

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

June 9, 2011

A Regular Meeting of the Board of Directors of the Detroit Regional Convention Facility Authority (the "Authority"), was held at 8:30 a.m. on June 9, 2011 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 8:32 a.m.

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

ABSENT: None.

ALSO PRESENT: P. Bero, 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 May 12, 2011 by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

A motion to approve the Minutes of the Special Meeting of the Authority held May 23, 2011 by W. Guillebeaux.

UNANIMOUSLY APPROVED.

III. **CEO/CFO REPORT.** CEO/CFO Patrick Bero presented his report to the Board which included an update on the following:

- Art Appraisal RFP
- Project Financing RFP Response
- Commercial Insurance Brokerage RFP Responses
- Construction Insurance Program RFP due on June 10, 2011
- Pension Settlement Discussions scheduled for June 24, 2011
- DRCFA April 2011 Financials:
 1. DRCFA Consolidated Statement of Income
 2. DRCFA Consolidated Balance Sheet
 3. DRCFA Administration Rolling Forecast
 4. DRCFA Administration Statement of Income
 5. Cobo Facility Statement of Income
 6. Capital Improvement Program Use of Funds Summary
 7. Capital Improvement Program Monthly Draw Report.

CEO/CFO Patrick Bero presented the following items for action by the Board:

- A. Resolution to Approve Purchase of Accounting and Project Management Software. Based upon the recommendation of the CEO/CFO and the Authority having been fully advised in the premises, M. Carroll offered a motion that the Authority resolve to approve the purchase of accounting and project management software from Sage Timberline and to pay the annual cost for three years of maintenance as presented in their proposal.

UNANIMOUSLY APPROVED.

IV. LEGAL UPDATE. General Counsel, Ebony Duff, presented an update to the Board regarding recent litigation between Centerplate and sub-contractor , Simon's Pizza.

V. 2003 COBO BOND. Attorney Tom Linn of Miller Canfield ,presented an update to the Board regarding the terms of the final 2003 Cobo Bond Settlement with the City of Detroit.

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

- Draft of Cobo Operations 2011-2012 Business Plan
- Cobo Operations April Financial Report

Facility General Manager, Thom Connors, presented the following items for action by the Board:

- A. Approval of Vendor Website Redesign. Based upon the recommendation of SMG and the Authority having been fully advised in the premises, M. Carroll offered a motion that the Authority resolve to approve the payment of \$51,000 to Carbonhouse for website redesign services as referenced in RFP 11-143 for cobocenter.com and drcfa.org.

UNANIMOUSLY APPROVED.

- B. Landscaping Services. Based upon the recommendation of SMG and the Authority having been fully advised in the premises, W. Guillebeaux offered a motion that the Authority resolve to enter into a contract with Carter's Lawn Care & Snow Removal to provide landscaping services in accordance with the RFP issued by the DRCFA.

UNANIMOUSLY APPROVED.

- C. Final Extension to ABM Agreement to Provide Janitorial Services. Based upon the recommendation of SMG and the Authority having been fully advised in the premises, J. Abdoo offered a motion that the Authority resolve to approve the recommendation to extend the agreement with ABM for a final year as provided for in the original agreement with the understanding

that these services will be re-bid at the end of this final one (1) year term. Terms and conditions will remain the same as the agreement between the Authority and ABM with the exception of compensation related to recycling collections.

UNANIMOUSLY APPROVED.

VII. REPORT OF CHAIR OF DRCFA SUB-COMMITTEE ON EXPANSION & IMPROVEMENTS. Committee Chair, W. Guillebeaux, presented a summary of the pertinent items addressed in the Projects Status Owners Representative Report dated June 3, 2011 and the Sub-Committee Meeting held June 6, 2011.

Committee Chair, W. Guillebeaux, presented the Sub-Committee recommendations for Board action on the following items:

- A. Resolution Authorizing the Authority to Execute a Construction Contract with Adamo Group, Inc. for Phase III Demolition and ACM Removal in Cobo Arena. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

- B. Resolution Authorizing the Authority to Execute a Design-Contract with VFP Fire Systems, Inc., Detroit Automatic Sprinkler, and POCO Sales, Inc. for Work Associated with the Upgrade and Replacement of Dry Fire Sprinkler Systems. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

- C. Resolution Authorizing a Contract Modification to KONE Corporation for Lift Wall Upgrades & Refurbishment in Wayne-Oakland-Macomb Halls. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

- D. Resolution Authorizing Walbridge/Barton Malow/White, LLC Award and Execute a Subcontract with Fessler & Bowman, Inc. to Provide the Concrete and Excavation Work Associated with the Phase IIb-3 Project W-1 Added Parking Under Detroit Hall. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

- E. Resolution Authorizing the Award of a Subcontract by Walbridge/Barton Malow/White, LLC to Western Mechanical Contractors, Inc. and Motor City Electric Associated with the Phase IIb - B-5 Wayne-Oakland Hall Annex Project Mechanical & Electrical Work. Motion for approval of Resolution as presented by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

- F. Resolution Authorizing the Award of a Subcontract by Walbridge/Barton Malow/White, LLC to Detroit Automatic Sprinkler Associated with the Phase IIb - B-5 Wayne-Oakland Hall Annex Project. Motion for approval of Resolution as presented by J. Abdo.

UNANIMOUSLY APPROVED.

- G. Approval of Ninth Amendment to Construction Management Agreement. Motion for approval to execute Ninth Amendment to Construction Management Agreement as presented by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

VI. UNFINISHED BUSINESS. None.

VII. NEW BUSINESS. Discussion held regarding DRCFA meeting dates for summer 2011. The Board's secretary will circulate proposed dates for consideration.

VIII. PUBLIC COMMENT. None.

VIII. CLOSED SESSION. Adjourned to next meeting.

IX. ADJOURNMENT. A motion for adjournment of the regular meeting at 10:21 a.m. by J. Abdo.

UNANIMOUSLY APPROVED.

Respectfully submitted,



Joseph Abdo, Secretary

Approved: June 23, 2011

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BOARD OF DIRECTORS of the
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June 23, 2011

A Regular Meeting of the Board of Directors of the Detroit Regional Convention Facility Authority (the "Authority"), was held at 8:30 a.m. on June 23, 2011 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 8:35 a.m.
- PRESENT:** Director L. Alexander, Director J. Abdo, Director M. Carroll, Director W. Guillebeaux, and Director J. Okotie-Eboh
- ABSENT:** None.
- ALSO PRESENT:** P. Bero, 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 June 9, 2011 by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

- III.** **CEO/CFO REPORT.** CEO/CFO Patrick Bero presented his report to the Board which included an update on the following:
- DRCFA May 2011 Financial Reports:
 1. DRCFA Consolidated-PL - 5/31/11
 2. DRCFA Consolidated BS - 5/31/11
 3. DRCFA Forecast - 5/31/11
 4. DRCFA-P&L - 5/31/11
 5. COBO-P&L - 5/31/11
 6. Capital Use of Funds Summary - 6/20/11
 7. Capital Monthly Draw Report - 6/20/11
 - Art Appraisal RFP Responses due 6/27/11
 - Project Financing Treasury Meeting rescheduled and to be held via conference call
 - Construction Insurance Program RFP
 - Pension Settlement discussions scheduled for 6/24/11
 - Timberline Accounting and Project Management Software documents have been executed and installation scheduled to occur on 6/28/11

CEO/CFO Patrick Bero presented the following items for action by the Board:

- A. Resolution to Approve Contract Negotiations with Alliant (Troy, Michigan) to Provide Commercial Insurance Brokerage Services. Based upon the recommendation of the CEO/CFO and the Authority having been fully advised in the premises, M. Carroll offered a motion that the Authority resolve to approve contract negotiations with Alliant to provide commercial insurance brokerage services in accordance with the Resolution as presented.

UNANIMOUSLY APPROVED.

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

- SMG Financials May 2011 - presented by Sharon Schuster
- 2011 Business Plan review, discussion and comments
- PLD Power Outage 6/9/11
- Event Activity Summary
- Sales Update
- Progress Report - 2011-2012 Budget
- Presentation of Military Care Package Project

V. REPORT OF CHAIR OF DRCFA SUB-COMMITTEE ON EXPANSION & IMPROVEMENTS. Committee Chair, W. Guillebeaux, presented a summary of the pertinent items addressed in the Projects Status Owners Representative Report dated June 20, 2011 and the Sub-Committee Meeting held June 20, 2011.

Committee Chair, W. Guillebeaux, presented the Sub-Committee recommendations for Board action on the following items:

- A. Resolution Authorizing the Award of a Subcontract by Walbridge/Barton Malow/White, LLC to D Garcia Construction for Ceiling Removal & Replacement associated with the Phase IIb Projects B-4 Phase II Electrical Distribution Upgrades & B3 Detroit Hall Parking & Phase IIa List B Dry Pipe Sprinkler Work. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

- B. Resolution Authorizing the Award of a Subcontract by Walbridge/Barton Malow/White, LLC to Aristeo Construction for Catwalk & Platform Work associated with the Phase IIb - Project B-4 Phase II Electrical Distribution Upgrades. Motion for approval of Resolution as presented by J. Abdo.

UNANIMOUSLY APPROVED.

- C. Resolution Authorizing the Award of a Subcontract by Walbridge/Barton Malow/White, LLC to Rosati Masonry Contractors for Masonry Work associated with the Phase IIb - B-5 Wayne-Oakland Hall Annex Project. Motion for approval of Resolution as presented by J. Okotie-Eboh.

UNANIMOUSLY APPROVED.

- D. Resolution Authorizing the Board Authorization to Negotiate a Professional Services Agreement for Phase IIIb Construction Management Services with Turner-Toolles Joint Venture. Motion for approval of Resolution as presented by M. Carroll.

UNANIMOUSLY APPROVED.

Under Discussion: The Board received a letter of protest from the COBO 4ward Team dated 6/22/11 regarding the RFQP-Phase IIIb-CM-2011-1 Procurement. The letter was reviewed by General Counsel, the Owner's Representative, and the Sub-Committee prior to recommendation of this action item to the Board. Each of the Sub-Committee members affirmatively confirmed that they have thoroughly considered the five areas of concern asserted by the COBO 4ward Team and stood by their recommendation for action by the Board. Director Guillebeaux advised that he was contacted by a member of the COBO 4ward Team and advised that they were not in agreement with the concerns as expressed by members of their team and did not in fact execute the letter as purported. Each of the Directors acknowledged that they were contacted by one or more individuals with respect to consideration of the procurement of the CM for the Phase IIIb Capital Improvements Project in apparent attempts to influence the individual Directors' votes on this issue. The Board of Directors unanimously affirmed that none of them would yield to the attempted pressures of political influence and that all of the decisions made by this Board of the Detroit Regional Convention Facility Authority would be made in accordance with the enabling legislation, the Authority's procurement policy, and the intent to solely act in the best interests of the continued improvement and success of the COBO Convention Facility.

VI. UNFINISHED BUSINESS.

- Continuing pension settlement discussions
- Discussion of second truck ramp progress underway
- Schedule of Board of Directors meetings still being considered

VII. NEW BUSINESS. None.

VIII. PUBLIC COMMENT. The Board heard public comment from the following individuals:

1. Deborah L. Moore, Professional Education Services
2. Wanda Akelah Redmond, Cooperation Between Centerplate & African-American Owned Businesses

3. Rev. Sylvester Davis - Simon's Pizza
4. Robert Bruce - Simon's Pizza v. Centerplate
5. Keith M. Hines - Simon's Pizza
6. Rev. Malik Shabazz - COBO Authority, Centerplate, Simon's Pizza
7. William Waterman - Simon's Pizza
8. John Rakolta, Walbridge
9. John Raimondo, Director COBO 4ward

VIII. CLOSED SESSION. Request for a closed session by General Counsel to discuss consideration of purchase and/or lease of real property. Roll call vote.

Joseph Abdoo - yea
Larry Alexander - yea
Michael Carroll - yea
William Guillebeaux - yea
Juliette Okotie-Eboh - yea

Closed session convened 10:17 a.m.

Re-convened to regular meeting at 10:44 a.m. by roll call vote.

Joseph Abdoo - yea
Larry Alexander - yea
Michael Carroll - yea
William Guillebeaux - yea
Juliette Okotie-Eboh - yea

IX. ADJOURNMENT. A motion for adjournment of the regular meeting at 10:52 a.m. by W. Guillebeaux.

UNANIMOUSLY APPROVED.

Respectfully submitted,



Joseph Abdoo, Secretary