

RIO NUEVO MULTIPURPOSE FACILITIES BOARD MEETING

Tucson, Arizona  
January 12, 2016  
3:00 p.m.

REPORTED BY:

John Fahrenwald

---

KATHY FINK & ASSOCIATES

2819 East 22nd Street

Tucson, Arizona 85713

(520)624-8644

1 (Meeting commenced at 3:00 p.m.)

2 CHAIRMAN McCUSKER: We'll call the meeting to  
3 order.

4 Edmund, please lead the pledge.

5 (Pledge of Allegiance was recited.)

6 CHAIRMAN McCUSKER: Michele, call the roll.

7 MS. BETTINI: Edmund Marquez?

8 MR. MARQUEZ: Here.

9 MS. BETTINI: Jannie Cox?

10 MS. COX: Here.

11 MS. BETTINI: Chris Sheafe?

12 TREASURER SHEAFE: Here.

13 MS. BETTINI: Fletcher McCusker?

14 CHAIRMAN McCUSKER: Here.

15 MS. BETTINI: Mark Irvin?

16 SECRETARY IRVIN: Here.

17 MS. BETTINI: Jeff Hill?

18 MR. HILL: Here.

19 CHAIRMAN McCUSKER: And Cody's excused.

20 I have the transcripts from the December 16th  
21 meeting. Any corrections or comments? If not, I need a  
22 motion to approve.

23 MS. COX: So moved.

24 MR. MARQUEZ: Second.

25 CHAIRMAN McCUSKER: All in favor, say aye.

1 (Ayes.)

2 (The Board voted and the motion  
3 carried.)

4 CHAIRMAN McCUSKER: This is the time we set aside  
5 for Executive Session.

6 We need a motion to recess to exec.

7 SECRETARY IRVIN: So moved.

8 MR. MARQUEZ: Second.

9 CHAIRMAN McCUSKER: All in favor, say aye.

10 (Ayes.)

11 CHAIRMAN McCUSKER: We'll be back in 20,  
12 30 minutes.

13 (The Board adjourned to Executive  
14 Session at 3:03 p.m.)

15 (The Board reconvened at 3:33 p.m.)

16 CHAIRMAN McCUSKER: Okay. I need a motion to  
17 reconvene.

18 SECRETARY IRVIN: So moved.

19 CHAIRMAN McCUSKER: Second, please?

20 MS. COX: Second.

21 CHAIRMAN McCUSKER: All in favor, say aye.

22 (Ayes.)

23 CHAIRMAN McCUSKER: Okay. We're back in business.

24 This may be the fastest meeting in Rio Nuevo's  
25 history. Much of the items on the agenda are not far enough

1 along, legally, for us to take action on. We'll touch on  
2 them. But a lot of it is going to take another meeting.

3 We can discuss and we'll take some instructions to  
4 counsel on Greyhound. That's moving along quite nicely.  
5 Greyhound's been in town several times. We've identified  
6 protective sites that they like. We are moving forward to  
7 try and acquire a vacant parcel. And we'll build a new  
8 terminal that Rio Nuevo will lease back to Greyhound. So  
9 that project, hopefully, we can advance some today.

10 The bonds, I understand -- maybe Mr. Collins can  
11 help me -- we're waiting for the underwriters to approve and  
12 are looking at our credit worthiness in and apart from the  
13 City of Tucson.

14 And we got a lot of stuff pending that we'll go  
15 through on our agenda today.

16 So, Don, do you want to give your financial  
17 update?

18 MR. MEYERS: Dan Meyer, CFO of Rio Nuevo.

19 Okay. No big significant changes since my last  
20 report. We did manage to get the \$5 million moved over to  
21 Bank of Tucson that we had discussed.

22 So as of December 31st, the Alliance Bank  
23 operating account's got approximately \$4.5 million; the  
24 Alliance Bank ICS account has approximately 5 million; the  
25 Bank of Tucson operating account has approximately \$400,000;

1 and as I mentioned earlier, the Bank of Tucson ICS account  
2 has approximately 5 million in it, for a total of nearly  
3 \$15 million.

4 As far as commitments, no big changes in the last  
5 month. I think we spent about \$6,000 between the Tucson  
6 Community Center and the Eckbo Fountains. You can see the  
7 remaining commitments there: Mission Gardens, the  
8 significant one is the garage at the AC Marriott hotel.  
9 We've got about 4.3 remaining on that to be spent, at least  
10 a year away.

11 CHAIRMAN McCUSKER: Mr. Irvin has some news on the  
12 AC.

13 SECRETARY IRVIN: So if you want to put it in your  
14 calender, get ready to write a check in about 18 months. We  
15 broke ground, officially, yesterday.

16 MR. MEYERS: Cool.

17 Okay. I did put the Greyhound in this commitment  
18 now for \$1.7 million max.

19 We've got 750,000 remaining on the -- on  
20 Streetscapes. I don't think there's any significant change  
21 on that. And then there's still about \$283,000 that's  
22 sitting out there for the Tucson Community Center, video  
23 boards and all that good stuff that still need to get  
24 wrapped up.

25 CHAIRMAN McCUSKER: Those last two items, just a

1 quick update from the Chair.

2 The Streetscape projects are delayed while City  
3 and Transportation determine whether or not they want to  
4 make Scott Avenue one-way or two-way.

5 The community center, the remaining money, for the  
6 most part, is dedicated -- was originally budgeted for the  
7 monument signs that we wanted to erect on Church and  
8 Granada. You may remember that there was significant  
9 opposition to lighted signs on those streets, primarily from  
10 the Dark Sky Community, so we withdrew that variance request  
11 and, working with the City and SMG, now have designed a  
12 video board wall placement, which would go by the ticket  
13 office there on the east side of the TCC. We are waiting,  
14 from the City, to see what we have to do to get that project  
15 approved.

16 So if that -- if that project gets approved, Dan,  
17 then those remaining funds would go toward that video board  
18 project.

19 MR. MEYERS: Right.

20 CHAIRMAN McCUSKER: If not, then we would have  
21 some surplus in that community center budget that the Board  
22 can decide what to do with at that point.

23 Any questions for Dan?

24 MR. MEYERS: Yeah. Just one other quick thing,  
25 here.

1           You know, we're still working on getting the  
2     variances for the TIF revenue from the -- we get from the  
3     State. You know, we have late filers, we have nonfilers,  
4     and we have erroneous filers that we're trying to  
5     continually track down. Every few weeks, I send the City of  
6     Tucson a list of people that we think aren't doing things  
7     properly and making slow progress on that.

8           And -- but I think Michele and I are kind of  
9     planning on, the first -- maybe the first week of February  
10    or so, start maybe making some visits to some of our vendors  
11    we know aren't doing things right. And maybe we can  
12    instruct them to file properly and timely and all that. So  
13    that's just going to be an ongoing project that we just keep  
14    meeting on.

15           TREASURER SHEAFE: Shouldn't you have received  
16    October?

17           MR. MEYERS: Yeah. We've not got October yet. I  
18    mean --

19           TREASURER SHEAFE: Is that a year-end thing or  
20    what? Because we --

21           MR. MEYERS: No. I mean, it usually comes, you  
22    know, one week, two weeks into the month. This Board  
23    meeting is little earlier than usual. And I would have  
24    hoped we would have heard something. But I think with the  
25    holidays and all that stuff . . .

1           TREASURER SHEAFE: I think that will be about 800  
2 grand.

3           MR. MEYERS: You know, I have no idea.

4           TREASURER SHEAFE: Okay.

5           MR. MEYERS: The last month was 640. I mean,  
6 it -- but we noticed there was some people that hadn't --  
7 didn't show up on the -- as paid that particular month. So,  
8 you know, that's -- all along it's just amazing how much  
9 that number flips around from month to month.

10          CHAIRMAN McCUSKER: And the Department of Revenue  
11 is cooperative?

12          MR. MEYERS: Yeah. I sent a letter -- I think  
13 maybe I copied you in on it -- a few weeks ago. I have not  
14 heard back. But I sent them another email today saying I'd  
15 like so have a meeting with him; I'd like to show him my  
16 findings so far and see if we can come up with some way of  
17 trying to really get some of these people to file properly.

18                 And I wish it was going more quickly, but it's  
19 not. But they're being cooperative.

20          CHAIRMAN McCUSKER: Anything else for Dan?

21          SECRETARY IRVIN: Good job as always.

22          CHAIRMAN McCUSKER: Thank you, Dan.

23          MR. MEYERS: Thank you.

24          MS. COX: Great job.

25          CHAIRMAN McCUSKER: Okay. Item 7, the Greyhound



1 land purchase agreement.

2 Mr. Collins, refresh our memory as to exactly  
3 where we are by motion and authorization. I believe we have  
4 authorized you to negotiate an agreement to acquire a parcel  
5 of land.

6 MR. COLLINS: You have. We are -- I'm in the  
7 process of that negotiation.

8 Just before this meeting started, we got a red  
9 line back from the potential seller of the property. Based  
10 upon my quick review, it doesn't appear to be significant  
11 changes. I would be hopeful that we could finalize that  
12 agreement before the end of this week.

13 We would also need -- in addition to that,  
14 there's -- assuming the agreement stays as it is -- the  
15 Board would have a 60-day due diligence period during which  
16 time you'd evaluate the property. It's essentially a free  
17 look. You'd want to do several things. One of which, you'd  
18 want to commission an ALTA survey of the subject property.  
19 And you'd want to have an appraisal of the subject property  
20 done. Obviously the cost, the purchase price, is going to  
21 have to be fair market value.

22 So the -- there is ongoing negotiation. I'm more  
23 than cautiously optimistic that we'll have the terms of the  
24 purchase agreement resolved within 24 to 48 hours. But I  
25 think that you guys will be going to want to get started on

1 those other two components at some point.

2 SECRETARY IRVIN: So we -- I know in the agreement  
3 we have the title company already set up. And we haven't  
4 asked them to do a title report or anything yet.

5 MR. COLLINS: No, sir.

6 SECRETARY IRVIN: And we obviously can't do a  
7 survey until we get that pulled.

8 I'd like to go ahead and make a motion, subject to  
9 us reaching an agreement with them, that the second that we  
10 do, that we order the title report; that we get the surveyor  
11 engaged in getting the ALTA survey done and that we have  
12 language in there to cover that; and that we also at that  
13 time, because we'll need it, is go ahead and authorize the  
14 appraisal.

15 MR. COLLINS: Right.

16 SECRETARY IRVIN: So I'd like to make that as a  
17 motion.

18 MR. MARQUEZ: I'll second that.

19 MR. HILL: Mr. Chairman, I just wanted to speak to  
20 the motion.

21 You know, deja vu, I guess. Sometimes an action  
22 that we would request, such as an appraisal, could come back  
23 to haunt us. And, typically, remember AG's opinions, we  
24 always should ask them to come first before they're publicly  
25 distributed in case they don't say what we wanted them to

1 say.

2 MR. COLLINS: Correct.

3 MR. HILL: Are we in a situation where somebody  
4 says, oh, that property is worth, you know, 10 percent of  
5 what the indications had been, thus screwing up the whole  
6 thing?

7 MR. COLLINS: It will -- well, if it comes back  
8 like that, it would be a business decision on this Board's  
9 part to bail out on the purchase. And you have that  
10 opportunity here.

11 It would be -- an appraisal is a confidential  
12 appraisal. It's directed at just you folks. Only you can  
13 rely upon it. Presumably, it will come back at the number  
14 that's being discussed or better.

15 If it doesn't, I think that will lead us in the  
16 direction of perhaps a different price or a different piece  
17 of property, so --

18 MR. HILL: So we do have the ability --

19 MR. COLLINS: Yeah.

20 MR. HILL: -- to cogitate that without --

21 MR. COLLINS: Yes, you absolutely do.

22 MR. HILL: -- having the City on our backs.

23 MR. COLLINS: Mr. Hill, I -- it's a good point.

24 And I think Mr. Irvin's motion speaks to that.

25 MR. HILL: Okay.

1           MR. COLLINS: And we can -- and you guys, as a  
2 Board, can address that shoe.

3           SECRETARY IRVIN: Mark, I know we got a number  
4 back from the survey company. And I can't recall what it  
5 was.

6           MR. COLLINS: \$1,750.

7           SECRETARY IRVIN: It was less than \$2,000.

8           We have not gone through that same exercise yet  
9 with the appraisal firm. I don't know if you've had any  
10 discussion with them.

11          MR. COLLINS: Yeah. We got -- we got a bid back  
12 for 20 -- hang on -- I want -- oh, \$2,500. You're  
13 absolutely right. \$2,500.

14          CHAIRMAN McCUSKER: Okay. So the motion is,  
15 assuming we get an agreement with the seller on this  
16 particular parcel, that we immediately authorize title  
17 report, ALTA, and an appraisal.

18          MR. COLLINS: Correct.

19          CHAIRMAN McCUSKER: And we have a 60-day window  
20 that we can exit the contract for any reason.

21          MR. COLLINS: True.

22          And I will tell you, just on that note,  
23 Mr. Chairman, Members of the Board, that based on my  
24 discussions with the surveyor and I'm sure the appraiser,  
25 too, I would anticipate that we would have those numbers

1 back to you before your February board meeting. I don't  
2 see --

3 CHAIRMAN McCUSKER: All right. So we have a  
4 motion and a second for those three items.

5 All in favor, say aye.

6 (Ayes.)

7 CHAIRMAN McCUSKER: Any opposed, nay.

8 (The Board voted and the motion  
9 carried.)

10 CHAIRMAN McCUSKER: Okay. So go forward and  
11 conquer.

12 We will not release this parcel's physical address  
13 until such a time as we have a written agreement. And then  
14 we'll -- if it's between meetings, we'll do some sort of  
15 press announcement and identify the parcel.

16 Okay. Item No. 8, Nor-Gen.

17 Again, Mark, update us on what authority you have  
18 to continue to negotiate this, which is triparty. It  
19 involves Nor-Gen. It involves the City. But I believe  
20 we're on record as authorizing an amount and a process under  
21 which to guide you --

22 MR. COLLINS: Yes.

23 CHAIRMAN McCUSKER: -- to bring all those parties  
24 to an agreement.

25 MR. COLLINS: That's correct, Mr. Chairman,

1 Members of the Board.

2 CHAIRMAN McCUSKER: Do you need anything else from  
3 us today?

4 MR. COLLINS: Not today. I'm cautiously  
5 optimistic that we're a step or two away from finalizing the  
6 terms of that agreement.

7 CHAIRMAN McCUSKER: Okay. While you're standing  
8 up there, let me take Item 10 then, the Mercado.

9 I believe we have a public position, as well, on  
10 this development on the West Side that we're interested in  
11 and prepared to invest some money to facilitate this  
12 development.

13 MR. COLLINS: That's right.

14 CHAIRMAN McCUSKER: It also involves negotiating  
15 with the developer and the City of Tucson.

16 MR. COLLINS: Correct.

17 CHAIRMAN McCUSKER: And you're in a similar  
18 position there --

19 MR. COLLINS: Yes.

20 CHAIRMAN McCUSKER: -- negotiating with the  
21 parties.

22 MR. COLLINS: I'm authorized, with the Executive  
23 Officers, to proceed forward with the negotiations and to  
24 bring back a form of agreement.

25 The Board has not committed to do anything until

1 that form of agreement is brought back to you, in part, at  
2 the end.

3 CHAIRMAN McCUSKER: Is that true of Item 8 too?  
4 Is that, when you strike a triparty agreement or --

5 MR. COLLINS: Item 8 --

6 CHAIRMAN McCUSKER: -- are the Executive Officers  
7 authorized to execute them?

8 MR. COLLINS: The Executive Officers are  
9 authorized to execute 8 but not 10.

10 CHAIRMAN McCUSKER: But 10, we have to bring back.

11 MR. COLLINS: Right.

12 CHAIRMAN McCUSKER: All right. Any questions on  
13 the tabled items?

14 Okay. TCC retail, I see Glenn in the audience.

15 Let me just share with you kind of where we left  
16 things off at the last Board meeting. And Glenn and I have  
17 met several times, per your request, to design a program  
18 that would, not only retain some of the current users of the  
19 TCC, but potentially incentivize new users of the TCC,  
20 particularly those that might be in the region, vis-a-vis  
21 Albuquerque, El Paso, Palm Springs. And what we're going to  
22 suggest to you is a certain revenue threshold to trigger a  
23 Rio Nuevo rent incentive.

24 The way this would have to work -- and this helps,  
25 I think, all of us, particularly Dan, with some data -- in

1 order for a user to be eligible, they have to show us their  
2 sales receipts.

3 Now we have no idea of what happens with sales at  
4 the TCC. It gets swallowed up into the, you know, general  
5 fund of the State. So they would come to us and say, I had  
6 \$3 million of sales.

7 It would trip one of the tiers in the incentive  
8 program. We would reimburse them for the appropriate rent.  
9 So it puts the burden on the promoter, user, whatever is  
10 using the facilities, to come to us and say, I have this  
11 amount of revenue, this amount of taxes.

12 Then we would issue the promoter a check.

13 So, Mr. Grabski.

14 MR. GRABSKI: Hi. Glenn Grabski, general manager  
15 of the TCC. Good afternoon.

16 It's been about a month since I've seen you all.  
17 I went back and -- after our conversations and tried --  
18 looked at this a thousand different ways and tried to  
19 simplify it.

20 So obviously our goal here, our objective here, is  
21 to incentivize our clients, especially clients that generate  
22 significant tax revenue for you all and do significant  
23 business in the building in the -- in the hopes -- or in the  
24 purpose of deriving more revenue overall.

25 I looked at the fact that -- our for-profit



1 business at the TCC. We have for-profit and not-for-profit  
2 business there. Our for-profit business being conducted,  
3 it's not only just good for the City of Tucson, but it's  
4 good for Rio Nuevo in the revenues that it produces.

5 The TCC is in a competitive marketplace that --  
6 there's no question -- within the City, within the region,  
7 within the nation -- no matter -- it just depends on the  
8 genera of the event you're talking about. We're always  
9 going to be in the competitive marketplace.

10 The TCC, we will go and -- and garner events  
11 through pricing, through marketing, whatever we have to do  
12 to get the event. And that -- but we can't go down to a  
13 point where we know we're taking a loss on the event just to  
14 do it. That is outside of our mandate from the City of  
15 Tucson.

16 So what I did initially was I looked at probably a  
17 thousand different ways. And I looked at different things,  
18 different tiers and different percentages and what makes  
19 sense, and trying to get a sense of what moves the needle  
20 for you and what moves the needle for me. Clearly,  
21 significant tax revenue, significant might be a different  
22 term to you than it is to me.

23 So I first came up with a threshold. And I wanted  
24 to incentivize only the events that are going to bring  
25 incremental dollars.

1           And I -- then I went back and I looked at it. And  
2 I looked -- and especially when I had this multi-tier thing  
3 and graduating percentages -- and said, no, let's simplify  
4 it. Simplify it to sell it. Simplify to understand it.

5           So on the next slide after this, basically what I  
6 came up with was the minimum threshold is \$500,000 in gross  
7 sales. Right? \$500,000 no, in gross sales, as I understand  
8 it, equates to about \$30,500 in state tax or \$15,000 in  
9 revenue to Rio Nuevo based upon the 3.1 percent and the  
10 3 percent.

11           I looked at -- I would look at the \$500,000 in  
12 gross sales as the -- as the minimal amount. That would be  
13 a per event, not an aggregate over a course of the year. If  
14 someone generated so many times over a course of the year, I  
15 would just say, no, by event.

16           Of course, the rebate would be limited to the  
17 amount of rent that they pay, as Fletcher said earlier.

18           Next slide.

19           And that has lots of lines. It basically is this:  
20 I put out two options. I like Option I. It's saying that  
21 \$500,000 gross sales -- you'll see that I showed what it  
22 breaks out to in the sales tax, both for the state portion,  
23 for the Rio Nuevo portion.

24           And I'm saying do a straight 10 percent based upon  
25 the total sales tax -- state sales tax. So if someone who

1 is generating basically \$15,000 at that minimum threshold  
2 for you, you can rebate up to about \$3,000 in rent.

3 Now, what happens, or what we've seen with  
4 different clients, they're generating -- it can potentially  
5 be generating a lot more money than that for you.

6 CHAIRMAN McCUSKER: But in terms of state -- total  
7 state tax, it's a 10-to-1 return? Am I reading that  
8 correctly?

9 MR. GRABSKI: Yeah, basically look and say --  
10 let's look at a 10 percent.

11 CHAIRMAN McCUSKER: It's not only good for us, but  
12 it's good for the State.

13 MR. GRABSKI: Yeah. And however we -- we -- you  
14 know, whatever percentages you guys are comfortable with or  
15 whatever, it's -- I just want to look at it -- let's just  
16 base it off this total state, so it takes -- it doesn't take  
17 much computation, to figure out, for anyone.

18 What I did, along those lines, then, is just show  
19 you, at different levels, what it would mean, both in  
20 increased state tax and Rio Nuevo's commitment to that and  
21 your net effect.

22 CHAIRMAN McCUSKER: And Column II -- Option II is  
23 basically half --

24 MR. GRABSKI: Correct.

25 CHAIRMAN McCUSKER: -- of Option I.

1 MR. GRABSKI: Correct. That's what I -- that's  
2 what I looked at.

3 Yes, sir?

4 MR. MARQUEZ: I have a question. I'm going to  
5 guess that when you rent the TCC out to an organization or a  
6 company, that the rent is based on time and space -- not  
7 based on sales tax they collect or the amount of business  
8 that they do?

9 MR. GRABSKI: Both, potentially, depending on the  
10 type of event. Now, on a flat-floor event, flat-floor  
11 convention center consumer show type of thing, it's time and  
12 space. A concert is space versus their gross.

13 MR. MARQUEZ: So can a concert ever reach the  
14 minimum of 500,000?

15 MR. GRABSKI: It's -- I like this -- what I like  
16 about this in here, is, yes, it can. But for a venue the  
17 size of TCC of roughly 7- or 8,000, it's going to be a heck  
18 of a show.

19 I was -- early on when I got here, we were trying  
20 to land a very large artist that takes over seven figures to  
21 pay to get there. We worked everything we can to get the  
22 act here. We came up short.

23 Now, would this -- would this potentially come  
24 into that play if something like this could happen again?  
25 Absolutely. But it's also a quiver in my arsenal to say,

1    hey, we can -- beyond what -- everything else I'm doing for  
2    you, there's this for you.  If you bring in the business,  
3    you got a little bit of help here too.

4                SECRETARY IRVIN:  So two questions.  The numbers  
5    that you've got outlined here, Glenn, really are just  
6    numbers relating to TCC.  It really doesn't even take into  
7    consideration additional monies that would come to the  
8    District -- I think we'd seen a study, Fletcher, like 30  
9    bucks for everybody that comes -- it doesn't even include  
10   that.  This is just sales at the TCC.  So it doesn't really  
11   even take into consideration what else they may might do  
12   Downtown, correct?

13               CHAIRMAN McCUSKER:  Yeah.  We didn't look at any  
14    incremental economic value.  This is -- this is hard dollars  
15    in rent that we would reimburse.  And it creates X amount of  
16    taxes.

17               MR. GRABSKI:  Yeah.  And I didn't even look at my  
18    ancillary income.  That would be parking, whatever, that  
19    you're also getting part of that sales tax on that as well.

20               SECRETARY IRVIN:  And then my other question is:  
21    Is there anybody else doing this?  And how does -- I mean, I  
22    know we have a lot of confidence in you.  But you're pretty  
23    confident this gives you, like, a leg up on stuff that maybe  
24    you don't now?

25               MR. GRABSKI:  Yeah, I do.  I -- the way I view

1 this, is this going to absolutely slam dunk a deal? No, but  
2 it's one more thing that we can add to it to close a deal.

3 CHAIRMAN McCUSKER: Most venues negotiate this one  
4 off. They'll have a show come to them and say, I -- you  
5 know, I'm looking at you or I'm looking at El Paso, make me  
6 your best deal.

7 It makes it really hard for Glenn, who is  
8 incentivized by the City --

9 SECRETARY IRVIN: City.

10 CHAIRMAN McCUSKER: -- to create revenue, to  
11 compete.

12 So part of what we were thinking is, as he said,  
13 this gives him another option to say if -- you know, if  
14 you're going to do this, you know, I've got a state entity  
15 that will pay your rent.

16 We won't know, until we do a program like this,  
17 how much new business it will create.

18 Some of the bigger shows, the car shows, the home  
19 shows, some of the other kind of things, we're going to help  
20 retain them, because we already know they're going to get a  
21 rent -- a rent incentive.

22 MS. COX: I'm just --

23 CHAIRMAN McCUSKER: What about taking it smaller?  
24 What if you --

25 TREASURER SHEAFE: Well, can we go back --

1 MS. COX: Why don't we make it bigger?

2 TREASURER SHEAFE: Yeah. Can we go back? Let's  
3 talk about the Home Show because I'm a little bit familiar  
4 with that. And the Home Show, primarily, is not a sales  
5 show.

6 MR. GRABSKI: Correct.

7 TREASURER SHEAFE: It's a demonstration show. I  
8 happen to be the one that started it, way back, a long time  
9 ago. And it's grown to be a major element for the  
10 homeowners association.

11 And -- but, you know, what that does -- so  
12 where -- where does the revenue look at? Does it look at  
13 the --

14 CHAIRMAN McCUSKER: Ticket revenue.

15 TREASURER SHEAFE: -- amount that they're selling  
16 those booths for?

17 MR. GRABSKI: No. I -- no. I think that -- I  
18 have not looked at it that way because honestly I don't  
19 have -- generally I don't have those numbers. As you  
20 were -- you know, as you were involved with the Home Show  
21 before, you know that, as the promoter/producer of that  
22 event, that was your revenue and it's not necessarily  
23 reported through the -- through the venues.

24 CHAIRMAN McCUSKER: What pieces of that pay tax?  
25 All of it, though, right? Ticket sales, booth sales, food

1 and beverage. I mean, all of those would be tax paying.

2 MR. MARQUEZ: But they're not located within the  
3 District.

4 CHAIRMAN McCUSKER: Sure they are. They're all in  
5 the event.

6 TREASURER SHEAFE: Yeah, they're inside.

7 CHAIRMAN McCUSKER: It's taxable here.

8 TREASURER SHEAFE: But the reality is, just to use  
9 an example -- SAHBA sells the booths.

10 MR. GRABSKI: Correct.

11 TREASURER SHEAFE: And basically they're selling a  
12 10-foot square space or 20-by-10 or whatever. Those  
13 companies come in. And they set up, and they're there  
14 handing out brochures and trying to get -- make business  
15 contacts. They're not selling anything at the show.  
16 They're simply introducing themselves.

17 The revenue is primarily from those booth sales  
18 back to SAHBA. And then it would be, I assume, any vendor  
19 sales that go on in terms of food.

20 And the tickets are -- I don't know -- I --

21 CHAIRMAN McCUSKER: 5 bucks, 10 bucks.

22 TREASURER SHEAFE: Yeah. It'd be about that.

23 But they're very low because a great many of the  
24 tickets are --

25 SECRETARY IRVIN: Just given away.



1           TREASURER SHEAFE:  -- handed out.  They're pretty  
2 much just given out by free.

3           MR. GRABSKI:  Unfortunately.

4           TREASURER SHEAFE:  You know, I think there might  
5 be a few people that buy them.  But almost all people come  
6 because they were -- they drop them off at businesses all  
7 over town.

8           MR. GRABSKI:  Yeah.  All they're looking for is  
9 people through the door.

10          TREASURER SHEAFE:  They just want --

11          MR. GRABSKI:  They want eyeballs.

12          MR. MARQUEZ:  But is SAHBA located inside the  
13 District?

14          CHAIRMAN McCUSKER:  Those revenues that are --

15          MR. GRABSKI:  No.  I don't see this helping SAHBA  
16 at all.  This is not a SAHBA --

17          CHAIRMAN McCUSKER:  If SAHBA -- if any vendor  
18 rents the Arena and then subs out the space --

19          MR. GRABSKI:  We don't -- we are --

20          CHAIRMAN McCUSKER:  -- is that tax reported at  
21 this address, the TCC's address, or the location of the  
22 renter?

23          MR. GRABSKI:  I would -- I don't know.  But I  
24 could -- I could find out.  We don't report it.

25          CHAIRMAN McCUSKER:  Now, the auto shows, just like

1 yourself --

2 TREASURER SHEAFE: Now you got a retail activity.

3 CHAIRMAN McCUSKER: -- they have -- they have a  
4 retail activity. They report it as the TCC address. It's  
5 Rio Nuevo. Even though Jim Click's at the Auto Mall, he's  
6 paying taxes into the District.

7 MR. GRABSKI: Correct.

8 CHAIRMAN McCUSKER: And I assume that anybody that  
9 uses that address would be the same.

10 MR. GRABSKI: Yeah. I mean --

11 CHAIRMAN McCUSKER: Or maybe we need to research  
12 that.

13 Dan, do you know?

14 MR. MEYERS: You know, I saw in the papers, isn't  
15 there a -- like a hot tub show or something this weekend?  
16 That was one of my questions. I was trying to figure how  
17 that would work into it and how Rio Nuevo can monitor it. I  
18 mean, when they have the auto shows, I'm able to see what's  
19 going on.

20 CHAIRMAN McCUSKER: That's easy.

21 MR. MEYERS: But if -- but if you -- you know, a  
22 hot tub show, I don't -- I don't know if that's a bunch of  
23 different vendors, or, you know --

24 CHAIRMAN McCUSKER: What we were trying to do is  
25 put the monkey on the renter's back. You come to us and

1 show us --

2 SECRETARY IRVIN: Show us --

3 CHAIRMAN McCUSKER: -- your sales. And --

4 MR. MEYERS: But they have to take it farther than  
5 that. They have to --

6 CHAIRMAN McCUSKER: -- one of these things. We'll  
7 reimburse your appropriate amount.

8 MR. MEYERS: I mean, not just sales, it seems to  
9 me they need to fill out their form properly so the money  
10 ends up in our pocket. Because one of the ongoing problems  
11 I have is that people aren't filling --

12 CHAIRMAN McCUSKER: We could build that into the  
13 program, you show us your TPT form. But see, that's a  
14 quarter away. In order for this to work for the renter,  
15 it's got to be an immediate incentive.

16 So we were trying to base it off of sales. That's  
17 the only thing you can get quickly. You could have that  
18 Monday morning following a weekend event. Then they would  
19 come to you and go, I had an event with \$1.2 million of  
20 sales. You know, I'd like to get my \$7,600.

21 MR. MEYERS: I just don't know if -- like this spa  
22 show, if it's a bunch of different companies or if it's  
23 one -- you know, like the auto shows, it's --

24 MR. GRABSKI: The spa show you're speaking of is  
25 one entity.

1 MR. MEYERS: Okay.

2 MR. GRABSKI: It's one entity.

3 CHAIRMAN McCUSKER: What we don't know is, the  
4 model you talk about, Chris, where you have subvendors and,  
5 right now, who pays those.

6 MR. GRABSKI: I never -- I never visualized this  
7 type of incentive that would help that type of -- that type  
8 of --

9 TREASURER SHEAFE: You could use the spa thing as  
10 an example. Probably what happens is, they put ads in and  
11 they get a lot of people to come through. And they make  
12 prospect contacts. That is to say, over the next 90 days,  
13 they start selling goods. Those probably would not be  
14 reported --

15 CHAIRMAN McCUSKER: It had to be sold at this  
16 site.

17 MR. GRABSKI: That would have to be --

18 TREASURER SHEAFE: It would be -- have to be  
19 sold --

20 MR. GRABSKI: -- it would be sold there. And  
21 then --

22 TREASURER SHEAFE: So go to an entertainer. How  
23 does it work there?

24 CHAIRMAN McCUSKER: Ticket sales.

25 MR. GRABSKI: Well, yeah. It's all based upon

1 ticket sales. And the beauty about that is we control that.  
2 You know, we control the box office. And we're the ones  
3 that deduct the sales tax. And we're the ones that pay to  
4 the State.

5 TREASURER SHEAFE: Well -- and let me go way back  
6 because I'm a little confused and I may not understand.

7 Joe Blow's a great entertainer. You contact Joe  
8 Blow through your SMG.

9 MR. GRABSKI: Mm-hmm.

10 TREASURER SHEAFE: And you're putting him into  
11 five other arenas. And he says, all right, I'll go to  
12 Tucson.

13 Is the burden -- or the risk on Tucson, or is the  
14 risk on the entertainer? He comes and he's --

15 CHAIRMAN McCUSKER: The promoter.

16 MR. GRABSKI: Now, if he --

17 CHAIRMAN McCUSKER: There's a -- there's a  
18 middleman --

19 MR. GRABSKI: The middleman's the promoter.

20 CHAIRMAN McCUSKER: -- between us and the artist,  
21 the promoter. So the promoter --

22 TREASURER SHEAFE: The promoter rents the arena.

23 CHAIRMAN McCUSKER: -- Live Nation, you know,  
24 people like that, they rent the arena.

25 TREASURER SHEAFE: He guarantees a fee back.

1                   CHAIRMAN McCUSKER: He pays the artist.

2                   TREASURER SHEAFE: And if he can sell more  
3 tickets, he gets more.

4                   CHAIRMAN McCUSKER: Right. And those ticket sales  
5 are taxed.

6                   TREASURER SHEAFE: And then all the shirts and CDs  
7 and everything --

8                   MR. GRABSKI: Those are -- those are the ancillary  
9 income I was speaking of before that I was -- was not even  
10 considering in this.

11                   MR. MARQUEZ: I would advise two categories. I  
12 see your Option I and Option II. I think Option I and your  
13 cap -- the cap, I mean the forty-eight eight on the  
14 8 million just kind of scares me a little bit. I mean, I'd  
15 love to see a cap on that.

16                   But I think I'd create two different programs.  
17 And one is for retail transactions that actually happen  
18 there at the TCC that's a -- that's generated for Rio Nuevo.  
19 That's important to us.

20                   I think -- secondly, I think I would create a  
21 program for your concerts. But it could be a much smaller  
22 incentive. I mean, it could be -- it -- I mean, I think --  
23 I mean, it comes down to pennies and dimes when it comes  
24 down to ticket sales at times, these -- these individuals  
25 that are bringing the concerts in. And between us and going

1 to one of the other venues in town, it might be a difference  
2 of you incentivizing them, you know, 2500 or \$5,000 or some  
3 smaller dollar amount.

4 MR. GRABSKI: Yeah. I mean, I'm not in the habit  
5 of giving other people's money away. So I'll take direction  
6 from you all. But I was trying to, you know, be  
7 conservative in my approach to this. Yeah. If you've never  
8 dealt with me in --

9 SECRETARY IRVIN: But have we heard anybody that  
10 has complained about -- I mean, the complaint that we heard  
11 before about the TCC and the reason that people weren't  
12 coming to it from an entertainment perspective is because it  
13 was old, ugly, and outdated. That's all been fixed.

14 I'm not sure we've gotten a pushback on  
15 anything -- a promoter saying our rent's too high, have we?

16 MR. GRABSKI: No, no. I think our rent is  
17 competitive. I've worked out some very -- I think we're  
18 doing good deals with the promoters.

19 CHAIRMAN McCUSKER: I mean, we have lost shows  
20 over rent. We have retail sales that pay a lot of taxes  
21 that could go elsewhere.

22 So this was initially designed not only to make  
23 sure we retain events, but then truly incentivize. The  
24 promoter's in Palm Springs and he's got to go to Dallas,  
25 he's got a lot of options. He could go to Phoenix. He

1     could go to Tucson.  He could go to Albuquerque.  He could  
2     go to El Paso.  He could go to Las Cruces.

3                 We want them to come here.  And if three grand or  
4     five grand can make a difference in that, it just gives him  
5     another thing to negotiate --

6                 MS. COX:  For something that big, Fletcher --

7                 CHAIRMAN McCUSKER:  You'd be surprised.

8                 MS. COX:  -- is three grand going to make a  
9     difference.

10                SECRETARY IRVIN:  Yeah.  I don't think it's going  
11    to make a difference.

12                MR. GRABSKI:  And it's -- I don't think it's  
13    something that's going to sit there and close -- necessarily  
14    close the deal.

15                MS. COX:  It seems like we could do more than  
16    that, to me.

17                MR. MARQUEZ:  (Inaudible.)

18                MS. COX:  Yeah.

19                MR. COLLINS:  I think that -- again, I'm not -- I  
20    think I've cut very good deals with -- if we're talking  
21    about the ticketed shows now.  I mean, there's no question,  
22    this started really -- we were looking at the consumer show.  
23    And I said, okay, well, let's just see -- let's kind of open  
24    it up and -- so we're not in a very narrow box.

25                I think I've cut a very good deal with the



1 promoters, the national promoters for -- to use the revenue.  
2 They seem happy with it. Obviously there there's a lot of  
3 other factors that come into play beyond the -- for -- after  
4 play here, you know, routing, whatever.

5 Tucson is still a very difficult market,  
6 entertainmentwise. It's a late buying crowd if it buys at  
7 all. That makes promoters nervous.

8 I am not a -- I cannot take down-sided risks with  
9 them, as you probably know from the history of the TCC. And  
10 I won't. And so I've -- I can incentivize them. And any  
11 other incentive that will add up to more, it's just -- like  
12 I said, it's one more thing.

13 SECRETARY IRVIN: I think we ought to move to --  
14 and then come back and revisit it. I don't think it's a bad  
15 idea. I just think it's too early, personally.

16 TREASURER SHEAFE: Well, why delay it though? I'm  
17 just throwing the idea out. You know, how can it hurt?

18 You know, what is the utilization of the TCC right  
19 now in terms of rentable days and days that we're actually  
20 getting revenue stream building there, percentage-wise?

21 MR. GRABSKI: Well, I don't know -- I can't give  
22 you a percentage-wise. I can give you my pat speech. All  
23 right? It's -- we do 300 contracted events a year. It  
24 comprises 700 and -- almost 800 event days.

25 The thing that really caught my surprise in trying

1 to work my numbers is 66 percent of our business is  
2 nonprofit. That's a large percentage of business.

3 CHAIRMAN McCUSKER: They don't -- they don't pay  
4 taxes.

5 MR. GRABSKI: Right.

6 TREASURER SHEAFE: So we're badly underutilized.

7 MS. COX: Yeah.

8 TREASURER SHEAFE: So would it be possible that we  
9 put something like this in place and all we would end up  
10 doing is giving away incentive money to people that are  
11 already doing business with us? Or is this something that  
12 will build our business?

13 MR. GRABSKI: I would think that -- my goal is  
14 for it is to build. And if you're not comfortable, one of  
15 the things I've talked about in considerations and stuff is  
16 to put a term on it. You know, let's -- it -- let's -- in a  
17 year or whatever, it's not working, I'm not getting any  
18 traction, you know, let's take it off the -- let's take it  
19 off the plate.

20 TREASURER SHEAFE: I mean, right now is kind of a  
21 period that you're actually --

22 CHAIRMAN McCUSKER: Yeah. We need to focus on  
23 stuff --

24 TREASURER SHEAFE: -- we kind of need to --

25 CHAIRMAN McCUSKER: If we're going to do

1 something, we need to get --

2 TREASURER SHEAFE: -- we need to try it, right?

3 MR. MARQUEZ: I'd also like to see a cap,  
4 personally. I mean, I kind of -- I go from eighteen three  
5 to forty-eight eight. I mean, maybe --

6 SECRETARY IRVIN: Look at the event number though.

7 MR. MARQUEZ: I -- it doesn't -- it doesn't -- to  
8 me, it doesn't matter.

9 CHAIRMAN McCUSKER: It's still a ten-times return.

10 MR. MARQUEZ: I would cap at like \$20,000. I  
11 mean, \$20,000 incentive, that's still -- that's still  
12 viable, right?

13 TREASURER SHEAFE: I don't know, Edmund. Wouldn't  
14 you rather have.

15 CHAIRMAN McCUSKER: 480 --

16 TREASURER SHEAFE: 480,000 as opposed to 220? I  
17 mean, why cap your -- you know, what you want to do is be a  
18 successful --

19 MR. MARQUEZ: Because this --

20 SECRETARY IRVIN: Make it understandable.

21 MR. MARQUEZ: Well --

22 CHAIRMAN McCUSKER: Is this a single day's revenue  
23 or a --

24 MR. GRABSKI: I'm calling it a single event.

25 MS. COX: Event.

1 CHAIRMAN McCUSKER: Event.

2 MR. GRABSKI: I'm calling it a single event.

3 CHAIRMAN McCUSKER: So if it's a three-day  
4 event --

5 MR. GRABSKI: Correct. Or a five-day event or a  
6 one-day event. I'm just calling it a single event, is the  
7 way I'm looking at it.

8 And to your point about, you know, just giving it  
9 back to -- and not increasing it, I looked at -- part of  
10 this impact was, okay, this past year, who would have  
11 qualified for it and how much -- how much revenue were  
12 you -- was being generated for you all for those events.

13 And for the consumer shows, there were three  
14 events that generated \$498,000 for Rio Nuevo. All right?

15 For that time period -- because we've cut a  
16 smoking deal for this client -- they paid \$29,000 in rent.

17 So you know, if you look at it that way --

18 CHAIRMAN McCUSKER: And we've had some pressure  
19 from those users --

20 MR. GRABSKI: Yes. I seen them --

21 CHAIRMAN McCUSKER: -- going, I'm generating this  
22 kind of taxed and I'm paying, you know, 20 grand on rent.  
23 I'm going to go to Marana.

24 MR. GRABSKI: Yeah.

25 So -- and then I said, okay, if I expand it to

1 ticketed events, what would I -- what would it hit, in a  
2 broad-brush look at it?

3 I looked at two ticketed events: a family show  
4 that was nine performances and a concert that was one  
5 performance. They grossed -- gross sales between the two --  
6 about \$1.7 million. It was a very good run for the nine  
7 events.

8 MR. MARQUEZ: Gross sales, not taxed.

9 MR. GRABSKI: Gross sales.

10 MR. MARQUEZ: All right.

11 MR. GRABSKI: So you looked at -- basically your  
12 part of that is roughly \$51,000, you know, from the tax.  
13 You would be -- basically looking at their rent structure,  
14 it still worked out to about 10 to 1, about \$5,000 if you  
15 rebated that 5100.

16 CHAIRMAN McCUSKER: I mean, we've done deals where  
17 we're happy if we can get a 4 to 1 or --

18 SECRETARY IRVIN: You bet.

19 CHAIRMAN McCUSKER: -- a 5 to 1 return so --

20 SECRETARY IRVIN: If you can get a 10 to 1,  
21 that's --

22 CHAIRMAN McCUSKER: Remarkable.

23 TREASURER SHEAFE: I would -- do you mind if just  
24 put forth the motion that, if we implement this, out a  
25 timeframe of one year on it, and do our best, and --

1 CHAIRMAN McCUSKER: You mean Option I?

2 MS. COX: We have to say which one.

3 TREASURER SHEAFE: Well, Glenn, I thought that  
4 Option I was really your first recommendation.

5 MR. GRABSKI: It is. It is.

6 TREASURER SHEAFE: So I would say, Option I, one  
7 year, and we'll measure it at six months and measure it in a  
8 year.

9 MS. COX: Second.

10 CHAIRMAN McCUSKER: Any other conversations,  
11 questions for Glenn?

12 Michele, go ahead and call the roll.

13 MS. BETTINI: Edmund Marquez?

14 MR. MARQUEZ: Roll?

15 CHAIRMAN McCUSKER: Yeah.

16 TREASURER SHEAFE: Because we have to vote on it,  
17 yes.

18 CHAIRMAN McCUSKER: Yes or no.

19 MR. MARQUEZ: Yes.

20 I was reading. Sorry.

21 MS. BETTINI: Jannie Cox?

22 MS. COX: Yes.

23 MS. BETTINI: Chris Sheafe?

24 TREASURER SHEAFE: Yes.

25 MS. BETTINI: Mark Irvin?

1           SECRETARY IRVIN:  Yes.

2           MS. BETTINI:  Jeff Hill?

3           MR. HILL:  Aye.

4           MS. BETTINI:  Fletcher McCusker?

5           CHAIRMAN McCUSKER:  Aye.

6                           (The Board voted and the motion carried  
7                           unanimously 6-0.)

8           CHAIRMAN McCUSKER:  All right, Glenn, go forth.

9           And last, just a quick update from me.

10           I don't know why anything we get involved with is  
11 not easy.  But you may recollect from the last meeting, or  
12 the one before, that the Mission Garden project, which we  
13 authorized and funded, kind of got their parade rained on by  
14 the County.

15           And the County came back and said, we are not  
16 going to allow you to build inside the wall.  It's  
17 archeologically sensitive.  It's just not going to happen.

18           So we've been negotiating with the Friends of  
19 Tucson and the County for a couple of months now to find  
20 some way to resolve this.

21           The Friends of Tucson have now presented a plan to  
22 the County, which appears to be acceptable at the staff  
23 level, that they will only build inside the wall on areas  
24 that have been cleared archeologically.  It means smaller  
25 constructions.  It means multiple sites.  But it would be

1 sensitive to the archaeology. It wouldn't disturb any of  
2 the ancient archaeology.

3 That's got to go to the Board of Supervisors, we  
4 understand, for approval and also would have to go to the  
5 Mayor and Council for approval since they were all involved  
6 in this original agreement. So there's really no action  
7 that we take, as it relates to that.

8 As we've told them historically, we're not -- you  
9 can't do something the County is not going to let you do or  
10 the City is not going to let you do.

11 What they do need from us, and need some further  
12 engineering, is access via easement to the Mission Garden.  
13 And we've talked about, several times in this body, that we  
14 would create an easement to the east and create an easement  
15 to the south.

16 We just heard from the County, this week, that  
17 they don't want the easement. It's landfill.

18 So we would have to grant an easement directly to  
19 Friends of Tucson's birthplace, or some other form of ground  
20 lease or something, that would allow them --

21 MR. COLLINS: It would probably be a license.

22 CHAIRMAN McCUSKER: -- the same thing.

23 MR. COLLINS: It would probably be a license,  
24 yeah.

25 CHAIRMAN McCUSKER: So there's really -- until we



1 have those dimensions and until we have the proper  
2 procedure, there's really no action for us to take. But  
3 hopefully, by the February meeting, we can present to you  
4 some tentative plans that we think the County might approve,  
5 that the City would approve. Anything we would do would be  
6 subject to those approvals.

7 But the only thing we really need to do is to give  
8 them some easement access so they can then use the interior  
9 to the wall.

10 We do have to straighten out that little strip  
11 where the wall is actually off of the property line. And we  
12 have talked about deeding that piece over to the County  
13 copy.

14 MR. COLLINS: Mr. Chairman, Members of the Board,  
15 you do have a legal for that strip. And that is not part of  
16 the landfill. I don't think -- I'll confirm with the  
17 council for Pima County. But that's not part of the  
18 landfill. And the discussions we've had, is that -- that --  
19 assuming you folks voted for it, we would convey fee to that  
20 east side portion.

21 CHAIRMAN McCUSKER: All right. So Mr. Collins,  
22 bless his heart, is going in for back surgery in February.  
23 So we've moved our February meeting to the 3rd --

24 MS. BETTINI: The 2nd.

25 CHAIRMAN McCUSKER: -- 2nd. So our February

1 meeting will be early. And hopefully, you will be  
2 sufficiently healed by our March meeting.

3 MR. COLLINS: I will be.

4 CHAIRMAN McCUSKER: Because you're imminently  
5 irreplaceable.

6 MR. COLLINS: I don't know about that.

7 CHAIRMAN McCUSKER: So my hope is, some of these  
8 items that were pending today, we can reagendize for the  
9 February 2nd meeting. This would be one of those.

10 MR. COLLINS: All right.

11 CHAIRMAN McCUSKER: And our hope is to come to you  
12 with specific dimensions, legal description, and either  
13 grant an easement, license, lease, something, to the Friends  
14 so they can use the space around the wall.

15 And then, hopefully, the County will approve what  
16 they want to do within the wall and it really doesn't effect  
17 us. We've authorized the money. They can't proceed until  
18 they get permission from the County. So I don't think we  
19 have to do anything -- I think we did ask them to give us an  
20 amended budget when they know exactly what it they're going  
21 to do. But there's really nothing for us to do today.

22 TREASURER SHEAFE: Is there any possibility,  
23 Mr. Chairman, that we need to speed this up in the event  
24 that we get back a new bionic Mr. Collins and he becomes far  
25 more aggressive?

1                   CHAIRMAN McCUSKER: They're just putting some pins  
2 in his back.

3                   Bill, have I properly summarized that? Do you  
4 want to say anything while you're here?

5                   MR. O'MALLEY: That's a good summary of it.

6                   Bill O'Malley with the Friends of Tucson's  
7 Birthplace.

8                   In terms of speeding up, I think we do plan to  
9 come back to the Rio Nuevo Board, Pima County, and the City  
10 of Tucson. But it will be no sooner than March.

11                  CHAIRMAN McCUSKER: Right.

12                  MR. O'MALLEY: Maybe even April by the time we're  
13 ready to come back.

14                  CHAIRMAN McCUSKER: Yeah. So it would be nice for  
15 you to know the easement dimensions. But the rest of that,  
16 your kind of dependent on flow in terms of supervisors and  
17 everything else.

18                  MR. O'MALLEY: Yeah. And by the end of this week,  
19 we should have a really good idea on what those dimensions  
20 are.

21                  CHAIRMAN McCUSKER: Anything for Bill while  
22 they're up there?

23                  Thank you, sir.

24                  MR. O'MALLEY: Mm-hmm.

25                  CHAIRMAN McCUSKER: Any calls to the audience,

1 Michele?

2 Entertain a motion to adjourn.

3 SECRETARY IRVIN: So moved.

4 CHAIRMAN McCUSKER: All in favor, say aye.

5 (Ayes.)

6 CHAIRMAN McCUSKER: See you in February.

7 (The meeting concluded at 4:18 p.m.)

8 ---o0o---

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T E

I, John Fahrenwald, certify that I took the shorthand notes in the foregoing matter; that the same was transcribed under my direction; that the preceding pages of typewritten matter are a true, accurate, and complete transcript of all the matters adduced to the best of my skill and ability.

---

John Fahrenwald