

APPROVED 06/26/2024

**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
Joseph F. Chan – Webex
Fred Dixon
Christine Ferer – Webex
Ronald Goldstock
Richard N. Gottfried
Steven C. Koppel
Gary Lavine
Brian O’Dwyer

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 Dixon, SVP, Security & Safety Solutions
Kenneth Sanchez, SVP, Facilities & Operations Management
Shane Beardsley, VP, Communications & Guest Experiences

DATE:

March 27, 2024

Time:

1:00 p.m.

Location:

**Large Conference Room
and Audio/Video Webex**

ABSENT:

Hugh L. Carey II
Andrew Murstein
Joseph Spinnato

GUESTS/VISITORS:

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 Lee H. Perlman, Chairman.</p>
<p>Agenda</p>	<p>Discussion</p>
<p>I. Introduction by the Chairman</p>	<p><u>Approval of the Minutes of January 17, 2024 (Attachment 24-23)</u> A motion was made and seconded to approve the minutes of the Board of Directors meeting held on January 17, 2024. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1625</u> NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on January 17, 2024, are hereby approved.</p> <p>Before proceeding further, Mr. Perlman asked the Members 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 Member having indicated such a potential conflict, the meeting proceeded.</p>
<p>II. Corporate Matters</p>	<p><u>CEO's Report (Attachment 24-24)</u></p> <p>Mr. Steel discussed the following developments around the Javits Center:</p> <ul style="list-style-type: none"> • Western Rail Yards (11th / 12th Avenues, 33rd / 30th) • Slaughterhouse (11th Avenue, 40th / 39th) • Site K (11th Avenue, 35th / 36th) • Marshalling Yard (11th / 12th Avenues, 34th / 33rd) <p>Mr. Steel next discussed the Javits Center's purpose and business model with the Members. He reiterated that the Javits Center's goal is to create economic activity, and that the business model is self-sustaining with no tax derived support for operations. All of the Center's income is derived from the sale of services, and the budget objective is for the income to equal the expenses.</p>

<p>II. Corporate Matters (continued)</p>	<p><u>Executive Session</u> Mr. Steel advised the Members and attendees that the Board would go into executive session relating to a personnel matter as prescribed by the Open Meetings Law. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1626</u> NOW THEREFORE BE IT RESOLVED that the Board Members will conduct an executive session pursuant to Public Officers Law §105.</p> <p>All non-Board Members remained during the discussion. The meeting returned to open session. It was noted on the record that no vote was taken during the executive session.</p>
<p>III. Committee Reports</p>	<p><u>A. Audit & Finance Committees – Ronald Goldstock and Gary Lavine, Committee Chairmen</u> It was reported that the Audit & Finance Committees met immediately prior to the Board Meeting to review the operating plan for fiscal year 2025 and receive updates on the January financial report, the Internal Audit and the ERP Software and Workforce Management systems. The Audit & Finance Committees also reviewed procurement summaries presented to the Board.</p> <p><u>Financial Report</u></p> <p>Mr. Sims reported on the statement of revenues and expenses for January 31, 2024 MTD as compared to the budget for January 31, 2024 MTD. He reported that the Javits Center had a total of 7 events during January 2024, six of which were recurring events and one new event. He stated that the revenue was \$3,600,000 higher than plan primarily due to the following: (1) \$2,200,000 higher than plan due to event performance; (2) \$1,100,000 higher than plan from two unplanned events; (3) \$285,000 higher than plan from advertising and in-house tenants’ revenue. Expenses were \$806,000 higher than plan, primarily due to \$1,400,000 over plan driven by an increase in event labor and GASB 68 Pension costs, netted with lower cost in OPEB; \$572,000 lower than plan in Facility costs due to lower cost in utilities and receipt of insurance reimbursements for the Crystal Palace window reglazing project; \$67,000 lower than plan in selling, general and administrative (SG&A) costs due to lower cost in training and invoice timing. Operating Surplus and Net Loss of \$2,800,000 and \$3,200,000, respectively, were favorable to plan due to the net of revenue and expenses described previously.</p> <p>Mr. Sims also reported on the revenues and expenses as of January 31, 2024 YTD as compared to the budget for January 31, 2024 YTD. He stated that the Javits Center had a total of 111 events from April 2023 to January 2024, 68 of which were</p>

<p>III. Committee Reports (continued)</p>	<p>recurring events and 43 of which were new events. He reported that revenue was \$10,900,000 higher than plan due to: (1) \$10,400,000 from 33 unplanned events and over plan performance of planned events; (2) \$2,100,000 reduction from eight cancelled events; (3) \$2,000,000 favorable to plan from food and beverage commission and (4) \$389,000 from advertising revenue. Expenses were \$3,300,000 higher than plan, mainly due to \$3,900,000 over plan driven by an increase in event labor mostly for unplanned events, \$640,000 higher than plan in Facility costs primarily due to an increase in event-related professional services and facility maintenance which was partially offset by lower utilities cost, \$1,200,000 million lower than plan in SG&A costs due to the timing of the ERP and WFM implementation and uniform purchase. Operating Loss and Net Loss of \$7,600,000 and \$10,800,000, respectively, were favorable to plan due to the net of revenue and expenses described previously.</p> <p><u>Approval of Fiscal Year 2025 Operating Plan – (Attachment 24-25)</u></p> <p>Mr. Siciliano presented the Board with the Operating Plan for fiscal year 2025. The Operating Plan anticipates a \$3,100,000 Operating Loss and \$9,900,000 Net Loss. Year over year, the Operating Revenue is projected to decrease by approximately \$759,000, expenses are projected to increase by approximately \$773,000, and there is an increase in depreciation of approximately \$1,500,000.</p> <p>Regarding the fiscal year 2025 outlook, key positive revenue drivers include:</p> <ul style="list-style-type: none"> • Rate Increase and Additional Rental Space • Increase in Blue Sky Projections • Increases in Advertising and Concession Revenues <p>Key downside revenue drivers include:</p> <ul style="list-style-type: none"> • A show not returning and downsizing of some other events <p>Key drivers in controlling expenses include:</p> <ul style="list-style-type: none"> • Decrease in Interest Income Expense • Control of expenses, including maintenance, project and headcount costs • Reduction in insurance premiums
--	---

<p>III. Committee Reports (continued)</p>	<p>Key drivers in increasing expenses include:</p> <ul style="list-style-type: none">• Inflationary pressure on salaries and cost of materials• Increase in utility costs and surcharges related to Covid relief programs and transmission line updates• Depreciation with the ERP program <p>The Board reviewed the fiscal year 2025 Operating Plan and held a general discussion. The Board stated the plan was well thought out.</p> <p>A motion was made and seconded. The following resolution passed by unanimous vote: <u>Resolution No. 1627</u> NOW THEREFORE BE IT RESOLVED that the fiscal year 2025 Operating Plan is hereby approved.</p> <p><u>Procurement Summaries for Approval (Attachments 24-26 through 24-34)</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 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 – Paradocs Medical Services (Attachment 24-26)</u> Mr. Sims presented a procurement summary seeking Board approval to award a contract to Paradocs Medical Services (Paradocs) to provide emergency medical services to the Jacob K. Javits Convention Center (Javits Center). The contract term is for 3 years at an estimated total cost of \$1,323,072 (\$426,355 Year 1, \$440,862 Year 2, and \$455,855 Year 3). The contract term is from April 1, 2024 - March 31, 2027. At the Javits Center's discretion, there is an option to renew for two additional years. A motion was made and seconded. The following resolution passed by unanimous vote: <u>Resolution No. 1628</u> NOW THEREFORE BE IT RESOLVED that the award of the contract to Paradocs to provide emergency medical services to the Jacob K. Javits Convention Center for 3 years at an estimated total cost of \$1,323,072 with a contract term of April 1, 2024 - March 31, 2027 and an option to renew for two additional years at Javits Center's discretion, is hereby approved.</p> <p><u>Approval of Contract – Marsh USA, Inc. (Attachment 24-27)</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 (other than the Felonious Assault contract which is for 3 years) at an aggregate cost of \$6,339,486 for the fiscal period April</p>
--	---

APPROVED 06/26/2024

<p>III. Committee Reports (continued)</p>	<p>1, 2024 to March 31, 2025. A motion was made and seconded. It was noted that Steven Koppel recused himself from the vote because his firm represents Marsh USA, Inc. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1629</u> NOW THEREFORE BE IT RESOLVED that the award of the general liability, property, and other insurance contracts that will be paid through Marsh USA, Inc. for a period of 1 year (other than Felonious Assault which is a contract period for 3 years), at an aggregate cost of \$6,339,486 for the fiscal period April 1, 2024 to March 31, 2025, is hereby approved.</p> <p><u>Approval of Contract – Groome Door & Mechanical Systems, LLC (Attachment 24-28)</u> Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Groome Door & Mechanical Systems, LLC (GDMS) to provide preventive maintenance services for custom built gates at the Jacob K. Javits Convention Center (Javits Center). The contract is for 3 years at a total cost of \$189,600 (Year 1: \$58,600, Year 2: \$63,200, and Year 3: \$67,800). The term of the contract is April 1, 2024 - March 31, 2027. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1630</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to GDMS to provide 4-fold and flood gates preventive maintenance at the Jacob K. Javits Convention Center (Javits Center) Transformer building for 3 years, at a total cost of \$189,600 for the term of April 1, 2024 - March 31, 2029, is hereby approved.</p> <p><u>Approval of Contract – Vertiv Corporation (Attachment 24-29)</u> Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Vertiv Corporation to provide Liebert air conditioning (AC) and uninterruptible power supply (UPS) units preventive maintenance services at the Jacob K. Javits Convention Center (Javits Center). The contract is for 3 years at a total cost of \$407,086 (Year 1: \$130,409, Year 2: \$135,626, and Year 3: \$141,051). The term of the contract is April 1, 2024- March 31, 2027. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1631</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to Vertiv Corporation to provide AC and UPS units preventive maintenance services at the Jacob K. Javits Convention Center (Javits Center) for 3 years, at a total cost of \$407,086 for the term of April 1, 2024- March 31, 2027, is hereby approved.</p> <p><u>Approval of Contract – Lutron Services Company, Inc. (Attachment 24-30)</u> Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Lutron Services Company, Inc. (Lutron) to provide technology support services to the Lutron dimmer lighting system at the Jacob K. Javits</p>
--	---

APPROVED 06/26/2024

<p>III. Committee Reports (continued)</p>	<p>Convention Center (Javits Center). The contract is for 3 years at a total cost of \$54,159 (\$18,053 per year). The term of the contract is June 1, 2024- May 30, 2027. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1632</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to Lutron to provide technology support services at the Jacob K. Javits Convention Center for 3 years, at a total cost of \$54,159 for the term of June 1, 2024- May 30, 2027, is hereby approved.</p> <p><u>Approval of Contract – ASCO Power Services (Attachment 24-31)</u> Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to ASCO Power Services Inc. (ASCO) to provide emergency power equipment annual maintenance services at the Jacob K. Javits Convention Center (Javits Center) South and Transformer buildings. The contract is for 5 years at a total cost of \$254,003 (Year 1-3: \$49,297, Year 4: \$51,762, and Year 5: \$54,350). The term of the contract is April 1, 2024- March 31, 2029. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1633</u> NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to ASCO to provide power equipment annual maintenance services at the Jacob K. Javits Convention Center (Javits Center) South and Transformer building for 5 years, at a total cost of \$254,003 for the term of April 1, 2024- March 31, 2029, is hereby approved.</p> <p><u>Approval of Contract – Sirina Fire Protection Corp. (Attachment 24-32)</u> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to Sirina Fire Protection Corporation (Sirina) to provide inspection, testing and maintenance services to the fire sprinkler systems at the Jacob K. Javits Convention Center (Javits Center) generator and expansion building. The contract is for one year at a total cost of \$169,755. The term of the contract is April 1, 2024- March 31, 2025. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1634</u> NOW THEREFORE BE IT RESOLVED that the award of a single source procurement to Sirina to provide inspection, testing and maintenance services to the fire sprinkler systems at the Jacob K. Javits Convention Center (Javits Center) generator and expansion building for one year, at a total cost of \$169,755 for the term of April 1, 2024 - March 31, 2025, is hereby approved.</p>
--	--

**III.
Committee
Reports (continued)**

Approval of Contract – Momentus Technologies (Attachment 24-33)

Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Momentus Technologies (Momentus) to provide their event booking and management software solution to the Jacob K. Javits Convention Center (Javits Center). The contract term is 5 years at an estimated total cost of \$841,035 (approximately \$168,207.10 per year). This includes a one-time professional service fee of \$51,062.50 to optimize the hosted version of Momentus currently used at the Javits Center and migrate to the Software as a Service (SaaS) solution. The contract term is from April 1, 2024 - March 31, 2029. A motion was made and seconded. The following resolution passed by unanimous vote:

Resolution No. 1635

NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to Momentus to provide an event booking and management software solution at the Jacob K. Javits Convention Center (Javits Center) for 5 years, at an estimated total cost of \$841,035 for the term of April 1, 2024- March 31, 2029, is hereby approved.

Approval of Contract – Cummins Sales & Service (Attachment 24-34)

Mr. Sims presented a procurement summary seeking Board approval to award a sole source contract to Cummins Sales and Service (Cummins) to provide a generator extended warranty program at the Jacob K. Javits Convention Center (Javits Center) for a term of 10 years at an estimated total cost of \$339,630. A motion was made and seconded. The following resolution passed by unanimous vote:

Resolution No. 1636

NOW THEREFORE BE IT RESOLVED that the award of a sole source procurement to Cummins to provide a generator extended warranty program at the Jacob K. Javits Convention Center (Javits Center) at a total cost of \$339,630, is hereby approved.

Review of Procurements (Attachments 24-35 through 24-36)

Mr. Sims stated that previously approved service procurement contracts that extend for more than one year were being submitted for an 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.

Procurement Contracts for Review (Attachments 24-35 through 24-36)

Vendor	Procurement Review Period	Review Period Amount
United Rentals	3/5	\$0

<p>III. Committee Reports (continued)</p>	<p>Ecolab, Inc.</p>	<p>5/5</p>	<p>\$280,597</p>
<p>IV. Other Business</p>	<p><u>B. Human Resources Committee</u> No report.</p> <p><u>C. Facilities/Operations Committee</u> No report.</p> <p><u>D. Sales & Marketing Committee, Doreen Guerin, Committee Chairman (Attachment 24-37)</u> Ms. Guerin presented on behalf of the Sales and Marketing Committee. She reported that NRF has become the largest show at the Javits Center with more than 40,000 attendees participating. The strong attendance at the show helped support nationwide retailers, including food, show, and apparel. Ms. Guerin next discussed the event calendar for the second quarter of fiscal year 2025. The Javits Center is hosting 30 events between July and September. The Sales team has shifted the calendar to accommodate certain events and fill the month of August with events, including Success Academy teachers’ training and Carnegie Hall National Youth Orchestra. The Javits Center is also working on the premise that it has the largest space available.</p> <p>Ms. Guerin then presented the event index which reflects the industry and type of events for the upcoming quarter. Ms. Guerin also provided a sales and marketing update. She discussed the lead volume for the Javits Center in the first quarter slowing down and reflecting uncertainty in the economy. Consistent with the reduction in the Center’s lead volume is the Marriott Marquis’ lead volume dropping to nearly forty percent for the same time period. The Javits Center’s Sales Director is currently attending the NYC Tourism Bay Area Sales Mission to connect with large corporate clients concentrated in the technology sector.</p> <p><u>E. Governance Committee – Ronald Goldstock, Committee Chairman</u> No report.</p>		
<p>V. Adjournment</p>	<p>The Board of the Javits Center has vacancies and would like to fill them. Management has had discussions with the Governor’s office and hopes for new members being confirmed at the end of the current legislative session.</p> <p>There was also a discussion about the prospect of the 2026 Men’s World Cup being held at the Javits Center.</p> <p>By motion and agreement, the meeting was adjourned at 2:10 p.m. with the next meeting to be held on June 26, 2024.</p>		