

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

Board of Directors MEETING MINUTES

Thursday, June 15, 2023 | 10:30 am | Bridgestone Arena – Music City Meeting Room

Attendees

Members: Cathy Bender (Chair), Frank Harrison (Vice Chair), Emmett Wynn (Secretary/Treasurer), Kim Adkins, Don Deering, Jad Duncan, Glenn Farner, Melvin Gill, Dan Hogan, Aaron McGee, Anna Page, Michael Zerah

Staff: Monica Fawknotsen (ED), Valda Barksdale, Bob Lackey, Brandon Little, Melissa Hudson Wells, Josh Thomas (Metro Legal), Lexie Ward (Metro Legal)

Visitors: Adolpho Birch (Titans), Michell Bosch (Metro), Brad Boullion (DRS), Katie Cafiero (Predators), Kyle Clayton (Preds), BC Cobb (Metro), Gary C. Clay (Metro Purchasing), Tom Cross (Metro Legal), Tyler Dorr (Metro), Ben Eagles (Mayor's Office), Adam English (Sounds), Jackson Ferrell (Metro Legal), Kelly Flannery (Metro Finance), Stephen Francescon (Piedmont Natural Gas), Kate Guerra (Titans), Ron Gobbell (GHP), Christiana Haynes (Mayor's Office), Sean Henry (Preds), Quinton Herring (NMMAM), Heidi Hoeffener (Metro), Dianna L. Khosa (Croft & Associates LLC), Matthew Kuhn (BMS), Michelle Lane (Metro Purchasing), Tamara McGee, Shannon Myers (Titans), Jeff Oldham (Bass, Berry & Sims), Jim Pustejovsky (CPS), Ben Reeves (Nashville Soccer), Doug Scopel (Sounds), Katy Sheesley (GHP), Barry Trotz (Preds), Dan Werly (Titans), Bill Wickett (Predators), Sam Wilcox (Mayor's Office), Duncan Williams (Croft & Associates LLC), Brett A. Withers (Metro Council), Ben York (Metro)

Call to Order, *Chair Bender*

Chair Bender called the meeting to order and thanked the Nashville Predators & Bridgestone Arena for hosting. She welcomed all including Metro Nashville District 6 Council Member Brett Withers.

Consider Approval of May 18, 2023 Meeting Minutes

Chair Bender asked if there were additions or corrections to the May 18, 2023 meeting minutes. There being none,

Upon a motion made by Director Deering and seconded by Director Farner, the board approved the minutes from the May 18, 2023 meeting.

Executive Director's Report

ED Fawknotsen reported that as staff is preparing to solicit for a Construction Representative for the new NFL stadium project, today is an opportune time for the procurement office to present an outline of their procedures. Michelle Lane, Metro's Purchasing Agent introduced Gary Clay who will be serving as Assistant Purchasing Agent. Mr. Clay brings a wealth of knowledge as an attorney, engineer and procurement officer and will lead the Sports Authority procurement efforts for a new Construction Representative. Ms. Lane noted that her office will solicit a variety of responses during a specified period of time. An Evaluation Committee approved by Ms. Lane will consist of individuals who have strong interest in the solicitation, bring various levels of expertise and who are willing to commit to the time and adjustment of their schedules to serve. Their responsibility will include evaluating responses and cost in addition to making recommendations for a contract awardee. An Intent to Award will be subject to the Sports Authority approval prior to the issuance of a contract. Key performance indicators

are showing 170 -180 days from requisition to completed contract, depending on the number of responses. Mr. Clay noted that his office has received the Scope of Work detailing the skills and expertise that will be required of the selected firm or individual. A requisition has also been received from the Sports Authority and additional information will be requested for clarification.

Procurement has solicited similar request in the past and have a template that they anticipate will be of value in this process. It is anticipated that the solicitation will be published and open for bidding within the next two weeks. A minimum of three business weeks (21 days) for open bidding is procurement's recommendation.

Report from the joint meeting of the Executive & Personnel Committees

- a. Executive Director's (ED) Annual Evaluation: Chair Bender reported that ED Fawknorton's performance evaluation was conducted during the joint meeting on June 13. The committees reported a high level of satisfaction for ED Fawknorton and that her performance exceeds expectations. The committees recommend that the ED's compensation increase in line with the Mayor's FY 24 recommended budget increase of 4% COLA and a 3% merit increase, both contingent upon the Metro Council's approval of the budget.

Upon a motion made by Director Adkins and seconded by Director Deering, the board approved the Executive Director's compensation increase in line with the Mayor's FY 24 recommended budget increase of 4% COLA and a 3% merit increase, both contingent upon the Metro Council's approval of the budget.

Chair Bender further reported that during the joint meetings, Personnel Committee member Director Deering recommended that the committees explore the possibility of placing the Executive Director under contract. Josh Thomas, Sports Authority legal counsel confirmed that such an endeavor is within the board's authority to pursue. The Personnel Committee will continue conversations with legal and ED Fawknorton and will report developments to the board.

- b. Annual Meeting: Chair Bender reported that in accordance with the bylaws, annual meetings are scheduled for the fourth Monday in January (or at another time following the close of the agency's fiscal year) and are conducted for the purpose of the election of officers and other necessary board business. January has been a difficult month to convene a quorum and effectively consider officer elections. The Executive Committee recommends that the Sports Authority move its annual meeting from January to the third week in July beginning July 2023 at which time officer elections will be held.

Upon a motion made by Director Deering and seconded by Director Wynn, the board approved the recommendation to move the Sports Authority annual meeting from January to July effective July 2023.

- c. Consider Approval of a Resolution Approving and Adopting a Policy related to a Public Comment Period Required at Meetings of the Sports Authority by the Tennessee Open Meetings Act: Legal Counsel Josh Thomas reported that a new Tennessee law takes effect July 1, 2023 that will require all governing bodies to reserve a period for the public to comment on matters at public meetings where actionable items are on the agenda. Moving forward, the Sports Authority will be required to adhere to the new law. Attorney Thomas reviewed the policy developed by his office that will require at least forty-eight-hours written notice for a person desiring to speak, indication of whether they are "for" or "against" an agenda item and the speaker must sign in at least five minutes prior to scheduled start of the meeting. Additionally, the proposed policy states that each speaker will have a maximum of two minutes to speak only on an actionable agenda item and a total of ten people will be permitted to speak at each meeting

for a total of twenty minutes dedicated to public comment. Director Deering asked whether the board would be required to address the comments to which attorney Thomas noted that the policy does not require the board to give responses. Director Adkins & Farner requested clarification regarding the forty-eight hours' notice. Chair Bender clarified that the forty-eight hours verbiage vs two-days verbiage was to ensure that a full two days' notice would be given. Director Deering noted that when he testified before the General Assembly a three-day written notice was required. Director Farner shared that he found the viewpoints of public comment very valuable in his decision processes when he served on other boards.

Upon a motion made by Director Hogan and seconded by Director Farner, the board approved a Resolution Approving and Adopting a Policy related to a Public Comment Period Required at Meetings of the Sports Authority by the Tennessee Open Meetings Act.

Finance Committee Report

- a. Consider Approval of a Resolution Authorizing Reimbursement of Funds to Powers Management, LLC for Costs Associated with Hosting the SEC Basketball Tournament: Director Harrison reported that the Predators presented their request for reimbursement related to the 2023 SEC Men's Basketball Tournament. The reimbursement request is for \$918,613 which covers labor, décor and hospitality cost associated with hosting the tournament. The reimbursement is pursuant to an agreement between the Nashville Convention & Visitors Corporation, the Nashville Sports Council, the Sports Authority and Powers Management Group. Reimbursement will be paid from the Arena Account. The Finance Committee recommends approval for the reimbursement.

Upon a motion made by Director Wynn and seconded by Director Farner, the board approved a Resolution Authorizing Reimbursement of Funds to Powers Management, LLC for Costs Associated with Hosting the SEC Basketball Tournament

- b. Consider Approval of a Resolution Authorizing the Use of Funds From the Arena Revenue Fund to Pay Ratings Agencies for preliminary and Final Ratings Related to the Issuance of Bonds for a New East Bank Football Stadium: Director Harrison reported that the Finance Committee also recommends approval of the use of funds from the Arena Revenue Fund to pay the rating agencies' invoices for the issuance of bonds for the new Titans stadium.

Upon a motion made by Director Adkins and seconded by Director Deering, the board approved a Resolution Authorizing the Use of Funds From the Arena Revenue Fund to Pay Ratings Agencies for preliminary and Final Ratings Related to the Issuance of Bonds for a New East Bank Football Stadium

- c. Consider Approval of a Resolution Authorizing the Granting of a Permanent and Temporary Easement to Piedmont Natural Gas Company, Inc on A Parcel of Property Owned by the Sports Authority: Director Harrison reported that a request was received from Piedmont Natural Gas Company to construct temporary and permanent easements to allow for removal of all existing utility lines in Parking Lots A through D in preparation for the proposed new NFL stadium. The utilities will be relocated to the west side of the stadium. The Finance Committee recommends approval.

Upon a motion made by Director Adkins and seconded by Director Hogan, the board approved a Resolution Authorizing the Granting of a Permanent and Temporary Easement to Piedmont Natural Gas Company, Inc on A Parcel of Property Owned by the Sports Authority

- d. Consider Approval of a Resolution Authorizing Reimbursement of MFP Baseball, Inc for Upgrades to the Bio-Retention (Rain Garden) Area at First Horizon Park: Director Harrison reported that the Finance Committee additionally recommends approval for a resolution that would approve the reimbursement of \$500 to the Sounds for upgrades to the bio-retention area referred to as the Rain Garden located at First

Horizon Park. ED Fawknorton noted that the Sports Authority is responsible for maintaining the area which is a Storm Water Control Measure installed at First Horizon Park. The Cumberland River Compact has volunteered to restore and maintain the area free of charge. They submitted a quote of \$1,000 to purchase plants and the Sounds will initiate the full cost with the understanding that the Sports Authority will reimburse half.

Upon a motion made by Director Adkins and seconded by Director McGee, the board approved a Resolution Authorizing Reimbursement of MFP Baseball, Inc for Upgrades to the Bio-Retention (Rain Garden) Area at First Horizon Park

- e. Update: Bridgestone Arena Water Main Break: Brad Boullion, Managed Vendor Partner, Disaster Recovery Services (DRC) reported during the Finance Committee and gave a recap to the full board. He noted that DRC has been hired by Metro Legal as a consultant due to the complexities (multi-layers of ownership, leases & operating hours) of the insurance claim. The water main break flooded the Concourse and Event levels at the Arena for two hours. The major damaged components include the water pumps, electrical switch gear, camera security system, fire alarm system, TVs and the Terrazzo Floor on Concourse level. Several building repairs including carpet removal and dry wall repairs are also necessary. DRC is working to reach common ground between Travelers Insurance and the Predators to ensure necessary repairs as well as quality of repairs are in alignment with both parties. They are also focusing on ensuring the Predators can maintain operations without interruption.

Director Gill requested Predators' CEO Sean Henry's opinion on the services of DRC. Mr. Henry reported that operations continue daily because of the excellent services of DRC and the cooperation of Metro departments. Operations are slightly more expensive; however, they are appreciative of the work of DRC.

- f. Nashville Fairgrounds Speedway Proposal: Director Harrison reported that Metro Bond Counsel Jeff Oldham presented the finance and legal structure of the proposed Speedway deal. The Finance Committee recommends a work session be held to further review the documents and processes.

East Bank Stadium Project: Next Steps and Timeline

Jeff Oldham Metro Bond Counsel Bass, Berry & Sims reported that the two main upcoming tasks are the Sports Authority consideration of the bond resolution (including the balloon debt plan) and execution of the approved transactional documents. It is anticipated that both these will come before the Authority at the July board meeting. Prior to July board meeting it is expected that the financing schedules and bond documents will be completed, the plan of balloon indebtedness will be submitted to the Comptroller and the credit ratings will be received. The bond process will include marketing and pricing of the bonds followed by an investment contract that will be bid to investment providers. The Finance director will be required to certify that pricing is consistent with Metro Council approval.

Satisfaction of Development Agreement conditions will include the state construction funding of \$500m and the Titans to retire existing Stadium bonds as well as waive payment of the Authority's capital expenditure liabilities. Additionally, the Authority will retire \$8.2m of existing GO bonds and all pre-construction cost will be paid exclusively by the Titans and/or sale of PSLs. Director Farnier requested clarity regarding the Authority's retirement of the existing GO bonds. Mr. Oldham explained that the Authority will write a check to Metro who will in turn pay off the bonds. Director Gill requested the definition of "project budget" and clarification of the \$2.1b. Mr. Oldham responded it is the Stadium Project Budget which includes the construction of the building, site preparation, utility relocation and all cost associated with completion of the stadium project which is budgeted at \$2.1b. Director Gill asked

whether the budget amount would increase to which Mr. Oldham stated that would be a question for the Titans to address.

Facility Questions

Director Adkins requested an updated on the Savannah Bananas game played at First Horizon Park. Adam English, GM, Nashville Sounds reported that both game dates June 2 & 3 were sellouts and very successful. The ballgame was filled with circus stunts including the pitcher riding an oversized tractor in the outfield while playing the song *She Thinks My Tractor is Sexy* and players eating pizza from the fans in the stands. The Bananas have a 700k nationwide wait list for their games and the Sounds are hopeful they will return to Nashville. It was great exposure for the city, the team embraced the city and engaged the fans.

Bridgestone Arena Report

Sean Henry, President & CEO, Nashville Predators reported that the over 400 Predators' employees are celebrating 615 Volunteer Day today. Some of the activities include handing out medical supplies, mowing lawns and painting in the community.

Mr. Henry introduced Barry Trotz as the Predators new General Manager effective June 30. Mr. Trotz served as the Preds head coach from 1998-2014 and has over 900 career wins. Mr. Trotz noted it was great to be back home in Nashville and his goal is to bring a championship to the city. The organization is looking forward to hosting the NHL draft at Bridgestone Arena, June 28-29. During the draft, the Predators goal will be to reset the team by hiring faster, more skilled and younger players (age 18-19).

Rebecca King, VP Community Relations, Nashville Predators reported as follows:

- On May 17, the Preds Foundation distributed \$800,000 to 172 non-profit organizations: its highest grant allocation in the 25-year team history. Funding for the Preds Foundation is raised yearly through events such as a golf tournament, bowling tournament, wine tasting and a beer festival.
- Today, on 6/15, the entire Nashville Predators organization is out in the community volunteering for 615 Day. Part of being a Preds employee is volunteering in the community regularly, however, today is an opportunity for staff to do it together. Some activities include:
 - Fence painting at Andrew Jackson's Hermitage
 - Preparing hygiene packs at the Community Resource Center
 - Kayak river cleanup at Cumberland River
 - Serving summer meals to kids in conjunction with Metro Development & Housing Agency
 - In conjunction with The Journey Home, setting up a house for a homeless family
 - Hosting a GOAL Ball & hockey session at the Tennessee School for the Blind
 - All are encouraged to follow the Preds on social media @PredsFoundation for a complete list of activities
- Lastly, on May 19 all Tennessee pro sports teams came together to host Field Day. It was a surprise to the 200 students, 65 teachers and all the Covenant School families in wake of the school shooting. The Nashville Predators, Nashville SC, Tennessee Titans, Memphis Grizzlies, Vandy athletes plus swimming gold medalist Missy Franklin participated. Director McGee thanked the Predators for the encouraging and heartfelt work they are doing in and for the community.

Kyle Clayton, Chief Strategy Officer, Nashville Predators thanked the board for their help and support. Director Deering thanked the Predators for the invitation to attend the July 15 grand opening of F&M

Bank Arena in Clarksville. Mr. Clayton noted that the Predators will operate the 6,000-seat arena (owned by Predators Holdings/Sabertooth Sports & Entertainment, LLC) very similar to operations at Bridgestone Arena. Its tenants are APSU's men and women's basketball team, however, F&M Bank Arena will host a wide range of sports and entertainment events.

Adjourn

Chair Bender reported that the next board meeting is scheduled for 10:30am on Thursday, July 20 at Nissan Stadium and it is anticipated that the Finance Committee will meet prior to at 9:30am. Attendance at both meetings is critical given it is likely that the board will be asked to consider the bond resolution and other documents related to the new Titans stadium and the Fairgrounds Speedway deal. The Staff will poll the board to establish a Work Session meeting date for the Fairgrounds Speedway proposal. There being no other business, the meeting adjourned.

Respectfully submitted, Valda Barksdale, The Metro Sports Authority

YouTube Link:

https://www.youtube.com/watch?v=EY5XiGHU_78&list=PL70A35525EA40FA72&index=2YouTube