

Arizona Sports & Tourism Authority

Minutes of 109th Meeting of the Arizona Sports & Tourism Authority Board of Directors

April 25, 2011

1:30 p.m.

University of Phoenix Stadium

AZSTA Board Room

1 Cardinals Drive

Glendale, AZ 85305

In Attendance

Members

Bill Peltier, Chairman
Judy Bernas, Vice Chairman
Brad Wright - Telephonically
David Eberhart
Jody Harwood - Telephonically
Jeff Meyer – Telephonically
Mike Galloway - Mike Galloway
Verma Pastor
Robert Brinton - Telephonically

Staff

Tom Sadler, President | CEO
John Pokorney, CFO
Robin Matteson, Office Manager |
Executive Asst.

Authority General Counsel

Sarah Strunk – Fennemore Craig
Kevin Bonner – Fennemore Craig

Guests

Tab Baker - Hunt Construction
Ron Minegar – Arizona Cardinals
Peter Sullivan – Global Spectrum
Melissa Wasson – Global Spectrum

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 AZSTA Conference Room at 1 Cardinals Drive, Glendale AZ 85305 on April 25, 2011 at 1:30 p.m. Chairman Peltier asked Ms. Robin Matteson to perform a roll call of members and guests. A quorum being present and the meeting having been duly noticed and called Chairman Bill Peltier called the one hundred and ninth meeting of the Board to order. Mr. Peltier then introduced the newest board member Jeff Meyer and welcomed him to the board.
2. Consideration of March 23, 2011 Board Meeting Minutes. Chairman Peltier asked for a motion to approve the minutes of the Board for the meeting held on March 23, 2011 attached hereto as **Exhibit A**. Upon motion duly made by Ms. Judy Bernas and seconded by Ms. Verma Pastor the minutes were unanimously approved.
3. Consideration of Executive Session. Chairman Peltier asked for a motion to go into executive session pursuant to A.R.S. 38-431.03.(A)(3)and (4), to obtain legal advice from the Authority's legal counsel or to instruct the Authority's legal counsel on contract negotiations

with Birdair and Hunt Construction for final roof repairs at University of Phoenix Stadium. Upon motions duly made by Mr. David Eberhart and seconded by Ms. Judy Bernas the Board Chairman Peltier requested a motion to return to the open meeting. Upon motion duly made by Ms. Pastor and seconded by Mr. Eberhart the Board unanimously approved the motion to return to the open portion of the public meeting.

4. Consideration for approval of Resolution 2011-81 Chairman Peltier asked for a motion to approve resolution 2011-81 attached hereto as **Exhibit B**, which will authorize Mr. Thomas Sadler, CEO the authority to execute and deliver the contracts with Birdair and Hunt Construction and the authority to perform. Upon motion duly made by Ms. Harwood and seconded by Ms. Bernas the Board unanimously approved the resolution.
5. Announcements of Future Meeting Dates Chairman Peltier asked Mr. Tom Sadler to announce any future meetings. Mr. Sadler indicated a Finance Committee meeting would need to be held within the next two weeks to review the AZSTA and Global Spectrum 2012 budget and then a Board of Directors meeting the second or third week of May. At that meeting, the items to discuss would be the budget and the election of officers. Mr. Eberhart asked if there were plans for the board to have a retreat again in 2012. Mr. Peltier indicated that would be at the discretion of the Chairman for 2012.
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. Bernas and seconded by Ms. Pastor, the motion to adjourn was unanimously approved.

EXHIBIT A

Arizona Sports & Tourism Authority

Minutes of 108th Meeting of the Arizona Sports & Tourism Authority Board of Directors

March 23, 2011

9:30 a.m.

University of Phoenix Stadium

AZSTA Board Room

1 Cardinals Drive

Glendale, AZ 85305

In Attendance

Members

Bill Peltier, Chairman
Judy Bernas, Vice Chairman- Telephonically
Brad Wright - Telephonically
David Eberhart - Telephonically
Jody Harwood - Telephonically
Jerry Walker - Telephonically
Mike Galloway - Telephonically
Verma Pastor - Telephonically

Staff

Tom Sadler, President | CEO
John Pokorney, CFO
Robin Matteson, Office Manager |
Executive Asst.

Authority General Counsel

Jose Tezanos, Fennemore Craig

Guests

Kurt Freund, RBC- Telephonically
John Snyder, RBC- Telephonically
John Drum, Arizona Cardinals

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 AZSTA Conference Room at 1 Cardinals Drive, Glendale AZ 85305 on March 23, 2011 at 9:30 a.m. Chairman Peltier asked Ms. Robin Matteson to perform a roll call of members and guests. A quorum being present and the meeting having been duly noticed and called Chairman Bill Peltier called the one hundred and eighth meeting of the Board to order.

2. Consideration of February 14, 2011 Board Meeting Minutes. The Chairman asked for a motion to approve the minutes of the Board for the meeting held on February 14, 2011 attached hereto as **Exhibit A**. Upon motion duly made by Ms. Judy Bernas and seconded by Ms. Jody Harwood the minutes were unanimously approved.

3. Review and update on Letter of Credit for Completion Bonds and possible Action to Authorize the Authority to pursue alternatives to replace the Letter of Credit. Mr. Sadler reviewed the purpose of the board meeting regarding the line of credit term sheet that was reviewed in December 2010. Mr. Sadler asked Mr. John Pokorney to review the Line of Credit Agreement. Mr. Pokorney reviewed the summary provided to the board attached hereto as **Exhibit B**. Mr. Pokorney

reminded the board of the purpose of the line of credit is to provide credit enhancement and liquidity to our \$53M Variable Rate Bonds. He reviewed the history of the providers the Authority has had. The new provider would be BBVA / Compass for 3 years including the ability to terminate in 18 months without any penalty. No change in the security and collateral. The basis points pricing will change to 125 basis points which is approximately \$660K per year from 60 basis points or \$318K per year. This is the market pricing right now and reflects the conversations the Authority has had with other possible providers over the last six months. The issuance fee that will be charged by BBVA | Compass is 25 basis points or \$132K which comes out of our operation budget at this time. This is not built into the current budget so it will be a variance to the 2011 budget.

These rates are consistent with market prices. The risk with the bank based out of Spain is significantly less than the risks we had with Allied Irish Bank. After consulting with RBC, Authority staff believes this change will be the most positive one for the Authority. Mr. Brad Wright, asked if we don't make this change, what alternative would the Authority have? Mr. Pokorney answered that if we don't make this move we would be moving to a fixed rate. Ms. Bernas asked if our current bank were able to match this offer and Mr. Pokorney answered that our current bank was not willing to even meet to discuss this option. Mr. Pokorney then indicated that would result in our moving our funds to the new bank, BBVA | Compass which would earn us more money and cost us less overall. Moving the money was included in the bid from Compass. Ms. Pastor asked that to confirm that if we change within 18 months we would have no fees incurred. Mr. Pokorney explained the specifics of what would happen if we moved banks during that time frame. Mr. Sadler then asked Mr. Tezanos to review the draft resolution provided to the board attached hereto as **Exhibit C**. Mr. Tezanos summarized the Resolution to the board by indicating this Resolution authorizes the chairman and president to enter into, on behalf of the Authority, the Letter of Credit with Compass.

Mr. Peltier asked for a motion to accept Resolution 2011-80 as written. Upon motion duly made by Mr. Brad Wright and seconded by Ms. Judy Bernas Resolution 2011-80 was unanimously passed.

4. Possible Action to Authorize the Authority to move bank accounts. Mr. Tezanos explained that with the approval of the Resolution, there was no need for a second vote to approve moving the bank accounts as that is included in the Resolution.

5. Announcement of Future Meeting Dates and Other Information Concerning the Board. There are no future meetings scheduled.

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. Judy Bernas and seconded by, Mr. Jerry Walker, the motion to adjourn was unanimously approved.

EXHIBIT B

RESOLUTION NO. 2011-81