

BOARD APPROVED 4/9/2014



**BOARD OF DIRECTORS MEETING
NEW YORK CONVENTION CENTER OPERATING CORP.**
655 West 34th Street
New York, NY 10001-1188

MINUTES

MEMBERS PRESENT:

Henry R. Silverman, Chairman of the Board
Carl H. Loewenson, Jr. Vice-Chair
Mary D'Elia
Andrew Murstein
J. Lee Compton
Daniel De Vita
David Emil
Sherida E. Paulsen
Jed Howbert
Gary Lavine
Joseph E. Spinnato
Mark Schienberg
Jeffrey Scruggs

OTHERS PRESENT:

STAFF:

Alan Steel, President & CEO
Edward B. MacDonald, Senior VP, CFO
Elizabeth Bradford, Senior VP, General Counsel
Doreen Guerin, Senior VP, Marketing & Sales
Mark Sims, VP, CIO
Aleksandra Davydova, Legal Secretary
Christine McMahon, HR Director
Tony Sclafani, CCO
Kenneth Sanchez, VP of Facilities Management

DATE:

January 15, 2014

Time:

3:05 p.m.

Location:

Large Conference Room

ABSENT:

Robert Azeke
Ronald Goldstock
Edward Kane
Marc Ricks
Christine Ferer

<p>Call to Order</p>	<p>The meeting of the Board of Directors for the New York Convention Center Operating Corporation was called to order at 3:05 p.m. A quorum was present. The meeting was presided over by Henry R. Silverman, Chairman.</p>	
<p>Agenda</p>	<p>Discussion</p>	<p>Recommendation/Action-Follow-up</p>
<p>I. Approval of the Minutes</p>	<p><u>Approval of the Minutes of November 21, 2013 (Attachment 14-01)</u></p> <p>A motion was made and seconded to approve the minutes of the Board of Directors meeting held on November 21, 2013. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1148</p> <p>NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on November 21, 2013, are hereby approved.</p>	
<p>II. Corporate Matters</p>	<p><u>President’s Report - Alan Steel (Attachment 14-02)</u></p> <p>Mr. Steel presented the President’s Report, describing activity for December 2013 and January 2014, the status of the IT infrastructure improvements and the status of the ERP project.</p> <p>There was a discussion of the Corporation’s application for FEMA funding. Mr. MacDonald advised that he hoped to get funding to cover the \$840,000 deductible under the flood insurance policy and funding to install new flood gates.</p>	
<p>III. Committee Reports</p>	<p><u>A. Audit and Finance Committee – Gary Lavine and Ronald Goldstock, Committee Chairmen</u></p> <p>Mr. Lavine advised the Board that:</p> <ul style="list-style-type: none"> • The Committee had approved the award of the Levels 2, 3, 4 cabling project to ADCO. • The Committee had met with the Internal Control Officer, Ken Foley, to review the status of the internal audit. • The procurement process for the selection of a new audit firm is underway. 	

	<p><u>Procurement Summaries (Attachments 14-03 through 14-10)</u></p> <p>The committee reviewed and recommended approval of all of the procurements presented for the Board’s approval. Management has indicated that it is looking into possible recourse against Centerplate (F & B provider) for the expenditures necessary to replace the kitchen grease traps.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1149</p> <p>NOW THEREFORE BE IT RESOLVED that the board approved the following contracts, as more fully described in the procurement summaries attached as Attachments 14-03 through 14-09 and summarized in Attachment 10:</p> <ul style="list-style-type: none">- PSI Plumbing, Inc.- Micro Systems, Inc.- GG Group, Inc.- di Domenico + Partners LLP- LaStrada General Contracting Corporation- ADCO Electrical Corporation (Electrical Transformers & Structured Cabling System) <p><u>Review of Contracts – Affiliated Electronics, Business Technology Services (BizTech), United Rentals (North America), Inc. (Attachments 14-11, 14-12, 14-13)</u></p> <p>Mr. MacDonald stated that previously approved service procurement contracts that extended for more than one year were being submitted for annual Board review as required by the Corporation’s procurement guidelines. The original procurement summaries were included with the packet sent to the Board in advance of the meeting. No Board member had any comment or question with respect to the ongoing procurements submitted for review.</p> <p><u>November 2013 & YTD Financials (Attachment – 14-14)</u></p> <p>Mr. MacDonald presented the financial report for November 2013, showing total gross revenue of \$7,293,000, which is \$244,000 better than plan. Total expenses for November 2013 were \$8,315,000, which is \$767,000 better than plan. Net loss from operations was \$1,011,000,</p>	
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<p>which is \$1,010,000 better than plan.</p> <p>Year to Date the Center generated \$97,129,000 in Gross Revenues, which is \$466,000 better than plan. Expenses were \$95,480,000, which was \$2,175,000 better than Plan. Net Surplus Year to Date was \$1,649,000 which is \$2,641,000 better than Plan.</p> <p>In response to Board inquiry, Mr. MacDonald advised that he does not expect the Corporation to break even this fiscal year, but that it is likely to do better than the projected \$3.5 million loss.</p> <p><u>C. Human Resources – Edward Kane, Committee Chairman</u></p> <p>No report.</p> <p><u>D. Facilities - Mary D’Elia, Committee Chairwoman</u></p> <p>Ms. D’Elia introduced T&M Protection Resources, which presented a report on security procedures (Attachment 14-15).</p> <p>Mr. Emil inquired concerning the involvement of FDNY and was advised that they have reviewed and approved the Center’s evacuation plan.</p> <p><u>E. Sales & Marketing –Marc Ricks, Committee Chairman</u></p> <p>Ms. Guerin presented the event schedule for the first quarter of 2014 (Attachment 14-16), and advised the Board that the Center is booked solid through the end of March.</p> <p><u>F. Governance – Ronald Goldstock, Committee Chairman</u></p> <p>Ms. Bradford advised the newer Board members of the requirement that they undergo governance training within a year of their appointments unless they have already done so in connection with service on other Boards. She made available to Board members a schedule of the online training sessions currently offered from the Authorities Budget Office.</p>	<p><i>Mr. Steel advised the Board that management would review T&M’s proposed changes and come back to the Board with recommendations.</i></p>
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	<p><u>G. Ad Hoc for Javits Expansion/Renovation – Joseph E. Spinnato, Committee Chairman</u></p> <p>No report.</p> <p><u>H. EEO/MWBE– Carl H. Loewenson, Jr, Esq., Committee Chairman</u></p> <p>Mr. Loewenson advised the Board that the Committee had met prior to the Board meeting and asked Ms. Bradford to summarize the proceedings.</p> <p>Ms. Bradford advised the Board concerning the results of a statistical EEO analysis.</p>	
<p>IV. Other Business</p>	<p>Mr. Silverman urged individual Board members to let management know if there are items they would like added to each meeting agenda.</p>	
<p>IV. Adjournment</p>	<p>By motion and agreement, the meeting was adjourned at 4:15 PM with the next meeting to be held on March 19, 2014.</p>	