

**MINUTES OF THE SPECIAL BOARD MEETING
OF THE
ILLINOIS SPORTS FACILITIES AUTHORITY
December 8, 2014**

A Meeting of the Board of Directors of the Illinois Sports Facilities Authority was held on December 8, 2014 at 12:00 p.m. in the Board Room of the Illinois Sports Facilities Authority located at 333 West 35th Street, Chicago, Illinois.

Item 1. Call to Order

The Chairman called the meeting to order at approximately 12:00 p.m.

Item 2. Roll Call

Call of the Roll was taken and the following members of the Authority were present: Emil Jones, Jr., Richard Price, Dennis Gannon, Elzie Higginbottom, Jim Reynolds and Norman Bobins; Quentin Young participated via conference call. Also present were Dana Phillips Goodum, Maureen Gorski, Michael Orr, Jeannie Romas and P.J. Frayer of Authority staff; John Corvino of the Chicago White Sox; John Deland of BKD (formerly Wolf & Company); representatives of Soldier Field and Michael Alvarez representing the Authority for public relations.

Item 3. Approval of Minutes

Upon motion made by Mr. Gannon and seconded by Mr. Higginbottom the minutes of the Board's May 28, 2014 meeting were approved as submitted.

Item 4. 2015 Office Business

Ms. Frayer presented the Boards with a memo for potential 2015 ISFA Board meeting dates requesting their input. She also presented ISFA 2015 Office holidays.

Item 5. Chicago Park District

Ms. Gorski stated that the Park District was requesting additional funding from the Capital Improvement Fund that was not expended in previous years (as permitted by Section 4.6 of the Operation Assistance Agreement). Ms. Phillips Goodum stated there are sufficient reserves and that it is likely further similar resolutions will be presented to the Board when excess funds are requested. Upon motion by Mr. Reynolds and seconded by Mr. Gannon, the Board adopted **Resolution 15-01**—A Resolution Amending Resolution 10-07 Approving Reimbursement for Certain Capital Improvements to be Undertaken by the Chicago Park District with six “aye” votes: Chairman Jones, Mr. Price, Dennis Gannon, Mr. Reynolds, Mr. Bobins and Mr. Young and one abstention by Mr. Higginbottom.

Item 6. **Prevailing Wage Act Determinations**

Ms. Phillips Goodum stated that the Illinois "Prevailing Wage Act" (the "Act") (820 ILCS 130/0.01 et seq.) requires that the Authority determine the prevailing wages for construction trade work effective June 1st of each year. She requested Board approval of the wage rates, retroactively effective to June 2014 for tradesmen. Upon motion made by Mr. Gannon and seconded by Mr. Higginbottom the Board unanimously adopted **Resolution 15-02**– A Resolution Approving Current Rates Under the Prevailing Wage Act.

Item 7. **Report of the Audit Finance & Investment Committee**

Mr. Reynolds stated that in light of the Authority's most recent refunding and SEC/MSRB reporting requirements, the Authority will continue to provide transparency and timely reporting and therefore recommends the establishing a policy regarding continued disclosure undertakings. Upon motion by Mr. Reynolds and seconded by Mr. Bobins, the Board unanimously approved **Resolution 15-03** -A Resolution Relating to a Board Policy with Respect to Continuing Disclosure Pursuant to Securities and Exchange Commission Rule 15c2-12.

Item 8. **ISFA Audited Financials as of June 30, 2014**

Ms. Phillips Goodum stated that the audit was completed by BKD (formerly Wolf & Company) and that the Authority has received a clean audit. She further stated that the financial statements are prepared on an indenture basis, not generally accepted accounting principles, per the requirements of the Authority's bond indenture. Mr. Gannon asked for the hotel tax projections and occupancy rates for 2015. She stated that the occupancy number is difficult to pinpoint due to the information not being made available to the Authority, but that she estimated it at approximately 80%. Mr. Gannon asked for the occupancy rate for the last year, stating that it had to be higher and Ms. Phillips Goodum stated that she did not have that information yet. Upon motion made by Mr. Bobins and seconded by Mr. Reynolds the Board unanimously accepted the audit report.

Item 9. **Fiscal Year 2015 ISFA Operating Results-1st Quarter**

Ms. Phillips Goodum stated that the 1st Quarter actual fiscal 2015 hotel tax revenue was \$16.9 million above actual 2014 results and \$82K below the 2015 budget. She also stated there was a favorable variance from the 2014 Refunding Bonds, project delays and unbudgeted special events revenue. Mr. Reynolds asked if she foresaw any upcoming issues. Ms. Phillips Goodum stated that she did not and believes the hotel tax is doing well.

Item 10. **2015 Capital Repairs/Improvements**

Mr. Orr stated that the ongoing projects include infrastructure maintenance (HVAC, waste and vent piping) and that the issue they are working on relates to the visitor's weight room (which is required to be uniform per MLB standards). Mr. Orr then discussed a redirection of funds made

to accommodate the waste and vent project and HVAC project. Mr. Higginbottom stated that other redirection included minor adjustments in the parking lots and other smaller items. Upon motion by Mr. Higginbottom and seconded by Mr. Reynolds, the Board unanimously adopted **Resolution 15-04**— A Resolution Relating to U.S. Cellular Field Fiscal Year 2015 Redirection of Funds.

Item 9. **Executive Session**

Upon motion made by Mr. Jones and seconded by Mr. Higginbottom the Board resolved to adjourn to Executive Session at 12:20 p.m. to discuss personnel matters pursuant to Section 2 (c)(1) of the Illinois Open Meetings Act.

Item 10. **Matters Arising Out of Executive Session**

The Board returned from Executive Session at 12:55 p.m. Mr. Higginbottom made a motion authorizing the Chairman to enter into an employment agreement with Mr. Lou Bertuca as the next Executive Director of the Authority for a period of 24 months. Mr. Reynolds stated he believes the position should be filled after a national search; Chairman Jones stated the Act and position does not require such a search and that Mr. Bertuca will do a great job. Upon a roll call vote, Mr. Chairman, Mr. Gannon, Mr. Higginbottom and Mr. Young voted yes; Mr. Bobins, Mr. Reynolds and Mr. Price voted no—the motion passed 4-3.

Item 11. **Adjournment**

Upon motion duly made Mr. Gannon and seconded Mr. Jones the Board meeting was adjourned at 1:00 p.m.


Chairman, Manuel Sanchez

ATTEST:


Elzie Higginbottom, Secretary