

APPROVED 4-8-2015



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
Robert Azeke
Mary DøElia
Joseph E. Spinnato
J. Lee Compton
Daniel De Vita
David Emil
Karen He
Christine Ferer
Gary Lavine
Hugh L. Carey II
Mark Schienberg
Video-conference:
Sherida E. Paulsen

OTHERS PRESENT:

STAFF:

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

DATE:

January 14, 2015

Time:

3:00 p.m.

Location:

Large Conference Room

ABSENT:

Marc Ricks
Ronald Goldstock
Edward Kane
Eric Komitee
Andrew Murstein

Call to Order	The meeting of the Board of Directors for the New York Convention Center Operating Corporation was called to order at 3:00 p.m. A quorum was present. The meeting was presided over by Henry R. Silverman, Chairman.	
Agenda	Discussion	Recommendation/Action-Follow-up
<p>I. Approval of the Minutes</p>	<p><u>Approval of the Minutes of November 19, 2014 (Attachment 15-01)</u> A motion was made and seconded to approve the minutes of the Board of Directors meeting held on November 19, 2014. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1179</p> <p>NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on November 19, 2014, are hereby approved.</p>	
<p>II. Corporate Matters</p>	<p><u>President’s Report - Alan Steel (Attachment 15-02)</u> Mr. Steel presented the President’s Report, talked about positive press on Javits, described building activity for past few weeks, and goals for the upcoming year and an update on administrative renovation, other development projects underway and, and building IT and security improvements.</p> <p>On behalf of the Board, the Chairman praised the excellent work that Mr. Steel has accomplished during the 3 years since he became the CEO of Javits.</p>	
<p>III. Committee Reports</p>	<p><u>A. Audit & Finance Committees – Gary Lavine and Ronald Goldstock, Committee Chairmen</u></p> <p><u>Audit:</u> Mr. Lavine advised the Board that the Audit Committee had met immediately before the Board meeting. He noted that there were issues with Invoices due to untimely submission of Purchase Orders. He announced that the Whistleblower Policy was updated and that a 3rd party vendor was hired to operate the hotline.</p> <p>Mr. Sims reported on the status of the Oracle project. He advised that the Oracle is stable and functions faster. He also advised that an Oracle representative came on site to evaluate Oracle</p>	

<p>III. Committee Reports (continued)</p>	<p>and that he is awaiting the report.</p> <p>Mr. Lavine advised that the Committee met in Executive Session with Ken Foley, the Director of Internal Controls. There were no issues to report.</p> <p><u>Finance:</u> <u>November 2014 & YTD Financials (Attachment – 15-03)</u> Mr. MacDonald presented the financial report for November 2014, showing total gross revenue of \$12,372,000, which is \$1,205,000 better than plan. Total operating expenses for November 2014 were \$12,123,000, which is \$844,000 over the plan. Net surplus from operations was \$249,000, which is \$361,000 better than plan. Net loss after depreciation was \$30,000 or \$634,000 better than plan.</p> <p>Year to Date the Center generated \$110,876,000 in Gross Revenues, which is \$6,541,000 better than plan. Total operating expenses before depreciation were \$106,726,000, which was \$3,058,000 worse than Plan. Net surplus Year to Date was \$4,150,000 which is \$3,483,000 better than Plan before depreciation. After depreciation, Net surplus Year to Date is \$2,089,000 which is \$3,816,000 better than Plan.</p> <p>Board Members requested him to produce a cash flow report at the next board meeting.</p> <p><u>Procurement Summaries</u> <u>Approval of Contract – Guardian Life Insurance Company (Attachment 15-04)</u> A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p>Resolution No. 1180</p> <p>NOW THEREFORE BE IT RESOLVED that the award of a contract to Guardian Life Insurance Company for Life, Accidental Death & Dismemberment (AD&D) Long Term Disability (LTD) and Vision for 2 years at an estimated total cost of \$430,000 (\$215,000 per year) is hereby approved.</p> <p><u>Approval of Contract – Wilkstone, LLC (Attachment 15-05)</u> A motion was made and seconded. Mr. Emil recused himself from the vote. The following</p>	<p><i>Management will provide cash flow report with financials.</i></p>
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<p>III. Committee Reports (continued)</p>	<p>resolution passed by the remaining membersø vote:</p> <p>Resolution No. 1181</p> <p>NOW THEREFORE BE IT RESOLVED that the award of a contract to Wilkstone, LLC for emergency service on Crystal Palace Terrazzo flooring. Project estimated total cost is \$200,000 for the repair work is hereby approved.</p> <p><u>Review of Contracts – United Rentals Inc., GG Group Inc. , Business Technology Service (Biz Tech) (Attachment 15-06 through 15-08)</u> 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 Corporationø procurement guidelines. The procurement summaries were included with the packet sent to the Board in advance of the meeting.</p> <p><u>B. Human Resources – Edward Kane, Committee Chairman</u> No report.</p> <p><u>C. Facilities – Sherida Paulsen, Committee Chairwoman</u> No report</p> <p><u>D. Sales & Marketing – Lee Compton, Committee Chairman (Attachment 15-09)</u> Ms. Doreen Guerin gave a Power Point presentation of the Centerø sales activity and progress for January ó March and a look ahead to the April, May and June show schedules.</p> <p><u>F. Governance – Ronald Goldstock, Committee Chairman</u> No report.</p> <p><u>G. Ad Hoc for Javits Expansion/Renovation – Joseph E. Spinnato, Committee Chairman</u> No report.</p> <p><u>H. EEO/MWBE - Mary D’Elia, Committee Chairwoman</u> No report.</p>	
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IV. Other Business	Nothing to discuss.	
V. Adjournment	By motion and agreement, the meeting was adjourned at 3:45 PM with the next meeting to be held on March 18, 2015.	