

**METROPOLITAN PIER AND EXPOSITION AUTHORITY**  
**Minutes of Meeting of July 7, 2009**

*The rescheduled monthly meeting of the Board of the Metropolitan Pier and Exposition Authority (“MPEA”) was held at 8:30 AM on Tuesday, July 7, 2009, at MPEA Corporate Center, 301 East Cermak, 5th Floor Board Room, Chicago, IL 60611.*

**ROLL CALL**

*Ms. Vikki L. McKenzie, Custodian of Corporate Records called the roll of the MPEA Board, as noted. Chairman Tetzlaff called the meeting to order, declared a quorum and the meeting opened for business.*

*Board Membership: 13*

*Memberships Vacant: 0*

**Members Present: 12**

*Steven Hernandez*

*John R. Walter*

*Alisa Starks\**

*Robert Novelle*

*Peter J. O’Brien*

*Isaac Goldman*

*Bruce R. Meckler*

*Thomas Villanova*

*James Riley\**

*John Gates\**

*Sam Toia*

*Theodore R. Tetzlaff, Chairman*

*\*Arrived Late*

**Members Absent: 1**

*Louis Carr*

**MPEA Staff Present:** *Juan A. Ochoa, Chief Executive Officer; Larry Mulcrone, Chief of Staff; John Belcik, Chief Financial Officer; Renee Benjamin, General Counsel; Djenne Clayton, Assistant General Counsel; Josie Gough, Deputy General Counsel; Sherry Brticevich, Senior Manager Research and Planning; Dale Morrison, Business Diversity Manager; David Causton, General Manager-McCormick Place; Richard Oldshue, Director-Treasury & Capital Management; Mike Degnan, Assistant General Manager-Navy Pier; Jeanine Gillen, Acting Sr. Director-Human Resources; Maribel Hopgood, Chief of Marketing & Communications; Richard Piotrowski, Director-Technical Services-I/S; Colleen McShane, Sr Director-Community Relations; Michael Fountain, Sr. Director-Intergovernmental Affairs; Marilynn Gardner, General Manager-Navy Pier; Eric Herscher, Legal Extern; Rick Boultinghouse, Acting Sr. Director-Entertainment; Alfredo Gomes, Purchasing Agent; Kevin Lavin, Assistant Director-Administration; Rose Trotter, Workforce Diversity Administrator; Natalie Pedraza, Director-Business Diversity; Vince Gavin, Director-Government & Special Operations Navy Pier; Paul Johnson, Director of Construction Operations; Dan Blondin, Senior Attorney; Vickee Danz, Contract Administrator-Development; and Vikki L. McKenzie, Custodian of Corporate Records*

**Others Present:** *Mark Theis of CCTB*

### **MINUTES**

*The Chairman called for the approval of the Minutes of the June 2, 2009 Regular Board meeting, as previously distributed. Member O'Brien moved and Member Novelle seconded the motion for approval of the Minutes of the June 2, 2009 Regular Board meeting as distributed.*

*The motion was adopted by the unanimous vote of all Board members present.*

**SPECIAL REPORT-ARIE CROWN THEATER AND SKYLINE STAGE**  
*(Member James Riley joined the meeting and participated thereafter.)*

*Ms. Dulcie Gilmore, Director-Arie Crown Theater reported on the status of the Arie Crown Theater and Pepsi Skyline Stage, citing the following about each venue: physical description; Theater Bookings; and Major Events and Entertainment. She noted that the Pepsi Skyline Stage will host Cirque Shanghai this summer.*

*(Member Alisa Starks joined the meeting and participated thereafter.)*

*Chairman Tetzlaff called for the consideration of approval of the matters as listed below.*

**McCORMICK PLACE COMMITTEE REPORT**

*Item C1      New Contract for Relaxation Station  
                  **Mi Bon Spa, Inc.***

*Member Toia moved and Member Novelle seconded to approve Item C1-New Contract to Mi Bon Spa, Inc. for Relaxation Station, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C2      New Contract for Miscellaneous Metals and Steel Pieces  
                  **Great Lakes Metals Corporation**  
                  **Nak-Man Corporation**  
                  **Super Roco Steel & Tube Ltd.***

*Item C3      New Contract for Power Hand Tools  
                  **Root Brothers Mfg & Supply Co.**  
                  **Fort Dearborn Enterprises**  
                  **Chicago United Industries***

*Item C4      New Contract for Plumbing Fixtures  
                  **Royal Pipe and Supply**  
                  **Fort Dearborn Enterprises***

*Central States Mfg, dba Argo Summit Supplies  
Ferguson Enterprises, Inc.  
Johnson Pipe & Supply, Co., Inc.  
Test Gauge & Backflow Supply, Inc.  
Laural Supply Corporation*

*Item C5      New Contract for Event Security Services for the Arie Crown Theater  
Luna Security Services*

*Item C6      Contract Renewal for Inspection and Maintenance Services for  
Scaffolding Equipment  
Tractel, Ltd.*

*Item C7      New Contract for HVAC Parts & Supplies  
Motion Industries  
Affiliated Steam Equipment Company  
Central States Mfg. and Sales Corp. dba Argo Summit Supplies Co.  
Neuco, Inc.*

*Member Toia moved and Member Starks seconded to approve Items C2-C7 of the McCormick Place Committee Report, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C8      Sole Source Contract for Facility Floor Manager  
Tom Cassell & Associates*

*Item C9      Contract Renewal for Ammonia Refrigeration Mechanical Contractor  
AMS Mechanical Systems, Inc.*

*Member Villanova moved and Member O'Brien seconded to approve Items C8-C9 of the McCormick Place Committee Report, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C10     New Contract for Energy Center Hardening Agreement and Amended*

*Agreements for Digital Realty Service Agreement*

*Member Villanova moved and Member Toia seconded to approve Item C10 of the McCormick Place Committee Report, as distributed. Member Novelle recused himself from the vote. The motion was adopted by the unanimous vote of all non-recusing Board members present.*

*(Member John Gates joined the meeting and participated thereafter.)*

*Item C11      Amendment to Task Order for Reverse Flow, Additional Services  
                  AMS Mechanical Systems*

*Member Goldman moved and Member Starks seconded to approve Item C11, Amendment to Task Order to AMS Mechanical Systems for Reverse Flow, Additional Services, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C12      Contract Extension for Construction Consultant-West Expansion  
                  Tishman Construction*

*Member Gates moved and Member Meckler seconded to approve Item C12, five month Contract Extension to Tishman Construction for Construction Consultant-West Expansion, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C13      Amendment to Existing Contract for Design/Builder-West Expansion Project  
                  Final Settlement*

*This matter was deferred.*

**NAVY PIER COMMITTEE REPORT**

*Item D1      Sponsorship Renewal for Navy Pier Official Hotel Sponsorship  
                  Affinia Hotel Chicago*

*Member Hernandez moved and Member O'Brien seconded to approve Item D1, Sponsorship*

*Renewal to Affinia Hotel Chicago for Navy Pier Official Hotel Sponsorship, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item D2        New Contract for Navy Pier Airline Sponsorship  
                  American Airlines*

*Member O'Brien moved and Member Novelle seconded to approve Item D2, New Contract to American Airlines for Navy Pier Airline Sponsorship, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item D3        New Contract for Artificial Trees, Winter Wonderfest  
                  Exhibit Group Giltspur/The Becker Group, Ltd.*

*Member O'Brien moved and Member Novelle seconded to approve Item D3, New Contract to Exhibit Group Giltspur/The Becker Group, Ltd. for Artificial Trees, Winter Wonderfest, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item D4        New Contract-Sole Source for Building Automation System Maintenance  
                  Precision Controls of Chicago, Inc.*

*Member Riley moved and Member O'Brien seconded to approve Item D4, New Contract-Sole Source to Precision Controls of Chicago, Inc. for Building Automation System Maintenance, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**AFFIRMATIVE ACTION COMMITTEE REPORT**

*Item E1        Business Diversity Procurement Activity Report, Third Quarter FY09*

*Member Hernandez moved and Member Starks seconded to approve Item E1-Business Diversity Procurement Activity Report, Third Quarter FY09, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**COMMUNITY & LOCAL GOVERNMENT RELATIONS COMMITTEE REPORT**

*Item F1      New Contracts for Lobbying Services  
                 Illinois Governmental Consulting Group, LLC  
                 Taylor Uhe, LLC*

*Member Hernandez moved and Member O'Brien seconded to approve Item F1-New Contracts to Illinois Governmental Consulting Group, LLC and Taylor Uhe, LLC, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**PERSONNEL, COMPENSATION & BENEFITS COMMITTEE REPORT**

*Item G1      Proposed New Position Classification  
                 Senior Director of Physical Plant-McCormick Place*

*Member O'Brien moved and Member Starks seconded to approve Item G1-Proposed New Position Classification of Senior Director of Physical Plant-McCormick Place, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**MAY 2009 FINANCIAL RESULTS**

*Using a power point presentation to report net contribution to budget for the month of May 2009, Mr. John Belcik, Chief Financial Officer reported the following.*

<b><u>McCormick Place</u></b>	<i>Actual</i>	<i>Sales</i>	<i>\$8,277</i>
		<i>Contribution Margin</i>	<i>\$4,712</i>
		<i>Operating Income</i>	<i>\$278</i>

<i>Year-to-Date</i>			
<i>Actual</i>	<i>Sales</i>		\$97,175
	<i>Operating Income</i>		\$48,943

**Navy Pier**

<i>Actual</i>	<i>Sales</i>		\$3,329
	<i>Contribution Margin</i>		\$2,357
	<i>Operating Income</i>		\$421

<i>Year-to-Date</i>			
<i>Actual</i>	<i>Sales</i>		\$38,388
	<i>Operating Income</i>		\$1,077

**Hyatt Hotel**

<i>Actual</i>	<i>Sales</i>		\$4,754
	<i>Contribution Margin</i>		\$2,627
	<i>Operating Income</i>		\$1,523

	<i>Hotel Occupancy</i>		55%
	<i>Average Daily Rate</i>		\$217

<i>Year-to-Date</i>	<i>Sales</i>		\$52,747
<i>Actual</i>	<i>Operating Income</i>		\$15,769

**Energy Center**

<i>Actual</i>	<i>Revenues</i>		\$285
	<i>Total Expenses</i>		\$349
	<i>Operating Income</i>		\$327

<i>Year-to-Date</i>			
<i>Actual</i>	<i>Operating Income</i>		\$2,106

**Corporate Center**

<i>Year-to-Date</i>	<i>Total Expenses</i>		\$14,251
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**MPEA Combined**

<i>Actual</i>	<i>Sales</i>		\$16,645
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<i>Year-to-Date</i>			
<i>Actual</i>	<i>Sales</i>		\$192,305
	<i>Contribution Margin</i>		\$103,370
	<i>Operating Income</i>		(\$3,495)

**JUNE TAX COLLECTIONS**

Mr. Belcik directed Board members' attention to the FY09 Debt Service & Collections Information:

<b>JUNE</b>	
Actual Totals	\$6.4
Cal. Debt Service	\$10.1
Variance	(\$3.71)
Shortfall	(36.4%)
<b>Year-to-Date</b>	
Actual Totals	\$108.9
Cal. Debt Service	\$131.0
Variance	(\$22.1)
Shortfall	(16.9%)
Balance June 30, 2008	\$1.79
2009 Debt Service	(\$131)
Projected Collections	<u>\$108.9</u>
Projected Balance June 30, 2009	(\$20.4)

**FINANCE AND AUDIT COMMITTEE REPORT**

Item H3      *New Contract for Insurance Brokerage Services*  
**Mesirow Insurance Services, Inc.**

Member Toia moved and Member Goldman seconded to approve Item H3-New Contract to Mesirow Insurance Services, Inc. for Insurance Brokerage Services, as distributed. The motion was adopted by the unanimous vote of all Board members present.

Item H4      *New Contract for Compellent SAN Maintenance, Licensing and Software*

***Transcendent LLC***

*Item H5 New Contract for Illinois Department of Central Management Services (CMS)  
Internet Access Fee  
Illinois Century Network*

*Item H6 Contract Termination and New Contract for ADP Implementation Services  
July 1, 2009-October 30, 2009  
MKM Consulting , Inc.*

*Item H7 Sole Source New Contract for Citrix Software Annual Maintenance and Support,  
and Upgrade Protection, July 2009-June 2010  
Citrix Systems*

*Member Toia moved and Member Starks seconded to approve Items H4-H7 of the Finance and Audit Committee Report, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**LEGAL REPORT**

*Item I1 Sole Source Contract for Legal Services  
Schiff Hardin LLP*

*Item I2 Sole Source Contract for Legal Services  
Neal & Leroy, LLC*

*Item I3 Sole Source Contract for Legal Services  
Buford Law Office, LLC*

*Item I4 Sole Source Contract for Legal Services  
Hinshaw & Culbertson LLP*

*Item I5 Sole Source Contract for Legal Services  
Mayer Brown LLP*

*Item I6 Sole Source Contract for Legal Services  
Vedder Price P.C.*

*Member Villanova moved and Member Riley seconded to approve Items 11-16 of the Legal Report, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**EXECUTIVE SESSION**

*The Chairman then stated the Board would convene in Executive Session to discuss the Executive Session matters, as listed on the Agenda. At the conclusion of Executive Session, Member Walter departed the meeting.*

**GENERAL SESSION RECONVENED**

- Item J2      Lease No. 20171 By and Between the City of Chicago and the Metropolitan Pier & Exposition Authority: Real Property (Vacant Lot 523-27 East Illinois Street)*
- Item J4      MPEA Board Meeting Executive Session Minutes, June 2, 2009*
- Item J5      Destruction of Audio Recording of MPEA Board Meeting Executive Session Minutes of January 8, 2008 and February 5, 2008, Pursuant to the Illinois Open Meetings Act*

*It was properly moved and seconded to approve Items J2, J4, and J5, as presented in Executive Session. The motion was adopted by the unanimous vote of all Board members present.*

**ADJOURNMENT**

*There being no further business, the Chairman adjourned the meeting.*

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*Chairman*

*Secretary/Treasurer*