

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

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

Board Members: J.D. Elliott, Forrest Harris, Mike Hobbs, Cathy Bender Jackson, Rusty Lawrence, Steve North, Edward Temple, Helen Walker

Staff: Emmett Edwards (Sports Authority), Monica Clayton Fawknorton(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

Visitors: Russell Payne (Nashville Downtown Partnership)

J.D. Elliott called the meeting to order at 9:30 a.m. and asked that visitors of the meeting state their name and the company/organization they represent. Ms. Monica Clayton read the Metro Code of Laws (Ordinance No. BL2006-1050, § 2.68.030) and the minutes of the March Meeting were unanimously approved.

Finance Committee Report

Mr. Elliott reported that the Finance Committee met on April 8th and received reports on the Music City Grand Prix and the Sports Magazine. The TN Sports Hall of Fame Lease, scheduled to expire on July 31, 2008, was also discussed. Mr. Steve North requested that an analysis of reasonable rent as well as information that shows the amount of the subsidy be provided to the Authority.

Mr. Elliott continued by stating that Ms. Lauren Brisky reported on the compliance strategy for monitoring the legal and financial agreements between the Predators Holdings and Metro. The Finance Committee agreed with the following objectives Ms. Brisky outlined:

- To be certain Metro funds and other assets are properly accounted for and used solely for the benefit of Metro, its audiences/guests as spelled out in our contract documents.
- To confirm that Predators Holding (local ownership group) is complying with legal requirements for financial reporting, recordkeeping, bonding, and loans.
- To determine whether the internal financial controls of Predators Holdings are adequate or need to be improved.
- To determine whether Predator Holdings is complying with the financial practices and procedures of Metro.

The committee further determined that staff will work with Metro Finance and Legal to develop a procedure for monitoring the contracts that uses Ms. Brisky's principles as a guide.

Mr. Elliott additionally recognized Mr. Russell Payne of the Nashville Downtown Partnership (NDP) to address the Board. Mr. Payne requested that the Sports Authority approve the NDP's option to extend the use of Lot R to Nissan through October 31, 2008. Mr. Payne further requested that the Board allow the small Lot A to become a ride-only lot with the walkers moved to Lot E. Mr. Elliott reported that the Finance Committee recommended approval of both requests by the NDP. **Upon a motion duly seconded the Board voted unanimously to extend the contract with Nissan through October 31, 2008. Upon a motion duly seconded, the board voted unanimously to approve changing small Lot A to ride-only with walkers moved to Lot E.**

Finally Mr. Elliott noted that reports were heard from both the Titans and Powers Management, and stated that this information would be provided in the in LP Field and Sommet Center Reports.

LP Field Report

Mr. Elliott recognized Mr. Steve Underwood to address the Board. Mr. Underwood reported that the Titans calendar as well as the 2008 Tennessee State University and Titans Football Schedules were included in the report to the Board. He added that the Titans are excited to host their first Monday night game in several years.

Mr. Underwood continued by reporting that the casualty damage items are under better control than they have been in some time. The list of property loss items can also be found in the titans Periodic

Report. Mr. Underwood also noted that the Titans leased some of their dressing rooms to the Nashville Sounds and were pleased to cooperate with them in that endeavor.

In regards to un-filed reimbursement requests, Mr. Underwood reported that there is approximately \$1.25 million in outstanding items. Two items that need to be addressed and that have been mentioned both to the Finance Committee and the full board are:

1. Club/ Suite Level Carpet Replacement in the common areas. The ten-year commercial carpet has exhausted its service life. This is an \$850k capital item.
2. Replacement of 800 old-style televisions. 400 televisions are in the common area and are considered capital items; the other 400 televisions are in the suites and research is being done to determine whether they can be considered capital. Television replacements are estimated to be \$1,000 each (including installation) for the flat screen digital monitors. The Titans project that Metro Government would be responsible for approximately \$500,000 for this project. Bids are currently being taken for the project.

The total for all projects is estimated to be \$2.8 million. There is approximately \$300,000 in the capital fund, with the CMA Music Festival around the corner and Metro due to make its annual \$1 million contribution this fall.

With respect to the proposed Riverfront Development, Mr. Underwood, referring to the March 6, 2008 letter he wrote to Mr. Chris Koster, reported that Lot R would serve as the "Test Area" for the Urban Forrest Concept on the East Bank. Mr. Underwood stated his expectation that Chris Koster, Nashville Riverfront Development Director, would address the Board at some point should the project continue to move forward. Mr. Steve North recommended that the Chair appoint a board member to serve as a liaison between the Sports Authority and the Riverfront Development Committee and to attend their meetings.

Finally, Mr. Underwood reported that the potential ticket tax measure has been introduced and that it appears to be too late, time-wise, to move forward on the legislation this year. Discussions with Metro Government and some members of the General Assembly have been positive and the Titans will continue to be hands on in approaching the matter.

The Sommet Center Report

Mr. Elliott recognized Mr. Hugh Lombardi to give the Sommet Center Report. Mr. Lombardi report that February was a very good month with five concerts, nine hockey games, and a rodeo. He additionally reported that March was also a strong month with the SEC Women's Basketball Tournament and NHL Playoffs. Total actual revenue for February was \$708,116 compared to the budgeted \$384,496. Total Operating Expenses were \$811,529 compared to the budgeted \$709,916.

There being no other business the meeting adjourned at 10:20 a.m.