

Arizona Sports & Tourism Authority

**Minutes of 81st Meeting of the Arizona Sports & Tourism Authority
Board of Directors**

August 15, 2007

12:30 p.m.

**Arizona Sports & Tourism Authority, Board Room
University of Phoenix Stadium
1 Cardinals Drive
Glendale, AZ 85305**

Attendance

Members

Debbie Johnson, Chairman
Herman Orcutt, Vice Chairman
Roc Arnett
John Benton
Verma Pastor
Jerry Walker
Rod Williams
Bradley Wright
Larry Landry – Absent

Staff

Ted A. Ferris, President/CEO
Charles Foley, CFO & Treasurer
Kimberly Monroe, Executive Asst./Office Mgr.
Jennifer Copeland, Communications Coord.

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 Authority's Board Room at the University of Phoenix Stadium, 1 Cardinals Drive, Glendale, AZ 85305 on Wednesday, August 15, 2007 at 12:30 p.m. A quorum being present and the meeting having been duly noticed and called, Chairman Debbie Johnson called the eighty-first meeting of the Board to order.

2. Consideration of July 10, 2007 Board Meeting Minutes. The Chairman asked for a motion to approve the minutes of the Board held July 10, 2007 (Exhibit A). Upon motion duly made by Mr. Roc Arnett and seconded by Mr. Jerry Walker the minutes were unanimously approved.

3. Consideration of City of Glendale Cactus League Intergovernmental Agreement. Chairman Johnson thanked Ms. Elaine Scruggs, Mayor of Glendale and Mr. Manny Martinez, City of Glendale Councilmember for being in attendance at the meeting. She asked Mr. Brad Wright, Cactus League Committee Chairman, to brief the members on the Committee's work. Mr. Wright stated that the Committee had reviewed the Glendale Cactus League Intergovernmental Agreement (IGA) (Exhibit B) and recommended it be forwarded to the full Board of Directors for consideration

and approval. Chairman Johnson asked Mr. Ted Ferris, Authority President/CEO, to review the terms of the IGA with the members. Mr. Ferris reviewed his memo to the Board of Directors dated August 9, 2007 (Exhibit C) and reminded the members that if the IGA were approved the staff would continue to monitor the project with the assistance of the Authority's Cactus League Consultant, Mr. Roger Brendecke. Mr. Ed Beasley, City of Glendale City Manager, Mr. John Kaites White Sox Representative, and Mr. Howard Sunkin, Los Angeles Dodgers Sr. Vice President of Public Affairs, all briefly thanked the Authority for their work on the IGA and in bringing this project to the City of Glendale. Mr. Wright moved to approve Resolution No. 2007-74 approving the Intergovernmental Agreement with the City of Glendale Regarding the Construction of a New Cactus League Facility for the Los Angeles Dodgers and the Chicago White Sox (Exhibit D). The motion was seconded by Mr. Herman Orcutt. Chairman Johnson asked the members if there was any discussion. Mr. Rod Williams expressed his concerns with the limits on public use of the stadium and related facilities as stated in the agreement. Mr. Wright stated that the Authority's statute and Cactus League process did not mandate that the Authority base their decision to fund facilities on public use. Mr. Benton stated that he felt that the public would greatly benefit from the tourism dollars generated by the new facility and that those dollars would have a positive economic impact on the community at large. Mr. Sunkin stated that the Dodgers had a history of working closely with the community and they would be doing the same with the city of Glendale. Mr. Kaites also stated that the City of Glendale had worked hard to structure the agreement so that their taxpayers did not have to pay for operating the facility. Because the teams will be bearing the risk of operating the facility "in the black", they will have an incentive to keep the building busy year round. Chairman Johnson asked for further discussion and hearing none called for the vote. By a vote of 8-1 the motion passed.

4. Consideration of NFL License Agreement. Chairman Johnson asked Ms. Sarah Strunk, Authority Legal Counsel, to briefly review the agreement with the Members. Ms. Strunk reviewed for the members the NFL License Agreement (Exhibit E) and stated that it was substantially complete and any subsequent changes would be minor in nature. She stated that

should there be any major changes the staff would bring the Agreement back to the Board for their consideration. Mr. Dean Short, Arizona Cardinals Counsel, stated that the Cardinals had three or four items related to the signage, advertising and suites that the team would need to work with the NFL to resolve. Mr. Benton reminded the members that the issues referred to by Mr. Short were issues between the Cardinals and the NFL, and not between the Authority and the NFL. Mr. Ferris reviewed with the members a document detailing the Authority's Financial Contribution to the Super Bowl XLII (Exhibit F). Mr. Orcutt moved to approve Resolution 2007-73 Approving License Agreement among the Arizona Sports and Tourism Authority, and National Football League and NFL Properties LLC for Super Bowl XLII (Exhibit G) which was seconded by Mr. Williams and unanimously approved.

5. Consideration of Ratification of Easement Agreement and First Amendment to Access Easement Agreement. Chairman Johnson asked Mr. Ferris to briefly review the reserved parking issue that was discussed at the last meeting. Mr. Ferris briefed the members on the history of the reserved parking and updated them on the current status of the issue. He stated that the last communication from the Cardinals was in May 2007 when they objected to the use of the Fiesta Bowl's name on any of the Authority's reserved spaces. He stated that the Authority had requested that just twenty-four of the two-hundred allotted "Authority Exclusive Spaces" be placed with reserved signs, which could be removed for Cardinals home games. Chairman Johnson stated she would follow up with Mr. Michael Bidwill in order to determine the nature of the delay. Chairman Johnson called on Ms Strunk to explain the action required on the Easement Agreements. Ms. Strunk briefly reviewed both agreements with the members and stated that they had been previously executed and are in need of ratification by the members. Chairman Johnson asked for a motion to ratify the Easement Agreement (Exhibit H) and First Amendment to the Access Easement Agreement (Exhibit I). Upon motion duly made by Mr. Benton and seconded by Mr. Orcutt the motion was unanimously approved.

6. Consideration of Procedure to Implement Board Policy (No 300.04). Mr. Ferris reviewed the Marketing and Promotion Suite policy (No. 300.04) (Exhibit J) with the members. After discussion Chairman Johnson asked the staff to provide the members with a recap of the suite usage for the first year. Chairman Johnson asked for a motion to approve the Policy No. 300.04. Upon motion duly made by Mr. Williams and seconded by Mr. Walker the motion was unanimously approved.

7. Consideration of Executive Session. The Chairman asked for a motion to go into executive session for discussion or consultation with the attorneys of the Authority for legal advice pursuant to A.R.S. 38-431.03(A)3 regarding the Authority's obligations to indemnify and advance costs for Directors and officers under the Authority's bylaws. Upon motion duly made by Mr. Arnett and seconded by Mr. Orcutt the Board unanimously approved the motion to enter into Executive Session.

Chairman Johnson requested a motion to return to the open meeting. Upon motion duly made by Mr. Benton and seconded by Mr. Williams the Board unanimously approved the motion to return to the open portion of the public meeting.

8. Adjournment. There being no further business of the Board the Chairman requested a motion to adjourn the meeting. Upon motion duly made by Ms. Pastor and seconded by Mr. Walker the motion to adjourn was unanimously approved.

Exhibit A

July 10, 2007 Board Meeting Minutes

Exhibit B

Glendale Cactus League Intergovernmental Agreement

Exhibit C

August 9, 2007 Ferris Memo to Board of Directors

Exhibit D

Authority Resolution No. 2007-74 approving Intergovernmental Agreement with the City of
Glendale Regarding the Construction of a New Cactus League Facility for the Los Angeles Dodgers
and the Chicago White Sox

Exhibit E

NFL License Agreement

Exhibit F

Authority's Financial Contribution to the Super Bowl XLII

Exhibit G

AZSTA Resolution 2007-73 Approving License Agreement among the Arizona Sports and Tourism Authority, and National Football League and NFL Properties LLC for Super Bowl XLII

Exhibit H
Easement Agreement

Exhibit I

First Amendment to the Access Easement Agreement

Exhibit J

AZSTA Marketing and Promotion Suite Policy NO 300.04