

## MINUTES OF THE MEETING

### METROPOLITAN AUDITORIUM COMMISSION

MONDAY, OCTOBER 21<sup>st</sup>

10:30AM – NMA Meeting Room A31

PRESENT: Blake McDaniel, Adam Knight, Juanita Traugher, Taneisha Harvey, Nancy Menke

ABSENT: Nancy Van Reece, Fletcher Foster, Don Harris

GUESTS: Darrin Howard, Angie Smith, Erica Haber, Linda Chambers, Phylinda Ramsey, Antoine Teeter, Reagan Brady, Tracey Rhodes, Linda Howard

### AGENDA

Reading of the Appeal of Decisions

Approval of Minutes

Public Comment Period

Musicians Hall of Fame & Museum Report

Staff Reports

New Business

- Approval of Concessions Contract

Meeting Adjournment

**Blake:** Welcome everyone to the Metropolitan Auditorium Commission Meeting on Monday, October 21<sup>st</sup>, 2024, 10:30AM. We will begin by reading the Appeal of Decisions. Pursuant to the provisions of 2.68.030 of the Metropolitan code of laws, please take notice that the decision of the Metropolitan Nashville Municipal Auditorium commission made the appeal to the chancery court of Davidson County for review under a common law, writ of certainty. Any Appeal must be filed within 60 days after the entry of a final decision by the commission. Any person or other entity considering an appeal should consult with an attorney to ensure that time and procedural requirements are met....Alright, we will move to approval of the minutes. Has everyone had a chance to look over the minutes of the previous meeting?...We don't have a quorum so it doesn't matter anyways!

(Laughter)

**Juanita:** I don't think you can vote because we don't have a quorum.

**Blake:** Okay so we are going to table that to next meeting.

**Juanita:** Sounds good, thank you.

**Blake:** Fantastic. Alright, number three will open up for the public comment period. Any public comments? Anyone? Alright, we will move onto the Musicians Hall of Fame and Museum Report.

**Angie Smith:** We are going to pass today, thank you.

**Blake:** Okay, all good. Alright, let's move onto the Staff Reports.

**Taneisha:** Alright, good morning, everyone. So, just..our financial report as of September 30<sup>th</sup>, we are in revenue \$283,000 in the positive, but our budget is..we are budgeted at 2 million. So right now, we are at \$283,000. Our expenses, we are budgeted for \$2.9 and right now we are in use of \$755,000 as of September 30<sup>th</sup>. So going into October, October is not closed so we don't have the numbers for those. The project completion schedule – we have the shower tile work completion for the Kats' locker room. It should be done by 10/23. The specialty coating for the 4<sup>th</sup> Avenue front should be done by 10/23. The plumbing in the showers should be completed between 10/28 and 11/1. The "Eye in the Sky," that's our new security system, we should have that installed the 28<sup>th</sup> through the 1<sup>st</sup> of November.

**Blake:** Is that video? Is that kind of what that is?

**Taneisha:** Yes. It is security surveillance. We are restoring the 5<sup>th</sup> Avenue entrance patio and stairs. That will be done November 18<sup>th</sup> through the 22<sup>nd</sup>. And we have scheduled installation for the LED boards for the main entry 12/2 through 12/6 is what I have here. And then upcoming events this weekend, we have Chase Atlantic, Judah & the Lion and then next week we have Latto. And finishing out the year, we have Armored Fighting and Champion Leader Cheer.

**Blake:** Fantastic. Um...any questions? Everyone? Alright, moving onto New Business. So we will open the floor with the approval of the concessionaires services contract with Southern Hospitality Concessions. So I think everyone got a copy of the contract, it was sent last week perhaps, and we have a copy of it in front of you. So I guess we can look over that but there's nothing official we can do about that.

**Juanita:** Right...

(Laughter)

**Juanita:** Oh..Now we have another member. Now that's a majority, right? It's a majority of the commissioners with 4?

**Nancy Menke:** My Apologies.

**Blake:** Yes, this makes a quorum now, right?

**Juanita:** Right.

**Blake:** Fantastic.

**Juanita:** So we would love for you to look...to review and vote on the contract again, if possible.

**Blake:** Okay, fantastic. First of all, do you want to go back and approve the minutes since we have a quorum now?

**Juanita:** Yes.

**Blake:** Okay, fantastic. So I would love to entertain the motion to approve the minutes.

**Juanita:** Go ahead.

**Adam Knight:** I move to approve the minutes.

**Juanita:** Second.

**Blake:** Fantastic. All in favor?

(Collective "I")

**Blake:** All opposed? (Pause) Alright, fantastic. Minutes are approved. Alright so is there any discussion on the contract -- the concessions contract? Questions? Okay.

**Nancy Menke:** You're talking about the contract?

**Blake:** Yes ma'am.

**Nancy Menke:** One second.

**Blake:** Alright, no problem.

**Nancy Menke:** I didn't really have any questions. This is all pretty done. The first part is pretty standard. Like Metro Contract kind of thing. Am I correct in that?

**Juanita:** Yes. Yes, that's correct. It's the standard procurement. There have been some negotiations. This contract was heavily negotiated so there may have been some contract -- some changes to the standard contract language, but they've been through procurement and through the Metro -- the standard Metro process.

**Nancy Menke:** And um, how does the contract compare with our prior contract as far as through a financial stand point?

**Taneisha:** So, we are -- with the current contract, we have a percentage change from the -- with the new contract to the prior one. So the...in Exhibit A, the new contract is on a tiered system.

**Nancy Menke:** Right.

**Taneisha:** In Exhibit A, so you see the tiered system whereas before, we didn't have that. They just gave us -- this last agreement, they just gave us 40% across the board. But here we have a tiered system on the revenue sharing for food services is from 25% to 35% across the board and then alcohol beverages of 25-40% and non-alcohol. And we split the catering 50/50, whereas we didn't receive anything off of catering before.

**Nancy Menke:** And then -- and the...you had a flat percentage before?

**Taneisha:** Yes.

**Nancy Menke:** And that was...

**Taneisha:** It was changed to the tiered system.

**Nancy Menke:** And the prior contract, what was the percentage?

**Taneisha:** 40. Just 40%.

**Nancy Menke:** Okay, so it was 40% for everything.

**Taneisha:** Yes.

**Nancy Menke:** So...

**Taneisha:** Now it's – now we are going to a tiered system in which we should reach our maximum after the first like 3 concerts. 3-4 concerts.

**Nancy Menke:** Which, the maximum is 40%?

**Taneisha:** Yes, its 35 now. Its 35 and we are pushing for their catering which we get 50% on that catering. So, when we did all the calculations with the – we did the calculations with procurement, we make more money with this contract than what we did before.

**Nancy Menke:** Because of the catering difference?

**Taneisha:** We'll make up for the 40%

**Nancy Menke:** For the less?

**Taneisha:** For the less, yes.

**Nancy Menke:** With the 50% on catering?

**Taneisha:** Yes.

**Nancy Menke:** That's what I wanted to know.

**Blake:** Basically, now there's a tiered system and the two tiers are kind of irrelevant because you're going to hit the tiers very early.

**Taneisha:** Yes.

**Juanita:** Where does it say 50%? The only thing I'm looking at says up to 20.

**Adam Knight:** Earlier on it mentions I think.

**Darrin:** Hey Taneisha. On the new contract, I think the provision says we get 50% of all 3<sup>rd</sup> Party Vendors.

**Taneisha:** Oh, okay.

**Darrin:** Instead of catering.

**Taneisha:** Instead of catering. So its 3<sup>rd</sup> Party.

**Darrin:** We're requiring in the contract that they provide three local vendors at every event.

**Taneisha:** Oh, my apologies. I misunderstood that.

**Darrin:** And then they also are providing \$100,000 up front for capital investment for improvements to

concession stands around the venue.

**Blake:** And then the variety of offerings, those have changed as well, correct?

**Taneisha:** Yeah

**Blake:** So instead of your standard pizza...

**Taneisha:** – And hotdogs, its more.

**Darrin:** In our conversations with them, they built out the concession menus based on the event. So, it should be ever-changing.

**Blake:** Is that \$100,000, that's their – that's a one-time or over-time payment and that's – they don't recoup that, correct?

**Darrin:** The \$100,000? Yes. It is a capital investment to the building.

**Adam Knight:** And they provide – they pay for staffing, ect, all of that?

**Taneisha:** Yes.

**Blake:** What's the

**Nancy Menke:** The 50% lose sub contractors...

**Adam Knight:** What's the frequency of their reporting duties regarding their sales? Do they have to do it after each event?

**Taneisha:** They have to report after each event, but they give us an overall month once they send the commission checks. Its monthly they'll have everything.

**Nancy Menke:** Lets go back up if you could then, the 3<sup>rd</sup> Party food vendor sales, 50% revenue. That's different from catering. Is that right?

**Taneisha:** It is.

**Nancy Menke:** Alright. Then down here it says – lists catering 10, 15, and 20.

**Darrin:** Yeah, so the...will say "tiered," but the 50% is what they bring in from their 3<sup>rd</sup> Party vendors. So, if we were to get any local vendors, like if the Prince's Hot Chicken one wanted to do something here, whatever deal they worked out with the new concession vendor, we would get 50% of those sales.

**Nancy Menke:** And you have some means of knowing that's going to exceed what we were going to be getting at 40% earlier?

**Darrin:** Because we just get 40% of the house now. So like, instead of catering. So catering, would get 16% currently. But, right now, if D&D brings in any 3<sup>rd</sup> Party vendors -- which they do, they're using Logan's Snack Shack and Bar's Soul Food -- we only still get the 40% of whatever they sell. So, it will go up to 50% moving forward.

**Nancy Menke:** So, 3rd Party vendors more than catering is where you expect to make up the difference?

**Darrin:** Yeah – yes ma’am.

**Blake:** Not D&D, SoHo?

**Darrin:** SoHo, correct.

**Erica Haber:** Metro works with the fair grounds also. They’re using the same vendor and these contracts were issued at the same time, the negotiations have been going on at the same time, and the fair board approved this contract for the fair grounds at their last meeting. It’s a very similar set up for what we are starting to do across Metro for the same type of venues for that purpose.

**Juanita:** So given this overview, thank you for explaining that to us. I move for approval of the concession services contract with Southern Hospitality.

**Blake:** Thank you. So we’ve got a second?

**Adam Knight:** Second.

**Blake:** Alright. We’ll get to a vote. All in favor of doing the contract – the concessions contract as presented, please say “I.”

(collective “I”)

**Blake:** Any opposed? Alright, contract is officially approved.

**Juanita:** I do have a question.

**Blake:** Yes?

**Juanita:** When I was parking outside, I noticed a sign with the Historic Zoning Commission. **Blake:** Yes.

**Juanita:** I didn’t go up close to read it, but is that –

**Blake:** Saw that too.

**Juanita:** Is that for the building? Can someone (inaudible) tell us what’s going on?

**Taneisha:** Yes, it was for the – for us to put the LED boards in the front. We have to have the Historical Commission – had to approve and to vote on it for us to have the change to the outside of the venue.

**Juanita:** Has that happened yet?

**Taneisha:** Yes.

**Juanita:** Okay. And it was passed?

**Taneisha:** It was passed.

**Juanita:** Thank you.

**Adam Knight:** I think we talked about in a previous meeting what’s going to be done with the marquees that are up there. Those are going to be moved inside?

**Taneisha:** I think we are keeping one to archive. We are trying to keep one –

**Darrin:** Fingers crossed.

**Taneisha:** Yeah, we are trying to keep one of them. But they're going to be archived, but we are trying to keep one in the building so we can have a photo opportunity there and to keep a piece of history inside.

**Nancy Menke:** Good idea.

**Blake:** Why "Fingers crossed?"

**Darrin:** Assuming they can come down in one piece.

**Taneisha:** Yeah.

(Collective Laughter)

**Taneisha:** Because they are original to the building.

**Blake:** I remember them when I was a boy, so I get it.

(Laughter)

**Blake:** Okay, anymore New Business? Business to be discussed? Alright, then this meeting is officially adjourned.