

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

Minutes of the August 15, 2013 Meeting of the Board of Directors
Bridgestone Arena- Meeting Rooms D-G
8:00 a.m.

Board Members: Kim Adkins, Alfonzo Alexander, Margaret Behm, Cathy Bender, Lauren Brisky, J.D. Elliott, Chuck Meriwether, Ralph Perrey, Nancy Vincent

Staff: Toby Compton, Monica Fawknorton, Margaret Darby (Legal)

Predators/Powers Management: Sean Henry, Jeff Cogen, Gerry Helper, Sean Marshall, Jeremy Meriwether

Titans/LP Field: Don Maclachlan, Walter Overton

Visitors: Brasher Burbank, Kristina Kirby (Kraft CPA), Patrick Holcomb (Convention Center Authority)

Chairman J.D. Elliott called the meeting of the Sports Authority to order at 8:00 a.m., and thanked Bridgestone Arena staff for, once again, hosting the meeting. In response to a question regarding the minutes of the July 18th meeting, Chairman Elliott requested that the Authority defer approval until the August meeting in order to allow staff the opportunity to review and to determine whether revisions should be made.

Executive Director Report

Chairman Elliott recognized Mr. Toby Compton to give the Executive Director's Report. Mr. Compton began by reporting that the bond sale for the construction of the Predators practice facility was, indeed, successful. Closing proceedings are set to begin next week. Mr. Compton noted that an interest rate of 4.1% was secured and should yield a savings of approximately \$1 million. He additionally reported that two pieces of legislation regarding the practice facility passed Metro Council on August 6th. The last piece of legislation, the Ground Lease, will come before the Council for its third and final reading on August 20th. General Services will serve as project manager for the ice rink.

Mr. Compton continued his report by acknowledging that conflicts over the utilization of LP Field Lot R, specifically with regards to parking for special events, Cumberland Park and the Bridge Building, remain an issue that needs to be addressed. Mr. Compton and Ms. Fawknorton have met with Metro Parks, Public Works, the Bridge Building property manager, Infinity Restaurant Group, the Titans, and the Downtown Partnership in an effort to determine what best policies/practices can be implemented to ease congestion. Sports Authority staff will make a presentation and recommend draft parking policies to the board at either the September or October board meeting.

Finally, Chairman Elliott added that in the coming weeks board members will be asked to complete a questionnaire regarding preferred meeting days and times. Mr. Compton stated that the board should feel free to let him know of additional topics they would like to see addressed in the questionnaire. Staff will conduct the survey and report back to the board.

LP Field Report

Chairman Elliott recognized Mr. Walter Overton to give the LP Field Report. Mr. Overton began by reporting that over 90% of fans at the Titans first preseason game on August 8th were in compliance with the National Football League's (NFL) new clear bag policy. Extra bags were made available to fans

by security and by Stewart Parking staff, and LP Field Staff felt good both about its efforts to communicate the new policy to fans and about the fans' compliance.

Mr. Overton additionally reported that LP Field staff has been working overtime to repair leaks and other issues in preparation for the season. Upcoming games at LP Field include a preseason game on August 24th, the WKU vs. UK on August 31st, and the TSU John Merritt Classic on September 1, 2013.

With regards to the "displacement of materials," or sinkhole, on the west side of the building, Mr. Overton stated that the stadium's building consultant, Powell Building Group, has been asked to view the displacement and report back to the Titans. Mr. Overton further stated that the area next to the storm water pumps has sunk approximately 5 feet in the past 4-5 months, pooling water which is running from the base of the storm water drain to the river.

When asked what additional measures will be taken this season to assist fans (especially college football fans) at LP Field, Mr. Overton stated that CSC staff will likely secure portions of the perimeter with a virtual fence and make other appropriate modifications as opposed to erecting typical fencing. Ms. Kim Adkins requested that a link to the new NFL policy be added to the Sports Authority's website and e-mailed to stakeholders.

Stewart Parking Solutions -Audit

Chairman Elliott recognized Mr. Brasher Burbank of Stewart Logistics, Inc. (DBA Stewart Parking Solutions) to present its year one independent audit to the Board. Mr. Burbank reported that Stewart Parking retained Kraft CPAs to perform its audit. In the company's first year as the Sports Authority parking contractor, Stewart Parking collected \$163,207 of revenue from the automated machine at LP Field in Lot E. Additionally, \$98,945 of special event/ancillary revenue was collected for a total of \$262,152. The Sports Authority's share of this revenue was \$146,264, 25% more than the minimum guaranteed rent proposed by Stewart in the parking RFP. It was noted that a true comparison of parking revenue for FY12 and FY13 would be difficult, if not impossible, to get due to the lack of transparency on the part of the previous parking contractor. Mr. Compton stated that staff would contact Finance to see what additional information could be provided.

After listing past and upcoming Sports Authority and Titans events managed by the company, Mr. Burbank turned his attention to the 2013 CMA Music Festival and noted a 14% increase in parking revenue. Parking revenue for 2012 was \$82,538 and \$95,890 for 2013. Contributing factors to the increased revenue included a ticket price increase from \$15 to \$20 for cash parking and the relocation of stadium, Centerplate, and CSC employee parking off campus to Greer Stadium and the Farmer's Market area. Employees were shuttled to LP Field and this relocation freed up approximately 400 spaces per day.

Mr. Burbank reminded the Authority of Stewart Parking Solution's aim to use technology to increase revenue and showed the board the new credit card reader the company is using to process transactions and to print receipts in real time. Brasher reported a goal for 15% of transactions to come from credit card readers.

Mr. Burbank concluded his report by stating that Stewart's focus for its first year has been on transparency. He thanked the Authority for the opportunity to serve as its parking contractor. **Upon a motion duly made and seconded, the Sports Authority voted to approve the 2012-2013 audit. Ms. Margaret Behm abstained.**

Bridgestone Arena South Entrance Renovations

Chairman Elliott recognized Mr. Patrick Holcomb of the Convention Center Authority to give an update on the south entrance renovations to the arena. Mr. Holcomb reported that demolition and construction has begun on the south entrance. Concrete on the plaza is being removed and temporary partitions have been erected on the concourse to shield the public from some of the work. Additionally they are in the process of relocating utilities- and doing so without removing services to the building. Mr. Holcomb continued by reporting that they have decided to add mesh to the garage. Mr. Holcomb and his team have spoken preliminarily with Codes. These new plans will go through the permit process. Finally, Mr. Holcomb reported that he plans to bring Populous and the final design to the September 19th meeting. At that time they will request board approval of the final plans.

Bridgestone Arena Report

Chairman Elliott recognized Mr. Sean Henry to give the Bridgestone Arena Report. Mr. Henry thanked Mr. Holcomb for his work on the south entrance renovations and then turned his attention to the arena financials. Mr. Henry reported that arena staff is in the process of closing out the month of June and that FY13 year-end financials will be presented at the September meeting. He additionally noted that FY13 has been the best year the arena has had. In regards to events and shows, Mr. Henry reported that efforts are being made to use the rehearsal hall to leverage more shows and concerts. Several double-play shows have been booked including, Taylor Swift (3 shows), Luke Bryan (2 shows), and two other double-plays that have not yet been announced.

Mr. Henry continued his report with an update on the Capital Improvement Fee (CIF) Fund, stating that the fund generated \$1 million last year despite the fact that there had already been 13-14 shows, that most of the season tickets had been sold, and that there was a lock out. With the money taken down from the line of credit projects such as suite and phone system upgrades, and a new marquis have been addressed. Mr. Henry stated that he will discuss some of the smaller level projects at the September meeting as well as the major capital projects projected for FY15.

Mr. Henry ended his report by explaining to the Authority that the “Keep The Black Out” ticket campaign for the Predators game against the Chicago Blackhawks is not about alienating Chicago fans but about encouraging Predators fans to attend and create a home ice advantage. He reminded the board that the ultimate goal is for all Predators home games to be sold out like Titans games.

Chairman Elliott thanked the Board for its attendance and, there being no other business, the meeting of the Sports Authority adjourned.