

TOURISM AND SPORTS AUTHORITY

**Minutes of a Meeting of the Board of Directors
September 11, 2002 – 1:00 p.m.
Tourism and Sports Authority
Boardroom
14500 N. Northsight Boulevard, Suite 312
Scottsdale, Arizona 85260**

Attendance

Members

Roc Arnett (Telephonically)
John Benton (Telephonically)
Herman Orcutt (Telephonically)
William Peltier (Telephonically)
Rod Williams (Telephonically)

Staff

Ted Ferris, President and Chief Executive Officer
Kenny Harris, P.E., Vice President for Facilities
Charles Foley, Chief Financial Officer
Kim Monroe, Executive Assistant
Deb Wilson, Executive Assistant
Brad Parker, Public Information Officer

1. Introduction. A public meeting of the Board of Directors (the “Board”) of the Tourism and Sports Authority (the “Authority”) was held in the Boardroom at the offices of the Authority, 14500 N. Northsight Boulevard, Suite 312, Scottsdale, Arizona 85260, on Wednesday, September 11, 2002 at 1:00 p.m. A quorum being present, and the meeting having been duly noticed and called, Mr. Ferris, the Authority's President and Chief Executive Officer (the "President"), presiding in the Chairman's absence pursuant to the Authority's bylaws, called the meeting to order. Please note that Authority Board members participated in the meeting telephonically. All Board members could participate fully in the discussion. Additionally, members of the public were informed of the meeting pursuant to a valid notice and could listen to the proceedings in the Boardroom at the Offices of the Authority.

2. Consideration of Minutes of August 29, 2002 and September 3, 2002 Board Meetings. The President asked for a motion to approve and ratify the minutes of meetings of the Board held August 29, 2002, and September 3, 2002. Upon motion duly made by Mr. Benton,

seconded by Mr. Orcutt and unanimously carried, it was resolved that the minutes of the meetings held August 29th and September 3rd be approved.

2. Consideration of Supplement to Authority/City of Glendale Development and Disposition and Intergovernmental Agreement. The President then invited Ms. Sarah Strunk, Director, Fennemore Craig, P.C., the Authority's General Counsel, to address the Board regarding that certain Supplement to Development and Disposition and Intergovernmental Agreement by and between the Authority and the City of Glendale (the "City"), dated September 11, 2002 (the "Supplement"), a draft of which was previously provided to the Board. Ms. Strunk explained that the Supplement clarifies three items to the Development and Disposition and Intergovernmental Agreement entered into by and between the Authority and the City, dated September 3, 2002 (the "Development Agreement"). Ms. Strunk explained that the Supplement provides that: (i) at the time that the Authority's multipurpose facility site is provided to the Authority, the City will own all or part of such multipurpose facility site; (ii) the City shall maintain insurance or an adequate self-insurance plan for any liability of the City; and, (iii) the Authority, prior to entering into the Development Agreement, had reviewed reports related to the financial condition of the City and confirmed that the same constitutes sufficient financial assurances for the performance of the City's obligations under the Development Agreement. The Supplement is attached hereto as Exhibit A.

Following Ms. Strunk's presentation, the President asked the Board if they had questions or comments regarding the Supplement. Mr. Arnett inquired regarding the financial due diligence the Authority performed regarding the City's finances. Mr. Foley, the Authority's Chief Financial Officer, reported that the Authority, prior to entering into the Development Agreement, reviewed the City's audited financial statements and credit ratings. Mr. Williams

inquired regarding the City's condemnation of a portion of the multipurpose facility site. Ms. Strunk explained that the City's condemnation action would vest title in that property in the City prior to its transfer to the Authority.

Following the Board discussion, the President asked for a motion to approve that certain Resolution Approving the Supplement to Development and Disposition and Intergovernmental Agreement (the "Resolution") previously provided to the Board and attached hereto as Exhibit B. Mr. Arnett so moved and Mr. Orcutt seconded the motion. Upon motion duly made and seconded, the Board voted unanimously to approve the Resolution.

3. Announcements. The President announced that the Authority's staff would contact Board members regarding the date and time for the next Board meeting.

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

EXHIBIT A

**Supplement to Development and Disposition and Intergovernmental Agreement
By and Between the Tourism and Sports Authority and the City of Glendale**

EXHIBIT B

**Resolution Approving Supplement to Development and Disposition
and Intergovernmental Agreement**