

MINUTES OF A REGULAR MEETING OF  
THE SPORTS AUTHORITY OF THE COUNTY OF  
KNOX AND THE CITY OF KNOXVILLE, TENNESSEE

June 22, 2021 – 9:05 A.M.

The meeting of the Board of Directors of The Sports Authority of the County of Knox and the City of Knoxville, Tennessee (the "Authority") was held at 9:05 A.M. on Tuesday, June 22, 2021, in the Exhibit Hall at the Beck Cultural Exchange Center located at 1927 Dandridge Avenue.

Alvin Nance, Chair of the Sports authority Board of Directors, called the meeting to order. The following Directors were present at the meeting, constituting a quorum, Richard Bass, Joan Cronan, Jeff Hagood, Tim Hill, Alvin Nance, Nikitia Thompson, and Rosalyn Tillman. No Directors were absent. Also present at the meeting were Stephanie Welch, Chief Economic and Community Development Officer and Deputy to the Mayor of the City of Knoxville, Chris Caldwell, Chief Financial Officer and Deputy to the Knox County Mayor, Doug Kirchhofer, Chief Executive Officer of Boyd Sports, LLC, Kim Bumpas, President of Visit Knoxville, Reverend Reneé Kessler, President of the Beck Cultural Exchange Center, and Mark Mamantov, attorney at Bass, Berry & Sims, PLC. Members of the media and other visitors were also in attendance.

Welcome to the Beck

Reverend Reneé Kessler welcomed the Authority to the Beck Cultural Exchange Center, the home of local and regional African American History. She explained some of the history of the Center and how its 1975 establishment was the result of Knoxville's Urban Renewal Project at the time.

Approval of the May 20, 2021, Meeting Minutes

As the first order of business, Mr. Nance presented the minutes from the Thursday, May 20, 2021, meeting for the Authority's review. Mr. Hagood moved that the Authority approve the minutes as presented. Mr. Hill seconded the motion. The Authority approved the minutes of the May 20, 2021 meeting by a unanimous voice vote.

Review Discussion and Selection of Attorney

The next order of business was the discussion of the selection of a law firm to represent the Authority. Mr. Nance recommended that the Authority consider Baker Donelson due to their corporate and governmental experience as well as their commitment to diversity and inclusion. Baker Donelson has recently hired an African-American candidate that would be part of the Baker Donelson team providing services to the Authority. Nance has not discussed fees with Baker Donelson and would suggest that Mr. Hagood take the lead on those negotiations. The floor was then opened for questions and comments.

Mr. Hill asked which other firms had been considered. Mr. Mamantov explained that all local law firms with experience representing governmental entities such as the Sports Authority had been considered.

Ms. Thompson commented that after doing independent research, she was impressed with Baker Donelson's qualifications as well as their active commitment to diversity and inclusivity.

Ms. Tillman asked whether Baker Donelson has had a track record of diversity and inclusion. Mr. Nance explained that Baker Donelson, like most major law firms outside of the largest cities, has struggled to attract and retain diverse recruits and partners, but that the firm has been actively and aggressively seeking diverse candidates and had a very structured approach and ambitious goals in that regard.

Mr. Hagood asked if the Authority would like him to negotiate a rate with Baker Donelson and bring that back during the next meeting. Mr. Nance suggested that the vote be taken on whether to retain Baker Donelson as the law firm for the Authority at which point Mr. Hagood would negotiate the rates. Mr.

Mamantov suggested that a proposed engagement letter from Baker Donelson to be approved at the next meeting would be in order.

Mr. Hill moved that the Authority proceed with Baker Donelson subject to final negotiation of rates and an engagement letter. Ms. Thompson seconded the motion. The motion carried with a unanimous voice vote from the Authority.

#### Appointment of Committee to Select a Financial Advisor

The next order of business was the appointment of a committee to select a financial advisor. Mr. Mamantov explained that due to certain federal regulations, it was in the Authority's best interest to retain a financial adviser in connection with the issuance of bonds and that law firms, such as his, are not permitted to provide financial advice to the Authority. The financial advisor may not also be the underwriter of the Authority's bonds. Mr. Mamantov recommended that a committee be formed to retain a financial advisor either through an RFP process, RFQ process, or an interview process. Mamantov explained that the committee could consist of a single Authority Director, joined by County and City finance directors, and suggested Mr. Bass as a member due to his expertise in this area.

Ms. Cronan nominated Mr. Bass to serve on the committee to select a financial advisor along with the finance directors of the City and County. Ms. Tillman seconded the nomination. The nomination was approved by a unanimous voice vote and was accepted by Mr. Bass.

Mr. Hagood asked which firms would be considered. In response, Mr. Mamantov discussed the financial advisory firms that are active in the State and answered questions regarding those firms.

#### Discussion On Directors and Officers Liability Insurance

The next order of business was the discussion on directors' and officers' liability insurance. Mr. Mamantov explained that under Tennessee law, there are very strong protections in place for Authority's directors. This insurance would be an added layer of protection, and the premiums should be reasonable based upon his experience.

Ms. Thompson asked what the process of acquiring this insurance would be. Mr. Mamantov suggested that the risk managers at the City or County could assist with this process. Mr. Caldwell suggested researching whether the Authority could be included on either the City's or the County's existing contract.

Ms. Tillman moved that the Authority acquire directors and officers' liability insurance. The motion was seconded by Mr. Hill. The motion was carried by a unanimous voice vote.

#### Review And Discussion of Proposed Timeline for Stadium Development

The next order of business was the review and discussion of the proposed timeline for the stadium development. Ms. Welch distributed the proposed schedule to the Authority Board members for their review and discussion. Ms. Welch introduced Rebecca Jane Justice, Deputy Chief of Economic and Community Development who will be assisting with the process. The proposed schedule included:

- July 14 – 24: Several small public meetings to gain feedback.
- July 17: Community-wide interactive on-site public meeting.
- August 19: City Council and County Commission Joint Workshop.
- September 9: Presentation of the preliminary site plan to the Planning Commission.
- September 27: County Commission vote on the Interlocal Agreement.
- October 5: City Council vote on the Interlocal Agreement and Preliminary Site Plan.
- December 14: Initial vote on the final plan by City Council.
- January 11, 2022: Second vote on the final plan by City Council.

Mr. Hill asked if it would be possible to have an emergency second vote by the City Council in December. Ms. Welch replied that it is possible but would be dependent upon where the project is at that point.

Mr. Nance asked if the July 17<sup>th</sup> meeting should happen after the smaller community meetings so that any input gained from the smaller meetings could be incorporated and suggested having another informational public meeting after all the feedback has been received from the smaller meetings. Ms. Welch explained that the information presented at the meetings will be very similar. If comments arise, a second community-wide meeting could be scheduled.

Mr. Hill asked what the construction timeline would be once all approvals were obtained. Mr. Kirchhofer explained that a construction timeline would be dependent on several variables and cannot be predicted at this point in the process.

Mr. Hill asked what the average construction timeline for a project of this nature might be. Mr. Kirchhofer explained that the average would be between 14-18 months and that some of the work that is happening now is intended to mitigate that timeline.

Mr. Hagood asked if the Authority would need to vote on the Interlocal Agreement in August. Welch explained that the Authority would need to vote on the Agreement before it goes to the County Commission in September. Mr. Mamantov explained that the lease, stadium development agreement, private development agreement, and financing plan would need to be approved by the Authority before they are presented to County Commission and recommended a series of workshops to address each document.

Ms. Thompson asked if drafts of those documents were available for the members of the Board to review. Mr. Mamantov explained that initial drafts were just now being circulated, and were not ready for review, but that the City, County and the team has been collecting examples of documents that they will use as templates to assist with negotiations.

Ms. Thompson asked whether the Authority should look at hiring any other consultants or services. Mr. Mamantov explained that most of the hiring opportunities would be the responsibility of Boyd Sports for construction, leasing and operations. Mr. Kirchhofer added that Boyd Sports had been very intentional during the search for potential construction managers to look at the companies' history of diversity and inclusion.

Mr. Hagood asked when the Authority would receive the \$13.5 million that the state has allocated and where would go. Mr. Mamantov explained that the state would not send it until it is requested and that the State would likely send a grant agreement to the Authority in July. Mr. Caldwell recommended that the Authority select a bank in preparation to receive those funds. Mr. Caldwell explained he could inquire with First Bank, which is the bank used by Knox County, to find out if the Authority would be able to get the same rate as the City or County. Mr. Mamantov suggested asking the State when the Authority could expect to receive the funding.

Ms. Cronan asked, given the items on the schedule go as planned, when Knoxville could expect the stadium to open and have its first game. Mr. Kirchhofer explained that the stadium should open in late 2023 or early 2024.

Mr. Hill asked if the Smokies would consider a midseason move based on the stadium's readiness. Mr. Kirchhofer explained that it has happened in the past and that he would need a more concrete idea of the timeline of construction before that determination could be made.

Mr. Nance asked if there was a centralized source that people could be directed to for accurate information about this project. Ms. Welch told the Authority that there is an information page of the City of Knoxville website, or the page <http://grandslamknox.com>.

### Administrative Items

Mr. Nance announced that the next meeting of the Sports Authority will be held on Tuesday, July 13<sup>th</sup>. Ms. Bumpas announced that the location of the next meeting will be communicated as soon as possible.

Ms. Bumpas will assist with the rescheduling of the August meeting as well as scheduling the necessary workshops and noted that she would poll the Directors to determine the best dates for them.

Mr. Nance then adjourned the meeting of the Authority at 10:27 A.M.

After adjournment, Reverend Kessler presented the Authority with a documentary video explaining the history of the Bottoms, which is the name of the area of Knoxville in which the proposed stadium will be built.