

**THE SPORTS AUTHORITY OF THE COUNTY OF HAMILTON AND
THE CITY OF CHATTANOOGA, TENNESSEE**

BOARD OF DIRECTORS MEETING

THURSDAY, OCTOBER 9, 2025 – 10:30 A.M.

AGENDA

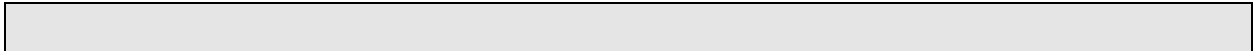
- I. Call to Order.
- II. Approval of Minutes for the August 14, 2025, meeting.
- III. Public Comments.
- IV. Presentation of Financial Progress Report for September 2025, Budget by Finance, and September Progress Report by Public Works.
- V. Other Business.
 - FYI Only – Form 8283 – Noncash Charitable Contributions executed by the Chair for Pipe Properties' records.
- VI. Adjournment.



**THE SPORTS AUTHORITY BOARD
OF THE COUNTY OF HAMILTON AND
THE CITY OF CHATTANOOGA, TENNESSEE
REGULAR MEETING MINUTES
John P. Franklin Sr. City Council Building
Assembly Room
Chattanooga, Tennessee
for
Thursday, August 14, 2025
10:35 AM**

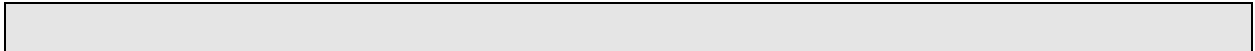
Present were Matt Patterson (Chair), Daisy W. Madison (Vice-Chair), Edna Varner, Rudolph Foster, Brett Smalley, and Cole Webster. Absent was Rev. Ann Weeks (Secretary-Treasurer),

Also Present were: Attorney for the Board, Phillip A. Noblett; Paul Boylan and Matt Dale (Finance); Todd Womach and Austin Cantrell (Bridge); Gail Hart (Real Property); Andy Stone (Perimeter Properties); Geoff Spiva (Outpost Group); Charita Allen (Economic Development); and Sean Stones.



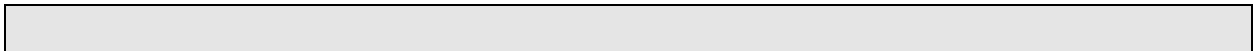
REGULAR MEETING OF JUNE 12, 2025 – MINUTES APPROVAL

On motion of Ms. Madison, seconded by Mr. Smalley, the minutes of the June 12, 2025, regular meeting were unanimously approved as written.



PUBLIC COMMENTS

There was no one from the public wishing to make any comments.



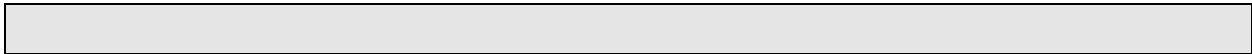
AUGUST FINANCIAL PROGRESS REPORT AND PUBLIC INFRASTRUCTURE BUDGET

Mr. Paul Boylan gave the financial progress report. It was expressed at the last board meeting for our budget report to be more broken down and explained. The stadium and public infrastructure include things such as professional services for construction at the site, team equipment, and contingency expenses. We have the public infrastructure which is the West 26th Street infrastructure surrounding the stadium.

The five columns include the budget, encumbrance, the actual expenses, the amount remaining, and percentage used. For example, the percentage use explains the amount that has been expended from the budget, and is shown in percentage form. Most notably on the stadium side we have a \$59,514,076.17 encumbrance.

The next sheet is a more detailed explanation and is all the expenses incurred as well as the balance. Most notably on this sheet with the Cash with Agents with US Bank, something Mr. Boylan wanted to let the Board know is that they are in the process of making their first draw down from the bank for the amount of \$14 million. At the next board meeting, the Board will see that represented on the statement. Where it says \$76 million with US Bank, it should be roughly \$61 million by the time we do the next draw down. Ms. Madison had a question regarding the drawn down relative to the professional services \$6 million budget item.

See attached Financial Progress Report and Public Infrastructure Budget.



PROGRESS REPORT BY PUBLIC WORKS PRESENTED BY CHARITA ALLEN

Ms. Charita Allen is filling in today for Bill Payne and Clay Oliver. This is the construction update slide. Structural and interior renovations of the Powerhouse located in right field down on the first base are underway. This includes starting the extension towards the right field and first base. Roof work is underway as well. On the pattern shop, home plate building, and third base building, steel erection for the pattern shop balcony facing first base line is underway. We also have riverwalk improvements and public utility construction has started.

Ms. Allen spoke about the August Spend Report. Stadium costs to date continue to trend similar to additional cash flow estimates. There is a slight slash on the chart for two reasons. The first is the late invoice for design service work which will be caught up at the next Sports Authority meeting. The second is the result of savings realized by EMJ within the Guaranteed Maximum Price during the project to date. These savings are recouped to the owner within EMJ's contract. They are being utilized to cover unforeseen costs not within EMJ's scope of work originally.

The W. 26th Street site plan and team supplied equipment represents the amounts reimbursed to the developer and the team for completed work and does not reflect the total percent complete of the scope of the project due to the draw on submittal and approval. With regard to DBE participation, shows the progress towards the 30% requirement participation goal that was set. This pending amount is a single contractor that has submitted the certification paperwork and is awaiting a response from the certifying agency.

The drone video showed the progress. Mr. Andy Stone spoke with Perimeter Properties. The video is a month old and a lot of progress has happened. They designed a drainage system and a field stability system to handle excess waterflows. Part of the work they did was under the interstate to make sure the stadium drained. Even with all of the intense rain that we had, they were able to drain the field and everything was back to work. The work you see here is already a month old. After further discussion, they did close the riverwalk last month. That went well. Obviously, there is some public concern about the riverwalk closing and are working to get that back open. It was critical to get the water and structure in place. Electrical completion starts again next week, and they start back on site from a utility standpoint. All in all the project is doing very well. It changes every day. They are on schedule.

Attorney Noblett asked if there was an estimate about how long the riverwalk will be closed. Hopefully, it will be the beginning of next year. The utilities were key. They have to get water on the buildings for fire suppression and plumbing testing. That was the key component from a scheduling standpoint of why we shut it down. We kept pushing it off as much as we could and finally ran out of the timeframe that we had to close it. The goal is to get it open as quickly as possible and resume connectivity. It is going to be really water dependent. Landscaping and plantings, retaining walls are going in, and the concourse is supported. The permanent riverwalk concourse is supported. It is really a lot more weather dependent. That was a piece of work that nothing happened yesterday. Maybe some today. It will all be weather dependent. The bicyclists will be happy. After further discussion, it is a very busy section of the riverwalk.

See attached Progress Report.



On motion of Ms. Madison, seconded by Mr. Foster,

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 TO THE EXECUTIVE ARCHITECT CONTRACT, D-23-001-101 FOR FIELD LEVEL ADJUSTMENTS, DESIGN REVISIONS TO THE POWERHOUSE, PATTERN SHOP, AND 3RD BASE BUILDING, KITCHEN EQUIPMENT REVISIONS AND COORDINATION, FEMA REGULATION COORDINATION, STRUCTURAL, AND MECHANICAL COORDINATION FOR CHATTANOOGA PROFESSIONAL BASEBALL PROVIDED ITEMS IN THE AMOUNT OF SEVEN HUNDRED THIRTY-FIVE THOUSAND NINE HUNDRED SIX AND 75/100 DOLLARS (\$735,906.75), AND REIMBURSABLE EXPENSES ALLOWANCE OF FORTY-

FIVE THOUSAND DOLLARS (\$45,000.00), FOR A TOTAL CONTRACT VALUE OF FIVE MILLION ONE HUNDRED TWENTY-THREE THOUSAND NINE HUNDRED SIX AND 75/100 DOLLARS (\$5,123,906.75). (SA-037)

Mr. Geoff Spiva who is the RPR representing Bill Payne and the City for the project. With regard to the \$86 million, all of these funds are still in cash flow. All three of the change orders that are going to be discussed today, the total project is still under the \$86 million budget. We are still under budget. One point on the change for the architect, in the initial resolution for the architect there was a \$400,000 contingency. This resolution will override the additional. That \$400,000 contingency goes away. There is really only a delta of \$335,000. There was a \$400,000 contingency in the original resolution that would be offset by this. The bulk of that was back in schematic design when we had to raise the field up ten feet because TDEC had concerns about groundwater at the lower level contamination transferring from the property site. They discovered in the adjacent property that they were concerned that if we went as deep as we wanted to go and had to pump water on a daily basis for several weeks, we might draw that contaminated water closer to the property. We raised the field from the initial design. That is where the bulk of this expense is coming from.

Mr. Patterson asked what makes a change order come to us for approval versus a day to day? Attorney Noblett said because you have an initial contract for the services here and you have to have a change order request form made and that will bring it back to the Board for the increased amount. Mr. Spiva said the overall project budget is a change to the architect's contract. It changes the contract amount. There was an amount of funds under the \$86 million that were never allocated to anything and that is what we are asking to use the funds for this. Mr. Patterson said it was not in the original contract but still within our allowable budget. And the \$45,000 reimbursable was in DHW's original contract but was never captured in the funding, it was a separate line item. We have been paying those invoices but the funding was never captured.

Mr. Cole Webster asked how much is in the other category that is underneath that \$86 million that is not allocated. Mr. Spiva said he does not have those numbers with him but after the three resolutions today, he believes it is somewhere between \$300,000 and \$500,000 that is still unallocated. If all three resolutions today are approved, that will be left under the initial budget unallocated.

Ms. Daisy Madison asked budget versus allocation. Ms. Madison is looking at the budget of \$125 million in total. Then amount remaining \$110,640,169.02. Will this contract be part of the encumbrances? What is the initial contract? \$3,958,000 for basic services, \$385,000 for additional services, and \$400,000 design contingency, for a total of \$4.743 million. Ms. Madison said which is all encompassed in the \$59 million she assumes. How much of this total project is being contracted out? Is it \$59 million plus the \$14 million? Across all projects is \$37 million. Mr. Boylan answered her question.

Mr. Webster asked if there were any items anywhere along the way where we saw that there are potential savings here and there because it was going down to \$300,000 and some change in the scope of a project like this, that is not a lot of money. Has there been anything like that? The \$300,000 is unallocated and not contingency. There are two different buckets. There were two different sets of contingencies. There is the owner contingency that is in control of the Sports Authority. Then there is a contingency that EMJ is carrying. Zero dollars have been spent on the EMJ contingency at this point. There is also a bucket of unknowns or unallocated funds. After further discussion, some of the savings have been reallocated and that is where this reallocation is. We still have not dipped into the contingency from the contractor's side yet, which is important. Because \$300,000 with a lot of work left to do would be uncomfortable. But it is not. It is the reallocation of the funds across.

There are so many different pieces of that \$125 million capital stack which makes it complicated too. Your consultants' work and the team's work to get to that total package number. The summary is at least 30 days in arrears of what we actually spent. What we are seeing is 30 days behind. On the contract side, we have found significant places where there were savings. In addition buyout and also in some of these redesigns were for cost savings purposes. There is an additional expense in redesigning something. It would cost us to build. This change order is just for design costs for the architect.

Attorney Noblett said that before he became a lawyer, he used to dig in the dirt a lot on construction jobs. The fact that you are leaving these ten feet higher is that savings on some cost in connection with this project. Long-term but they countered for that a long time ago. EMJ never bid the deeper design. That was a late 2020 rechange. But if we had to dig ten feet deeper, you have to carry that out, dig up, and take it somewhere which would have increased your costs. It would increase the cost exponentially. Although there was a redesign fee, there were probably significant savings. Not to mention possible permanent groundwater control measures.

Ms. Madison said bottom line, is the contract value below the budget amount for these services? It will be a change to the budget and not for these services. The overall project is the \$86 million for the stadium. This would be considered soft costs on the \$86 million. Mr. Patterson said it is a delta of \$335,000 on architecture. It is an increase in their contract by \$735,000, but there is also a \$400,000 contingency that has been carried out that will go away. It would be a delta of \$335,000.

Ms. Madison asked if the budget would be reallocated to show that so when we see the budget now it will show (inaudible). Ms. Madison said in order to cover that \$300,000, you are going to have to pull it from another area? After further discussion, the initial budget for the \$86 million included only the \$86 million. For the initial contracts and agreements that were written, did not cover the whole \$86 million, that was extra money. That was money above. That is where this is going to come from.

The motion carried.

ADOPTED

On motion of Mr. Smalley, seconded by Ms. Varner,

A RESOLUTION AUTHORIZING CHANGE ORDER FOR D-23-001-302 S&ME CONSTRUCTION MATERIALS TESTING CONTRACT TO ADD SPECIAL INSPECTIONS, IN THE AMOUNT OF ONE HUNDRED FORTY-THREE THOUSAND SIX HUNDRED FIFTEEN DOLLARS (\$143,615.00), FOR A TOTAL CONTRACT VALUE OF THREE HUNDRED TWENTY-SEVEN THOUSAND SIXTY-TWO DOLLARS (\$327,062.00). (SA-038)

Ms. Allen said that this change order has special inspections that are required for proper quality assurances of the construction contract and for building codes and other regulatory requirements. Ms. Madison said she is assuming that the same applies to this as the other conversation. Ms. Allen said that is correct. We are still within budget.

Mr. Spiva said this is for materials testing. S&ME was contracted to do the materials testing. They test the concrete, when it gets poured, test the steel, third party inspections to make sure codes are being followed, and make sure the contract is uninvolved in the testing process. This is with these contracts for third party testing at the beginning of any project, a lot of assumptions are made based on typical and there were assumptions made on how many concrete testing. On this project, one of the assumptions that was made early on. One of the reasons for this change order is structural steel inspections that are typical projects, welds are ultra-sounded to make sure the welds are complete and solved properly. Typically 10% of the welds on this project, this project was the whole building that runs into the baseline because of the unique steel structure of that building, the engineer wanted 100% of the welds tested. Their initial budget was based on a 10% assumption. That was a significant increase in their cost.

Attorney Noblett asked if that is because we were hooking on to older structures here as well? This is a third party inspection requirement of the IBC. The IBC requires you to have a third party inspection. That is at the engineer's discretion so the Sports Authority structural engineer said I feel better with a level of confidence in certifying that the mortar joints are functioning as designed. That was a call by the structural engineer not necessarily a code or mortar. Those two buildings are structurally isolated from each other even though they are attached. Independent design of the new structure versus the old structure. This change order was more testing and more requirements as anticipated. Mr. Patterson said just to clarify it is a change in the contract but still in the overall budget.

The motion carried.

ADOPTED

On motion of Ms. Madison, seconded by Mr. Smalley,

A RESOLUTION AUTHORIZING PAYMENT TO PIPE PROPERTIES PURSUANT TO THE ESCROW AGREEMENT, IN THE AMOUNT OF ONE HUNDRED SIXTY-SEVEN THOUSAND EIGHT HUNDRED SIXTY-TWO DOLLARS (\$167,862.00), FROM THE UNALLOCATED INTEREST ACCRUALS OF THE SPORTS AUTHORITY'S BONDS. (SA-039)

Ms. Allen said this is part of the Escrow Agreement between the Sports Authority and Pipe Properties to provide funding for site preparation of the stadium which includes this payment of Pipe Properties by the Sports Authority to cover certain costs associated with placement of funds into escrow at the time that the bonds were initially issued.

Ms. Madison said she is curious as to whether the unauthorized interest is part of the total budget. What is an estimated amount? There is interest that is already accrued over the \$86 million, which is not a part of the budget. How is that accounted for as a savings cost? Mr. Boylan said that it would not be included in the stadium cost because things that are associated with the bonds are not directly related to the construction of the stadium for the infrastructure around it. Ms. Madison said the payment to Pipe Properties, does that relate to the stadium? Mr. Boylan said that this payment is for construction, however, he believes the question was about the bonds, the relation to the bonds and the budget. Item No. 6, authorizing payment to Pipe Properties and the source of that payment is unallocated interest in the bonds. Mr. Boylan said he has to confirm that with Bill Payne and how they are wanting to pull those funds from the interest bonds.

Attorney Noblett said the Escrow Agreement which is attached to this resolution was signed back in October of 2024 and was approved by Mr. Noblett here as the attorney. Paragraph 5 in this document has a provision "so long as the committed funds remain on deposit with the Lender, all interest earned on the committed funds deposited with the Lender shall belong to Pipe, less Lender's customary servicing costs if any". It provides in that agreement that they will receive those funds that are interest on the committed funds during the term. That agreement is completed based upon the request of the WesBanco Bank, which is the bonding company in connection with this matter as well. That document was approved by the Sports Authority.

Ms. Madison said what you are saying is we authorized all the accrued interest on the bonds to go to Pipe. Attorney Noblett said that provided that there were committed funds remaining on deposit from the Lender, all interest would go there. Only the interest that is remaining. That will not be shown as an expense for the stadium. Attorney Noblett said yes.

Ms. Madison said this will increase the allocation for the costs of the project. Because normally that interest accrual income could be used by the stadium, and indeed it is, Ms. Madison does not have a problem with the interest being used for a project, it is just that it does not show up as far as accounting. It does not really show the total costs. Attorney Noblett said that it should probably show since it is based upon this agreement. Ms. Madison said whether or not that shows up or how it shows up or if it shows up. Attorney Noblett does not have a problem with it showing up.

The motion carried.

ADOPTED

On motion of Ms. Madison, seconded by Mr. Webster,

**A RESOLUTION AUTHORIZING THE CHAIRMAN OR HIS
DESIGNEE TO EXECUTE AGREEMENTS OR OTHER
DOCUMENTS WITH THE CHATTANOOGA GAS
COMPANY RELATED TO ESTABLISHING NATURAL GAS
SERVICE TO THE SOUTH BROAD DISTRICT BALLPARK
AND AUTHORIZING PAYMENT, FOR AN AMOUNT UP
TO EIGHTY THOUSAND TWO HUNDRED FIFTY AND
01/100 DOLLARS (\$80,250.01). (SA-040)**

Ms. Allen said that this last item is related to natural gas services to service the team's food operations at the park. There is currently natural gas on the other side of the riverwalk. This agreement would extend that service to a point at the ballpark. Authorization is needed from the Chair or designee to sign the agreement and to pay Chattanooga Gas for the line extension to provide service for the food operations. Attorney Noblett confirmed that this is part of the budget.

The motion carried.

ADOPTED

DISCUSSION

Mr. Sean Stones asked about TIF money collected to service the bonds. How do we know we are taking that to service the bonds? Is that a part of this meeting? Ms. Madison said that it is her understanding that the TIF will not start coming in until this project. Ms. Allen said that this TIF district is already generating increment. That increment is coming from the development in the parcels within the TIF district and have already had increased value. We are already receiving TIF increment. Ms. Allen does not have that number in front of her.

Mr. Boylan can confirm that we have received some funds and will go back and give the specific amounts. This is the first time so it was not much.

Mr. Patterson asked when and why did the clock start on whatever day it started. Mr. Boylan said his understanding was administration – and he can't say for certain but some activity was occurring so they wanted to go ahead and start the process. Mr. Andy Stone said there is a three year driven provision inside the TIF saying that all properties in the TIF district have to be triggered within three years of the stadium opening. The first batch of the triggering occurred around 70 properties plus or minus and that is where the TIF revenue is coming from. There is still a whole host of properties inside the TIF district that have not been triggered to start on that revenue. Ms. Allen will send the TIF district documentation to the Board members. Ms. Madison for a future meeting, is it possible to show the TIF projections? Mr. Stones would like a copy.



After further discussion and there being no other business, the meeting was adjourned at 11:25 AM.

REV. ANN WEEKS, Secretary-Treasurer

MATT PATTERSON, Chair

SPORTS AUTHORITY FINANCIAL PROGRESS REPORT

PJTD (Since inception)

As of 9/30/2025

Acct	Description	NR34		NR35		NR35	SPORTS AUTHORITY TOTAL	
		SPORTS AUTHORITY OPERATION		SPORTS AUTHORITY CAPITAL		WEST 26TH STREET	SPORTS AUTHORITY TOTAL	
			Z00350		Z00351	Z00352-Z00354		
		Encumbrance	Actual	Encumbrance	Actual	Actual	Encumbrance	Actual
BALANCE SHEET								
101101	Interfund Cash		37,251,863.80		(34,631,626.90)	-		2,620,236.90
103111	SA - Cash with Agents - US Bank		56,840,678.39		1,666,033.24	-		58,506,711.63
161103	Construction in Progress		266,625.00		36,277,089.16	-		36,543,714.16
201101	Accounts Payable		-		(142,692.76)	-		(142,692.76)
201103	AP Miscellaneous		-		(636.00)	-		(636.00)
251104	Retainage with Escrow Agent		-		(1,320,624.21)	-		(1,320,624.21)
271310	SA - 2024A Tax-Exempt Bonds		(63,805,000.00)		-	-		(63,805,000.00)
271311	SA - 2024B Taxable Bonds		(14,830,000.00)		-	-		(14,830,000.00)
271312	SA - 2024C Bonds		(5,000,000.00)		-	-		(5,000,000.00)
271536	Original Issue Premium SA 2021A Tax-Exempt Bonds		(10,452,389.15)		-	-		(10,452,389.15)
411201	Unreserved, Undesignated FB		259,018.07		(6,822,919.97)	-		(6,563,901.90)
INCOME STATEMENT/CONSTRUCTION								
524201	Other Intergovernmental Capital	-	-		-	5,700,000.00	-	5,700,000.00
551101	Interest Earned Non-cap Proj Fds	-	2,797,802.92		-	-	-	2,797,802.92
571101	Capital Contributions	-	900,000.00		1,065,014.17	-	-	1,965,014.17
761101	CIP Expense	-	-	-	303,611.00	-	-	303,611.00
701102	Auditing & Accounting Services	-	11,000.00	-	-	-	-	11,000.00
704702	Bank Service Charges	-	5,000.00	-	-	-	-	5,000.00
721201	Hotels	-	158.46	-	-	-	-	158.46
721202	Meals	-	96.00	-	-	-	-	96.00
761104	CIP Engineer's Testing	-	204,765.00	101,757.08	178,613.92	-	101,757.08	383,378.92
761107	CIP Engineering Inspection	-	(70,735.00)	272,114.00	201,256.00	-	272,114.00	130,521.00
761108	CIP Engineer's Surveys	-	74,960.00	-	-	-	272,114.00	74,960.00
761109	CIP Architectural Services	-	-	484,938.28	4,258,061.72	-	484,938.28	4,258,061.72
761111	CIP Site Development	-	-	42,835,861.73	(38,833.11)	-	42,835,861.73	(38,833.11)
761114	CIP Infrastructure	-	-	3,162,301.75	-	14,762.11	3,162,301.75	14,762.11
783201	Bond Sale Expenses	-	1,018,179.64	-	-	-	-	1,018,179.64
INCOME STATEMENT/DEBT								
576128	TIF Project Payment from IDB	-	506,298.94		-	-	-	506,298.94
783151	Debt Interest Payments	-	2,689,029.35	-	-	-	-	2,689,029.35
	Operating income (loss)	-	1,008,773.57	46,856,972.84	1,065,014.17	5,685,237.89	47,129,086.84	7,759,025.63

As of: September 2025

Stadium		Budget	Encumbrance	Actual	Amount Remaining	% Used
	Total	115,000,000.00	42,835,861.73	6,146,133.63	66,018,004.64	57%
Public Infrastructure						
	Total	10,000,000.00	3,162,301.75	3,242,688.52	3,595,009.73	36%
	Combined	125,000,000.00	45,998,163.48	9,388,822.15	69,613,014.37	56%

South Broad Stadium Sports Authority

October Progress Report

10/9/2025

Construction Update

- Powerhouse extension roof installed



Photo from D Martin and Partners

Construction Update

- Powerhouse extension roof installed
- Rough-in for plumbing, electrical and mechanical ongoing
- Started finish work in Team Level of 3rd Base Building



Photo from Chattanooga DPW

Construction Update

- Powerhouse extension roof installed
- Rough-in for plumbing, electrical and mechanical ongoing
- Started finish work in team level of 3rd Base Building
- Painting steel structures
- Roof installation on all buildings
- Started demolition for team store



Photo from D Martin and Partners

Construction Update

- Powerhouse extension roof installed
- Rough-in for plumbing, electrical and mechanical ongoing
- Started finish work in team level of 3rd Base Building
- Painting steel structures
- Roof installation on all buildings
- Started demolition for team store
- Installed storefront glass in Batter's Eye Club
- Installed light poles



Photo from D Martin and Partners

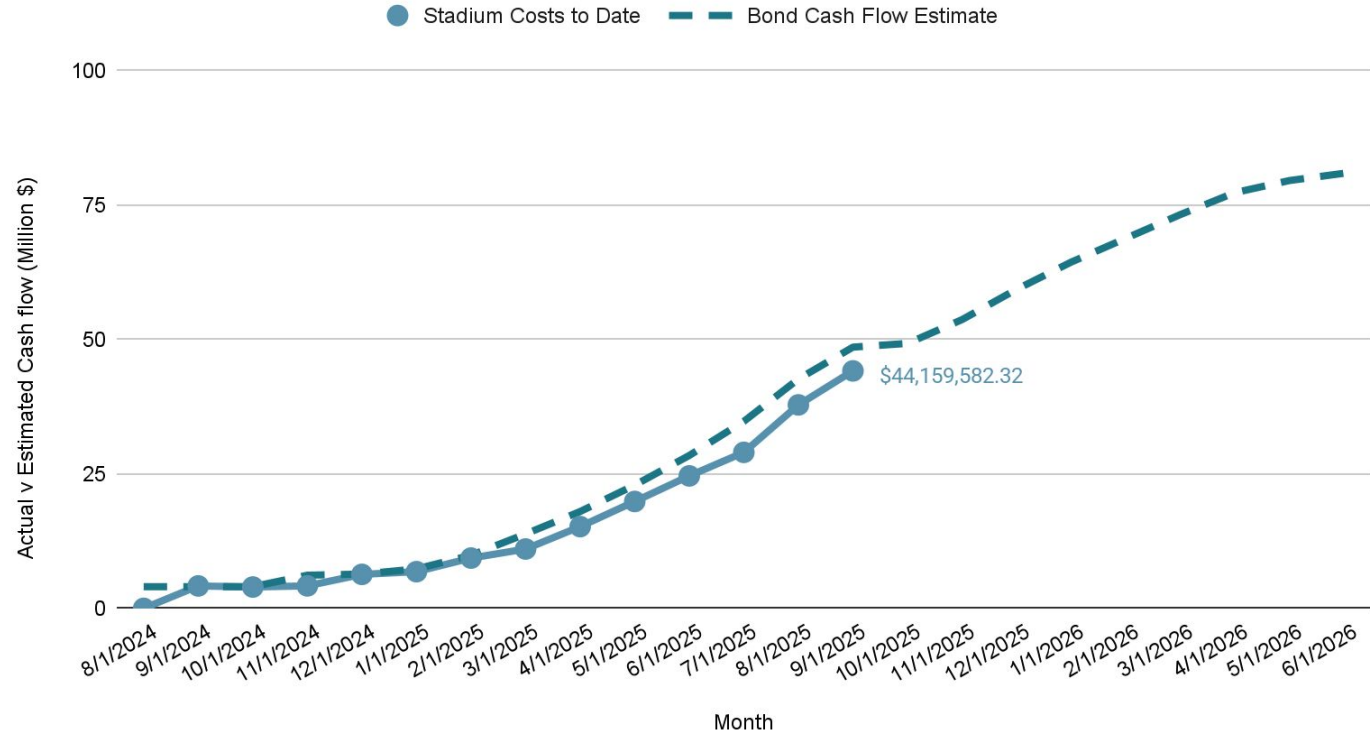
9/15/25

Budget Tracking Update



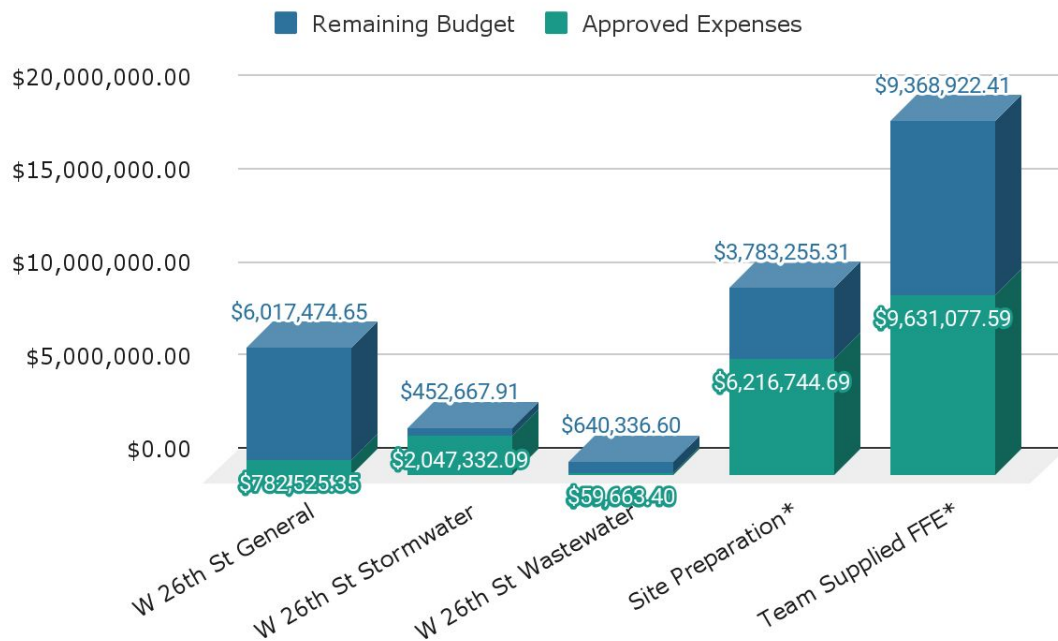
Photo from Brown Brothers

August Spend Report



*Public Infrastructure, Site Prep and Team Supplied on next slide

W 26th, Site Preparation, and Team Supplied Equipment





9/30/25- Photo courtesy of Brown Brothers