

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

Minutes of the  
Meeting of the Board of Directors  
Sommet Center – Meeting Rooms H-K  
February 20, 2009  
9:30 a.m.

**Board Members:** Arnett Bodenhamer, Edward Temple, Mike Hobbs, Rusty Lawrence, Steve North, Nancy Vincent, J.D. Elliott

**Staff:** Emmett Edwards (Sports Authority), Theresa Costonis (Legal)

**Titans/Cumberland Stadium:** Steve Underwood, Walter Overton

**Predators/Powers Management:** Hugh Lombardi, Beth Snider, Michelle Kennedy, Dewayne Smith

**Visitors:** Frank Curry

Mr. Arnett Bodenhamer called the meeting to order at 9:30 a.m. and recognized Ms. Theresa Costonis to read the Metro Code of Laws (Ordinance No. BL2006-1050, 2.68.030).

Minutes of the January meeting were unanimously approved.

The Board packet of materials included: 1) a staff analysis of items discussed at the Finance Committee Meeting on February 12, 2) a copy of the materials that was produced by Bob Lackey was shared with the Finance Committee and distributed to the Board members, 3) a letter from David Freeman updating the Board as they indicated to any changes in bankruptcy settlement for the team, 4) indication that the Titans have reserved April 1<sup>st</sup> as one of their days as a community events day and March 14 is to be held for the Tom King Classic road race, an event held for the last 10 years at L.P. Field.

The Predators hosted a reception for NHL Commissioner, Gary Bettman, and was attended by Mr. Arnett Bodenhamer. The Commissioner was very positive about community support of the Predators.

A new request before the board is from the Metro Police Department to place flag poles in front of the Central Precinct entrance on Broadway. Project photographs were available.

*Finance Committee Report*

Mr. Bodenhamer recognized Rusty Lawrence to give the Finance Committee report which met on Thursday, February 12.

Mr. Lawrence indicated the Mayor has requested a 10% budget reduction for all departments. For the already thin Sports Authority's budget, the 10% cut would be difficult. A 10% cut on small organizations is much more dramatic than on large organizations where they have items they can cut without eliminating programs.

The Finance Committee approved the budget reduction request with reservations. The Finance Committee asked that it be noted that the vote to approve the budget was an indication that it was compliant as far as following budget process directives but not in support of the outcome of that process. Mr. Lawrence stated that a 10% cut would impact salaries, would be dramatic and devastating. Mr. Bodenhamer commented that he planned on discussing this with the Mayor on March 2. He commented that with the new lease with the Predators and to stay abreast of what is going on with revenue collections and taxes, a cut would not be what is needed, but what would be needed is an additional staff person. Mr. Bodenhamer asked for votes on this with reservations from the Board. Mr. Lawrence made a motion for approval with reservations and it was seconded by Mr. North. **Upon a motion duly seconded, the Sports Authority voted to approve the Sports Authority request with reservation.**

Next the Finance committee received an extensive review of the financial relationship with the Predators and with Powers Management. Bob Lackey reviewed the terms and conditions of various sources of revenue. Mr. Lackey mentioned that a new state law has been passed to allow non-hockey events revenue to be received by Metro. Previously revenue received was just hockey events.

Mr. Lawrence indicated there are issues that still need to be worked on with the Predators lease regarding the Shared Employees allocation which ties in directly with the 2010 budget. This needs to be resolved first before the budget can be voted on and the Special Events process still has to be worked out. These items will be discussed at the March 12, 2009 Finance & Audit committee meeting.

Mr. Lawrence noted future meetings of the Finance & Audit Review committee would meet on the second Friday of each month starting in April.

#### L.P. Field Report

Mr. Bodenhamer recognized Mr. Steve Underwood to give the L. P. Field Report. There were no items for discussion requiring a vote by the board. Items mentioned were: 1) the game reconciliation reports for TSU games, 2) casualty issues which Mr. Overton has been working to resolve with Metro Risk Management Department. There is around \$100,000 of unreimbursed casualty loss items. The Titans have established a good working relationship with Metropolitan Government's risk management staff. As part of risk management reports, Metropolitan Government has risk analysis surveys done in every building. Mr. Underwood reported that L.P. Field does not have a lot of long term serious risk management issues in the building. Liability losses have been very small. Twice a year an analysis report is done for any lawsuits that have been generated usually cases are of the slip and fall variety.

#### Sommet Center

Mr. Bodenhamer recognized Mr. Lombardi to give the Sommet Center report. Mr. Lombardi began by discussing the capital budget information. The first page contained previously approved capital items and included a capital improvement request for fiscal year FY 09-10. It list as Energy Conservation the Siemens Corporation request for 7.4 million dollars to retro the building, i.e. lighting, operate all the systems that are really antiquated of 13 years. The

benefit is a payback of just over nine years. An operating budget of utilities will be guaranteed not to be over \$100,000 annually. Because of efficient operation there will be less demands on NES and DES. Mr. North needed clarification that these are to be proposed as capital improvements and the Sports Authority is being asked to say “yes, this should be done”, then it would go to Metro Finance, the Mayor, or the Council. Mr. North asked, “if the Board was the gatekeeper for consideration to those who actually have the authority to appropriate the money?” The response from Mr. Lombardi was “yes”. After approval by the Board, it would go through the Planning Commission’s list of priorities from all of Metro Government in the way of capital improvements and affordability. Nancy Vincent asked if other entities had been looked at that provide these services and Mr. Lombardi replied that there have been several but Siemens was the most comprehensive while others were more superficial.

Mr. Lombardi added that another improvement would be to retire the basketball court.

These items will be voted on the March’s Finance Committee meeting. It was requested by Nancy Vincent and Rusty Lawrence to have more information in order to give a recommendation. It was suggested to have a breakdown of the various items, i.e., what type of impact it has so that if the Board needed to, they could pick and choose. Mr. Lombardi replied that he could get the items to the Board before the next Finance Meeting. Siemens will be asked to come to the Finance Committee.

Other items needed are spotlights which have passed their lifespan. A new transition is needed for stage improvement. During hockey season there is a lip in the floor that has to be raised by using plywood to even the floor so the stage can be rolled on smoothly. The plywood warps, causes splinters and is expensive. The guests that come in with the stage are not happy having to deal with this. The request is for a floor much like the present to put over the ice. The payback for this is less than three years.

Mr. Lombardi mentioned that on the March 12 meeting, Shared Employees will be discussed.

Mr. Lombardi talked about this month’s schedule which has been very busy. There have been 15 events and 10 hockey games and it looks to be busy into March and April.

Mr. Lawrence asked the status of special events request. Mr. Lombardi replied that he is currently sending letters to the Executive Director with their request for special events. This list will be supplied at the Finance Committee Meeting.

Beth Snider asked about the status of the representation letters for the audit in order to complete the audits for June 2008. This is needed to send out with the RFP’s to move forward with next year’s audit. Mr. Bodenhamer asked that if this was waiting for a signature and that he would take care of it.

There being no further business the meeting was adjourned at 10:24 a.m.