

**Minutes of Special Meeting
of the Board of Directors of
Rio Nuevo Multipurpose Facilities District**

Wednesday, March 31, 2010

**Tucson Convention Center
Tucson, Arizona**

A special meeting of the Board of Directors of the Rio Nuevo Multipurpose Facilities District was held on Wednesday, March 31, 2010 in the Maricopa Meeting Room of the Tucson Convention Center, 260 South Church Avenue, Tucson, Arizona commencing at 2:30 pm.

1. Call to Order / Roll Call

The meeting was called to order at 2:30 pm.

| | Appointee | Present | Absent/Excused |
|--------------------------------|------------------|----------------|-----------------------|
| Jeff DiGregorio (Acting Chair) | Tucson | x | |
| Jodi A. Bain, Member | Governor | x | |
| Dan Eckstrom, Member | South Tucson | | x |
| Scott Egan, Member | House | x | |
| Craig Finfrock, Member | Senate | x | |
| Carlotta Flores, Member | Governor | x | |
| Mark Irvin, Member | House | x | |
| David N. Jones, Member | Governor | x | |
| Alberto Moore, Member | Senate | x | |
| Anne-Marie Russell, Chair | Tucson | x | |
| Victor Soltero, Member | South Tucson | x | |
| Alan F. Willenbrock, Member | Governor | x | |

The following Board Member arrived at 3:00 pm

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| Dan Cavanaugh, Member | Governor | x |
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2. Consider (and, if appropriate, Approve) Minutes of March 24, 2010 Meeting

A motion to approve the minutes of the special meeting on March 24, 2010 was made by Board Member Alan F. Willenbrock, seconded by Board Member Anne-Marie Russell, and passed unanimously, 11-0.

3. Informational Presentations with respect to Public Official's Liability Insurance

Board Member Mark Irvin asked representatives of four insurance brokers to present information concerning the types of insurance that the Board should obtain. The speakers included Drew Newton of the Mahoney Group (Tucson); Mitch Childers of DM Lovitt (Tucson) and Matt Jones of Swett and Crawford (Phoenix) and, by conference call, Mike

Ketchum and Jody Sarchett of Lovitt & Touche (Tucson) and Jeffrey Karez of ARC Excess and Surplus (New York City).

Mark Neihart from City of Tucson Procurement Department indicated that according to the IGA between the City and the Rio Nuevo Multipurpose Facilities District, the District has adopted the City's procurement policies and may avail itself of the services of the City's Procurement Department to obtain the desired coverages.

4. Informational Presentation with respect to County Stadium Districts – William Hicks

Mr. Hicks stated that the Rio Nuevo Multipurpose Facilities District was created pursuant to A.R.S. Title 48, Chapter 26, which deals with County Stadium Districts. Despite the involvement of the Cities of Tucson and South Tucson in the formation of the District and the recent governance changes as a result of which the directors are appointed by State officials, the District is still designated, for the purposes of the statute, as a County Stadium District, and is required to act accordingly. So, for example, the official oaths of office of the directors and the annual budgets are required to be filed, and have been filed, with the Clerk of the Pima County Board of Supervisors.

5. Study Session with respect to Administrative Matters

A brief discussion occurred regarding the role of the nine new members and the four incumbent members in relation to the District. Mr. Hicks indicated that Senate Bill 1003 clearly provides that the four incumbent members "may" serve until the expiration of their respective terms and, during that period, will have the same rights and obligations as the newly-appointed members.

6. Interim Executive Director's Report – Richard Miranda

Interim Executive Director Richard Miranda gave an update concerning the Rialto Theatre. The Rialto Theatre Building at 318 East Congress Street is owned by the Rio Nuevo District pursuant to a development and intergovernmental agreement approved in 2004. Currently, the owners of the adjacent properties on the Rialto block are performing significant improvements to their buildings to accommodate new tenants. As part of these renovations, the owners of these properties need to access certain electrical components, which will require the removal of an old chimney from the exterior of the Rialto Theatre building. Since the chimney is on District-owned property, they need consent from the District to remove this old chimney.

Mr. Miranda indicated that this is the kind of administrative action he would normally take without getting prior Board approval, but because the District board is in a period of transition, he wanted at least to advise the Board of this issue and let the Board know that unless the Board instructs him to do otherwise, he will consent to the removal on behalf of the District. He also mentioned that the demolition permit will still be reviewed through the City's historic review process to make sure it complies with the code requirements and that no historic elements are jeopardized.

7. Study Session with respect to District Contracts – City Staff

Jessie Sanders gave a PowerPoint presentation regarding existing District Contracts. William Hicks described the scope and terms of his engagement as District Counsel.

Greg Shelko described his role and the terms of his contract as the District's representative with respect to the Tucson Convention Center Expansion and the Convention Center Hotel project.

8. Executive Session

No Executive Session was held.

9. Future Meetings Dates and Agenda Items

- Next scheduled Board meetings will be April 8th at 2:00 pm and April 12th at 2:00 pm.
- The April 8th meeting will include a presentation by the Arizona Treasurer's Office regarding investments, a presentation regarding conflicts of interest, the IGAs between the District and the City of Tucson, and the District's desire to obtain public officials' liability insurance.

10. Adjournment

The meeting was adjourned at 5:25 pm.