

Minutes: Meeting of the Metropolitan Government Board of Fair Commissioners
Date: March 14, 2018 8:00 a.m.

On the above referenced date the March meeting for the Board of Fair Commissioners was held in Wilson Hall at the Fairgrounds. Those in attendance were Chairman Ned Horton, Vice-Chairman Erin McAnally, Commissioner Caleb Hemmer, Commissioner Bonna Johnson and Commissioner Jason Bergeron. Also present were Executive Director Laura Womack, Assistant Director Ken Sanders, Finance Officer Doug Peters and Metro Attorney Susan Jones. Larry Atema with Commonwealth Development Group was also in attendance.

The meeting was called to order at 8:06 and Chairman Horton read the Appeal Announcement. He then moved to the approval of the February Meeting minutes. Commissioner Bergeron made a motion to approve. Commissioner Hemmer seconded the motion, all were in favor and the minutes were passed. Chairman Horton then moved to Public Comment Time.

Steve Reiter thanked the Fairgrounds for opening up the shelter to the homeless in the cold weather and also expressed his concerns over the Fair Park MOU (Memorandum of Understanding).

Jim Armstrong with the Flea Market Vendors Association wanted to make sure the staff was advertising (other than just Facebook) that the Flea Market was to remain open and suggested television ads and billboards along with some other ideas. He also asked that the new buildings be built before the old ones were torn down so that the inside vendors would not be stuck with having to set up in tents.

Duane Dominy expressed his concerns also with the Fair Park MOU. And Shane Smiley expressed his concerns about the construction of the Speedway bathrooms and the PA system not being completed before the first race. There were some comments from the Board about the Public Comment Time comments. Chairman Horton then moved to the Financial Report.

Assistant Director Ken Sanders reported that at the end of June 2018 they were expected to have a loss/gap of about \$300,000. He stated that they could possibly breakeven as well, or it could be less, depending on how the rest of the year went but that they needed to plan for the worst. He stated that they might have to dip into the Reserve Fund. He added that they were able to trim about \$200,000 in expenses which was mostly from overtime by using flex schedules. Commissioner Hemmer asked how much was in the Reserve Fund and Finance Officer, Doug Peters, stated that there was \$606,000 in the Reserve Fund at the end of the year in the black. At the current time it was about \$204,000 in the black. Mr. Sanders stated that it was moving target each month and added that the important number was where they would be at the end of June.

Director Womack explained that they would soon go to Council to recognize their additional earned revenue. They would also need to go to Council to increase their spending authority which would be coming from money that had already been earned. They would not be asking for a subsidy. Mr. Sanders summarized that Metro Council, legally and procedurally, simply must have legislation to appropriate the money to the Fairgrounds and this was something they did every year (when needed). Commissioner Johnson asked about the utilities and security and Mr. Sanders went over these expenditures with the Board. Chairman Horton then moved to the Executive Director's Report.

Director Womack reported that they had been exploring their options with Metro Procurement concerning the Food and Beverage Services contract since it would be expiring at the end of June 2018. While an RFP was one option, Director Womack felt that, with all of the changes and improvements and the potential stadium coming, a one year contract extension would be prudent to maintain continuity and she would proceed with her request to the Purchasing Agent. Chairman Horton then moved to the Speedway Contract item on the agenda.

Director Womack stated that there was a draft of the contract for the Board's consideration in their Board packets, along with a term sheet to outline some of the terms. She thanked everyone for their help during this long process. Commissioner Bergeron stated that the Formosa's and Fairgrounds staff were great to work with and he was excited about the future of racing and other non-racing events at the track. Metro Attorney Susan Jones stated that they would need a motion to approve the draft. Vice-Chairman McAnally then made a motion stating, "*I move to approve the negotiated racing agreement for Fairgrounds Speedway Nashville as presented and hereby authorize Commissioner Bergeron to review and Chairman Horton to sign off on and execute should it become necessary to make any minor, non-substantive changes.*" Commissioner Johnson seconded the motion. There was a brief discussion about racing when school was in session and the times permitted to race and the decibels. Chairman Horton then called for a vote. All were in favor, there were no opposed and the motion was passed. Chairman Horton then moved to the Fairgrounds Improvement Project Update item on the agenda.

Mr. Larry Atema, with the Commonwealth Development Group, briefly went over the updates on Fair Park, Speedway improvements, site planning, and planning for the stadium, as well as some other things. There were some questions from the Board about the Speedway PA system, flooding, and the budget. Mr. Atema went over several things that they were doing to help with the flooding of the property and Browns Creek and there were questions and a discussion about this. He also went over the budget and how it was put together.

Mr. Atema then addressed some of the questions that had been circulating around. One question was had any of the Fairgrounds money been spent on the soccer stadium plans/designs. He stated that the Nashville Soccer Holdings had spent their money for the plans and designs (of the stadium). He stated that some of the Fairgrounds funds had been reclassified to the Parks Department to go towards the improvements of the Fairgrounds and added that this was often done in projects like this. He explained what had been done so far and stated that they *had* spent predevelopment dollars to look at the site and study it to see if this project was a possibility and added that this was what the Board had asked them to do. He stated that all Metro capital projects started that way.

Vice-Chairman McAnally asked if it was possible to see in their monthly report the capital expenditures and Mr. Atema stated that they could and that they had a standard format for all of their projects and added that they would put that together. He reported that they had spent \$800,000 on physical construction, \$150,000 on design and engineering, almost \$290,000 on project related expenses, and that about \$50,000 to \$60,000 of the money had been reclassified.

Chairman Horton asked if there were any updates on the MLS stadium. Mr. Atema reported that an RFQ for design services had been issued and was out on the street currently and that they were working on a draft of the construction management agreement and that it should be out soon.

Chairman Horton then presented the idea to the Board that they might consider putting the new building down where the Walsh House used to be (north of the speedway and where Fair Park used to be). He then made a motion asking to get some feedback from the project team on moving the new building site down towards the entrance of the facility. Commissioner Hemmer seconded the motion. Mr. Atema stated that he thought this idea had some merit, mostly because it was already a flat piece of land and it would save money by not having to deal with the hill. Chairman Horton stated that he liked the idea that it would not disrupt the Flea Market operations, and then once it was finished they could just move. Mr. Atema stated that he would be happy to study it and bring it back to the Board later. Chairman Horton then asked for a vote. All were in favor, there were no opposed and the motion was approved.

Commissioner Johnson then made a motion to adjourn. Vice-Chairman McAnally seconded the motion. All were in favor and the meeting was dismissed.

Respectfully Submitted,

Ned Horton, Chairman

Laura Womack, Executive Director