

SPORTS AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE &  
DAVIDSON COUNTY

Minutes of March 15, 2018 Meeting of the Board of Directors

Nissan Stadium

10:30 a.m.

**Board Members:** Kim Adkins, Dudley West, Catana Starks, Lisa Howe, Khalat Hama, Emmett Wynn, Bob Obrohta, Cathy Bender

**Staff:** Monica Fawknotson, Ilesha Montesrin, Quinton Herring, Margaret Darby (Legal), Bob Lackey (Metro Finance), Yomi Ojo (Metro Finance)

**Titans/Nissan Stadium:** Jenneen Kaufman, Steve Underwood, Walter Overton, Burke Nihill, Bob Flynn, Robbie Bohren

**Predators:** Kyle Clayton, Michelle Kennedy, Keith Hegger, Danny Butler

**First Tennessee Park:** Doug Scopel, Adam Nuse

**Visitors:** Larry Atema (Commonwealth Development Group), Ed Henley (Commonwealth Development Group), Roxanne Bethune (Commonwealth Development Group), Scott Rayson (Metro Legal), Mary Cavarra (MLS2Nashville), Rich Riebeling (Metro Finance), Keats McGonigal (Competitor Group), Karen Bingham (Competitor Group), Kim Dettwiller (Competitor Group), Annie Parish (Barton Mallow), Paul Moffat (Barton Mallow)

Chairwoman Kim Adkins called the meeting of the Sports Authority to order at 10:30 a.m. and welcomed all in attendance. Ms. Adkins reminded everyone the appeals process for decisions by the Authority could be found at the top of the agenda. She then announced that Finance Committee appointments have been made and reported that Ms. Lisa Howe will serve as Chair and Ms. Margaret Behm and Mr. Dudley West will continue to serve as committee members. The Facility Liaisons have also been appointed and include: Mr. Chuck Meriwether (Nissan Stadium), Mr. Bob Obrohta (Bridgestone Arena), and Mr. Rip Ryman (First Tennessee Park). **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the minutes of the January 18, 2018 Board of Directors meeting.**

***Executive Director's Report***

Chairwoman Adkins recognized Ms. Monica Fawknotson to give the Executive Director's Report. She began her report with a brief review of the meeting agenda. Ms. Fawknotson stated that with the assistance of Bo Roberts and Howard Gentry, a documentary was created around the life of founding Board member, Coach Ed Temple. The documentary, "Mr. Temple and the Tigerbelles," is scheduled to air on television in the upcoming week.

Turning her attention to the Sports Authority's Operating Budget for FY19, Ms. Fawknorton reported that the budget meeting with Mayor Briley is scheduled for March 21, 2018 at 2pm. The current year's budget is \$859,100 and she anticipates concluding the fiscal year under budget. She stated that in FY17 and FY18 the Administration looked for ways to provide budget improvements for Metro Departments. However, this year the budget will focus on maintaining a solid financial foundation. As a result, departments have not been asked to prepare and submit budget requests like past years, but are, instead, working to identify any mandatory budgetary requirements. Ms. Fawknorton noted that departmental programs and services will not be extended, rather the Finance Department will seek to identify ways departments can use their existing resources more effectively. The proposed budget for FY19 will remain at \$859,100, of which more than 95% is obligated to salaries, benefits, internal service fees and insurance premiums. She then noted that the following projects were listed in Metro's Capital Improvement Budget (CIB):

- Soccer Facility (\$225M.)
- Fairgrounds Infrastructure (\$25M)
- A portion of Arena Projects Recommended for 2018 & 2019 (\$10M)

Finally, Ms. Fawknorton reported that staff continues to work with Metro Purchasing on an RFP for parking management of Sports Authority controlled lots at Nissan Stadium.

### ***MLS Stadium Update***

Chairwoman Adkins recognized Mr. Rich Riebeling, Metro Chief Operating Officer, to give the MLS Stadium update. Mr. Riebeling stated that Mayor Briley is supportive of soccer being held at the Fairgrounds. He reported that the Authority will be asked to consider an architectural agreement once a contractor has been chosen. The deadline to respond to the solicitation (RFQ) for Stadium Design (Architecture & Engineering) is April 3<sup>rd</sup>. An RFP Evaluation Committee will be chosen and will consist of a staff member from the Sports Authority, the Fairgrounds, and MLS2Nashville. He stated that this process is projected to be completed in 30 – 60 days. Mr. Riebeling also reported that the RFQ for a Construction Manager should be completed in the upcoming

weeks. He stated that Metro Legal has hired outside counsel to draft documents for the development agreement, and stated that the Authority will have at least a month to review the documents before consideration is required.

Mr. Riebeling additionally noted that the Metro Council will have to approve the demolition of any structures on the Fairgrounds property. Some of the property will also require rezoning which the Metro Council will also need to approve. These are forecasted to go before the Council around September. Contingent on the Council's approvals, the Authority will be asked to issuance of bonds. Demolition and construction is projected to begin around the end of 2018 or the beginning of 2019.

### ***Nissan Stadium/Tennessee Titans Report***

Chairwoman Adkins recognized Mr. Steve Underwood to begin the Nissan Stadium Report. Mr. Underwood began by stating that the Titans support Major League Soccer and believe that a new facility is good for the growth of the community. He stated that the Titans recently won a Playoff game on the road, contracted with a new Head Coach, will soon unveil new uniforms, and are currently in position to host the 2019 draft.

Mr. Underwood then recognized Mr. Mike Keith, Voice of the Titans, to provide a team update. Mr. Keith stated that today was the first full day of the League's season. He stated that the Playoff win was against the Kansas City Chiefs and was their first in 14 years. Titans clinched their ticket to the Playoffs with a win against the Jacksonville Jaguars on December 31<sup>st</sup>. This year's Pro-Bowl involved six Titans players with Delanie Walker being named the "Best Player in the Bowl."

Mr. Keith recognized Mr. Stuart Spears to continue the Nissan Stadium report. Mr. Spears stated that several events and prizes have been planned for the season ticket members, which include:

- The welcoming of Coach Vrabel
- The unveiling of the new uniforms
- The new commemorative logo that marked the Titans 20<sup>th</sup> season
- Titans Draft Party
- Movie Night on the field
- Win a trip to England for the Titans' first International game

- Win a trip to the NFL Draft

Mr. Keith then recognized Mr. Bob Flynn to discuss upcoming stadium events and upgrades to the facility. Mr. Flynn stated that in total, twenty-four events have been scheduled for 2018. This includes ten Titans games, two Tennessee State University (TSU) games, the Music City Bowl. Other upcoming events include:

- Nashville Soccer Club game (March 24<sup>th</sup>)
- Rock N' Roll Marathon – Formerly the Country Music Marathon (April 28<sup>th</sup>)
- Good Guys Car Show (May 8<sup>th</sup> – 13<sup>th</sup>) – Only a two-day show (three days in previous years)
- Titans 5K (May 19<sup>th</sup>)
- CMA Music Festival (June 7<sup>th</sup> – 10<sup>th</sup>)
- Monster Jam (June 23<sup>rd</sup>)
- Kenny Chesney concert (August 11<sup>th</sup>)
- Taylor Swift concert (August 25<sup>th</sup>)
- Ed Sheeran concert (October 6<sup>th</sup>)

Mr. Flynn concluded his report by stating there was only one update, in terms of improvements to the facility. Since the previous meeting, the security surveillance system (approved at the November 2017 meeting) has incurred expenses in the amount of \$11,324.90. Mr. Flynn then recognized Ms. Kaufman to give an update on the financials:

- Ticket Tax Summary
  - \$1 Ticket Tax (\$1,256,275.50)
  - \$2 Ticket Tax- 2012 Bonds (\$1,002,336.46)
  - Reserve Fund (\$1,900,000.00)
  - 2015 Project Fund (\$2,253.53)
  - Ticket Tax Paid to Date, Since 2010 (\$20,213,071.00)
- Outstanding Stadium Loan (\$12,358,404.80)
- Unfiled Reimbursement Receivables (\$5,761,432.49)
- Casualty Receivables (\$4,217.17)

In terms of the Ticket User Fee, the Titans estimate that they will pay \$1.6 million to Metro for the ticket tax during the 2018 season and have divided this amount into installments to be paid over 10 months. The Titans will pay \$162,000 monthly and true-ups will be conducted as games are completed. The Titans paid the first installment on

2/20/18 and future payments are due on the 20<sup>th</sup> of each month. The total amount paid for the 2017 season was \$1,874,076.00.

In response to a question by Board member Mr. Dudley West, Ms. Kaufman stated that the Wi-Fi installation had been completed in previous years. She then stated that the project was recorded in the Cap-Ex Communication Tool as a separate line item and would move to the “Completed List” in the next report. Ms. Kaufman concluded the Nissan Stadium Report with a video recapping the highlights of the Titans’ 20 years in Nashville.

### ***Consideration of the 2018 Rock N’ Roll Marathon License Agreement***

Chairwoman Adkins then recognized Ms. Fawknorton to introduce the 2018 Rock N’ Roll Marathon License Agreement. Ms. Fawknorton stated that on April 28-29, 2018, the Rock ‘N Roll Marathon (formerly the Country Music Marathon) and Kid’s Rock Race will come to Nashville. Parking lots at Nissan Stadium will be used on race days as well as in the days leading up to the race for the following purposes:

- Lot P on April 25-28 for setup of a water station
- Lots R & T on April 26-27 for patrons of the 1 mile race/concert and the Health & Fitness Expo at the Music City Center
- Lot N from April 27-28 for volunteer and overflow parking needs all lots on April 28
- Lots A, B, D, E, & F for patron parking for the Kids’ Rock Race on April 29  
Lots G & M (controlled by the Titans) will also be used

Ms. Fawknorton concluded by stating that each year Competitor Group, Inc. rents the parking lots from the Sports Authority at a cost of \$10,000. She stated that Sports Authority staff recommends approval of the License Agreement with Competitor Group, Inc., for the use of the parking lots. **Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the 2018 Rock N’ Roll Marathon License Agreement.**

### ***Project Manager’s Report***

Chairwoman Adkins recognized Mr. Ed Henley to begin the Project Manager’s Report. Mr. Henley reported that all work has been completed and the scope of work includes:

- Phase 1 – Seat replacement and expansion joint repair
- Phase 2 – East Club level sealants and caulking, guardrail extensions, and the replacement of additional expansion joints
- Phase 3 – Three expansion joint repairs in the West Club

Mr. Henley also gave an update on the budget which includes:

- \$15,000,000 (Initial Budget)
- \$14,999,876 (Paid to Date)
- \$124 (Remaining)

Mr. Henley then recognized Ms. Roxianne Bethune to give an update on diversity participation throughout the project. Ms. Bethune stated that DBE dollars earned to date were \$5,424,147 (37.63% of the total expenses). Five percent of DBE dollars earned were strictly for construction. She then stated that participation was divided into multiple categories which included:

- Non Diversity Large Business: 62.37%
- Small Business Enterprise: 27.06%
- Woman Owned Business: 4.33%
- Total Female Ethnic Minority: 0.37%
- Total Male Ethnic Minority: 5.87%

Mr. Henley concluded the report by noting that Commonwealth Development Group is comprised of two additional firms which include:

- Pillars Development (minority owned)
- Alliance Synergy Group (minority and woman owned)

### ***Facility Questions***

Chairwoman Adkins asked whether there were questions regarding the facility reports submitted by the Nashville Predators and the Nashville Sounds. The Board had no questions.

***There being no other business, the meeting was adjourned.***

<https://youtu.be/uexhy9nkSxE>