



**Minutes of 136th Public Meeting
of the Arizona Sports & Tourism Authority Board of Directors**

Wednesday, June 17, 2015
12:00 p.m.

Arizona Sports & Tourism Authority Board Room, 1 Cardinals Drive, Glendale, AZ 85305

In Attendance:

Board Members

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

Staff

Tom Sadler, CEO
Kevin Daniels, CFO
Robin Lea-Amos, Office Manager

Authority General Counsel

Sarah Strunk

Absent:

Tom Rawles
Sherry Henry

Guest

Jaime Molera, The Molera Alvarez Group
Nicole LaPella, Arizona Office of the Auditor General
Ron Minegar, The Arizona Cardinals
Peter Sullivan, Global Spectrum
Melissa Wasson, Global Spetrum

-
1. **Call to Order** The 136th public meeting of the Arizona Sports & Tourism Authority's (the "Authority") Board of Directors (the "Board") was held on Wednesday, June 17, 2015, 12:00 p.m., at the offices of Arizona Sports and Tourism Authority, 1 Cardinals Dr., Glendale, AZ 85305. A quorum being present and the meeting having been duly noticed, Chair Meyer, called the meeting to order at 12:07 p.m.
 2. **ACTION ITEM:** Consideration of Minutes from June 9, 2015 Board Meeting - Chair Meyer called for a motion to approve the minutes of the Board meeting held June 9, 2015 attached hereto as **Exhibit A**. Upon motion duly made by Member Harwood and seconded by Member Overton, the minutes were unanimously approved.

3. **INFORMATION: Discussion of Draft AZSTA Strategic Plan** Chair Meyer presented the Strategic Plan attached hereto as **Exhibit B**. Tom Sadler reminded the board that there had been discussion to include the staff initiatives into the Strategic Plan and to encompass the document into the 15 year retrospective. Mr. Sadler recommended the plan be discussed in detail at the fall Board retreat. Chair Meyer thanked Peggy Fiandaca for her work in developing the plan and working with the board at the planning sessions.
4. **ACTION ITEM: Consideration of Motion to enter into Executive Session pursuant to: (1) A.R.S. 38-431.03.(A)(1) to Review the 2015 Performance Goals and the Compensation of the Employees of the Authority; and (2) A.R.S. § 38-431.03.A3 and A4 regarding legal advice with attorneys of the Authority regarding certain litigation and dispute matters involving the Authority, specifically Saban v. Arizona Department of Revenue - Chair Meyer asked for a motion to enter into executive session which was made by Member Eberhart and seconded by Member Galloway. Upon a unanimous vote, the Board entered into executive session.**
5. **ACTION ITEM: Consideration of Approval of FY2016 Budget** Chair Meyer asked Tom Sadler and Kevin Daniels to present the FY2016 budget package attached hereto as **Exhibit C**. Mr. Daniels reviewed the budget package in detail to the board. Member Eberhart asked if the Youth and Amateur Sports amounts were determined by statute and Mr. Daniels replied that yes those amounts are set by statute as long as the revenues are available to fund those amounts. Member Overton asked for clarification regarding the Cardinals game day expenses (page 10) increase over the other years and Mr. Daniels indicated he would research the figures and provide an explanation to the board at the next opportunity. Member Eberhart asked if it would be advantageous to refinance the Bonds again. Mr. Daniels indicated that he would ask RBC look at the possibility. Mr. Daniels reminded the board that in regards to forecasting revenue, the Authority uses a very conservative approach. Member Harwood asked for clarification on the increase in health care costs and Mr. Daniels explained that he is building in an approximate 18% increase for FY2016 costs which was the percentage that was increased in FY2015. Mr. Daniels reviewed the potential capital improvement projects (page 28) for the stadium and how they compare to the estimated model from Prop 302. Member Galloway reminded the board how far under the actual capital expenses are in contrasted with anticipated costs. While reviewing the projected available cash (page 30) Member Pastor asked how many scoreboard payments the Authority will make to the Cardinals. Mr. Daniels answered that there will be seven in total. Chair Meyer thanked Mr. Daniels for his efforts to develop the budget and provide the final copy to the board. Chair Meyer asked for a motion to approve the FY2016 Budget, which was made by Member Galloway and seconded by Member Baier. Upon a unanimous vote, the Board approved the FY2016 Budget.
6. **ACTION ITEM: Consideration of Approval of Revised Procurement Policy** Member Galloway reminded the board that Member Rawles was involved in the review of the draft procurement policy attached hereto as **Exhibit D** and due to his absence at this meeting, Member Galloway recommended tabling this item until the next meeting. Chair Meyer directed Mr. Sadler to use the draft policy should there be any need to acquire goods or services for the Authority.

Chair Meyer indicated two board members (Members Baier and Galloway) needed to leave but would join the rest of the meeting via conference call and to give them time to re-join the meeting, the board would take a 10 minute break. Chair Meyer also recommended changing the

order of the agenda for the remaining meeting in order to insure all board members were available for the items that required a vote.

7. **ACTION ITEM:** Consideration of approval of the Assignment and Assumption Agreement, by and among the Authority, the Arizona College Football Championship Foundation and the Arizona 2016 College Football Championship LLC (the "Host Committee"), for the assignment to and assumption by the Host Committee of the National Championship and Playoff Game Special Use Agreement dated as of August 15, 2005 Chair Meyer asked Sarah Strunk to review this agenda item with the board. Ms. Strunk shared and reviewed a memo as well as the agreement attached hereto as **Exhibit E & F**. After discussion and upon no further questions Chair Meyer asked for a motion to approve the Consideration of approval of the Assignment and Assumption Agreement, by and among the Authority, the Arizona College Football Championship Foundation and the Arizona 2016 College Football Championship LLC (the "Host Committee"), for the assignment to and assumption by the Host Committee of the National Championship and Playoff Game Special Use Agreement dated as of August 15, 2005, which was made by Member Baier and seconded by Member Harwood. Upon a unanimous vote, the motion was unanimously passed.

8. **ACTION ITEM:** Consideration of approval of certain consulting agreements, including Bigelow Companies Agreement for Food & Beverage RFP Consulting Services, C.H. Skiem Consulting LLC Agreement for Stadium Management and Marketing RFP Consulting Services, Eide Bailly LLP Agreement for the Audit of Financial Statements for FY2015 and Roger Brendecke for the Camelback Ranch Project Review Chair Meyer asked Mr. Sadler to review the consultant agreements attached hereto as **Exhibits G, H, I & J**. During the review of the agreements for RFP for stadium management and food & beverage, Ms. Strunk reminded the board that these consultants are specialized skills which don't require an RFP to hire the consultant. Member Galloway volunteered to work with the staff during the RFP process for stadium management. After discussion and upon no further questions Chair Meyer asked the board if they were comfortable considering the agreements together or if there was a preference to vote on each agreement individually. Upon consensus to consider them together, Chair Meyer asked for a motion to approve the consulting agreements as stated in the agenda. Upon motion made by Member Eberhart and seconded by Member Pastor the motion was unanimously passed.

After the vote, Member Galloway asked Ms. Strunk to review best practices regarding meeting with board members and potential entities involved in the bidding process. Ms. Strunk reviewed the best practices and reminded the board that as this is not an item on the agenda; any direction to the board would need to be discussed and adopted at the next meeting.

9. **INFORMATION:** Youth & Amateur Sports Update Chair Meyer asked Grants Program Coordinator Robin Lea-Amos to provide this update to the board. Ms. Lea-Amos reviewed the update with the board attached hereto as **Exhibit K**. Ms. Lea-Amos also gave a summary of the Youth & Amateur Sports Summit which had just been held June 10 at the stadium. Member Pastor commented that the event was above expectation. Member Eberhart indicated the summit reached its two goals which was to highlight AZSTA's efforts and also provide opportunities to network among the non-profits and to learn from one another. Member Baier recommended sending a survey to the attendees requesting feedback. Ms. Lea-Amos indicated she could follow through with that suggestion.

10. **INFORMATION: Review Potential Media Relations Consulting Need for FY2016** Chair Meyer asked Tom Sadler to review the need for media consulting. Mr. Sadler reminded the board that this need has been brought to board before; however before going out to RFP, he wanted to ask the board if there were any further questions or discussion as staff is prepared to go forward with the RFP. Member Eberhart recommended a ‘pre-bid’ meeting with any interested parties. Member Harwood indicated she would be willing to assist with the RFP process.
11. **INFORMATION: New Business or Staff Report** Chair Meyer congratulated Spectra, the Cardinals and Tom Sadler on the accomplishments and awards presented in FY2015.
12. **ACTION ITEM: Nomination and Election of Officers for FY2016** Chair Meyer asked Member Pastor to share with the board the results of the nomination committee. Member Pastor thanked the committee for their efforts and shared with the board that the committee discussed with each of the nominees the duties and responsibilities of the office. Member Pastor then presented the following slate of officers to be voted upon for the 2016 Board of Directors.
- For the office of Chairman of the Board for FY2016 – David Eberhart
 - For the office of Vice Chairman of the Board for FY2016 – Maria Baier
 - For the office of Secretary of the Board for FY2016 – Jeff Overton
- Chair Meyer called for any other nominations from the Board. Upon no other nominations being submitted a motion duly made by Member Pastor and seconded by Member Harwood, the recommended slate of officers was unanimously approved. Member Baier was no longer on the phone and Members Rawles and Henry was absent. The 6 remaining board members all voted aye.
13. **INFORMATION: Announcement of future meeting dates** Mr. Sadler reminded the board of the upcoming dates for the release of the draft and final reports by the Arizona Office of the Auditor General. Mr. Sadler also thanked Chair Meyer on behalf of the staff for his hard work as Chair.
14. **Adjournment** There being no further business, and upon motion duly made by Member Eberhart and seconded by Member Pastor, Chair Meyer adjourned the meeting.