

Transcript of the Recording of the Trumpets Discussion Under Item XII. 1. on the  
April 24, 2008  
SCA Board Meeting

Agenda Item: XII. TRUMPETS WORKING GROUP REPORT (Action May Be Taken)

00:33:10 Mr. Michael Dixon: "The next item on the revised Agenda will be the report from the Trumpets Working Group; Joe Madrid will give that report, Joe."

00:33:19 Joe Madrid: "Mr. President thank you, thank (muffled), I have been out of the country for about two weeks I am going to ask Kathy to do the presentation. I will stick around for any comments or questions afterwards."

00:33:33 Mr. Michael Dixon: "Thank you, so it will be Kathy Matson who gives the report."

00:33:42 Ms. Kathy Matson: "You don't mind if I turn this (she turns the podium to face audience and the Board of Directors) I really feel bad with my back to the crowd."

00:33:50 Mr. Bob Frank: "You passed your assertiveness training."

00:33:54 Ms. Kathy Matson: "Just barely, Ok."

00:33:58 Mr. Mike Dixon: "Do we have insurance for that."

00:34:04 Ms. Kathy Matson: "Ok, the Trumpets Working Group this is a rough report to the Board and recommendation from the group... (Kathy proceeds to group through the PowerPoint presentation)"

00:45:12 Ms. Kathy Matson: (finishing the last of the report), "...we'll take questions from the floor or from you guys first."

00:45:18 Mr. Mike Dixon: "Good choice."

00:45:22 Ms. Kathy Matson: "From the Board, Mike as team leader."

00:45:24 Mr. Mike Dixon: "Questions from the Board."

00:45:29 Mrs. Roz Berman: "I think possibly we don't have questions because we all attended a workshop where we had a chance to ask a lot of our questions and get them answered so probably we are ready for member comment."

00:45:39 Mr. Bob Frank: "I would like to make one comment. For those of you who did not participate in any phase of this I would like to encourage you to recognize that Boulevard Gaming Group was by far and above the most impressive bidder that I ran into in the process. This greatest strength is Kathy has said is their financial and business sense. They seem to be

quite good at food preparation some people are not thrilled about Italian style but I think it is fair to say that they made it clear they are ready to listen to you and do menu options because it comes down to their business strategy and that is whatever sells is what we'll do what the community want us to do and quite frankly I wasn't here in 2002 when Scotto and company got the first lease contract but I will be real surprised that they would of made the same commitment that Boulevard Gaming Group has made to the community and if you been to their restaurants as many people have you'll know they don't just mouthed the word of customer service but they really do follow through on the customer service so from that point of view I would like to say that I think that if it is decided to finalized the lease with Boulevard it will be a low risk decision and many of you know that I been very concerned and I'll not go on about this about how to negotiate a team like that when you have no back up competition or options. I've done a lot of negotiations on sole source basis with very powerful companies and I can tell you it is a nasty process when they have the advantage of the negotiation team, it is a very nasty process if they have most of the cards and you don't have a backup option so I worry about that and quite frankly I say that out loud and I go on and on about it because I want them to get the message through everyone that hear that were going to be looking for them to not run rough shot over us I want them to clearly understand that the board members and the community wants to do business with them but not if they play hard ball is that fair.

00:47:46 Mrs. Roz Berman: "What is your question, Bob?"

00:47:48 Ms. Kathy Matson: "There are people with numbers if you want to ask a question now is the time... (Kathy starts to answer questions from the audience with brief comments from the Board)

00:52:19 Mr. Bob Frank: "Kathy, can I mention one thing? One thing that you should also take away from this group, Bill Goff is the Chief financial backer of this organization. He's personally the one that wants to do this. For those who know about business transactions know that's a big deal the guy with the money wants it to happen. That makes all the difference as opposed to if it's the chef's idea or somebody else's idea. The guy that's financing it is the one that wants to make it work so that should make all us a little more encouraged by the fact that it's likely to happen, it's likely not to be starved for money.

00:52:52 Ms. Kathy Matson: "Any other questions from anybody?"

00:52:54 Mr. Barry Friedman: "I would like to let the residents know that if the lease is not satisfying to the new board's concerns that it may not go through because the new board will be the one who ultimately accept the lease or reject the lease and we will not let this community down."

00:53:17 Ms. Kathy Matson: "OK, that's good."

00:53:18 Mr. Bob Frank: "I would like to add to something to Barry said and then I'll be done. I first met Bill Goff as the backer of this group (3) three years ago when we were starting the Business Develop Club. He is a very key influential player in the Vegas Valley Angel's investment group. He is a very wealthy guy. He's a very tough business man. He makes a

profit, he doesn't fail and the reason why I've said the things that I've said today I'm very encouraged by the group but I'm nervous about the power and authority he has over the negotiating group. So I'm telling you positive things that I'm very encouraged with the group but I'm worried about the leverage they have over us and we have to be very aware of that and make sure he doesn't get in the driver's seat and think that he can push us around because he really wants to be here and he would like make a lot money off of here off of catering and we like to keep our facilities in good shape better than we did last time. Somewhere in there, there is a way to do it if we're just aware of it and are cautious and don't send a message to him that no matter what happens he's got the job because we can't afford that."

00:54:22 Ms. Roz Berman: "We don't plan to send a message that no matter what happens to the negotiating."

00:54:25 At this time the Board of Directors finished with the last of their comments and preceded to vote on action items.