

**MINUTES OF THE REGULAR BOARD MEETING
OF THE ILLINOIS SPORTS FACILITIES AUTHORITY**

December 12, 2016

A meeting of the Board of Directors of the Illinois Sports Facilities Authority was held on December 12, 2016, at 11:30 a.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 11:31 a.m.

Item 2. Roll Call

Call of the Roll was taken and the following members of the Authority were present: Manny Sanchez, Rosemarie Andolino, Richard Price, Timothy Rand and Jim Reynolds. Norm Bobins attended telephonically. Jeff Yordon did not attend the meeting. Also present were members of the Chicago Park District, John Corvino of the Chicago White Sox, Danny Ecker of Crain's, Irene Davis and Krunal Shah of Mitchell Titus, Theresa Jaffe, and Mike Alvarez. Lou Bertuca, P.J. Frayer, Dana Phillips Goodum, Maureen Gorski, Michael Orr, and Anthony O'Neill of the Authority's staff were also present.

Item 3. Approval of Minutes

Upon motion by Mr. Price and seconded by Ms. Andolino, the minutes of the August 24, 2016 meeting were unanimously approved as submitted.

Item 4. CEO Report

Mr. Bertuca discussed the Authority's successes in 2016. He mentioned that the Authority was one of the few agencies to receive full appropriation for fiscal years 2016 and 2017. Mr. Bertuca highlighted how the Authority's board members led the negotiations with the Chicago White Sox during the Guaranteed Rate naming rights transaction. Mr. Bertuca stated that the new video scoreboards were well priced and improved the quality of the experience at the stadium. The Authority became known for hosting more special events, including the first ever musical festival headlined by Chance the Rapper, which broke the attendance record at the facility. The NIU-Toledo football game was another example of a non-baseball special event the Authority hosted. The Authority exceeded its revenue goal by recognizing in excess of \$340,000 in revenue generated by special events.

Chairman Sanchez remarked that none of these special events would have occurred without the cooperative participation of the Chicago White Sox. Mr. Reynolds also stated that the Authority should give Jerry Reinsdorf and the White Sox a hand.

Item 5. Special Events

Mr. O'Neill discussed the purpose of Resolution 17-03, a resolution ratifying the Board's prior authorization to host the Chance the Rapper music festival at U.S. Cellular Field and execution of a Stadium Rental Agreement. He also discussed Resolution 17-04, which is a similar resolution ratifying the Board's prior authorization to host the Northern Illinois University football game and execution of a Stadium Rental Agreement. Mr. O'Neill stated that the Authority is currently in preliminary negotiations to bring a music festival to the stadium in 2017. Chairman Sanchez remarked that the Authority is in the business of marketing its venue and if the Authority can bring the Latin music festival to the stadium it will be a tremendous accomplishment.

Upon motion by Mr. Reynolds and seconded by Ms. Andolino, Resolution 17-03 – A Resolution Ratifying Authorization of a Special Event at U.S. Cellular Field and Execution of a Stadium Rental Agreement was unanimously approved as submitted.

Upon motion by Mr. Rand and seconded by Mr. Reynolds, Resolution 17-04 – A Resolution Ratifying Authorization of a Special Event at Guaranteed Rate and Execution of a Stadium Rental Agreement was unanimously approved as submitted.

Item 6. Office Business

Ms. Frayer described the schedule for Board meetings in 2017.

Item 7. Prevailing Wage Act Determination

Ms. Phillips Goodum stated that the Illinois Department of Labor has not yet published 2016 rates, so the 2015 rates are still in effect.

Upon motion by Mr. Rand and seconded by Mr. Price, Resolution 17-05 – A Resolution Approving Current Rates Under the Prevailing Wage Act was unanimously approved as submitted.

Item 8. ISFA Audited Financials as of June 30, 2016

Ms. Phillips Goodum introduced Irene Davis and Krupal Shah of Mitchell and Titus, the firm that recently completed the Authority's fiscal year 2016 audited financial statements. Ms. Davis discussed the scope of the audit, significant 2016 considerations, and the results of the audit. Ms. Davis stated that the Authority received a clean opinion. As a result of the audit, Mitchell and Titus concluded that the Authority's revenue recognition policies and the application of those policies are appropriate.

Upon motion by Mr. Reynolds to accept the Audit Report and seconded by Mr. Bobins, the Audit Report was unanimously approved as submitted.

Item 9. Fiscal Year 2017 ISFA Operating Results through September 30, 2016

Ms. Phillips Goodum stated that the fiscal year 2017 operating budget is exceeding the 2016 budget by \$2.3 million. The Authority has exceeded revenue receipts because of hotel tax revenue receipts, which is 4.6% above the budget for fiscal year 2017. The Authority also enjoyed more favorable revenue from the Chance event. Revenue from the event was budgeted over a future period, but the Authority recognized the \$189,000 revenue earlier than expected.

Item 10. 2017 Capital Repairs/Improvements

Mr. Orr stated that the Authority is involved in the following projects: Waste & Vent Piping Phase VI, HVAC Air Handling Unit Renovation Phase VI, FY2017 Concrete & Waterproofing Repairs, and video surveillance.

Mr. Rand inquired whether the Authority is adhering to its 25/5 MBE/WBE goal. Mr. Orr responded that the Authority does exceed the goal. Ms. Andolino stated that the Authority's team is managing the projects to allow for greatest levels of participation and inclusion of diversity.

Upon motion by Ms. Andolino and seconded by Mr. Rand, Resolution 17-06 – A Resolution to Initiate a P.O. process to procure goods and services, Resolution 17-07 – A Resolution relating to Guaranteed Rate Field FY2017 redirection of funds, and Resolution 17-08 – A Resolution Authorizing Expenditures relating to Guaranteed Rate Field Capital Repairs for FY2017 were unanimously approved as submitted.

Item 11. Chicago Park District

Tim Lefebvre and several members from the Chicago Park District addressed the Board. Chairman Sanchez stated that the Park District attends a board meeting annually and the Authority is obligated to reimburse the Park District for capital improvements to Solider Field. The lease between the Chicago Park District and the Chicago Bears is 30 years with Bears holding four options to extend for five years.

Upon motion by Mr. Bobins and seconded by Ms. Andolino, Resolution 17-09 – A Resolution Approving Reimbursement for Certain Capital Improvements to be Undertaken by the Chicago Park District was unanimously approved as submitted.

Item 12. Executive Session

Upon motion by Mr. Rand and seconded by Mr. Reynolds, the Board voted unanimously to close the meeting for the purpose of conducting an Executive Session.

Item 13. Matters Arising Out of Executive Session


None.

Item 14. Other Business

None.

Item 15. Adjournment

Upon motion duly made by Mr. Rand and seconded by Mr. Sanchez, the Board meeting was adjourned at approximately 12:30 pm.


Chairman, Manuel Sanchez

ATTEST:


Secretary, Jeffrey Yordon

Signed by Asst. Secretary
Richard Price