

**SPORTS AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE
& DAVIDSON COUNTY**

Minutes of the March 22, 2012 Meeting of the Board of Directors
Bridgestone Arena- Meeting Rooms J-K
8:00 a.m.

Board Members: Kim Adkins, Margaret Behm, Lauren Brisky, J.D. Elliott, Steve North, Ralph Perrey, Edward Temple, Nancy Vincent, Helen Walker, Emmett Wynn

Staff: Emmett Edwards (Sports Authority), Theresa Costonis (Metro Legal),

Titans/LP Field: Walter Overton, Don Maclachlan

Predators/Powers Management: Sean Henry

Visitors: Saul Solomon, (Metro Legal Director), Matt Wilshire, (Mayor's Office of Economic and Community Development), Ed Owens, (Metro Development Housing Authority), Jim Tarpy (Metro Water Services)

Mr. J.D. Elliot called the meeting to order at 8:00 a.m. and recognized Ms. Theresa Costonis to read the Metro Code of Laws (Ordinance No. BL2006-1050). Mr. Elliot recognized Mr. Saul Solomon, Metro Legal Director, and welcomed new Sports Authority member Emmett Wynn to the board.

Upon a motion duly made and seconded, the Sports Authority unanimously voted to approve the minutes of the January 12, 2012 meeting.

Bridgestone Arena Report

Mr. Elliot recognized Mr. Sean Henry to give the Bridgestone Arena report. Mr. Henry began by reporting that hockey player Alexander Radulov has returned to the Nashville Predators after leaving the Predators organization in 2008 to return home to Russia. It has been reported that Nashville Predators were named the "winners" of the trade deadline. The team is having a tremendous season and moving toward the playoffs. They are excited to be able to continue with Radulov.

Mr. Henry announced that the Academy of Country Music (ACM) has awarded, for the 2nd consecutive year, Bridgestone Arena with the Venue of the Year Award. This is a great honor for the arena as it is growing and booking larger events. Mr. Henry additionally announced that Mr. David Kells, previously the Sr. Marketing Director for the arena and the Nashville Predators, has been promoted to Vice- President of Booking and will replace Brock Jones.

Mr. Henry reported on monthly financials, noting that the arena is pacing under budget for the current year and beating last year's sales. Mr. Henry continued by reporting that the Jason Aldean show has been recorded as the largest show ever produced at the arena and that Monster Jam and Drake produced the largest grossing shows on their tours at the arena. Bridgestone arena shows are outselling and outpacing other venues. In March Bridgestone Arena hosted both the SEC Women's Basketball Championships and the 2nd & 3rd Round of the Men's NCAA Basketball Championships. Both events had a great showing. Upcoming shows include: Winter Jam, Wrestling Sunday, All for the Hall, Van Halen, Marathon Show, Miranda Lambert and James Taylor. This is the most shows that Bridgestone Arena has ever had on sale at one time. Additionally there are a few booked shows have not been announced yet to the public. The arena also broke its record for the most sold out Nashville Predator games at 21.

Mr. Henry continued by highlighting information from the soon to be released Economic Impact Report by Mr. Bob Lee from Lee & Associates. The number of created jobs and the overall impact were the focus of the report. A multiplier of 1.8 was used in the Impact Report (industry standards range from 1.8 to 13). One of the primary questions considered in the report

was “who is buying tickets for events?” The report discovered that 85% of concert-goers live outside Davidson County and almost 40% of concert-goers live outside the state. In response to questions about the time period that was used in this report, Mr. Henry reported that a blended rate for the past 4-5 years was used. Mr. Henry stated that the best days are ahead for both growth and job creation and that the most impactful numbers in the report include the creation of 2,000 jobs and \$74 million in taxes generated, creating \$25 million in the public sector. Mr. Henry reported that a more formal presentation on the Impact Report will be given at a later date.

Mr. Elliot recognized Ms. Lauren Brisky to report on the arena contract negotiations. Ms. Brisky began by reporting that the sentiment and belief is that a new deal is good for both the city and Predators. Things are positive both in content and tone and Ms. Brisky stated her belief that an agreement is close. At the proper time a special called meeting and Q&A Session with Metro Council will be called to better understand the terms of the deal. Saul Solomon, Metro Legal Director was present to address issues from the mayor’s perspective and Ms. Margaret Behm suggested setting a tentative date for the special called meeting for planning purposes. Mr. North requested that the board be given proper time to review the proposed agreement in advance of taking action.

Executive Director’s Report

Mr. Elliot recognized Mr. Emmett Edwards to give the Executive Director’s Report. Mr. Edwards announced that Big Brothers and Big Sisters of Nashville will be having an event June 3, 2012 and have requested to use LP Field’s Parking Lot R. **Upon a motion duly made and seconded, the Sports Authority voted to approve the event.**

Cumberland Park Report

Mr. Edwards introduced Mr. Ed Owens from Metro Development Housing Authority (MDHA) to report on the Cumberland Park project. Mr. Owens discussed features of the new development including: 5 ½ acres of active play in a safe environment, active water features, rock climbing, and an vast overlook of the East Bank River. He reported that parts of the 2,500 square foot restored Bridge Building are over 100 years old and that the building is on the national historic registry. Mr. Michael Baron and a local development group are doing the build-out, and a restaurant group will be announced.

Mr. Owens also announced a project called “The Landing” and “The Lawn.” Existing infrastructure will be used for a performance stage that will expand the venue opportunity and The Lawn” will be able to seat 5,000-6,000 people. Mr. Owens reported that one of the prime objectives of this project is ADA accessibility at the docks. There will also be opportunities for Kayakers to use the area. A design team is in place with goal of completion of the project in the spring of 2014.

In response to questions regarding parking around the anticipated restaurant, Mr. Owens stated that Lot R, which has approximately 775 spaces, will be available for public parking except on Stadium Event Days. Mr. Owens reported that the Shelby Bottoms Greenway, coming from Davidson Street connects to the park area, and that the primary goal with the walkways is to have a continuous riverfront connection. Finally, Mr. Owens, in response to questions about picnic areas and vendors, reported that he would like to see vendors, food carts, etc. at the park and stated his belief that in the future there will be excellent opportunities for this with the Sports Authority’s consent. The Sports Authority commended Mr. Owens and all involved for the work done on the Cumberland Park.

Mr. Elliot continued the Executive Director’s Report by announcing that the Sports Authority staff has not received a cost of living adjustment for the past 5 years and that a 2.8% cost of living adjustment (following the current metro plan) has been proposed. Mr. Elliott reported that he has communicated with Metro Finance and that funds are available for the increases. Mr. Elliot explained that an evaluation will be sent out to each board member to return.

Based on feedback from the completed evaluations, decisions on further adjustments will be made. It was proposed that a personnel committee be appointed to review the evaluations and current Sports Authority job descriptions. Changes made to job descriptions will be based upon comparison from the last survey with the current survey. **Upon a motion duly made and seconded, the Sports Authority Board of Directors voted for Chairman Elliott to activate the Personnel Committee for the purpose of reviewing evaluations and staff job descriptions. Upon a motion duly made and seconded, the Sports Authority voted to approve a 2.8% cost of living adjustment for Sports Authority staff.**

Mr. Edwards continued his report that the contract for parking management at LP Field had been provided to the Board. Mr. Edwards acknowledged that the Sports Authority had followed Metro Finance's Procurement process and that the Request for Proposal that went out focused on the innovations requested by the Board, including enhanced marketing, a guaranteed amount of revenue, and customer satisfaction surveys. The RFP Committee selected a new contractor and, in addition to finalizing the contract, a 30-day notice of termination must be sent to the current vendor that will additionally mitigate against any lapses of coverage with regards to insurance and liability. Ms. Helen Walker stated her belief that the Sports Authority will be pleased with the new contractor and Mr. Edwards and Mr. Elliott thanked Ms. Walker for the invaluable insight she added to the committee and throughout the process. **Upon a motion duly made and seconded the Sports Authority voted to delegate to the Chair the authority to approve the final contract following negotiations and to authorize the sending of the termination letter. Ms. Margaret Behm abstained.**

LP Field Report

Mr. Elliott recognized Mr. Emmett Edwards to give the initial part of the LP Field Report. Mr. Edwards reported that the LP Field stormwater pumps, which were installed when the stadium was constructed, have outlived their life cycle and are no longer functional. According to Metro Water Services, who maintains the pumps for the Titans, 4 out of the 6 pumps would not be functional if needed tomorrow. The Sports Authority has been advised by Metro Water Services that repairs should be made as soon as possible- especially since the rainy season is approaching. Two options have been discussed. The first option is to replace out of service pumps and all soft starts with new Flygt submersibles and VFDs costing \$58,000. The 2nd option is to replace the main station components, including all pumps and soft starts at a cost of \$658,000. There was also a discussion as to whether repairs should be funded from the Stadium Capital Fund or the Metro General Fund. **Upon a motion duly made and seconded, the Sports Authority voted to approve Option 1 to spend \$58,000 for mechanical repairs.** In addition, Ralph Perrey will attempt to fast-track discussions with Metro Finance regarding purchasing new pumps and their source of funding.

Mr. Elliott recognized Mr. Walter Overton to complete the LP Field Report. Mr. Overton announced upcoming events at LP Field including: Olympic qualifying soccer matches, the Country Music Marathon on April 28th, and the Mayor's Field Day with the Tennessee Titans on May 5th. The Field Day will include interactive-type challenges and over 5,000 people are expected to attend.

Mr. Overton additionally reported that construction around LP Field is progressing and that the stadium is preparing for the installation of the solar electric car charging stations in Lot E.

With regards to stadium casualty loss, Mr. Overton reported that there is a zero balance and that all claims have been paid by Metro Legal's insurance division. The seat user fee fund is just under \$3.5 million and the capital fund balance is currently just over \$1.1 million. Mr. Overton expects the capital expense reimbursement requests to be taken up at the next board meeting.

Finally, Mr. Overton turned the report over to Mr. Don Maclachlan who reported that the Titans organization is actively working to book events for the remainder of this year and into

2013. In response to a question on the construction and renovations at LP Field, Mr. Maclachlan reported that the Titans are continuing to work in tandem with Rich Riebeling and Metro Finance in the bidding process and that they have had lengthy discussions with all vendors. Many of the renovations will start in full once the Olympic qualifying soccer matches end. The Titans are staying within the financial parameters given and will provide more details on the progression of construction at a future meeting.

Sirius XM Radio Agreement

Mr. Elliot recognized Terri Costonis to report on the Sirius XM Radio Agreement. Ms. Costonis reported that the current Sirius XM Radio Lease Agreement that began in 2007 is set to expire on August 31, 2012 and that the tenant has requested a renewal for a second term of 5-years to expire on August 31, 2017. Mr. Edwards noted that the new term does include a 1.05% annual rent escalator and added that Sirius XM has been an exemplary tenant. **Upon a motion duly made and seconded, the Sports Authority voted to approve the renewal of the Sirius XM Radio Agreement.**

There being no other business, the Sports Authority meeting adjourned.