

FOR IMMEDIATE RELEASE
January 7, 2005

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**STADIUM DISTRICT TO RECEIVE \$32.95 MILLION TO COVER ROOF DEFECTS;
SETTLEMENT IN LAWSUIT AGAINST MITSUBISHI PROTECTS TAXPAYERS**

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*Agreement calls for District to release \$6 million in original project funds to Mitsubishi;
Payment is part of final \$394 million construction budget*

MILWAUKEE – The Miller Park Stadium Board today announced it has reached a settlement in its lawsuit against roof builder Mitsubishi Heavy Industries America and will receive \$32.95 million to cover defects in the ballpark’s retractable roof. As part of the agreement, the District will release \$6 million in original project funds to settle Mitsubishi’s claims related to the company’s change order requests for the roof.

The settlement – which has been agreed to by all parties in the lawsuit – is an outstanding result for Southeastern Wisconsin taxpayers, Board Chairman Jay Williams said. He noted that the \$6 million being released to Mitsubishi is \$2 million less than the amount the District originally set aside for change orders on the roof in the project’s final \$394 million budget.

“We get \$32.95 million and release \$6 million that we had already built in to our overall \$394 million project cost,” Williams said. “This is a strong settlement that covers all past roof repair costs, creates a reserve for future repairs and, above all, continues to protect the taxpayers. Our commitment to protecting the taxpayers and maintaining the 2014 sunset date for the stadium sales tax has been the driving force behind all of the Board’s actions, both during and after the construction of Miller Park. Our legal team has done a tremendous job in negotiating the settlement and securing an outstanding agreement for the people of Southeastern Wisconsin.”

Williams said the District’s financial advisers have indicated that with the settlement in place, the stadium sales tax remains on track to end in 2014.

“The sunset date remains the same, which is more proof that the original construction and financial agreement developed by the Board is protecting the taxpayers,” he said.

The settlement also allows the Stadium District to close out its contract with HCH, the project’s construction manager. As part of a separate agreement, HCH has agreed to forego any remaining payment under its contract with the District, which HCH has estimated to be \$1.9 million.

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“This \$1.9 million represents even more savings for the taxpayers,” Williams said. “HCH, and in particular lead member Hunt Construction Group, has been a solid partner to the District throughout the course of this project. They have stood in support of the District and the taxpayers through good times and bad. We are proud to have their imprint on Miller Park. They delivered a world-class baseball facility to our community, and have clearly lived up to their reputation of being the best in the stadium construction business.”

Retired Milwaukee County Circuit Court Judge William Jennaro, who is now an attorney in private practice with Cook & Franke SC, said the settlement was “fair and reasonable” for the District and taxpayers. The District retained Jennaro to conduct an independent fairness analysis of the proposed settlement agreement prior to signing it.

“The settlement is beneficial to the District and the taxpayers because it covers all past and future repairs to the roof, requires no additional taxpayer money beyond what was originally budgeted and eliminates the risk of the uncertainty and additional costs that continued litigation would most certainly bring,” Jennaro said. “This settlement is good for the District and good for the taxpayers, who remain protected under the settlement agreement.”

Under terms of the agreement, Mitsubishi will pay \$4 million of the \$32.95 million settlement, with Travelers Indemnity Company of Illinois, Indemnity Insurance Company and Royal Insurance Company paying the rest to the District. The agreement also calls for the insurance companies to pay Mitsubishi an additional \$15.75 million and for the roof’s structural engineer, Ove Arup, to pay the company \$250,000. No taxpayer money is involved in any of those payments.

Williams said the District already has the \$6 million set aside to cover its payment to Mitsubishi.

“The Board has always anticipated paying something to Mitsubishi,” he said. “Those costs were included in the final \$394 million project budget, and the money has been set aside as planned. The payment to Mitsubishi is part of the taxpayers’ original investment in Miller Park, and the taxpayers will not pay one cent beyond that.”

After a Miller Park opening season marked with roof leaks, premature rusting and a faulty pivot system that eventually had to be replaced, the Stadium District filed suit against Mitsubishi in January 2002. The District had originally sought \$5 million in the lawsuit, then later raised its claim to \$44 million. Mitsubishi had filed an \$87 million counterclaim in the case, which was reduced by the court to \$37 million.