

**METROPOLITAN PIER AND EXPOSITION AUTHORITY**  
**Minutes of Meeting of January 15, 2010**

*The regular monthly meeting of the Board of the Metropolitan Pier and Exposition Authority (“MPEA”) was held at 11:00 AM on Friday, January 15, 2010, at MPEA Corporate Center, 301 East Cermak Road, Corporate Boardroom, 5<sup>th</sup> Floor, Chicago, IL 60616.*

**ROLL CALL**

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

*Board Membership: 13*

*Memberships Vacant: 1*

**Members Present: 11**

*Devon C. Bruce*

*Louis Carr\**

*Steven Hernandez*

*Robert Novelle*

*Peter J. O’Brien*

*Isaac Goldman*

*James Riley*

*Thomas Villanova*

*Sam Toia*

*Alisa Starks*

*John Gates, Chairman*

*\*Via Teleconference*

**Members Absent: 1**

*John R. Walter*

*Pursuant to the Illinois Open Meetings Act, Ms. Vikki L. McKenzie, Custodian of Corporate*

*Records communicated the request of Member Louis Carr to participate via teleconference, due to a business conflict. Member O'Brien moved and Member Novelle seconded the motion to approve the participation of Member Carr via teleconference, as requested. The motion was adopted by the unanimous vote of all Board members present.*

***MPEA Staff Present:*** *Juan A. Ochoa, Chief Executive Officer; Carlos Ponce, Acting Chief of Staff; Renee Benjamin, General Counsel; Djenne Clayton, Assistant General Counsel; Sherry Brticevich, Director of Business Administration-Navy Pier; David Causton, General Manager-McCormick Place; Richard Oldshue, Chief Financial Officer; Jeanine Gillen, Acting Sr. Director-Human Resources; Maribel Hopgood, Chief of Marketing & Communications; Ellen Barry, CIO; Michael Fountain, Sr. Director-Intergovernmental Affairs; Marilyn Gardner, General Manager-Navy Pier; Shaunda Davis, Acting Director-Security & Safety; Laura Chorle, Senior Development Manager; Rose Trotter, Workforce Diversity Administrator; Dan Blondin, Senior Attorney; Nancy Quoss, Assistant Director-Procurement; Mary Kay Marquisos, Director-Public Relations; Josie M. Gough, Deputy General Counsel; Kevin Lavin, Assistant Director-Administration; and Vikki L. McKenzie, Custodian of Corporate Records*

***Others Present:*** *Steven Hartenstein and Phil Stefani of Chicago Restaurant Partners; Jack Johnson of CCTB; Kathy Bergen of Chicago Tribune*

## **SECTION A - MINUTES**

*The Chairman called for the approval of the Minutes of the December 3, 2009 Regular Board meeting, as previously distributed. Member Starks moved and Member Toia seconded the*

*motion for approval of the Minutes of the December 3, 2009 Regular Board meeting, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**SECTION B - FINANCE AND AUDIT COMMITTEE REPORT**

***ITEM B1 - NOVEMBER 2009 FINANCIAL RESULTS***

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

**McCormick Place – Current Month**

<i>Sales</i>	<i>Actual</i>	<i>\$8,239</i>
	<i>Forecast</i>	<i>\$937</i>
 <i>Focus One Sales</i>	 <i>Actual</i>	 <i>\$4,385</i>
	<i>Forecast</i>	<i>\$702</i>

**McCormick Place – Year to Date**

<i>Sales</i>	<i>Actual</i>	<i>\$30,498</i>
	<i>Forecast</i>	<i>\$946</i>
 <i>Direct Expenses</i>	 <i>Actual</i>	 <i>(\$15,015)</i>
	<i>Forecast</i>	<i>(\$512)</i>
 <i>Contribution Margin</i>	 <i>Actual</i>	 <i>\$15,484</i>
	<i>Forecast</i>	<i>\$434</i>
 <i>Operating Expenses</i>	 <i>Actual</i>	 <i>(\$23,848)</i>
	<i>Forecast</i>	<i>\$784</i>
 <i>Operating Income (Loss)</i>	 <i>Actual</i>	 <i>(\$8,365)</i>

There were three major events for the month of November: FabTech; World Wide Foods/American Meat Institute; and America Society Therapeutic Radiology.

**Navy Pier – Current Month**

<i>Sales</i>	<i>Actual</i>	\$2,400
	<i>Forecast</i>	(\$223)
	<i>Budget</i>	(\$425)
	<i>Last Year</i>	(\$120)
<i>Direct Expenses</i>	<i>Actual</i>	(\$1,445)
	<i>Forecast</i>	\$254
<i>Contribution Margin</i>	<i>Actual</i>	\$956
	<i>Forecast</i>	\$31
<i>Operating Income (Loss)</i>	<i>Actual</i>	(\$1,005)
	<i>Forecast</i>	\$257
	<i>Budget</i>	\$61
	<i>Last Year</i>	\$86

**Navy Pier – Year to Date**

<i>Sales</i>	<i>Actual</i>	\$19,112
	<i>Forecast</i>	(\$562)
<i>Direct Expenses</i>	<i>Actual</i>	(\$6,278)
<i>Contribution Margin</i>	<i>Actual</i>	\$12,834
	<i>Forecast</i>	(\$181)
<i>Operating Expenses</i>	<i>Actual</i>	(\$10,087)
	<i>Forecast</i>	\$234
<i>Operating Income (Loss)</i>	<i>Actual</i>	\$2,747
	<i>Forecast</i>	\$53

**Hyatt Hotel – Current Month**

<i>Sales</i>	<i>Actual</i>	\$5,013
	<i>Forecast</i>	\$291
	<i>Budget</i>	(\$786)
	<i>Last Year</i>	(\$351)
<i>Direct Expenses</i>	<i>Actual</i>	(\$2,154)
	<i>Forecast</i>	(\$56)
<i>Contribution Margin</i>	<i>Actual</i>	\$2,859
	<i>Forecast</i>	\$235
<i>Operating Income (Loss)</i>	<i>Actual</i>	\$1,837
	<i>Forecast</i>	\$327
	<i>Budget</i>	(\$291)
	<i>Last Year</i>	\$59
<i>Occupancy</i>	<i>Actual</i>	61%
	<i>Forecast</i>	3%
<i>Average Daily Rate</i>	<i>Actual</i>	\$207
	<i>Forecast</i>	(\$2)

**Hyatt Hotel – Year to Date**

<i>Sales</i>	<i>Actual</i>	\$24,057
	<i>Forecast</i>	(\$111)
	<i>Budget</i>	(\$4,744)
	<i>Last Year</i>	(\$4,675)
<i>Direct Expenses</i>	<i>Actual</i>	(\$11,104)
	<i>Forecast</i>	\$105
<i>Contribution Margin</i>	<i>Actual</i>	\$12,953
	<i>Forecast</i>	(\$5)
<i>Operating Expenses</i>	<i>Actual</i>	(\$5,505)
	<i>Forecast</i>	\$152
<i>Operating Income (Loss)</i>	<i>Actual</i>	\$7,448
	<i>Forecast</i>	\$147

<i>Budget</i>	(\$3,023)
<i>Last Year</i>	(\$2,969)

<i>Occupancy</i>	<i>Actual</i>	67%
	<i>Forecast</i>	1%

<i>Rate</i>	<i>Actual</i>	\$185
	<i>Forecast</i>	(\$0)

**Energy Center – Current Month**

<i>Revenues</i>	<i>Actual</i>	\$415
	<i>Forecast</i>	\$70

<i>Operating Income/(Loss)</i>	<i>Actual</i>	\$166
	<i>Forecast</i>	\$60
	<i>Budget</i>	\$25
	<i>Last Year</i>	(\$61)

**Energy Center – Year to Date**

<i>Revenues</i>	<i>Actual</i>	\$1,600
	<i>Forecast</i>	\$74
	<i>Budget</i>	(\$393)
	<i>Last Year</i>	(\$126)

<i>Operating Income/(Loss)</i>	<i>Actual</i>	\$918
	<i>Forecast</i>	\$94
	<i>Budget</i>	(\$208)
	<i>Last Year</i>	\$10

**Corporate Center – Year to Date**

<i>Expenses Before Depreciation</i>	<i>Actual</i>	(\$7,459)
	<i>Forecast</i>	\$39
	<i>Budget</i>	(\$58)
	<i>Last Year</i>	(\$837)

**MPEA Combined – Current Month**

<i>Sales</i>	<i>Actual</i>	\$16,074
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	<i>Forecast</i>	\$1,059
	<i>Budget</i>	(\$1,915)
	<i>Last Year</i>	(\$6,648)
<i>Direct Expenses</i>	<i>Actual</i>	(\$7,411)
<i>Contribution Margin</i>	<i>Actual</i>	\$8,663
	<i>Forecast</i>	\$908
<i>Operating Expenses</i>	<i>Actual</i>	(\$9,513)
	<i>Forecast</i>	\$718
<i>Operating Income (Loss) Before Depreciation</i>	<i>Actual</i>	(\$851)
	<i>Forecast</i>	\$1,626
	<i>Budget</i>	(\$679)
	<i>Last Year</i>	(\$4,016)
<i>Operating Loss After Depreciation</i>	<i>Actual</i>	(\$9,286)
	<i>Forecast</i>	\$1,579

**MPEA Combined – Year to Date**

<i>Sales</i>	<i>Actual</i>	\$75,316
	<i>Forecast</i>	\$314
	<i>Budget</i>	(\$12,420)
	<i>Last Year</i>	(\$27,526)
<i>Direct Expenses</i>	<i>Actual</i>	(\$33,078)
<i>Contribution Margin</i>	<i>Actual</i>	\$42,238
	<i>Forecast</i>	\$309
<i>Operating Expenses</i>	<i>Actual</i>	(\$46,900)
	<i>Forecast</i>	\$1,131
<i>Operating Income (Loss) Before Depreciation</i>	<i>Actual</i>	(\$4,662)
	<i>Forecast</i>	\$1,440
	<i>Budget</i>	(\$6,802)

Last Year (\$14,745)

**ITEM B2 – DECEMBER TAX COLLECTIONS**

Mr. Oldshue directed Board members' attention to the FY10 Debt Service & Collections Information:

<b>DECEMBER</b>	
Actual Totals	\$9.3
Cal. Debt Service	\$13.0
<b>Year-To-Date</b>	
Actual Totals	\$55.0
Cal. Debt Service	\$74.3
Variance	(\$19.2)
Shortfall	(25.9%)
Balance June 30, 2009	(\$18.8)
2010 Debt Service	(\$138.9)
Projected Collections	<u>\$105.0</u>
Subtotal FY2010	(\$33.9)
Projected Balance June 30, 2010	(\$52.7)

**FINANCE & AUDIT FINANCIAL AGENDAS**

Item B3 Notification of New Contract Award for MPEA Electricity Supply  
**Exelon Energy Company**

Mr. Oldshue informed Board members of the selection of Exelon Energy Company, in accordance with the Board's delegation of authority to the CEO (and Chairman's approval) to solicit final prices, negotiate final contract terms and award the contract(s) to the lowest

priced, pre-qualified Alternative Retail Electric Supplier (ARES) to provide the electric supply for McCormick Place and Navy Pier.

**SECTION C - McCORMICK PLACE COMMITTEE REPORT**

*Item C1*      *New Contract for Telecommunications Equipment and Supplies*  
**Mercommbe ,Inc.**  
**Relusent Communications, Inc.**  
**Voice and Data Networks**  
**Altura Communication Solutions**

*Member Goldman moved and Member Starks seconded the motion to approve Item C1, New Contract to Mercommbe, Inc., Relusent Communications, Inc., Voice and Data Networks, and Altura Communication Solutionst, for telecommunications equipment and supplies, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C2*      *New Contract for Overhead Doors, Repairs and Emergency Services*  
**Anagnos Door Co., Inc.**

*Member Riley moved and Member Villanova seconded the motion to approve Item C2, New Contract to Anagnos Door Co., Inc., for overhead doors, repairs, and emergency services, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Item C3*      *Sole Source Contract for Consulting Services*  
*Food Service Planning and Design*  
**William Caruso and Associates**

*Member Bruce moved and Member Goldman seconded the motion to approve Item C3, Sole Source Contract to William Caruso and Associates, for Consulting Services-Food Service Planning and Design, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

*Chairman Gates stated that at the December Board meeting discussion was held regarding Board Members attending Post Show Client Review Meetings for major shows. This Post Show meeting gives the opportunity to receive feedback directly from the Authority's customers. Member Riley attended the Post Show Client Review Meeting with RSNA. Member Riley stated the meeting was very positive and encouraging. RSNA stated that the bridge between the West and South Buildings was very narrow for movement of their people, since their attendees tend to all move from one location to another at the same time. Also, they were disappointed that the Authority had not moved forward with the hotel expansion. RSNA also raised concerns about the difficulties of international attendees obtaining United States Visas. Mr. Causton will get a Post Show Client Review meeting schedule to Chairman Gates. Chairman Gates stated that this report should be given monthly.*

**SECTION D – COMMUNITY & LOCAL GOVERNMENT COMMITTEE REPORT**

*Item D1          New Contract for Lobbying Services  
                         **Taylor Uhe, LLC***

*Member Goldman moved and Member Riley seconded to approve Item D1, New Contract with Taylor Uhe, LLC, for Lobbying Services, as distributed. The motion was adopted by the unanimous vote of all Board members present. Member Toia stated Mr. Williams (MBE) had*

*been added to the lobbying team.*

**SECTION E - LEGAL REPORT**

*Item E1 Resolution No. MPEA 10-01 Amending the Metropolitan Pier and Exposition Authority 401(a) Contribution Plan*

*Member Hernandez moved and Member O'Brien seconded to approve Item E1, ratifying the amendment to amend the Metropolitan Pier and Exposition Authority 401(a) Contribution Plan, as distributed. The motion was adopted by the unanimous vote of all Board members present.*

**SECTION F - MANAGEMENT REPORT**

*Item F1 Resolution No. MPEA 10-02 Authorizing Extended Termination Dates for Certain Early Retirees of the Metropolitan Pier and Exposition Authority (Early Retirement Transition Plan)*

*This matter was deferred to Executive Session.*

**SECTION G - EXECUTIVE SESSION**

*The Chairman then stated the Board would convene in Executive Session to discuss matters as listed on the Agenda, along with Item F1. It was properly moved and seconded to enter into Executive Session. The motion was adopted by the unanimous vote of all Board members present.*

*(General Session Reconvened)*

**SECTION H – MATTERS RESULTING FROM EXECUTIVE SESSION**

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

- Item G2 Settlement of Worker's Compensation Claim*
- Item G3 MPEA Board Meeting Executive Session Minutes  
November 3, 2009 Board Meeting*
- Item G4 MPEA Board Meeting Executive Session Minutes  
November 16, 2009 Special Board Meeting*
- Item G5 MPEA Board Meeting Executive Session Minutes  
December 3, 2009 Board Meeting*

*Member Goldman moved and Member Starks seconded to approve Items G2, G3, G4, and G5 as discussed and presented in Executive Session. The motion was adopted by the unanimous vote of all Board members present.*

- Item F1 Resolution No. MPEA 10-02 Authorizing Extended Termination Dates for Certain Early Retirees of the Metropolitan Pier and Exposition Authority (Early Retirement Transition Plan)*

*Member Villanova moved and Member Riley seconded to approve item F1, Resolution No. MPEA 10-02, Authorizing Extended Termination Dates for Certain Early Retirees of the Metropolitan Pier and Exposition Authority (Early Retirement Transition Plan), as outlined in Exhibit A and as amended, pursuant to discussion in Executive Session. The motion was adopted by the unanimous vote of all Board members present.*

### **ADJOURNMENT**

*There being no further business, Member Bruce moved and Member Starks seconded the motion to adjourn. The motion was adopted by the unanimous vote of all Board members*

*present.*

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*Secretary/Treasurer or Assistant Secretary*

*Date: February 2, 2010*