

**Minutes of the Meeting of the
BOARD OF DIRECTORS of the
DETROIT REGIONAL CONVENTION FACILITY AUTHORITY
Cobo Conference & Exhibition Center**

November 24, 2010

A Regular Meeting of the Board of Directors of the Detroit Regional Convention Facility Authority (the "Authority"), was held at 9:00 a.m. on November 24, 2010 pursuant to the requirements set forth in the Regional Convention Facility Authority Act at MCL 141.1351, et seq.

I. ROLL CALL. The regular meeting was called to order by Chairman L. Alexander at 9:06 a.m.

PRESENT: Director L. Alexander, Director J. Abdoo, Director M. Carroll, Director W. Guillebeaux, and Director J. Okotie-Eboh

ABSENT: None.

ALSO PRESENT: T. Connors of SMG, G. Brown, T. Tuskey, E. Duff of Garan Lucow Miller, P.C., and M. Powers of DMCVB

II. APPROVAL OF MINUTES. A motion to approve the Minutes of the regular meeting of the Authority held November 4, 2010 by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

III. REPORT OF FINANCIAL CONSULTANT/CFO. Director Michael Carroll presented the CFO report to the Board which included the following items for consideration and approval:

A. Resolution to Approve Management Agreement Between DRCFA and SMG.

Based upon the recommendation of the Selection Team, and the Authority having been fully advised in the premises, J. Okotie-Eboh offered a motion that the Authority resolve to approve the Resolution to Approve Management Agreement Between DRCFA and SMG as follows:

1. The Board approves the Management Agreement Between Detroit Regional Convention Facility Authority and SMG as presented, excluding parking administration; and
2. The Chairman and Treasurer are hereby authorized to approve the Incentive Fee Formula as described in Schedule A by January 1,

2011 and adjust any other fee structures set forth in the Agreement, as necessary; and

3. The Chairman is authorized to execute the Management Agreement Between Detroit Regional Convention Facility Authority and SMG on behalf of the Authority.

B. Resolution Authorizing the Issuance of Operational Expenses RFP's.

Based upon the recommendation of the Chief Procurement Officer and the Authority having been fully advised in the premises, W. Guillebeaux offered a motion that the Authority resolve to approve the Resolution Authorizing the Issuance of RFP's to Identify suppliers and service providers to receive orders for budgeted operational expenses as presented in the Resolution.

UNANIMOUSLY APPROVED.

IV. CONSIDERATION OF RESOLUTION TO REQUEST PROPOSALS FOR DRCFA PUBLIC RELATION SERVICES. Chief Procurement Officer Bob Johnson presented a leadership brief discussing the need to retain an established public relations company to develop and implement the Authority's public relations campaign and offered the following item for consideration and approval. There is a line item in the budget of \$30,000 for a one year period for these services.

A. Resolution Authorizing Issuance RFQ/RFP for Public Relations Services.

Based upon the recommendation of the Chief Procurement Officer, and the Authority having been fully advised in the premises, J. Abdoos offered a motion that the Authority resolve to approve the Resolution Authorizing Issuance RFQ/RFP for Public Relations Services as presented.

UNANIMOUSLY APPROVED.

V. REPORT OF FACILITY GENERAL MANAGER. Facility General Manager, Thom Connors of SMG, presented his report to the Board including the following:

- * The move-in for Auto Show is in full swing.
- * SMG Connect Customer Training for all staff on December 14-15, 2010.
- * Implementation of Electronic Customer Feedback Program, E-Auto Feedback.
- * Sales mission plan for December 7-8, 2010 in New Orleans.
- * Trade publication advertising.
- * Instituting live music at the Cobo facility generally, and specifically during the Auto Show.
- * Michigan Industrial Association site visit planned.

- * Review and analysis of operations by SMG administrative staff.
- * Full site inspection of Cobo Arena.
- * Issuance of citations for non-compliance with Facility's no smoking policy.
- * Implementation of a general compliance floor monitor.
- * Remediation program launched by Al Vasquez and staff to address immediate building concerns such as roof leaks.
- * Inspection and upgrade of parking area lighting.
- * Planned concessions upgrades.
- * Implementation of a hot meal program for Cobo employees in conjunction with Centerplate.
- * Consideration of discussions with parking vendor.
- * Ongoing discussions between Capital Improvements and Operations Team regarding upgrades required at the Facility.

VI. OWNER'S REPRESENTATIVE REPORT. Chief Construction Officer Gary Brown provided a written owner's representative status report dated November 24, 2010. Mr. Brown highlighted key items in that report including:

- * Transfer of remaining Cobo facilities from the City of Detroit.
- * Funding grant opportunities.
- * Status of Phase IIa projects.
- * Status of List A Projects.
- * Phase IIb immediate needs projects.

VII. REPORT ON STATUS OF EXECUTIVE POSITION SEARCH. Director Joseph Abdo advised the Board that the search is incomplete at this time. The search committee has conducted interviews of three potentially qualified candidates, but has not reached a consensus on a viable candidate. The Board held extensive discussion regarding the need for a full-time Executive to fill this position who has a financial background and will be able to coordinate with the construction and capital improvement projects, as well as the management company's operations and the Authority Board. The Interim Chief Human Resources Officer has been asked to re-circulate the proposed job description to all Directors for review and approval. The job description will then be re-sent to the executive search firm in order to obtain additional candidates.

VIII. UNFINISHED BUSINESS. There was no unfinished business.

IX. NEW BUSINESS. The next meeting of the Detroit Regional Convention Facility Authority is December 15, 2010 at 9:00 a.m. The next meeting of the Sub-Committee on Construction and Expansion will be held on December 15, 2010 at 8:00 a.m.

X. PUBLIC COMMENT. There were no public comments.

XI. EXECUTIVE SESSION. A motion for adjournment to Executive Session to consult with legal counsel regarding pending litigation at 10:34 a.m. by Chairman Alexander.

UNANIMOUSLY APPROVED.

A motion by J. Okotie-Eboh to re-convene the regular meeting of the Board of Directors at 11:23 a.m. by roll call vote.

UNANIMOUSLY APPROVED.

XII. ADJOURNMENT. A motion for adjournment of the regular meeting at 10:34 a.m. by J. Abdo.

UNANIMOUSLY APPROVED.

Respectfully submitted,



Joseph Abdo, Secretary

Approved: December 15, 2010

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