

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

Minutes of the August 17, 2007 Meeting of the Board of Directors
Sommet Center Meeting Rooms J-K
9:30 a.m.

Board Members: Arnett Bodenhamer, Kitty Emery, Forrest Harris, Mike Hobbs, Kevin P. Lavender, Rusty Lawrence, Ralph Perrey, Steve North, Edward Temple

Staff: Emmett Edwards (Sports Authority), Monica Clayton (Sports Authority), Tom Cross (Legal)

Titans/Cumberland Stadium: Steve Underwood, Don MacLachlan

Predators/Powers Management: Hugh Lombardi, Brock Jones, Dwayne Smith

Visitors: Charles Starks (Convention Center), Frank Curry, XM Radio Representatives

Mr. Kevin P. Lavender called the meeting to order at 9:30 a.m. Corrected minutes from the June meeting were unanimously approved. Ms. Monica Clayton stated that under Metro Code of Laws (Ordinance No. BL2006-1050, § 2.68.030) notice must be given at all meetings that decisions of the Sports Authority Board may be appealed to the Chancery Court of Davidson County for review under a common law writ of certiorari. Any appeal must be filed within sixty days after entry of a final decision by the Board. Any person or other entity considering an appeal should consult with an attorney to ensure that time and procedural requirements are met. Mr. Lavender asked that visitors of the meeting state their name and the company/organization they represent.

Finance Committee Report

Mr. Lavender recognized Mr. J.D. Elliott to give the Finance Committee Report. Mr. Elliott reported that the committee met on July 25th and received an update on the XM Radio proposal from Ms. Deena Ivey of the Convention & Visitors Bureau that included the following terms of the agreement:

- Lease comparable with other leased space on Broadway (\$2,000/per month with escalators up from current \$500/per month
- 5 year term with possibility of extension
- \$800,000 build-out by XM Radio
- Major upgrade of a small theater currently used by Predators for sales related activities

The committee additionally addressed the importance of having an exit strategy and, based on the information received, requested that the Sports Authority staff, and all involved parties, proceed with the development of the final lease to be brought before the full board. **After discussion, and upon a motion duly seconded, the Sports Authority unanimously voted to approve the XM Radio lease.**

Mr. Elliott also stated that the Finance Committee had received a financial report from the Sommet Center as well as an update from Mr. Ralph Perrey regarding long term capital expenses at LP Field.

LP Field Report

Mr. Lavender recognized Mr. Steve Underwood to give the LP Field Report. Mr. Underwood began by reporting that, in addition to the Titans calendar, the Titans Periodic Report contains information on a recent break in a chilled- water valve, as well as the periodic update of claims/suits. Mr. Underwood reported that he and Mr. Ralph Perrey met to discuss long- term

capital expenses at LP Field and that Mr. Perrey had addressed the Finance Committee at its July meeting. Major upgrades will be needed around 2011, and further discussion with the Sports Authority and the Metropolitan Government are needed to determine how these needs will be met.

Mr. Underwood additionally reported that the request for reimbursement of Phase 3 of the Scoreboard Upgrade had been distributed to the Board. Mr. Underwood noted that the Board is quite familiar with the request and that it contains no new information. He stated that they are not requesting reimbursement at this time and that there is not enough money in the capital stadium fund to pay for it. Mr. Underwood said the Titans will likely request that \$2-2.2 million of the total \$2.82 million be paid, and acknowledged that the Titans will continue to front the money until there is sufficient money in the Capital Funds in 2009.

Mr. Underwood continued by stating that concessions from the CMA Music Festival were \$219,000- a 30% increase and an all-time high. He also reported that the defective fire suppression system is being replaced by the vendors who provided the faulty system. Lastly, Mr. Underwood reported that all lawsuits stemming from the NFL's pat-down procedure have been disposed of and that the league will continue the safety procedure as the new season begins.

The Sommet Center Report

Mr. Lavender recognized Mr. Hugh Lombardi to give the Sommet Center Report. Mr. Lombardi reported that Sommet Center hosted 6 events in May: 2 Kats games, 2 graduations, Joel Osteen, and Lynyrd Skynyrd. Total actual revenue for May was \$294,041 compared to the budgeted \$189,662. Total operating expenses were \$706,637 compared to the budgeted \$583,945. Mr. Lombardi reported that June was also a strong month and stated that he looks forward to bringing the financial report to the Board. Events this summer included American Idol, Beyonce, ZZ Top, and John Meyer. Fall events at the Sommet Center will include: Walking with the Dinosaurs, Blue Man Group and Hannah Montana.

Mr. Lavender recognized Mr. Gerry Helper to give a Predators update. Mr. Helper reported that Mr. Leipold and local investors are continuing to work towards the sale of the team. A letter of intent was signed several weeks ago and the purchase agreement is in the works. A presentation before the NHL's Board of Governors may occur as early as September 18th. Mr. Leipold is excited that a local group has stepped up and the organization is excited about the success of the "Our Team" Campaign.

There being no other business the meeting adjourned at 10:10.