



## louisville arena authority

[WWW.ARENAAUTHORITY.COM](http://WWW.ARENAAUTHORITY.COM)

**Board of Directors Meeting  
February 16, 2009  
9:00 a.m. EST  
Kentucky International Convention Center  
Louisville, KY**

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

**Directors Absent:** Mr. Todd Blue, 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. Mark Sommer, General Counsel (via phone); Mr. Steve Hotujac, HOK; Mr. Bill Hedge and Mr. Anthony Mathis, 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 January 26, 2009 Board Meeting – Chairman Host**

Ms. Musselman moved to accept the Minutes of the January 26, 2009 Arena Authority meeting. The Motion was seconded by Mr. Corrigan, and the Motion passed unanimously with no abstentions.

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

Chairman Host introduced Mr. Jerry Frantz, Director of Administrative Services for the Kentucky State Fair Board. Mr. Frantz reported that “interest and other income” had increased approximately \$300,000 in January 2009. He advised that the 2008 administrative expenses were un-audited. Finally, he reported that construction expenditures to date were approximately \$9 million. Chairman Host advised that future reports will include a breakout of the overall project costs, including administrative and construction costs. Chairman Host also advised that Chilton & Medley, the Arena Authority’s auditors, will soon begin their 2008 audit.



P. O. Box 21179, LOUISVILLE, KENTUCKY 40221-0179  
221 SOUTH FOURTH STREET, LOUISVILLE, KENTUCKY 40202  
(502) 815-6963 PHONE / (502) 815-6962 FAX

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

Construction Committee Chairman Ulmer introduced Ms. Paula Yancey, who reported that PC Sports continues to monitor the Arena project and provide oversight on behalf of the Arena Authority. Ms. Yancey advised that the recent ice storm shut down the project for only one day.

Ms. Yancey introduced Mr. Steve Hotujac, who provided an update from HOK. Mr. Hotujac reported that HOK continues to assist Mortenson and its subcontractors with value analysis and the buyout of certain bid packages. HOK has issued construction change authorizations for the millwork, ceramic tile and light fixture packages.

Mr. Hotujac reported that HOK has received 542 Requests for Information (“RFI”) regarding the Arena design and 161 RFIs regarding the garage. He explained that RFIs are questions from contractors and subcontractors seeking an interpretation of the drawings or contents of specifications. Mr. Hotujac also reported that HOK has issued 195 submittals on the Arena design and 95 submittals on the garage design. He explained that submittals are drawings submitted in greater detail that integrate specific components into the overall project design. Mr. Hotujac advised that HOK has completed pre-cast shop drawing submittals for the Arena seating bowl and is beginning its submittal review for roof steel. Finally, Mr. Hotujac reported that remaining bid packages include phone and data systems, and he advised that a meeting was recently held with end users at the Kentucky State Fair Board to discuss these systems.

Ms. Yancey introduced Mr. Bill Hedge, who provided an update from Mortenson Construction. Mr. Hedge reported that Mortenson subcontractors on the site include Wilhelm, which is responsible for foundation concrete, along with its subcontractor, Harmon Steel, providing reinforcing steel. Other subcontractors include Veit, which is performing auger cast pile work. He advised that the auger cast pile work is nearly complete, with approximately 80 piles (out of approximately 1200) remaining. Additional subcontractors Hussing Mechanical (underground piping) and ERMCO (underground electrical) remain on the project. Mr. Hedge reported that work has begun on the elevated decks at the parking garage; three tower cranes are now on site; and approximately 5,000 cubic yards of concrete have been placed.

Mr. Hedge advised that 5.5 months have been worked without any lost time injuries. The project is averaging 225 workers on the site. He then showed a series of photos, including the UofL parking garage, walls around the site’s perimeter (which will become the flood wall) and slab-on-grade concrete pours.

At the conclusion of Mr. Hedge’s remarks, Chairman Ulmer urged the Authority members to visit the site.

**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 reviewed the project’s MWBE business participation goals (20% MBE and 5% WBE);

workforce diversity goals (20% Minority and 5% Female); and local participation goals (60% Louisville SMSA residents and 75% Kentucky/Indiana residents).

Ms. Yancey advised that through January 2009, approximately \$225 million in goods and services had been procured by HOK Sport, Mortenson, O'Rourke Wrecking, and Patriot Engineering. Of \$225 million, \$47.1 million (20.9%) has been committed to MBE firms and \$13.7 million (6.1%) 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 approximately 117,600 work hours have been spent on the Arena project, with 22,350 hours (21%) attributed to minority workers and 5,880 hours (5%) attributed to female workers.

Ms. Yancey reported that local participation is expressed as a percentage of the total workers on the project. She advised that more than 300 workers have been on the project - 54% Louisville SMSA (standard metropolitan statistical area) residents and 75% Kentucky/Indiana residents. Ms. Yancey advised that these numbers will continue to increase as additional trades and workers begin on the project.

Ms. Yancey introduced Mr. Anthony Mathis, who provided an update on Mortenson's MWBE efforts. Mr. Mathis reported that Mortenson and its subcontractors' work hours on the project exceed 90,200, with 18,400 work hours (20%) attributed to minority workers and 2,800 work hours (3%) attributed to female workers. Mr. Mathis advised that he expects the percentages to increase as more workers are activated on the site. Mr. Mathis reported that Mortenson's local participation results are 55% Louisville SMSA residents and 90% Kentucky/Indiana residents.

In response to Chairman Host's question, Mr. Mathis advised that \$37,141 in state income taxes have been withheld from workers on the site, and \$12,458 in Louisville occupational taxes have been withheld. Chairman Host commented that the figures demonstrate the impact of the Arena project on the state and local community.

Finally, Mr. Mathis reported that a new Construction Pipeline class will begin soon, and he commended the Louisville Urban League, Justice Resource Center and the construction trades council for their efforts.

**DISCUSSION ITEM:            General Counsel Update – Mark Sommer**

Chairman Host introduced Mr. Sommer, who participated in the meeting via telephone. Mr. Sommer reported that he has been working (on an as-needed basis) with the Arena Authority's auditing firm on the 2008 audit. Additionally, Greenebaum Doll & McDonald continued transitioning work related to the Arena project to in-house counsel at the Kentucky State Fair Board. He advised that the transition was complete, and he announced that he was stepping down as legal counsel to the Arena Authority. He stated that the Arena project was the single largest community-based project that Greenebaum Doll & McDonald had been involved in, and he thanked the Authority, Governor Fletcher, Governor Beshear and Mayor Abramson for their support. Chairman Host thanked Mr. Sommer for his outstanding work on the project.

Chairman Host advised that an RFP for Legal Services would be posted on the Arena Authority website immediately. A committee will be appointed to review responses, and the successful responder will be limited to fees not to exceed \$125 per hour. In the interim, Ms. Ellen Benzing, in-house counsel to the Kentucky State Fair Board will serve as acting general counsel to the Authority.

**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 announcement that the Arena had been chosen as the site of the 2012 NCAA Women’s Volleyball Championships. Chairman Host thanked Ms. Linda Edwards (Kentucky State Fair Board), Mr. Jim Wood (Louisville Convention and Visitors Bureau), Ms. Diane McGraw (Louisville Sports Commission) and the University of Louisville, particularly Ms. Julie Hermann and Dr. Holly Sheilley for their efforts in securing the championship event.

**DISCUSSION ITEM: Old Business**

None

**DISCUSSION ITEM: New Business**

None

No other business to come before the Authority, the meeting was adjourned at approximately 9:30 a.m.

Respectfully submitted,  
Laura Chandler