



louisville arena authority

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

Directors in Attendance: Mr. Larry Bisig, Mr. Todd Blue, Mr. Junior Bridgeman, Mr. Tim Corrigan, Mr. Eric Gunderson, Vice Chairman Larry Hayes, Ms. Alice Houston, Ms. Cissy Musselman, Ms. Lindy Street (via telephone), Mr. William Summers V, Metro Council President David Tandy (Ex Officio), Mr. Dan Ulmer, Mr. Robert Woolery (via telephone), Chairman Jim Host

Directors Absent: Ms. Reba Doutrick, Mr. Lanny Greer (Ex Officio), Mr. James Patterson

Consultants and Staff of Arena Authority: Mr. Harold Workman, Executive Director; Mr. Ed Glasscock, General Counsel; Mr. Mike Clay, Populous; Mr. Bill Hedge and Mr. Anthony Mathis, Mortenson/Mathis 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 October 26, 2009 Board Meeting – Chairman Host

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

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 October 2009 financial statements. Mr. Frantz advised that the state grant and bond proceeds remain unchanged. Interest income and in-kind revenue both increased slightly in October. Mr. Frantz reported that the project continues to generate administrative expenses, and he advised that construction-in-progress increased by approximately \$12 million during October. The financial statements reflected net resources of \$225,666,943. Mr. Frantz also reviewed the budget breakdown of expenditures to date, classified by arena design and construction, construction administration, and construction and land acquisition costs. He advised that expenditures remain within budget.



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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 coordinate activities with Populous and Mortenson. Additionally, PC Sports continues to meet with representatives from the Kentucky State Fair Board, reviewing matters such as the building management systems, keying and FF&E (furniture, fixtures and equipment). PC Sports is working with representatives from the Galt House on the Galt House’s proposed garage construction, and is working with the University of Louisville on matters related to suites. Finally, PC Sports is coordinating activities with Team Services, the Arena Authority and the design team on sponsorship matters.

Ms. Yancey introduced Mr. Mike Clay, who reported that Populous has completed the internet protocol TV (“IPTV”) documents. Additionally, Populous has finalized the recycling consolidation equipment and has begun focusing on implementation of the Energy Star program in the Arena. Finally, Populous continues to monitor the erection of the structural precast and structural steel.

Mr. Clay introduced Mr. Bill Hedge, who provided an update from Mortenson Construction. Mr. Hedge reported that since the October Authority meeting, six elevated deck pours and four pour strips were placed. More than 2,300 cubic yards of concrete were poured, resulting in more than 52,000 yards of concrete poured to date. He stated that the amount of concrete poured on the site would cover the Kentucky Fair Grounds with a four-inch slab twice or build 2,900 houses (of 1,500 square feet). He advised that the upper concourse concrete was completed on November 4, the Quad D upper seating/rakers was completed on November 6, and the Quad A upper seating/rakers is expected to be completed by Thanksgiving. Mr. Hedge reported that the first structural steel truss was placed on November 4. Additionally, the structural precast has been completed in Quad C; two tower cranes within the site have been dismantled; and 400-ton crawler cranes (for setting the structural steel) have been added to the site.

Mr. Hedge reported that ongoing work includes HVAC ductwork and plumbing, chilled water piping and electrical work. Work continues on the escalators and elevators, masonry work on the event level and metal stud framing on all levels, as well as exterior framing and sheeting along Third Street.

Mr. Hedge reported on the status of the parking garage, advising that waterproofing on the plaza in the planter areas and fountain has begun. Installation of light fixtures has been completed, as well as CMU walls at the elevators. He advised that mechanical fans have been set, the sprinkler piping is finished, painting is ongoing, door installation is underway, and a quality walk-through is ongoing.

Mr. Hedge reported that the project is averaging 397 workers on site. There have been 124 first aid cases to date, 413 hazard recognitions and 162 near misses. He advised that the recordable incident rate on the project is now 3.60, which is below the national average of 5.70 and the Louisville average of 5.60. Mr. Hedge then showed a series of photos of the construction progress and an animated video showing construction progress during the past year.

Chairman Host asked Mr. Hedge if there were any impediments to the Arena’s completion and opening in November 2010. Mr. Hedge responded that he expects the Arena to be completed by October 31, 2010.

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

Affirmative Action and Labor Committee Chairman Summers asked Ms. Yancey to provide an update on the Arena project's MWBE efforts. Ms. Yancey reported that through October 2009, more than \$226 million in goods and services have been procured by Populous, Mortenson, O'Rourke Wrecking, and Patriot Engineering. Of \$226 million, \$50.8 million (22.5%) has been committed to MBE firms and \$14.2 million (6.3%) has been committed to WBE firms.

Ms. Yancey advised that more than 619,000 total work hours have been spent on the Arena project, with more than 123,000 hours (20%) attributed to minority workers and more than 34,000 hours (6%) attributed to female workers.

Ms. Yancey reported that 936 workers have worked on the project, with 577 (62%) Louisville SMSA (standard metropolitan statistical area) residents and 830 (89%) Kentucky/Indiana residents.

Ms. Yancey introduced Mr. Anthony Mathis, who provided an update on Mortenson's MWBE efforts. Mr. Mathis reported that through October 2009, approximately \$208 million in goods and services have been procured by Mortenson, with approximately \$61 million (29.4%) committed to MWBE firms. Additionally, 140 firms have been awarded work on the project, which includes 47 MWBE firms and 89 local firms. Of the 89 local firms, 56 are Metro Louisville firms. Mr. Mathis advised that approximately 582,000 work hours have been spent on the project by Mortenson and its subcontractors, with 21% attributed to minority workers and 5% attributed to female workers. He reported that cumulatively, 63% of the workers have been Louisville SMSA residents, and 89% of the workers have been Kentucky/Indiana residents. Mr. Mathis advised that the amount of occupational taxes withheld from workers on the project is \$266,590, and the amount of state income taxes withheld is \$524,400. Mr. Mathis also reported that he recently provided an update to Councilwoman Barbara Shanklin regarding the Arena Authority's MWBE and workforce participation efforts.

Chairman Host asked Council President Tandy to advise Metro Council that the Arena Authority is meeting or exceeding its MWBE and workforce participation goals. President Tandy replied that he has and will continue to update the Council on the Arena Authority's efforts.

DISSUSSION ITEM: Parking & Transportation Committee Update – Eric Gunderson

Parking and Transportation Committee Chairman Gunderson reported that a Parking and Transportation Committee meeting was held on November 6, during which Qk4 updated the committee on the status of the traffic management plan. Mr. Gunderson advised that the plan is still in draft format, and the final plan is expected to be presented during the December Authority meeting. Qk4 is completing its meetings with its technical advisory members regarding the plan, which will not be finalized until all necessary parties have had an opportunity to provide requested input.

DISSUSSION ITEM: General Counsel Update – Ed Glasscock

Mr. Glasscock reported that discovery in the RAM case is expected to be completed on November 18. Responses to interrogatories are being drafted in the Schnell case, and no activity has occurred in the Greyhawk matter.

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, including an article regarding UofL's seat assignments in the Arena and an article regarding the economic impact study presented at the October Authority meeting. Mr. Bisig also reminded the Authority that the opening of the Arena will present new opportunities to Freedom Hall, as it will enable it to host new events.

DISCUSSION ITEM: Old Business

None

DISCUSSION ITEM: New Business

Chairman Host advised that the January 2010 Arena Authority meeting will be held on Tuesday, January 19 at 9:00 a.m.

No other business to come before the Authority, the meeting was adjourned at approximately 9:25 a.m.

Respectfully submitted,
Laura Chandler