



**Metropolitan Pier and Exposition Authority
Virtual Board Meeting Minutes
June 29, 2021 9:00 A.M.**

Board Members Present via Videoconference: Jeffrey Bethke, Chairman; Don Villar, Vice Chairman; Jorge Ramirez, Secretary/Treasurer; Dr. Sonat Birnecker Hart*; Nina Grondin; Roger J. Kiley, Jr.; Juan Morado, Jr.; Sherman Wright
*Joined meeting at 9:08 a.m. due to technical issues

Others Present via Videoconference: Larita Clark, Chief Executive Officer; David Winters, Chief Operating Officer; David Causton, ASM Global/McCormick Place; Matthew Simmons, General Counsel; Dao Ngo, Deputy General Counsel; Stephanie Lovelace-Nieves, Controller; Jason Bormann, Chief Financial Officer; Irma Guerrero, Project Coordinator; Jim Walsh, Marsh; Joseph Honold, Marsh; Jill Jaworski, PFM Financial Advisors; Samantha Costanzo, Citigroup Global Markets; Lewis Greenbaum, Katten Muchin Rosenman; William Daley, Goldman, Sachs & Co.; Maria Calderon, Compliance Officer and Board Administrator

The public was able to watch the virtual board meeting through Microsoft Teams – Live Event, a live streaming service. A total of thirty-three members of the public watched anonymously.

General Matters:

- A1. Roll Call: MPEA Chairman Bethke, called the meeting to order at 9:00 a.m. and Ms. Calderon called roll.
- A2. Approval of Minutes: Chairman Bethke called for the approval of the minutes of the Regular Board Meeting of the May 25, 2021.

Moved by Member Kiley, seconded by Member Villar, and the remaining members present voted approving item A2.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Roger Kiley, Jr. – Yes
Don Villar, Vice Chairman – Yes	Juan Morado, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Sherman Wright – Yes
Nina Grondin – Yes	

The motion passed.

- A3. Public Comment.

There was no public comment.

Report from CEO: Ms. Clark reported on the accomplishments for Fiscal Year 2021 (July 2020 – June 2021) which began while the world was still in the midst of the COVID-19 pandemic, the campus had been closed for 4 months and the Alternate Care Facility was still occupying McCormick Place. Ms. Clark stated the McCormick Square campus is in the midst of re-opening welcoming the NBA Draft Combine to the campus and preparing for a full resumption of events in July 2021.



Ms. Clark provided a summary of the highlights for Fiscal Year 2021:

- **Received legislative approval for critical needs**
 - Secured appropriations to support FY21 and FY22 operations
 - Increased bonding authority allowing MPEA to refinance debt
- **Maintained financial stability and liquidity through closure**
 - Implemented a campus-wide contingency plan resulting in a \$79 million reduction in operating expenses
 - Issued Series 2020D Expansion Project Bonds, which provided \$44.4 million of liquidity to the Authority
 - Sold Expansion Project Bonds to refund all principal and associated interest coming due in FY21. This allowed the unreimbursed draw on State sales taxes to be reduced dramatically from \$130 million to \$15 million
- **Identified critical projects which, in addition to upgrading the campus, also provided continued employment opportunities for current, represented staff**
 - Maintained as many employees as possible with reduced schedules
 - Offered opportunities for employees to retain health benefits
 - Established new community partnerships in critical areas including food insecurity and public safety
- **Positioned the campus for successful reopening**
 - Received GBAC STAR accreditation for the entire campus. Only 60 of the more than 250 convention centers in the country have received accreditation
 - Maintained solid customer relationships, and rescheduled nearly 70% of cancelled events for future years
 - Upgraded campus offerings for hybrid and virtual meetings

Ms. Clark reported on the **Legislative** accomplishments:

- Secured up to \$30 million in appropriations to support FY22 operations
- Reimplemented incentive grant reimbursements to provide rental discounts for shows that would not choose Chicago if not for discounts from FY2022 through FY2026
- Received \$56.46 million in appropriations from the State to help finance operating expenses for FY21
- Obtained bipartisan support for amendment of the MPEA Act:
 - Allowing the Authority to use its remaining \$46.2 million of Expansion Project authorization for general corporate purposes during FY 2021 and FY 2022
 - Extending MPEA's debt service reductions by \$95.1 million over three years

Ms. Clark reported on the **Finance** accomplishments:

- Implemented a campus-wide financial and operational contingency plan resulting in a \$79 million (50.7% of total) reduction on operating expenses through March 2021 as compared to the prior 12-month period
- Implemented a capital plan allowing Authority to retain a greater portion of its trade labor workforce
- Managed an \$11.2 million positive variance to the modified FY21 budget through the first 11 months of the fiscal year
- Established a new incentive grant program for the Collection at McCormick Square to help increase campus operating revenues and profitability
- Secured option for DRT to use an additional 500 tons of chilled water capacity from the Energy Center
- Achieved fully funded pension plan during the fiscal year



Ms. Clark reported on the Operations and Staffing accomplishments:

- Maintained as many positions, as long as possible, with healthcare benefits during shut down with a shared burden across all employees through furlough program
- Remained engaged with contractors, partners and contractors consistent in handling of protocols and communicating with status and any changes
- Collaborated with labor partners to adjust return to work processes when layoffs extended over 1 year
 - Majority of hotel employees have accepted the offer to return
- Adapted campus operations, including safety training, standards, and working from home, to maximize efficiency without compromising health
 - Minimal cases of COVID reported on campus even with the operation of Alternate Care Facility, staging for National Guard and other uses
- Upgraded campus wide HVAC system with hospital grade filters and other enhancements per best practices for COVID
- Completed multi-million-dollar lighting upgrade project ahead of schedule enhancing sustainability and lower future operating costs
 - This entailed approximately 70,000 lights.
- Increased reliability for our campus wide chilled water systems with upgrade and retrofit of East Building chiller plant
- Upgraded the South Building with renovation of restrooms, A1 and A2 food pods, repainting of Halls C1 and C2, as well as necessary repairs and maintenance to electrical and plumbing apparatus, doors and door hardware
- Completed concrete and water mitigation of South Dock and South up and down ramp
- Waterproofed and repainted Metra stairs and South Terrace

Ms. Clark reported on the Customer Support accomplishments:

- Collaborated with Choose Chicago to create and launch Healthy Meetings Chicago
 - 37M media impressions; 7,500 sessions
- Developed event-specific safety plans with customers
 - Received approval for Chicago Auto Show to proceed during the Bridge Phase
- Concepted and launched the ACT Hybrid Production Studio
- Refreshed campus-wide hybrid offering with Hollywood grade technology
- Participated in Forward Together Building A Stronger Chicago recovery taskforce
 - Leading innovation planning for campus

Ms. Clark reported on the Sales, PR, and Marketing accomplishments:

- Maintained reputation locally and nationally as a key economic engine and best-in-class venue
- Established "The Collection at McCormick Square" as a critical revenue channel for the campus, including:
 - Launched a new website for The Collection with a focus on group business
 - Launched a LinkedIn page for The Collection
 - Created tools to support our sales teams with Collection collateral
 - Established and standardized a Collection proposal, presentation and customer site visit templates
- Continued proactive customer communication program with emails, webinars, and personal calls to maintain relationships



Ms. Clark reported on the **Community** accomplishments:

- Donated more than 15,000 pounds of food including produce from the Rooftop Garden
- Established partnerships with Fight2Feed and UNITE HERE Culinary Hospitality Institute (UHCHI)
 - Fight2Feed has exponentially increased their impact due to the partnership with MPEA. In the first 2months, they distributed more than 1M pounds of food and provided 10,000 hot meals.
 - UHCHI provides critical workforce development opportunities for hospitality sectors, the first cohort completed their classroom training in June.
- Participated in two food drives dedicated for McCormick Place and hospitality workers
 - Chicago Federation of Labor in November 2020
 - National trade show leaders in April 2021
- Provided space to the City of Chicago and State of Illinois to support public efforts, including vaccination of State Police, Chicago Fire Department exams, and Chicago Police Department training

Report from Controller: Ms. Lovelace-Nieves presented the financial results for May 2021.

Report from Chief Financial Officer: Mr. Bormann presented the tax collections for May 2021 and Preliminary June 2021.

Report from McCormick Place General Manager: Mr. Causton reported that McCormick Place is open for business for the first time in 15 months. Mr. Causton reported the Draft NBA Combine was hosted in the Wintrust Arena and generated business for the Marriott Marquis Chicago. Mr. Causton reported Choose Chicago's Annual Meeting and the Illinois Hospital Association event were hosted in the Arie Crown Theater in June. Mr. Causton reported the Nike Tournament of Champions with 1,500 participants, 600 teams and between 6,000 to 10,000 attendees daily would be on campus from July 10-12. Mr. Causton reported the ASI Show would host their trade show in the North Building from July 13-15. Mr. Casuton reported the Chicago Auto Show would host their event in the West Building from July 15-19 and will activate a Street Fest that will feature the latest vehicles on display, food trucks, local brews and musical entertainment. Mr. Causton stated the campus has an active Fall schedule with Fabtech moving in after Labor Day.

Executive Session: Chairman Bethke asked for a motion to convene in Executive Session to discuss item C1, review of confidential executive session minutes, litigation update and collective bargaining matters. Upon motion duly made by Member Villar, seconded by Member Birnecker Hart, and the remaining members present unanimously voted to convene in Executive Session.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

Upon return from Executive Session, item E1 was presented for consideration and discussion.



Review of Covered Actions and Eligible Agreements:

- D1. Consideration of Approval of Ordinance Authorizing the Issuance, Sale and Delivery of the MPEA's McCormick Place Expansion Project Bonds and Refunding Bonds – Ordinance No. MPEA 21-01.

Moved by Member Kiley, seconded by Member Villar, and the remaining members present voted approving item D1.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

- D2. Consideration of Approval of Insurance Renewal for the MPEA Insurance Program for 07/01/2021 – 06/30/2022.

Moved by Member Morado, seconded by Member Grondin, and the remaining members present voted approving item D2.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

- D3. Consideration of Review of Confidential Executive Session Minutes.

Moved by Member Villar, seconded by Member Morado, and the remaining members present voted approving item D3.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.



- D4. Consideration to End Retention of Verbatim Audio Recordings of Executive Session Minutes for the following Dates: June 6, 2019, August 7, 2019, September 24, 2019, October 15, 2019, November 19, 2019, and December 17, 2019.

Moved by Member Kiley, seconded by Member Morado, and the remaining members present voted approving item D4.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

- E1. Consideration of Approval of Executive Session Minutes of the April 27, 2021 Regular Board Meeting.

Moved by Member Birnecker Hart, seconded by Member Villar, and the remaining members present voted approving item E1.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

Adjournment

Chairman Bethke moved to adjourn the meeting moved by Member Villar, seconded by Member Grondin, and the meeting was adjourned by unanimous vote of the Board.

Roll call vote. Record as:

Jeffrey Bethke, Chairman – Yes	Nina Grondin – Yes
Don Villar, Vice Chairman – Yes	Roger Kiley, Jr. – Yes
Jorge Ramirez, Secretary/Treasurer – Yes	Juan Morado, Jr. – Yes
Dr. Sonat Birnecker Hart – Yes	Sherman Wright – Yes

The motion passed.

Approved: August 3, 2021


Secretary/Treasurer or Assistant Secretary