

**METROPOLITAN PIER AND EXPOSITION AUTHORITY**  
**Minutes of Meeting of January 14, 2009**

*The regular monthly meeting of the Board of the Metropolitan Pier and Exposition Authority (“MPEA”) was held at 8:30 AM on Wednesday January 14, 2009, at MPEA Corporate Center, 301 East Cermak, 5th Floor Board Room, Chicago, IL 60611.*

**ROLL CALL**

*Ms. Renée Benjamin, General Counsel, called the roll of the MPEA Board, as noted. Chairman Tetzlaff called the meeting to order at 8:45 AM and deferred all action items due to a lack of a quorum. He then proceeded with the Agenda for informational purposes.*

*Board Membership: 13*

*Memberships Vacant: 2*

*Members Present: 8*

*John S. Gates, Jr.*

*Isaac Goldman*

*Steven Hernandez*

*Alisa Starks*

*Thomas Villanova\**

*Peter J. O’Brien\**

*Bruce R. Meckler*

*Theodore R. Tetzlaff, Chairman*

*\*Arrived Late*

*Members Absent: 3*

*Robert Novelle*

*James Riley*

*Sam Toia*

***MPEA Staff Present:***

*Juan A. Ochoa, Chief Executive Officer; Larry Mulcrone, Chief of Staff; John Belcik, Chief Financial Officer; Ellen Barry, Chief Information Officer; Maribel Hopgood, Chief of Marketing and Communications; Marilyn Gardner, General Manager-Navy Pier; Nonda Harris, Senior Director-Development; Djenne Clayton, Staff Attorney; Josie Gough, Deputy General Counsel; Rosalinda Castillo, Director-Procurement; Natalie Pedraza, Director-Business Diversity; Steven Duda, Procurement Specialist; Sherry Brticevich, Senior Manager Research and Planning; Michael Degan, Senior Director-Navy Pier Building Operations & Property Management; Mary Kay Marquisos, Sr. Director-Communications; Colleen McShane, Senior Director-Community Relations; Dale Morrison, Business Diversity Manager; Bridget O'Connell Koconis, Director-Navy Pier Property Management/Leasing; Elizabeth DelRisco, Assistant Controller; Kevin Vaez, Budget Director; Tanya Navratil, Sr. Director-Human Resources; Alfredo Gomez, Purchasing Agent; Jeanette Swan, Director-Internal Audit; David Causton, General Manager-McCormick Place; and Vikki L. McKenzie, Custodian of Corporate Records*

***Others Present:***

*Sandra Greene of Jones Lang LaSalle; Mark Theis of CCTB; Matt Dattlo of Chicago Restaurant Partners; Steven Holler of City of Chicago; Adriene Hill of WBEZ; Tom Pagels of Hyatt*

**McCORMICK PLACE REPORT - DECEMBER**

*The December McCormick Place Report was received as distributed. Mr. Causton stated that over the next 60 days the MPEA would be into the consumer show season. He commented that next month we would host the Chicago Auto Show, International Cluster of Dogs Show, as well as the Chicago Dental Society's Midwinter meeting.*

**NOVEMBER 2008 FINANCIAL RESULTS**

*Using a power point presentation to report net contribution to budget for the month of November 2008,*

*Mr. John Belcik, Chief Financial Officer reported the following:*

<b><u>McCormick Place</u></b>	<i>Actual</i>	<i>Sales</i>	\$14,392
		<i>Contribution Margin</i>	\$8,220
		<i>Operating Income</i>	\$3,146
	<i>Focus One Sales</i>	<i>Actual</i>	8,831
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Sales</i>	\$49,389
		<i>Operating Income</i>	\$272
	<i>Focus One Sales</i>	<i>Actual</i>	\$27,063

*(Member O’Brien and Member Villanova joined the meeting, participating thereafter, establishing a quorum.)*

**MINUTES**

*The Chairman called for the approval of the Minutes of the December 9, 2008 Board meeting, as previously distributed. Member Meckler moved and Member Starks seconded the motion for approval of the Minutes of the December 9, 2008 Board meeting as distributed. The motion was adopted by the unanimous vote of all Board members present.*

Mr. Belick then continued reporting on the November Financials.

<b><u>Navy Pier</u></b>	<i>Actual</i>	<i>Sales</i>	\$2,521
		<i>Contribution Margin</i>	\$1,002
		<i>Operating Income</i>	(\$1,091)
	<i>Focus One Sales</i>	<i>Actual</i>	\$346
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Sales</i>	\$22,450
		<i>Operating Income</i>	\$4,548
	<i>Focus One Sales</i>	<i>Actual</i>	\$1,683

Mr. Belcik introduced Mr. Thomas Pagels, the newly appoint General Manager of Hyatt McCormick Place. Mr. Pagels was the previous manger at the downtown Hyatt.

<b><u>Hyatt Hotel</u></b>	<i>Actual</i>	<i>Sales</i>	\$5,365
		<i>Contribution Margin</i>	\$2,910
		<i>Operating Income</i>	\$1,779
		<i>Hotel Occupancy</i>	66%
		<i>Average Daily Rate</i>	\$213
	<i>Year-to-Date</i>	<i>Sales</i>	\$28,732
	<i>(Actual)</i>	<i>Operating Income</i>	\$10,417
		<i>Hotel Occupancy</i>	76%
		<i>Average Daily Rate</i>	\$194

<b><u>Energy Center</u></b>	<i>Actual</i>	<i>Revenues</i>	\$352
		<i>Total Expenses</i>	\$483
		<i>Operating Income</i>	\$227
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Operating Income</i>	\$1,726

<b><u>Corporate Center</u></b>	<i>Actual</i>	<i>Total Expenses</i>	\$987
<b><u>MPEA Combined</u></b>	<i>Actual</i>	<i>Sales</i>	\$22,629
	<i>Year-to-Date</i>		
	<i>Actual</i>	<i>Sales</i>	\$102,295
		<i>Contribution Margin</i>	\$58,417
		<i>Operating Income</i>	\$10,081

**DECEMBER TAX COLLECTIONS**

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

*Information:*

***December***

<i>Actual Totals</i>	\$10.8
<i>Cal. Debt Serv.</i>	\$12.26
<i>Variance</i>	(\$1.4)

***Year-to-Date***

<i>Actual Totals</i>	\$17.9
<i>Cal. Debt Serv.</i>	\$70
<i>Variance</i>	(\$6.8)

<i>Balance June 30, 2008</i>	\$1.79
<i>2009 Debt Service</i>	(\$131)
<i>Projected Collections</i>	<u>\$121.2</u>
<i>Projected Balance June 30, 2008</i>	(\$8.1)

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

## **McCORMICK PLACE COMMITTEE REPORT**

- Item B2*      *New Contract for Plumbing Pipe, Fittings and Materials*  
***Royal Pipe & Supply Company***  
***Categories: 7, 8, 10, 12, 13, 16, 18, 19, 20, 21***
- Johnson Pipe & Supply***  
***Categories: 1, 2, 2A, 3A, 3B, 4, 5, 6, 9, 11, 14, 15, 17, 22, 23, 24***
- Item B3*      *Intergovernmental Agreement for Office Supplies*  
***Office Max***  
***Staples Business Advantage***
- Item B4*      *New Contract for Electrical Supply*  
***Helsel-Jepperson***  
***Categories: A, B, C, D, F, G, H, I, J, K, L***
- Evergreen Supply***  
***Category E***
- Item B5*      *Sole Source Contract for Chillers Service and Parts*  
***Trane U.S., Inc.***
- Item B6*      *New Contract for Hoses, Hose Fittings, and Air Fittings*  
***Fort Dearborn***  
***Categories 1 through 7***
- Item B7*      *Cellular Telephone Service*  
***Nextel Communications***
- Item B8*      *Emergency Purchase Order for Ejector Pumps*  
***Metropolitan Industries***
- Item B9*      *New Contract for Elevator and Escalator Service*  
***Kone, Inc.***

*Item B10      Contract Renewal for Electric Lamps  
                 Helsel-Jepperson Electrical, Inc.  
                 Categories 1, 2, 6, 7, 8, 9, 10, 13*

*It was properly moved and seconded to approve the McCormick Place Committee Report, Items B2- through B-10, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**NAVY PIER COMMITTEE REPORT**

*Item C1      Amendment to Existing Task Order for A/E Services  
                 East End Concrete Repairs  
                 Primera Engineering*

*It was properly moved and seconded to approve Item C1 as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**PERSONNEL, COMPENSATION & BENEFITS COMMITTEE REPORT**

*Item D1      New Contract for 457 Plan Administrator Deferred Compensation  
                 Hartford Life Insurance Company*

*It was properly moved and seconded to approve the Personnel, Compensation & Benefits Committee Report, Item D-1, as previously distributed. The motion was adopted by the unanimous vote of all Board members present.*

**LEGAL REPORT**

*Item F1, Consideration of Approval of Resolution No. MPEA 09-01, Authorizing Execution of Venue Use Agreement with the City of Chicago and Chicago 2016, and Governmental Cooperation Agreement with the City of Chicago, for the 2016 Summer Olympic and Paralympic Games was deferred to Executive Session.*

**MANAGEMENT REPORT**

*Item G1      Resolution No. MPEA 09-02  
                 Honoring Michael E. Murphy*

*It was properly moved and seconded to approve Resolution No. MPEA 09-02 Honoring Michael E. Murphy, as distributed. The motion was adopted by the unanimous vote of all Board Members present.*

*Item G2      Collective Bargaining Agreements-International Union of Operating Engineers of Chicago, Illinois and Vicinity, Local 399*

*This matter was deferred to Executive Session.*

**EXECUTIVE SESSION**

*The Chairman then stated the Board would convene in Executive Session to consider Items F1 and G2, and those matters listed on the agenda.*

**GENERAL SESSION RECONVENED**

*Upon return from Executive Session, there were seven matters for Board consideration.*

*Item G2      **Collective Bargaining Agreements-*International Union of Operating Engineers of Chicago, Illinois and Vicinity, Local 399****

*It was properly moved and seconded to approve Item G2, Collective Bargaining Agreements-  
International Union of Operating Engineers of Chicago, Illinois and Vicinity, Local 399, as  
previously distributed. Member Hernandez abstained from the vote. The motion was adopted  
by the unanimous vote of all non-abstaining Board Members present.*

*Item F1      **Resolution No. MPEA 09-01, Authorizing Execution of Venue Use  
Agreement with the City of Chicago and Chicago 2016, and  
Governmental Cooperation Agreement with the City of Chicago, for the  
2016 Summer Olympic and Paralympic Games***

*It was properly moved and seconded to approve Item F1, Resolution No. MPEA 09-01,  
Authorizing Execution of Venue Use Agreement with the City of Chicago and Chicago 2016,  
and Governmental Cooperation Agreement with the City of Chicago, for the 2016 Summer  
Olympic and Paralympic Games, provided that no written or oral commitments shall be made  
by anyone on behalf of the MPEA to the United States Olympic Committee, the International  
Olympic Committee, Chicago 2016 or its successor entity, or the City of Chicago without prior  
approval of the MPEA Board. The motion was adopted by the unanimous vote of all Board  
members present.*

*Item H1      Tenant Lease Assignment and Amendment for Navy Pier  
                 Joe's Be Bop Café to Buffalo Wild Wings*

*It was properly moved and seconded to approve Item H1, as presented in Executive Session.*

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

*Item H2      New Tenant Lease Agreements for Navy Pier  
                 Life In the Windy City  
                 Navy Pier Signature Store  
                 Oh Yes Chicago!  
                 Garrett Popcorn Shops*

*It was properly moved and seconded to approve Item H2, as presented in Executive Session.*

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

*Item H3      Tenant Lease Extension for Navy Pier  
                 King Wah*

*It was properly moved and seconded to approve Item H3, as presented in Executive Session.*

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

*Item H5      Settlement of Workers' Compensation Claims*

*It was properly moved and seconded to approve Item H5, as presented in executive Session.*

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

*Item H6 MPEA Board Meeting Executive Session Minutes  
December 9, 2008*

*It was properly moved and seconded to approve Item H6, as previously distributed. 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*

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*Secretary/Treasurer*