

MINUTES OF THE 60th MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 60th meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on August 6, 2015 at 9:00 am, in the Administrative Conference Room of the Administrative Offices at the Music City Center, Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: Waverly Crenshaw, Jr, Marty Dickens, Randy Goodman, Vonda McDaniel, Willie McDonald, and Mona Lisa Warren

AUTHORITY MEMBERS NOT PRESENT: Vice-Mayor Diane Neighbors, Ex-Officio, Irwin Fisher, Luke Simons

OTHERS PRESENT: Rich Riebeling, Charles Starks, Anne Martin, Elisa Putman, Beverly Bennett, Brian Ivey, Natasha Blackshear, Heidi Runion, Jasmine Quattlebaum, Mary Brette Clippard, Joseph Steele

The meeting was opened for business at 9:00 am by Chair Marty Dickens who stated that a quorum was present.

ACTION: Vonda McDaniel made a motion to approve the 59th Meeting Minutes of May 14, 2015. The motion was seconded by Willie McDonald and approved unanimously by the Authority.

Charles Starks introduced Chris Schappert, new Director of Event Services.

The next regularly scheduled meeting is scheduled for September 3, 2015.

ACTION: Appeal of Decisions from the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

ACTION: Willie McDonald made a motion [i] re-electing Marty Dickens as Chair, [ii] re-electing Vonda McDaniel as Vice-Chair, and [iii] re-electing Mona Lisa Warren as Secretary/Treasurer. The motion was seconded by Waverly Crenshaw, Jr. and approved unanimously by the Authority.

Charles Starks was asked to review the MOU with the Fairgrounds and there was discussion (Attachment #2).

ACTION:

Willie McDonald made a motion [i] approving the Memorandum of Understanding with The Board of Fair Commissioners to provide wireless internet service as well as limited end user support and troubleshooting services, maintenance and usage reports, as more fully set out therein, and [ii] authorizing Charles Starks to negotiate and execute an agreement with The Board of Fair Commissioners on substantially the same terms as considered this day. The motion was seconded by Waverly Crenshaw, Jr. and approved unanimously by the Authority.

Jasmine Quattlebaum reported on the Year End DBE numbers and there was discussion. (Attachment #1)

Charles Starks gave an update on the preliminary Financials and there was discussion (Attachment #1)

Charles Starks then gave an operations update and there was discussion (Attachment #1).

With no additional business a motion was made to adjourn, with no objection the Authority adjourned at 9:42 a.m.

Respectfully submitted,



Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Marty Dickens, Chair
CCA 60th Meeting Minutes
of August 6, 2015

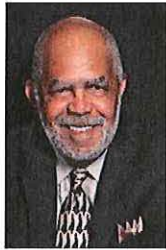
CONVENTION CENTER AUTHORITY

August 6, 2015

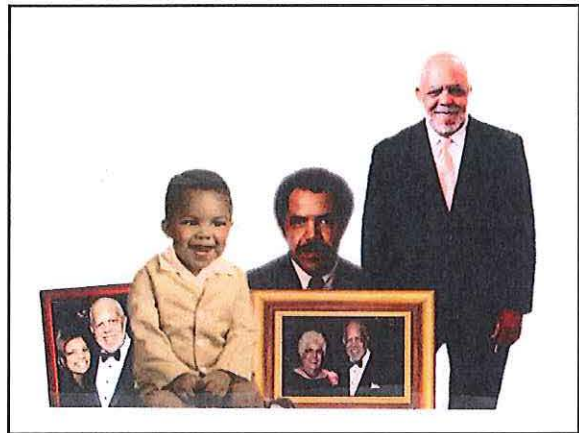
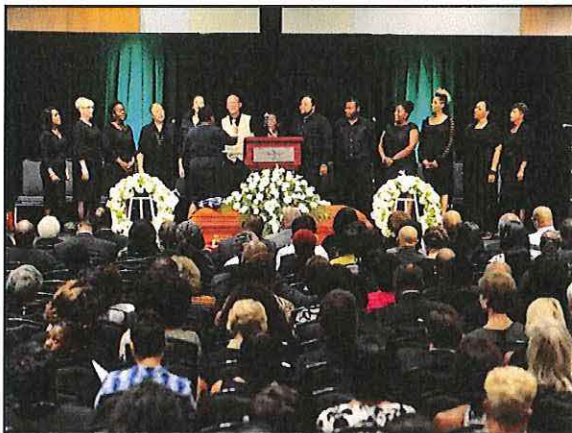
Appeal of Decisions

Appeal of Decisions from the Convention Center Authority— Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

FRANCIS GUESS



1946 - 2015



HAPPY BIRTHDAY!



**MARTY
DICKENS –
22ND**

**ELECTION
OF OFFICERS**

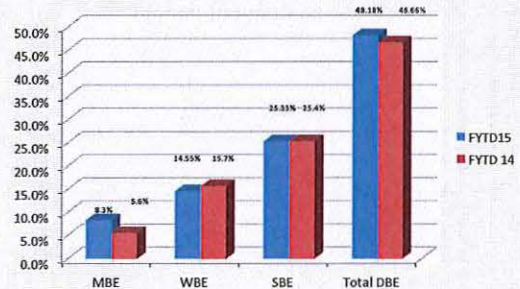
MOU - FAIRGROUNDS

DBE UPDATE

**FY15 4th Quarter
DBE Participation Summary**

	FY15 4 th Quarter	FY15 YEAR END
LMG	\$33,565	\$311,402 (151% over goal)
Centerplate:	29.98% - \$332,000	34.5% - \$1.3M
MBE	4.84% - \$54,000	5.2% - \$203,000
WBE	16.3% - \$180,000	24.3% - \$948,000
SBE	8.84% - \$98,000	5.0% - \$195,000
Music City Center:	41.14% - \$774,000	48.18% - \$3.7M
MBE	9.35% - \$176,000	8.3% - \$631,000
WBE	10.3% - \$194,000	14.55% - \$1.1M
SBE	21.50% - \$406,000	25.33% - \$1.9M

**DBE TOTAL PARTICIPATION
FY15 vs. FY14**



DBE VENDOR SNAPSHOT

DBE VENDOR PARTICIPATION SUMMARY	FY15 # OF COMPANIES	FY14 # OF COMPANIES
MINORITY OWNED BUSINESSES	9	6
WOMEN OWNED BUSINESSES	14	12
SMALL BUSINESS ENTERPRISE	4	4
TOTAL	27	22

FY15 High Performing DBE Vendors (over \$100,000):

- Convention Production Rigging (SBE) – Rigging Services
- Industrial Staffing (WBE) – Supplemental Labor
- Med-star Medical (WBE) – EMT Services
- Plants Alive (WBE) – Interior Landscaping
- Premiere Building & Maintenance (AAMBE) – Window cleaning
- SMS partnership with Bestway Janitorial Services (AAMBE) – Housekeeping Labor

OMNI 2015 Local Participation

COMMITMENT TO LOCAL HIRING	JAN	FEB	MAR	APR	MAY	JUN
Total FTEs Goal: 300	705	702	692	689	693	689
# FTEs (40 hours) Residents of Nashville Metropolitan Statistical Area Goal: 250	648	648	650	649	644	649
# FTEs (40 hours) Residents of Davidson County Goal: 200	564	561	549	547	556	548

OMNI 2015 DBE Participation

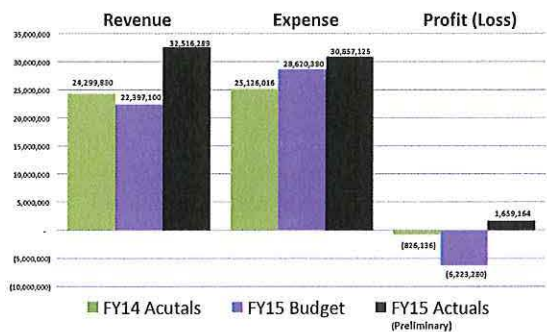
SUPPLY AND SERVICE EXPENDITURE COMMITMENT	JAN	FEB	MAR	APR	MAY	JUN	2015 TO (A)
Nashville Metropolitan Statistical Area Businesses Goal: \$100,000/yr.	139,849	145,257	186,159	351,909	313,971	118,032	865,177
Small, minority and women owned business enterprises Goal: \$50,000/yr.	21,851	26,035	16,859	37,734	19,780	22,739	125,069

DBE HAPPENINGS

- Assisted three (3) vendors get their certification: 2 Women and 1 Minority
- DBE Program Snapshot Brochure completed – utilized a MBE firm for design and printing
- Music City Center DBE Booth at Tri-State Minority Supplier Development Council (TSMSDC)

FINANCIAL UPDATE

Variations FY2014 vs. FY2015



Variations FY 2014 vs. FY 2015

	FY2014 Actuals	FY2015 Budget	[Preliminary] FY2015 Actuals
Revenue			
Building Rental	\$3,812,266	\$4,576,000	\$5,842,325
F&B	\$13,466,429	\$10,501,200	\$16,269,418
Parking	\$2,758,272	\$3,059,700	\$4,261,696
Utility Service	\$1,182,485	\$1,971,400	\$1,734,776
Equipment	\$194,727	\$203,800	\$203,566
Labor	\$1,020,614	\$885,500	\$1,176,629
Technology	\$1,189,338	\$864,300	\$1,768,292
Business Center	\$14,927	\$41,700	\$23,825
Audio Visual	\$241,788	\$523,700	\$447,668
Rigging	\$307,459	\$94,600	\$487,819
Advertising	\$21,831	\$305,900	\$32,320
Damages	\$43,964	\$12,100	\$51,720
Misc/Other	\$45,323	\$24,000	\$49,283
Interest	\$1,655	\$7,400	\$6,978
TOTAL REVENUE	\$24,299,878	\$22,397,100	\$32,516,289
Expenses			
Salaries & Benefits	\$7,259,098	\$9,663,160	\$8,603,682
F&B Payroll	\$5,106,927	\$4,828,700	\$5,917,455
Building Utilities	\$4,458,960	\$4,820,700	\$4,635,618
Event Related	\$817,430	\$605,400	\$981,143
F&B COGS	\$2,642,984	\$2,152,700	\$3,017,872
Insurance	\$683,476	\$788,500	\$742,059
Internal Service Fees	\$58,825	\$167,500	\$136,186
General & Administrative	\$3,500,442	\$5,511,200	\$4,254,603
Retrive Transfer	\$595,874	\$322,500	\$568,228
TOTAL EXPENSES	\$25,126,016	\$28,620,380	\$30,857,125
Profit/(Loss)	(\$826,138)	(\$6,223,280)	\$1,659,164

MCC/Hotel Tax Collection

As of May 31, 2015

	2/5 of 5% Occupancy Tax	Net 1% Occupancy Tax	\$2 Room Tax	Contracted Vehicle Tax	Rental Vehicle Tax	Campus Tax	Total	Variance to FY 13-14
July	\$1,391,312	\$581,047	\$1,103,842	\$42,421	\$131,476	\$1,191,877	\$4,441,375	43.42%
August	\$1,442,392	\$608,036	\$1,093,091	\$70,025	\$122,860	\$1,292,859	\$4,818,463	40.80%
September	\$1,458,493	\$630,632	\$1,071,434	\$69,795	\$117,690	\$1,398,124	\$4,787,971	48.85%
October	\$1,766,577	\$747,918	\$1,173,158	\$74,749	\$160,342	\$1,497,556	\$5,398,849	44.77%
November	\$1,297,787	\$554,812	\$938,908	\$60,381	\$108,247	\$1,064,378	\$4,008,539	33.77%
December	\$1,141,233	\$450,754	\$680,489	\$42,283	\$101,661	\$868,697	\$3,564,539	27.04%
January	\$1,025,181	\$437,777	\$784,742	\$50,539	\$92,005	\$1,156,917	\$3,587,161	32.12%
February	\$1,228,844	\$528,601	\$888,055	\$65,817	\$92,827	\$714,938	\$3,514,982	-17.47%
March	\$1,750,135	\$748,040	\$1,142,971	\$81,508	\$114,413	\$2,196,748	\$8,031,856	-7.84%
April	\$1,715,329	\$735,214	\$1,133,425	\$81,943	\$131,854	\$1,359,984	\$8,303,172	18.72%
May	\$1,728,827	\$742,918	\$1,148,554	\$64,074	\$161,709	\$1,491,259	\$5,294,222	17.24%
YTD Total	\$15,947,874	\$6,740,416	\$11,228,267	\$708,318	\$1,283,908	\$14,475,156	\$50,503,126	21.34%

*Note: there is a slight increase of \$127,373 in the tax revenue for April and May due to Treasury inadvertently omitting new short-term rental revenue.

These numbers are still subject to changes by Metro Division of Accounts Auditors

MCC/Hotel Tax Collection

MCC Portion of May 2015 Tourism Tax Collections

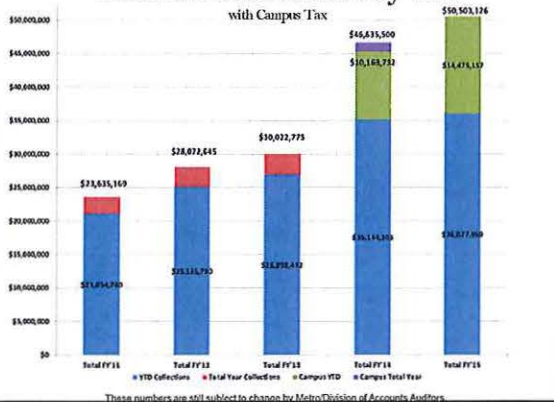
	FY 2014	FY 2015	Variance
2/5 of 5% Occupancy Tax	\$1,418,766	\$1,723,627	21.49%
Net 1% Occupancy Tax	\$610,757	\$742,518	21.57%
\$2 Room Tax	\$1,059,470	\$1,148,554	8.41%
Contracted Vehicle	\$67,133	\$56,074	-9.75%
Rental Vehicle	\$134,476	\$141,709	5.38%
Campus Sales Tax	\$1,229,952	\$1,481,739	20.47%
Total Tax Collections	\$4,515,554	\$5,294,222	17.24%

MCC Portion of Year-to-Date FY2015 Tourism Tax Collections

	FY 2014	FY 2015	Variance
2/5 of 5% Occupancy Tax	\$13,331,212	\$15,940,874	19.58%
Net 1% Occupancy Tax	\$5,526,391	\$6,760,416	22.33%
\$2 Room Tax	\$10,656,678	\$11,316,366	6.28%
Contracted Vehicle	\$695,235	\$706,316	1.59%
Rental Vehicle	\$1,248,484	\$1,293,997	3.65%
Campus Sales Tax	\$10,163,732	\$14,475,158	42.42%
SubTotal YTD Tax Collections	\$41,621,731	\$50,503,126	21.34%
TOT Sales Tax Increment	\$482,554	\$1,548,916	2,793.29%
Total YTD Tax Collections	\$42,104,285	\$62,052,042	47.38%

These numbers are still subject to changes by Metro Division of Accounts Auditors

Total MCC Collections by Year



These numbers are still subject to changes by Metro Division of Accounts Auditors

OPERATIONS UPDATES

JULY EVENTS

19 Events

115,789 Attendees

24,916 Room Nights

\$160,065,949 Economic Impact

JULY TOURS & SITE VISITS

12 Sales Site Visits

6 Group Tours with 117 attendees. This included 3 public tours with 46 attendees

**CONVENTION
CENTER
AUTHORITY**

August 6, 2015

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (the "Agreement") is made and entered into effective this _____ day of _____, 2015 by and between THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (the "Authority") and THE BOARD OF FAIR COMMISSIONERS ("Fairgrounds"). (The Authority and Fairgrounds are collectively referred to herein as the "Parties.")

WITNESSETH

WHEREAS, the Authority is a public, nonprofit corporation and a public instrumentality of The Metropolitan Government of Nashville and Davidson County, Tennessee ("Metro Nashville") and is authorized under Title 7, Chapter 89, Part 1, Tennessee Code Annotated, as amended, to plan, promote, finance, construct, acquire, renovate, equip and enlarge convention center facilities along with associated hotel accommodations in order to promote and further develop tourism, convention and employment opportunities in the State of Tennessee and thereby provide a means to attract conventions, public assemblies, conferences, trade exhibitions or other business, social, cultural, scientific and public interest events to the State, enhance the State's image as a convention destination, and encourage and foster economic development and prosperity and employment within the State;

WHEREAS, the Authority operates the Music City Center located at 201 5th Avenue South, Nashville, Tennessee, 37203 ("Music City Center");

WHEREAS, the Fairgrounds is located on 117 acres at 500 Wedgewood Avenue in Nashville, Tennessee and includes eight buildings totaling more than 120,000 square feet of indoor space for meetings and indoor or large scale outdoor events;

WHEREAS, the Parties desire to enter an agreement for Authority to provide wireless services to the Fairgrounds and the Fairgrounds desires to benefit from the Authority's provision of same.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged and the mutual promises contained herein, the Parties agree as follows:

1. Monthly Payment for Wireless Technology Services. Effective August 1, 2015 the Authority agrees to invoice the Fairgrounds \$4,000.00 on the first of every month and the Fairgrounds agrees to pay the Authority by the 15th of each month \$4,000.00 for technology services rendered. Should this Agreement be renewed for an additional year, pursuant to Section 3, the Authority shall be permitted to increase the monthly fee on an annual basis to account for normal salary adjustments for staff in an amount not to exceed four percent (4%) annually.

2. Default. Should either party fail to fulfill in a timely and proper manner its obligations under this Agreement or if it should violate any of the terms of this Agreement, the non-breaching party shall have the right to immediately terminate the Agreement if the breaching party

does not cure such breach within thirty (30) days of the date it receives written notice reasonably specifying such breach.

3. Term. This agreement will renew annually on August 1st unless either party provides written notification sixty (60) days in advance of the renewal date to the contrary. In no event shall the Agreement term, including extensions, exceed a total of five (5) years.

4. The Parties' Responsibilities. The Parties agree that their responsibilities under this Agreement are as follows:

a. The Authority covenants and agrees to provide as follows:

[i] real-time monitoring of the Fairgrounds' wireless equipment and service;

[ii] monthly usage reports regarding the Fairgrounds' and its customers' wireless usage;

[iii] onsite emergency response within 1-2 hours in the event of the Fairgrounds' equipment failure;

[iv] limited end user support and connectivity troubleshooting with a dedicated hotline answered Monday through Friday from 8 a.m. to 5 p.m. CST and limited hours on Saturday and Sunday, to be determined; and

[v] monthly maintenance on Fairgrounds wireless equipment including two (2) hours on-site, physical security inspection of installed hardware, access point connectivity checks, switch maintenance and connectivity checks.

[vi] two (2) hours of monthly splash page and wireless configuration support, including changing out advertisements and modifying wireless SSID's. Forty eight (48) hour notice on changing SSID's

b. Fairgrounds covenants and agrees as follows:

[i] payment of monthly recurring internet fees and any related cost or expenses from third-party providers;

[ii] provision of network hardware;

[iii] replacement of network hardware damages or needing replacement outside of the factory warranty period;

[iv] instruct vendors not to transmit wireless signals that may interfere with the Fairgrounds' wireless service; and

[v] pay for the subject services as set out in Section 1 herein

5. Limitation of Liability. As consideration for Authority to provide these wireless internet services the Fairgrounds, to the extent possible, agrees that it will not make a claim against or sue the Authority or its employees, agents, vendors, contractors, or volunteers for injury or damage resulting from any acts, however caused, by any officers, employees, agents, vendors, contractors, or volunteers of the Authority.

6. Severability. If a court of competent jurisdiction determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

8. Entire Agreement. This Agreement contains the entire understanding among the Parties with respect to the matters contained herein, and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among the Parties hereto relating to the subject matter of this Agreement which are not fully expressed herein. Notwithstanding the foregoing, to the extent this Agreement or any of the terms hereof shall conflict with the terms of any of the other documents or agreements referenced herein, the terms of said documents or agreements shall control.

9. Headings. The paragraph headings are inserted only as a matter of convenience and for references and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

10. Assignment. The rights and obligations of the Parties may not be assigned, except to parties under the direct control and ownership of a Party hereto.

11. Notice. Any and all notices, offers or other communications provided herein shall be given in writing and delivered in person, by facsimile transmission and confirmed by mail or hand delivery, or by nationally recognized overnight courier, or by registered or certified mail, return receipt requested, which shall be addressed as follows:

To the Fairgrounds
Buck Dozier, Executive Director
625 Smith Avenue
Nashville, TN 37203

To The Convention Center Authority:
Charles L. Starks, President/CEO
Music City Center
201 5th Avenue South
Nashville, Tennessee 37203

12. Authorized Representatives; Approval. The Fairgrounds represents and warrants that it has full power, right and authority to enter into and perform its obligations under this Agreement, and this Agreement has been duly authorized, executed and delivered on behalf of the Fairgrounds and constitutes a valid obligation legally binding upon and enforceable against the Fairgrounds. The Convention Center Authority represents and warrants that it has full power, right and authority to enter into and perform its obligations under this Agreement, and this Agreement has been duly authorized, executed and delivered on behalf of the Convention Center Authority and constitutes a valid obligation legally binding upon and enforceable against the Convention Center Authority.

13. Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts (including by facsimile or electronic transmission (pdf) file), each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement (and all signatures need not appear on any one counterpart).

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

THE CONVENTION CENTER AUTHORITY
OF THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY

BOARD OF FAIR COMMISSIONERS

By: _____
Charles L. Starks, President/CEO

By: _____
Buck Dozier, Executive Director

Date: _____

Date: _____

