



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

BOARD OF DIRECTORS MEETING MINUTES

FIRST HORIZON PARK – BRAUER LOUNGE | THURSDAY, DECEMBER 5, 2024 | 10:30 AM

ATTENDEES

BOARD MEMBERS: Cathy Bender (Chair), Aaron McGee (Secretary/Treasurer), Kim Adkins, Victoria Crawford, Don Deering, Tiffany Degrafinreid, Dan Hogan, Anna Page, Russ Pulley, Emmett Wynn

STAFF: Monica Fawknorton (ED), Valda Barksdale, Brandon Little, Melissa Hudson, Joshua Thomas (Metro Legal), Sam Keen (Metro Legal)

Visitors: David Aronoff (Cumming Group), Adolpho Birch (Titans), Kyle Clayton (Preds), Carol Crawley (Cumming), Haley Davidson (Titans), Cole Durio (CPS), Bria Smith Edwards (Bass, Berry & Sims), Adam English (Nashville Sounds), Kate Guerra (Titans), Heidi Hoeffner (Metro Treasury); Erica Hightower (Metro/Kraft Internal Audit), Steve Laurila (TBA), Necol Lyons (Metro OMB), Julia Masters (Nashville Biz Journal), Tammara McGee (Metro Treasury), Kevin McGrath (CAA ICON), Karzan Mohamad-Ali (Cumming Group), James Morrison (Mortenson), Shannon Myers (Titans), Scott Nalley (Kraft/Metro Internal Audit), Lindsey Paola (Nashville Soccer Club), Jennifer Pedginski (Metro Finance), Laura Riley (Metro Internal Audit), Doug Scopel (Sounds), Sharon Sepik (Metro Treasury), Spencer Shore (Titans), Paul Tarrants (DLR) Group, Don Twining (Cumming Group), Bill Walker (Metro Internal Audit), Bill Wickett (Preds)

Call to Order

Chair Bender called the meeting of the Sports Authority Board of Directors to order, welcomed all to Bridgestone Arena and thanked the Predators for hosting.

Public Comment Period Pursuant to TN Open Meetings Act, Tenn. Code Ann. § 8-44-101

There were no sign ups for Public Comment.

Consider Approval of October 17, 2024 Meeting Minutes

Chair Bender asked if there were questions or comments pertaining to the October 17, 2024 meeting minutes. There being none,

Upon a motion made by Director Crawford and seconded by Director Adkin, the Board of Directors unanimously approved the October 17, 2024 meeting minutes.

Executive Director's Report

Executive Director Fawknorton gave a brief overview of the agenda. She noted there are several items that staff are working on as we approach budget season that will be discussed during the January 16, 2025 board meeting. Also, with the high demand for usage of our venues, the Sports Authority is looking at developing a policy related to facility security. Staff will present updates as they progress; most likely during the February 2025 meeting.

Additionally, a few weeks ago an email was shared with the board by Ms. Fawknorton regarding legislation for Board & Commission meeting attendance requirements adopted by the Metro Council on November 19, 2024. She noted that Sports Authority governing documents require 70% meeting attendance for a board member to be considered “*in good standing*”. Staff member Ms. Barksdale tracks attendance for Sports Authority board members and all are welcome to reach out to her should they have questions. In closing, Ms. Fawknorton noted that the board’s continued commitment and consistency to the Sports Authority is valued and most appreciated.

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Finance Committee Meeting Report

Director Hogan reported on discussions from the meeting held earlier at 9:30am as follows:

- A. Metro Internal Audit Stadium Construction – Lauren Riley, Metro Internal Audit reported that they have contracted with Kraft CPAs to audit the Nissan Stadium Construction Project. More updates to follow as the audit progresses.
- B. Consider Approval of a Resolution Authorizing the Execution and Delivery of (a) an Amendment to the Trust Indenture by and Between the Sports Authority and Regions Bank Related to the Authority’s Federally Taxable Public Improvement Revenue Bonds (MLS Project), Series 2021, and (b) an Amendment to the Lease Agreement By and Between the Authority and Walsh Management LLC - A Resolution was considered to approve two amendments; one for the Trust Indenture (*which guides the Trustee who is responsible for safe keeping of the funds and ensuring the bond money is available for payment to the bond holder*) and one for the GEODIS Park Major League Soccer (MLS) Stadium Lease Agreement. Director Hogan invited Josh Thomas, Metro Legal, to summarize the discussions. Counselor Thomas directed the board’s attention to two memos’ (one from himself and the other from Metro’s Bond Counsel Bass, Berry & Sims) summarizing the substance of the proposed amendments.

Counselor Thomas noted that in 2020 the Sports Authority issued \$225m in 30-year Revenue Bonds to pay for construction cost related to GEODIS Park. Payment is made twice yearly with the primary source of repayment being ticket tax, certain state and local tax revenues pledge as sources for bond repayment. In the event there are not enough tax revenues collected to make an applicable bond payment, the MLS Team is required to fund the deficiency, such amount being referred to as “Rent” in the Lease. When the MLS Team was scheduled to make the first Rent payment August 2024, it was discovered that a timing issue based on language in the Lease affected the correct calculation of the amount of Rent owed. The language has been amended in both the Lease Agreement and Trust Indenture to correct the timing issues and to change the due date of the rent payments. This ensures that the team receives the appropriate credit. The amendments also allow for the Sports Authority to refund to the team any amount of an overpayment.

Counselor Thomas noted that Metro Bond Counsel Bass Berry Sims have been involved in the proposed language. Metro Bond Counsel and Metro Legal believe the proposed amendments to be consistent with the original intent of the parties and recommend approval.

Q&A

Q1: While the Resolution minimizes the gap, is it anticipated that there will always be an annual true-up reimbursement by virtue of the gap? *Director Hogan*

A1: Yes, that is possible. The state typically submits funds to Metro on a two-month lack, thus there will be 6 months of revenue that was not accounted for when rent calculations were made. The new language will allow a refund of any overpayment made by the team due to additional revenues received during the gap period.

Counsel Thomas

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Q2: Is it true that the debt on the revenue bonds is paid out of revenue sources collected from revenue sources generated from GEODIS Park, its campus and ticket sales? Also, is it correct to state that aside from those who use the facility and its campus, no other Davidson County taxpayer pays money to fund GEODIS Park? Metro Government agreed to backstop a certain amount of the debt each year if revenue sources failed short of projects. Is it correct that the revenue sources have been plenty and sufficient to cover the debt? *Director Pulley*
A2: All are correct. The debt is funded only by those who utilize the GEODIS Park campus and not by Davidson County taxpayers who are non-users of the facility. For clarity, the backstop scenario would happen only if ticket taxes were insufficient and the team is unable to fund the debt. Neither has happened; thus, Metro has never backstopped the debt to date. *Counsel Thomas*

Executive Director Fawknorton noted that the next bond payment is due in February.

Q3: Who oversees the calculations? *Director McGee*

A3: Metro Finance reviews the amount of revenues received from the state. Because the bond payment has a schedule, the amount owed is already known. *Counsel Thomas*

A3b: Each month Metro receives sales tax from the state and five days later it is paid to the Bond Trustee (Regions Bank). Metro calculates Rent based on the difference between the bond payment amount due and the amount of tax revenues collected. If there is a shortage of tax revenues to cover the bond payment, the difference will be collected as rent from GEODIS Park. *Jennifer Pedginski, Metro Finance Chief Accountant*

Q4: When does the capital improvement fund begin funding itself? *Director Adkins*

A4: I believe it is year 5 or 6, however we will confirm. *Executive Director Fawknorton*

Upon a motion made by Director Hogan and seconded by Director McGee, the Board of Directors unanimously approved the Consider Approval of a Resolution Authorizing the Execution and Delivery of (a) an Amendment to the Trust Indenture by and Between the Sports Authority and Regions Bank Related to the Authority's Federally Taxable Public Improvement Revenue Bonds (MLS Project), Series 2021, and (b) an Amendment to the Lease Agreement By and Between the Authority and Walsh Management LLC

Stadium Project Management Report: Authority Construction Representative

David Aronoff, Senior Project Manager, Cumming Management Group reported that the MOU (Memorandum of Understanding) items are continuing to progress per the Guaranteed Maximum Price (GMP) Agreement.

Two items worth noting are:

1. The South Plaza planning is progressing well with the plaza gates and fencing. A meeting was held yesterday with Metro, East Bank Planning and the Titans to discuss landscape designs which will be incorporated into the design plans.
2. 60% of the South Second Street design drawings were issued in November and 90% completion is anticipated April 2025. Metro Water and the East Bank Team are reviewing the drawings and will follow up with comments to the design team

Mr. Aronoff further reported that design comments continue to be reviewed and discussed with the Titans and the design team to bring any remaining open items to closure. During the board's January meeting it is Cumming Group's goal to recommend approval of the 100% construction document set. A link to the drawings will be provided for the board review prior to the meeting.

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Mr. Aronoff reported there were two successful fundings in October and November and both are moving along according to plan. The funding processes have met the contractual dates in accordance with the agreement. Also, pay applications are solely funded by Metro and the state until they meet their catch-up amounts.

Recommendations of Awards are progressing with approximately 85% buyouts. DBE & Workforce discussions continue including Outreach Events and Reporting (i.e. working with the state to ensure their DBE reporting matches Metro's DBE reporting). Mr. Aronoff also reported that some of the most prominent onsite construction activity includes concrete work, underground utility installation and water proofing.

Chair Bender requested clarification regarding the board's anticipated approval for 100% Construction Document during the upcoming January meeting. Mr. Aronoff noted that the goal is to be in position to recommend that the board approve the 100% Construction Document Set. Executive Director Fawknorton asked whether the Construction Document Set differs from the Permit Set to which Mr. Aronoff noted they are one in the same. ED Fawknorton clarified this will involve one action that will come before the board for approval.

Titans DBE Update and Stadium Monthly Progress Report

Adolpho Birch, Chief External & League Affairs Officer reported that the construction project continues to progress and impact people and businesses in the area. Kellen DeCoursey, Titans' Project Executive presented an aerial video of the construction journey which included the concrete super structure, first slab pour for interior build-out, major entry point, concrete parking deck, main concourse level, suite level deck placement and the Mezzanine Slab. He also noted that the project is using a new low-impact mix design concrete which utilizes recycled materials to help reduce carbon footprint, helps with sustainability efforts and presents a stronger concrete. Director Adkins requested the distance between the current and new stadium to which Mr. DeCoursey noted it is approximately 95 feet. Director McGee asked what measures will be taken during demolition of the old stadium to ensure structure of the new stadium is protected. Mr. DeCoursey reported that plans are underway with the demolition construction team to begin mechanically dismantling the current stadium in about 2.5 years to ensure proper safety of and distance from the new stadium. Director Wynn further questioned whether neighbors of the construction site should take any precautions in preparations for the demolition to which Mr. DeCoursey noted that the Titans will provide regular updates.

Mr. Birch commented that the Titans are confident that they will meet or exceed the 25% DBE (Disadvantaged Business Enterprise) goal which is currently at 31%. DBE Payments Received as of November:

- 9 SBE (Small Business Enterprise) Firms \$3.3m (projected dollars to be awarded = \$37.3m)
- 17 MBE Firms (Minority-Owned Business Enterprise) Firms \$2.7m (projected dollars to be awarded = \$159m)
- 15 WBE (Women-Owned Business Enterprise) Firms \$8.4m (projected dollars to be awarded = \$132m)
- For a total of 41 DBE Firms who were paid \$14.4m (projected dollars to be awarded = \$1.2B)

Chair Bender noted a point of concern for her is that the WBE numbers continue to be the category with the smallest number of payments received (percentage wise) while having the second highest number of firms. Mr. Birch noted that outreach efforts are underway to help improve those numbers.

A video was shared highlighting the work of Joseph Cole, CEO, Culture Architecture & Design a full-service DBE architect and design firm, located here in Nashville. His firm is coordinating designs for the Press Box, Ticketing Office, Main Entrance, Media Broadcast Room and Employee Briefing Space.

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Director Deering noted that the amount of progress made thus far is impressive and commented that knowing the number of days the construction project has been active would be interesting to track. Mr. DeCoursey noted construction has been underway for about nine months.

Mr. Birch also reported on the various upcoming Outreach events during December including Networking with Prime Contractors and an Info Session on Upcoming Work (e.g. Graphics, Signage, Demolition Support). More than 750 interested firms have registered via the website nashvillestadiumconstruction.com. Additionally, in an effort to expand awareness, details and registration information has been shared with the various area Chambers of Commerce, Metro BAO (Office of Minority & Women Business Assistance), the state as well as the Urban League of Middle TN. Chair Bender asked whether advertisement is being marketed in local newspaper to which Mr. Birch noted other endeavors to expand awareness in the community are under consideration for early 2025.

Steve Laurila, Project Executive, TN Builders Alliance (TBA) gave an overview of the Workforce Report for October as follows:

- Workers = 811 Minorities; 89 Females, 304 Promise Zone for a total of 1,308 workers
- Hours worked = 450,220 for Minorities; 6,763 for females, 136,000 for Promise Zone for a total of 502,675 hours worked. Director Hogan requested clarification of the Promise Zone Workforce. Mr. Birch reported it is an indicator of the composition of the local workforce based on zip code.
- On average the daily workforce on site is approximately 650.
- It is forecasted that workforce hours will reach 700k later this month and a luncheon is planned (in the East Concourse, courtesy of the Titans) for the workers on December 20 to celebrate the milestone
- Titans Construction Training Camp (TC2) established by TBA is a three-week apprentice program that has experienced 185 applicants and 42 students with a 95% completion rate. Upon completion of the program, some of the participants are either employed by various subcontractors or choose to continue their education in other collegiate or apprenticeship opportunities. Director Adkins asked for insight on how the Titans are tapping into local already established apprenticeship programs. Mr. Laurila noted that the union contractors oftentimes will hire local trade and craft workers. Mr. Birch added there is an ecosystem and network of groups that work together to increase the overall pool of workers. A video was shared highlighting Alissa Bro, a TC2 Program Alum. A former inmate and halfway house resident, Ms. Bro commented that she believes that the TC2 program saved her life by giving her an opportunity to work on the Titans New Stadium Construction Project. Director Hogan commented it would be nice for the board to receive an invitation to the TC2 graduation ceremonies. He also requested details regarding the current safety record for workers. Mr. Laurila reported as follows:
 - October = 13 first aid incidents and one Recordable involving a worker who fell while removing formwork from an elevated concrete space. The plywood loosened causing the worker to lose balance and fall. He fractured his fingers.
 - November = 16 First aid incidents and no Recordables.
 - While the goal is zero incidents, there is a Safety Manager and clinic onsite. Many of the first aid incidents treated included twisted ankles and strained backs and involved the Concrete subcontractor workers who has added 20 Safety Professionals and additional Foremen for safety oversight.
 - Director Hogan asked whether the Recordables are categorized? Mr. Laurila noted none are considered small and shared the following Recordable incidents: 1) One involved a leg laceration requiring stitches due a fall; the worker returned to work within two days 2) Another involved a blade hitting and cutting a worker's leg; they also returned to work within two days. 3) another

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incident involved workers who were tying concrete rebar when the rebar slipped from a worker's hand and hit another worker in the tooth causing the worker to lose a tooth. Mr. DeCoursey noted that the focus is on the lost time from work rather the magnitude of the injury with the goal of returning the workers to the workspace as soon as possible. Mr. Birch noted that the Titans are having discussions to determine the best way to report the incidents to ensure that the board is receiving the precise information they desire.

- Mr. DeCoursey reported that during the second week of October the annual worldwide celebration was held honoring diversity and inclusion in the construction industry. The Titans celebrated over 700 workers with daily activities including a luncheon and the raffling of construction equipment and safety gear.

Facility Questions

Director Adkins noted that for future reporting, it would be good to see a list of upcoming events and activities at GEODIS Park. In addition to soccer, GEODIS Park is quite busy and having a running list of their activities will help to keep the board abreast of their calendar.

First Horizon Ballpark Facility Report

Adam English, General Manager reported that even though the Sounds did not have a presence in the playoffs, they were one of three teams in the International League to have a winning record in the first and second half of the season. And, for the first time in the 46-year history of the Sounds, a player hit 20 home runs and stole 40 bases. Also, Sounds' pitcher Chad Patrick won the Triple Crown (for wins, Earned Run Averages (ERAs) and strike outs) and was named International League Pitcher of the Year 2024.

Mr. English share some of the year's highlights including:

- Since 2016 staff has donated over 6,000 hours in community volunteer work in Middle TN
- The first Sensory Inclusive Building in Nashville that creates a welcoming environment for people with a range of sensory needs
- The Ballpark hosted a Fantasy Baseball Camp for the Sertoma Club which focuses on the hearing health/loss/education community. Ages 3-15 enjoyed playing on the field with professional players
- In August the Sounds hosted the Home Run Derby X, a 3 on 3 derby competition built on power hitting and defensive hustle. A unique event hosted by only 4 venues which incorporated local Nashvillians and women players.
- Some of the Sounds most popular giveaways were: Margaritaville Hats, Harry Potter House Hats, Pat Summit UT Jersey, Sounds Tumbler and Henry Kimbro Bobblehead
- In October the Sounds were named the inaugural recipient of Minor League Baseball's Driving Diversity Award. The award recognizes the Sounds in their efforts of welcoming fans of all backgrounds through a variety of programming intended to reach minority groups in the Nashville community throughout the 2024 season. Some of the Sounds community engagements includes The Nine, an initiative which engages Black fans and HBCU students; Tennessee State University Mentorship which offers class credits for students who are hosted at the ballpark for a week shadowing with all department heads, operations and leadership; Henry Kimbro and the Elite Giants Night celebrated Nashvillian baseball player Henry Kimbro with a jersey in his honor. His daughter Harriet Kimbro Hamilton is a member of The Nine Steering Committee; In partnership with Habitat for Humanity, the Sounds are re-turfing the fields at Parkwood Baseball Field in North Nashville; Copa De La Diversion initiative connects generations of Hispanic/Latino fans by embracing their culture and values and working closely with the Hispanic Chamber of Commerce and Americas Latin Radio; 5th

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Annual Pride Night which promotes LGBTQ+ inclusion; API Night honoring Asian & Pacific Islander heritage and community; Jersey Auctions raised over \$23K for local nonprofits (one of the designs included a jersey to raise awareness of Mental Health advocacy); Pop Up Baseball is an event where the Sounds and their corporate partners teach baseball at elementary schools and all equipment is donated to the school to foster continued growth and appreciation for the game; Player Visits to Children's Hospitals; Delta Dental free dental clinic at First Horizon Park for underprivileged youth who otherwise would not have access to dental care; Samaritan's Feet partnership where over 500 shoes are donated to underprivileged youth; and four \$2,500 Scholarships were awarded to Middle TN Students pursuing higher education. Mr. English noted that many of the initiatives are owned and driven by Sounds staff.

- Chair Bender asked for clarity regarding The Nine to which Mr. English noted it was the number worn by Jackie Robinson during his one-year tenure in Minor League Baseball. Director Crawford commented that Dr. Harriet Kimbro Hamilton is very active in women's basketball at Fisk University and often "coaches" from the stands.

Adjourn

In closing, Chair Bender announced the next meeting is scheduled for 10:30am Thursday, January 16 at Nissan Stadium. The Finance Committee will meet prior to, most likely at 9:30am, however staff will confirm. There being no further questions or business, the Board of Directors meeting adjourned.

Respectfully submitted, Valda Barksdale, Metro Nashville Sports Authority

YouTube Link:

<https://www.youtube.com/watch?v=Jirm0mFLuHU>