

Approved 3/11/20



**BOARD OF DIRECTORS MEETING  
NEW YORK CONVENTION CENTER OPERATING CORP.**

655 West 34<sup>th</sup> Street  
New York, NY 10001-1188

**MINUTES**

**MEMBERS PRESENT:**

Henry R. Silverman, Chairman of the Board  
Hugh L. Carey II  
J. Lee Compton  
Fred W. Dixon  
Ronald Goldstock  
Edward P. Kane  
Gary Lavine  
Lee H. Perlman  
Mark Schienberg

**ABSENT:**

Robert Azeke  
George Tsunis  
Steven C. Koppel  
Andrew Murstein  
Brian O'Dwyer  
Joseph E. Spinnato  
Christy Ferer

**OTHERS PRESENT:**

**STAFF:**

Alan E. Steel, President & CEO  
Bradley A. Siciliano, Chief Operating Officer  
Doreen Guerin, SVP Sales & Marketing  
Melanie McManus, SVP & CFO  
Christine McMahon, SVP, HR & Labor Solutions  
Sonia Low, VP, General Counsel & Corporate Secretary  
Mark Sims, SVP & CIO  
Tim Gaburungyi, VP, IT Solutions  
Kenneth Sanchez, SVP Facilities Management  
Kenneth Dixon, VP Security & Safety Solutions  
Tony Sclafani, SVP & CCO  
Mike Ruberry, VP Event Solutions & Set-Up  
Mariam Karim, VP Guest Experiences  
Markus Szejnberg, Associate General Counsel  
Kareem Salvant, Event Logistics & Facilities Support Manager  
Shirley Coley, Legal Assistant

**Guests/Visitors:**

Robin Stout, President, NY Convention Center Development Corporation (CCDC)

**DATE:**

**January 29, 2020**

**Time:**

**1:00 p.m.**

**Location:**

**Large Conference Room**



<p><b>Call to Order</b></p>	<p>The meeting of the Board of Directors for the New York Convention Center Operating Corporation (CCOC) was called to order at <b>1:00 p.m.</b> A quorum was present. The meeting was presided over by Henry R. Silverman, Chairman.</p>	
<p><b>Agenda</b></p>	<p><b>Discussion</b></p>	
<p><b>I. Approval of the Minutes</b></p>	<p><b><u>Approval of the Minutes of November 13, 2019 (Attachment 20-01)</u></b>                  A motion was made and seconded to approve the minutes of the Board of Directors meeting held on <b><u>November 13, 2019</u></b>. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1432</u></b></p> <p><b>NOW THEREFORE BE IT RESOLVED</b> that the minutes of the Board of Directors meeting held on <b><u>November 13, 2019</u></b>, are hereby approved.</p>	
<p><b>II. Corporate Matters</b></p>	<p>Before proceeding further, Mr. Silverman asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the Agenda and requested that they make an appropriate disclosure on the record and the individual with such conflict would recuse themselves from any discussion or vote with regard to such item or items. No one identifying any conflict, the meeting proceeded.</p> <p><b><u>President’s Report - Alan Steel (Attachment 20-02)</u></b>                  Mr. Steel presented Mr. Stout to provide an update on the expansion project. Mr. Stout reported that the construction is more than 68% complete. The steel has been topped out, fuel tanks have been stalled in the Transformer Building and metal panels installation continue eastward to be finished by April. Mr. Stout presented photos of the progress of the construction from January 2019 to January 2020. All escalators have been delivered and elevator machines are being installed. There are thirteen months until March 2021 and the project is on time and on budget.</p>	

<p><b>II. Corporate Matters (continued)</b></p>	<p>Mr. Steel reported briefly on the coronavirus situation and that CCOC has been getting inquiries from event producers. This may affect the Toy Fair because some Asian exhibitors may not be able to travel and attend. The Javits Center has provided fifty large hand sanitizer dispensers in the public spaces. Mr. Steel next discussed CCOC activity related to the expansion, including budget planning and furniture, fixtures and equipment (FF&amp;E) needs. Increases in headcount are anticipated in the security and cleaning departments. CCDC provided CCOC with a budget on its FF&amp;E needs and CCOC is assisting with the FF&amp;E purchases. Regarding truck test activity in the new marshalling facility, CCOC is taking vehicles inside the building and ensuring that there is physical space to accommodate them. There have also been a number of walkthroughs of the expansion site conducted with contractors and customers. CCOC is also in discussion with CCDC regarding the turnover schedule on certain areas of the expansion site. The Center is looking at traffic logistics on 33<sup>rd</sup> and 34<sup>th</sup> streets and working on managing and controlling better the vehicles coming in and out of the Center so that scheduling is more efficient. There will be about 220 to 225 new docks.</p> <p>Mr. Steel next presented the strategic plan for 2020 through 2022. He explained that the key challenges identified are: (1) opening of the expanded Javits Center; (2) looking at capital requirements moving forward; (3) a continued changing environment in midtown may affect how the Javits Center handles itself in the area; (4) evolving market pressures and social media are impacting how we expand beyond our current customer list; and (5) succession planning and human capital investment are being reviewed. “Organizational goals” are being developed around four “focus areas” or principles: (1) our customers, (2) our people, (3) operational efficiencies, and (4) financial performance. Mr. Steel noted that performance metrics, which were updated only two years ago have not changed (primarily it is economic impact and jobs created) but changes in customer base is what CCOC is focusing on.</p> <p>Regarding long term capital planning, Mr. Steel indicated that in December, the CCDC Board approved \$11.8 million of excess hotel unit fees (HUFs) to fund life safety and code compliance-related capital projects. This represents approximately 50% of the existing total excess HUFs. Mr. Steel reported that various projects have been approved for commencement in 2020 but they will start at different times. Some of these projects include replacement of AED machines, renovation of public restrooms, upgrade of mechanical equipment room-HVAC system replacement, and installing fire and life safety system (smoke and arc systems). The capital project funding will assist in upgrading about twenty to twenty-five public restrooms in the Center which will cost about \$2 million dollars but we will need more excess HUFs to upgrade the rest of them and fund other capital improvements.</p>	
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<p><b>III. Committee Reports</b></p>	<p>Mr. Steel presented next on the Center’s sustainability initiatives for our customers. Such initiatives include the installation of the solar canopy prototype and wind turbines which are bird-friendly. The Center also provides Evo Eco interactive waste bins and waste management for the public spaces, food and beverage, and the show floor. The Center is also preparing for Climate Week NYC 2020 and “The Nest” event this year which brought in exhibitors looking for a venue and was very successful last year. In addition, the wax from honey of the bees on the rooftop are now being used to produce “Jacob’s Honey Lip Balm” and this product will be featured in the Daily News.</p> <p>Mr. Steel discussed the Javits preferred catering program which provides us with opportunities to use caterers in New York other than Levy/Restaurant Associates. The Center has signed up with a list of third party caters that have an interest in selling our space (Great Performances, Cipriani, Sonnier &amp; Castle, Union Square) and bringing in important customers.</p> <p>Mr. Steel also briefly discussed proposed plans of Pier 40 and Pier 76.</p> <p><b><u>Procurement Summaries for Approval (Attachments 20-03 through 20-14)</u></b></p> <p>Ms. McManus presented the Board with a packet of individual procurements for approval. Mr. Silverman advised the members that by voting to approve the listed procurements, the Board would be passing separate resolutions reflecting each procurement individually, and the minutes will reflect that each procurement was the subject of a separate resolution.</p> <p><b><u>Approval of Contract – Business Compliance &amp; Investigation, Brosnan Risk Consultants &amp; MG Security Services (Attachment 20-03)</u></b></p> <p>Ms. McManus presented a procurement summary seeking Board approval to award a contract for event security guard services at the Jacob K. Javits Convention Center (Javits Center) to Business Compliance &amp; Investigation (BCI), Brosnan Risk Consultants (BRC) &amp; MG Security Services (MG). The contract term is for three years (from February 1, 2020-January 31, 2023) at an estimated total cost of \$3,810,000 (\$1,270,000 per year) with an option to renew for two additional years at the Javits Center’s discretion.</p>	
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<p><b>Committee Reports (continued)</b></p>	<p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1433</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to BCI, BRC and MG to provide event security guard services at the Javits Center for a term of three years (with a two-year renewal option) at an estimated total cost of \$3,810,000 is hereby approved.</p> <p><b><u>Approval of Contract – Semtive (Attachment 20-04)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to Semtive for the engineering, purchase and installation of 12 small wind turbines on the green roof at the Jacob K. Javits Convention Center (Javits Center) at a total cost of \$130,000 from February 1, 2020 to January 31, 2021.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1434</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to Semtive for the engineering, purchase and installation of 12 small turbines on the green roof at the Javits Center at the total cost of \$130,000 is hereby approved.</p> <p><b><u>Approval of Contract – Hudson Group Retail, LLC (Attachment 20-05)</u></b> Ms. McManus presented a concession summary seeking Board approval to award a contract to Hudson Group Retail, LLC (HG) to operate the retail concessionaire at one permanent location (Crystal Palace) and the option for two to three temporary locations (one in the existing building and two in the expansion) at the Jacob K. Javits Convention Center (Javits Center). The term of this contract shall be for a period of five years commencing on the date the contract is approved by the New York State Comptroller. Both parties may, by mutual consent and upon the further approval of the New York State Comptroller, renew the contract for one additional two-year period.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p>	
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<p><b>Committee Reports (continued)</b></p>	<p><b><u>Resolution No. 1435</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to HG to operate the retail concessionaire at one permanent location (Crystal Palace) and the option for two to three temporary locations (one in the existing building and two in the expansion) at the Javits Center for a five-year period and an option for a two-year extension is hereby approved.</p> <p><b><u>Approval of Contract – AT&amp;T (Attachment 20-06)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to AT&amp;T to provide telephone network services (MIS) to the Jacob K. Javits Convention Center (Javits Center). The contract term is for a period of two years at a total cost of \$23,128 (\$11,564 per year) from February 1, 2020 to January 31, 2022.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1436</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to AT&amp;T to provide telephone network services (MIS) to the Javits Center for a contract term of two years at a total cost of \$23,128 is hereby approved.</p> <p><b><u>Approval of Contract – Groome Door &amp; Mechanical Systems, Inc. (Attachment 20-07)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a contract to Groome Door &amp; Mechanical Systems, Inc. (Groome) for maintenance and inspection of eight flood gates at the Jacob K. Javits Convention Center (Javits Center). The contact term is for three years at a total cost of \$130,586 (Inspection: \$78,550 three-year total cost, Seal replacements: \$20,998 one-time charge in year one, Water simulation test: \$31,038 three-year total cost) from February 1, 2020 to January 30, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p>	
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<p><b>Committee Reports (continued)</b></p>	<p><b><u>Resolution No. 1437</u></b>  <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Groome for maintenance and inspection of eight flood gates at the Javits Center for a contract term of three years at the total cost of \$130,586 is hereby approved.</p> <p><b><u>Approval of Contract – Offsite Vision Holdings (Attachment 20-08)</u></b>                  Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to Offsite Vision Holdings (OSVH) to provide the Jacob K. Javits Center (Javits Center) an EmergenZ vendor authentication pass (EVAP) program. The contract term is for two years at a total cost of \$39,200 (\$19,600 per year) from February 1, 2020 to January 31, 2022.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1438</u></b>  <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to OSVH to provide the Javits Center with an EmergenZ vendor authentication pass (EVAP) program, for a contract term of two years at the total cost of \$39,200, is hereby approved.</p> <p><b><u>Approval of Contract – Brooklyn Grange, LLC (Attachment 20-09)</u></b>                  Ms. McManus presented a procurement summary seeking Board approval to award a contract to Brooklyn Grange, LLC (Brooklyn Grange) for the operation and maintenance of the rooftop farm at the Jacob K. Javits Convention Center (Javits Center). The contract term is for a period of five years at a cost of \$2,298,790. The yearly cost is \$459,758 (\$274,758-Farm staffing, \$35,000-materials and \$150,000-management fee) from September 1, 2020 to August 31, 2025.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1439</u></b>  <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Brooklyn Grange to provide the operation and maintenance of the rooftop farm at Javits Center for a contract term of five years at the total cost of \$2,298,790 is hereby approved.</p>	
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<p><b>Committee Reports (continued)</b></p>	<p><b><u>Approval of Contract – Brooklyn Grange, LLC (Attachment 20-10)</u></b>                  Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to Brooklyn Grange, LLC for the procurement and installation services for the ornamental landscape (orchard, meadow, shade garden, event back of house planting bed and native planters) for the green roof atop the expansion building, landscaping maintenance work on certain areas of the expansion roof and startup materials and equipment for the farm at the Jacob K. Javits Convention Center (Javits Center or NYCCOC). The contract term is for a period of eight months at a total cost of \$571,197 (\$332,957: Materials and equipment to start up greenhouse, orchard and farm), (\$188,961: Installation of orchard, meadow, shade garden and event back of house planting bed and native plants), (\$49,279: Maintenance of the meadow, shade garden, event back of house planting bed and native planters for seven months 9/1/2020-3/31/2021) from August 1, 2020 to March 31, 2021.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1440</u></b>  <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to Brooklyn Grange, for the procurement and installation services for the ornamental landscape (orchard, meadow, shade garden, event back of house planting bed and native planters) for the green roof atop the expansion building, landscaping maintenance work on certain areas of the expansion roof and startup materials and equipment for the farm at the Javits Center for a contract period of eight months at a total cost of \$571,197 is hereby approved.</p> <p><b><u>Approval of Contract – Building Intelligence, Inc. (Attachment 20-11)</u></b>                  Ms. McManus presented a procurement summary seeking Board approval to award a procurement to Building Intelligence, Inc. (BI) for traffic control and logistics management at the Jacob K. Javits Convention Center (Javits Center). The contract term is for a period of five years at total cost of \$4,237,541 (Year 1 cost of \$2,058,329: Hardware, software licensing, consulting and hardware installation), (Years 2-5 cost of \$2,179,212/\$544,803 per year: Software licensing) from February 1, 2020 to January 31, 2025.</p>	
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<p><b>Committee Reports (continued)</b></p>	<p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1441</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a procurement to BI for traffic control and logistics management at the Javits Center for a contract term of five years at the total cost of \$4,237,541 is hereby approved.</p> <p><b><u>Approval of Contract – DiDomenico &amp; Partners, LLP (Attachment 20-12)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to DiDomenico &amp; Partners, LLP (DDP) to provide design-related services for restroom renovations in public space at the Jacob K. Javits Convention Center (Javits Center). The contract is for 23 months at a total cost of \$220,000 from February 1, 2020 to December 31, 2021.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1442</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to DDP to provide design-related services for restroom renovations in public space at the Javits Center for a contract period of 23 months at the total cost of \$220,000 is hereby approved.</p> <p><b><u>Approval of Contract – WSP USA (Attachment 20-13)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a single source contract to WSP USA (WSP) to provide design engineering services for the fire alarm system for integration within the expansion including smoke purge, auxiliary radio communication system (ARC) for FDNY and fire alarm system interface at the Jacob K. Javits Convention Center (Javits Center). The contract is for 9 months at a total cost of \$616,500 (\$184,500 – Smoke Exhaust Air Change Evaluation), (\$92,000 – ARC Interface) and (\$340,000 – Fire Alarm System Interface). The term of the contract is February 1, 2020 – October 31, 2020.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p>	
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<p><b>Committee Reports (continued)</b></p>	<p><b><u>Resolution No. 1443</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to WSP to provide design engineering services for the fire alarm system for integration within the expansion including smoke purge, auxiliary radio communication system (ARC) for FDNY and fire alarm system interface at the Javits Center for a contract period of 9 months at the total cost of \$616,500 is hereby approved.</p> <p><b><u>Approval of Contract – Turtle &amp; Hughes/Adco Electrical Corporation (Attachment 20-14)</u></b> Ms. McManus presented a procurement summary seeking Board approval to award a single source procurement to each of Turtle and Hughes and Adco Electrical Corporation (Adco) to provide replacement of four transformers, materials and labor at the Jacob K. Javits Convention Center (Javits Center). The single source procurements are for 13 months at a total cost of \$586,332 (\$273,685 – Four transformers provided by Turtle and Hughes), (\$182,387 – Materials provided by Adco) and (\$130,260 – Labor provided by Adco) beginning February 1, 2020 – March 31, 2021.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1444</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source procurement to each of Turtle and Hughes and Adco to provide replacement of four transformers, materials and labor at the Javits Center for a contract period of 13 months at a total cost of \$586,332 is hereby approved.</p> <p><b><u>Review of Procurement Summaries – (Attachments 20-15 through 20-17)</u></b> Ms. McManus stated that previously approved service procurement contracts that extended for more than one year were being submitted for annual Board review as required by CCOC’s procurement guidelines. The procurement summaries were included with the packet sent to the Board in advance of the meeting.</p> <p><u>Procurement Contracts for Review (Attachments 20-15 through 20-17):</u> United Rentals, Door Automation Corporation and Philip Kaplan Glass and Mirror, LLC</p>	
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**Committee Reports (continued)**

Vendor	# of Year	Amount/Year
United Rentals	3/3	\$100,000
Door Automation Corporation	3/3	\$68,428
Philip Kaplan Glass and Mirror, LLC	3/3	\$65,085

**December 2019 YTD financials for review (Attachment 20-18)**

Ms. McManus presented the Board with the Financial Report for the period ending December 2019. Year to date, there is a total gross revenue of \$135,318,000, against a plan of \$144,764,000. Total operating expenses YTD are \$134,863,000 against a plan of \$145,789,000. Operating surplus before depreciation was \$455,000 against a plan of \$1,025,000. Net surplus (loss) after depreciation was (\$3,535,000) against a plan of (\$6,085,000).

**A. Audit & Finance Committees – Ronald Goldstock and Gary Lavine, Committee Chairmen**

It was reported that the Audit and Finance Committees met prior to the meeting, reviewed the procurement summaries and met with the internal auditors, The Bonadio Group. The Committees reviewed a risk assessment report and made comments to it. Management will receive an updated report and provide its comments. No other material items were reported.

**B. Human Resources/EEO – Edward Kane, Committee Chairman**

No Report

**C. Facilities –Mark Schienberg, Committee Chairwoman**

No Report

<p><b>Committee Reports (continued)</b></p>	<p><b><u>D. Sales &amp; Marketing – Lee Compton, Committee Chairman (Attachment 20-19)</u></b>                  Ms. Guerin noted that there were five show managers that decided to hold events at the Center because of the Center’s commitment to sustainability initiatives. Ms. Guerin reported on fourth quarter activity, which would have 81 days of activity out of 92 total days, 24 special events, 3 public shows and 23 trade shows. Looking forward to the first quarter, the Center is scheduled to have 87 days of activity out of 91 days, 1 special event, 3 public events and 30 trade shows are scheduled, including 1 new event and 1 returning event from Holland. Ms. Guerin also discussed prospective customer engagement and outreach efforts to various associations (e.g. American Association for Cancer Research and American Society for Aesthetic Plastic Surgery), tradeshow (e.g. The Armory Show and Greenbuild), special events (e.g. NBC Universal, United Way) and third parties (Talley Management and ConferenceDirect).</p> <p><b><u>E. Governance - Ronald Goldstock, Committee Chairman</u></b>                  No report.</p>	
<p><b>IV. Other Business</b></p>	<p>None</p>	
<p><b>V. Adjournment</b></p>	<p>By motion and agreement, the meeting was adjourned at 1:47 PM with the next meeting to be held on March 11, 2020.</p>	