

Metropolitan Government Board of Fair Commissioners Work Session for the Bristol Motor Speedway Proposal
November 30, 2022 5:00 p.m.
Fairgrounds Expo 2

Present:

Sheri Weiner, Chair
Jasper Hendricks, Vice-Chair
Mario Avila, Commissioner
Todd Hartley, Commissioner
Anthony Owens, Commissioner (arrived later)
Laura Womack, Executive Director Fairgrounds
Ann Mikkelsen, Metro Legal
Tom Cross, Metro Legal
Jerry Caldwell, President of Bristol Motor Speedway
Julie Bennett, Julie is Vice-President and General Counsel, Bristol Motor Speedway
Jon Cooper, Waller Lansden representing Bristol Motor Speedway
Greg Pepitone, Senior Economist with Tourism Economics (via audio)

Chair Weiner stated that she sent a letter to the Metro Council Members to let everyone know what the schedule would be moving forward and that it was just the beginning of this process. She stated that the commissioners would hear presentations about the Bristol business model, revenue projections, economic impact on the proposal, and the renovation design process. Tom Cross and Jon Cooper would also go over the development agreement and answer any questions. She then gave the floor to Jerry Caldwell.

Mr. Caldwell gave some opening statements and went through the presentation of the proposal. Vice-Chair Hendricks asked how long the construction would take and Mr. Caldwell stated that they hoped to start at the first of the second quarter of next year and be done by January 2025. Vice-Chair Hendricks also asked if there was a clause addressing what would happen if the available funds were exceeded and Mr. Caldwell stated that the lawyers would address that specifically later.

Commissioner Avila asked if all events at the speedway would abide by the sound restrictions and Mr. Caldwell answered, "Absolutely." Mr. Avila also asked if the Board could get some numbers/projections with construction prices going up and Mr. Caldwell stated that the numbers they were looking at today were on the revenue side but that they would get updated construction costs numbers later in the process before they moved forward and that any overages would be on Bristol.

Commissioner Hartley asked what Bristol's plan was and what the backstop of what the transaction actually says. He also had concerns about the schedule of documents, costs, and community impact of the traffic/parking/noise, and the maximum number of events. Mr. Cross stated there were limits in the contract for the number of racing and speedway events but there were not limits on other events that they

could hold. Commissioner Hartley said it would be helpful for the community to understand the maximum number of events under this agreement compared to current Fairgrounds and Nashville SC schedules and requested the information be prepared by the Executive Director. Chair Weiner stated that we must be consistent and to keep continuity in all events and for all leasees. Mr. Hartley also asked who would be liable for a failure to cover the revenue streams. Mr. Cross stated that the agreement did contemplate a waterfall where the revenues would get paid out through 1) debt service 2) debt service reserve fund 3) Metro would provide a guarantee on the bonds and “be on the hook”. Chair Weiner then gave the floor to Mr. Pepitone.

Mr. Pepitone introduced himself and stated that he did impact studies for sports and entertainment. He then went over the economic impact of the proposal. Chair Weiner then gave the floor to Mr. Cooper.

Mr. Cooper went through the public procurement process and added that Bristol had decided to use the Design-Build Method which meant the RFP that goes out would include selecting the design phase and the construction phase contractors at the same time. He went over the RFP (request for proposals) process (similar to the Geodis Park process). Commissioner Hartley had some questions about the process and Mr. Cross and Mr. Cooper gave a little more detail. Commissioner Hartley asked Director Womack if she could do a side-by-side comparison of the design process with Geodis Park. He also asked if there was a description of the bidding process reflected in the governing documents. Mr. Cross stated that the information pertaining to this process was in the development agreement. Commissioner Avila added that a timeline in general terms for this process (and also to get through Metro Council-the legislative process) would be helpful for the community. Mr. Cooper stated that they would work on a timeline. Commissioner Hartley asked if, once the RFP process was done, was Metro bound to move forward unless there was a failure of the bond. Mr. Cross stated that until all 3 parties had approved (Fair Board, Sports Authority, Metro Council), Metro was not bound.

Chair Weiner then asked why did they not incorporate mufflers for all events including NASCAR or at least in keeping with the intent of what NASCAR was looking at now-at least represent implementation at some later date of the progress in this area. She also requested that they do not use metal stands in the grandstands because of sound. Ms. Bennett stated that while they could not commit for NASCAR, it was their intention to have those discussions and they would communicate that information to them. Chair Weiner also asked about impact of the sanction in the agreement and where that stood, and Ms. Bennett stated that she felt comfortable that they could get to (or close to) an agreement on this issue.

Mr. Cross explained that there were two documents-one was the development agreement (for before the project) which included two phases and the second was the lease (for after the project was finished). Chair Weiner reminded everyone that the commissioners could send in written questions to Bristol to Director Womack at any time and that they would have as many work sessions as needed. There was a brief discussion about the state grant and also the CVC (Nashville Convention & Visitors Corp) agreement.

At this point, Vice-Chairman Hendricks asked to see a parking plan before they approved anything. He also asked if anyone intended to do an environmental impact study concerning the noise and flooding. There was a brief discussion with Ms. Bennett and Mr. Cross about parking. Director Womack stated that she anticipated the cooperation to be the same as soccer and added that they had just opened up two major roadways also. Chair Weiner asked about the waterfall process again and Mr. Cross went over that part again. Commissioner Hartley asked Director Womack again to please present a waterfall chart and as many documents as they could for the public to view. Chair Weiner stated that all documents would be posted on the website as soon as they got any information and Director Womack stated that they were

attaching all documents to one link to make it easy for the public and she gave out the link. Chair Weiner then went over the meetings coming up.

Commissioner Avila asked for some profiles to know who was coming to events and thought it would be helpful to know who was using the facility. Vice-Chair Hendricks also asked what the revenue projections were based on. There was a brief discussion about this.

Chair Weiner then went over the public hearing process and what they could expect. She then closed the Work Session.

Respectfully Submitted,

Chair, Sheri Weiner

Executive Director, Laura Womack