

METROPOLITAN PIER AND EXPOSITION AUTHORITY
Minutes of Meeting of May 8, 2009

The rescheduled monthly meeting of the Board of the Metropolitan Pier and Exposition Authority (“MPEA”) was held at 8:30 AM on Friday, May 8, 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 and deferred all action items due to a lack of a quorum.

Board Membership: 13

Memberships Vacant: 0

Members Present: 8

Steven Hernandez

John R. Walter

*Alisa Starks**

Thomas Villanova

Bruce R. Meckler

James Riley

(Via Teleconference)

Sam Toia

Theodore R. Tetzlaff, Chairman

**Arrived Late*

Members Absent: 5

Robert Novelle

Peter J. O’Brien

*Louis Carr**

*John S. Gates, Jr.**

Isaac Goldman

MPEA Staff Present: *Juan A. Ochoa, Chief Executive Officer; Larry Mulcrone, Chief of Staff; John Belcik, Chief Financial Officer; Marilyn Gardner, General Manager-Navy Pier; Renee Benjamin, General Counsel; Djenne Clayton, Assistant General Counsel; Josie Gough, Deputy General Counsel; Natalie Pedraza, Director-Business Diversity; Sherry Brticevich, Senior Manager Research and Planning; Dale Morrison, Business Diversity Manager; David Causton, General Manager-McCormick Place; Richard Oldshue, Director-Treasury & Capital Management; Nonda Harris, Sr. Director-Development; Mike Degnan, Assistant General Manager-Navy Pier; Ellen Barry, Chief Information Officer; Jeanine Gillen, Acting Sr. Director-Human Resources; Maribel Hopgood, Chief of Marketing & Communications; Rose Trotter, Workforce Diversity Administrator; Bridget O’Connell Koconis-Director-Property Management; Vickee Danz, Contractor Administrator-Development; and Vikki L. McKenzie, Custodian of Corporate Records*

Others Present: *Sandra Greene of Jones, Lang & LaSalle; and Dan Lorenzo of Aramark*

MARCH 2009 FINANCIAL RESULTS

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

<u>McCormick Place</u>	<i>Actual</i>	<i>Sales</i>	<i>\$10,516</i>
		<i>Contribution Margin</i>	<i>\$5,321</i>
		<i>Operating Income</i>	<i>(\$2652)</i>
	<i>Focus One Sales</i>	<i>Actual</i>	<i>\$5,841</i>
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Sales</i>	<i>\$81,292</i>
		<i>Operating Income</i>	<i>(\$8,112)</i>
	<i>Focus One Sales</i>	<i>Actual</i>	<i>\$44,682</i>

<u>Navy Pier</u>	<i>Actual</i>	<i>Sales</i>	\$2,682
		<i>Contribution Margin</i>	\$897
		<i>Operating Income</i>	(\$1,080)
	<i>Focus One Sales</i>	<i>Actual</i>	\$70
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Sales</i>	\$32,643
		<i>Operating Income</i>	\$1,107
	<i>Focus One Sales</i>	<i>Actual</i>	\$1,927
<u>Hyatt Hotel</u>	<i>Actual</i>	<i>Sales</i>	\$5,206
		<i>Contribution Margin</i>	\$2,993
		<i>Operating Income</i>	\$1,788
		<i>Hotel Occupancy</i>	64%
		<i>Average Daily Rate</i>	\$195
	<i>Year-to-Date</i> <i>(Actual)</i>	<i>Sales</i>	\$42,711
	<i>Operating Income</i>	\$12,515	
	<i>Hotel Occupancy</i>	63%	
	<i>Average Daily Rate</i>	\$186	
<u>Energy Center</u>	<i>Actual</i>	<i>Revenues</i>	\$399
		<i>Total Expenses</i>	\$805
		<i>Operating Income</i>	\$98
	<i>Year-to-Date</i> <i>Actual</i>	<i>Operating Income</i>	\$1,569
<u>Corporate Center</u>	<i>Year-to-Date</i>	<i>Total Expenses</i>	\$11,996
<u>MPEA Combined</u>	<i>Actual</i>	<i>Sales</i>	\$18,803

<i>Year-to-Date</i>		
<i>Actual</i>	<i>Sales</i>	\$160,076
	<i>Contribution Margin</i>	\$85,319
	<i>Operating Income</i>	(\$4,313)

APRIL TAX COLLECTIONS

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

<u>APRIL</u>	
<i>Actual Totals</i>	\$6.2
<i>Cal. Debt Service</i>	\$8.3
<i>Variance</i>	(\$2.1)
<i>Shortfall</i>	(25.5%)
<i>Year-to-Date</i>	
<i>Actual Totals</i>	\$96.5
<i>Cal. Debt Service</i>	\$112.1
<i>Variance</i>	(\$15.6)
<i>Shortfall</i>	(13.9%)
<i>Balance June 30, 2008</i>	\$1.79
<i>2009 Debt Service</i>	(\$131)
<i>Projected Collections</i>	<u>\$112.5</u>
<i>Projected Balance June 30, 2009</i>	(\$16.8)

(Member Alisa Starks joined the meeting, achieving a quorum, and participated thereafter.)

Pursuant to the Illinois Open Meetings Act, Ms. Vikki L. McKenzie, Custodian of Corporate Records communicated the request of Member James V. Riley to participate via teleconference, due to a business conflict. Member Meckler moved and Member Starks seconded the motion to

approve the participation of Member Riley via teleconference, as requested. The motion was adopted by the unanimous vote of all Board members present.

MINUTES

The Chairman called for the approval of the Minutes of the April 7, 2009 Board meeting, as previously distributed. Member Hernandez moved and Member Toia seconded the motion for approval of the Minutes of the April 7, 2009 Board meeting as distributed. The motion was adopted by the unanimous vote of all Board members present. Chairman Tetzlaff called for the consideration of approval of the matters as listed below.

McCORMICK PLACE COMMITTEE REPORT

*Item B1 Task Order for Chiller Repairs-Lakeside Energy Plant
Oak Brook Mechanical, Inc.*

Member Villanova moved and Member Hernandez seconded to approve Item B1-Task Order to Oak Brook Mechanical, Inc. for chiller repairs-Lakeside Energy Plant, as distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item B2 Amendment to Existing Letter of Engagement for A/E Services-North Building
Roof Study and Repair
Cubellis MGDF*

Member Villanova moved and Member Starks seconded to approve Item B2-Amendment to Existing Letter of Engagement to Cubellis MGDF for A/E Services-North Building Roof Study and Repairs, as distributed. The motion was adopted by the unanimous vote of all Board members present.

NAVY PIER COMMITTEE REPORT

*Item C1 Sole Source Procurement for Victor Stanley Picnic Tables
and Bench Frames
Howard L. White & Associates, Inc.*

Member Toia and moved Member Villanova seconded to approve Item C1-Sole Source Procurement to Howard L. White & Associates, Inc. for Victor Stanley Picnic Tables and Bench Frames, as distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item C2 New Tenant Lease Agreement, Sit Down Restaurant at Navy Pier
Harry Caray's Restaurant Group*

Member Hernandez moved and Member Starks seconded to approve Item C2-New tenant Lease Agreement with Harry Caray's Restaurant Group for Sit Down Restaurant at Navy Pier, Space GF 17, 18, 19, as distributed. Member Riley recused himself from the vote. The motion was adopted by the unanimous vote of all non-recusing Board members present.

PERSONNEL, COMPENSATION & BENEFITS COMMITTEE REPORT

Item D1 New Contract for Unemployment Compensation Services

TALX Corporation

Member Villanova moved and Member Starks seconded to approve Item D1-New Contract to TALX Corporation for unemployment compensation services, as previously distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item D2 Contract Renewal for Health Insurance Consulting Services
Gallagher Benefit Services*

Member Hernandez moved and Member Meckler seconded to approve Item D2-Contract Renewal to Gallagher Benefit Services for Health Insurance Consulting Services, as distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item D3 New Position Classifications
Senior Buyer and Buyer*

This matter was deferred.

AFFIRMATIVE ACTION COMMITTEE REPORT

*Item E1 Policy Against Discrimination and Harassment
(including Sexual Harassment)*

Member Hernandez moved and Member Starks seconded to approve Item E1-Policy Against Discrimination and Harassment (including Sexual Harassment), as previously distributed. The motion was adopted by the unanimous vote of all Board members present.

FINANCE AND AUDIT COMMITTEE REPORT

*Item F3 New Contract for Qualstar Tape Library Hardware Upgrade/Replacement
United Systems International Corporation (USI Corporation)*

Member Hernandez moved and Member Villanova seconded to approve Item F3-New Contract to United Systems International Corporation (USI Corporation) for Qualstar Tape Library Hardware Upgrade/Replacement, as distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item F4 Sole Source Contract for Annual Maintenance for JDE/Oracle
Financial System.
Oracle Corporation*

Member Hernandez moved and Member Starks seconded to approve Item F4-Sole Source Contract to Oracle Corporation for Annual Maintenance-JDE/Oracle Financial System, as distributed. The motion was adopted by the unanimous vote of all Board members present.

*Item F5 New Contract for CommVault Backup Software Maintenance
May 2009-April 2010
Matrix Systems Group, Inc.*

Member Starks moved and Member Hernandez seconded to approve Item F5-New Contract to Matrix Systems Group, Inc. for CommVault Backup Software Maintenance-May 2009-April 2010, as distributed. The motion was adopted by the unanimous vote of all Board members present.

MANAGEMENT REPORT

*Item G1 Amendment to License Agreement
Professional Convention Management Association (PCMA)*

Member Starks moved and Member Toia seconded to approve Item G1-Amendment to License Agreement with Professional Convention Management Association (PCMA) as distributed.

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

*Item H2 MPEA Board Meeting Executive Session Minutes
April 7, 2009*

Member Toia moved and Member Meckler seconded to approve Item H2-MPEA Board Meeting Executive Session Minutes, April 7, 2009, as presented in Executive Session. The motion was adopted by the unanimous vote of all Board members present.

EXECUTIVE SESSION

There were no matters for consideration.

ADJOURNMENT

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

Chairman

Secretary/Treasurer