

**COLLINSVILLE METROPOLITAN EXPOSITION
AUDITORIUM AND OFFICE BUILDING AUTHORITY
GATEWAY CENTER
August 17, 2017
Regular Board Meeting – 7:00 p.m.**

Call to Order

The August 17, 2017 Regular Board Meeting of the Collinsville Metropolitan Exposition Auditorium and Office Building Authority was called to order at 7:00 p.m. by Mark Steyer.

Roll Call

MEMBERS:

Present: John Bitzer, Jim Ferris, Bob Kinamore, Fontez Mark, Mark Schusky, Mark Steyer, Kim Thebeau, Ginger Trucano and Kevin Weinacht

Absent: None

Also present: Cindy Warke, Executive Director; Kim Jones, Director of Finance; Tracy Robinette, Director of Human Resources and Administrative Services

Guests: Jamie Lane, Director of Sales & Marketing and Shannon Stelling, National Accounts Director for Chamber Internet Solutions

Public Input

None

Internet Marketing Presentation

Shannon Stelling of Internet Marketing Services shared with the members of the board all of the statistics from our Search Engine Optimization (SEO) and Search Engine Management (SEM) programs from July, 2016 through July, 2017.

Following a Q & A period in regard to the Internet Marketing Presentation, Warke complimented Stelling for a job well done.

Consent Agenda

Motion to Approve Board Minutes of the July 20, 2017 Regular Board Meeting

A **MOTION** was made by Ferris and seconded by Trucano to approve the Regular Board Meeting Minutes on July 20, 2017. All were in favor. **MOTION** carried.

Motion to Approve Board Minutes of the April 20, 2017 Executive Session Meeting

A **MOTION** was made by Ferris and seconded by Trucano to approve the Executive Board Meeting Minutes on April 20, 2017. All were in favor. **MOTION** carried.

Motion to Approve Payment of Obligations for the Period Ending July 2017

A **MOTION** was made by Ferris and seconded by Kinamore to approve payment obligations for the period ending July 2017. All were in favor. **MOTION** carried.

Committee Reports

Finance

The following transfers for July 2017 obligations are:

From the Revenue Deposit Account, to the Operating Account - \$184,250.50

From the Revenue Deposit Account, to the Principal & Interest Account - \$86,653.16

From the Credit Card Account, to the Principal & Interest Account- \$34,558.73

Building/Capital Purchases/Site/Vehicle

HVAC Removal & Replacement Project Bids

Warke reported that competitive bids were submitted for the removal and replacement of RTU #7 and RTU #17. The bidders and base bid amounts are as follows:

Bel-O Cooling & Heating	\$90,843
C & K Heating and Cooling	\$93,589
Icon Mechanical & Engineering	\$105,691

An Alternate was made part of the bid package for the cost of automating twelve of the HVAC rooftop units that were installed in 2006. The manufacturer of these units is Carrier. These units currently are not equipped with BacNet, which is required to add these units to the existing Building Automation System. The estimated cost of completing these improvements varies between \$208,133 and \$214,084. Warke is recommending that this Alternate not be approved. The rooftop units are eleven years old. The lifespan of the Carrier units is approximately fifteen years. Warke feels that it is not in the best interest of the Center to make this significant investment installing BacNet to each of these units. She recommends that when each of these units are replaced that BacNet compatible units be installed at that time.

The board agreed with Warke's recommendation.

Warke stated that the staff plans to submit a Tax Increment Financing Application for the total cost of the project for the Collinsville City Council's consideration and approval prior to the board awarding the bid. The TIF Application is anticipated to be placed on the City Council Meeting agenda on Monday, September 11, 2017. The bid award will appear on the Regular Board Meeting agenda on September 19, 2017.

The board reached a consensus that as part of the TIF application process, that it is the board's intent to award the bid to Bel-O Heating & Cooling.

Marquee Storm Damage

Warke reported that following a severe thunderstorm that produced high winds, certain sections of the marquee were inoperable. It is suspected that approximately six modules could have failed. The total replacement cost of the modules is estimated to be \$5,900. Warke said Demond Signs is scheduled to conduct a thorough inspection of the sign to ensure whether it is necessary to replace the modules and that there is no other cause of the sign malfunctioning. She will report back to the board in reference to this matter at the September Regular Board Meeting

Personnel/Benefit/Retirement/Grievance/By-Law

Ferris Resignation

Warke reported that Ferris' three-year term is set to expire this September. Ferris has decided to step down from the board.

Steyer expressed the board's appreciation and gratitude to Ferris for serving on the board nearly twelve years. Steyer said that Ferris has been such an asset to the board and the organization. Shortly after Ferris was appointed to the board, he assumed the officer position of Treasurer. He held this capacity for many years. His financial background and experience has been invaluable to Gateway Center.

Steyer presented Ferris with a plaque in recognition of his dedication, many years of service and contributions to the organization.

Ferris expressed his thanks and how much he has enjoyed serving on the board. He expressed to members of the board and staff his best wishes.

Staff Training

Robinette, Director of Human Resources & Administrative Services directed the board's attention to a report referencing all of the recent staff training conducted, as well as additional training sessions that will be conducted within the next several months. The training topics include Emergency Evaluation, Bloodborne Pathogens, CPR/AED, Fire Extinguisher, Supervisor, Active Shooter and Customer Service Training. Members of the Sales and Events Department participated in a Hospitality Training Program and are now certified as Hospitality Professionals.

Warke extended an invitation to the board to participate in the Active Shooter Training, which is scheduled for August 28th & 29th. Representatives of the Collinsville Police Department do an exceptional job of conducting this educational program and exercises. This is the second consecutive year the local police department has trained facility personnel.

Weinacht inquired how many individuals participate in the training.

Warke said in excess of twenty individuals.

Marketing/Public Relations

Warke stated that the next meeting for the 2017 Festival of Trees is on August 30th

Director's Report

Gateway Center Long-Range Strategic Plan

Warke reported that plans have been finalized for the Joint Meeting of the board and the Collinsville City Council on Monday, August 28, 2017. Representatives of Johnson Consulting, Inc. will be presenting their recommendations in reference to proposed facility enhancements, and various land uses and developments that would make the convention center more marketable.

Committee Members & Meetings

Following a brief discussion, the following board members agreed to serve of the committee's reflected below:

Finance/Insurance

Steyer, Kinamore, Trucano and Thebeau

Building/Capital Purchases/Site/Vehicle

Kinamore, Steyer, Weinacht and Bitzer

Personnel/Benefit/Retirement/Grievance/By-Laws

Thebeau, Mark and Schusky

Marketing/Public Relations

Trucano, Weinacht, Mark, Bitzer and Schusky

Annual Report Presentation

Warke stated that the department heads would like to present their annual reports to the board. After a brief discussion, it was decided that the October Regular Board Meeting would be ideal time, since the Annual Financial Statements will be presented at the September Regular Board Meeting.

Unfinished Business

Election of Officers

Following a brief discussion, the following individuals agree to serve as Officers of the Board of Directors.

A **MOTION** was made by Bitzer and seconded by Mark to elect the following board members to serve as officers of the Collinsville Metropolitan Exposition Auditorium and Office Building Authority for a period of one-year.

Chairman, Mark Steyer
Vice Chairman, Mark Schusky

Interim Treasurer, Bob Kinamore
Secretary, Ginger Trucano

All were in favor. **MOTION** carried.

Spectra Food Services & Hospitality Financial Incentive Calculation

Warke directed the board's attention to a memorandum and supporting documentation in reference to how incentives are to be calculated when due to Spectra. As reported at the July Regular Board Meeting, Spectra is eligible to receive a financial incentive for the first time. When reviewing the contract provisions that pertain to this topic, Warke questioned Spectra's interpretation of the contract language. Spectra was predicating the calculation on Profit Before Client Profit in the amount of \$222,898.05, which would translate to an incentive payout to them of \$22,298.05. My interpretation of the contract is that the calculation is predicated on the Net Profit in the amount of \$85,762, which translated to an incentive payment of \$8,576.20. A conference call was conducted with key representatives of both parties to discuss this matter. Charles Lawrence, the Spectra representative that initially negotiated the agreement, finally acknowledged that Warke's interpretation of the incentive contract terms is accurate.

Once this conflict was resolved, Warke inquired why the incentive is not predicated on top-line sales, since Gateway Center's business model with Spectra is a commission based account. Meaning, the goal should be driving top-line sales. After further investigation and discussion, it has been determined that the incentive language currently within the contract is geared towards a Management Fee Account and not a Commission Account. Spectra is amenable to formulating an incentive structure that is based on top-line sales, which is in Gateway Center's best interest.

Warke directed the board's attention to a spreadsheet that reflects a newly developed incentive structure, which is being proposed by Spectra and an alternative structure that is being proposed by Warke and representatives of Food Service Matters.

The board reached a consensus that Warke should move forward with communicating to Spectra that the board is in favor of the incentive structure recommended by representatives of Gateway Center and its consulting team.

Warke stated that it is Spectra's intent to incorporate the mutually agreed upon incentive terms into the pending contract extension amendment. Warke anticipates presenting the final amendment to the board at the September Regular Board Meeting.

Weinacht complimented Warke for doing a great job negotiating and handling this matter.

Resolution #441 – Authorizing an Amendment to the Resolution Authorizing a Contract Extension with Spectra

Due to the recent developments in reference to the incentive terms within the agreement between Spectra and Gateway Center, and the need to incorporate changes to these terms, Resolution #441 will be presented for approval at the September Regular Board Meeting.

New Business

None

Executive Session

None

Adjournment

There was no further business to come before the board. A **MOTION** was made by Ferris and seconded by Trucano to adjourn the Regular Board Meeting. All were in favor. **MOTION** carried. The Regular Board Meeting was adjourned at 8:49 p.m.

**The Next Regular Board Meeting
Thursday, September 21, 2017**