

Arizona Sports & Tourism Authority

**Minutes of 84th Meeting of the Arizona Sports & Tourism Authority
Board of Directors**

March 18, 2008

3:30 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 - Telephonically
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 Tuesday, March 18, 2008 at 3:30 p.m. A quorum being present and the meeting having been duly noticed and called, Chairman Debbie Johnson called the eighty-third meeting of the Board to order.

2. Consideration of February 21, 2008 Board Meeting Minutes. The Chairman asked for a motion to approve the minutes of the Board held February 21, 2008 (Exhibit A). Upon motion duly made by Mr. Rod Williams and seconded by Mr. Jerry Walker the minutes were unanimously approved.

Chairman Johnson asked the Members if anyone would have an issue with moving to item number five "Business Matters" first. Hearing no objections the Chairman preceded with agenda item five "Business Matters".

3. Consideration of DHR International Inc. Letter of Agreement. Chairman Johnson asked Mr. John Benton to briefly review the proposed DHR agreement with the members. Mr.

Benton reviewed the DHR Letter of Agreement (Exhibit B) and process for selecting DHR International Inc. with the Members. DHR International, Inc. was being forwarded by the Authority's ad-hoc HR Committee for consideration as the firm to conduct a search for the Authority's next Executive Director. Chairman Johnson asked for a motion to approve the DHR International Letter of Agreement. Upon motion duly made by Mr. Benton and seconded by Mr. Brad Wright, the Letter of Agreement was unanimously approved.

4. Discussion of City of Goodyear Spring Training Practice Facility for the Cincinnati Reds. Cactus League Committee Chairman Wright gave a brief history on the development of the issues related to the Cincinnati Reds relocating to Goodyear. He stated that the Board has been generally supportive of the Reds moving to Goodyear, but that all stakeholders must be involved in the process of determining how this might be accomplished with the use of Cactus League funds under the control of the Authority. The City of Goodyear's Mayor, Jim Cavanaugh, addressed the Board in support of the Authority providing funding to help secure the relocation of the Reds from Florida to Arizona. Mr. John Allen, Chief Executive Officer for the Cincinnati Reds, stated that while they had visited the facilities in Tucson being vacated by the Chicago White Sox that relocating to Tucson was not an option for the Reds and, therefore, the Reds are committed to moving to Goodyear. Chairman Johnson stated that she would schedule a Board Meeting ahead of the April 7th City of Goodyear Council meeting in order to address the issue and asked the various stakeholders to meet with the Authority's staff and Cactus League Committee in order to work through the issues. Mr. John Kaites, Representative for the White Sox, stated that the White Sox were supportive of the Reds' relocation to Goodyear, but had several issues that they felt would need to be worked through. Mr. Ed Beasley, City of Glendale City Manager stated that he appreciated Glendale being included in the process. Chairman Johnson invited Mr. Tom Moulton, Pima County Representative, to address the Board. Mr. Moulton stated that they are continuing to work with all their partners to find a way to grow the Cactus League in Tucson.

5. Stadium Matters. Chairman Johnson asked Mr. Chuck Foley, Authority CFO and Treasurer, to review AZSTA Resolution 2008-76 to adopt a form of stadium license memorandum of understanding with the National Football League for Super Bowl XLVI to be held in 2012, Game Day Expenses and refunding certain transaction privilege taxes derived from sales of admissions to the Super Bowl and related events to the National Football League (Exhibit C). Mr. Foley proceeded to review the Resolution in detail with the members including the distinction between the current bid package and the bid package the board had approved for the 2011 Super Bowl. He detailed that the NFL's 2012 bid requirements included the rebate of sales taxes on all admission tickets, not just game day tickets, and game day and other related expenses were the responsibility of the local host committee and not a shared responsibility of the NFL with the local host committee. Mr. Foley explained that the resolution committed the greater of \$500,000 or the actual sales tax recapture received by the Authority to the local host committee to help offset the game day costs of the game. Mr. Herman Orcutt asked if there were any issues with the legislature on the rebate of sales taxes. Mr. Foley stated that the Authority could possibly need to amend its existing language but a legal opinion had not been sought on that issue. Chairman Johnson asked if the Super Bowl Host Committee had provided any input on the resolution. Mr. Foley stated that he was not aware of any. Mr. Benton stated that it appeared that the Authority was committing all of its potential revenue streams to the local host committee for the 2012 Super Bowl bid. Mr. Foley agreed with Mr. Benton's assessment. Chairman Johnson asked for a motion to approve Resolution 2008-76. Upon motion duly made by Ms. Verma Pastor and seconded by Mr. Orcutt the Resolution was unanimously approved.

5. Announcements of Future Meeting Dates and Other Information Concerning the Board. Chairman Johnson informed the Members that there were several issues that would need to be resolved in the next few weeks and asked for a Meeting to be scheduled sometime the last week in March or early part of April.

6. 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

February 21, 2008 Board Meeting Minutes

Exhibit B

DHR International Inc. Letter of Agreement

Exhibit C

AZSTA Resolution 2008-76 to adopt a form of stadium license memorandum of understanding with the National Football League for Super Bowl XLVI to be held in 2012, Game Day Expenses and refunding certain transaction privilege taxes derived from sales of admissions to the Super Bowl and related events to the National Football League