

RESOLUTION NO. 2004-50
TOURISM AND SPORTS AUTHORITY
Resolution Approving Management and Pre-Opening Services Agreement

I. RECITALS

WHEREAS, pursuant to Arizona Revised Statutes Section 5-801 *et seq.* (the "Act"), the Tourism and Sports Authority (the "Authority") is authorized to construct, finance, furnish, maintain, improve, operate, market and promote the use of a multipurpose facility to be used to accommodate professional football franchises, major college football bowl sponsors, other sporting events and entertainment, cultural, civic, meeting, trade show or convention events or activities and may include a stadium (the "Facility"), on-site infrastructure, parking garages and lots and related commercial uses and do all things necessary or convenient to accomplish those purposes; and

WHEREAS, pursuant to the Act, the Board of Director of the Authority (the "Board") is empowered to enter into agreements necessary to carry out the purposes of the Authority; and

WHEREAS, pursuant to 5-807.B.11 of the Act, the Executive Director of the Authority is directed to negotiate a contract with a management firm to operate, promote and market the multipurpose facility and submit the contract to the Board; and

WHEREAS, the Board determined that it would award the stadium management contract through an open, competitive process to, in the view of the Board, a qualified and experienced, low-cost provider of such services, capable of operating the stadium consistent with standards of the NFL, the Arizona Cardinals and the Fiesta Bowl, while maximizing the number and quality of "non-football" events held at the new stadium; and

WHEREAS, the Authority issued a Stadium Management Request For Proposals (RFP) on September 5, 2003, which called for firms to provide a comprehensive set of services to include pre-opening services during the remainder of construction, and post-opening services to include general management and operations, maintenance, engineering and custodial services, security, marketing and booking services, and landscaping; and

WHEREAS, on October 17, 2003, the Authority received comprehensive responses from three nationally known and qualified firms, SMG, Global Spectrum, L.P. and AEG, each with considerable event and entertainment experience, and established a six-person evaluation team known as the Business Operations Oversight Team or "BOOT"; and

WHEREAS, on March 30, 2004, after due consideration of a number of presentations, requests for additional information and other factors, and upon the unanimous recommendation of BOOT, the Board unanimously approved the selection of Global Spectrum, L.P. subject to the Executive Director negotiating an acceptable contract with Global Spectrum, L.P.; and

WHEREAS, pursuant to the Act, the Executive Director of the Authority (the "Executive Director") is empowered to negotiate, make, execute, acknowledge and perform agreements necessary to accomplish the purposes of the Authority, which agreements are subject to the approval or ratification of the Board; and

WHEREAS, the Authority and Global Spectrum, L.P have negotiated substantially all of the terms and conditions of a Management and Pre-Opening Services Agreement (the "Management Agreement"), pursuant to which Global Spectrum, L.P. will provide management services and pre-opening services for the Facility; and

WHEREAS, there are just a few remaining minor issues to be resolved between the Authority and Global Spectrum with respect to the Management Agreement disclosed to the Board (the "Open Issues"); and

WHEREAS, after due consideration of the recommendations of the Executive Director, the Board desires to approve the execution, delivery and performance of the Management Agreement in the form attached hereto as Exhibit A, subject to the resolution of the remaining minor issues as the Executive Director deems necessary, appropriate or advisable to carry out the purposes and intent of the resolutions set forth herein, as in the best interests of the Authority.

II. APPROVAL OF MANAGEMENT AGREEMENT

NOW, THEREFORE, BE IT RESOLVED, that the Board, on behalf of the Authority and pursuant to the Act, hereby approves the Management Agreement in substantially the form attached hereto as Exhibit A, subject to the resolution of the remaining minor issues as the Executive Director deems necessary, appropriate or advisable to carry out the purposes and intent of the resolutions set forth herein;

FURTHER RESOLVED, that, upon resolution of the remaining minor issues by the Executive Director, the Chairman of the Board of the Authority and the Executive Officer (each an "Authorized Officer") be, and they hereby are, authorized and directed to sign and deliver, in the name and on behalf of the Authority, the Management Agreement, and to cause the Authority to perform its respective obligations under the Management Agreement and all other related agreements or amendments contemplated thereby, with such changes therein and additions or deletions thereto as any Authorized Officer deems necessary, appropriate or advisable to carry out the purposes and intent of the resolutions set forth herein, the signing and delivery thereof by such Authorized Officer to be conclusive evidence of the approval of such changes, additions or deletions; and

FURTHER RESOLVED, that the Authorized Officers of the Authority are authorized and directed, in the name and on behalf of the Authority, to take all actions necessary, appropriate or advisable to effectuate the foregoing resolutions, including the incurrence of fees and expenses, as in their judgment shall be necessary, appropriate or advisable to carry into effect the purposes and intent of the resolutions set forth herein and the transactions contemplated by the resolutions set forth herein; and

III. MISCELLANEOUS MATTERS

FURTHER RESOLVED, that all actions previously taken on behalf of the Authority by any director or officer of the Authority in connection with any of the foregoing matters are hereby ratified and confirmed in all particulars as the acts of the Authority.

Dated: May 10, 2004.

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