

DRAFT



**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:**

Lee H. Perlman, Chairman  
Hugh L. Carey II  
Quenia Abreu  
Joseph F. Chan – Webex  
Ronald Goldstock  
Richard N. Gottfried  
Steven C. Koppel – Webex  
Gary Lavine – Webex  
Joseph Spinnato

**ABSENT:**

Fred Dixon  
Christine Ferer  
Andrew Murstein  
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 – Webex  
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

**GUESTS/VISITORS:**

None.

**DATE:**

**November 20, 2024**

**Time:**

**1:00 p.m.**

**Location:**

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

<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 1:05 p.m. A quorum was present. The meeting was presided over by Lee H. Perlman, Chairman.</p>
<p><b>Agenda</b></p>	<p><b>Discussion</b></p>
<p><b>I. Introduction by the Chairman</b></p>	<p><b><u>Approval of the Minutes of June 26, 2024 (Attachment 24-94)</u></b>  A motion was made and seconded to approve the minutes of the Board of Directors meeting held on September 18, 2024. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1658</u></b>  <b>NOW THEREFORE BE IT RESOLVED</b> that the minutes of the Board of Directors meeting held on September 18, 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><b>II. Corporate Matters</b></p>	<p><b><u>CEO’s Report (Attachment 24-95)</u></b></p> <p>Mr. Steel reported on the following recent events at the Javits Center:</p> <p><b>Recent Events</b></p> <ul style="list-style-type: none"> <li>• <b>The NEST Climate Campus</b> <ul style="list-style-type: none"> <li>• Attendance grew to 11,454 guests in over 3 days, making the show a great success and playing a key part in Climate Week.</li> <li>• The growth of the show was 17,680 net sq ft as compared to 6,097 sq ft last year.</li> </ul> </li> <li>• <b>NY Comic Con</b> <ul style="list-style-type: none"> <li>• The show’s economic impact was estimated by the event producer to be \$80.4 million.</li> <li>• The show supported 15,317 jobs with a full-time equivalent of 511 annual jobs.</li> <li>• Attendance was estimated at more than 200,000 people with 40% to 50% in costume.</li> </ul> </li> <li>• <b>TCS New York City Marathon</b> <ul style="list-style-type: none"> <li>• The show’s economic impact was estimated by the event producer to be \$427 million.</li> </ul> </li> </ul>

<p><b>II. Corporate Matters (continued)</b></p>	<ul style="list-style-type: none"> <li>• There were 56,012 starters and 55,646 finishers. This is the largest number of runners in NYC Marathon history.</li> </ul> <p><b>Years of Service Awards</b></p> <ul style="list-style-type: none"> <li>• 53 employees were honored this year, including 2 30-year employees, 18 25-year employees and a number of 5-, 10- and 15-year employees.</li> </ul> <p><b>King’s Glove Award – Local Chapter of NY events and exhibitions</b></p> <ul style="list-style-type: none"> <li>• Bruno Giaccio, the CEO of Metromultimedia, received the King’s Glove Award this year.</li> </ul> <p><b>Restrooms Restoration Project (funded by CCDC)</b></p> <ul style="list-style-type: none"> <li>• <b>Current condition</b> <ul style="list-style-type: none"> <li>• Equipment and fittings are dated back to 1986 for 52 restrooms</li> <li>• Javits Center will need about \$20 million of funding to be able to renovate the bathrooms (including the men’s room in Hall 1A)</li> </ul> </li> <li>• <b>Project goals</b> <ul style="list-style-type: none"> <li>• Improve customer experience</li> <li>• Upgrade fixtures, materials and finishes while maintaining durability</li> <li>• Improve circulation</li> <li>• Ease of maintenance and durability</li> <li>• Maintain flexibility of layout and operation, while improving connections between toilet rooms</li> <li>• Maximize constructability</li> <li>• Provide accessible spaces throughout</li> </ul> </li> </ul> <p><b>Digital Signage</b> – Mr. Siciliano provided an update to the Board on digital signage.</p> <ul style="list-style-type: none"> <li>• <b>Crystal Palace Jumbotron</b> – The jumbotron in the Crystal Palace will be replaced by the vendor at no cost to the Javits Center.</li> <li>• <b>11<sup>th</sup> Avenue Marquee</b> – The vendor installed a new marquee at no cost to the Javits Center. Management achieved the “no cost” replacements by bundling the advertising rights with the obligation to replace these two displays. The new minimum annual guarantee with the new vendor is \$900,000 annually which is a significant increase over the previous advertiser which averaged \$200,000 annually and had no obligation for the hardware.</li> </ul>
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<p><b>II. Corporate Matters (continued)</b></p>	<ul style="list-style-type: none"> <li>• <b>New 12<sup>th</sup> Avenue Signs</b> -this will be a \$4.5 million investment being absorbed by the vendor.</li> <li>• The annual guarantee for these two displays to the Javits Center is approximately \$1.9 million.</li> <li>• The estimated launch will occur no later than May 2025.</li> </ul> <p>The Members held a general discussion about the digital signage and potential revenues.</p> <p><b>Future Capital Funding</b> Mr. Steel previously reported to the Board on the subject of capital funding in November 2019. Management is now in discussions with CCDC about funding for future capital projects using hotel unit fees (“HUFs”) received. The HUF’s primary purpose is to cover bond interest payments on Javits Center capital projects. HUF receipts historically were greater than required bond payments so there is an excess. In 2019, it was agreed that CCDC would use a portion of excess HUFs for capital projects. During the pandemic, however, HUF receipts fell significantly to the point where the revenues in 2019 to 2020 did not satisfy the bond financing. The Javits Center would like to restart discussions on this subject and management will work with Board Members and the Facilities/Operations Committee Chair Joseph Chan to create a more defined program with CCDC. Another update will be provided in January. The Board recognized that there is a continual need for CCDC to invest in this facility.</p> <p><b>AI-Powered Chatbot Initiative – IT Department</b> Using Microsoft’s Copilot Studio, the IT department is testing a chatbot focused on exhibitor inquiries. This chatbot will provide prompt responses to simple exhibitor questions. Management is targeting to launch in late December 2024 after complete initial testing before NRF 2024.</p> <p><b>Enterprise Resource Planning &amp; Workforce Management – Finance Department</b></p> <ul style="list-style-type: none"> <li>• Mr. Sims reported that on January 1, 2025, most functions of the Enterprise Resource Planning Solution will go live.</li> <li>• Also on January 1, 2025, the entire Workforce Management Solution will go live.</li> <li>• In the beginning of December, a change management plan will be rolled out for both ERP and WFM.</li> <li>• It is planned that on April 1, 2025, the Finance team will complete implementation of the budget module, customer portal and accounts receivable functions for ERP.</li> </ul> <p><b>Updates</b> – Mr. Steel provided an update on the following topics:</p>
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<p><b>III. Committee Reports (continued)</b></p>	<p>discretion, there is an option to renew for two additional years. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1660</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Care Security Systems to provide security systems services and maintenance at the Jacob K. Javits Convention Center for a term of 3 years at a total estimated cost of \$450,000 from December 1, 2024 - November 30, 2027 with an option to renew for two additional years is hereby approved.</p> <p><b><u>Approval of Contract – Schindler Elevator (Attachment 24-98)</u></b> Mr. Sims presented a procurement summary seeking Board approval to award a contract to Schindler Elevator to provide elevator and escalator preventive and corrective maintenance services at the Javits Center North Building. The term of the contract is for a period of 3 years at a total cost of \$3,326,200 (\$1,077,060 1st year, \$1,105,132 2nd year, and \$1,144,009 3rd year). The contract term is from January 1, 2025 - December 31, 2027, with an optional 2-year renewal at the Javits Center's discretion. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1661</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Schindler Elevator to provide elevator and escalator preventive and corrective maintenance services at the Jacob K. Javits Convention Center (North Building) at a total cost of \$3,326,200 for a term of 3 years from January 1, 2025 - December 31, 2027 with an option to renew for two additional years is hereby approved.</p> <p><b><u>Approval of Contract – Scientific Pest Management (Attachment 24-99)</u></b> Mr. Sims presented a procurement summary seeking Board approval to award Scientific Pest Management (Scientific) with a contract to provide pest control services at the Javits Center. The term of the contract is for 3 years at a total cost of \$361,101 (\$120,367 per year), which does not include the cost of pest control services for kitchen facilities utilized by the Javits Center's concessionaire, Levy Premium Foodservice Limited Partnership. The contract term is from January 1, 2025 - December 31, 2027, with an optional 2-year renewal at the Javits Center's discretion. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1662</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Scientific Pest Management to provide pest control services at the Jacob K. Javits Convention Center for a term of 3 years at an estimated cost of \$361,101 from January 1, 2025 - December 31, 2027 with an option to renew for two additional years is hereby approved.</p>
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<p><b>III. Committee Reports (continued)</b></p>	<p><b><u>Approval of Contract – Recycle Track Systems, Inc. (Attachment 24-100)</u></b> Mr. Sims presented a procurement summary seeking Board approval to award a contract extension to provide refuse removal, snow hauling services and a comprehensive recycling program at the Javits Center to Recycle Track Systems, Inc. (RTS). The contract term is for 18 months at an estimated cost of \$950,000. The contract period is from January 1, 2025 - June 30, 2026. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1663</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a contract to Recycle Track Systems for refuse removal, snow hauling services and a comprehensive recycling program at the Jacob K. Javits Convention Center at an estimated total cost of \$950,000 for 18 months for the period January 1, 2025 -June 30, 2026 is hereby approved.</p> <p><b><u>Approval of Contract – Care Security Systems (Attachment 24-103)</u></b> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to Care Security Solutions (Care Security) to provide BriefCam Licenses to the Javits Center. The term of the contract is 3 years at a total cost of \$135,000 (\$45,000 per year). The contract term is December 1, 2024- November 30, 2027. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1666</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to Care Security to provide the BriefCam licenses at the Jacob K. Javits Convention Center for a term of 3 years at a total cost of \$135,000 from December 1, 2024- November 30, 2027 is hereby approved.</p> <p><b><u>Approval of Contract – Lighthouse Services, LLC (Attachment 24-104)</u></b> Mr. Sims presented a procurement summary seeking Board approval to award a single source contract to Lighthouse Services LLC (Lighthouse) to provide confidential hotline services for the Jacob K. Javits Convention Center (Javits Center). The term of the contract is 3 years at a total cost of \$8,051 (\$2,683.68 per year). The contract term is January 15, 2025 - January 15, 2028. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><b><u>Resolution No. 1667</u></b> <b>NOW THEREFORE BE IT RESOLVED</b> that the award of a single source contract to Lighthouse Services LLC (Lighthouse) to provide confidential hotline services at the Jacob K. Javits Convention Center for the term of 3 years at a total cost of \$8,051 from January 15, 2025 – January 15, 2028 is hereby approved.</p>
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**III.  
Committee  
Reports (continued)**

**Review of Procurements (Attachments 24-105 through 24-109)**

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 24-105 through 24-109)**

Vendor	Procurement Review Period	Review Period Amount
ASCO Power Services, Inc.	2/5	\$23,940
Business Compliance, Inc.	2/3	\$227,500
Brooklyn Grange, LLC	5/5	\$459,758
Cummins Sales and Services	4/5	\$51,501
ASCO Power Services, Inc.	4/5	69,690

**Financial Update**

Mr. Sims reported on the statement of revenues and expenses for September 30, 2024 MTD as compared to the budget for September 30, 2024 MTD. He reported that the Javits Center had a total of 12 events during September 2024, eight of which were recurring events and four of which were new events. He stated that the operating revenue was \$1.5 million lower than plan primarily due to the following: (1) \$579,000 lower than plan due to event performance; (2) \$1.0 million lower than plan due to the cancellation of two events; (3) \$63,000 higher than plan due to favorable event advertising. Operating expenses were \$1.3 million lower than plan, primarily due to (1) \$1.0 million lower than plan driven by a decrease in event-related labor and reduction in workers compensation reserve; (2) \$335,000 lower than plan in facility operating expenses attributable to lower cost in utilities and building supplies which was partially offset by an increase in door maintenance; (3) \$45,000 higher than plan in selling, general and administrative costs due to an increase in event-related equipment rental. Operating loss and net loss variances of \$235,000 and \$87,000, respectively, were unfavorable to plan due to the net of revenue and expenses described previously.

Mr. Sims also reported the revenues and expenses as of September 30, 2024 YTD as compared to the budget for September 30, 2024 YTD. He stated that the Javits Center had a total of 66 events from April 2024 to September 2024, 44 of which were recurring events and 22 of which were new events. He reported that revenue was \$4.8 million higher than plan primarily due to \$4.6 million overperformance of planned events, and \$191,000 higher than plan food and beverage commission and concession revenue. Expenses were \$2.9 million higher than plan, primarily due to \$2.8 million in event labor and netted against lower cost of in-house labor and benefits, \$280,000 lower than plan facility due to lower cost in



<p><b>III. Committee Reports (continued)</b></p>	<p>utilities and building supplies netted against higher cost in facility maintenance, and \$412,000 higher than plan selling costs, general and administrative costs due to an increase in consultant and temporary services and credit card fees. Operating surplus and net loss variances of \$1.9 million and \$2.3 million, respectively, were favorable to plan due to the net of revenue and expenses described previously.</p> <p>The Members held a general discussion on the year end financial report.</p> <p><b><u>B. Human Resources Committee</u></b> No report.</p> <p><b><u>C. Facilities/Operations Committee</u></b> No report.</p> <p><b><u>D. Sales &amp; Marketing Committee, Doreen Guerin, Committee Chairman (Attachment 24-110)</u></b> Ms. Guerin presented on behalf of the Sales and Marketing Committee. She reported on the events by type and compared the number of public and trade shows and corporate and special events in 2023 as compared to the number of those types of shows in 2024. Last year the Javits Center hosted 137 events and this year, it hosted 140 events. Ms. Guerin reported that the largest shift was in special events as there were 29 special events last year as compared to 40 special events this year. Regarding corporate events, the Javits Center hosted 36 events last year as compared to 26 events this year.</p> <p>Ms. Guerin next reported that the top sectors by number of events included technology, apparel, education and sustainability. Both legal and financial industry events have decreased.</p> <p>Ms. Guerin also stated that the Javits Center is becoming the final destination for technology world tours as many firms are ending their world tours at the Javits Center. They increasingly need more space, leading them to gravitate towards more exhibit hall space.</p> <p><b><u>E. Governance Committee – Ronald Goldstock, Committee Chairman</u></b> No report.</p>
<p><b>IV. Other Business</b></p> <p><b>IV.</b></p>	<p><b><u>Executive Session</u></b> Ms. Low advised the Members and attendees that the Board would go into an executive session relating to a public safety matter and 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><b><u>Resolution No. 1668</u></b></p>

<b>Other Business</b>	<b>NOW THEREFORE BE IT RESOLVED</b> that the Board Members will conduct an executive session pursuant to Public Officers Law §105.  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.
<b>V. Adjournment</b>	By motion and agreement, the meeting was adjourned at 2:22 p.m. with the next meeting to be held on January 23, 2025.