

Arizona Sports & Tourism Authority

**Minutes of 80th Meeting of the Arizona Sports & Tourism Authority
Board of Directors**

July 10, 2007

9:00 a.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 (Telephonically)
Roc Arnett
John Benton (Telephonically)
Larry Landry
Verma Pastor
Jerry Walker
Rod Williams
Bradley Wright

Staff

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

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 Tuesday, June 10, 2007 at 9:00 a.m. A quorum being present and the meeting having been duly noticed and called, Chairman Debbie Johnson called the eightieth meeting of the Board to order.

2. Consideration of June 15, 2007 Board Meeting Minutes. The Chairman asked for a motion to approve the minutes of the Board held June 15, 2007 (Exhibit A). Mr. Larry Landry stated that he would be abstaining from the vote due to his absence at this meeting. Upon motion duly made by Mr. Roc Arnett and seconded by Mr. Rod Williams the minutes were unanimously approved.

3. 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) and A.R.S. 38-431-03(A)4 having to do with Fiesta Bowl and Super

Bowl contractual matters. Upon motion duly made by Mr. Williams and seconded by Mr. Landry the Board unanimously approved the motion to enter into Executive Session.

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

4. Business Matters. Chairman Johnson stated that she would like to send a letter to Debbie Davenport, the State Auditor General, requesting the next scheduled performance audit of the Authority be conducted as soon as possible. Mr. Benton moved to approve Chairman Johnson's request. Mr. Orcutt seconded the motion and Member discussion ensued. Ms. Sarah Strunk, Authority Counsel, reminded the members that the Authority was not a state agency and that our statute calls for a performance audit of the Authority every five years. After discussion Mr. Benton called for the question. Mr. Landry offered an amended motion to permit the Arizona Department of Administration to review Chief Justice Jones' report. After Board Member discussion, Mr. Landry withdrew his motion (which had not been seconded). The original motion having been duly made and seconded was voted upon and passed unanimously.

Mr. Ted Ferris, Authority President/CEO, reviewed for the Members the Authority's Audit Schedules and results (Exhibit B).

5. Stadium Matters. Mr. Ferris reviewed the current reserved parking issue with the members. Mr. Ferris stated that he had been working with the Arizona Cardinals since the fall of 2006 on the issue and hoped that some type of reserved parking would be in place shortly. Mr. Landry requested that the reserved parking for the Authority be provided for all events including the Arizona Cardinals home games.

6. Super Bowl Update. Chairman Johnson reviewed with the Members the issues related to the Super Bowl game week and game day expenses and the reason for the increase. The increase pertained to the \$250,000 in game day expenses from \$750,001 to \$1,000,000 and the parties (the NFL, the Authority and the Super Bowl Host Committee) agreeing to split this amount

equally among the parties. Ms. Verma Pastor stated that the Ad Hoc Super Bowl Advisory Committee had discussed the issue and would recommend the approval of the increase. Ms. Johnson asked for a motion to increase the Authority's contribution toward game week and game day expenses for Super Bowl XLII from the current \$250,000 amount to \$333,333.33. Upon motion duly made by Mr. Wright and seconded by Mr. Landry the motion was unanimously approved.

7. Fiesta Bowl Update. Mr. Ferris reviewed for the Members the reconciliation of game day expenses and payment of fees as it related to the Fiesta Bowl and National Championship Games.

Chairman Johnson asked Ms. Strunk to review the Second Amendment to the Fiesta Bowl Use Agreement (Exhibit C) and the First Amendment to the Agreement (Regarding Construction and Use of Underdeveloped Areas) (Exhibit D) with the Members. Ms. Strunk provided the members a brief summary of each agreement. Chairman Johnson recognized Mr. Dean Short, Arizona Cardinals Counsel, as being in attendance and asked if he had any comments related to the two agreements. Mr. Short stated that he had not received a copy of the agreements. Mr. Wright asked Ms. Strunk if she was confident that the agreements would not conflict with any other agreements that we currently have with the Cardinals. Ms. Strunk stated that she was confident that was the case. Chairman Johnson asked for a motion to approve the Second Amendment to the Fiesta Bowl Use Agreement and the First Amendment to the Agreement (Regarding Construction and Use of Underdeveloped Areas). Upon motion duly made by Mr. Wright and seconded by Mr. Arnett the amendments to the agreements were unanimously approved.

Chairman Johnson recognized Mr. Mike Allen, Fiesta Bowl Board Member, as being in attendance and asked if he had any comments. Mr. Allen thanked the staff and members for their work on the agreements. The Chairman also recognized Mr. Mike Bidwill, Arizona Cardinals Vice President, as also being in attendance and asked if he too had any comments. Mr. Bidwill briefed the Members on the upcoming football game schedules. He then asked that the staff put forth their best effort to provide the Cardinals with documents in a timely manner. Chairman Johnson thanked

Mr. Bidwill for his comments and noted that the documents in question were just finalized several hours prior to the board of directors meeting. She also stated that the staff would continue to do their best to provide documents to all interested parties in a timely manner.

8. Tourism Promotion and Marketing Update. Chairman Johnson stated that the Arizona Governor's Conference would be starting the next day and that 575 people would be attending this year. She stated that the AZSTA and Global were again sponsors of this event and had provided materials for the conference participants. She also stated that she would plan to give the Members an update on the Prop 302 awards at an upcoming Board Meeting.

9. Cactus League Update. Mr. Brad Wright stated that the Cactus League Committee had scheduled a meeting for July 17, 2007 at 10:00 a.m. He informed the members that the meeting's purpose would be to review the City of Glendale's Cactus League agreement pertaining to the proposed two-team stadium for the Dodgers-White Sox.

10. Youth & Amateur Sports Update. Mr. Jerry Walker briefly reviewed the Biennial Grant Process and timetable with the Members.

8. Announcement of Future Meeting Dates and Other Information Concerning the Board. Mr. Ferris stated that he would work with Mr. Wright after the Cactus League Committee meeting to send a copy of all the related agreements to the Board for their review and consideration.

9. 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

June 15. 2007 Board Meeting Minutes

Exhibit B

Authority Audit Schedules and results

Exhibit C

Second Amendment to the Fiesta Bowl Use Agreement

Exhibit D

First Amendment to the Agreement (Regarding Construction and Use of Underdeveloped
Areas)