

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

**Board of Directors MEETING MINUTES  
Thursday, May 18, 2023 | 10:30 am | First Horizon Park – Brauer Lounge**

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**Attendees**

**Members:** Cathy Bender (Chair), Frank Harrison (Vice Chair), Emmett Wynn (Secretary/Treasurer), Kim Adkins, Don Deering, Jad Duncan, Melvin Gill, Winston Justice, Anna Page, Michael Zerah

**Staff:** Monica Fawknorton (ED), Valda Barksdale, Brandon Little, Melissa Wells, Joshua Thomas (Metro Legal), Lexie Ward (Metro Legal)

**Visitors:** Julie Bennett (BMS), Lillian Blackshear (Bass Berry), Steven Boero (The Sports Credential), Michell Bosch (Metro Finance), Danny Butler (Preds), Katie Cafiero (Preds), Jerry Caldwell (BMS), Kyle Clayton (Preds), Tom Cross (Metro Legal), Amy Daniels (WBA Architecture), Ben Eagles (Metro Govt), Adam English (Sounds), Ron Gobbell (GHP), Kate Guerra (Titans), Don Hardin (Don Hardin Group), Sean Henry (Preds), Quinton Herring (NMAAM), Tara Houston, Leticia Johnson (Titans), Max Johnson (CSG), Joe Kennedy (Sounds), Julia Masters (Nashville Business Journal), Shannon Myers (Titans), Burke Nihill (TN Titans), Jeff Oldham (Bass Berry & Sims), Tara Pedreaza (TDEC), Jim Pustejovsky (CPS), Doug Scopel (Sounds), Shereme Siewnarine (Titans), Obi Ukum, Michael Vineyard (WBA Architecture), Jamie Wier (WBA Architecture), Dinah Wells (PMC), Sam Wilcox, (Mayor's Office), Metro Council Member Brett A. Withers, Laura Womack (Fairgrounds), Ben York (NDOT)

***Call to Order***

Chair Bender called the meeting to order and thanked the Nashville Sounds & First Horizon Park for hosting. She welcomed all including Metro Nashville District 6 Council Member Brett Withers, Laura Womack (Fairgrounds Executive Director) and the return of Director Anna Page

***Consider Approval of Minutes from April 4, 2023 Meeting***

Chair Bender asked if there were additions or corrections to the April 4, 2023 meeting minutes. There being none,

**Upon a motion made by Director Adkins and seconded by Director Deering, the board approved the minutes from the April 4, 2023 meeting.**

***Executive Director's Report***

ED Fawknorton reported that the agenda will be followed as presented and noted that the Finance Committee meeting scheduled for this morning was cancelled due to a lack of quorum. Finance Committee items will be taken up by the full board. ED Fawknorton congratulated Geodis Park/Fairgrounds Nashville Campus on being awarded the 2023 Urban Land Institute Nashville Excellence in Development Award. Congratulations were also extended to Director Aaron McGee on the birth of his son, Jovey Aaron McGee, born May 16.

***Consider Approval of a Resolution Affirming the Approval of the Documents and Agreements Relating to the Development, Funding, Use and Operation of a New, Enclosed NFL Stadium***

Chair Bender invited Metro Deputy Law Director Tom Cross and Metro’s Bond Counsel Jeff Oldham (Bass Berry & Sims PLC) to give an overview of the amendments adopted several weeks ago by Metro Council which now need to be affirmed by the Sports Authority. Mr. Oldham reported as follows:

- **Amendment B:** This amendment is superseded by subsequent amendments
- **Amendment C:** Adds clarity that operating and capital expenses will not be adversely impacted should the state renege on funding
- **Amendment D:** Gives clarity that Metro is an intended third-party beneficiary of the Agreement
- **Amendment E:** Gives clarity that both the Metro Office of Minority & Women Business Assistance and StadCo shall advise the Metro Council of minority participation goals and that DEI goals are established at 25%
- **Amendment F:** Gives clarity to define the term “Casino” and that the Stadium will not operate as a casino without approval by Metro Council
- **Amendment G:** Superseded by subsequent amendments
- **Amendment H:** Gives clarity to the phrase “Additional Rent Excluded Events” and increases the rent calculation from a flat \$3 fee to the greater of 3% or \$3 on non-NFL events

**Upon a motion made by Director Deering and seconded by Director Adkins, the Authority voted in favor of the Resolution Affirming the Approval of the Documents and Agreements Relating to the Development, Funding, Use and Operation of a New, Enclosed NFL Stadium**

***Consider Approval of a Resolution Amending & Restating the Debt Management Policy of the Sports Authority of the Metropolitan Government of Nashville and Davidson County***

Lillian Blackshear, Bass Berry & Sims PLC reported as follows:

- State Law requires entities that issue debt to have a Debt Management Policy (DMP) in place. The State also requires entities that issue “balloon debt” as defined in State law, to have language in their DMP providing for the issuance of balloon debt. Any issuance of a balloon debt will need to be approved by both the Authority and the State.
  - 1) Balloon debt, under State law, is generally debt that goes out longer than 30 years or that has a debt service payment structure that is not declining nor consistently level
  - 2) Because of the structure of sports facility leases and the revenue streams used to pay for those facilities, the Sports Authority (Authority) has previously issued sports facility project bonds that constituted “balloon debt” under State law
- The New East Bank NFL Stadium bonds that will be considered at a future Authority meeting will constitute “balloon debt” under State law. The Authority is required to consider the balloon debt structure prior to its consideration of the bond resolution. The Authority currently has a debt management policy in place that provides for the issuance of balloon debt
- Amendments to the DMP being proposed today include two categories:
  - 1) General Clean-up including updating outdated statutory references and conforming the language regarding public records request with language in the Authority’s public records policy
  - 2) Streamlining The Balloon Debt Approval Process consists of eliminating language that contained outdated requirements or that required duplicative efforts of the Authority above what was required by State law. The Amendment also amends language to provide greater flexibility in the Authority’s review of a proposed balloon debt structure within the parameters of State law

**The following questions and responses were asked/given:**

Q1: Define Balloon Debt. Is it a balloon debt because the bond will be a revenue bond based on fluctuating revenue? (Director Justice)

A: It is generally debt that has a debt service payment structure that increases and goes out longer than 30 years. There are two ways in which a balloon debt bonds may be issued: 1) when payment amounts increase over time to meet the revenue income; and 2) when the debt structure goes beyond 30 years. (Ms. Blackshear)

Q2: Has Sports Authority utilized balloon debt on previous projects? (Chair Bender)

A: Yes, with the MLS/Geodis Park structure. This is typical anytime there is a 30 year or more lease. (Mr. Oldham)

Q3: Has the State Comptroller's office reviewed the DMP? (Director Adkins)

A: We have reviewed and incorporated language from the State's guidelines required for issuing a balloon debt. We spoke with Director Shelia Reed at the Tennessee Comptroller's office and confirmed that the amended language falls within the State's guidelines. (Ms. Blackshear)

**Upon a motion made by Director Deering and seconded by Director Justice, the Authority voted in favor of the Resolution Amending & Restating the Debt Management Policy of the Sports Authority of the Metropolitan Government of Nashville and Davidson County**

***Consider Approval of a Resolution Authorizing and Approving Expenses Related to Project Management Consultant Services Related to Preliminary Planning, Design and Construction of a New East Bank Stadium***

ED Fawknorton reported that Section 7.16 of the Development Agreement indicates that the Sports Authority may retain an Authority Construction Representative (ACR) to assist with matters in connection with Project Improvement Work. The Authority is in the process of finalizing the scope of work with the intention of soliciting the services as an RFP through Metro's procurement process which may take 4-6 months. For the Authority to appoint the best representation possible, it will be ideal if the proposal attracts a multitude of proposals, both local and national. To ensure that the Authority is represented during stadium design while the ACR procurement is in process, staff would like to utilize existing Metro Contracts for design/construction management services during the interim. The initial cost will be paid from the Arena Revenue Fund and once bonds are issued the Authority will be reimbursed from the project budget. The Sports Authority staff requests the board authorize payment from available surplus revenues in the Arena Revenue Fund at a cost not to exceed \$80k. Director Gill requested clarification regarding the role of the representative(s). ED Fawknorton noted that the scope of services is in the process of being finalized and a copy will be shared with Director Gill. Chair Bender added that the ACR will serve as a safeguard for the Authority and will represent the Authority's best interest on the New East Bank Stadium project.

**Upon a motion made by Director Adkins and seconded by Director Deering, the Authority voted in favor of the Resolution Authorizing and Approving Expenses Related to Project Management Consultant Services Related to Preliminary Planning, Design and Construction of a New East Bank Stadium**

***Consider Approval of a Resolution Approving the Selection of TVS Architecture as the Architect of Record for the Construction of a New Enclosed NFL Stadium***

Gil Beverly, Titans Chief Marketing & Strategy Officer, introduced his team: Kellen DeCoursey, Titans New Stadium Project Executive and Jon Cooper, Holland & Knight/Titans Outside Counsel who came before the board seeking approval of StadCo.'s selection of the Architect of Record (AOR) for the new enclosed NFL Stadium. Mr. Cooper reported that the Titans followed the Metro Procurement Code to the greatest extent practicable to procure professional services for the AOR. Metro requires selection of architect services to go through a Request for Proposal (RFP) process and to be based upon recognized competence and integrity of the firm. Metro also requires a minimum of 14 days for submission of RFP responses which the Titans extended to 42 days. The Development Agreement between the Sports Authority and Stad Co. also requires that The Titans work with Metro to meet and exceed minority participation goals set forth by the Metro

Business Assistance Office. As required by Metro, a Monitor will track and submit monthly reports to the Sports Authority regarding minority contractor participation.

The Evaluation Committee consisted of Metro, Sports Authority and Titans representatives. Two finalists were interviewed and the committee determined that both finalists were capable of competently serving in the AOR role. The final AOR contract will come before the Authority for approval possibly sometime in June; today the board is being asked to approve TVS Architecture firm as the AOR firm selected by the Titans.

Mr. DeCoursey shared concept design renderings of the new stadium project and noted that the AOR will be responsible for the overall delivery of the stadium design. They will be responsible for taking the Design Architect's (MANICA) conceptual design to completion and will provide oversight to ensure all materials and construction activities are being utilized correctly per specifications and design.

Mr. Beverly reported that TVS Architecture is based in Atlanta and has experience on large-scale projects including Nashville's Music City Center, Atlanta's NFL Mercedes-Benz Stadium and the Las Vegas Convention Center. Additionally, they have a dedicated sports venue project team and a history of providing best in class services with a focus on timely and on-budget performance. TVS has also demonstrated commitment to maximizing opportunities for local and minority owned consultants, vendors and contractors.

Once the AOR has been approved the next steps are:

- Selection of Construction Manager at Risk. The RFP process is now underway;
- once TVS is approved by Sports Authority, the design team will start the Design Development Phase
- Engagement of Architectural and Engineering Sub Consultants roles for : branding, naming rights, landscape, wayfinding signage and specialty lighting.
- The new stadium groundbreaking is anticipated to begin early to mid-2024

**The following questions and responses were asked/given:**

Q1: Does the AOR firm currently have a team of consultants? (Director Gill)

A: There are some firms already engaged with MANICA Architecture firm including structural engineers, mechanical and life safety firms. Ultimately those firms will have agreements that fall under TVS management. (Mr. DeCoursey)

Q2: Is there a list of engaged firms available for review? Can you name them? (Director Gill)

A2a: The firms/consultants have not been selected and there is a list of disciplines that need to be filled. The mechanical and structural firms are engaged. (Mr. DeCoursey)

A2b: There are firms that are currently engaged that were necessary for early project activities. There are a variety of other disciplines and roles including branding, naming rights, landscape, wayfinding signage and specialty lighting that will be engaged at a later date. (Mr. Beverly)

A2c: SSR Corporation, Walter P. Moore structural engineers and Code of Life Safety were critical from the onset to ensure that the project becomes a reality. (Mr. DeCoursey)

Q3: The Resolution references an "Exhibit A" that was not included in our handouts. (Director Adkins)

A: It is the stadium procurement process that is incorporated into the Development Agreement. It was inadvertently not forwarded to the Sports Authority; I will send a copy to you and Monica. (Mr. Cooper)

Q4: Who on the Titans team made the decision to select the two AOR finalist? What is the name of the firm that was not selected? (Director Justice)

A: The Titans leadership and owners were responsible for selecting the final firm. The other finalist was Moody Nolan in partnership with Hastings. (Mr. Beverly)

Q5: Was the selection of the firms that are currently engaged selected in accordance with Metro's procurement guidelines and were they competed services? (Director Gill)

A5a: Yes, to best of our ability we followed Metro Procurement procedures with a commitment to DBE programs. (Mr. DeCoursey)

A5b: The firms were selected to determine whether it was feasible to build a stadium at the proposed location within the Titans standards and expectations. (Mr. Cooper)

Q6: Were the firms providing services pro bono? (Director Gill)

A: No, there were fees involved, paid for by the Titans. (Mr. DeCoursey)

Chair Bender thanked Director Gill for serving on the AOR selection committee and lending his expertise to the discussions. She also reminded the board that the Authority is unable to unreasonably withhold, condition or delay approval without significant reason.

**Upon a motion made by Director Harrison and seconded by Director Adkins, the Authority voted in favor of the Resolution Approving the Selection of TVS Architecture as the Architect of Record for the Construction of a New Enclosed NFL Stadium.**

#### ***Tennessee General Assembly Update - HB1197/SB1335***

Joshua Thomas, Metro Senior Legal Counsel reported that the passing of Senate Bill 1335 and House Bill 1197 reconstitutes the Sports Authority board members beginning January 2024. The membership will remain at thirteen, however the appointments will no longer be made solely by the mayor. Appointments will be made as follows: seven by the mayor, two by the governor, two by the speaker of the house of representatives and two by the speaker of the senate. The seven longest standing board members as of June 30, 2023 shall be reappointed and are to serve for the remainder of their existing terms. The other six will be appointed in January 2024 by the governor, house speaker and senate speaker with staggered terms: Mayor appointees shall serve their remaining term that existed as of June 30, 2023; Governor's appointees' initial term shall expire June 30, 2025; House appointees' initial terms shall expire June 30, 2027 and the Senate appointees' initial terms shall expire June 30, 2029. All subsequent terms shall serve for six years beginning July 1 and terminate on June 30. The appointing authorities shall strive to ensure that at least one director is a female and one of a racial minority. The new structure also has the probability of the state appointments to live outside of Davidson County.

#### **The following questions and responses were asked/given:**

Q1: The current board member appointments are vetted by the Metro Council. What will be the vetting process for the appointments made by the state? (Director Deering)

A: The Governor signed the legislation within the last week; I will research to see if this process has been developed. (**ACTION ITEM**) (Counselor Thomas)

Q2: Should the new appointees request travel expenses, will the cost be paid for by the Sports Authority or by the State? It would not be in the best interest for Metro to reimburse such expenses. (Director Deering)

A: I will research to see if this process has been developed. (Counselor Thomas)

Q3: Will the mayor's appointees be reappointed by June 30? What happens to current members whose terms expire between now and January 1, 2024? (Director Deering)

A: According to the legislation, the seven longest standing board members as of June 30, 2023 shall be reappointed January 1, 2024 and are to serve the remainder of their existing terms. Should the terms for either of those seven directors expire prior to January 2024, they will be reappointed by the mayor. (Counselor Thomas)

Q4: Will the six members appointed by the state be allowed to vote on projects funded by Metro? Also, will they be able to hold offices on the board? (Director Deering)

A: I believe they will be able to vote, however I will confirm. Yes, they will be full members of the board with the privilege to serve as officers. (Counselor Thomas)

Q5: Will the staff be impacted by the restructuring? (Director Harrison)

A: The Executive Director (ED) is appointed by the Sports Authority board and that process will remain the same. The staff are civil service employees and are vetted and selected by the ED; that process will also remain the same. (Counselor Thomas)

Q6: How does the state have the authority to reconstitute our board? (Jad Duncan)

A: The Sports Authority was created by the General Assembly and therefore they have the ability to change how it is structured. (Counselor Thomas)

Q7: I understand that some of Metro's boards have Executive Directors who are under contract. Is it possible for the Sports Authority to engage into contract with its Executive Director? (Director Gill)

A: We can certainly research and explore the possibility within the Personnel Committee which is schedule to meet soon. (Chair Bender)

### ***Fairgrounds Speedway Proposal***

Benjamin Eagles, Mayor's Office, reported that the Speedway project has been approved by the Fairgrounds Board (FB) and significant progress has been made. Driven International conducted a facility analysis of the Speedway stadium that was commissioned by the FB. Driven International evaluated several different safety components and discovered that the facility has not been maintained at safety standards; repair cost is estimated at \$41.2m.

Jerry Caldwell, President, Bristol Motor Speedway (BMS) reported that they have been in business for 60 years, are a part of Speedway Motor Sports and operate twelve facilities throughout the country. The Fairgrounds Speedway is the second oldest continually operating speedway in the country and unfortunately has fallen into a state of disrepair, is dangerous for fans, employees and competitors. The goal is to partner with Metro to bring resources and a progressive vision to preserve the history of the speedway, modernization of the fairgrounds and bring NASCAR (one race weekend every two years) back to Nashville.

Tom Cross (Metro Deputy Law Director) reported that there are similarities and important differences between the Fairgrounds Speedway proposal and other project deals that the Authority has engaged in. The two main documents will be the Development Agreement and a 30-year Lease Agreement where the Fair Board will be the administrator on both agreements; the Sports Authority will be involved as the financing entity. The Sports Authority has the authority to issue bonds for sports facilities whereas municipal governments do not. It is anticipated that the project will be financed with about \$70m in bonds, issued by the Sports Authority; \$1m (escalating at 1%) in rent to be paid by BMS; and \$650k from the CVC as well as variable rent payments based on revenues from non-NASCAR events and attendance. Financing will also include a \$17m grant from the state and \$17m payment from the CVC for tourism, promotion, preconstruction and design. Community concerns will be addressed including sound mitigation, implementation of curfews plus parking availability and coordination with Nashville Soccer Club.

**The following questions and responses were asked/given:**

Q1: Will this be the first bond issuance by the Sports Authority where the Authority does not have direct oversight of the venue? Will the Authority have any financial obligations? (Chair Bender)

A: Yes, this will be the first. Metro will back stop 100% of the bonds to assume all financial risk and there will be no financial obligations for the Authority. (Mr. Cross)

Q2: Who will be responsible for maintenance on the new facility? (Director Deering)

A: BMS will be 100% responsible. (Mr. Cross)

Q3: Will \$42m bring the current facility up to safety standards? (Director Adkins)

A: Yes, the consultants estimate that \$41.2 will bring the venue up to standards. However, Metro may decide to continue to operate the facility in spite of its maintenance backlog which is not ADA compliant nor safe for fans and drivers.

Q4: Was Metro Procurement's process incorporated in the Design Builder process? (Director Gill)

A: The Development Agreement requires that all projects adhere to Metro Procurement Codes. (Mr. Cross) A committee was created including representatives from Metro, the Fair Board and BMS (Mr. Caldwell) Yes, the process was followed in accordance with Metro Procurement Code guidelines found in a typical Development Agreement as if the agreement was in place. (Jon Cooper)

Q5: Has the entire Design Team been selected by the Design Builder and are their local firms on the team? (Director Gill)

A: Yes, they have been selected and we will share the list of firms. (Mr. Cooper & Mr. Caldwell)

Q6: How many race events are currently held at the Fairgrounds? (Director Duncan)

A: There are approximately ten race events annually plus 25 days for practicing and testing. In some cases the practicing, testing and racing may coincide on the same day. (Mr. Cross)

Q7: For clarity, has the state has agreed to fund \$17m to the project (Director Duncan)

A: Yes, the state has already appropriated \$17m to the project and will not issue bonds for the funding. (Mr. Cooper)

***Facility Questions***

There were no questions presented for the facilities.

***First Horizon Park Report***

Adam English, General Manager & COO, Nashville Sounds welcomed all to First Horizon Park. He reported as follows:

- The 2023 season began with 21 home games and the ballpark now includes an altered Wiffleball playing field free of charge for children during the games.
- For the first time in the 45-year history of the Sounds, the organization won the Minor League Baseball Organization of the year.

- The Sounds have partnered with the Predators to coordinate a Hit City Hockey Jersey give-away which was a huge success with fans. Other giveaways include a Nashville Sounds corduroy hat, cooler sleeve, Nesting Country Music Dolls in honor and image of country music legends. Scarfs and pickleball pads are given away during the Diversion series of Copa de la where the Sounds transform into Vihuelas de Nashville one game per month.
- Initiatives include:
  - Two installations of Pop-up baseball where the organization visits local elementary schools to donate equipment and teach the kids how to play baseball.
  - The National Sounds Foundation donates two \$10k college scholarships as a way to continue support for local Nashvillians
  - Military Appreciation Jerseys are auctioned with the proceeds donated to different charities. The 615 themed proceeds will go to victims of the Covenant School shooting
  - The Nine Initiative is a black community focused outreach platform that honors the story of African American players including Tom Wilson (owner of Nashville Elite Giants) and Bruce Buddy Petway who was the elite catcher during his playing time. The Nine also partners with the Black Sports Business Academy to solicit resumes from African American college students interested in a paid internship during the summer. Also, a blanket highlighting Jefferson Street and HBCUs in Nashville will be given away on June 24 to fans in honor of Wilson and Petway. Chair Bender requested information on how the interns are selected. Mr. English noted that the Sounds work closely with TSU, Meharry and American Baptist in selecting African American students. The internship is open to all African American college students from any local university and it provides opportunities for them to learn the business side of baseball.
  - A Cross-Roads Camp is held annually for the deaf and hard of hearing to learn how to play baseball.
  - Director Deering asked what events are planned at First Horizon in early June. Mr. English reported that the *Savannah Bananas* will play the *Party Animals* on June 2 and 3<sup>rd</sup>. Both games have been sold out for months and it is expected to be a spectacle of big fun.

### ***Adjourn***

Chair Bender reported that the next board meeting is scheduled for 10:30am on Thursday, June 15 at Bridgestone Arena and it is anticipated that the Finance Committee will meet prior to at 9:30am. The Personnel Committee (comprised of the Executive Committee and one non-officer board member) will also meet within the next few weeks to perform the annual performance review of the Executive Director. Chair Bender thanked Director Don Deering for accepting her request to serve on the Personnel Committee. There being no other business, the meeting adjourned.

Respectfully submitted, Valda Barksdale, The Metro Sports Authority

YouTube Link: <https://youtu.be/82bxE-6lgiE>

<https://metronashville.sharepoint.com/sites/SportsAuthority/Shared Documents/P-Drive-Sports Authority/SA BOARD/SA Board Materials/FY23/2023 June 15 Board Meetings/Minutes 2023 May 18 FINAL.docx>