

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

Minutes of the July 17, 2009 Meeting of the Board of Directors
LP Field–Media Room
9:30 a.m.

Board Members: Arnett H. Bodenhamer, Lauren Brisky, J.D. Elliott, Forrest Harris, Mike Hobbs, Rusty Lawrence, Ralph Perrey, Edward Temple, Nancy Vincent
Staff: Emmett Edwards (Sports Authority), Kathryn Evans (Legal)
Titans/Cumberland Stadium: Steve Underwood, Don MacLachlan; Walter Overton, Dempsey Henderson
Predators/Powers Management: Hugh Lombardi, Michelle Kennedy, Ed Lang
Guest: Councilman Claiborne

Mr. Arnett H. Bodenhamer called the meeting to order at 9:30 a.m, noted a quorum, and recognized Ms. Kathryn Evans to read the Metro Code of Laws (Ordinance No. BL2006-1050, 2.68.030). After a moment of silence in honor of the late Steve McNair, Mr. Bodenhamer recognized and thanked Councilman Claiborne for attending. Upon a motion duly made and seconded, minutes of the May meeting were unanimously approved.

Mr. Bodenhamer recognized Mr. Emmett Edwards to give the Executive Director's Report. Mr. Edwards reported that details regarding revenue generated from the use of Suite 18 at the Sommet Center had been included in the board member packets. He additionally reported that conversations are ongoing regarding the possibility of an energy audit and the use of stimulus funds.

LP Field Report

Mr. Bodenhamer recognized Mr. Steve Underwood to give the LP Field Report. Mr. Underwood reported that outstanding casualty loss items have been reduced from over \$100k to around \$4k. He additionally reported that record attendance and concession sales at the 2009 CMA Music Festival led to record revenue. The Sports Authority's share (50/50 split) is more than \$295k. Accounting information and documentation will be provided at the August meeting.

Mr. Underwood continued by reporting that information on capital expenses, specifically the replacement of the analog televisions was included in the Titans Periodic Report. He noted the importance of keeping the club levels as up to date as possible and acknowledged the large investment that Titans Club Patrons have made in the organization. Mr. Underwood additionally reported that the enabling legislation for the seat user fee was passed in the General Assembly and signed by the Governor. He expects the Metro Council to take up the legislation in the next few months.

Finally Mr. Underwood reported that the Riverfront Development continues to move forward and that the Titans have a meeting scheduled with the Riverfront Development Director in regards to a proposed waterfront park west of the railroad tracks near Lot R.

Finance & Audit Review Committee Report

Mr. Bodenhamer recognized Mr. Rusty Lawrence to give the Finance Committee Report. Mr. Lawrence reported that, in addition to discussing the Titans television upgrade, the Finance Committee discussed its request for Metro Finance to provide audit support. They determined that Steve North and Bob Lackey will discuss the need and request and will submit a written report to Finance Director Richard Riebeling. Mr. Bodenhamer noted that he was meeting with Mr. Riebeling later in the day and would report back to the Finance Committee.

Mr. Lawrence additionally reported that the Committee discussed the Siemens Corporation energy savings plan requested, but not funded, in the capital budget. The Finance Committee asked the Sommet Center's building operations personnel to meet with Siemens to determine ways the arena can save energy. Based on this meeting Siemens will draw up a proposal and submit back to the Finance Committee.

Mr. Lawrence continued by reporting that the Committee also discussed the procedure for review and approval of Special Events Request for the Sommet Center. Mr. Lawrence stated that the only criteria the Committee found for disapproving an event was in the area of "facility rent". The next step is to determine exactly what constitutes "facility rent," and the Finance Committee will discuss this at its August meeting. Ms. Nancy Vincent asked that Ms. Costonis interpret what is contemplated by the Special Events Provision in the lease with regards to "facility rent" and the Sports Authority's right(s) to enforce the provision.

The Finance Committee also discussed the Sommet Center's proposed conversion of Sections 210/224. Mr. Lawrence reported that while the Committee believes the conversion to be a creative use of space, there are questions regarding the division of revenue. The Board was reminded of Metro Legal's request that the Sports Authority not act until bond counsel had reviewed. Mr. Bodenhamer requested that staff contact Metro Legal for a status update.

Sommet Center Report

Mr. Bodenhamer recognized Mr. Hugh Lombardi to give the Sommet Center Report. Mr. Lombardi reported that May was a slow month for the arena even with the Billy Joel/Elton John Concert (sell out). The month of May also included the Hume Fogg High School Graduation and the announcement of Bruce Springsteen's return to the arena. Total actual revenue for May was \$284, 830, compared to the budgeted \$256,650. Total operating expenses were \$771,429 compared to the budgeted \$774,139. Upcoming events include Jamie Fox and Green Day.

Mr. Lang gave an update on the proposed "Reserve" project, noting that the Board should have received an updated analysis of the impact of the build out, including an additional two year's of analyses in the report as well as the sales tax impact. Mr. Lang reported that it is time for them to order seats for the build out that the Predators understand that should they move forward they do so at their own risk. The Predators are prepared to guarantee the Sports Authority seat use and sales tax revenue. **Upon a motion made and duly seconded, the Sports Authority voted to support, adopt and approve the proposal contingent upon guidance from Metro Legal and unless Legal states that the Sports Authority cannot move forward.**

Other Business

Mr. Bodenhamer recognized Dr. Forrest Harris to summarize the Executive Director's Performance Evaluation. Dr. Harris reported that a performance evaluation of the Executive Director had not occurred since his hiring, was recommended by the Chairman, and approved unanimously by the Board. The job performance evaluation form used for Metro Government Employees was the form used in the Executive Director's evaluation. The evaluation form was completed by five board members with a sixth board member submitting a narrative analysis. The average ratings were 3 (acceptable) and 4 (exemplary).

There being no other business the meeting adjourned.