Staff of Arena Authority:** Mr. Harold Workman, Executive Director; Mr. Ed Glasscock, General Counsel; Mr. Mike Clay and Mr. Rick Martin, Populous (formerly "HOK"); Mr. Bill Hedge and Ms. Lynn Littlejohn, Mortenson Construction; Ms. Paula Yancey, PC Sports

**Welcome: Chairman Host**

Chairman Host declared a quorum and convened the meeting.

**DISCUSSION ITEM: Acceptance of the Minutes of March 23, 2009 Board Meeting – Chairman Host**

Mr. Woolery moved to accept the Minutes of the March 23, 2009 Arena Authority meeting. The Motion was seconded by Mr. Bisig, and the Motion passed unanimously with no abstentions.

**DISCUSSION ITEM: Presentation of Financial Statements –Chairman Host**

Chairman Host advised that the Finance Committee met with Chilton & Medley, the Arena Authority's auditors, on Friday, April 17. The Committee will meet again on Friday April 27, and the final 2009 audit will be presented at the May Authority meeting.

Chairman Host introduced Mr. Jerry Frantz, Director of Administrative Services for the Kentucky State Fair Board. Mr. Frantz reviewed the March 2009 financial statements, advising that the state



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grant and bond proceeds remain the same. He reported that “interest and other income” increased in March, primarily due to a \$1,000,000 payment received from Centerplate, the Arena’s concessionaire. Mr. Frantz advised that the 2008 administrative expenses were currently being audited, and the 2009 administrative expense continue to grow modestly. Mr. Frantz stated that expenditures to-date have increased significantly to \$23 million, but the project is still tracking according to the construction budget.

Chairman Host advised that the Authority’s agreement with Centerplate requires Centerplate to provide a letter of credit or cash toward their \$7.5 million capital commitment by November 9, 2009. Centerplate’s new CEO recently visited Louisville and presented the Arena Authority with \$1,000,000, an initial payment toward their \$7.5 million commitment.

**DISCUSSION ITEM: PC Sports, Populous and Mortenson Updates – Dan Ulmer**

Construction Committee Chairman Ulmer introduced Ms. Paula Yancey, who provided an update from PC Sports. Ms. Yancey introduced Mr. Mark Giles, who recently joined PC Sports’ Louisville office and will provide oversight and daily inspections of MEP (mechanical, electrical and plumbing) and food service installation, among other things. She stated that several members of the Authority visited the Arena site on April 8. PC Sports recently performed site inspections of stored materials at the pre-cast plant in Indianapolis.

Ms. Yancey introduced Mr. Rick Martin from Populous (formerly “HOK”). Mr. Martin advised that HOK Sport, which had been a subsidiary of the HOK Group, recently completed a management buyout. He stated that although their name has changed to Populous, the legal structure of the company has not changed.

Mr. Martin introduced Mr. Mike Clay, who advised that Populous has begun work with Norton Healthcare and its architect on the Norton immediate care facility at the Arena site. Additionally, he stated that Populous has been working closely with Mortenson on shop drawings, particularly those related to structural steel, and requests for information regarding the Arena’s designs.

Chairman Ulmer introduced Mr. Bill Hedge, who provided an update from Mortenson Construction. Mr. Hedge reported that approximately 3,300 yards of concrete were placed in the Arena in the last month, bringing the total amount of concrete placed to 13,500 cubic yards. He advised that the perimeter flood wall has been completed at Second Street; the event level elevated deck framing has been completed; and approximately 25% of the main concourse level deck have been completed. He stated that the elevated deck framing continues on the main concourse.

Mr. Hedge reported that 2,750 yards of concrete had been placed in the garage in the last month. The slab on grade concrete was completed on March 26, 2008; the mid-level elevated slabs were completed on April 16, 2009; and 50% of the upper level slabs have been placed. Mr. Hedge advised that the roof level elevated deck framing is approximately 15% complete. Additionally, the 3D coordination has been completed for the garage.

Mr. Hedge advised that 8.5 months (283,000 work hours) had been worked without a lost time injury. There have been 19 first aid cases, 175 hazard recognitions and 46 near misses on the site. The project

is averaging 250 workers on the site. At its busiest, the site will average 700 – 750 workers on the site. He advised that the recordable incident rate per 200,000 work hours on the project is 2.83, compared to a national average of 5.7.

Mr. Hedge then showed a series of photos of the construction progress. Mr. Corrigan asked Mr. Hedge to explain the temporary entrance on the site at River Road. Mr. Hedge advised that a temporary access had been built at the truck staging to keep trucks off the street and traffic moving, as well as to protect the safety of pedestrians. In response to a question from Mr. Blue, a discussion was held regarding the truck dock area beneath the Arena and the small staging area behind the Arena. Chairman Host explained that the Authority has been working with the University of Louisville regarding the location of satellite trucks off site in order to obtain a clear satellite feed.

Chairman Host clarified that the area currently referred to as the “practice court” will primarily be used by visiting teams and as a staging area for events and media overflow for NCAA and other events.

**DISCUSSION ITEM: Affirmative Action and Labor Committee – Chairman Host**

Chairman Host asked Ms. Yancey to provide an update of the Arena project’s MWBE efforts. Ms. Yancey reported that through March 2009, approximately \$226 million in goods and services had been procured by Populous, Mortenson, O’Rourke Wrecking, and Patriot Engineering. Of \$226 million, \$48.5 million (21.5%) has been committed to MBE firms and \$13.7 million (6.0%) has been committed to WBE firms.

Ms. Yancey stated that workforce participation is expressed as a percentage of the total work hours. She advised that more than 207,600 work hours have been spent on the Arena project, with 38,580 hours (18%) attributed to minority workers and 10,400 hours (5%) attributed to female workers. She commented that the numbers are continuing to increase as more workers are activated on the project.

Ms. Yancey reported that more than 480 workers have been on the project – 246 (51%) Louisville SMSA (standard metropolitan statistical area) residents and 418 (86%) Kentucky/Indiana residents.

Ms. Yancey introduced Ms. Lynn Littlejohn, who provided an update on Mortenson’s MWBE efforts. Ms. Littlejohn reported that Mortenson has procured \$209 million on the project, of which 28% (\$59 million) has been committed to MWBE firms. Mortenson and its subcontractors’ work hours on the project exceed 177,000, with 33,800 work hours (19%) attributed to minority workers and 7,000 work hours (4%) attributed to female workers. Ms. Littlejohn reported that Mortenson’s local participation results are 50% Louisville SMSA residents and 87% Kentucky/Indiana residents. She stated that Mortenson has held numerous conversations with local contractors regarding increasing the local hiring numbers. There has been a reconstitution of work crews on site, and Mortenson expects an increase in the minority and local hiring percentages. Mortenson is continuing its due diligence to ensure the project is built by local workers. Chairman Host reminded the Authority that Mortenson’s subcontractors are contractually obligated to meet the hiring goals.

Finally, Ms. Littlejohn advised that \$47,900 in Louisville occupational taxes and \$111,800 in Kentucky state income taxes have been withheld from workers on the site since January 2009.

**DISSUSSION ITEM:           General Counsel Update – Ed Glasscock**

Mr. Glasscock reported that Frost Brown Todd responded to the complaint and discovery in the RAM case and will respond to the Schnell complaint by April 30.

**DISCUSSION ITEM:           Arena news articles/press – Chairman Host**

Mr. Bisig advised the Authority members that recent news articles were included in the Arena board book, including an article regarding the Authority’s minority and local hiring efforts.

**DISCUSSION ITEM:           Old Business**

None

**DISCUSSION ITEM:           New Business**

None

No other business to come before the Authority, the meeting was adjourned at approximately 9:40 a.m.

Respectfully submitted,  
Laura Chandler