

**RIO SALADO CROSSING MULTI-PURPOSE FACILITIES DISTRICT
BOARD OF DIRECTOR'S MEETING/PUBLIC HEARING**

The Board of Directors of the Rio Salado Crossing Multi-purpose Facilities District met in a Board Meeting/Public Hearing in the Apache Room of the Rendezvous Center, 263 North Center Street, Mesa, Arizona, on July 28, 1998 at 5:00 p.m.

BOARD PRESENT

Marty Whalen, Chairman
Pat Gilbert
Marjorie Heckman
David Johnston
Jim Lykins

MESA COUNCIL PRESENT

Wayne Brown, Mayor
Jim Davidson
Keno Hawker
Bill Jaffa

OTHERS PRESENT

Dana Belknap
Robert Brinton
Jim Huling
Jerry Petrie
Michael Rushman
Mark Schnepf
Bill Simms
Dave Wier

MESA STAFF PRESENT

C.K. Luster
Neal Beets
Linda Crocker
Mike Hutchinson
Barbara Jones
Andrea Rasizer
David Spaur
Larry Woolf

1. Introduction of Boardmembers, opening remarks.

Mayor Brown welcomed those in attendance to the first meeting of the Board of Directors of the Rio Salado Crossing Multi-purpose Facilities District. Mayor Brown commended the members of the Board for their willingness to serve and introduced each of the Directors and staff present at the meeting to the members of the audience.

Mayor Brown acknowledged the presence of Queen Creek Mayor Mark Schnepf at the meeting and invited Mayor Schnepf to address remarks to the audience.

Mayor Schnepf expressed appreciation to Mayor Brown and the City of Mesa for allowing the Town of Queen Creek to participate in the Rio Salado Crossing project. Mayor Schnepf commented that the proposal represents an exciting opportunity for the City of Mesa and the Towns of Gilbert and Queen Creek to work together in a cooperative effort to benefit all of the communities involved.

2. Election of Board Chairman.

City Attorney Neal Beets advised that the next order of business is to appoint members of the Board of Directors to specific offices, in accordance with State law.

It was moved by Boardmember Gilbert, seconded by Boardmember Lykins, that Boardmember Whalen be appointed Chairman of the Board of Directors.

Carried unanimously.

Chairman Whalen expressed appreciation to the members of the Board for his appointment and stated that he is honored to serve in this position.

3. Election of Board Secretary.

It was moved by Boardmember Gilbert, seconded by Boardmember Johnston, that Boardmember Lykins be appointed Board Secretary for the Board of Directors.

Carried unanimously.

4. Designation of ex-officio Treasurer.

City Attorney Neal Beets noted that the Board has been provided with a copy of City of Mesa Assistant Finance Director Larry Woolf's resume and commented on Mr. Woolf's credentials and extensive financial background.

Chairman Whalen advised that Mr. Woolf was unable to attend the meeting and spoke in support of Mr. Woolf's appointment to the position of ex-officio Treasurer.

It was moved by Boardmember Johnston, seconded by Boardmember Lykins, that Mr. Woolf be appointed ex-officio Treasurer.

Carried unanimously.

5. Appointment of Legal Counsel.

Chairman Whalen advised that Mr. William (Bill) J. Sims III, a partner in the law firm Santin, Poli, Ball and Sims, has been highly recommended for the appointment as Legal Counsel. Chairman Whalen noted Mr. Sim's extensive professional experience, particularly in the area of transactions involving the financing, construction and operation of sports facilities.

It was moved by Boardmember Gilbert, seconded by Boardmember Johnston, that Mr. William (Bill) J. Sims be appointed Legal Counsel.

Carried unanimously.

Chairman Whalen noted that both Mr. Simms and Mesa City Attorney Neal Beets will serve as legal advisors and added that the attorneys may defer to one another should conflicts of interest arise during future discussions.

6. Consider adopting District bylaws.

Boardmember Gilbert commented on the contents of Article Four, Section 4. Member Quorum and Voting. Boardmember Gilbert stated the opinion that each of the Boardmembers should vote as single members on matters that will be placed before the various Councils for their consideration the latter part of August. Boardmember Gilbert added that weighted votes may be appropriate on future issues which may solely impact the City of Mesa. Boardmember Gilbert stated the opinion that the weighted vote alternative should be further explored and presented for consideration at the Friday, July 31, 1998 Board meeting.

In response to a question from Boardmember Gilbert, Mr. Beets indicated that he and Mr. Sims would review the weighted vote issue and initiate steps to develop a 'triggering mechanism' whereby weighted voting would occur as certain circumstances arise.

Mr. Beets, commenting on a separate issue, reported that he was contacted by the Town of Gilbert's attorney regarding the language contained in Article Four, Section 6. Presumption of Assent. Mr. Beets explained that the intent of the language was to state that as members of the Board, each director has an obligation to vote unless a conflict of interest exists. Mr. Beets indicated that he concurs with the attorney's opinion that the language should be revised to better reflect the section's intended meaning.

Chairman Whalen stated that he concurs with Boardmember Gilbert's suggestion relative to exploring additional weighted voting options and presenting the recommendations to the Board for their review and consideration at the next meeting.

In response to a question from Boardmember Johnston, Mr. Beets presented the Board with a brief overview of the Open Meeting Law and commented on the issue of quorums. Mr. Beets noted that the weighted voting issue will determine what constitutes a quorum of the Board. Mr. Beets also provided the Boardmembers with a brief synopsis of Conflict of Interest laws and the contents of the Public Records Act.

7. Hear a presentation pertaining to the Rio Salado Crossing conceptual development and financing plan; Board questions, discussion and direction.

Mr. Michael Rushman addressed the Board relative to this agenda item and introduced members of the design team present at the meeting. Mr. Rushman provided a brief overview of the proposal and noted that the 650-acre project will be located east of the 101 Freeway and South of the 202 Freeway.

Discussion ensued relative to major elements of the project, the fact that a more detailed presentation of the revised project will be available after August 13, 1998, major changes which have occurred in the design of the design/scope of the project, parks, recreation and open space, residential, hotel and retail components, the construction of a retractable football field, a proposed exposition and convention center, construction phasing,

emphasis on canal/water usage throughout the project, pedestrian trails, and a variety of proposed amenities to be included in the proposal.

Mr. Rushman also provided a brief overview of costs and financing for the project and commented on the public/private investments required to ensure the overall success of the proposal.

In response to a question from Boardmember Gilbert, Mr. Rushman explained that the Rio Salado Crossing Association is a 'grass roots' citizens' effort and added that the members are committed to ensuring that the project's momentum continues to move forward. Mr. Rushman stated that the Association will continue to be involved in the public education component of the project but will not participate in the actual implementation of the plan.

Mr. Rushman also reported that informal discussions have occurred with the Salt River Pima-Maricopa Indian Community relative to the possibility of a cooperative venture in the future that would benefit everyone involved.

In response to a question from Boardmember Johnston, Mr. Rushman advised that convention commitments are scheduled far in advance of the actual meetings and stated that facility scheduling will be an important part of the use agreements.

Additional discussion ensued relative to the importance of riparian habitats, the fact that the two proposed golf courses will be resort caliber and the future relocation of Riverview Park ball fields.

Chairman Whalen thanked Mr. Rushman for his presentation.

8. Discuss and consider adopting a Board Work Plan.

Chairman Whalen noted that the adoption of a Board Work Plan is contingent upon the adoption of the District bylaws. Chairman Whalen advised that this item will be considered following the Board's review and adoption of proposed bylaws at the Friday, July 31, 1998 Board meeting/public hearing.

In response to comments from Boardmember Gilbert relative to the importance of ensuring that all aspects of the proposal remain open to the public, Mr. Sims emphasized that every effort should be expended to keep the public informed of the status of the proposal. Mr. Sims added that it may prove beneficial to allow certain aspects of the actual negotiations to remain private pending the successful completion of the contractual process.

9. Scheduling of meetings and general information.

In response to a question from Mr. Beets, Boardmember Johnston recommended that the next public hearing be held in the Town of Gilbert to allow the Town of Queen Creek additional time to publicize the meeting.

Chairman Whalen advised that the meeting schedule is as follows:

Tuesday, August 4, 1998, 6:00 p.m. – Board of Director's Meeting/Public Hearing, Town of Gilbert Council Chambers

Tuesday, August 11, 1998, 6:00 p.m. – Board of Director's Meeting/Public Hearing, Town of Queen Creek Council Chambers.

11. Adjournment.

Without objection, the meeting adjourned at 6:16 p.m.

Carried unanimously.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Board of Directors Meeting/Public Hearing, held on the 28th day of July 1998. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of August, 1998

JIM LYKINS, BOARD SECRETARY