

Approved: 6/22/22



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

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

MINUTES

DATE: April 12, 2022
Time: 1:00 PM
Location: Large Conference Room and Audio/Video Webex

MEMBERS PRESENT:

Henry Silverman, Chairman - In Person
Hugh L. Carey II - Webex
Steven C. Koppel - Webex
Gary Lavine - Webex
Andrew Murstein – Webex
Brian O’Dwyer – In Person
Lee H. Perlman – Webex
Fred Dixon – In Person
Christy Ferer – In Person
Robert Azeke - Webex

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
Melissa Kanes, Paralegal

ABSENT:

Quenia Abreu
Ronald Goldstock
Joseph Spinnato
Joseph F. Chan

GUESTS/VISITORS:

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

OTHERS PRESENT:

Shane Beardsley, VP of Guest Experiences

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<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 January 26, 2022 (Attachment 22-20)</u></p> <p>A motion was made and seconded to approve the minutes of the Board of Directors meeting held on <u>January 26, 2022</u>. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1518</u> NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on <u>January 26, 2022</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 22-21)</u></p> <p>Mr. Steel presented the status of event operations and reported that annual trade shows and customers are returning with energy and enthusiasm. However, events are presently smaller in size as compared to that of events held prior to the pandemic. The short-term outlook includes significant new corporate interest, which is also accounting for shorter booking patterns. The long-term outlook has a number of events already scheduled in 2023 and a strong interest in technology partners looking to create events which management believes may become annual events as they move forward.</p> <p>Mr. Steel next reported that Governor Hochul came to the Javits Center in mid-March to sign three bills addressing workplace harassment and discrimination. The Javits Center then hosted NYC & Company’s annual meeting on March 30th (where Mayor Eric Adams delivered remarks), and the Tri-State Meeting Planner event on</p>	

<p>II. Corporate Matters (Continued)</p>	<p>April 5th with hundreds of industry leaders, event planners and suppliers in attendance. The Crystal Palace was illuminated in blue on April 7th to celebrate Global Meetings Industry Day. Also, the New York International Auto Show opens to the general public on April 15th, and it will be its first time back at the Javits Center since 2019.</p> <p>On April 5th, the Javits Center delivered a presentation on its sustainable achievements to the U.S. Green Building Council in Boston. On April 9th, the American Council of Engineering Companies honored the Javits Center for its COVID-19 and sustainability efforts at the Engineering Excellence Gala event. Senior management took the opportunity of the Award to invite and have recognized a number of representatives from military and medical personnel who served at the Javits Center during the period the Center was a hospital and vaccination center.</p> <p>Regarding an update on the expansion, Mr. Steel stated that the Dormitory Authority of the State of NY has extended all TAOs to the end of June 2022, and that a Certificate of Code Compliance (CCC) will hopefully be issued in June subject to the completion of New York Fire Department inspections. The CCC will be the final Certificate of Occupancy needed for the entire building. Also, a series of new trellises were installed on the outdoor terrace to provide shading for rooftop events.</p> <p>Mr. Steel next updated efforts to improve the guest experience at the Javits Center. The Javits Center has purchased new and more modern furniture, including benches, seating and tables, that were installed in the food court areas on Levels 1 and 2. Mr. Steel also discussed the hydroponic system built by Brooklyn Grange in the Javits Center’s greenhouse to allow the farmers to continue growing produce in the colder months when field crops can no longer survive. Seedling benches also have been installed to grow microgreens and any plants needed by the farm.</p> <p>Mr. Steel also discussed the Javits Center hiring five part-time tour guides to provide building tours from April to October 2022. Public tours will be offered on Tuesdays and Thursdays at 10:00a.m. and 1:00p.m. for one hour, and tours can be booked via the Javits Center website. The purpose of these hour-long tours is to communicate the importance of the Javits Center’s operations, the impact the Javits Center has on the industry and the success of its sustainability program. The Javits Center can now make the tours readily available to schools and community groups.</p> <p>Mr. Steel next presented resolutions for the Board to approve.</p>	
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<p>II. Corporate Matters (Continued)</p>	<p><u>Board Resolution for Appointment of Shane Beardsley</u> The first resolution is to appoint Shane Beardsley as the new Vice President of Guest Experiences.</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1519</u> NOW THEREFORE BE IT RESOLVED that, after an extensive interview process, the Board of Directors appoints Shane Beardsley to the position of Vice President of Guest Experiences in the Sales & Marketing Department.</p> <p><u>Board Resolution for Use of the Meet in New York Grant Program Funds</u> Mr. Steel presented the following resolution regarding the Meet in New York Grant Program Funds.</p> <p>WHEREAS, the events industry in the State of New York, as well as those businesses which it supports, have suffered from the prolonged effects of the COVID-19 pandemic;</p> <p>WHEREAS, the Governor of the State of New York has created the Meet In New York Grant Program (“Grant Program”) to help bring events back to New York and spur the economic impact that the events industry generates in the State of New York;</p> <p>WHEREAS, the Javits Center, as the largest convention center in the State, is uniquely positioned to leverage the Grant Program to attract events with the greatest impact to the state and the economic benefits generated by those events;</p> <p>WHEREAS, \$2,000,000 of Grant Program funds has been requested for the Javits Center for its use to encourage event produced to pick New York as the destination for their events.</p> <p>NOW THEREFORE, the Board of Directors of the New York Convention Center Operating Corporation hereby authorize the management team of the Jacob K. Javits Convention Center to leverage the funds provided by the Grant Program subject to the following conditions:</p> <ul style="list-style-type: none">(1) The funds are applied to the cost of licensing the space (as distinguished from labor and services).(2) The event runs for at least two consecutive days.(3) At least 35% of attendees, either:<ul style="list-style-type: none">a. Come from 50 miles away or more; or	
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<p>II. Corporate Matters (Continued)</p>	<ul style="list-style-type: none">b. Stay in overnight licenses lodging facilities (i.e. not in an Airbnb or similar home share service);c. The event must certify compliance with this requirement and provide proof of compliance upon request. <ul style="list-style-type: none">(4) The event must take place prior to December 31, 2024;(5) The event:<ul style="list-style-type: none">a. cannot already be licensed;b. cannot have been held in New York in since January 1, 2018;c. cannot currently have dates licensed or reserved at any future date beyond December 31, 2024.(6) The discount shall be no more than the lesser of 15% percent of the license fee or \$50,000.(7) The discount will be applied as a credit against the event’s final invoice.(8) Javits Center management shall track and report to the board on a quarterly basis a list of each event participating in the Grant Program showing:<ul style="list-style-type: none">a. The name of the event;b. The amount of the discount received;c. Percentage of attendees coming from more than 50 miles or staying overnight in a hotel;d. Payroll hours of Javits staff working the event;e. Total payroll for Javits staff working the event. <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1520</u> NOW THEREFORE BE IT RESOLVED, the Board of Directors of the New York Convention Center Operating Corporation hereby authorize the management team of the Jacob K. Javits Convention Center to leverage the funds provided by the Grant Program subject to the following conditions:<ul style="list-style-type: none">(1) The funds are applied to the cost of licensing the space (as distinguished from labor and services).(2) The event runs for at least two consecutive days.(3) At least 35% of attendees, either:<ul style="list-style-type: none">a. Come from 50 miles away or more; orb. Stay in overnight licenses lodging facilities (i.e. not in an Airbnb or similar home share service);c. The event must certify compliance with this requirement and provide proof of compliance upon request.(4) The event must take place prior to December 31, 2024;</p>	
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<p>III. Committee Reports</p>	<p>(5) The event:</p> <ul style="list-style-type: none"> d. cannot already be licensed; e. cannot have been held in New York in since January 1, 2018; f. cannot currently have dates licensed or reserved at any future date beyond December 31, 2024. <p>(6) The discount shall be no more than the lesser of 15% percent of the license fee or \$50,000.</p> <p>(7) The discount will be applied as a credit against the event’s final invoice.</p> <p>(8) Javits Center management shall track and report to the board on a quarterly basis a list of each event participating in the Grant Program showing:</p> <ul style="list-style-type: none"> g. The name of the event; h. The amount of the discount received; i. Percentage of attendees coming from more than 50 miles or staying overnight in a hotel; j. Payroll hours of Javits staff working the event; k. Total payroll for Javits staff working the event. <p><u>Authorizations of Signatories for NYCCOC – (Attachments 22-22 through 22-25)</u></p> <p>Mr. Steel then asked Mr. Sims to present the next four resolutions. Mr. Sims reported that the Javits Center’s Comptroller was no longer with the Center and therefore, resolutions relating to signatory authority for certain categories of payments in accordance with §2569 of the Public Authorities Law that were previously approved at the prior Board meeting, needed to be updated by the Board at this meeting.</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1521 (Attachment 22-22)</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</p>	
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<p>III. Committee Reports (Continued)</p>	<p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1522 (Attachment 22-23)</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</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1523 (Attachment 22-24)</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</p> <p>A motion was made and seconded. The following motion was passed by unanimous vote:</p> <p><u>Resolution No. 1524 (Attachment 22-25)</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</p>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Executive Session</u> Mr. Siciliano advised the Members and attendees that the Board would go into executive session relating to a personnel matter as proscribed by the Open Meetings Law. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1525</u> NOW THEREFORE BE IT RESOLVED that the Board Members will conduct an executive session pursuant to Public Officers Law §105 to discuss a personnel matter. All non-Board Members other than Mr. Steel and Mr. Siciliano left the room during the discussion of a personnel matter. The meeting returned to open session. Mr. Siciliano noted for the record that there was no vote taken during the executive session.</p> <p><u>A. Audit & Finance Committees – Ronald Goldstock and Gary Lavine, Committee Chairmen</u></p> <p>The Audit & Finance Committees met on April 12, 2022 and reviewed the status of operations, the operating plan and the financial report as of March 30, 2022.</p> <p><u>Financial Report</u></p> <p><u>Procurement Summaries for Approval (Attachments 22-26 through 22-30)</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: Green Roof Biodiversity Monitoring (Attachment 22-26)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to New York City Audubon to study green roof biodiversity on the Jacob K. Javits Convention Center (Javits Center) green rooftop. The contract is for 3 years at an estimated cost of \$275,720 (Y1: \$91,114, Y2: \$90,760 and Y3: \$93,846). The term of the contract is from July 1, 2022 - June 30, 2025.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1526</u></p>	
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<p>III. Committee Reports (Continued)</p>	<p>NOW THEREFORE BE IT RESOLVED that the award of a single source contract to New York City Audubon to study green roof biodiversity on the Javits Center green rooftop at an estimated cost \$275,720 for a contract term of July 1, 2022 – June 30, 2025 is hereby approved.</p> <p><u>Approval of Contract: North Building Generators Planned Maintenance Services Department (Attachment 22-27)</u> Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Cummins Sales & Services to provide planned maintenance services to the generators located in the North building. The contract is for 5 years at a total cost of \$418,207 (year 1: \$92,384, year 2: \$51,501, year 3: \$92,384, year 4: \$51,501, year 5: \$130,437). The term of the contract is February 1, 2022-January 31, 2027.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1527</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source contract to Cummins Sales & Services to provide planned maintenance services to the generators in the North Building at an estimated cost of \$418,207 for a contract term of February 2, 2022 to January 31, 2027 is hereby approved.</p> <p><u>Approval of Contract: Variable Air Volume System and Air Conditioning Preventive Maintenance Services (Attachment 22-28)</u> Mr. Sims presented a procurement summary seeking Board approval to award Daikin Applied Americas, Inc., a sole source contract to provide preventive maintenance services on Variable Air Volume (VAV) System and Air Conditioning for the Jacob K. Javits Convention Center (Javits Center) South building. The contract is for 3 years at a total cost of \$280,800 (\$93,600 per year). The term of the contract is April 1, 2022 - April 30, 2025.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1528</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source contract to Daikin Applied Americas, Inc. to provide preventive maintenance services on Variable Air Volume (VAV) System and Air Conditioning for the Javits Center South building at an estimated cost of \$280,800 for a contract term of April 1, 2022 - April 30, 2025 is hereby approved.</p> <p><u>Approval of Contract: Power Control System & Critical Power Management Appliance Maintenance Program (Attachment 22-29)</u></p>	
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<p>III. Committee Reports (Continued)</p>	<p>Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to ASCO Power Services Inc. to provide preventive maintenance services for the Power Control System and the Critical Power Management Applicant (CPMA) located in the Jacob K. Javits Convention Center (Javits Center) North Building. The contract is for 5 years at a total cost of \$348,453 (Power Control System \$79,827 and CPMA \$268,626. The term of the contract is February 1, 2022 – January 31, 2027.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1529</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source contract to ASCO Power Services Inc. to provide preventive maintenance services for the Power Control System and the Critical Power Management Applicant located in the Jacob K. Javits Convention Center (Javits Center) North Building at an estimated cost of \$268,626 for a contract term of February 1, 2022 – January 31, 2027 is hereby approved.</p> <p><u>Approval of Contract: Insurance Program (Attachment 22-30)</u> Mr. Sims presented a procurement summary seeking Board approval to award general liability and other insurance contracts through Marsh USA, Inc. (Marsh) for the Jacob K. Javits Convention Center (Javits Center). The contracts are for one year at an aggregate cost of \$5,981,543 for the fiscal period of April 1, 2022 – March 31, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1530</u> NOW THEREFORE BE IT RESOLVED that the award of general liability and other insurance contracts through Marsh USA, Inc. at an estimated cost of \$5,981,543 for the fiscal period of April 1, 2022 – March 31, 2023 is hereby approved.</p> <p><u>Review of Procurement Summaries – (Attachments 22-31 through 22-33)</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>	
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<p>III. Committee Reports (Continued)</p>	<p><u>Procurement Contracts for Review:</u></p> <p>Business Compliance & Investigations, See Factor Industry, Inc. EFPR Group LLP</p> <table border="1" data-bbox="373 440 1703 659"> <thead> <tr> <th>Vendor</th> <th># of Years</th> <th>Review Period Amount/Year</th> </tr> </thead> <tbody> <tr> <td>*Business Compliance & Investigations</td> <td>3</td> <td>\$383,947/1</td> </tr> <tr> <td>*See Factor Industry, Inc.</td> <td>3</td> <td>\$300,000/1</td> </tr> <tr> <td>EFPR Group LLP</td> <td>4</td> <td>\$86,000/4</td> </tr> </tbody> </table> <p style="text-align: center;">*Paused Services</p> <p><u>Approval of Fiscal Year 2023 Operating Plan – (Attachment 22-34)</u></p> <p>Mr. Sims presented the Board with the Operating Plan for Fiscal Year 2023. Mr. Sims reported that the FY 2023 operating plan line items were being compared to those from Fiscal Year 2020 as that was the last full year of business for the Javits Center. The items impacting the Fiscal Year ending in March 2023 budget as compared to that for the Fiscal Year ending in March 2020 were a decrease in (1) the number of events which were reduced from 116 to 80, (2) demand for services, (3) booths and (4) attendance. Mr. Sims stated that utility and insurance costs increased significantly, as well as new costs associated with maintaining the expansion. While plan projects a loss for Fiscal Year 2023, the revenue generated from the construction and operations of temporary medical facility and vaccination center put the Javits Center in a strong cash position. For Fiscal Year 2023, the total operating revenue is projected to be \$143,053,000, which is \$41,927,000 lower than that in Fiscal Year 2020. The total operating expenses are projected to \$164,151,000, which is \$18,544,000 lower than that in Fiscal Year 2020. Operating Loss before depreciation is projected \$(21,098,000). Net Loss after depreciation and interest is \$(27,782,000).</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1531</u></p>	Vendor	# of Years	Review Period Amount/Year	*Business Compliance & Investigations	3	\$383,947/1	*See Factor Industry, Inc.	3	\$300,000/1	EFPR Group LLP	4	\$86,000/4	
Vendor	# of Years	Review Period Amount/Year												
*Business Compliance & Investigations	3	\$383,947/1												
*See Factor Industry, Inc.	3	\$300,000/1												
EFPR Group LLP	4	\$86,000/4												

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<p>III. Committee Reports (Continued)</p>	<p>NOW THEREFORE BE IT RESOLVED that the Fiscal Year 2023 Operating Plan is hereby approved.</p> <p><u>B. Human Resources Committee - Hugh L. Carey, II, Committee Chairman</u> No report.</p> <p><u>C. Facilities/Operations Committee</u> No report.</p> <p><u>D. Sales & Marketing Committee – Doreen Guerin, SVP Sales & Marketing (Attachment 22-34)</u> Ms. Guerin reported on behalf of the Sales & Marketing Committee that events have not been as robust as they were prior to the pandemic but there are many events that have been booked. There were nine new events and the Javits Center already has twenty scheduled events for the third quarter. Ms. Guerin provided a list of new events to be held in North Javits. She stated that there was a slow uptick in the market and four associations are holding their events at the Javits Center even though association events have been the slowest type of event to return to the industry. Ms. Guerin also mentioned that the Javits Center is hosting its first fashion show (Thomas Brown) at the rooftop pavilion. Other prospective events in 2022 are Bravo Con, Datadog and CUNY BMI. The sales team are also in talks with Google, Amazon Unboxed, Disney and Univision for shows in 2023. Ms. Guerin shared positive feedback that was received during the NYC & Company Annual Meeting and the Tristate Meeting Planner Event in North Javits. She also reported that the sales team is working with the Chief Communications Officer on a new brochure which will be the first presentation of the six-block unified campus of the existing and new buildings. The total building brochure is also being redesigned and the floorplan guide is underway.</p> <p><u>E. Governance Committee -- Ronald Goldstock, Committee Chairman</u> No report.</p>	
<p>IV. Other Business</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 June 22, 2022.</p>	

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