

**Arizona Sports & Tourism Authority**

**Minutes of the 64<sup>th</sup> Meeting of the Arizona Sports & Tourism Authority**

**Board of Directors**

**February 17, 2006**

**8:00 a.m.**

**Fennemore Craig, P.C., Conference Room E1-E2**

**3003 N. Central Ave., Suite 2600**

**Phoenix, AZ 85260**

**Attendance**

**Members**

John D. Benton, Chairman  
F. Rockne Arnett  
Deborah Johnson  
Larry Landry  
Herman Orcutt  
Verma Pastor  
Gerald Walker  
Rod Williams  
Jonathan Garrett (Absent)

**Staff**

Ted A. Ferris, President/CEO  
Charles M. Foley, Chief Financial Officer & Treasurer  
Kimberly Monroe, Executive Assistant/Office Mngr.  
Brad Parker, Public Information Officer  
Kenny Harris, Vice President for Facilities  
Deborah Wilson, Project Assistant

1. Call to Order. A public meeting of the of the Arizona Sports & Tourism Authority (the "Authority") Board of Directors (the "Board") was held in the Conference Room E1-E2 at the offices of Fennemore Craig, P.C., 3003 N. Central, Suite 2600, Phoenix, AZ 85012 on Friday, February 17, 2006 at 8:00 a.m. A quorum being present, and the meeting having been duly noticed, the Board Chairman, Mr. John Benton, called the sixty-fourth meeting of the Board of Directors to order.

2. Consideration of Minutes from December 14, 2005. The Chairman asked for a motion to approve the minutes of the Board held December 14, 2005 (exhibit A). Upon motion duly made by Mr. Larry Landry and seconded by Mr. Herman Orcutt the minutes were unanimously approved.

3. Project Update by Hunt Construction Group ("Hunt"). The Chairman asked Mr. Robert Aylesworth, Hunt's Executive Vice President, to provide the Board with a construction update. Mr. Aylesworth and key members from Hunt's staff presented a PowerPoint (exhibit B) slideshow detailing construction history and facts for the Arizona Cardinals Stadium. It was noted

that the project was 85% complete and on time to open in August of 2006. At the conclusion of the presentation, Chairman Benton asked Mr. Ayelsworth if the stadium project were to be built today what would he estimate the cost to be. Mr. Ayeslworth replied that they had analyzed this issue and that they would estimate the stadium would cost \$625 million to build today. Chairman Benton stated that he would like to move down to agenda item five, Finance Update next.

4. Finance Update. Mr. Foley reviewed for the Members the Resolution 2006-65 (exhibit C) which would ratify the Authority's policies for creating both an operating and capital repair and replacement reserve. Mr. Arnett, Finance Committee Chairman, stated that the Finance Committee had reviewed Resolution 2006-65 and approved a motion forwarding it to the full Board for their approval. After discussion, Chairman Benton asked for a motion to approve Resolution 2006-65. Upon motion duly made by Mr. Arnett and seconded by Mr. Landry the Resolution was unanimously approved.

5. Fiesta Bowl Update. Mr. Ferris reviewed for the members the timeline of developments that had taken places since the last Board meeting on December 14, 2005 regarding the allocation of marketing rights to stadium suites/club seats pursuant to Sec. 6.8 of the Fiesta Bowl Use Agreement. Mr. Ferris provided the members with Exhibit D, Allocation and control of stadium suites and club seats, which detailed the Authority's proposed allocation and control of the stadium suites and club seats and the last remaining issues to be resolved between the Arizona Cardinals and the Fiesta Bowl with respect to this allocation. Upon Ferris' conclusion, Chairman Benton asked Mr. Ron Minegar, Arizona Cardinals ("the Team") Vice President of Marketing and Sales, to share his thoughts with the members. Mr. Minegar stated that the Team believes it had negotiated with the Fiesta Bowl fairly and had worked to allocate the suites and club seats evenly. Chairman Benton then asked Mr. Mike Allen, Fiesta Bowl Board Member, to share his thoughts with the board. Mr. Allen stated that while they had come a long way in the negotiations, the Bowl felt strongly about the remaining suite location issues as well as the club seat locations as being extremely important for their season ticket holders that will need to be

relocated from the loge level. Following Mr. Allen's remarks, Board Member Landry suggested a compromise recommendation related to the suite and club suite allocation issue. Mr. Landry recommended that suite L355, currently allocated to the Fiesta Bowl, be switched with suite L354 which was allocated to the Team. He also suggested there be no changes to the allocation of suites L338 and L339. On the club level, Mr. Landry suggested that rows one through five be allocated to the Fiesta Bowl and that the Team be allocated all of row six and as many seats in row seven that would get them to their total seat count of one-thousand one-hundred sixty-seven (1,167) with the remaining seats in row seven going to the Fiesta Bowl. Mr. Landry stated he felt this was a fair resolution to the last remaining issues.

Chairman Benton asked Mr. John Junker, Fiesta Bowl President and CEO, if the Bowl would be satisfied with the suggested resolution. Mr. Junker stated that the Fiesta Bowl would be satisfied. Chairman Benton then asked Mr. Minegar if the Team would be satisfied with the suggested resolution. Mr. Minegar stated that he believed the Team would accept the compromise.

Chairman Benton asked for a motion to approve the compromise solution to the stadium suite and club seats allocation per Mr. Landry's recommendation.. Upon motion duly made by Mr. Landry and seconded by Mr. Orcutt the motion was unanimously approved.

6. Apprenticeship Program. Chairman Benton asked Mr. Gerry Murphy, the Authority's Construction Consultant, to review the apprenticeship program and the Arizona Builders' Alliance's grant application with the members. Mr. Murphy reviewed his memo dated February 2, 2006 to Ted Ferris (exhibit E) detailing the program and his recommendation. After discussion, Chairman Benton asked for a motion to approve the grant request of \$50,000 (fifty-thousand) to the Arizona Builders' Alliance Education Trust Fund. Upon motion duly made by Mr. Arnett and seconded by Mr. Orcutt the motion was unanimously approved.

7. Arizona Cardinals Update. Chairman Benton asked Mr. Wes Gullett, Counsel to the Arizona Cardinals, to update the Board on current Team issues. Mr. Gullett stated that the Team wanted to thank the members for their hard work.

8. Cactus League Matters. Mr. Ferris gave a brief overview of the two cactus league projects currently under renovation -- Scottsdale Giants Stadium and Tempe Diablo Stadium. He reminded the members of the upcoming Cactus League Kickoff Breakfast and that anyone wishing to attend should contact Ms. Kim Monroe, Authority Executive Assistant/Office Manager.

9. Adjournment. There being no further business to come before the Board the meeting was adjourned.

“Exhibit A”

Minutes from December 14, 2005 Minutes

“Exhibit B”

Hunt PowerPoint Presentation

“Exhibit C”

Resolution 2006-65

“Exhibit D”

Allocation and Control of Stadium Suite and Club Seats Document

“Exhibit E”

Memo from Gerry Murphy to Ted Ferris Dated Feb. 2, 2006