



**Minutes of 132ND Public Meeting
of the Arizona Sports & Tourism Authority Board of Directors**

Thursday, January 22, 2015

11:00 a.m.

Fennemore Craig, 2394 E. Camelback Rd, Suite 600, Phoenix, AZ 85016

In Attendance:

Board Members

Jeff Meyer – Board Chair - **Telephonically**

Dave Eberhart – Board Vice-Chair – **in Person**

Sherry Henry - **in Person**

Jeff Overton - **Telephonically**

Jody Harwood - **Telephonically**

Mike Galloway - **Telephonically**

Tom Rawles - **Telephonically**

Verma Pastor - **in Person**

Maria Baier - Board Secretary – **Telephonically**

Judy Bernas – (Pending Senate Confirmation) - **Telephonically**

Staff in Person

Tom Sadler, CEO

Robin Lea-Amos, Office Manager

Kevin Daniels, CFO

Authority General Counsel in Person

Sarah Strunk

Guests

John Drum – Arizona Cardinals

1. Call to Order - A public meeting of the One Hundred and Thirty-first Arizona Sports & Tourism Authority's Board of Directors was held on Thursday, January 22, 2015 at the offices of Fennemore Craig, 2394 E. Camelback Rd, Suite 600, Phoenix, AZ 85016. A quorum being present and the meeting having been duly noticed, Chair Jeff Meyer called the meeting to order at 11:06 pm. Upon meeting being called to order, Mr. Meyer asked Ms. Lea-Amos to perform a roll call to identify the members participating in person and telephonically.
2. Consideration of Minutes from December 11, 2014 Board Meeting - Chair Meyer called for a motion to approve the minutes of the Board meeting held December 11, 2014 **attached hereto as Exhibit A**. Upon motion duly made by Member Henry and seconded by Member Harwood, the minutes were unanimously approved.
3. **ACTION ITEM:** Motion to go into executive session pursuant to A.R.S. §38-431.03(a)(3) regarding legal advice concerning obligations of the Authority under the proposed License Agreement between the Authority, the National Football League ("NFL") and the Arizona Super Bowl Host Committee (the "NFL License Agreement") and the License Agreement between the Authority and the Arizona Cardinals regarding the use of Sportsman Park in connection with the NFL License Agreement (the "Sportsman Park License Agreement"). Mr. Meyer asked for a

motion to enter into executive session which was made by Member Pastor and seconded by Member Harwood.

Mr. Rawles asked for clarification as to why the Executive Session was needed. Ms. Strunk indicated the item was put on the agenda in the case that the Board had questions regarding the specific terms of the agreement and with respect to the Authority's legal rights and concerns. Ms. Strunk stated that if there were no questions regarding legal risks and obligations, there is no need for an Executive Session. Mr. Meyer asked if there were questions from the Board relative to legal advice. Ms. Pastor withdrew the motion to move into Executive Session.

4. **ACTION ITEM:** Consideration of a Resolution No. 2014 – 88 to (a) authorize the execution, delivery and performance of the NFL License Agreement; (b) to confirm the full payment of the current year's required principal and interest payments on any outstanding bonds and to provide for the rebate to the NFL the transaction privilege tax revenues derived pursuant to section 42-5073, subsection G, paragraph 1 from sales of admissions to the NFL Super Bowl XLIX; and (c) to authorize the execution, delivery and performance of the Sportsman Park License Agreement. Ms. Strunk shared an executive summary of the two agreements previously provided to the Board, **attached hereto as Exhibit B** as well as the NFL License Agreement **attached hereto as Exhibit C** and the Sportsman Park License Agreement **attached hereto as Exhibit D**.

Mr. Eberhart expressed concern that the documents were being presented to the board for approval so close to the Super Bowl. Ms. Strunk indicated the length of time was due to the number of parties involved in the agreement. Additionally the payment obligations clarification required additional conversations between the parties. Mr. Eberhart thanked Ms. Strunk and asked that with additional mega events projected in the future, the objective would be to provide these agreements to the Board earlier in the process. Mr. Sadler thanked Mr. Eberhart for his comments and agreed that in the future the Authority would make every effort to meet that goal.

Mr. Meyer asked Mr. Daniels about the revenue projections and would they allow for the approval of the provision of the repayment to the NFL if the projections are accurate. Mr. Daniels, AZSTA Chief Financial Officer, confirmed that the trustee, Bank of New York Mellon Corporate Trust Services, has made the two semi-annual bond debt service payments for the year. Payments were made on the debt service on both senior bond issues (series 2007A and 2012A) and on the subordinate bond issue (series 2013). These payments were made in-full and on schedule on July 01, 2014 and on January 01, 2015 of the current fiscal year. Mr. Daniels also indicated that the Authority is on track to have sufficient funds to pay all of the principal and interest due on the next semi-annual debt service payment for these same bond debt service payments. Those payments will be made July 01, 2015; which is the first day of the next fiscal year.

Upon no further discussion and motion duly made by Mr. Rawles and seconded by Ms. Henry to adopt Resolution No. **2015-89** to (a) authorize the execution, delivery and performance of the NFL License Agreement; (b) to confirm the full payment of the current year's required principal and interest payments on any outstanding bonds and to provide for the rebate to the NFL the transaction privilege tax revenues derived pursuant to section 42-5073, subsection G, paragraph 1 from sales of admissions to the NFL Super Bowl XLIX; and (c) to authorize the execution, delivery and performance of the Sportsman Park License Agreement the motion was unanimously passed.

5. **ACTION ITEM: Consideration of Request to Donate the AZSTA loft to a Non-Profit Group for One Game in the 2015 Cardinals Season** - Mr. Rawles presented to Board a request for donation to the Arizona Humane Society for their annual fundraiser held March 29, 2015. Mr. Rawles suggested the donation of the loft would be positive gesture from AZSTA to donate to an organization outside of one of the standard stakeholders of AZSTA. Ms. Harwood suggested soliciting among the board other items to assemble a package and then donate four loft tickets as a way to keep from donating the entire loft. Ms. Pastor commented that perhaps guidelines should be adopted to prevent inconsistency for future donation requests. Ms. Baier recommended donating four tickets to the AZSTA loft while other Board Members would assist in building a package. Tom Rawles motioned that the AZSTA Board agree to donate four tickets to the AZSTA loft for a regular season Cardinals game (game to be determined by AZSTA) which would include parking and concessions. Upon motion 2nd by Ms. Baier the motion was unanimously approved.
6. **Announcement of Future Meeting Dates** - Chair Meyer indicated the date of the next Board Meeting will most likely be held in mid-April.
7. **Adjournment** –Upon motion duly made by Member Eberhart and seconded by Member Harwood the meeting was adjourned.