

Minutes: Meeting of the Metropolitan Government Board of Fair Commissioners
Date: April 16, 2019 8:00 a.m.

On the above referenced date the April meeting for the Board of Fair Commissioners was held at Wilson Hall at the Fairgrounds. Those in attendance were Chairman Ned Horton, Vice-Chairman Erin McAnally, Commissioner Caleb Hemmer and Commissioner Jason Bergeron. Commissioner Bonna Johnson was not present. Also present were Fairgrounds Executive Director Laura Womack, Finance and Administrative Manager Felicia Bowman. Metro Attorney Susan Jones was also in attendance. Ron Gobbell and Michelle Scopel with Gobbell Hays Partners (GHP) were present. Roxianne Bethune with Alliance Synergy was in attendance, as well as Ed Henley and Connell Anderson with Pillars Development. Councilman Colby Sledge and Councilman Robert Swope were present also.

Chairman Horton called the meeting to order at 8:03 and read the Appeal Announcement. He then moved to the approval of the minutes of the March meeting. Vice-Chairman McAnally made a motion to approve, Commissioner Bergeron seconded, all were in favor and the minutes were passed. Chairman Horton then moved to Public Comments.

Shane Smiley, a local resident, stated his concerns about MLS taking away a part of the Speedway for its uses and also some other MLS/Speedway issues and he asked the Board to address these issues. Daniel Barron, also a local resident, stated his concerns about the lease of the 10 acres and other issues and added that the Vine Hill residents had been excluded in some of these recent discussions. Chairman Horton then moved to the Financial Report.

Felicia Bowman went over the expenses and revenue. She reported that the budget meeting with the Mayor had gone well and that the budget had been submitted to Finance but it had not been approved yet. She added that there had been no changes from what the Commissioners had received. Chairman Horton then moved to the Executive Director's Report.

Director Womack started by reporting that Commissioner Hemmer had been re-appointed to the Board by Metro Council. She stated that she, along with Gobbell Hayes and Metro Legal, would be working on a MOU with Goggle Fiber to relocate lines once the infrastructure project on the property was complete and that they would then develop a formal easement at the end. Director Womack then went over the term sheet for the Food and Beverage Contract with DD Events. She added that there would be some updates to the contract in the fall once the Expo relocated. Chairman Horton then moved to the Fairgrounds Improvement Project Update item on the agenda.

Ed Henley went over the budget and updates. Ron Gobbell and Michelle Scopel went over the power points presentation and gave the updates for the expo building and the stadium. Mr. Gobbell reported that the stadium was still in the design phase. There were several questions from the Board. Mr. Gobbell stated that the demo for the existing buildings should be in early October (after the State Fair) and should take about 3 months. Chairman Horton then moved to the Update on Speedway Motorsports, Inc. item on the agenda.

Director Womack stated that SMI was still working towards putting something together. Commissioner Bergeron asked if there had been any communication with SMI and that he was a little frustrated that there were still no details or a proposal. He stated that there still needed to be community engagement and also that the Formosa's needed to know as well so that the improvements to the track could move forward. Vice-Chairman McAnally asked if they could formally invite SMI to come to the next meeting to do a presentation and Chairman Horton said they could and that they could put it on the agenda for next month. Chairman Horton then moved to the Update on the 2019 World of Outlaws Event item on the agenda.

Director Womack stated that the Board had a copy in their packets of the speedway amendment that would allow another race for the World of Outlaws. Jason Rittenberry with the World of Outlaws stated that the insurance underwriter had approved everything and that they were proceeding forward with the safety improvements needed for the event. Mr. Tom Deery gave a quick update and stated that they would work with the State Fair Staff. He added that the festival-like event outside of the track was the only thing left to do. Chairman Horton then moved to the Consideration of Fee Table item on the agenda.

Scott Wallace, Corporate Sales Manager, reported that they would be making the new fees more streamline and gave a quick introduction. Flea Market Manager, Mary Ann Smith, went over the new fees and some general information. Director Womack stated that this change would be more like a standardization of fees instead of a rate increase. There was a brief discussion about bench marking and modeling. There were a few questions and then Chairman Horton moved to the Requested Appearance by Formosa Productions item on the agenda.

Director Womack stated that she had sent a letter to Formosa Productions exercising a breach of contract on 2 items: 1) violation of a track rental curfew 2) unpaid concessions commissions from last season. There were also late payments for office rent for January, February, and March but this issue had recently been resolved. Director Womack added that April would start a new contract year. Attorney Jim Roberts, representing Formosa Productions, went through each issue and stated that he felt that the suggestion of a breach of contract was not well founded. He stated that the contract did not say a specific date when the concession checks (or rent) were due and that in fact the checks could be paid on the final date (of the contract) since it was not clear so, therefore, were not late. He added that no invoices were received for these months. There was a lengthy discussion about the violation of the curfew for practices. Director Womack stated the invoices for the concession payments had been given to a speedway staff person back in the fall but that this person was no longer there and that the April invoices that were sent were a resend. She added that there had been extensive discussions with Claire Formosa about the concessions payment structure and that Ms. Formosa was aware of it. It was decided that there needed to be some more discussions between both parties to clarify some of these issues with some points (or a list) to address and then the Formosa's could then submit a written proposal to resolve these issues. Susan Jones stated that Legal would be happy to help with that. Chairman Horton then moved to the Update on Contract Negotiations with Tennessee State Fair Association for the 2019 Tennessee State Fair item on the agenda.

Director Womack reported that the conversations with the TSFA had been great and she quickly went over the term sheet (draft) for the Board. She stated that this was for a one year contract only and that the TSFA had elected not to use the new facilities in 2019, although the parking areas might be used. She added that there were still a few things to work out and that the State Commission Board still needed to meet next week. She reported that a race had originally been scheduled during the fair but she had requested that it be moved to the next week to accommodate the Monster Truck event and she was waiting for a response from the Formosa's. Fair Manager, Scott Jones, stated that he felt everything was fair for both sides. Chairman Horton then moved to the Mixed-Use Development Site Plan and Proximity to Speedway item on the agenda.

Since this item had already been covered earlier in the meeting, it was decided that it would remain on the agenda for next month's meeting and perhaps there would be more information then. Chairman Horton then moved to the Slate of Board of Commissioners Officers in June.

Metro Attorney Susan Jones explained that the Board just needed to identify the slate officers now and if there were no changes, then they could just vote at the June meeting.

Commissioner Hemmer then made a motion to adjourn. Vice-Chairman McAnally seconded the motion. All were in favor and the meeting was dismissed.

Respectfully Submitted,

Ned Horton, Chairman

Laura Womack, Executive Director