

TOURISM AND SPORTS AUTHORITY

**Minutes of a Meeting of the Board of Directors
December 27, 2000 – 8:30 a.m.**

Attendance

Members

Roc Arnett
John Benton
James Grogan
C.A. Howlett
Denise Meridith
Katharine Monahan
Herman Orcutt
William Peltier
Rod Williams

Guests

Jay Ruffner, Fennemore Craig
Chris Skinner, Fennemore Craig
Sarah Strunk, Fennemore Craig
Robert C. Hunt, Hunt Construction Group, Inc.
Dennis Gilbert, Hunt Construction Group, Inc.
Kurt Freund, Dain Rauscher Inc.
John Snider, Dain Rauscher Inc.
Jim Miller, John F. Long Properties
John DeWulf, Roshka, Heyman & DeWulf
Tony Malaj, City of Mesa
John Schell, City of Avondale
Bill Taylor, Fort McDowell Yavapai Nation
Robert Johnson, CPR
Mark Coronado, City of Surprise
Rick Merritt, Elliott D. Pollack & Co.
Brett Jones, Arizona Contractors Association
Craig Williams, Snell & Wilmer
Don Dillon, CMX Group Inc.
Mike Sculley, Maricopa County Sports Commission

1. Introduction. A public meeting of the Board of Directors (the "Board") of the Tourism and Sports Authority (the "Authority") was held in conference room E1 at the offices of Fennemore Craig, P.C., 3003 North Central Avenue, Suite 2600, Phoenix, Arizona 85012, on Tuesday, December 12, 2000, at 8:30 a.m. A quorum being present, and the meeting having been duly noticed and called, Mr. Grogan, the Chairman, called the meeting to order.

2. Approval of Prior Minutes. The Chairman asked for a motion to approve and ratify the minutes of a meeting of the Board held Tuesday, December 12, 2000. Ms. Meridith so

moved. Upon motion duly made, seconded and unanimously carried, it was resolved that the minutes from the previous meeting be approved.

3. Status of Interim Financing. General Counsel reported that Wells Fargo Bank has requested that Bank One participate equally in the interim financing transaction. As proposed, Wells Fargo and Bank One will, subject to terms and conditions to be fully negotiated, collectively provide up to \$15 million in a revolving credit facility for both operating and design and pre-construction expenses. General Counsel also stated that the Authority would be negotiating the terms and conditions of the borrowing with both banks. General Counsel further stated that the Authority anticipates having the interim financing transaction completed by January 15, 2001.

4. TSA Funding and Expense Overview – Presentation by Dain Rauscher Inc. The Chairman asked Mr. Kurt Freund, financial advisor to the Authority, to give a presentation to the Board regarding the Authority's sources and expected uses of funds. Mr. Freund also commented on the timing of Authority revenues and anticipated Authority bond issuances. The substance of Mr. Freund's presentation is outlined in Arizona Tourism and Sports Authority – Funding and Expense Overview – December 2000 which was made available to Board members both prior to, and at the meeting, and is attached hereto as Exhibit A. Mr. Freund further stated that revenue and expense projections would be continuously revised as more information becomes available and that the Board would be advised accordingly.

Mr. Freund then discussed the Authority's anticipated Bond issuances. Mr. Freund stated that the Authority will be issuing two series of stadium development bonds in approximately equal amounts and one series of Cactus League development bonds to fund the Authority's contribution to the City of Surprise Cactus League project. Mr. Freund explained that the

general funds of the Authority would be pledged as collateral for the stadium development bonds and that the Cactus League development bonds would be offered on a subordinated basis. Mr. Freund further explained that Dain Rauscher Inc. expects that all bond offerings will be enhanced by municipal bond insurance resulting in a lower overall borrowing cost to the Authority.

5. Stadium Development – Presentation by Hunt Construction Group, Inc. The Chairman asked Mr. Robert C. Hunt, Chairman of Hunt Construction Group, Inc. ("Hunt"), to update the Board regarding Hunt's progress on the design and pre-construction work for the multipurpose stadium facility. Mr. Hunt presented the TSA Stadium Development Lookahead Schedule, attached hereto as Exhibit B, to the Board. Mr. Hunt stated that the Schedule identifies major design and construction events and the timing of those events. Mr. Hunt explained that this Schedule will be revised every thirty days as the design and construction process moves forward. Mr. Hunt further stated that the pre-construction budget estimates, prepared during the conceptual development phase of the project, are proving to be fairly accurate estimates of actual design and pre-construction costs.

The Chairman then thanked Messrs. Benton and Orcutt for their work in evaluating the preliminary design, scope and budget work of Hunt. Mr. Benton stated that he has attended several pre-construction meetings with representatives from Hunt, HOK Sport, the production architect, and other consultants involved in the stadium development project and is impressed with the professionalism and experience of the entire design and construction team.

Mr. Hunt then asked Mr. Dennis Gilbert, also of Hunt, to address the Board regarding Hunt's activities to date regarding consultations with potential site hosts. Mr. Gilbert reported that he, as well as others from Hunt, have been meeting with potential site hosts to provide

further information regarding the Multipurpose Facility Site Request for Proposals and to answer questions regarding the same. Mr. Gilbert also stated that Hunt would continue to assist potential site hosts in any way possible. Mr. Gilbert further reported that representatives from HOK Sport had visited every proposed potential site in order to familiarize themselves with the site location possibilities.

Mr. Hunt then reported to the Board that Mr. Mike Luciano has been designated by Hunt as the executive officially in charge of the multipurpose stadium development project and explained that Mr. Luciano would be regularly reporting to the Board, on a going forward basis, regarding stadium design and construction progress.

6. Informational Report – Trip to Denver. The Chairman reported that, at the invitation of Hunt, the Chairman, Messrs. Benton and Peltier, General Counsel and representatives of Hunt traveled to Denver, Colorado, to visit with the Chairman and Executive Director of the Municipal Football Stadium District (the "MFSD") and tour the site and stadium under construction for the Denver Broncos. The Chairman further explained that the MFSD, similar to the Authority, is developing its project on a design-build basis and is approximately two-thirds through construction on schedule and under budget.

The Chairman explained that the purpose of the trip was to review the work done in Denver to gain insight regarding future actions and decisions of the Authority. The Chairman reported that the group received a great deal of information from the MFSD especially regarding administration and stadium design and development matters. Messrs. Benton and Peltier also stated that the visit was very beneficial.

7. Informational Report – Executive Director Search Working Group. Mr. Bill Peltier reported that the Executive Director Search Working Group has received and reviewed

over 140 resumes from applicants for the Executive Director position. Mr. Peltier also stated that all resumes had been forwarded to Board members for their review and consideration. Mr. Peltier further reported that it is the goal of the Authority to employ an Executive Director early in January 2001.

8. Informational Report – Site Selection Working Group. General Counsel reported that the Authority officially received a letter expressing interest for a proposed site for the multipurpose stadium facility from Mr. Brian Kearney on behalf of the Downtown Phoenix Partnership, Phoenix Community Alliance and Greater Phoenix Conventions and Visitors' Bureau. A copy of the letter from Mr. Kearney to the Authority is attached hereto as Exhibit C.

Mr. C.A. Howlett reported that the Site Selection Working Group is awaiting detailed information and proposals from potential site hosts. Mr. Howlett then stated that the Working Group had established 5:00 p.m., January 5, 2001, as the deadline for potential site hosts to submit proposals for the multipurpose stadium facility site. Mr. Howlett further reported that he, working with General Counsel, had sent a letter to all potential site hosts informing them of this deadline. Mr. Howlett also stated that the Working Group, again with the assistance of General Counsel, had determined that it was in the best interests of the public to maintain site proposals received prior to the January 5th deadline, if any, as confidential.

The Chairman then asked for a motion for the Board to ratify: (i) the establishment of January 5th as the deadline for potential site hosts to submit proposals for the multipurpose facility site, and (ii) the determination that it is in the best interests of the public for the Authority to maintain the confidentiality of proposals at least through January 5th. Mr. Arnett so moved. Upon motion duly made and seconded, it was unanimously resolved to ratify the actions taken. Copies of Mr. Howlett's letters to potential site hosts regarding the deadline for submission of

proposals are attached hereto as Exhibit D. Copies of General Counsel's letters to potential site hosts regarding confidentiality of proposals are attached hereto as Exhibit E.

9. Informational Report – Construction Working Group. Mr. Benton stated that the Construction Working Group has had preliminary discussions with several individuals and firms regarding the construction consultant and owner's representative positions. Mr. Benton stated that the Working Group, working with General Counsel, has prepared a Request for Proposals for both positions and would be distributing this RFP. All responses to the RFP will be distributed to Board members for their review and consideration and the final selection of consultants will be made by the Board.

10. Executive Session. The Chairman then asked for a motion for the Board to recess the meeting to convene in executive session for the purpose of discussing candidates for the Executive Director position. Mr. Orcutt so moved. Upon motion duly made and seconded, it was unanimously resolved to recess the meeting in open session and convene in executive session.

11. Executive Director. Upon resumption of the meeting in open session, the Chairman stated that the Board, in executive session, had discussed possible candidates for the Executive Director position. The Chairman reported that the Board was making progress on hiring an Executive Director and remained committed to having an Executive Director in place during the first two weeks in January.

12. Next Meeting. The Chairman announced that the next meeting of the Board will be held on Saturday, January 6, 2001, at 8:00 a.m. at a location to be determined and properly noticed. The Chairman explained that, at this meeting, potential site hosts for the multipurpose stadium facility would be invited to make a 15 – 20 minute presentation to the Board.

13. Adjournment. There being no further business to come before the meeting, upon motion duly made by Mr. Williams, seconded and unanimously carried, the meeting adjourned.

**Exhibits to Minutes of a Meeting of the Board of Directors
of the Tourism and Sports Authority, December 27, 2000**

- Exhibit A Arizona Tourism and Sports Authority – Funding and Expense Overview –
December 2000
- Exhibit B TSA Stadium Development Lookahead Schedule
- Exhibit C Letter to the Authority from Mr. Brian Kearney on Behalf of the Downtown
Phoenix Partnership, Phoenix Community Alliance and Greater Phoenix
Conventions and Visitors' Bureau
- Exhibit D Letters to Potential Site Hosts Regarding Deadline for Submission of Proposals
- Exhibit E Letters to Potential Site Hosts Regarding Confidentiality of Proposals

Exhibit A

Arizona Tourism and Sports Authority
Funding and Expense Overview
December 2000

Exhibit B

TSA Stadium Development Lookahead Schedule

Exhibit C

Letter to the Authority from Mr. Brian Kearney on Behalf of the Downtown Phoenix Partnership, Phoenix Community Alliance and Greater Phoenix Conventions and Visitors' Bureau

Exhibit D

Letters to Potential Site Hosts Regarding Deadline for Submission of Proposals

Exhibit E

Letters to Potential Site Hosts Regarding Confidentiality of Proposals