

Approved by the Board of Directors of the  
Rio Nuevo Multipurpose Facilities District  
on February 17, 2011.

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

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**Wednesday, December 15, 2010**

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**Tucson Convention Center, Greenlee Room  
260 South Church Avenue  
Tucson, Arizona**

A meeting of the Board of Directors of the Rio Nuevo Multipurpose Facilities District was held on Wednesday, December 15, 2010 in the Tucson Convention Center, Greenlee Room, 260 South Church Avenue, Tucson, Arizona commencing at 2:00 pm.

**1. Roll Call**

The meeting was called to order at 2:10 pm.

	<b>Appointee</b>	<b>Present</b>	<b>Absent/ Excused</b>
Jodi A. Bain, Chair	Senate	x	
Dan Cavanagh, Member	Governor	x	
Jeff DiGregorio, Member	Tucson	x (via Phone, left 4:55 pm)	
Carlotta Flores, Member	Governor	x (left at 4:55 pm)	
Rick Grinnell, Member	Senate	x	
Mark Irvin, Vice Chair	House	x	
David N. Jones, Member	Governor	x (via Phone, left 4:55 pm)	
Alberto Moore, Secretary	Governor	x	
Anne-Marie Russell, Member	Tucson	x	
Victor Soltero, Member	South Tucson	x (left at 5:36 pm)	

**2. Discussion and possible approval of the October 20, 2010 and October 27, 2010 minutes.**

A motion was made by Board Member Rick Grinnell, seconded by Board Member Victor Soltero to approve the minutes for October 20, 2010, as amended. Motion passed 10-0.

A motion was made by Board Member Victor Soltero, seconded by Board Member Carlotta Flores to approve the minutes for October 27, 2010, as amended. Motion passed 10-0.

**3. Update on the final Performance Audit Response.**

Chair Bain confirmed that the Audit Response was emailed on Monday, December 13, 2010 by General Counsel Keri Silvyn as a .pdf file to the Auditor General's office.

**4. Discussion and possible direction and/or action regarding the Governance Intergovernmental Agreement with the City of Tucson.**

The latest version of the IGA with the City of Tucson was distributed to the Board with the language of the Mayor and Council motion language included. Keri Silvyn, Board Counsel discussed the sections that were modified from the most recent draft IGA.

A motion was made by Mark Irvin, seconded by Board Member Victor Soltero to approve the IGA subject to formatting and correction of cross-referenced sections within the document. Motion passed 9-1 with Board Member Dan Cavanagh voting no.

**5. Discussion and possible direction and/or action regarding a Term Sheet to facilitate the Global Settlement Intergovernmental Agreement with the City of Tucson.**

Bob Gugino, Board Real Estate Counsel indicated that the Term Sheet Settlement IGA package was distributed to the Board.

After the Board discussed the Term Sheet Settlement IGA a motion was made by Board Member Jeff DiGregorio, seconded by Vice-Chair Mark Irvin to approve the Term Sheet Settlement IGA subject to changes discussed referenced below. The actual Settlement IGA agreement document and language to be brought back in final form to the Board for its approval on or before February 15, 2011 with changes to the Term Sheet in final form draft Settlement IGA agreement to include: clarification of the terms "obligate"/"unobligated" with regard to number 9, consideration of allocation of monies to the convention center from the 2008 bonds due to the fact there may be outstanding obligation in regard to Garfield Traub and other issues of that nature; discussion and research regarding need for release of obligations pursuant to UA Science Park and about 6 + other projects or matters that have yet to be flushed out. Motion passed 6-4 with Chair Bain Alberto Moore, Rick Grinnell, and Dan Cavanagh voting no.

**Let the minutes show that Board Members Carlotta Flores left the meeting at 4:55 pm, and also Board Members David Jones and Jeff DiGregorio ended their attendance by conference call at 4:55 pm.**

**A short recess was taken at 4:50 pm. The meeting was reconvened at 5:10 pm.**

**Item No. 3 was readdressed.**

**3. Update on the final Performance Audit Response.**

General Counsel Keri Silvyn who has managed the Performance Audit as the Board's liaison indicated that the Auditor General's office confirmed receipt of the letter regarding the Board's response to the Performance Audit by Crowe Horwath.

**6. Update and discussion with possible direction and/or action regarding position of Executive Director.**

Chair Bain indicated that the application period closed today.



A motion was made by Board Member Alberto Moore, seconded by Board Member Anne-Marie Russell to put together a three or four board liaisons to review the applications, and select three or four candidates for interview before the Board.

The suggestion was made that copies of all of the applications be made available to the Board for review.

Board Member Alberto Moore restated the motion as: Have board designated liaisons interview the appropriate candidates between now and the next meeting or as reasonable, then at the that time if there are questions asked by the candidates, use the eligible members of the Executive Committee as a point of contact by the liaisons so that the Board does not need to be reconvened to have them answered. The liaisons are to bring back at least the top two or three candidates to be interviewed by the Board by the second meeting in January, 2011 if possible. Motion passed 7-0.

It was discussed and finalized to have Dan Cavanagh, Rick Grinnell, Carlotta Flores and Jodi Bain comprise the interview liaisons.

**7. Discussion and possible direction regarding mission statement. Rick Grinnell and Jodi Bain.**

Board Member Rick Grinnell is developing a long-term action plan. He is currently reading the mission statements used by other entities. Mr. Grinnell indicated that he will be sending an email of the action plan and opportunity to succeed for review as it is developed. He would like to have any ideas sent back to him.

**Item No. 10 was moved out of order.**

**10. Call to the Audience:**

Michael Tony addressed the Board.

**Let the minutes show that Board Member Victor Soltero left at 5:36 pm.**

**8. Discussion and possible direction and/or action regarding the Proposed Hotel Project: East Entrance punch list and/or Pay Applications per the Master Development Agreement (MDA). Mark Irvin and Alberto Moore.**

Vice-Chair Mark Irvin indicated that there are several issues still pending from the punch list for the East Entrance and he is lead contact for the negotiations. The issues should be resolved before the beginning of the Gem Show 2011.

No decision was made regarding the payment of the pay application. Garfield Traub is to address the Board on January 6, 2011 and Mark Irvin is looking to set up another meeting with Garfield and Turner Sundt if necessary.

**9. Report from Counsel with potential direction from the District:**

**i. Presidio Building.**

Bob Gugino, Board Real Estate Counsel indicated that he had received a photo from Donovan Durban of the crumbling of the south wall of the duplex building and asked the Board for direction on whether to have a few contractors take a look at it and get estimates on possible repair.

A motion was made by Board Member Dan Cavanagh, seconded by Board Member Anne-Marie Russell to have Vice-Chair Mark Irvin and Board Counsel Bob Gugino contact three contractors to take a look at the south wall of the duplex building and give an opinion on what it would cost to repair it, and then have Vice-Chair Mark Irvin come back and report on it by the next Board meeting for the board to determine which contractor should repair the issue and approve the company and the cost. Motion passed 6-0.

**ii. Fox Theatre-Discussion about liability to District for issuance costs associated with the loan of bond proceeds.**

No report.

**12. Future Meeting Dates.**

No report.

**13. Adjournment.**

The Rio Nuevo Board adjourned the meeting at 5:51 pm.