



louisville arena authority

Board of Directors Special Meeting

May 29th, 2020

9:00 a.m. EST

KFC Yum! Center

DRAFT MINUTES

Directors in Attendance via Zoom videoconference: Mr. Mark Blayney, Ms. Leslie Geoghegan, Mr. John Hodgson, Mr. Michael Jones, Mr. Thomas Liston, Mr. Darrin McCauley, Mr. Timothy Mulloy, Mr. Don Parkinson, Ms. Larissa Reece, Mr. Steve Rowland, Metro Council President David James (ex-officio), Vice Chairman William Summers, Chairman Scott Cox

Directors Absent:, Mr. Deepak Tiwari and Mr. Dale Romans

Consultants and Staff: Mr. Eric Granger, KFC Yum! Center General Manager; Mr. Justin Jokovich, KFC Yum! Center Sr. Finance Director; Mr. C. Edward Glasscock, General Counsel; Mr. John Egan, General Counsel; Mr. Chip Sutherland, Baird Financial

Roll was called by Eric Granger at 9:03 AM

Welcome: Chairman Cox

Chairman Cox declared a quorum and convened the meeting.

DISCUSSION ITEM: Acceptance of the May 11th, 2020 Board Meeting Minutes – Chairman Cox

The board reviewed the minutes. Ms. Leslie Geoghegan observed a few minor typos and suggested clarification that in Chip Sutherland's comments that the concern was for bond payments not just payments. Motion was made by Mr. Don Parkinson to accept the minutes of the March 9, 2020 Louisville Arena Authority meeting as amended. The motion was seconded by Mr. Darrin McCauley and the motion passed unanimously with no abstentions.

EXECUTIVE SESSION: At 9:07 am, Chairman Cox announced that the Board would go into Executive Session. Counsel John Egan declared the Board was going into Executive Session to discuss preliminary projections made by ASM Global for the revenues and expenses of the Arena Operations for the July 1, 2020 to June 30, 2021 and to discuss potential litigation unrelated to the projections. Mr. Egan cited the exception allowing the Board to go into Executive Session to be KRS 61.810C Subsection G.

At 9:42 am the Board came out of Executive Session

NEW BUSINESS: Vice Chairman Summers made a motion for the board to approve the 2019 Audited Financial Statements. Seconded by Mr. Mulloy. Chairman Cox called for discussion.

There was none. Chairman Cox called for yays and nays. There were no nays. The Audit was adopted. Chairman Cox called for the audit to be made public.

Chairman Cox announced that the Finance Committee recommends to the Board that the AEG (ASM Global) proposed budget for the 2020-2021 Fiscal Year be adopted. He made a motion for the adoption of the proposed budget for the 2020-2021 Fiscal Year. Second made by Mr. Parkinson. Chairman Cox called for discussion. There was none. Chairman Cox called for yays and nays. There were no nays. The Budget was adopted. Chairman Cox called for the 2020-2021 Fiscal Year Budget to be made public.

ARENA OPERATIONS UPDATE: Eric Granger, General Manager

Mr. Granger informed the Board that the American Red Cross conducted a second Blood Drive at the KFC Yum! Center on May 11-12 and that it was very successful especially due to our location and great lobby space. We will host a 3rd blood drive on July 7-9. The Blood Drive is being called Stars, Stripes and Pints and will be the largest blood drive for the year. The staff continues to work on aggressively booking the arena and is getting multiple concert and other event holds for 2021 and beyond. We confirmed two concerts for 2021 just yesterday.

Mr. Granger also informed the Board that ASM Global has developed a company-wide program called VenueShield. The program is being developed to prepare our facilities for the “new normal” once events are permitted. The program focuses on cleaning and sanitizing protocols as well as other standards that will be promoted to event attendees and those who put on events to create a comfort level to come to the KFC Yum! Center.

Mr. Granger informed the Board that our marketing team continues to be active on our social media channels. Recently we added a photo opportunity on the Plaza for 2020 Graduates which was created in conjunction with one of our sponsors, Fast Signs. We are looking at other ways to give our sponsors exposure through our social media channels.

Mr. Granger mentioned to the Board that there was a protest that occurred last night that for a short time stopped in front of the KFC Yum! Center. The building security staff monitored the situation throughout the night. At no time was there any gathering of protestors only some media that watched the protest from the vantage point of the plaza. We allowed LMPD to park in our loading dock as a courtesy. There was no damage to the arena property.

Finally, Mr. Granger informed the Board that the ASM Global staff lost a friend and co-worker. Mr. Ed Brown was a full-time employee in our security department since 2012 and passed away last week. He will be greatly missed.

Chairman Cox offered his and the Board’s condolences to the staff.

Chairman Cox asked Mr. Granger to confirm to the Board that the Capital Expenses planned for summer of 2020 is being reduced to only end of life issues or items that may have to be procured for the new normal. Mr. Granger confirmed that to reduce expenses, the Capital Expense Budget was reduced from a budget of approximately 2.2 million to approximately \$500,000. The remaining projects will be deferred to the following summer.

Chairman Cox also informed the Board that ASM Global incorporated a number of furloughs within the new budget as well as salary reductions for management staff.

Chairman Cox thanked the staff for the success of the Blood Drives with the American Red Cross.

DISSUSSION ITEM: General Counsel Update – C. Edward Glasscock

Mr. Glasscock had no new information to report.

DISCUSSION ITEM: New Business/Old Business – Chairman Cox

Chairman Cox thanked Justin Jokovich for his work setting up the Zoom Call. He also thanked the Board for their service and hard work.

The meeting was adjourned at approximately 9:52 a.m.

Respectfully submitted,
Eric Granger