

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**

**Thursday, September 5, 2013  
1:00 p.m. MST Regular Meeting At  
400 W. Congress Street, Room 158  
Tucson, Arizona 85701**

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**AGENDA**

- 1) **Pledge of Allegiance**
- 2) **Roll Call.** (2 min)
- 3) **Board Meeting Minutes** - Discussion and approval of minutes for the July 15, 2013 meeting.
- 4) **Executive Session** - (Approximately 60 Minutes) (Room 152). Upon a public majority vote of members constituting a quorum, the Board of Directors (“Board”) of the Rio Nuevo Multipurpose Facilities District (“District”) 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 will 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) & (4), the Board will discuss and obtain legal advice from its attorneys in order to consider its position and instruct its attorneys regarding the public body’s potential settlement of the issues raised in and by *Garfield-Traub Development Arizona, LLC v. Rio Nuevo Multipurpose Facilities District, et al.*, Pima County Docket Number C2011-8093 (the “Garfield-Traub Lawsuit”) involving improvements to the Tucson Community Center.
  - b) Pursuant to A.R.S. §38-431.03 (A)(3) & (4), the Board will discuss and obtain legal advice from its attorneys in order to consider its position and instruct its attorneys regarding the public body’s potential settlement of the issues raised in and by *Kromko vs. Rio Nuevo Multi-Purpose Facilities District, et al.*, Pima County Docket C2011-1105 (the “Kromko Lawsuit”) 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 District’s acquisition and use of the property referred to as the “Arena Site” in Section 6 of the District’s Settlement Agreement with the City of Tucson.

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d) Pursuant to A.R.S. §38-431.03 (A)(3),(4) & (7), the Board will discuss and obtain legal advice from its attorneys regarding its position, rights and obligations in connections with the request for the District's financial participation in the development of the AC Hotel project at 5<sup>th</sup> and Congress in downtown Tucson by Scott Stiteler's Rialto Block Project, LLC.

e) Pursuant to A.R.S. §38-431.03 (A)(1), the Board will consider and discuss the resignation of William A. Allen as the District's Chief Financial Officer.

f) Pursuant to A.R.S. §38-431.03 (A)(1) & (3), the Board will discuss and consider the assignments for its legislative representative, Jonathan Paton, and consult with the Board's attorneys for legal advice on such assignments.

g) Pursuant to A.R.S. §38-431.03 (A)(3), the Board will discuss and seek legal advice on possibly adopting an employment manual for the District's employees.

h) Pursuant to A.R.S. §38-431.03 (A)(3), the Board will discuss and seek legal advice on whether the name of the District can be changed and, if so, how that may occur.

### **Reconvene Board meeting at approximately 2:30**

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

6) **Request for Qualifications for TCC Remodel – Possible Action** (5 Minutes)

Board attorney Chris Schmaltz will give a presentation on the Request for Qualifications ("RFQ") to be issued by the District in connection with its \$7.8 million remodeling efforts at the Tucson Community Center ("TCC"). The purpose of the RFQ is to solicit a Construction Manager at Risk ("CM at Risk") to provide pre-construction and construction phase services for the TCC arena remodel project. If authorized by the Board, the RFQ will be issued and, assuming a successful evaluation and negotiation process, a contract for pre-construction services with a CM at Risk will be brought back to the Board for approval. Near the end of the pre-construction phase, if an acceptable Guaranteed Maximum Price ("GMP") proposal is agreed upon between the District and the CM at Risk, the GMP will be brought to the Board for approval as a construction phase services amendment to the current contract with the CM at Risk. The potential Board action is to authorize the issuance of the RFQ for CM at Risk services for the TCC arena renovations, substantially in the form as presented.

7) **Contract with ARC Western – Possible Action** (10 minutes)

The Board will consider and possibly approve an agreement with ARC Western substantially in the form presented for services to the District related to procurements that involve specialized design and construction-related documents, including distribution of procurement related materials, such as specification books, detail books, and construction plans.

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8) **Contract with GLHN Architects & Engineers, Inc. – Possible Action** (10 minutes)

The Board will consider and possibly approve an agreement with GLHN Architects & Engineers, Inc. substantially in the form presented for electrical engineering services.

9) **AC Hotel Update – Update and Discussion Only** (10 Minutes)

Board Secretary Mark Irvin will update the Board and public on the status of the AC Hotel and Rio Nuevo’s commitment to build a \$4.3 million garage as part of the development of the AC Hotel project at 5<sup>th</sup> and Congress in downtown Tucson.

10) **Westside Engineering Update – Possible Action** (30 minutes)

The City of Tucson, Pima County and the District have been in discussion to share the cost of asking the Urban Land Institute to study and make recommendations about the land use for the property generally known as the Westside, which includes the “Westside Parcel” described in the Settlement Agreement between the City and the District. The Board may vote to direct staff and counsel to prepare the appropriate agreements for the Board’s later consideration and approval. In addition, representatives of The WLB Group, LLC, which the Board has previously engaged to provide professional services in connection with the Westside Parcel, will update the Board.

11) **Thrifty Block Development Agreement & Kromko Lawsuit - Possible Action** (15 Minutes)

Counsel will update the Board on the status of the Kromko Lawsuit and the potential progress on finalizing the Settlement Agreement and Amended and Restated Development Agreement for the Thrifty Block among the District, the City of Tucson and the developer (“Settlement Agreement”). The District Board and developer have agreed upon the terms of the Settlement Agreement, however, the City of Tucson has indicated that it will require additional revisions. The Board may consider and possibly approve the Settlement Agreement with the City’s additional revisions.

12) **Arena Site – Update and Discussion Only** (20 Minutes)

Counsel will update the Board regarding the District’s acquisition of title to the property referred to as the Arena Site in Section 6 of the District’s Settlement Agreement with the City of Tucson. In addition, Stantec Consulting Services, Inc. will give an update of the status of the storm drain system.

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**13) Garfield Traub Lawsuit - Possible Action (15 Minutes)**

Board Chairman Fletcher McCusker and counsel will update the Board on the results of the effort to resolve the issues in the Garfield Traub Lawsuit. The terms of a potential settlement will be discussed and the Board may elect to approve those terms and direct the preparation and execution of the appropriate documentation.

**14) Chief Financial Officer Position – Possible Action (15 Minutes)**

The District’s Chief Financial Officer has tendered his resignation. The Board will discuss its alternatives related to filling the position or contracting for outside services and vote to proceed accordingly.

**15) Employee Manual - Possible Action (10 Minutes)**

The Board will discuss the issue of adopting an employee manual and may vote to authorize its staff and counsel to prepare a draft for the Board’s consideration at a future meeting.

**16) Changing the District’s Name – Possible Action (10 minutes)**

The Board will discuss the possibility and the methodology of changing the name of the District and may vote to direct its staff, legislative representative and/or counsel to take the actions necessary to accomplish such a change.

**17) Chief Financial Officer’s Report – Discussion & Update Only (15 Minutes)**

The District’s CFO, William Allen, will update the board on the District’s cash positions.

**18) Rialto Theater Temporary Revocable Easement – Possible Action (5 Minutes)**

During the meeting of May 20, 2013, the Board authorized the execution of a temporary revocable easement adjacent to the Rialto Theater (“TRE”). Since that time, several changes have been made to the TRE and the District’s tenant the Rialto Theater Foundation (“Foundation”) has expressed a willingness to confirm by agreement that it will bear all of the expenses associated with the revised TRE. Counsel will update the Board on these changes and the Board may vote to approve the execution of the revised TRE and to approve the agreement with the Foundation.

**19) 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**