

Pursuant to A.R.S. §38-431.02, notice is hereby given that the Board of Directors of the Rio Nuevo Multipurpose Facilities District will hold the following meeting, which will be open to the public.

**NOTICE AND AGENDA
FOR BOARD MEETING OF THE BOARD OF DIRECTORS OF THE
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**

**Monday, May 20, 2013
2:00 p.m. MST Regular Meeting At
400 W. Congress Street, Room 158
Tucson, Arizona 85701**

AGENDA

- 1) **Pledge of Allegiance**
- 2) **Roll Call** (2 min)
- 3) **Board Meeting Minutes** - Discussion and approval of April 15, 2013 & April 24, 2013.
- 4) **Executive Session** (Approximately 60 Minutes) (Room 152) – Upon a public majority vote of members constituting a quorum, the Board of Directors may hold an Executive Session. To comply with §38-431.03(B), all electronic devices, including cell and smart phones, iPads, notebooks, tablets and laptops should be turned off and stored during Executive Session. During Executive Session, the following matters will be addressed:
 - a) Pursuant to A.R.S. §38-431.03 (A) (3), the Board will discuss and obtain legal advice from its attorneys regarding the current posture of the lawsuit in which the District has been sued by Garfield Traub.
 - b) Pursuant to A.R.S. §38-431.03 (A) (3) & (4), the Board will discuss and obtain legal advice from its attorneys regarding the current settlement posture of the lawsuit originally filed by John Kromko and involving the property generally known as the Thrifty Block.
 - c) Pursuant to A.R.S. §38-431.03 (A) (3), (4) & (7), the Board will discuss and obtain legal advice from its attorneys regarding the property referred to as the Arena Site in the District’s Settlement Agreement with the City of Tucson.
 - d) Pursuant to A.R.S. §38-431.03 (A) (3) & (7), the Board will discuss and obtain legal advice from its attorneys regarding the request for financial assistance in the construction of a hotel at the corner of Fifth and Congress.
 - e) Pursuant to A.R.S. §38-431.03 (A) (3), the Board will discuss and obtain legal advice from its attorneys regarding the proposals received by the District in response to its request for a firm to perform the annual statutorily required audit of the District’s financial condition.

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f) Pursuant to A.R.S. §38-431.03 (A) (1) & (3), the Board will discuss and obtain legal advice from its attorneys regarding the employment of its legislative representative.

g) Pursuant to A.R.S. §38-431.03 (A) (7), the Board will discuss and obtain legal advice from its attorneys regarding an opportunity to acquire La Placita and the Arizona Hotel.

h) Pursuant to A.R.S. §38-431.03 (A) (3), the Board will discuss and obtain legal advice from its attorneys regarding a request by the City of Tucson for an acknowledgement regarding the nature of the Tucson Community Center bleachers.

Reconvene board meeting at approximately 3:30

5) **Chairman's Remarks** (10 Minutes)

6) **Procurement Code – Possible Action** (15 Minutes)

The Executive Officers have requested Christopher A. Schmaltz, an attorney with significant government procurement experience, to provide information to and answer questions from the Board regarding the possibility of establishing procurement policies and procedures for the District, in addition to the statutorily required procedures. Based upon this discussion, the Board may elect to direct Mr. Schmaltz to draft the necessary documents for the Board's consideration at a future meeting.

7) **Approval Process and Procedures – Possible Action** (10 Minutes)

In an effort to enable the District to expeditiously address the planning, design, and construction questions associated with the renovation activities at the Tucson Community Center, an approval and procedures matrix has been drafted. Mr. Schmaltz will explain the purpose and effect of this draft matrix to the Board and respond to any questions that the Board might have. The Board may elect to adopt the matrix as drafted, to modify and adopt it, or to reject the matrix concept entirely.

8) **Pre-Construction and Renovation Contracts – Possible Action-** (20 Minutes)

The District has previously approved hiring and funding of certain architect, engineer and cost estimating services. The District's attorneys have prepared the Board's review, discussion and potential approval the following agreements:

a) A Cooperative Purchasing Agreement with the City of Tucson for general future use. The proposed agreement is based upon and functionally identical to the form provided by the City of Tucson's procurement department.

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b) A Cooperative Purchasing Agreement related to the TCC Arena Renovation Project between the Rio Nuevo Multipurpose Facilities District and Swaim Associates Ltd, in an amount not to exceed \$51,348.00.

c) A Cooperative Purchasing Agreement related to the TCC Arena Renovation Project between the Rio Nuevo Multipurpose Facilities District and Rider Levett Bucknall Ltd., in an amount not to exceed 4,760.00.

d) A Cooperative Purchasing Agreement related to the TCC Arena Renovation Project between the Rio Nuevo Multipurpose Facilities District and Rick Engineering Company, in an amount not to exceed \$49,518.27.

9) **Tucson Community Center Update – Presentation & Discussion Only - (20 Minutes)**

Elaine Weaver will update the Board on the status of the renovations to the TCC and address any questions from the Board.

10) **Tucson Community Center Bleachers – Possible Action (10 minutes)**

Because they were deemed unsafe, the City of Tucson replaced the bleachers in the TCC arena utilizing general funds. To allow the City to issue an RFP in for the lease-purchase of those bleachers, the City's attorneys have asked the District to acknowledge that the bleachers are equipment rather than fixtures. Counsel for the District will provide the Board with background information and answer questions from the Board. If it elects to do so, the Board may authorize the execution of an appropriate acknowledgment for the City.

11) **Westside Parcel Engineering – (20 Minutes)**

a) *Presentation and Discussion Only:* Pursuant to District's Settlement Agreement with the City of Tucson, the District will be receiving title to the property described as the Westside Parcel. WLB Group has submitted a proposal to update the engineering on this property and will explain that proposal and answer questions from the Board.

b) *Possible Action:* If the Board deems it appropriate to do so, it may consider and direct its attorneys to attempt to negotiate an acceptable form of agreement for WLB's services, which agreement would only be binding on the District after it is presented to and approved by the Board at a future meeting.

12) **Arena Site – Possible Action - (15 Minutes)**

By the terms of the District's Settlement Agreement with the City of Tucson, District has the option of taking title to the property generally referred to as the Arena Site. The District's attorneys will update the Board on the status of the due diligence efforts on this property. Because the completion of these due diligence efforts has taken longer than expected, the

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Board's attorney has requested and the City of Tucson has agreed to allow the Board additional time to elect whether to take title to the Arena Site (the "Extension Agreement"). The Board will consider whether to take title prior to the completion of the due diligence efforts or to authorize the Chairman and Secretary to execute the Extension Agreement.

13) Fifth and Congress Proposal – Discussion & Potential Action (10 Minutes)

The District has been approached by Scott Stiteler, the developer of a hotel project at Fifth and Congress for "gap" financing assistance. Previously, the Board authorized two of its members to learn more about the hotel project, what the developer is seeking, and the District's options. Those members will report their findings. Based upon those findings, the Board may elect to (a) direct those members to enter negotiations with the developer for the requested "gap" financing, (b) decline to do so or (c) direct those members to explore other options with the developer. If there are negotiations with the developer, there can be no agreement binding on the District unless and until the terms of the agreement are approved by the Board at a future meeting.

14) Rialto Easement-Possible Action- (15 Minutes)

At a prior meeting, the Board authorized Secretary Mark Irvin to deal with the requests by Mr. Stiteler's Rialto Block Project, LLC ("LLC") for a gas and a sewer easement across the south parking lot of the District's Rialto Theater property. Mr. Irvin will provide the Board with a status report and the Board may direct Mr. Irvin and counsel to negotiate an appropriate agreement with the LLC for review and approval at a subsequent meeting.

15) Temporary Revocable Easement Request – Potential Action (15 minutes)

The owners of property to the east and the west the District's Rialto Theater property have requested certain temporary revocable easements that will periodically affect the use of the sidewalk and Herbert Avenue. The City of Tucson has asked for input from all affected property owners. The Board will be updated on the status of this request and may elect to direct one or more of its members to negotiate the appropriate agreements.

16) Chief Financial Officer Report – Presentation and Discussion Only (15 minutes)

The District's Chief Financial Officer, William A. Allen, will report to the Board on various aspects of the District's financial condition and respond to any questions the Board may have.

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17) **Legal Report – Presentation and Discussion Only** (10 Minutes)

The Boards attorneys will report to the Board on the status of and developments in the Garfield Traub and the Kromko lawsuits and respond to any questions the Board may have.

18) **Auditor Selection-Possible Action-** (10 Minutes)

The District has solicited proposals for an independent auditor. The Board will review the executive officers recommendation and possibly direct one or more of its members to negotiate an agreement for the statutorily required audit of the District’s financial records for the 2013 fiscal year.

19) **Capital Plan – Possible Action** (10 Minutes)

The District will review the priorities for funding projects once the TCC renovation and a hotel project are launched. The Board may elect to adopt or modify the capital plan as presented.

20) **Legislative Representation – Possible Action** - (15 Minutes)

The District has retained Jonathan Paton to represent Rio Nuevo for the current session. Mr. Paton will update the Board on the actions he has taken on its behalf and respond to questions from the Board. The Board may elect to modify, ratify, renew or take other action with respect to the terms of Mr. Paton’s employment by the Board.

21) **Marketing Budget and Proposals - Possible Action** -(15 Minutes)

For the Board’s consideration, Lori Hunnicutt will present options to support the merchants in the District for the Boards consideration. The Board may elect to take the action necessary to adopt one or more of Ms. Hunnicutt’s suggestions.

22) **Call to the Audience**

Presentations are limited to 3 minutes per speaker, for 15 minutes in sum. All those interested in speaking should submit a Speaker’s Card that will be made available at the meeting.

Adjournment