

Approved 12/5/22



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

MINUTES

MEMBERS PRESENT:

Lee H. Perlman, Chairman
Quenia Abreu
Hugh L. Carey II
Ronald Goldstock
Gary Lavine
Andrew Murstein
Joseph Spinnato

OTHERS PRESENT:

STAFF:

Alan E. Steel, CEO
Bradley A. Siciliano, President
Doreen Guerin, SVP, Sales & Marketing
Mark S. Sims, SVP & CFO
Christine McMahon, SVP, Labor Relations and Show Operations
Sonia Low, VP, General Counsel and Corporate Secretary
Timothy Gaburungyi, SVP & CIO
Kenneth Sanchez, Chief Sustainability Officer and SVP, Facilities Management
Kenneth Dixon, SVP of Security & Safety Solutions
Tony Sclafani, SVP & CCO
Shane Beardsley, VP Guest Experiences
Richard Mangino, Controller
Melissa Kanen, Paralegal

DATE:

September 28, 2022

Time:

1:00 p.m.

Location:

Large Conference Room

ABSENT:

Robert Azeke
Joseph F. Chan
Fred W. Dixon
Christine Ferer
Steven C. Koppel
Brian O'Dwyer

Guests/Visitors:

Robin Stout, President, NY Convention Center Development Corporation
Henry R. Silverman

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Call to Order	The meeting of the Board of Directors for the New York Convention Center Operating Corporation was called to order at 12:55 p.m. A quorum was present. The meeting was presided over by Lee H. Perlman, Chairman.
Agenda	Discussion
I. Approval of the Minutes	<p><u>Approval of the Minutes of June 22, 2022 (Attachment 22-53)</u> A motion was made and seconded to approve the minutes of the Board of Directors meeting held on June 22, 2022. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1546</u></p> <p>NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on June 22, 2022, are hereby approved.</p>
II. Corporate Matters	<p>Before proceeding further, Mr. Perlman asked the Members whether anyone had any potential conflicts of interest with respect to any of the items on the agenda and requested that they make an appropriate disclosure on the record and that individuals with such conflicts would recuse themselves from any discussion or vote with regard to such item or items. No Member having indicated such a potential conflict, the meeting proceeded.</p> <p><u>CEO’s Report (Attachment 22-54)</u> Mr. Steel provided a status update on Javits Center’s event operations. Mr. Steel reported a 14% increase in the number of events booked from September to December 2022 as compared to that in the same period in 2021. Regarding new business, Mr. Steel noted that a total of 49 new events have been booked in some or all of the North Javits spaces from August 2021 to December 2022. Looking forward to the year ahead, Mr. Steel reported that the Javits Center is on pace to reach pre-pandemic levels of event activity with a strong interest in special events by December 2023.</p> <p>Mr. Steel noted Javits Center’s recent events which included:</p> <ul style="list-style-type: none"> • Plant Based World Conference + Expo* • The Armory Show • SALT Conference • Makeup in New York • Coterie New York • Magic New York • UN Global Compact Reception* • The Fall Roost*



<p>(continued)</p>	<ul style="list-style-type: none"> • The Nest Summit Campus <p>* Represents new event</p> <p>Mr. Steel then introduced Kenneth Dixon to discuss the new logistics management system. Mr. Dixon stated that the Javits Center has launched a new software platform to monitor all trucks entering the Javits Center and streamline truck activities for all events. This increases efficiency and security of process by which trucks deliver and retrieve event-related materials throughout the year, and results in less congestion on 12th Avenue. Mr. Dixon also stated that all contractor and exhibitor freight deliveries are now scheduled in advance via a new platform. This platform has a real-time scoreboard of all event vehicles within the campus and dock availability through digital recognition cameras using advanced analytics. The drivers are registered with the Javits Center and must provide their license and other information to be able to enter.</p> <p>Next, Robin Stout, the President of the Convention Center Development Corporation, was introduced to give an update on the fire alarm system. Mr. Stout stated that they are continuing to work with the FDNY toward approval of the new merged fire alarm system. Mr. Stout also stated that they continue to work on resolving the punch list items, which are down to 17, many of which are paperwork issues. Mr. Stout noted that the next scheduled inspection is in December 2022. Mr. Stout also mentioned that CCDC has settled all of its claims with Lendlease Turner within the four corners of the contract. There was a general discussion about capital improvements and CCDC’s support in funding such capital improvements at the Javits Center based upon the availability of funds provided by CCDC.</p> <p>Mr. Steel informed the Board that Governor Kathy Hochul visited the Javits Center during The Nest Summit (the official event partner of Climate Week NYC) to announce that four gigawatts of distributed solar have been installed statewide, which is enough to power 710,000 homes and other initiatives. She was joined by New Jersey Governor Murphy. Governor Hochul applauded the recent completion of the installation of 1,400 solar panels across the Javits Center’s 6.75-acre green roof. Mr. Steel stated that the project stems from a public-private partnership among the Javits Center, the New York Power Authority (NYPA) and Siemens Industry. Mr. Steel also mentioned that this project is the largest single rooftop solar project in Manhattan. The Chairman commended the leadership at the Javits Center for being innovative while saving on energy costs.</p> <p>Mr. Steel next provided an update regarding the Democratic National Convention (DNC) presentation. Mr. Steel reported that Governor Hochul and Mayor Adams visited the Javits Center in July to welcome the DNC host committee. The Javits Center executives delivered a presentation to the host committee at City Hall and provided a campus-wide tour of the Javits Center to host committee members. When presenting the Javits Center to the host committee, the addition of the Javits Center’s expansion and proximity to Madison Square Garden served as major benefits. Mr. Steel also stated that a decision is expected by the end of 2022.</p> <p>Mr. Steel discussed the Fall Roost event which was the New York City Audubon’s annual fundraiser held in the Pavilion on September 20, 2022. The Javits Center was honored for its sustainability efforts, including bird-safe glass panels and other</p>
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**Corporate Matters
(continued)**

	<p>initiatives. Mr. Steel stated the Javits Center has an ongoing partnership with the New York City Audubon to study environmental impacts of the green roof, which was completed in 2014. Mr. Steel also reported that the 41st bird species was identified this month.</p> <p>Mr. Steel updated the Board on the Employee of the Month program and stated that management has resumed the Employee of the Month program to celebrate staff members that are outstanding. A new standard form will be distributed to streamline nominations from employees, customers and business partners. A review committee has also been created and is comprised of all levels of the organization to select winners. The individual or team winners will receive a \$250 gift certificate.</p> <p>On employee compensation, Mr. Steel explained that Korn Ferry has been retained to address employee compensation issues at the Javits Center. The Javits Center wants to stay competitive in the marketplace so that it can attract and retain employees.</p> <p>Mr. Steel then described recent coverage of the Javits Center. In August, the Javits Center was featured in a Today Show segment with Al Roker and Bill Nye the Science Guy. There was also a PIX11 live broadcast regarding Jacob’s Harvest new produce from the Farm. For Climate Week in September, the Javits Center was featured on the Weather Channel live broadcast and on Good Morning America live broadcast.</p> <p>Mr. Steel next updated the Board on the new bee hives on the Javits rooftop. The Javits Center now has a total of nine honeybee hives on the rooftop with four hives installed on the Javits North rooftop in August; which contains between 80,000 to 100,000 bees per hive. Mr. Steel stated that the Javits Center is in the process of harvesting honey from the nine hives and will continue to distribute to customers and visitors. In addition, the honey is also incorporated into the Javits Center’s culinary program as requested by customers. Mr. Steel noted that the Hive operations are managed by the Javits Center’s Sustainability Team and Astor Apiaries.</p>
<p>III. Committee Reports</p>	<p><u>Audit & Finance Committees – Ronald Goldstock and Gary Lavine, Committee Chairmen</u> It was reported that the Audit and Finance Committees met prior to the Board meeting and discussed the auditor’s report on the Javits Center’s safety and security protocols in the building and other general items on the agenda.</p> <p><u>Financial Report:</u></p>
<p>Committee Reports (continued)</p>	<p><u>Procurement Summary for Approval (Attachment 22-55)</u> Mr. Sims presented the Board Members with one procurement for approval. The Chairman advised the Members that by voting to approve the listed procurement, the Board Members would be passing a resolution reflecting the procurement.</p> <p><u>Approval of Contract – Arch Indemnity Insurance Company (Attachment 22-55)</u></p>

<p>Committee Reports (continued)</p>	<p>Mr. Sims presented a procurement summary seeking Board approval to award a workers compensation insurance contract to Arch Indemnity Insurance Company (Arch) at the Javits Center. The workers compensation insurance is required as a part of the Javits Center’s business operations. The contract is for a period of one year with a cost of \$1,024,862. The contract period is from October 1, 2022 through September 30, 2023.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1547</u> NOW THEREFORE BE IT RESOLVED that the award of a request for proposal to award a workers compensation insurance contract to Arch indemnity Insurance Company (Arch) at the Javits Center beginning October 1, 2022 through September 30, 2023 for a period of one year and a cost of \$1,024.862, is hereby approved.</p> <p>Due to timing issues in connection with an RFP for outdoor digital signage, Mr. Sims then introduced a resolution to grant the Finance Committee authority to review and approve RFP #2262IP for outdoor digital signage on behalf of the full Board.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1548</u> NOW THEREFORE BE IT RESOLVED that the Board of Directors grants to the Finance Committee the authority to review and approve, on the Board’s behalf, the procurement contract issued by the Corporation in connection with RFP #2262IP, a proposal for an integrated commercial digital display and advertising solution for its digital displays utilized for advertising.</p> <p><u>Review of Contracts (Attachments 22-56 through 22-62)</u> Mr. Sims stated that previously approved service procurement contracts that extend for more than one year were being submitted for annual Board review as required by the Corporation’s procurement guidelines. The 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 these procurements.</p> <p><u>Procurement Contracts for Review – Schindler Elevator Corporation, Crothall Healthcare Inc., The Bonadio Group, New York Power Authority, Application Software Technology Corporation, Card Connect, Inc., United Rentals (North America), Inc. (Attachments 22-56 through 22-62)</u></p> <table border="1" data-bbox="420 1307 1564 1347"> <thead> <tr> <th data-bbox="420 1307 798 1347">Vendor</th> <th data-bbox="798 1307 1176 1347"># of Year</th> <th data-bbox="1176 1307 1564 1347">Amount/Year</th> </tr> </thead> </table>	Vendor	# of Year	Amount/Year
Vendor	# of Year	Amount/Year		

Committee Reports (continued)	Schindler Elevator Corporation	2/2	\$888,080
	Crothall Healthcare Inc.	2/3	\$1,247,388
	The Bonadio Group	4/4	\$124,600
	New York Power Authority	6/6	\$6,000,000
	Application Software Technology Corporation	3/3	\$312,336
	Card Connect, Inc.	3/3	\$36,292
	United Rentals (North America), Inc.	4/4	\$185,000
	Financial Update:		
<p>Mr. Sims presented the Members with a statement of revenues and expenses as of August 31, 2022 MTD as compared to the budget for August 31, 2022 MTD. He reported that the Javits Center had a total of five events during August 2022, four of which were recurring events and one of which was a new event. He stated that the revenue was approximately \$3.9 million which was \$933,000 or 32% better than plan due to \$1.1 million from two unplanned events, a \$643,000 reduction from one cancelled event and \$416,000 from events performing better than plan. Expenses were approximately \$8.8 million which was \$451,000 or 5% better than plan due to \$253,000 higher than plan driven by an increase in event labor for the two unplanned events, and \$140,000 higher than plan in facility costs attributable to utility and building supplies. The Operating Loss and Net Loss were \$482,000 and \$635,000, respectively, which was more favorable to plan due to the net of revenue and expenses previously described.</p> <p>Mr. Sims also reported the revenues and expenses as of August 31, 2022 YTD as compared to the budget for August 31, 2022 YTD. He stated that the Javits Center had a total of 39 events from April 2022 to August 2022, 26 of which were recurring events and 13 of which were new events. He reported that revenue was \$8.4 million better than plan due to \$2.6 million from 11 unplanned events, \$861,000 reduction from two cancelled events and \$6.2 million from events performing better than plan. Expenses were \$1.8 million higher than plan due to \$2.6 million over plan due to an increase in event labor for the 11 unplanned events and \$628,000 under plan in facility costs due to utility and building supplies. The Operating Loss and Net Loss were \$6.6 million and \$7.0 million respectively, which was more favorable to the planned loss YTD.</p> <p>There was a general discussion about the Javits Center’s performance during the pandemic and its business returning to pre pandemic levels. The Board commended the management team for an outstanding job in building a temporary medical facility so quickly at a cost much lower than that for hospitals being built at other convention centers. Mr. Steel praised Mr. Siciliano for</p>			

<p>Committee Reports (continued)</p>	<p>working diligently with the Department of Budget to obtain reimbursement for the costs incurred by the Javits Center in having to build a temporary medical facility and then a vaccination center. The reimbursement of funds at a later stage helped put the Javits Center in a better position financially. Mr. Steel also stated that not only was the Javits Center able to use staff during the pandemic to assist in building a temporary medical facility and vaccination center, the Javits Center was able to build at a far lower rate. As a result, the Javits Center came out ahead during the pandemic from a financial and operational standpoint and was able to have the New York State Department of Budget reimburse the Javits Center for damages and repairs made to the building. As for changes in the business model, COVID-19 accelerated some of the changes structurally and certain items became priority. A positive aspect to the pandemic is that the Javits Center now has a book of business for corporate events and a tremendous base of companies turning to the Javits Center as a venue for events because of the additional space in North Javits. This is generating a good amount of revenue for the Javits Center.</p> <p>Bradley A. Siciliano then introduced the Javits Center’s new comptroller, Richard Mangino.</p> <p><u>B. Human Resources Committee – Hugh L. Carey II, Committee Chairman</u></p> <p>No Report.</p> <p><u>C. Facilities/Operations Committee - Joseph Chan, Committee Chairman</u></p> <p>No Report.</p> <p><u>D. Sales & Marketing Committee, Doreen Guerin, Committee Chairman (Attachment 22-63)</u></p> <p>Ms. Guerin presented on behalf of the Sales and Marketing Committee. Ms. Guerin presented the event calendar for the fourth quarter of 2022. The Javits Center is hosting 35 events, 11 of which are new events. Ms. Guerin then presented the Event Index for Q4 2022 which listed and described the events as requested by some of the Members. In North Javits, Ms. Guerin discussed the eight events taking place, 6 of which are new events. Ms. Guerin also reported on the Sales and Marketing team. Lisa Lopez from the Sales team recently attended and returned from the CEMA (Corporate Event Marketers Association) Summit. The event afforded the opportunity to meet and network with top corporate marketing professionals. Recurring themes included the future of hybrid meetings with live and streaming components, the effects of economic uncertainty on events with inflation, and talent attraction and retention. In October, the team will continue with customer outreach by attending IMEX America in Las Vegas, which is the largest show in the U.S. connecting event suppliers and buyers. The Javits Center has hired a Special Events Sales Manager, as well as a new team member to provide assistance to Event Solutions. The search continues for an additional sales</p>
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	<p>associate. The Board commended Ms. Guerin on her diligence in finding these opportunities and pivoting the Javits Center into the corporate world in such a seamless fashion.</p> <p><u>E. Governance Committee – Ronald Goldstock, Committee Chairman</u></p> <p>No report.</p>
IV. Other Business	<p>Mr. Steel stated that the Javits Center currently has 13 board members and are looking for eight board members.</p>
V. Adjournment	<p>By motion and agreement, the meeting was adjourned at 1:44 PM with the next meeting to be held on November 16, 2022.</p>