



louisville arena authority

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**Board of Directors Meeting
January 19, 2010
9:00 a.m. EST
Kentucky International Convention Center
Louisville, KY**

Directors in Attendance: Mr. Larry Bisig, Mr. Todd Blue, Ms. Reba Doutrick, Mr. Eric Gunderson, Vice Chairman Larry Hayes, Ms. Alice Houston, Ms. Cissy Musselman, Metro Council President Tom Owen (Ex Officio), Ms. Lindy Street, Mr. William Summers V, Mr. Dan Ulmer, Chairman Jim Host

Directors Absent: Mr. Junior Bridgeman, Mr. Tim Corrigan, Mr. Lanny Greer (Ex Officio), Mr. James Patterson, Mr. Robert Woolery

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

Special Guests: Mayor Jerry Abramson, Chief Robert White

Welcome: Chairman Host

Chairman Host declared a quorum and convened the meeting.

DISCUSSION ITEM: Acceptance of the Minutes of December 14, 2009 Board Meeting – Chairman Host

Mr. Bisig moved to accept the Minutes of the December 14, 2009 Arena Authority meeting. The Motion was seconded by Ms. Musselman, and the Motion passed unanimously with no abstentions.

DISCUSSION ITEM: Presentation of Traffic Management Plan – Eric Gunderson

Parking and Transportation Committee Chair Eric Gunderson remarked that the Arena Authority is keenly aware of the public's interest in parking availability and proximity to the Arena, traffic management, safety and other issues. He stated that the Traffic Management Plan is a collaborative effort between the Authority, the public, city and state officials and community and business leaders. He advised that the Plan is comprehensive, welcoming to Arena patrons and uncomplicated.



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Chairman Gunderson introduced Mr. David Reed from Qk4 who presented the Arena Traffic Management Plan. Mr. Reed advised that many individuals and organizations were engaged in the Plan's development, including the Arena Authority, the Kentucky State Fair Board, University of Louisville, PC Sports, Metro Police, Metro Fire, EMS, Metro Public Works, Metro Safe, Riverside Parking, PARC, TARC, TRIMARC, Kentucky Transportation Cabinet, Downtown Development Corporation, Louisville Downtown Management District and the Waterfront Development Corporation. Mr. Reed thanked the organizations for their participation. He also thanked the local arts and attraction organizations, hotel owners, adjacent businesses and local property owners for their involvement.

Mr. Reed explained that the Plan was developed with three primary goals: to develop a plan for the safe and effective management of pedestrian and vehicular traffic before, during and after Arena events; to develop action plans to facilitate safe and effective service to patrons visiting the Arena; and to develop a plan that is coordinated with Louisville Metro's traffic operation within the downtown central business district.

Mr. Reed explained that the Plan includes a day-to-day and day-of-event analysis. He advised that the recommended change to the daily traffic pattern includes the conversion of Second Street into a two-way traffic pattern between Washington Street and River Road. The day-of-event analysis included parking and traffic management strategies and the identification of area enhancements that reflect the primary concerns of parking availability, traffic conditions and safety.

Mr. Reed reported that the parking analysis included a detailed review of parking supply and demand. Approximately 9,000 parking spaces are required when the Arena is at maximum capacity. Mr. Reed explained that a peak parking demand of 11,000 spaces is anticipated when other multiple-event venues are scheduled. The parking supply near the Arena was benchmarked by comparison to the Kentucky Exposition Center, where most parking is within .4 miles, equating to a 10-minute walk. Mr. Reed advised that an analysis of parking spaces within a 10-minute walk of the Arena resulted in a primary parking inventory of 12,200 parking spaces. The primary inventory area was organized according to the most safe and effective pattern of Arena access.

Mr. Reed reported that the issue of traffic patterns during events is an important concern for Arena patrons, both for vehicular access and pedestrian safety. The recommendations are intended to maintain the existing daily traffic patterns and only make changes where necessary. Traffic control measures include temporary traffic patterns and street closures during Arena event arrival and departure periods. During events, the four intersections surrounding the Arena will be manually controlled by police, beginning approximately two hours before events. Beginning approximately one hour before Arena events, Second Street between Main and Washington and Washington Street between First and Second Streets will be closed to allow pedestrian traffic only. Main Street will be a pedestrian priority zone, with drop-off lanes along Main Street and charter bus drop-off along River Road. Second and Third Streets will operate as south-bound routes to allow efficient access to the Arena and neighboring parking garages. The departure control elements include similar controls by police at the four intersections surrounding the Arena and the closure pattern at Second and Washington Streets. Additionally, Witherspoon Street is proposed to be closed between First and Second Streets for pedestrian safety. Second and Third Streets will be reversed to a north-bound pattern. Immediately after events, Main Street traffic will be held to allow pedestrians to safely exit the Arena.

Mr. Reed advised that the traffic analysis' assumptions were conservative, assuming all patrons would arrive by vehicle. Additionally, no adjustments were made for those living and working downtown, and no adjustments were made for transit alternatives (bus, bicycle). The plan identified delay zones in areas adjacent to the interstate interchanges, and anticipates congestion and delays similar to weekday morning and afternoon traffic with 50,000 – 60,000 cars compared to approximately 11,000 for an Arena event at peak capacity.

Mr. Reed discussed the enhancements that will be implemented to limit the parking/traffic impact, including increased security and surveillance around the Arena, signage improvements, and increased lighting. Finally, the Plan includes communication strategies, including a public relations campaign and web site development, Arena open houses, creation of a multi-agency event committee, and general communication to downtown businesses.

At the conclusion of Mr. Reed's remarks, Chairman Host thanked Chairman Gunderson for his efforts in guiding the development of the Traffic Management Plan. Ms. Musselman asked if a cost for Metro's services had been determined. Mr. Reed replied that the cost analysis is currently ongoing.

Chairman Host advised that communication with downtown organizations, businesses and property owners is critical. He thanked Actors' Theatre, Kentucky Center for the Arts and the Fund for the Arts, among others, for their involvement in the process. He then thanked Mr. Mike Bail, a downtown resident, for his attendance at Arena Authority meetings and his interest in the project. Finally, Chairman Host thanked Chief Robert White and his staff for their participation. Committee Chairman Gunderson thanked Mr. Reed and Qk4 for their work in drafting the Plan.

Chairman Host formally presented the Plan to Mayor Abramson, who advised that he believed the Plan touched all of the bases and is as responsive as possible. Mayor Abramson stated that funding for the sidewalks and street lighting will come from federal "stimulus" funds, and Metro will work with the Arena Authority regarding funding for the police presence at the Arena. Mayor Abramson advised that Metro will do everything they can to ensure that the Arena opening is as smooth as possible and an enjoyable experience for all.

Chairman Host recognized and welcomed Metro Council President Tom Owen, who will serve as an Ex Officio member of the Authority.

DISCUSSION ITEM: Presentation of Financial Statements – Vice Chairman Hayes

Vice Chairman Hayes introduced Mr. Jerry Frantz, Director of Administrative Services for the Kentucky State Fair Board, who reviewed the December 2009 financial statements. Mr. Frantz advised that "sources of funds" includes a new entry reflecting the James Graham Brown Foundation grant. He reported that interest income and other resources grew by approximately \$40,000 in December, and in-kind revenue increased by approximately \$120,000. Mr. Frantz reported that the project continues to generate various expenses, and he advised that land and construction-in-progress increased by approximately \$14.5 million during December. Accounts payable decreased in December, reflecting a significant payment to the construction manager and a capital interest expense payment. Mr. Frantz reviewed the budget breakdown of expenditures to date, classified by arena design and construction, construction administration, and construction and land acquisition costs. Finally, Mr. Frantz reported that construction was 45% completed through the November 2009 billing cycle, and is expected to be 50% completed through the December 2009 billing cycle.

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

Construction Committee Chairman Ulmer introduced Ms. Paula Yancey, who reported that PC Sports continues to provide oversight and day-to-day management of construction and design activities on the project site. PC Sports has issued its first Request for Proposals for the furniture package. Ms. Yancey advised that PC Sports is engaged in ongoing coordination with surrounding projects including the Galt House garage and pedway, the Second Street Bridge and streetscape work, and utility work. Ms. Yancey introduced Mr. Bill Norton from PC Sports, who will work on the Second Street project. PC Sports has been involved in the Arena's themeing

efforts, assisted with food service coordination, assisted UofL with suite and seating operations, and continues to review proposed project change orders.

Ms. Yancey introduced Mr. Mike Clay, who reported that Populous continues to process interior finish submittals, including ceramic tile, carpet, millwork and seating. Populous assisted PC Sports with the FF&E Request for Proposals. Additionally, Populous continues to provide on-site field observations. Populous' mechanical, electrical and plumbing designers, structural designers, and the architects responsible for the Arena's exterior and interior have been on site on a weekly basis. Finally, he reported that Populous is continuing its work on the garage "punch list" documenting the final work to be completed on the garage.

Mr. Clay introduced Mr. Bill Hedge from Mortenson Construction, who reported that the final concrete pour strip was placed on December 23, 2009. He advised that the structural steel truss work is nearing completion on the east half of the roof according to schedule. The structural precast for the upper deck of Quad A was completed on January 4, allowing interior construction activities to increase. Mr. Hedge advised that the east half of the lobby steel has been completed, and the west half of the lobby steel is underway.

Mr. Hedge reported that HVAC ductwork and plumbing is ongoing on all levels of the Arena. He advised that permanent electrical power was activated the first week in January. The architectural precast work is nearing completion along the Second Street corridor, and the exterior glass has been installed at the north balcony area and is ongoing along the Second Street façade. Mr. Hedge reported that assembly of the upper concourse escalators is ongoing. Additionally, metal stud framing is ongoing on all levels, and masonry work on the event level is nearing completion.

Mr. Hedge reported on the status of the parking garage, advising that the quality walk-through is ongoing in advance of the punch list. The garage power will be energized in January.

Mr. Hedge reported that the project is averaging 428 workers on site. There have been 126 first aid cases to date, 464 hazard recognitions and 181 near misses. He advised that the recordable incident rate on the project is now 3.16, which is below the Louisville average of 5.60 and the national average of 5.70. Mr. Hedge then showed a series of photos of the construction progress. In response to Chairman Host's request, Mr. Hedge explained that the Building Information Modeling ("BIM") is used to create virtual architecture and engineering, helping to eliminate potential design/construction conflicts. He showed an image of the cooling tower work created by the BIM as compared to a photo of the actual cooling tower.

DISCUSSION ITEM: Affirmative Action and Labor Committee – William Summers V

Chairman Host asked Ms. Yancey to provide an update on the Arena project's MWBE efforts. Ms. Yancey reported that through December 2009, more than \$230 million in goods and services have been procured by Populous, Mortenson, O'Rourke Wrecking, and Patriot Engineering. Of \$230 million, \$51.1 million (22.1%) has been committed to MBE firms and \$14.6 million (6.3%) has been committed to WBE firms.

Ms. Yancey advised that more than 734,000 total work hours have been spent on the Arena project, with 148,150 hours (20%) attributed to minority workers and 40,820 hours (6%) attributed to female workers.

Ms. Yancey reported that 1,126 workers have worked on the project, with 712 (63%) Louisville SMSA (standard metropolitan statistical area) residents and 988 (88%) Kentucky/Indiana residents.

Ms. Yancey introduced Ms. Lynn Littlejohn, who provided an update on Mortenson's MWBE efforts. Ms. Littlejohn reported that Mortenson is meeting or exceeding its MWBE and workforce participation goals. She advised that through December 2009, \$214 million in goods and services have been procured by Mortenson, with \$62 million committed to MWBE firms. Mortenson has awarded approximately 200 contracts; 65 contracts have been let to MWBE firms, and 101 contracts have been let to local firms. She advised that the local contracting community is building the Arena. Ms. Littlejohn stated that Mortenson is maintaining or exceeding the workforce hiring goals with 21% minority utilization and 5% female utilization. She reported that cumulatively, 64% of the workers are Louisville SMSA residents, and 88% of the workers are Kentucky/Indiana residents. Ms. Littlejohn advised that approximately \$1,000,000 in occupational taxes and state income taxes have been withheld from workers on the project. She concluded that the community is involved in the Arena project in a meaningful and significant way.

Council President Owen advised that he will inform Metro Council of the progress made regarding the MWBE and workforce participation goals.

DISSUSSION ITEM: IT Committee Update – Chairman Host

Chairman Host advised that Mr. Tim Corrigan has agreed to chair the recently-formed IT Committee. The Committee recently held its first meeting and is committed to making the Arena one of the most technologically advanced in the country.

DISCUSSION ITEM: “Topping Off” Ceremony Update – Larry Bisig

Mr. Bisig reported that a “Topping Off” ceremony will be held on March 29 from 1:30 p.m. to 2:30 p.m. Mr. Bisig advised that the “Topping Off” ceremony will commemorate the placement of the last piece of structural steel on the Arena's roof. Chairman Host recognized Ms. Linda Edwards, Vice President of Sales for the Kentucky State Fair Board, who will co-chair the event.

DISSUSSION ITEM: General Counsel Update – Ed Glasscock

Mr. Glasscock advised that a resolution is needed regarding property easements. Vice Chairman Hayes made a motion to allow Chairman Host to enter into property easements in connection with the development and use of the Arena property. The motion was seconded by Mr. Ulmer. Mr. Glasscock and his associate, Geoffrey White, explained that the easement currently being drafted involves the Second Street corridor. Additional easements may involve the Galt House and other adjacent property owners to allow pedestrian right-of-ways. The motion was called for a vote and passed unanimously. Chairman Host advised that the Arena Authority members will be advised of any easement or other agreement entered into on behalf of the Authority.

Mr. Glasscock reported that motions for summary judgment have been filed by the Arena Authority and other defendants in the RAM case, as well as by RAM. He advised that a motion will be made to hold the Greyhawk and Schnell matters in abeyance until the court rules on the motions for summary judgment in the RAM case.

DISCUSSION ITEM: Arena news articles/press – Larry Bisig

Mr. Bisig advised the Authority members that recent news articles were included in the Arena board books.

DISCUSSION ITEM: Old Business

None

DISCUSSION ITEM: New Business

No other business to come before the Authority, the meeting was adjourned at approximately 10:00 a.m.

Respectfully submitted,
Laura Chandler