

**Arizona Sports & Tourism Authority**

**Minutes of 130<sup>th</sup> Public Meeting  
of the Arizona Sports & Tourism Authority Board of Directors**  
Wednesday, October 8, 2014  
1:30 pm  
Arizona Sports and Tourism Authority  
1 Cardinals Drive, Glendale, Arizona 85305

**In Attendance:**

**Board Members Participating Telephonically**

Jeff Meyer – Board Chair  
Dave Eberhart – Board Vice-Chair  
Maria Baier - Board Secretary  
Jeff Overton  
Jody Harwood  
Mike Galloway  
Tom Rawles  
Verma Pastor

**Staff – in person**

Tom Sadler, CEO  
Robin Lea-Amos, Office Manager  
**Staff Absent** – Kevin Daniels, CFO

**Authority General Counsel -Telephonically**

Sarah Strunk

**Board Member absent** – Sherry Henry

**Guests – in person**

Joe Coomer – Director of Stadium Security  
Fred Corsi – Executive Director of Stadium Operations  
Peter Sullivan – General Manager, University of Phoenix Stadium  
Melissa Wasson – Assistant General Manager, University of Phoenix Stadium

**Guests – telephonically**

Nicole LaPella – Arizona Office of the Auditor General

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1. Call to Order - A public meeting of the One Hundred and Thirtieth Arizona Sports & Tourism Authority’s Board of Directors was held on Wednesday, October 8, 2014 telephonically and at the offices of Arizona Sports and Tourism Authority, located at 1 Cardinals Drive, Glendale, AZ 85305. A quorum being present and the meeting having been duly noticed, Chair Jeff Meyer called the meeting to order at 2:07 pm.
  2. Consideration of Minutes from September 24, 2014 Board Meeting - Chair Meyer called for a motion to approve the minutes of the Board meeting held September 24, 2014 **attached hereto as Exhibit A**. Upon motion duly made by Member Eberhart and seconded by Member Pastor, the minutes were unanimously approved.
  3. Consideration of and Discussion to approve expenditures for capital improvements such as LED lighting, Security Camera upgrade, Fire/EMS radio upgrade and Moveable Barricade purchase (“Capital Expenses”) and a corresponding budget Amendment for authorization of those Capital Expenses – Chair Meyer asked Member Galloway to review this agenda item as it had been discussed and voted upon in the Finance Committee Meeting held September 29, 2014. Member Galloway reported that this item had been presented to the Finance Committee to

recommendation to the full Board. At the meeting the approval was passed; however was not unanimous, was 3 to 1 to recommend amending the budget to approve the capital improvements as stated in this agenda item. Mr. Galloway asked Tom Sadler to review the capital improvements to the Board.

Prior to his review of the agenda item, Mr. Sadler shared with the Board that the reason for Kevin Daniel's absence is due to a family health emergency in which he had to leave town to care for a family member. The Board expressed their best wishes be given to Mr. Daniels and his family.

Mr. Sadler reminded the Board that in August 2012 the Board had approved a budget adjustment that allowed staff to book an entry into the budget for stadium capital improvements for \$1 million dollars and a process where AZSTA, Global Spectrum and the Cardinals would bring those recommendations to the Board.

The first item request is a budget adjustment of \$647,500 to adjust the book entry to amend the amount to \$1,647,500 which would cover the capital projects **attached hereto as Exhibit B**. At that time Mr. Sadler asked if there were any questions.

Upon no questions or comments, Mr. Sadler then presented an overview of the LED Lighting project **attached hereto as Exhibit C**. Member Overton asked if the lights specified in the report were the lights that had already been installed and therefore if the money had already been spent. Mr. Sadler indicated that AZSTA had not paid for the lights as of yet, in fact the old lighting system remained in place. Mr. Galloway indicated that the lights fell within the previously approved budget amendment of \$1 Million dollars. Mr. Sadler agreed and expressed the desire to bring each of these projects individually to the board for approval. Mr. Overton asked how this was reflected in the FY2015 Budget, and how the carryover from FY2012 appears in the budget. In Mr. Daniels absence, Ms. Wasson of Global Spectrum explained the amount doesn't appear separately in the 2015 Budget because it wasn't expended. Mr. Daniels appropriated it out of the cash as a journal entry. Ms. Lea-Amos indicated the capital expenditures are mentioned in a footnote in the narrative of the FY2015 budget on page 15. Mr. Eberhart clarified that the amount had been set aside in 2012 and to date had not been spent and that the purpose for these projects was to maintain the building as normal wear and tear began at the stadium. Mr. Eberhart further stated that the intent was to set aside the amount and to bring the projects to the board for approval. Mr. Sadler asked if there were any further questions.

Upon no further questions or comments, Mr. Sadler then presented an overview of the Fire/EMS Radio Upgrade attached **hereto as Exhibit D**. Mr. Rawles stated that he originally had a question on this issue regarding whether AZSTA had to comply with this code and he had been provided with the information that attorney's recommend that AZSTA comply with this for liability reasons. Mr. Rawles indicated he was satisfied with that explanation and no longer had any questions. He did indicate that he wanted the record to show that the fire department is not requiring AZSTA comply but that AZSTA is choosing to comply. Chair Meyer thanked Mr. Rawles for the clarification and asked if there were any further questions or comments from the Board.

Upon no further questions or comments, Mr. Sadler then presented an overview of the Camera Upgrade attached **hereto as Exhibit E**. Ms. Pastor asked if the new system will incorporate new systems as technology improves. Mr. Coomer responded that yes, which was one of the purposes of upgrading, to be able to improve overtime without needing to replace the system. Mr. Rawles

asked if these improvements were required by either the Super Bowl or the Pro Bowl. Mr. Sadler indicated that neither of these items is required by the upcoming Super Bowl or Pro Bowl.

Mr. Sadler then reported that the last item listed in the Capital Projects is Bike Barricades that will cost to purchase \$58,500 vs. the annual rental of \$110,000.

Upon no further questions or comments, Mr. Sadler recommended the Board approve an amendment the line item of the budget from \$1,000,000 to \$1,647,500 as well as the approval of the projects discussed today.

Mr. Rawles explained his no vote at the Finance Committee due to his concern regarding the process and confusion at the meeting regarding the process of these acquisitions. Mr. Rawles shared his belief that the policies will be adhered to and recommended there may need to be some language added to the procurement policy to satisfy and fulfill the fiduciary duties of the Board.

Member Galloway did clarify that these items were brought to the Board in discussion and were not a surprise; however there may be an improvement as to how they are brought to the Board in the future. Mr. Overton, shared his concern is that while these projects were anticipated they were not included in the budget. Mr. Sadler indicated that in June the costs were not known regarding these projects. Mr. Sadler stated that to improve the process; during the budget process those future items would be looked at more specifically. Ms. Harwood asked that perhaps during the budget process some suggested capital items be discussed. Due to the age of the building, it would seem reasonable to include these items. Mr. Sadler agreed that including those items during budget would be reasonable.

Mr. Meyer asked Ms. Strunk to read the motion for approval for clarification. She indicated this is an all-inclusive motion for all projects mentioned and that the motion reads as follows:

- “an amendment to the current fiscal year budget to increase the line item for capital expenses by an additional \$647,500 so that the new total for capital expenditures is \$1,647,500; and
- to approve the procurement process followed by the Authority and the actual procurement of the following items that were described by the Executive Director: LED lighting, Security Camera upgrade, Fire/EMS radio upgrade and Moveable Barricade purchase.”

Mr. Rawles indicated he would prefer to approve the procurement of the lighting, the radios and the barricades. Those items would be under the \$1 million dollars and would not require an amendment to the budget. He indicated the camera system project could be brought forward during the budget process in FY2016.

Mr. Rawles motioned to approve the procurement of the LED Lighting, Fire EMS Radio and Bike Barricades; the motion was seconded by Dave Eberhart. Mr. Meyer asked for any further explanation, and upon no further discussion the motion was approved.

Mr. Meyer indicated he was in favor of moving forward with the purchase of the Camera Upgrade. Mr. Galloway indicated he was also in favor of the purchase primarily due to the events coming up and to insure the security at the stadium.

Dave Eberhart motioned to approve the procurement of the Camera Project. The motion was seconded by Member Pastor; the item was approved with one nay vote coming from Member Rawles.

Member Eberhart motioned to approve amendment to the current fiscal year budget to increase the line item for capital expenses by an additional \$647,500 so that the new total for capital expenditures is \$1,647,500. The motion was seconded by Member Harwood. The motion was approved with one nay vote coming from Member Rawles.

4. Consideration and Discussion of the Job Study – Member Galloway reported that the Finance Committee voted to approve a Recommendation to the Board to Approve the Implementation of an AZSTA Staff Job Study. Upon discussion regarding the process, Member Galloway recommended a working group be formed to acquire an appropriate job study. Member Rawles and Member Harwood volunteered to be a part of the working group. Upon motion to authorize a subcommittee consisting of Member Rawles and Member Harwood to consult DHR International to prepare a job study to be brought back to the Board and seconded by Dave Eberhart the motion was unanimously passed.

Ms. Pastor clarified for the Board that the study is for salary study only and that the review for the President and CEO position and that the staff reviews are done by the President and CEO.

5. Announcement of Future Meeting Dates - Chair Meyer indicated there would be a Board Meeting in early December and a Finance Committee being held just prior to the Board Meeting.
6. Adjournment – There being no further business of the board, Mr. Meyer asked for a motion to adjourn. Upon motion duly made by Member Eberhart and seconded by Member Pastor, the meeting was adjourned.