

**RIO SALADO CROSSING MULTI-PURPOSE FACILITIES DISTRICT
BOARD OF DIRECTORS' MEETING**

The Board of Directors of the Rio Salado Crossing Multi-purpose Facilities District met in a Board Meeting in the City of Mesa Lower Level Council Chambers, 57 East 1st Street, Mesa, Arizona, on October 28, 1998 at 5:03 p.m.

BOARD PRESENT

Marty Whalen, Chairman
Pat Gilbert
Marjorie Heckman
Dave Johnston
Jim Lykins
Roseann Sweet

BOARD ABSENT

None

MESA COUNCIL PRESENT

Jim Davidson
Keno Hawker

STAFF PRESENT

Linda Crocker
Jerry Dillehay
Mike Hutchinson
Barbara Jones
Andrea Rasizer
Larry Woolf
Others

OTHERS PRESENT

Robert Brinton
Robbie Sherwood
Bill Sims
Others

1. Approve minutes from the August 28, 1998 and October 7, 1998 meeting.

Legal Counsel Bill Sims noted that agenda item number 6 on page 2 of the October 7, 1998 minutes, relative to proceeding with a project financial feasibility study, should be amended by adding the statement "and that the procurement of Ernst & Young be conducted by the City of Mesa."

Boardmember Johnston pointed out that agenda item number 10 on page 4 of the October 7, 1998 minutes, relative to the Chairman's committees and appointments, should be amended to reflect that Boardmember Sweet serves on the Public Affairs Committee along with Boardmember Gilbert and Public Information Officer Andrea Rasizer.

It was moved by Boardmember Johnston, seconded by Boardmember Sweet, that the minutes of the August 28, 1998 and October 7, 1998 meeting be approved as amended.

Carried unanimously.

2. Hear reports from Chairman's Committees.

Capital Facilities Committee:

No report at this time.

Marketing & Operations Committee:

No report at this time.

Finance Committee:

Boardmember Johnston advised that the Finance Committee received a brief update from ex-officio Treasurer Larry Woolf several weeks ago. Mr. Johnston characterized the meeting as a 'strategizing session' and stated that in view of recent developments, updated information should be available in the near future.

In response to a request from Chairman Whalen, Assistant City Manager Mike Hutchinson stated that crucial issues to be addressed include the operations, maintenance and general layout of the convention facilities. Mr. Hutchinson updated the members of the Board on the results of a meeting that was held between representatives of the Rio Salado Crossings group, the Cardinals, City staff and a consulting firm to analyze several of the targeted issues. Mr. Hutchinson reported that the architect has initiated minor revisions to the original plans based on the fact that the City of Tempe is no longer participating in the proposed project, and stated that the meeting was both informative and productive.

Discussion ensued relative to the land use plan, retail development, the importance of locating hotels in close proximity to the retail areas of the project, the marketability of the proposal, the need for larger facilities to host consumer and trade shows, operations and maintenance costs, the possibility of entering into a regional marketing program with the City of Phoenix, salary schedules, and the fact that initial cost estimates will be available in the near future.

Mr. Hutchinson advised that discussions also occurred relative to the proposed stadium and associated operational costs and the use of the facility in connection with scheduled convention events. Mr. Hutchinson expressed the opinion that the input received was extremely valuable and will assist in improving the overall adaptability of the convention center as it relates to other on-site operations and retail services.

In response to a question from Boardmember Johnston, Mr. Hutchinson stated the opinion that a significant demand exists for a facility to host consumer shows for the entire southwest area. Mr. Hutchinson added that this type of service would also generate significant revenues.

Additional discussion ensued relative to the fact that the major facility in the convention center would be the 350,000 square foot exhibit hall, which would allow the City of Mesa to host shows that the Phoenix Civic Center is unable to accommodate, ancillary meeting rooms, and the importance of golf courses and a resort-type concept to assist hotels in attracting an upscale leisure market.

Mr. Sims commented that the distinction between a 'flat' or trade show and a convention is that tradeshow do not provide jurisdictions with the significant amount of motel/hotel revenues that are generated by conventions.

In response to a question from Boardmember Heckman, Mr. Hutchinson stated that extensive discussion occurred relative to site access and parking requirements for both the 8 to 10 game days and the rest of the year when consumer/trade/convention shows would occur. Mr. Hutchinson discussed the architect's intention to focus on additional surface and garage parking proposals for the site.

Ex-officio Treasurer Larry Woolf reported that several meetings have been held with representatives of the Arizona Cardinals in an effort to assemble a 'financial package' for the project. Mr. Woolf commented that the project represents a major undertaking involving a

variety of complicated issues. Mr. Woolf added that specific information relative to the financial aspects of the project should be available for discussion at the next Board meeting.

In response to a question from Chairman Whalen, Mr. Woolf stated that although a variety of issues remain to be addressed and defined, significant progress is being made.

3. Schedule meetings and general information.

Chairman Whalen requested that the Chairmen of the Capital Facilities, Marketing & Operations, Finance and Contracts Committees contact Mr. Hutchinson as soon as possible and schedule formal meetings in which to present their findings.

Boardmember Lykins emphasized that although recent press coverage has erroneously indicated that the project will proceed, an extensive amount of on-going discussions and negotiations are continuing and the final outcome has not as yet been determined.

4. Call to the public.

Chairman Whalen advised that there were no speakers present wishing to address the Board at this time.

5. Adjournment.

Without objection, the meeting adjourned at 5:28 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 held on the 28th day of October 1998. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of October, 1998

JIM LYKINS, BOARD SECRETARY