

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

Minutes of the March 18, 2008 Meeting of the Board of Directors  
Sommet Center Meeting Rooms H-K  
9:30 a.m.

**Board Members:** Arnett H. Bodenhamer, J.D. Elliott, Kitty Moon Emery, Mike Hobbs, Rusty Lawrence, Kevin P. Lavender, Steve North, Ralph Perrey, Edward Temple

**Metro Council:** Phil Claiborne

**Staff:** Emmett Edwards (Sports Authority), Monica Clayton (Sports Authority), Theresa Costonis(Legal), Jon Michael (Legal)

**Titans/Cumberland Stadium:** Steve Underwood, Don MacLachlan, Walter Overton

**Predators/Powers Management:** Hugh Lombardi, Dwayne Smith, Beth Snider, Brock Jones, Melanie Ainsworth

**Visitors:** Charles Starks (Nashville Convention Center), Frank Curry, Michael Cass (Tennessean)

Chairman Kevin P. Lavender called the meeting to order at 9:30 a.m. Ms. Monica Clayton read the Metro Code of Laws (Ordinance No. BL2006-1050, § 2.68.030). Mr. Lavender recognized the absence of a few board members.

**Sommet Center Report**

Mr. Lavender recognized Mr. Hugh Lombardi, General Manager of the Sommet Center to address the Board regarding the Sommet Center Report. Mr. Lombardi stated that January was a strong month for the Sommet Center, with 22 events. These included seven Predator games, the R. Kelly/Chris Brown concert, Annual Sound and Speed headlined by Alan Jackson and Taylor Swift, Globetrotters, Dancing with the Stars, and nine Ringling Brothers shows. Mr. Lombardi reported that the income statement was very healthy with revenue way up. Overall it was a good month.

Chairman Lavender recognized the attendance of Metro Councilman Phil Claiborne.

**Consideration of Approval of Amended and Restated Agreements  
Intergovernmental Project Agreement**

The board was given a brief overview of the Intergovernmental Project Agreement by legal counsel Byron Trauger of the law firm Trauger and Tuke at the last meeting. Chairman Lavender asked for an update and summary of the changes in order to decide whether further action was necessary.

Mr. Trauger presented to the board a revised copy of the Intergovernmental Agreement.

Chairman Lavender asked staff to investigate when and how the surcharge was increased from \$1.75 to \$2.00 and whether it was ever formally approved and voted on between the Metro Government and the Sports Authority.

Mr. Steve North asked Mr. Trauger if this agreement is an appropriate and proper thing to do. Mr. Trauger replied that from a legal point of view it is a sound and legal document and that the changes are not very substantial. **Upon a motion duly seconded, the board voted unanimously to approve the new Intergovernmental Project Agreement.**

**License and Use Agreement and  
Operating and Management Agreement**

Mr. Lavender stated that the board was given an overview of the agreements in the last meeting by Mr. Larry Thralkill. Questions about the agreements from the last meeting were

submitted in writing. Answers were distributed to board members. Mr. Thralkill reviewed the Operating and Management Agreement substitute page. Audited financial statements for 2007 were reviewed and accountants reclassified certain amounts in 2006 and 2007. This makes a difference in the base year amount. The incentive fee is based on the excess of revenues over any operating year over those same revenues in 2006. Base year amount revenue was changed to \$7,020,900 which is up by about \$85,000.

Mr. North wanted to clarify that the bottom line is that it would cost approximately \$4.5-\$5 million to subsidize pro hockey in Nashville per year. Mr. Larry confirmed that the total cost would be closer to \$4.5 million with a potential of about \$5 million. Merits of the License and Use agreements were discussed.

Mr. Ralph Perrey offered a motion to approve and recommend to the Council the Agreements along with the amended page 3. The motion was duly seconded.

**After discussion, and upon a motion duly seconded, the board voted (7-1) to approve the new License and Use Agreement and Operating and Management Agreement. Mr. North stood opposed to the motion.**

### **Other Business**

Mr. Lavender recognized Mr. Walter Overton to address the Board. Mr. Overton reminded the Board of the Olympic qualifying soccer event on Thursday and Sunday at L.P. Field. Participants from the United States, Canada, Honduras and Guatemala will play in that match. It will have a worldwide audience and is a special honor for Nashville to host the event.

Mr. Lavender expressed his condolences on behalf of the Board to Chase Cole for the loss of his father

There being no other business, the meeting was adjourned at 11:15 a.m.