



LUKE BRONIN
MAYOR

CITY OF HARTFORD

HARTFORD STADIUM AUTHORITY

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I. CHARLES MATHEWS
CHAIRMAN

Hartford Stadium Authority Meeting

Draft Minutes

A Regular Meeting of the Commissioners of the Hartford Stadium Authority (the "Authority") was held on Tuesday, February 2, 2016 at 3:00pm at City Hall, 550 Main Street, City Council Chambers, Hartford, CT.

A. Call to Order/Roll Call

The meeting was called to order by Chairman I. Charles Mathews at 3:08pm.

Commissioners Present:

I. Charles Mathews, Chairman

Darrell V. Hill, Treasurer

Oz Griebel

Ex-Officio Members Present:

Mayor Luke Bronin

City Council President Thomas J. Clarke II

Commissioners Absent:

Yolanda Rivera, Vice Chairman

Adam Cloud, Secretary

Also present:

Sean Fitzpatrick, Director of Development Services, City of Hartford

Michael T. Looney, Director of Projects, City of Hartford

Lisa Silvestri, Assistant Corporation Counsel, City of Hartford

Tim Restall, General Manager, Hartford Yard Goats

Kevin Greene, Owner's Representative, IFG

Phil Couture, Owner's Representative, IFG

Jason Rudnick - DoNo Hartford LLC

B. Approval of Minutes

A motion was made by Mr. Griebel to approve the minutes of January 5, 2016 and seconded by Mr. Hill. The minutes of the January 5, 2016 meeting were unanimously approved.

C. Election of Officers

A motion was made by Mr. Hill to nominate I. Charles Mathews for the position of Chairman, Yolanda Rivera for the position of Vice Chairman, Darrell Hill for the position of Treasurer, and Adam Cloud for the position of Secretary. The motion was seconded by Mr. Griebel. The nominations were unanimously approved.

D. Discussion of Settlement of Claim

Chairman Mathews introduced Mayor Bronin to provide and update on the negotiations that had led to a resolution of the claim for approximately \$10.38 million made by DoNo Hartford LLC. Mayor Bronin described the history of the claim and the resolution process involving working with the developer and the Yard Goats ownership, including the financial contributions by both of these parties. The Mayor also discussed the process of seeking City Council approval to permit the Hartford Stadium Authority to issue bonds to cover the remaining cost of the claim. He stated that he believed that current market rates would enable the City to finance the bonds at a cost less than what was being considered by City Council, and noted that the City also secured increased long-term PILOT payments from the developer for the parcels surrounding the stadium site. The Mayor estimated that the net fiscal burden to the City of Hartford would be approximately \$3.5 million.

In terms of schedule, the Mayor explained that the new substantial completion date for the stadium would be May 17, 2016 and that there were four key construction milestones included in the agreement, with consequences attached to each of those milestones were they not to be met. Mayor Bronin expressed his gratitude to all parties involved in negotiating the settlement.

Mr. Griebel thanked the Mayor for inserting himself into the resolution process so swiftly, and echoed his thanks to the parties involved in the resolution. He asked the Mayor to discuss the timeline for receiving approval to increase the Stadium Authority's bonding capacity and provide some additional detail on the sources of funds for repayment of the bonds. Mayor Bronin stated that the additional financing would be available by April 1st, and that the City Council would be considering this matter in committee that evening.

Council President Clarke asked the Mayor to describe the cost controls available through the agreement. The Mayor noted that if the developer missed the substantial completion date, the City reserved the right to contest the entirety of the \$10.38 million claim. He also noted that the liquidated damages amounts were increased substantially, and that if milestone dates were missed, a recovery plan would be required within five days or the entirety of the claim could again be contested. Council President Clarke described the timeline and process of the requested approval of City Council. Chairman Mathews stated that the Mayor and members of City Council had negotiated the best deal possible for the City and commended the Mayor for an outstanding job.

E. Report of the Executive Director

Chairman Mathews welcomed Mr. Fitzpatrick to the Stadium Authority. Mr. Fitzpatrick described what the City was doing on a daily basis to monitor progress, including the use of daily reports similar to what was used by the Port Authority in New York/New Jersey to monitor progress on rebuilding the World Trade Center. He noted that schedule issues were being discussed by all parties on a daily basis, and that cooperation by all involved had been excellent.

Mr. Looney reviewed the Executive Director's Report and discussed the latest invoice from the developer and its component cost elements. Mr. Looney also reviewed the progress on the road work on-going along Trumbull Street, Pleasant Street and the former Windsor Street. Mr. Looney also noted that the Stadium Authority had begun to receive its first water connection bills from MDC, and that he would be working with the Treasury and Finance departments to have these bills paid.

F. Report of the Hartford Yard Goats

Mr. Restall discussed recent Yard Goat team activities, including the team's annual Hot Stove Lunch. He noted that the Colorado Rockies had signed a two-year extension on their player development agreement with the Yard Goats, and that season ticket sales had been repackaged with the new opening date of May 31, 2016. Mr. Restall stated that there continued to be a great amount of excitement from fans about the upcoming season. He made mention of upcoming team events as opening day approaches.

Mr. Griebel asked Mr. Restall about interactions that the team has had from corporate sponsors in response to the delayed opening of the stadium. Mr. Restall said that all sponsorships remained in place and that no corporate sponsors who had signed up prior to the claim and subsequent settlement had rescinded their sponsorships. He stated that communication has been critical about updates. Council President Clarke asked what community benefits might exist after the stadium opened. Mr. Restall discussed community programs that will be announced as opening day gets closer, as well as fundraising and community outreach efforts. Mr. Clarke asked if the potential use of the stadium in the off season by the community would be communicated to community organizations, and Mr. Restall replied that the Yard Goats had recently hired a director of community partnerships to fill this role. Mr. Clarke said a lot of questions have been asked of the Council regarding potential for off season events. Mr. Restall discussed the possibility of other sports events, community events, and corporate events. Mr. Clarke asked about the potential use of the ballroom component of the stadium. Mr. Restall said that would be decided as opening day got closer. Mr. Clarke also discussed with Mr. Restall the possibilities for the utilization of retail space at the stadium.

Chairman Mathews inquired about the date of the planned Yard Goats' job fair, and Mr. Restall indicated that this would be at the end of March. Chairman Mathews stated that when the date is set, it should be announced immediately. Council President Clarke asked what number of the employees of the stadium would be Hartford residents. Mr. Restall stated that the goal was to have at least 50% of the employees be Hartford residents.

G. Report of DoNo Hartford LLC / Centerplan Construction Company

Chairman Mathews clarified that the Authority's intention was to have DoNo/Centerplan report every month as a regular agenda item. Mr. Rudnick stated that he appreciated this, and that he believed this was a more proactive way for the development team to communicate with the Authority.

Mr. Rudnick noted that Council President Clarke had taken a tour of the stadium the previous week, and he encouraged others to do the same. Mr. Rudnick then proceeded to present a photographic update on the construction progress of the stadium, beginning with December 1st and how much had been accomplished in the intervening time period. He also presented a summary of the budget for the project post-settlement, as discussed the change order that was in the hands of the City.

Mayor Bronin asked Mr. Rudnick how confident he was about being able to achieve the new date for substantial completion. Mr. Rudnick stated that he was more than confident, and introduced Mr. Banfield, the project executive. Mr. Banfield stated that the project was on schedule, that the good weather was helping tremendously, and that he was confident that the construction milestones could be met. Mayor Bronin stated that he understood that work was progressing quickly, and he asked Mr. Banfield for assurance that nothing would be lost in terms of quality of construction. Mr. Banfield replied that it was Centerplan's intention to meet and exceed expectations in quality. Mayor Bronin asked if Centerplan had enough supervisory staff to oversee the project. Mr. Banfield noted that that was evaluated on a daily basis. Mayor Bronin asked if Centerplan agreed that any additional costs above and beyond the agreed upon change order would be borne by DoNo Hartford LLC, unless the costs were the result of changes requested by the Yard Goats. Mr. Rudnick stated that the overruns he had identified were not associated with the GMP, which would be on DoNo Hartford LLC, but rather were overruns in terms of allowances in the budget. Mayor Bronin asked Mr. Fitzpatrick to comment on this, and Mr. Fitzpatrick indicated that the City had no intention of spending any additional money beyond the allowances as established.

Council President Clarke asked for a copy of the allowances budget. Mr. Griebel asked what DoNo Hartford LLC's level of comfort with communication was with the parties involved and that there would be no surprises of the nature experienced before. Mr. Rudnick indicated that communication had improved greatly. Mr. Griebel asked Mr. Fitzpatrick if he agreed with this statement, and Mr. Fitzpatrick concurred. Mr. Griebel asked Mr. Rudnick if he had any updates on the other components of the Downtown North development. Mr. Rudnick described the efforts underway to secure the grocery store and financing for the hotel and residential development on Parcel E. Mr. Griebel stressed the importance of the balance of the Downtown North development. Chairman Mathews stated that staffing was critical and that there be enough staff to ensure a May 17th completion of the stadium.

H. Report from the Owner's Representative on Current Status of Stadium Schedule and Construction Activities

Mr. Greene presented the Owner's Representative Report on the status of the stadium schedule and construction activities. Mr. Greene mentioned two change orders being reviewed by IFG and the City, and Chairman Mathews stated that since the approval process for the settlement agreement was still underway, discussion on change orders should be held off until the March meeting of the Authority. Mr. Greene concluded his report by noting that there was no reason why the four construction milestones could not be met, but that overtime and double shifts should be utilized.

Mayor Bronin asked for an explanation of the critical path activities that were behind schedule and how those activities didn't impact meeting the milestone dates. Mr. Greene discussed the precast stairs and how the fact that even though these were critical path activities, their schedule slippage did not negatively impact other activities to a point. Mayor Bronin asked if that included not impacting the substantial completion date, and Mr. Greene stated that the precast stairs would be completed before the substantial completion date, but that other activities would have to be resequenced. Mayor Bronin asked Mr. Greene what his biggest concern was, and Mr. Greene replied that it was getting the structure fully enclosed and getting all of the structural steel in the outfield fabricated and erected. The Mayor asked if these were his biggest concerns because of how important they were or because he felt they were not proceeding as well as they should be. Mr. Greene replied that he believed that the steel drove everything and that the enclosure of the structure drove the interior work. He noted that there were opportunities to accelerate schedule on these items, but that Centerplan was generally proceeding well on their schedule. Mayor Bronin asked if Mr. Greene's recommendation of utilizing premium time and double shifts was not being followed, and if so was it a conversation that should be pursued further. Mr. Greene noted that there was some premium time being utilized, but that means and methods were ultimately controlled by Centerplan. Mr. Couture stated that IFG was discussing these issues with Centerplan regularly. He also stated that IFG was concerned about the cash flow situation, and that it still wasn't where it should be. Mr. Fitzpatrick noted that he had had this conversation with Mr. Rudnick and Robert Landino, and would continue to have such conversation. Mr. Rudnick responded that there is a daily dialogue between Centerplan staff and IFG. Mr. Banfield noted that overtime and second shifts had been used since July, but that one had to be careful not to burn out workers by inappropriately utilizing overtime.

Mr. Greene noted that the following morning there was a meeting to review schedule with Centerplan. Mayor Bronin stated that if there were acceleration opportunities to be found, that they be taken advantage of now. Mr. Griebel asked Mr. Greene that if anything were to go amiss, that more notice be given before problems arose. Mr. Fitzpatrick stated that the daily reports were being distributed, and that everything was being done to keep Authority members in the loop. Mayor Bronin reiterated Mr. Griebel's point. Mr. Greene noted that when it came to identifying behind schedule items, IFG was focused on early start/early finish dates, but that Centerplan would be focused on late start/late finish dates.

Mr. Hill asked for clarification about how IFG was identifying behind schedule items. Mr. Greene noted that late start items with no float that were missed were a problem, and he cited a few examples.

I. Report on Community Benefits

Ms. Graves presented DoNo/Centerplan's monthly report on community benefits. Mayor Bronin noted that trades where Centerplan was doing well in meeting MWBE goals were not that far above the overall project MWBE percentage goal, and asked how Centerplan intended to catch up with the other trades. Ms. Graves stated that the operating engineers trade was a particularly difficult trade for MWBE and Hartford resident participation. She described the efforts made by Centerplan and DoNo Hartford LLC to increase the level of participation in this trade. Mayor Bronin said he appreciated these efforts, but was concerned as to how the project was going to meet MWBE and Hartford resident participation goals when the other trades were not very far above their goals. Ms. Graves stated that other trades where good MWBE and Hartford resident participation was expected such as sheet metal workers, plumbers and masons would be coming online soon. Mayor Bronin reiterated that he thought participation rates would still need to increase significantly. Mr. Rudnick described the meetings that Centerplan was having regularly with the unions and which ones needed to bring more people on to meet the project goals. The Mayor asked what was going to be done to make sure the numbers would increase, and if there was anything the City could do to help. Mr. Rudnick stated that everything that could possibly be done was being done. The Mayor reiterated that the City was willing to meet with the unions if necessary.

Chairman Mathews asked about separating out minority workers versus female workers in the reports. Ms. Graves provided clarification that female workers counted toward the MWBE goals. Chairman Mathews stated that Ms. Graves had indicated previously to Representative McCrory that this could be shown, and the Mayor asked if the percentage of racial and ethnic minorities could be shown separate from the percentage of female workers. Ms. Graves and Mr. Toppin discussed the reporting methods and how they could parse out this information. Council President Clarke asked if this was a way to break down the data to see actual numbers of minority workers and Hartford residents rather than just percentages. Ms. Graves asked if the Council President was looking for project hours as well. He indicated that he did, and asked for this information to be presented in future reports.

Mr. Toppin presented the City's report on MWBE compliance for the stadium project. He noted that his report confirmed Centerplan's figure for the previous month. Mayor Bronin asked Mr. Toppin what he does to verify Hartford residency of workers. Mr. Toppin described the City's residency form and requirements for determining residency. Council President Clarke asked for a list of the certified Hartford residents working on the project, as well as a list of the minority contractors participating in the project. Mr. Toppin indicated that he could. Ms. Graves directed the Council President to page 7 of her presentation for some of this information. Council President Clarke also asked for a list of minority contractors who had bid on project components, and Ms. Graves indicated where that information was in her presentation.

J. Review and Approval of Invoices

Mr. Looney presented Invoice #13 for consideration, and described the process of vetting this invoice.

A motion to approve Invoice #13 was made by Mr. Griebel and seconded by Mr. Hill. The motion was passed unanimously.

K. Old Business

None.

L. New Business

Mr. Griebel asked for an update on the sources of funds for the new bonds at either the March or April meeting.

M. Call to Public

Anne Goshdigian thanked Mayor Bronin and Council President Clarke for their good questions. She stated that having Stadium Authority meetings at 3:00pm was not convenient for people who have to work. She was startled to see Yolanda Rivera reelected as Vice Chair since she had only attended one Stadium Authority meeting, and asked for an explanation. Chairman Mathews stated that she was right, and that the City Council was in the process of approving a new Stadium Authority member to replace Ms. Rivera. Ms. Goshdigian also stated that she wanted to reinforce the request to find out if workers on the site were actually Hartford residents, and asked if there was any way to verify if and how so many Hartford residents had failed to pass the operating engineers' exam.

Alyssa Peterson noted that she did not believe that Mayor Bronin was aware of the errors in the previous bond issuance by the Stadium Authority. She stated that she and others were shocked to see the original bond documents that stated that the City's obligation was absolute in paying the bonds, when she believed that only revenue streams under the Stadium Authority were pledged to back the repayment of the bonds. She had taken her concerns to the Secretary of State's Office and inquired about the possibility of public referendum. Although there was no right to referendum under applicable state statute, the public did have the right of review and to take legal action. She believed the problem lay with Treasurer Cloud, and that he had only filed unsigned draft meeting minutes and a draft of the proposed bond resolution with the City Clerk's Office. She also stated there was no notice published as required by state statute. Three weeks prior, she had given City Council a proposed resolution to pursue a claim against the bond insurer and the malpractice insurance of City legal advisors. She stated there was a chance for compromise, but only for a short period of time to avoid jeopardizing the new bond issuance. She noted that she was sending all of her research and records to the Securities and Exchange Commission as well as the U.S. Attorney for Connecticut. She stated that Stadium Authority members past and present needed to be investigated for their role in failing to adhere to state statute.

A resident stated that construction of the stadium was taking too long. She noted that people should not be threatening with lawsuits and trying to intimidate others instead of supporting the project. She stated that all work together to make the stadium a successful project.

Another resident asked for Mr. Hill to read a letter on his cellphone from the laborers union apprentice program indicating he was rejected from the program. He stressed his frustration in not being able to participate in the stadium project. He asked if he could be a compliance officer for the City or a community relations representative.

Councilman Larry Deutsch asked for clarification on figures contained in DoNo Hartford LLC / Centerplan MWBE compliance report, specifically regarding the adjusted GMP figure shown. He wanted to know when and under whose authority the GMP had been adjusted. Chairman Mathews responded that Councilman Deutsch could always submit his questions to City staff. Councilman Deutsch responded that if additional clarification of this issue was possible, could it be put on the Authority's website. Mr. Hill stated that the adjustment to the GMP was still in process and described this process, and that he wasn't clear what the councilman wanted put on the Authority's website. Councilman Deutsch stated that Mr. Hill's summary of the GMP adjustment approval process would suffice. Councilman Deutsch also asked for clarification as to how Centerplan Electric's contract would fall into the category of MWBE participation. Ms. Graves responded that Centerplan Electric was issuing subcontracts to MWBE firms that would count toward compliance.

Councilman Deutsch asked about whether Electrical Power Solutions' contract had been finalized. Ms. Graves stated that the contract had been awarded.

Another resident stated that there was a promise that there would be jobs for Hartford residents, and that this had not occurred.

N. Adjournment

A motion to adjourn was made by Mr. Hill and seconded by Chairman Mathews. The motion was passed unanimously. The meeting adjourned at 5:18p.m.

Respectively submitted,



Adam M. Cloud
Secretary
Hartford Stadium Authority