

Approved 4/12/22



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

655 West 34th Street
New York, NY 10001-1188

MINUTES

DATE: January 26, 2022
Time: 1:00 PM
Location: Large Conference Room and Audio/Video Webex

MEMBERS PRESENT:

Henry Silverman, Chairman - Webex
Hugh L. Carey II - Webex
Ronald Goldstock - Webex
Steven C. Koppel - Webex
Gary Lavine - Webex
Andrew Murstein – Webex
Brian O’Dwyer - Webex
Lee H. Perlman - In Person
Fred Dixon – In Person
Christy Ferer – Webex
Joseph F. Chan - Webex
Quenia Abreu - Webex

ABSENT:

Robert Azeke
George Tsunis
Joseph Spinnato

STAFF:

Alan E. Steel, President & CEO
Bradley A. Siciliano, Chief Operating Officer
Doreen Guerin, SVP Sales & Marketing
Mark Sims, SVP & CFO
Christine McMahon, SVP, Labor Relations and Show Operations
Sonia Low, VP, General Counsel & Corporate Secretary
Tim Gaburungyi, SVP & CIO/CISO
Kenneth Sanchez, SVP Facilities Management
Kenneth Dixon, SVP of Security and Safety Solutions
Tony Sclafani, SVP & CCO
Mike Ruberry, VP, Event Solutions & Set-Up

GUESTS/VISITORS:

None.

OTHERS PRESENT:

None.

<p>Call to Order</p>	<p>The meeting of the Board of Directors for the New York Convention Center Operating Corporation (CCOC) was called to order at 1:00 p.m. A quorum was present. The meeting was presided over by Henry R. Silverman, Chairman. Pursuant to the amendments of the Open Meetings Law, members were permitted to attend via video and telephone conferencing call.</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 17, 2021 (Attachment 22-01)</u></p> <p>A motion was made and seconded to approve the minutes of the Board of Directors meeting held on <u>November 17, 2021</u>. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1506</u> NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on <u>November 17, 2021</u>, are hereby approved.</p>	
<p>II. Corporate Matters</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><u>President’s Report - Alan Steel (Attachment 22-02)</u></p> <p>Mr. Steel reported on the status of events at the Javits Center and stated that event booking continues to remain strong despite the Omicron outbreak. As of the date of the Board Meeting, 42 events have been booked in the first and second quarters of 2022. The NRF Show, which is one of Javits Center’s largest annual events, successfully occurred earlier this month on January 16th to January 18th. The NY Boat Show is opening, and the Salesforce Company kickoff is scheduled to occur February 8th to February 10th. Toy Fair canceled its event to occur in February 2022.</p> <p>Mr. Steel discussed the COVID-19 safety protocols with the Javits Center following both New York State and New York City protocols, including the Key to NYC program. Face coverings are required while working in the Javits Center, and beginning January 29th children ages five to 11 will be added to the list of who must show proof of full vaccination. These protocols are the minimum, and event organizers can add additional</p>	

<p>Corporate Matters (Continued)</p>	<p>requirements. For example, Salesforce requires daily testing for all attendees, event personnel and employees in addition to the vaccination requirement.</p> <p>Mr. Steel also reported that the Javits Center’s payroll software company Kronos was the victim of a ransomware attack on its cloud-based services and was forced to shut down its software platform. No Javits Center systems were impacted, and no Javits Center data was compromised; however, certain of Kronos’ services were not available to the Javits Center until January 10, 2022 and 100% of Kronos’ services are still not available, thereby affecting payroll calculations, timekeeping and other Human Resources systems. The Javits Center engaged ADP to process payroll as a temporary solution and will transition permanently to ADP for payroll service. Management engaged the Audit Committee throughout the entire process.</p> <p>Mr. Steel next presented an update on the expansion. NYCCOC and its vendors have combined the three independent fire alarm systems into one merged campus-wide fire alarm system to complete the installation of the fire alarm project. Merging the three fire alarm systems will enable the building to be used as one combined space for events. The FDNY has completed their inspections and issued their approval, which has been forwarded to DASNY for their approval. Once DASNY approves, a TAO for the combined facility can be issued.</p> <p>Mr. Steel informed the Board about a number of promotions and new hires, including Mark Sims being appointed as Chief Financial Officer and Tim Gaburungyi and Ken Dixon both being promoted to Senior Vice President. Mariam Karim, the VP of Guest Experience, has joined the Tampa Bay Buccaneers organization, and we are in the process of searching for her replacement.</p> <p>Mr. Steel also mentioned to the Board that the Javits Center is working on rebranding the two primary dining areas on Levels 1 and 3 with its food and beverage partner Levy/CxRA. New custom booths, benches and chairs have also been installed and placed in the Crystal Palace, near concession stands and throughout the building. These installations provide a more private and comfortable seating area for guests attending the shows and are designed to encourage congregation among guests when they leave the show floor.</p> <p>Mr. Steel next provided an update on the truck marshaling facility. The four-level facility is operating with all event trucks utilizing new staging areas and loading docks. Since August, thousands of trucks have been relocated off local streets, streamlining the move-in and move-out process for events. Management is in the process of completing last stages of hardware installation and testing for new state-of-the-art software that allows for the pre-screening of trucks and drivers to enter and be digitally assigned loading dock space via a mobile app.</p>	
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<p>Corporate Matters (Continued)</p>	<p>The new system enables trucks to be tracked and monitored on one digital platform and included a network of new license plate readers, complex video analytics, built-in weight-in-motion truck scales and dozens of high definition video cameras. It is scheduled to go live in June 2022, and management hopes to be able to share a demonstration of this platform with the Board in March.</p> <p>Regarding upgrades on the technology at the Javits Center, there is a Fresh and Fast café located on the North Concourse which provides advanced shopping technology and touchless capability powered by Amazon’s Walk-Out technology so that the guest can enter, purchase food and beverages, and exit without having to stand on any lines. Also, the enhanced network management systems better protect against malware and increase the reliability of the network. Also, the latest wireless network standard – WiFi 6 – was installed to meet customer requirements and increased Data Center capacity to accommodate needs to virtualize the servers securely. The system integration of technology between the existing and expanded part of the Javits Center can host up to 140,000 wireless devices at the same time.</p> <p>Mr. Steel discussed a number of positive developments in connection with promoting both the expansion and the events activity more broadly. Mr. Steel presented that, since August 2021, more than 40 print/digital articles and television segments have featured the completion of our expansion and the reopening of the Javits Center for events. The mainstream outlets covering the Javits Center include the New York Times, Bloomberg, Crain’s New York, Timeout New York, Reuters, CBS News, ABC and NY1. The Javits Center has also reached out to international audiences with an application submitted to UFI. The Javits Center is hosting NYC & Company’s annual event in March 2022.</p> <p>Regarding the JavitsCares program, the Javits Center, in December, donated 275 pounds of produce from the rooftop farm to ReThink Food, a nonprofit group that provides nutritious meals to New Yorkers in need. Also, on December, 15 employees volunteered at Material for the Arts, a nonprofit group that donates items to schools and theatre groups. JavitsCares was created in 2018 to repurpose and donate items left after the conclusion of the Javits Center’s events.</p> <p>Mr. Steel next discussed infrastructure upgrades. Custom benches for pre-function spaces on Levels 4 and 5 have been installed in the expansion, and outdoor terrace furniture, fixtures and equipment have arrived and are being installed. In the greenhouse, the Javits Center is preparing to grow microgreens with support from Brooklyn Grange and Cultivated. The Javits Center is also constructing two reservoir systems for a hydroponic system in the greenhouse. Two farmshelf units were also installed on Level 1.</p>	
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<p>III. Committee Reports</p>	<p>Mr. Steel mentioned that the 2021 annual report is now available on our website. Governor Hochul contributed to the annual report by highlighting the Javits Center’s achievements and challenges throughout the year. Management was open to questions from the Board regarding the annual report.</p> <p><u>Annual Report FY2021 (Attachment 22-03)</u></p> <p><u>A. Audit & Finance Committees – Ronald Goldstock and Gary Lavine, Committee Chairmen</u></p> <p>The Audit & Finance Committee met on January 26, 2022 and reviewed the status of operations and the financial report as of November 21, 2021.</p> <p><u>Financial Report</u></p> <p><u>Authorization of Signatories for NYCCOC – (Attachments 22-04 through 22-07)</u></p> <p>Mr. Sims explained that a number of resolutions were needed to be passed by the Board relating to signing authority for certain categories of payments in accordance with §2569 of the Public Authorities Law.</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1507 – (Attachment 22-04)</u></p> <p>NOW THEREFORE BE IT RESOLVED that the following individuals are authorized signatories for warrants for the purpose of requisitioning checks, wire transfers and transfers of monies in the name of the Corporation in accordance with §2569 of the Public Authorities Law, in accordance with the New York Convention Center Operating Corporation Warrant Procedures.</p> <p>Alan Steel – President & Chief Executive Officer Mark S. Sims – Senior Vice President & Chief Financial Officer Bradley A. Siciliano – Chief Operating officer Doreen Guerin – Senior Vice President Sales & Marketing Kevin Aronowitz - Controller</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Resolution No. 1508 – (Attachment 22-05)</u> NOW THEREFORE BE IT RESOLVED that the following individuals are authorized signatories for manual payroll checks drawn on a payroll account maintained on the Corporation’s behalf at J.P. Morgan Chase Bank in accordance with §2569 of the Public Authorities Law.</p> <p>Alan Steel – President & Chief Executive Officer Mark S. Sims – Senior Vice President & Chief Financial Officer Doreen Guerin – Senior Vice President Sales & Marketing Christine McMahon – Senior Vice President Human Resources & Labor Solutions Bradley A. Siciliano – Chief Operating officer Kevin Aronowitz - Contoller</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1509 – (Attachment 22-06)</u> NOW THEREFORE BE IT RESOLVED that effective as of this date the following are authorized signatories for the Corporation’s Flex Spending Account maintained on the Corporation’s behalf at J.P. Morgan Chase Bank in accordance with §2569 of the Public Authorities Law.</p> <p>Mark S. Sims – Senior Vice President & Chief Financial Officer Doreen Guerin – Senior Vice President Sales & Marketing Kevin Aronowitz – Contoller</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1510 – (Attachment 22-07)</u> NOW THEREFORE BE IT RESOLVED that effective as of this date the following are the authorized signatories for the Corporation’s Retirement Escrow Account maintained on the Corporation’s behalf at J.P. Morgan Chase Bank in accordance with §2569 of the Public Authorities Law.</p> <p>Mark S. Sims – Senior Vice President & Chief Financial Officer Doreen Guerin – Senior Vice President Sales & Marketing Kevin Aronowitz – Contoller</p>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Procurement Summaries for Approval (Attachments 22-08 through 22-13)</u> Mr. Sims presented the Board Members with procurements for approval. The Chairman advised the Members that by voting to approve the listed procurements, the Board Members 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><u>Approval of Contract – Crothall Healthcare, Inc. (Attachment 22-08)</u> Mr. Sims presented a procurement summary seeking Board approval to award Crothall Healthcare, Inc. (Crothall) a contract to provide management of cleaning services at the Jacob K. Javits Convention Center (Javits Center) The contract is for three years at a cost of \$1,942,849 (\$560,924 Year-1, \$680,751 year-2 and \$701,174 year-3) with an option to renew for two additional years as the discretion of the Javits Center. The contract term is from January 10, 2022-January 9, 2025.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1511</u> NOW THEREFORE BE IT RESOLVED that the award of a contract to Crothall) to provide management of cleaning services at the Javits Center for three years at a cost of \$1,942,849 (\$560,924 Year-1, \$680,751 year-2 and \$701,174 year-3) with an option to renew for two additional years for the contract term of January 10, 2022-January 9, 2025, is hereby approved.</p> <p><u>Approval of Contract – Scientific Fire Prevention (Attachment 22-09)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to Scientific Fire Prevention to provide kitchen exhaust cleaning services for the North and South buildings at the Jacob K. Javits Convention Center (Javits Center). The term of the contract is for one year at an estimated cost of \$194,725. The term of the contract is February 1, 2022-January 31, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1512</u> NOW THEREFORE BE IT RESOLVED that the award of a single source contract to Scientific Fire Prevention to provide kitchen exhaust cleaning services for the North and South buildings at the Jacob K. Javits</p>	
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<p>III. Committee Reports (Continued)</p>	<p>Convention Center (Javits Center) for one year at the estimated cost of \$194,725 for a contract term of February 1, 2022-January 31, 2023, is hereby approved.</p> <p><u>Approval of Contract – DiDomenico & Partners, LLP (Attachment 22-10)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to DiDomenico & Partners, LLP (DDP) to provide architectural design services related to integrating fire life safety improvements and merging the Javits Center South and North buildings. The contract is for 18 months at a total cost of \$718,000.</p> <p>The \$718,000 total cost includes the following:</p> <ul style="list-style-type: none"> *Services as directed by the Javits Center Team (\$493,000) *Pre-Javits Expansion TAO Service \$90,000 *Close-out services (Permit close-outs, inspection support, signoffs, TAO and meetings \$135,000) <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1513</u> NOW THEREFORE BE IT RESOLVED that the award of a single source contract to DDP to provide architectural design services related to integrating fire life safety improvements and merging Javits Center’s South and North buildings for a contract period of 18 months at the total cost of \$718,000 is hereby approved.</p> <p><u>Approval of Contract – MIH Systems Group, LLC (Attachment 22-11)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to MIH Systems Group, LLC (MIH) to provide Heating Ventilation and Air Conditioning (HVAC) Preventive Maintenance services at the Jacob K. Javits Convention Center (Javits Center) Transformer and North buildings. The contract is for one year at an estimated cost of \$164,940 (Transformer building \$29,000 and North building \$135,940). The term of the contract is from February 1, 2022-January 31, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Resolution No. 1514</u> NOW THEREFORE BE IT RESOLVED that the award of a single source contract to MIH to provide Heating HVAC Preventive Maintenance services at the Javits Center’s Transformer and North buildings for one year at an estimated cost of \$164,940 for the contract period of February 1, 2022-January 31, 2023 is hereby approved.</p> <p><u>Approval of Contract – Eaton Corporation Electrical Engineering Services & Systems (Attachment 22-12)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to Eaton Corporation Electrical Engineering Services & Systems (Eaton) to provide preventive maintenance and testing program services to the North Building at the Jacob K. Javits Convention Center (Javits Center). The term of the contract is for one year at an estimated cost of \$290,000. The term of the contract is February 1, 2022-January 31, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1515</u> NOW THEREFORE BE IT RESOLVED that the award of a single source contract to Eaton to provide preventive maintenance and testing program services to the North Building at the Javits Center for one year at an estimated cost of \$290,000 for the contract term of February 1, 2022-January 31, 2023, is hereby approved.</p> <p><u>Approval of Contract – ADP, Inc. (Attachment 22-13)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to ADP, Inc. for payroll services for the Jacob K. Javits Convention Center (Javits Center) at an estimated cost of \$426,000 (\$132,000 per year) plus a one-time implementation fee (\$30,000) for a period of three years beginning January 3, 2022-January 2, 2025.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1516</u> NOW THEREFORE BE IT RESOLVED that the award of a single source contract to ADP for payroll services for the Javits Center at an estimated cost of \$426,000, plus a one-time implementation fee of \$30,000 for a period of three years beginning January 3, 2022-January 2, 2025, is hereby approved.</p>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Review of Procurement Summaries – (Attachments 22-14 through 22-18)</u> Mr. Sims 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:</u> Groome Door & Mechanical Systems, Inc., Building Intelligence, Inc., Business Compliance & Investigation, Brosnan Risk Consultants & MG Security Services, Brooklyn Grange, LLC, and Hudson Group Retail, LLC</p> <table border="1" data-bbox="373 574 1705 932"> <thead> <tr> <th>Vendor</th> <th># of Years</th> <th>Review Period Amount/Year</th> </tr> </thead> <tbody> <tr> <td>Groome Door & Mechanical Systems, Inc.</td> <td>3</td> <td>\$36,529/3</td> </tr> <tr> <td>Building Intelligence, Inc.</td> <td>5</td> <td>\$544,803/3</td> </tr> <tr> <td>Business compliance & Investigation, Brosnan Risk Consultants & MG Security Services</td> <td>3</td> <td>\$1,270,000/3</td> </tr> <tr> <td>Brooklyn Grange, LLC</td> <td>5</td> <td>\$459,758/3</td> </tr> <tr> <td>Hudson Group Retail, LLC</td> <td>5</td> <td>\$0/3</td> </tr> </tbody> </table> <p><u>Financial Update:</u> Mr. Sims presented the Board with the Financial Report for the period ending November 2021. Year to date, there is a total operating revenue of \$86,467,000, which is approximately \$44,922,000 better than plan. Total operating expenses YTD are \$(63,522,000), which is about \$4,641,000 higher than plan, primarily driven by an increase in labor and professional services due to JAVAX. Operating Surplus before depreciation was \$22,945,000. Net Surplus after depreciation and interest was \$18,781,000, which was about \$40,306,000 better than plan. Javits has 20 cancelled events, including Toy Fair, Fancy Foods, Bravo Con and Interphex which were partially offset by the 29 unplanned events (NY Now, Auto Pre-Hang, JA and Salesforce). JAVAX and the expansion have increased labor expenses over plan. The forecast does not include the revenue and expense impact of outsourcing event cleaning.</p>	Vendor	# of Years	Review Period Amount/Year	Groome Door & Mechanical Systems, Inc.	3	\$36,529/3	Building Intelligence, Inc.	5	\$544,803/3	Business compliance & Investigation, Brosnan Risk Consultants & MG Security Services	3	\$1,270,000/3	Brooklyn Grange, LLC	5	\$459,758/3	Hudson Group Retail, LLC	5	\$0/3	
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	<p><u>B. Human Resources Committee - Hugh L. Carey, II, Committee Chairman</u></p> <p>No report.</p> <p><u>C. Facilities/Operations Committee - Mark Schienberg, Committee Chairman</u></p> <p>No report.</p> <p><u>D. Sales & Marketing Committee – Doreen Guerin, Chairman (Attachment 22-19)</u></p> <p>Ms. Guerin reported on behalf of the Sales & Marketing Committee and presented highlights of the digital marketing campaign to promote the expansion area (North Javits). She explained that the goal was to drive qualified users to our website to book events, and to create a more user-friendly website. She also discussed the positive engagement metrics across both advertisement channels and showed the Board examples of campaign content. Management is encouraged by these metrics which show a click through rate of almost four percent and almost two million in impressions. A video tour of North Javits will be included on the website, and there are advertisements on Google and Facebook. Ms. Guerin stated that next steps included exploring automated e-mail lists and website enhancement, and the addition of a new virtual 360 tour which will be presented to the Board when ready.</p> <p>Ms. Guerin next discussed the events calendar and stated that 42 events were confirmed, with three events cancelled and two events rescheduled in 2022. New events for this year include Univision Upfront, Amazon advertising, Salesforce Company Kickoff, indeed Interactive and Insurtech Insights. All new events are taking place in the new expansion area. Ms. Guerin stated that lead volume compared to that during the same time last year has increased significantly, and all leads received in 2022 are for 2022 events. Leads received and events booked are largely in the corporate sector with a heavy emphasis on technology. Events are being booked and are moving forward, and while they are short-term bookings which requires making some adjustments by the sales team, the outcome is positive.</p> <p><u>E. Governance Committee - Ronald Goldstock, Committee Chairman</u></p> <p>No report.</p>	
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Approved 4/12/22



<p>IV. Other Business</p>	<p>Mr. Steel announced that Jeffrey D. Caldwell, Associate General Counsel, is retiring as of January 28, 2022, after having provided more than 25 years of service for the Corporation. The Board thanks Mr. Caldwell for his contributions and wishes him well on his next journey.</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1517</u> NOW THEREFORE BE IT RESOLVED that the Board acknowledges and commends Jeffrey D. Caldwell, Associate General Counsel, on his retirement. For more than 25 years Mr. Caldwell has devoted himself to the Jacob K. Javits Convention Center, providing valuable public service and insightful advice to the Javits Center and its customers. The important achievements and advances made at the Javits Center would not have been possible without his wise counsel and patient advice.</p>	
<p>V. Adjournment</p>	<p>By motion and agreement, the meeting was adjourned at 1:56 p.m. with the next meeting to be held on March 30, 2022.</p>	