

Minutes: Meeting of the Metropolitan Government Board of Fair Commissioners
Date: November 12, 2019 10:15 a.m.

On the above referenced date, the November meeting for the Board of Fair Commissioners was held in Wilson Hall at the Fairgrounds. Those in attendance were Chairman Ned Horton, Vice-Chairman Erin McAnally, Commissioner Caleb Hemmer, Commissioner Bonna Johnson and Commissioner Jason Bergeron. Also present were Fairgrounds Executive Director Laura Womack and 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. Ed Henley with Pillars Development was also in attendance, as well as Roxianne Bethune with Alliance Synergy. Anne-Leslie Owens and Atilio Murga with Metro Arts were present also.

Chairman Horton called the meeting to order and the Appeal Announcement was read. Chairman Horton then moved to the approval of the October meeting minutes. Commissioner Bergeron made a motion to approve and Commissioner Hemmer seconded the motion. All were in favor and the minutes were passed. Since there were no public comments, Chairman Horton moved to the Financial Report.

Ms. Bowman stated that 2019 was still not officially closed yet downtown so she still did not have fiscal year-end numbers. She stated that the financials reported that day were numbers from September 30th. She also added that the revenue numbers did not include \$11,000 in building rentals from the end of the last month, Speedway money that was past due to them which was \$128,875 or the \$85,000 due from the State Fair. She added that they had received the State Fair money but that it would be reported in October. She stated that there were no Dashboards since they were still creating reports downtown for the new R12 System and that, hopefully, by next month, she would be able to give those details. Chairman Horton asked about the new expenses in the new building and Director Womack stated that they would need a good quarter behind them once construction was completed before they would have an idea of what the expenses would be. Chairman Horton then moved to the Executive Director's Report.

Director Womack stated that they were still working on the curfew policy so it was not on this agenda and that they would have it soon. Chairman Horton then gave the floor to Metro Arts to give an update about the Public Art Project.

Mr. Murga explained that there would be two phases to this project. He reported that there were 126 submissions and that 5 semi-finalists were selected. He then gave a quick update about the process of this project going forward. There were a few questions from the Board. Chairman Horton then moved to the Fairgrounds Improvement Project Update item on the agenda.

Mr. Henley went over the project updates and financials. Chairman Horton then moved to the MLS Stadium Update item on the agenda.

Mr. Gobbell gave a brief update of both projects and stated that they were currently getting the new Administration up to speed on all of the various projects at the Fairgrounds, so they had hit the pause button on both projects for now. There were a few questions from the Board. Chairman Horton then moved to the Contract with Formosa Productions item on the agenda.

Director Womack gave a summary of what transpired at the last Board Meeting and since the last meeting. She read the motion that was approved at the last Board Meeting. She stated that they had tried to meet with them twice for the follow-up meeting (after the October 14th meeting) and that they still had not met with the Fairgrounds.

She added that they still had not received any payment and that there had been no progress since the last meeting. There was a discussion from the Board and Commissioner Hemmer asked what the Board needed to do for the next year racing season since it was so late. Director Womack then went over the options again for the Board and Ms. Jones gave some more specifics to the options that were given. Commissioner Johnson asked about the possibility of other promoters booking the track. Director Womack stated that she was confident that Fairgrounds Staff could put together a season for next year.

There was more discussion and questions about what the Board wanted to do and Commissioner Hemmer made a motion stating, *“While the Board has been made aware of several instances of breach, where there has been no effort to cure, and while it is our express intent not to waive any remedy which might be sought for any breach, in light of our prior motion to allow Mr. Formosa to pay all rents and lease payments by December 31, 2019, I hereby offer this motion: I move that we terminate this contract with Fairgrounds Speedway Nashville/Formosa Productions pursuant to section 5.3 of the contract by providing 90 days’ notice today of termination and requiring the premises be vacated to allow the Board to explore what viable racing options may exist.”* Commissioner Johnson seconded the motion. Formosa attorney, Jim Roberts, questioned the proper procedures and violation under State Law about the meeting that day which had been rescheduled for later in the day. Mr. Roberts asked the Board not to be too hasty in the decision and to defer this action to the next meeting. Ms. Jones stated that everything was done according to the policy posted on the Fairgrounds website (and in compliance with the State Law). Commissioner Bergeron stated that he felt that the Board was very clear at the last meeting of what needed to be done and that the Board was frustrated that they had still not received any constructive information. Vice-Chairman McAnally added that this was not the first time the Board had asked for these things. There was a lengthy discussion between the Board and Commissioner Hemmer renewed his motion. All were in favor, there were no opposed and the motion was passed.

Commissioner Hemmer then asked for a legal opinion on moving forward. Ms. Jones stated that there would be no more negotiations for the December 31st payment and that the amendment should be signed by all parties and filed with the Metro Clerk. Vice-Chairman McAnally asked Ms. Jones what their options were if they did not receive payment and she stated that they had remedies that might be available for breach which were included in Commissioner Bergeron’s motion (back in October) if that’s what they decided to do. Ms. Jones stated that even though they voted on termination for convenience today, December 31st would occur before the 90 days were up, so the Board would still have the option to sue or state a breach of contract. She explained that an official letter would go out that day of the Board’s actions and that the Board, with a separate action if needed, could explore options for procurement for the upcoming season for “amusement purposes”. Director Womack stated that she could put together an expectation of what they were looking for and get that out and that she felt she could fill a schedule. She added that the RFP process would take so long so since timing was crucial it might not be a good idea to go through this process. Therefore, a motion from the Board authorizing her to research and procure vendors /promoters might be good. Ms. Jones stated that this was a viable option for the Board. There were a few questions and Commissioner Bergeron then made a motion stating, *“I move that the Board authorize the Executive Director to ascertain potential racing promoter(s) to operate racing for the 19/20 season and to bring to the Board a proposed structure for further consideration and/or negotiations.”* Vice-Chairman McAnally seconded the motion, all were in favor, and the motion was passed.

Commissioner Bergeron then announced that this would be Susan Jones’ last meeting and that she was leaving Metro. He thanked her for her service to the Board and wanted her to be properly recognized.

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

Respectfully Submitted,

Ned Horton, Chairman

Laura Womack, Executive Director