

MINUTES OF THE 64th MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 64th meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on March 9, 2016 at 9:00 a.m. in the Administrative Conference Room of the Administrative Offices at the Music City Center, Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: Marty Dickens, Waverly Crenshaw, Irwin Fisher, Randy Goodman, Willie McDonald, Luke Simons, and Mona Lisa Warren

AUTHORITY MEMBERS NOT PRESENT: Vonda McDaniel, Renata Soto

OTHERS PRESENT: Charles Starks, Charles Robert Bone, Jasmine Quattlebaum, Heidi Runion, Elisa Putman, Mary Ann Morris, Natasha Blackshear, Mary Brette Clippard, Joseph Steele, Hoda Kaldas, Michelle Perkins, and Melissa Corban

Chair Marty Dickens opened the meeting for business at 9:00 a.m. and stated that a quorum was present.

ACTION: Appeal of Decisions from the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

Charles Starks introduced Team Members of the Year: Hoda Kaldas (Food & Beverage) and Michelle Perkins (Music City Center Housekeeping). Marty Dickens and members of the Authority expressed appreciation for their service.

ACTION: Randy Goodman made a motion to approve the 63rd Meeting Minutes of January 7, 2016. Willie McDonald seconded the motion, which was approved unanimously by the Authority.

The next regularly scheduled meeting is scheduled for April 7, 2016.

Luke Simons presented the Finance & Audit Committee Report.

Charles Starks presented a Capital Policy Change Recommendation (Attachment #1), and there was discussion.

ACTION: Willie McDonald made a motion adopting the recommendation of the Finance & Audit Committee and approving an update to the Capital Policy for capitalization matters whereby the threshold of \$5,000 for qualification as a capital expense is raised to \$10,000. Irwin Fisher seconded the motion, and the Authority unanimously approved.

Charles Starks presented the 2017 Fiscal Year Operating and Capital Budget (Attachment #1), and there was discussion.

ACTION: Irwin Fisher made a motion adopting the recommendation of the Finance & Audit Committee and approving the 2017 Fiscal Year Operating and Capital Budget to fund the activities, operations, and capital needs of the Music City Center. Waverly Crenshaw seconded the motion, which was approved unanimously by the Authority.

Marty Dickens presented the Executive Committee Report.

Charles Starks presented the Operations Update, and there was discussion.

Charles Starks and Jasmine Quattlebaum presented the RFP for Event Security (Attachment #2), and there was discussion.

ACTION: Waverly Crenshaw made a motion [i] accepting the recommendation of the evaluation committee and [ii] authorizing Charles Starks to negotiate and execute an agreement with Elite Show Services, Inc. for event and in-house security services on substantially the same terms as set forth in the RFP and considered this day. Irwin Fisher seconded the motion, and the Authority approved unanimously.

Charles Starks and Jasmine Quattlebaum presented the RFP for Housekeeping Service (Attachment #3), and there was discussion.

ACTION: Irwin Fisher made a motion [i] accepting the recommendation of the evaluation committee and [ii] authorizing Charles Starks to negotiate and execute an agreement with Industrial Staffing of Tennessee for housekeeping services on substantially the same terms as set forth in the RFP and considered this day. Willie McDonald seconded the motion, and the Authority unanimously approved.

Charles Starks and Jasmine Quattlebaum presented the Invitation To Bid (Attachment #4) for LED Lighting for the Music City Center Parking Garage, and there was discussion.

ACTION: Mona Lisa Warren made a motion [i] accepting the TVA grant in the amount of \$32,165; [ii] accepting the recommendation of the evaluation committee and [iii] authorizing Charles Starks to negotiate and execute an agreement with Broadway Electric Service Corporation for LED Lighting for the Music City Center Parking Garage on substantially the same terms as set forth in the Invitation To Bid and considered this day. Irwin Fisher seconded the motion, and the Authority unanimously approved.

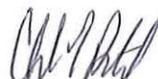
Jasmine Quattlebaum presented the DBE 2nd Quarter Update (Attachment #1), and there was discussion.

*Denotes departure of Waverly Crenshaw, Irwin Fisher, and Willie McDonald.

Charles Starks presented an update on Tax Collections, and there was discussion.

With no additional business, the Authority unanimously moved to adjourn at 10:11 a.m.

Respectfully submitted,



Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Marty Dickens, Chair
CCA 64th Meeting Minutes
of March 9, 2016

CONVENTION CENTER AUTHORITY

March 9, 2016

Appeal of Decisions

Appeal of Decisions from the Convention Center Authority—Pursuant to the provisions of § 2.08.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

TEAM MEMBERS OF THE YEAR



Hoda Kaldas
Banquet Server



Michelle Perkins
Housekeeping
Supervisor

HAPPY BIRTHDAY!

- Irwin Fisher
March 11
- Charles Robert Bone
March 15
- Willie McDonald
March 27



FINANCE & AUDIT COMMITTEE REPORT

Proposed Capital Policy Change

In February of 2016, Metro changed its capital threshold from \$5,000 to \$10,000 per item

We recommend that the Authority also adopt this new threshold

MUSIC CITY CENTER OPERATING & CAPITAL BUDGETS

Fiscal Year 2016-2017

MCC FY16 Business

FY 2016 Year-End Estimates

- 255 Events
- 626,347 Attendees
- 335,618 Room Nights
- \$379,545,941 Economic Impact

MCC FY16 Business

Events:

- Academy of Nutrition & Dietetics
- Society of Women Engineers
- DECA (Distributive Education Clubs of America)
- International Car Wash
- CMA Fest
- NHL All Star Fan Event

Fiscal YTD we have hosted 32 local/non-profit events with over 25,968 attendees

Tours: 36 with 615 attendees
As of December 31, 2015

MCC Future Bookings

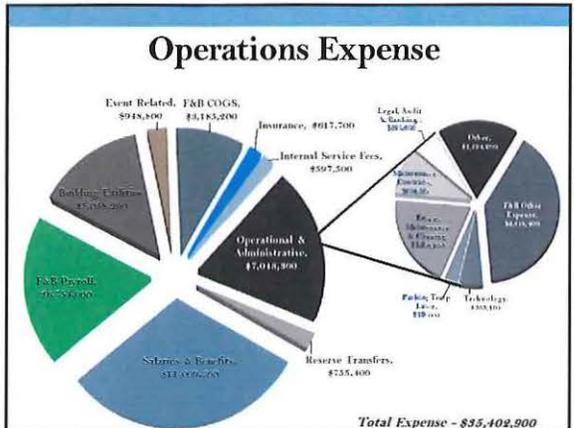
Events booked thru 2026:

- 266 events 1,621,084 attendees
- 2,077,347 total room nights
- \$1.57 Billion in Economic Impact

Future Bookings Include:

- PCMA – 2018 Convening Leaders
- National Association of Music Merchants (annual)
- Hearth, Patio, & Bar-B-Que Association (3)
- National Rural Electric (3)
- American Trucking Association (2)
- Anheuser-Busch
- America's Health Insurance Plans
- Tractor Supply (annual)

As of January 31, 2016



Anticipated FY17 Capital Expenditures	
4 LED Wall Displays in Main Concourse	\$ 350,000
Dell Compellent Storage Array	\$ 60,000
Physical Domain Controller & Replication Server	\$ 25,000
Host Liberator Carpet Extractors (2)	\$ 22,600
Cushman Cart	\$ 12,000
One Man Lift	\$ 14,000
Kawasaki Mules w/windshield, lights, & hard top (5)	\$ 50,000
Snow Removal Equipment	\$ 25,000
Additional Exhibitor Service Desk	\$ 11,000
Explore Renovation of Current & Potential for New F&B Location	\$ 250,000
Misc. Small Equipment	\$ 50,000
Total Proposed Capital	\$ 869,600

FY17 Total Revenue & Expenses	
Anticipated Surplus - \$25,517,295	
Operating Revenues	\$32,181,300
Hotel Taxes	\$41,826,300
Rental Car	\$1,530,600
Airport Departure	\$900,200
Campus Tax	\$17,398,300
TDZ	\$16,452,900
TOTAL REVENUE	\$110,289,600
Operating Expenses	\$35,402,900
MCC Bond Payment	\$38,340,085
Omni Hotel Payment	\$10,000,000
Bond Administrative Cost	\$159,720
Capital Expenses Anticipated	\$869,600
TOTAL EXPENSES	\$84,772,305

**EXECUTIVE
 COMMITTEE REPORT**

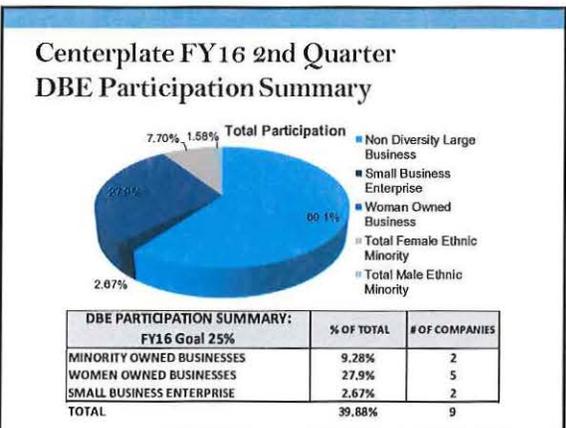
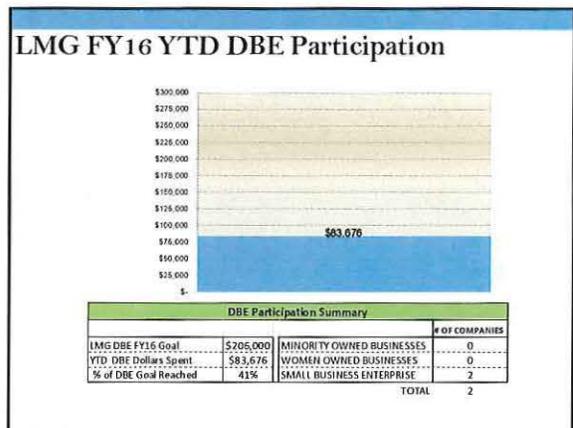
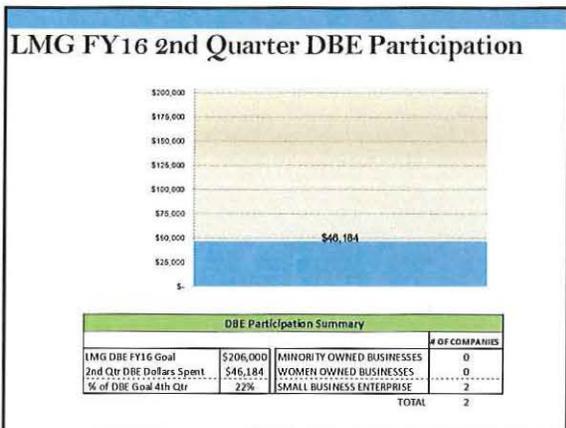
**OPERATIONS
 UPDATES**

**RFP FOR
 EVENT SECURITY**

**RFP FOR
 HOUSEKEEPING**

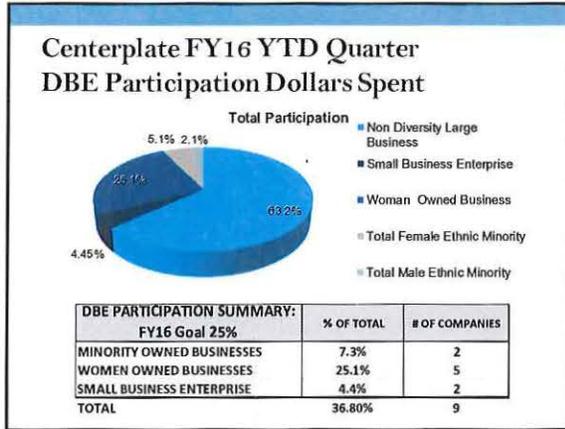
ITB FOR LED GARAGE LIGHTING

DBE 2ND QUARTER UPDATE



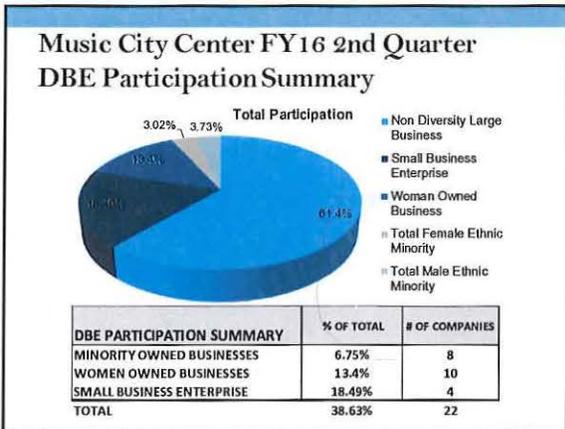
Centerplate FY16 2nd Quarter DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$14,770 (1.58%)
Ethnic Minority Female	
African American Owned	\$72,050 (7.70%)
Total Minority Business Enterprise	\$86,820 (9.28%)
Total Woman Owned	\$261,166 (27.93%)
Total Small Business	\$24,981 (2.67%)
Total DBE Participation	\$372,967 (39.88%)
Total Non Diversity Business	\$562,274 (60.1%)



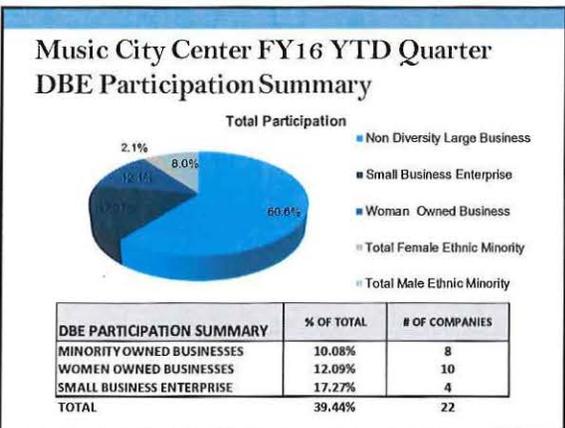
Centerplate FY16 YTD Quarter DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$37,785 (2.1%)
Ethnic Minority Female	
African American Owned	\$90,190 (5.1%)
Total Minority Business Enterprise	\$127,975 (7.25%)
Total Woman Owned	\$443,678 (25.10%)
Total Small Business	\$78,165 (4.45%)
Total DBE Participation	\$649,538 (36.80%)
Total Non Diversity Business	\$1,115,363 (63.2%)



Music City Center FY16 2nd Quarter DBE Participation Dollars Spent

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$48,762 (3.73%)
Ethnic Minority Female	
African American Owned	\$39,499 (3.02%)
Hispanic Female Owned	\$789
Total Minority Business Enterprise	\$88,261 (6.75%)
Total Woman Owned	\$175,174 (13.4%)
Total Small Business	\$241,881 (18.49%)
Total DBE Participation	\$505,316 (38.63%)
Total Non Diversity Business	\$802,749 (61.4%)



Music City Center FY16 YTD Quarter DBE Participation Summary

DBE Classification	DBE Dollars Spent:
Ethnic Minority Male	
African American Owned	\$199,489 (8.0%)
Ethnic Minority Female	
African American Owned	\$51,502 (2.1%)
Hispanic Female Owned	\$789
Total Minority Business Enterprise	\$251,780 (10.08%)
Total Woman Owned	\$302,938 (12.08%)
Total Small Business	\$431,602 (17.27%)
Total DBE Participation	\$985,479 (39.44%)
Total Non Diversity Business	\$1,513,259 (60.6%)

OMNI 2015 Local Participation

COMMITMENT TO LOCAL HIRING	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Total FTEs GOAL:300	705	702	692	689	689	649	675	709	705	720	731	731
# FTEs (40 hours) Residents of Nashville Metropolitan Statistical Area Goal: 250	648	658	650	649	644	644	644	645	648	648	649	647
# FTEs (40 hours) Residents of Davidson County Goal: 200	564	561	549	547	556	548	538	565	564	578	592	592

OMNI 2015 DBE Participation

SUPPLY AND SERVICE EXPENDITURE COMMITMENTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2015 Total
Nashville Metropolitan Area Businesses Goal: \$100,000/yr.	\$119,849	\$145,252	\$116,139	\$151,809	\$111,921	\$128,032	\$122,292	\$162,212	\$161,282	\$169,818	\$199,655	\$187,182	\$1,942,422
Small, minority and women owned businesses participation goal: \$50,000/yr.	\$11,861	\$18,075	\$16,839	\$17,234	\$19,780	\$22,759	\$13,333	\$24,492	\$21,912	\$18,616	\$18,204	\$13,172	\$278,667

MCC/Hotel Tax Collection

As of December 31, 2015

	2/5 of 5% Occupancy Tax	Net 1% Occupancy Tax	\$2 Room Tax	Contracted Vehicle Tax	Rental Vehicle Tax	Campus Tax	Total	Variance to FY 14-15
July	\$1,738,303	\$757,978	\$1,215,421	\$44,820	\$187,587	\$1,373,115	\$5,317,224	19.72%
August	\$1,556,257	\$684,181	\$1,090,360	\$69,943	\$121,121	\$1,324,855	\$4,846,817	4.99%
September	\$1,667,075	\$737,374	\$1,125,906	\$79,902	\$126,018	\$1,368,043	\$5,104,318	7.85%
October	\$2,066,292	\$881,945	\$1,245,924	\$128,432	\$149,942	\$1,730,713	\$6,203,247	15.01%
November	\$1,481,629	\$626,645	\$1,004,700	\$84,669	\$125,548	\$1,297,529	\$4,620,720	15.36%
December	\$1,205,510	\$474,055	\$887,310	\$82,418	\$103,456	\$979,505	\$3,732,255	4.71%
January								
February								
March								
April								
May								
June								
YTD Total	\$9,715,167	\$4,162,177	\$6,569,622	\$490,184	\$813,671	\$8,073,760	\$29,824,582	11.33%

Unaudited Tax Collections

MCC/Hotel Tax Collection

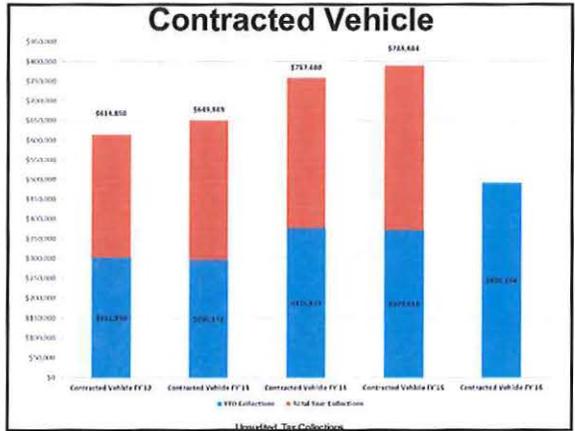
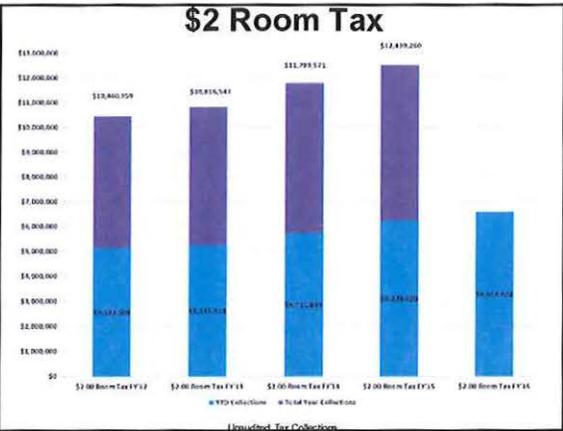
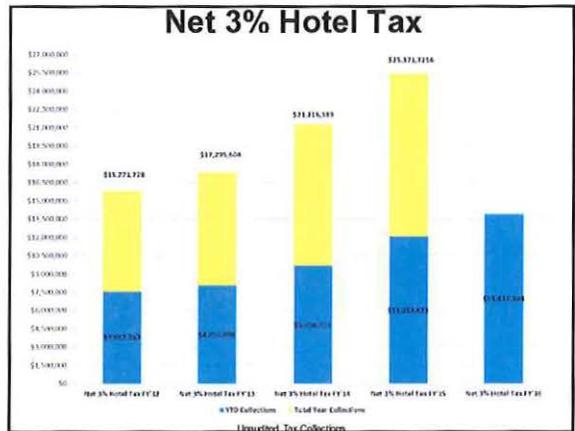
MCC Portion of December 2015 Tourism Tax Collections

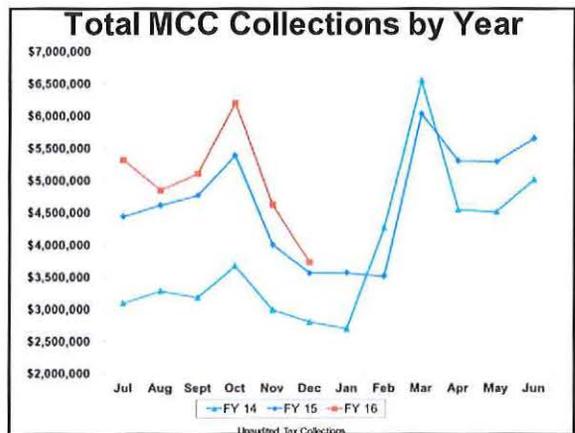
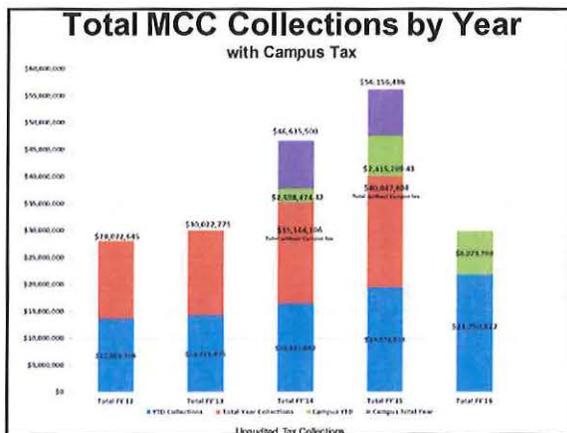
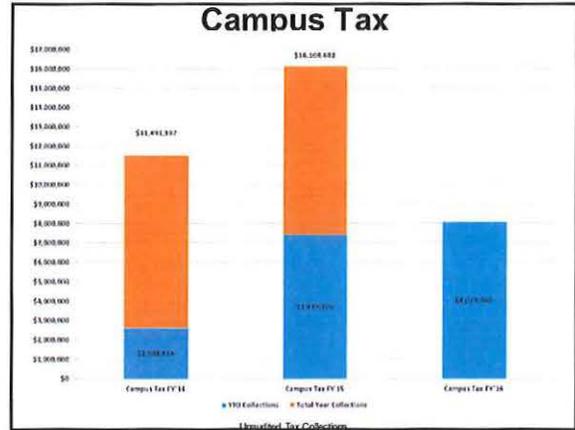
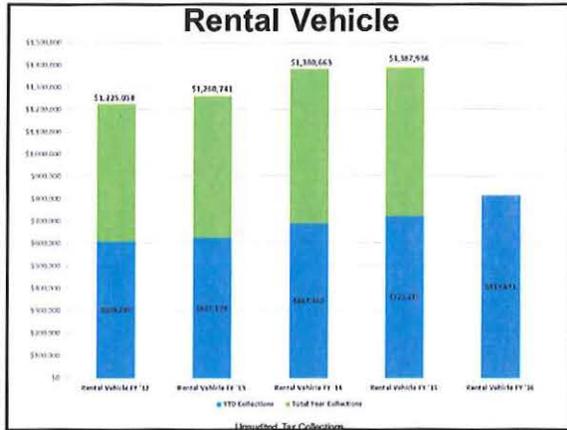
	FY 2015	FY 2016	Variance
2/5 OF 5% Occupancy Tax	\$1,141,233	\$1,205,510	5.63%
Net 1% Occupancy Tax	\$450,754	\$474,055	5.17%
\$2 Room Tax	\$860,489	\$887,310	3.12%
Contracted Vehicle	\$42,283	\$82,418	94.92%
Rental Vehicle	\$101,681	\$103,456	1.75%
Campus Tax	\$968,097	\$979,505	1.18%
TDZ Sales Tax Increment	\$0	\$0	0.00%
Total Tax Collections	\$3,564,538	\$3,732,255	4.71%

MCC Portion of Year-to-date FY 2016 Tourism Tax Collections

	FY 2015	FY 2016	Variance
2/5 of 5% Occupancy Tax	\$8,501,665	\$9,715,167	14.27%
Net 1% Occupancy Tax	\$3,552,167	\$4,162,177	17.17%
\$2 Room Tax	\$6,228,620	\$6,569,622	5.47%
Contracted Vehicle	\$370,634	\$490,184	32.26%
Rental Vehicle	\$721,437	\$813,671	12.78%
Campus Tax	\$7,415,209	\$8,073,760	8.88%
TDZ Sales Tax Increment	\$11,548,916	\$15,669,415	35.68%
Total YTD Tax Collections	\$38,338,650	\$45,493,997	18.66%

Unaudited Tax Collections





January Events

- 14 Events
- 33,952 Attendees
- 5,003 Room Nights
- \$7,856,896 Economic Impact

February Events

- 26 Events
- 76,616 Attendees
- 22,853 Room Nights
- \$28,681,862 Economic Impact

January Tours & Site Visits

12 Sales Site Visits

2 Group Tours with 21 attendees

February Tours & Site Visits

12 Sales Site Visits

3 Group Tours with 29 attendees. This included two tours for Sister Cities in China and Japan with 23 attendees.

**CONVENTION CENTER
AUTHORITY**

March 9, 2016



RFP Intent to Award Summary Sheet for the Music City Center

RFP: *Event and In House Security Services for the Music City Center*

Selected Vendor:

Elite Show Services, Inc.

Compensation and Cost:

	Year1	Year2	Year3	Year4	Year 5
Security Guards	\$ 17.49	\$ 17.49	\$ 19.49	\$ 19.49	\$ 19.49
Supervisor	\$ 19.49	\$ 19.49	\$ 21.49	\$ 21.49	\$ 21.49
Police Officer	\$ 30.00	\$ 30.00	\$ 32.00	\$ 32.00	\$ 32.00
Parking Attendant/Cashier	\$ 18.99	\$ 18.99	\$ 20.99	\$ 20.99	\$ 20.99
Parking Supervisor	\$ 19.49	\$ 19.49	\$ 21.49	\$ 21.49	\$ 21.49

* Security Guards includes Event Security, Overnight Rover, Traffic Control, Ticket Sellers/Takers and Booth Security

* Holiday rate of time and a half the regular billing rate applies for all MCC recognized holidays.

Term:

Three (3) year term

With two (2) one year options to renew

DBE participation:

Elite has committed to meet or exceed 12% DBE participation with certified DBE Security companies.

Other Vendors that Submitted Bids:

- Andy Frain
- Century Security and Event Staffing
- Contemporary
- Talon Security
- Universal Services



RFP Intent to Award Summary Sheet for the Music City Center

RFP: *Housekeeping Services for the Music City Center*

Selected Vendor:

Industrial Staffing of Tennessee

Compensation and Cost:

	Year1	Year2	Year3	Year4	Year 5
Housekeeping Personnel	\$ 13.30	\$ 13.30	\$ 13.60	\$ 13.60	\$ 13.60
Housekeeping Supervisors	\$ 16.66	\$ 16.76	\$ 16.86	\$ 16.96	\$ 17.06

Term:

*Three (3) year term
With two (2) one year options to renew*

DBE participation:

Industrial Staffing is 100% Woman-Owned Business

Other Vendors that Submitted Bids:

ABM
Bestway Services
Centaur Building Services INC
ISS Facility Services
Service Management Systems



ITB Intent to Award Summary Sheet for the Music City Center

ITB: LED Lighting for Music City Center Parking Garage

Selected Vendor:

Broadway Electric Service Corporation

Compensation and Cost:

Description	QTY	Unit of Measure	Unit Price	Extended Amount
T8 18W LED Lamps	1890	Each	\$ 12.09	\$ 22,850.10
Tombstones, wire, wire nuts, screws	3780	N/A	\$ 1.56	\$ 5,896.80
Hourly Rate	534	Hours	\$ 38.94	\$ 20,793.96
GC & Disp.	1	Each	\$ 3,156.09	\$ 3,156.09
Equipment	1	Each	\$ 3,291.05	\$ 3,291.05

Grand Total \$ 55,988.00

* The Music City Center is participating in the EnergyRight Solutions for Business/Industry program. Through this program, the Music City Center has been approved by TVA to receive an incentive in the amount of \$32,165.00. The incentive is estimated on the provision that the installed equipment will meet program requirements and that the project adheres to all terms and conditions.

Other Vendors that Submitted Bids:

- Beltline Electrical
- Energy & Lighting Solutions
- Enterprise Electrical (Did not meet specifications)
- John Curry Electric
- NRG Management
- Reynolds Electrical Contractors
- Southeast Electrical
- Stones River Electrical
- TN Electrical, Inc. (Non-Responsive)