

## **MINUTES OF THE 101<sup>st</sup> MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY**

The 101<sup>st</sup> meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on May 6, 2021 at 9:01 a.m. in the Davidson Ballroom C at the Music City Center, Nashville, Tennessee.

**AUTHORITY MEMBERS PRESENT:** Marty Dickens, Austin Brown, \*Norah Buikstra, Robert Davidson, Alfred Degrafinreid II, and Vonda McDaniel

**AUTHORITY MEMBERS NOT PRESENT:** Irwin Fisher, Barrett Hobbs, and Seema Prasad

**OTHERS PRESENT:** Charles Starks, Charles Robert Bone, Heidi Runion, Jasmine Quattlebaum, and Donna Gray

Chair Marty Dickens opened the meeting for business at 9:01 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.

**ACTION:** Vonda McDaniel made a motion to approve the 100<sup>th</sup> Meeting Minutes of April 1, 2021. The motion was seconded by Alfred Degrafinreid II and approved unanimously by the Authority.

The next regularly scheduled meeting is scheduled for June 3, 2021 at 9:00 am.

\*Denotes the arrival of Norah Buikstra

Robert Davidson, Charles Starks, and Heidi Runion reviewed the Music City Center Fiscal Year 2022 Operating and Capital Budget which was approved by the Finance and Audit Committee on April 22, 2021 (Attachment #1) and there was discussion.

**ACTION:** Robert Davidson made a motion accepting the recommendation of the Finance and Audit Committee and approving the 2022 Fiscal Year Operating and Capital Budget to fund the activities, operations, and capital needs of the Music City Center. The motion was seconded by Vonda McDaniel and approved unanimously by the Authority.

Chairman Marty Dickens provided an update on the Executive Committee (Attachment #1) and there was discussion.

Charles Starks and Jasmine Quattlebaum provided information on the Contract Extension – Uniform Rental/Laundry Services (Attachments #1 and #2) and there was discussion.

**ACTION:** Vonda McDaniel made a motion authorizing Charles Starks to negotiate and execute an amendment to the Uniform Rental and Laundry Services Agreement with Cintas Corporation #2 extending the agreement for an additional one year until August 15, 2022 on substantially the same terms as considered this day. The motion was seconded by Austin Brown and approved unanimously by the Authority.

Charles Starks provided an update on Lost Business due to COVID-19 (Attachment #1) and there was discussion.

Charles Starks and Heidi Runion provided a FY'2021 Financial Forecast update (Attachment #1) and there was discussion.

Charles Starks provided an update on STR, LLC Statistics for Davidson County and downtown hotels (Attachment #1) and there was discussion.

Charles Starks provided an update on Tax Collections; February Tax Collections have not yet been reported by Metro Finance (Attachment #1) and there was discussion.

With no additional business, the Authority unanimously moved to adjourn at 10:06 a.m.

Respectfully submitted,



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Charles L. Starks  
President & CEO  
Convention Center Authority

Approved:



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Marty Dickens, Chair  
CCA 101<sup>st</sup> Meeting Minutes  
of May 6, 2021



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## Appeal of Decisions

**Appeal of Decisions from the Convention Center Authority –** 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.

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## CONGRATULATIONS – Belmont University Honorary Doctorate Recipient Dr. Dickens!



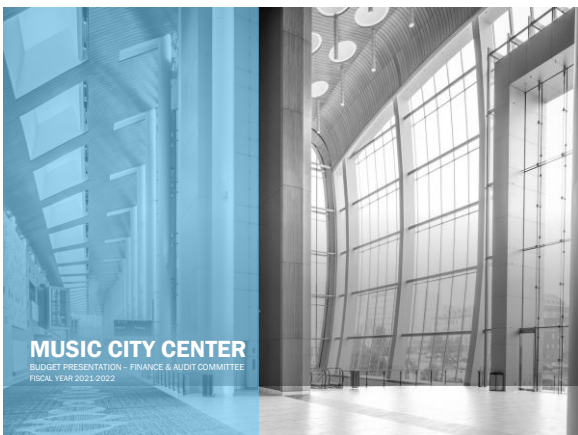
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## FINANCE & AUDIT COMMITTEE REPORT

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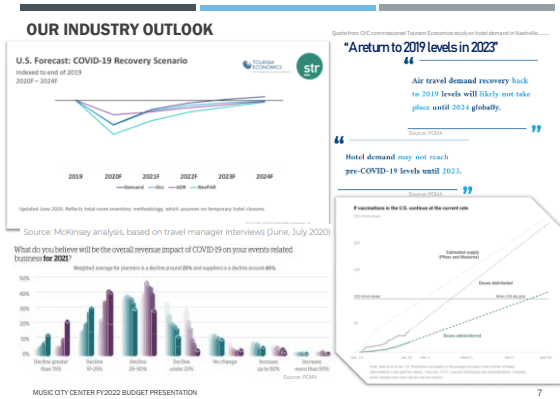
### CURRENT ENVIRONMENT

COVID Impact	FY2021 Operations	Future Bookings
<b>Cancellations</b> <ul style="list-style-type: none"> <li>Events – 152</li> <li>Attendees – 595K</li> <li>Hotel Room Nights – 593K</li> <li>Contracted MCC Revenue – \$25M</li> <li>Direct Economic Impact – \$601M</li> </ul>	<b>Year-End Estimates</b> <ul style="list-style-type: none"> <li>28 events (9 Metro Department Meetings)</li> <li>31,910 attendees (962 Metro Department Meetings)</li> <li>11,285 room nights</li> <li>\$9,743,682 direct economic impact</li> </ul>	<b>Events booked through 2033:</b> <ul style="list-style-type: none"> <li>209 events</li> <li>1,576,578 attendees</li> <li>2.3 million total room nights</li> <li>\$2.5 billion in economic impact</li> </ul> <b>Proposed Events through 2043</b>
<b>Rebooked</b> <ul style="list-style-type: none"> <li>Events – 47</li> <li>Attendees – 45K</li> <li>Hotel Room Nights – 9K</li> <li>Contracted MCC Revenue – \$2M</li> <li>Direct Economic Impact – \$10M</li> </ul>		<b>Future Bookings Include:</b> <ul style="list-style-type: none"> <li>National Association of Music Merchants</li> <li>American Society of Assoc. Executives (ASAE)</li> <li>Hearth, Patio, &amp; Bar-B-Que Association (3)</li> <li>National Rural Electric (4)</li> <li>International Car Wash Association (3)</li> <li>National Cattlemen's Beef Association (3)</li> <li>Brewers Association (2)</li> </ul>

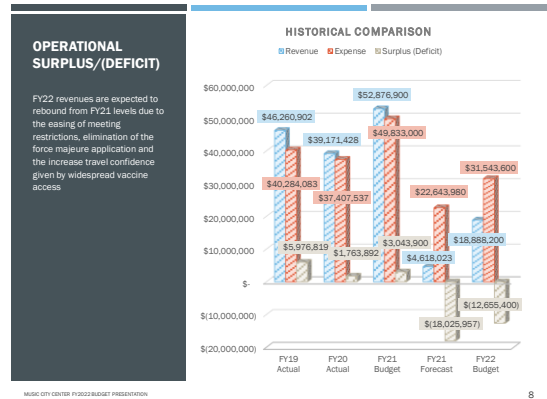
MUSIC CITY CENTER FY2022 BUDGET PRESENTATION

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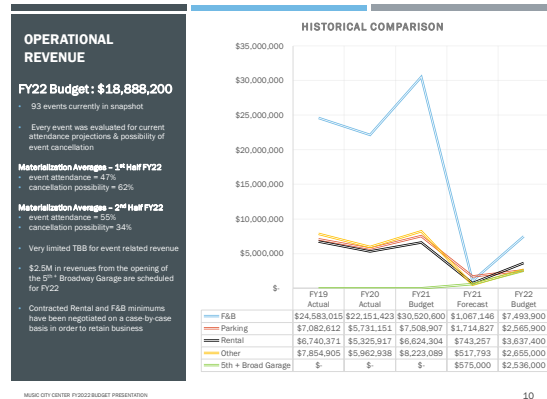
### FY22 TOTAL REVENUE & EXPENSE

Anticipated deficit **(\$14,923,400)**

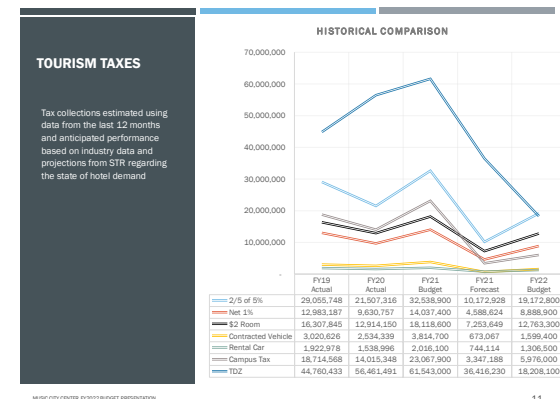
Operating Revenues	\$18,888,200
Hotel Taxes	\$40,825,000
Rental Car	\$1,306,600
Airport Departure	\$1,599,400
Campus Tax	\$5,976,000
TDZ	\$18,208,100
Metro PILOT Payment	(\$16,620,000)
<b>TOTAL REVENUE</b>	<b>\$70,183,200</b>
Operating Expenses	\$31,543,600
MCC Bond Payment	\$40,573,100
Omni Hotel Payments	\$12,000,000
Bond Administrative Cost	\$208,200
Capital Expenses Anticipated	\$781,700
<b>TOTAL EXPENSES</b>	<b>\$85,106,600</b>

MUSIC CITY CENTER FY2022 BUDGET PRESENTATION

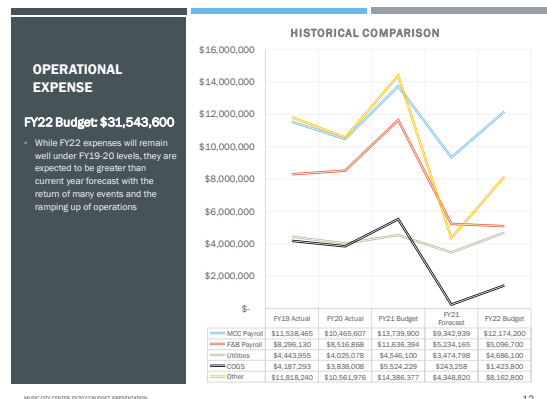
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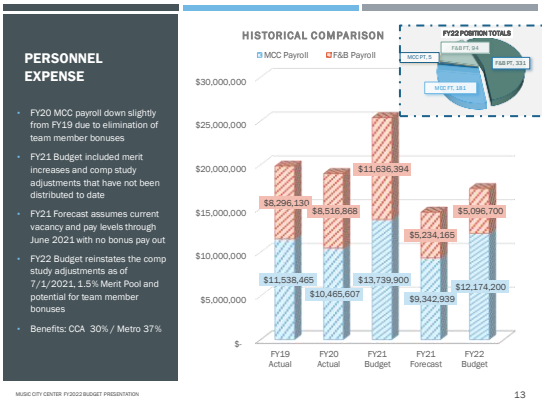
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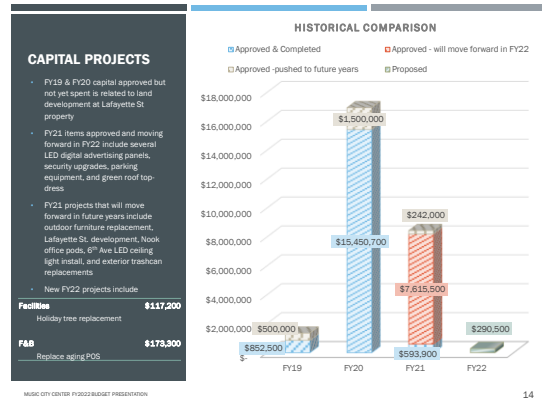
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### CAPITAL & NON-OPERATING – FY21. Previously Approved Projects

<b>Facilities</b>	\$824,900	<b>Security</b>	\$4,700,000
3 Nook Office Pods - Moved to FY23		Security Upgrades	
Outdoor Balcony Furniture Replacement - Moved to FY23			
Exterior Trashcan Replacement - Moved to FY23		<b>F&amp;B</b>	\$110,000
Pedal Charging Stations - 3		Custom Banquet Service Carts	
Airewall Vinyl Recovering - Completed			
<b>Engineering</b>	\$577,500	<b>Parking</b>	\$671,500
Green Roof Top-dress		POS Terminal for P-1	
Back of House LED Upgrades		Pay on Foot Station for Contractors	
8th Ave LED Ceiling Install - Moved to FY23		Mule Replacements	
		Striping the Garage	
<b>Technology</b>	\$907,500	AdMT Pay on Foot/Cash machines	
Add 4th LED Panel to the 8th Ave Marquee		Garage Pressure Washer	
8th Ave Davidson Ballroom 2x2 Video Wall			
Interactive Standing Kiosks (4)		<b>Administration</b>	\$960,000
Video Wall 5th Ave 4th Floor		Lafayette St Property Development - Moved to FY24	
Digital LED Wall - Level 2		Miscellaneous Equip	
UPS Battery/ Capacitor Replacement - Completed			
Replace QSC Routers			
Core Network Routers/Firewalls			

MUSIC CITY CENTER FY2022 BUDGET PRESENTATION 15

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# EXECUTIVE COMMITTEE REPORT

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## OPERATIONS UPDATE

## CONTRACT EXTENSION UNIFORM RENTAL/LAUNDRY SERVICES

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### CANCELED EVENTS (AS OF 4.29.2021)

Groups	Attendees	Hotel Room Nights	*Contracted MCC Revenue	Direct Economic Impact
156	600.6K	601.3K	\$27.5M	\$608M

### CANCELED EVENTS (AS OF 4.1.2021)

Groups	Attendees	Hotel Room Nights	*Contracted MCC Revenue	Direct Economic Impact
154	599K	601.2K	\$27.4M	\$608M

\*Does not include on-site revenues  
As of 4.29.2021

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### REBOOKED EVENTS (AS OF 4.29.2021)

Groups	Attendees	Hotel Room Nights	*Contracted MCC Revenue	Direct Economic Impact
45	43.6K	8.9K	\$2.1M	\$9.9M

### REBOOKED EVENTS (AS OF 4.1.2021)

Groups	Attendees	Hotel Room Nights	*Contracted MCC Revenue	Direct Economic Impact
47	45.2K	8.9K	\$2.2M	\$10.3M

\*Does not include on-site revenues  
As of 4.29.2021

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### FY2021 YEAR END

#### FY21 Year End Forecast

	Current YE FY21 Forecast	Previous YE FY21 Forecast	Forecast Variance	FY21 Budget	Current Forecast % Budget
<b>Revenue</b>					
Rental	\$834,104	\$643,330	\$190,774	\$6,624,304	-85,790,201
F&B	\$712,802	\$253,698	\$459,104	\$30,520,600	-829,808,598
Parking	\$1,485,034	\$1,455,826	\$29,208	\$7,508,907	-66,023,873
Utilities	\$56,935	\$56,935	\$0	\$2,035,500	-19,848,565
Technology	\$153,517	\$153,517	\$0	\$2,351,601	-82,198,084
Security	\$75,068	\$71,568	\$3,500	\$1,415,710	-13,400,642
Rigging	\$57,928	\$57,928	\$0	\$842,605	-878,677
Audio/Visual	\$2,167	\$2,167	\$0	\$408,078	-846,211
Facilities	\$3,218	\$3,218	\$0	\$303,993	-830,775
Other	\$685,453	\$654,447	\$31,006	\$895,302	-8209,850
<b>Revenue</b>	<b>\$4,065,425</b>	<b>\$3,382,633</b>	<b>\$712,792</b>	<b>\$52,876,900</b>	<b>-48,811,475</b>
<b>Expense</b>					
Utilities	\$3,458,118	\$3,474,798	-\$16,680	\$4,546,100	-\$1,087,982
Event Related	\$132,907	\$21,870	\$111,037	\$2,278,300	-\$2,145,393
MCC Labor	\$9,276,451	\$9,342,939	-\$66,488	\$13,739,900	-\$4,463,449
F&B Labor	\$5,276,533	\$5,234,165	\$42,368	\$11,636,394	-\$6,359,861
F&B COGS	\$231,577	\$98,024	\$133,553	\$5,524,229	-\$5,292,651
Other	\$4,107,174	\$4,567,010	-\$459,836	\$12,108,077	-\$8,000,903
<b>Expense</b>	<b>\$22,472,560</b>	<b>\$22,736,807</b>	<b>-\$264,246</b>	<b>\$49,833,000</b>	<b>-\$27,360,440</b>
<b>Gain/(Loss)</b>	<b>-\$18,407,136</b>	<b>-\$19,384,174</b>	<b>\$977,038</b>	<b>\$3,043,900</b>	<b>-\$21,451,035</b>

As of 4.30.2021

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### Comparison – March 2020 & March 2021

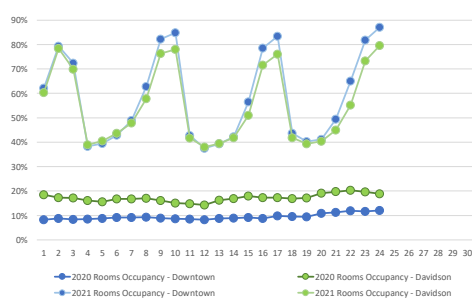


(Source: STR, LLC. Reproduction or other re-use of this data without the express written permission of STR is strictly prohibited.)

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### April Rooms Occupancy by Day

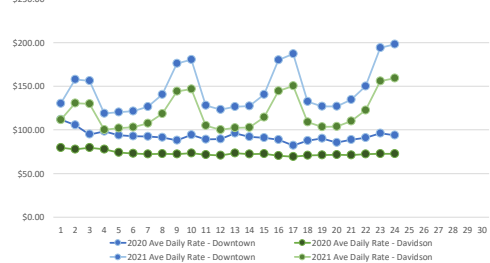


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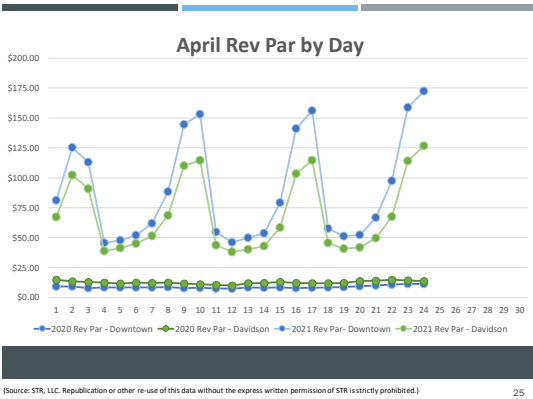
### April Average Daily Rate



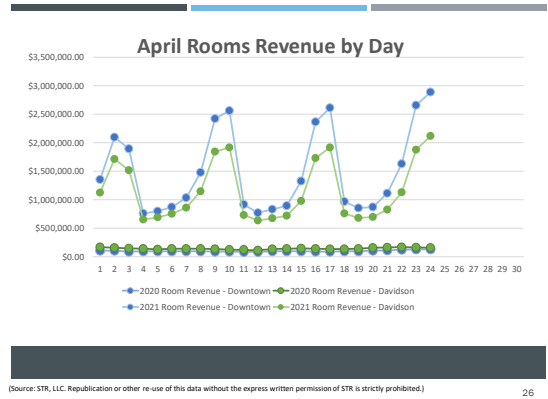
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**TAX COLLECTIONS**  
 February Tax Collections have not yet been reported by Metro Finance

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**Contract Extension Summary Sheet for the Music City Center**

**Contract Service:** Uniform Rental/Laundry Services

**Contracted Vendor:** Cintas Corporation No. 2

**Contract Value:**

	Rental with cleaning	Direct Sale	Lost/Destroyed/Buyout	Upcharge
Polo Shirts	\$0.27		\$ 20.13	\$ 0.15
Work Pants pleated	\$0.21		\$ 18.09	\$ 0.15
Work Pants non pleated	\$0.21		\$ 18.09	\$ 0.15
Dress Pants Pleated	\$0.34		\$ 24.20	\$ 0.15
Dress Pants non pleated	\$0.34		\$ 24.20	\$ 0.15
Coverall Insulated	\$0.57		\$ 74.37	\$ 0.15
Coverall Non-Insulated	\$0.31		\$ 31.59	\$ 0.15
Dress Shirts	\$0.26		\$ 21.40	\$ 0.15
Blazers		\$ 157.99		
Vest		\$ 54.99		
Ties		\$ 18.99		

**Term Extension:** August 15, 2021 - August 15, 2022

**DBE participation:** None

**Justification for Extension:**

During these challenging times Cintas was a true partner. When the pandemic closed the building, Cintas voluntarily placed our account on hold to best support the MCC. During that time Cintas suppressed \$76,500 of entitled and anticipated revenue in the spirit of our business relationship.