

Approved 9/18/2024



**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
Hugh L. Carey II
Quenia Abreu
Joseph F. Chan – Webex
Ronald Goldstock
Richard N. Gottfried
Steven C. Koppel
Gary Lavine
Andrew Murstein – Webex
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:

June 26, 2024

Time:

1:00 p.m.

Location:

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

ABSENT:

Christine Ferer
Fred Dixon
Joseph Spinnato

GUESTS/VISITORS:

Brian D. Sawma, EFPR Group
Brent Jensen, EFPR Group

<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 March 27, 2024 (Attachment 24-38)</u> A motion was made and seconded to approve the minutes of the Board of Directors meeting held on March 27, 2024. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1637</u> NOW THEREFORE BE IT RESOLVED that the minutes of the Board of Directors meeting held on March 27, 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>Review and Approval of the Financial Statements for the Fiscal Year Ended March 31, 2024 (Attachment 24-39)</u> To present the March 31, 2024 financial statements for review and approval, Mark Sims introduced Brent Jensen and Brian D. Sawma of the EFPR Group (EFPR), the Corporation’s external auditors, to discuss the financial statements and respond to any questions that the Members might have. Mr. Jensen noted that EFPR had met with the Audit and Finance Committees immediately preceding the Board Meeting to review the audited financial statements for the fiscal year ended March 31, 2024. The financial statements were submitted to the Members for approval. Mr. Jensen indicated that they did not identify any significant deficiencies, material weaknesses or deviations from plan or conduct of plan and were issuing an unqualified audit opinion. Mr. Jensen noted that there was a high level of cooperation by management with the audit team to provide the necessary information quickly. As a result, the audit was timely completed. Mr. Jensen indicated that the Audit and Finance Committee members engaged in a comprehensive and productive discussion with regard to the audit.</p> <p>A motion was made and seconded to approve the Corporation’s Financial Statements for the fiscal year ended March 31, 2024. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1638</u></p>

<p>II. Corporate Matters (continued)</p>	<p>NOW THEREFORE BE IT RESOLVED that the New York Convention Center Operating Corporation’s Financial Statements for the fiscal year ended March 31, 2024 are hereby approved. <u>CEO’s Report (Attachment 24-40)</u></p> <p>Mr. Perlman announced that Alan Steel will retire at the end of March 2025. Mr. Steel has led the Javits Center since his appointment as President and CEO in 2012 and has transformed the Center under his leadership, leaving behind a legacy of innovation, resilience and sustainable growth. From navigating the aftermath of Hurricane Sandy and the COVID pandemic to overseeing the completion of the building’s renovation and expansion, Mr. Steel and his team witnessed and overcame significant challenges. During Mr. Steel’s tenure, he introduced a positive culture of “Yes, I Can Help” and inspired a collaborative approach based on his trade show industry experience and from having been a customer of the Javits Center for many years. His tenure also included overseeing an expansion of the convention center with the largest green roof, a one-acre farm, bird sanctuary and greenhouse. The Board congratulated Mr. Steel on his extraordinary service and leadership and noted that the Javits Center will find a way to honor him. Currently, a search committee is underway to conduct a national search to find Mr. Steel’s replacement. Hugh Carey, Vice Chair of the Board, will lead the search committee process. Mr. Carey stated that they would also welcome internal applications to succeed Mr. Steel.</p> <p>The Governor’s Chamber has been notified of Mr. Steel’s retirement and has given the Javits Center approval to commence a search for a replacement. A press release will be issued this afternoon.</p> <p>Mr. Steel then began his report by highlighting the following events:</p> <ul style="list-style-type: none"> • Disney Upfront – North Javits was turned into a remarkable showcase, and Level 3 of North Javits was converted into a stage area <ul style="list-style-type: none"> ○ There were 3500 people in attendance ○ Over 300 VIP vehicles operated in the Truck Marshalling Building ○ The Program and cocktail party were well attended by celebrities which was good for publicity • Robin Hood Gala – 14 years at the Javits Center <ul style="list-style-type: none"> ○ Over 3000 people were in attendance ○ \$68.5 million was raised in one night ○ Governor Hochul attended the gala • New York Valves: The Structural Heart Summit – This was a new event to New York <ul style="list-style-type: none"> ○ Relocated from Chicago; attendance increased by over 100% from 1,200 to 2,600 because of the density of the medical professionals in the tristate areas
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<p>II. Corporate Matters (continued)</p>	<ul style="list-style-type: none"> ○ Levels 4 and 5 of North Javits were fully occupied and the customer is considering adding Level 3 for 2025 ○ New York Valves has already signed license agreements for 2025 and 2026 and requested a license for 2027 <p>Regarding the subject of sustainability at the Javits Center, Mr. Steel noted the following:</p> <ul style="list-style-type: none"> • The 2023 Sustainability Report was released on Earth Day, 2024 • "Green" events in 2024 – these events highlight the benefits of the Javits Center’s sustainability program <ul style="list-style-type: none"> ○ Climate Reality Project ○ Green Biz Conference ○ Green Media Conference ○ Nest Climate Campus • Additional Future Green events – to occur in and beyond 2025 through 2028 <ul style="list-style-type: none"> ○ Global Energy Transmission 2025 ○ Greenbuild 2026 ○ Oceanic Network 2026 ○ ICold Congress 2028 ○ Electrical Transmission Conference 2028 <p>Mr. Steel then highlighted the following awards that the Javits Center has received in 2024:</p> <ul style="list-style-type: none"> • Open House New York’s Open City Award • COTE Design Award from the NY Chapter of the American Institute of Architects • UFI Sustainability Development Award (Global Association of the Exhibition Industry) • DBIA National Design-Build Merit Award • TELLY Award – Sustainability Kiosk <p>Mr. Steel next provided additional updates on the following topics:</p> <ul style="list-style-type: none"> • July 4th – the Board should have received an invitation for the Javits Center fireworks event to be held in the River Pavilion. Approximately 1000 employees and their families will be attending, and there will be food and beverages available. Further, the United Nations has decided to hold a July 4th viewing party on the rooftop of the expansion. • Congestion Pricing – the Javits Center has no more knowledge about congestion pricing than has been published.
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<p>II. Corporate Matters (continued)</p>	<ul style="list-style-type: none"> • Security – there were a few incidents that recently occurred near the Javits Center, and the NYC and NYS police were contacted. • ERP/WFM – Mr. Siciliano reported that Mark Sims and Christine McMahon continue to work on updating our ERP/WFM system and appear to be on schedule. Discovery and design phases lasted until May and implementation has begun. RGP, the consultant, is managing this process and commented on the diligent team preparation. The Javits team has been working hard, and Mr. Siciliano complimented Mr. Sims and Ms. McMahon on their efforts. The team is conducting testing as individual modules are made available, and so far, the results are very encouraging. From an oversight standpoint, Mr. Hugh Carey and Mr. Siciliano each receive a weekly report and to-do list from RGP. Mr. Siciliano also has a biweekly call with RGP to identify problematic areas, issues or timing. The testing phase will continue through October, and the team is projecting to be ready to go live in December of this year. However, the timing of the go live date remains to be seen as the Javits Center’s largest show is NRF in January 2025, and management would like to ensure that the system is up and running without any concerns prior to NRF’s move-in in January. • Site K – Mr. Steel noted this is the lot across from the Javits Center on 11th Avenue and is owned by CCDC. An RFP was issued for the development of the lot, but a winner has not yet been awarded. CCDC is in the final stages of reviewing the bids for the best project and use of the site. Mr. Sanchez serves on the selection committee. <p>Mr. Steel next reported on the Slaughterhouse Site which is located between 39th and 40th Streets adjacent to the truck marshalling building, which is owned by the City. Empire State Development (ESD) sought to acquire the site to be part of the Javits Center but NYPD, which uses the space for parking, refused to relocate. A developer has been awarded the rights to build on the site and hopes to start construction in the first quarter of 2025. Management is in discussions with the developer to ensure the construction does not interfere with the operation of the Center. There are also a variety of access issues between the Center and the project that are being clarified.</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 and Finance Committees met immediately prior to the Board Meeting via telephone and in person, and on June 12, 2024 via telephone. Mr. Sims introduced a series of items for the Members’ consideration.</p> <p><u>OPEB Resolution for Review and Approval:</u></p> <p><u>Restriction of funds for OPEB Liability (Attachment 24-41)</u></p>

<p>III. Committee Reports (continued)</p>	<p>Mr. Sims requested a resolution restricting sufficient assets to cover the Fiscal Year 2024 OPEB (Other Post Employment Benefit) Liability. In 2023, a resolution for \$29,635,000 was approved. For 2024, the Javits Center management team is seeking approval of \$31,884,000. This represents an increase of \$2,249,000. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1639</u> NOW THEREFORE BE IT RESOLVED that the Board of Directors authorizes the Corporation to set aside sufficient assets to cover the Fiscal Year 2024 OPEB liability of \$31,884,000.</p> <p><u>Approval of Procurement Guidelines (Attachment 24-42)</u> Mr. Sims presented the Corporation’s Procurement Guidelines for the required annual review and approval. No changes were reported from the prior year. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1640</u> NOW THEREFORE BE IT RESOLVED that the Procurement Guidelines are hereby approved without changes.</p> <p><u>Review and Approval of Property Disposal Policy (Attachment 24-43)</u> Mr. Sims presented the Corporation’s Disposition of Property Process Policy for the required annual review and approval. No changes were reported from the prior year. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1641</u> NOW THEREFORE BE IT RESOLVED that the Disposition of Property Process Policy is hereby approved without changes.</p> <p><u>Review and Approval of Investment Policy (Attachment 24-44)</u> Mr. Sims presented the Corporation’s Investment Guidelines for the required annual review and approval. No changes were reported from the prior year. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1642</u> NOW THEREFORE BE IT RESOLVED that the Investment Guidelines are hereby approved without changes.</p> <p><u>Review and Approval of Annual Procurement Report (Attachment 24-45)</u> Mr. Sims presented the Corporation’s Annual Procurement Report sent to the Members for the required annual review and approval. Mr. Sims noted that the Javits Center received an A rating on the NYS MWBE report card as of January 31, 2024.</p>
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<p>III. Committee Reports (continued)</p>	<p>He also stated that NYS recommends an MWBE spend goal of 30%, and the Javits Center reached 27.68% this year. The Chairman noted that this is a laudable achievement. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1643</u> NOW THEREFORE BE IT RESOLVED that the Annual Procurement Report is hereby approved.</p> <p><u>Financial Update</u></p> <p><u>Statement of Revenues and Expenses (For Year End – March 31, 2024):</u> Mr. Sims reported on the actual revenues and expenses for Year End March 31, 2024 as compared to the budget. He stated that the slide was for informational purposes as EFPR has submitted its audit report and the Board has approved of the Company’s financial statements. The Board complimented management on its good work regarding the budget for the year ending March 31, 2024, noting that the Center performed better than plan.</p> <p><u>Statement of Revenues and Expenses (For Month to Date – April 30, 2024):</u> Mr. Sims reported on the statement of revenues and expenses for April 30, 2024 MTD as compared to the budget. He reported that the Javits Center had a total of 10 events during April 2024, five of which were recurring events and five new events. He stated that the revenue was \$161,000 lower than plan primarily due to the following: (1) \$269,000 lower than plan due to event performance; (2) \$50,000 higher than plan from one unplanned event; (3) \$128,000 higher than plan from liquidated fees from two cancelled events and \$70,000 lower than plan due to event advertising. Expenses were \$353,000 higher than plan, primarily due to \$259,000 over plan driven by an increase in event electrical labor and netted with lower cost of in-house labor, \$93,000 higher than plan in Facility costs due to higher costs in utilities and facility maintenance. Selling, general and administrative (SG&A) costs were in line with the plan. Operating Surplus and Net Surplus variances of \$514,000 and \$458,000, respectively, were unfavorable to plan due to the net of revenue and expenses described previously.</p> <p><u>Procurement Summaries for Approval (Attachments 24-46 through 24-50)</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 – Scientific Fire Prevention (Attachment 24-46)</u> Mr. Sims presented a procurement summary seeking Board approval to award Scientific Fire Prevention (Scientific) a contract to provide grease 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 3 years at an estimated cost of \$559,358 (\$186,452 per year). The</p>
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<p>III. Committee Reports (continued)</p>	<p>contract term is July 1, 2024 - June 30, 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:</p> <p><u>Resolution No. 1644</u> NOW THEREFORE BE IT RESOLVED that the award of a contract to Scientific Fire Prevention to provide grease exhaust cleaning services for the North and South buildings at the Jacob K. Javits Convention Center for a term of 3 years from July 1, 2024 - June 30, 2027 at an estimated cost of \$559,358 is hereby approved.</p> <p><u>Approval of Contract – United Steel Products, Inc. (Attachment 24-47)</u> Mr. Sims presented a procurement summary seeking Board approval to award United Steel Products, Inc. (United Steel) a contract to provide overhead doors testing, maintenance and repair services at the Jacob K. Javits Convention Center (Javits Center). The term of the contract is for 3 years at an estimated cost of \$528,000 (\$176,000 per year). The contract term is July 1, 2024 - June 30, 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:</p> <p><u>Resolution No. 1645</u> NOW THEREFORE BE IT RESOLVED that the award of a contract to United Steel Products, Inc. to provide overhead doors testing, maintenance and repair services at the Jacob K. Javits Convention Center for a term of 3 years from July 1, 2024 - June 30, 2027 at an estimated cost of \$528,000 is hereby approved.</p> <p><u>Approval of Contract – Raeri, Inc. (Attachment 24-48)</u> Mr. Sims presented a procurement summary seeking Board approval to award Raeri, Inc. a contract to provide donation coordination and a hauling partnership program at the Jacob K. Javits Convention Center (Javits Center). The term of the contract is for 3 years at an estimated cost of \$150,000 (\$50,000 per year). The term of the contract is August 1, 2024 - July 31, 2027. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1646</u> NOW THEREFORE BE IT RESOLVED that the award of the contract to Raeri, Inc., to provide donation coordination and a hauling partnership program at the Jacob K. Javits Convention Center for a term of 3 years from August 1, 2024 - July 31, 2027 at a cost of \$150,000, is hereby approved.</p> <p><u>Approval of Contract – High Point Solutions (Attachment 24-49)</u> Mr. Sims presented a procurement summary seeking Board to award High Point Solutions a contract to provide Cisco managed support services at the Jacob K. Javits Convention Center (Javits Center). The term of the contract is for 5 years at</p>
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**III.
Committee
Reports (continued)**

a cost of \$1,440,920 (\$288,184 per year). The contract term is August 1, 2024 - July 31, 2029. A motion was made and seconded. The following resolution passed by unanimous vote:

Resolution No. 1647

NOW THEREFORE BE IT RESOLVED that the award of the contract to High Point Solutions to provide Cisco managed support services at the Jacob K. Javits Convention Center for a term of 5 years from August 1, 2024 - July 31, 2029 at a cost of \$1,440,920 is hereby approved.

Approval of Contract – Clark Davis Associates (Attachment 24-50)

Mr. Sims presented a procurement summary seeking Board approval to award a critical contract to Clark Davis Associates (CDA) to provide a temporary staffing resource for the accounts receivable department. The contract is for 10 months at a total cost of \$131,000. The term of the contract is June 10, 2024 – March 31, 2025. A motion was made and seconded. The following resolution passed by unanimous vote:

Resolution No. 1648

NOW THEREFORE BE IT RESOLVED that the award of a critical contract to CDA to provide a temporary staffing leadership resource for the accounts receivable department for a term of 10 months from June 10, 2024 – March 31, 2025 at a total cost of \$131,000, is hereby approved.

Review of Procurements (Attachments 24-51 through 24-60)

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 24-51 through 24-60)

Vendor	Procurement Review Period	Review Period Amount
VIP Special Services, LLC.	2/3	\$154,600
United Rentals, Inc.	2/3	\$69,640
Big Apple Window Cleaning	2/3	\$891,750
A&L Cesspool	2/3	\$70,176
Philip Kaplan Glass & Mirror, LLC	2/3	\$62,935

III. Committee Reports (continued)	Steamaster Carpet Cleaning, Inc.	2/3	\$382,500
	Guardian Solutions, Inc.	2/3	\$126,540
	Siemens Building Technologies, Inc.	2/3	\$202,085
	Siemens Building Technologies, Inc.	2/3	\$33,380
	Eaton Corporation Electrical Engineering Services & Systems	2/3	\$339,000
	<u>B. Human Resources Committee</u>		
No report.			
<u>C. Facilities/Operations Committee</u>			
No report.			
<u>D. Sales & Marketing Committee, Doreen Guerin, Committee Chairman (Attachment 24-61)</u>			
<p>Ms. Guerin presented on behalf of the Sales and Marketing Committee and reported that the Javits Center is hosting 30 events, eight of which are new events, in the second quarter. The U.S. Independence Day Fireworks Spectacular, Carnegie Hall World Orchestra Week and Fanatics Fanfest are some of the new events. Anime will hold its public show in August, and the sales team is working on moving other shows to the summer so that there will be more customers and attendees during that time. Ms. Guerin then presented the Event Index for the second quarter which lists the trade and public shows as well as special events and reflects the industry and type of event. This year, there will be 11 special events, 13 trade shows and 4 public shows. These events reflect a consistency in industries such as technology, textiles, business and fashion.</p> <p>Ms. Guerin also provided a Sales and Marketing update. She stated that a recent marketing campaign to capitalize on the move of the Macy’s fireworks resulted in the booking of the United Nations’ Independence Day Fireworks Spectacular event at the Javits Center. The campaign consisted of both e-blasts and social media. The next campaign to occur soon will involve building on the successful 2023 holiday event season to market holiday parties this year at the Javits Center.</p>			
<u>E. Governance Committee – Ronald Goldstock, Committee Chairman</u>			
<p>Ms. Low advised the Board Members that the Committee had, pursuant to the Public Authorities Reform Act, completed its annual obligation to review the Corporation’s By-Laws, Mission Statement and 2022 & 2023 Performance Measurements, and requested the following actions:</p>			

<p>III. Committee Reports (continued)</p>	<p><u>Corporation’s By-Laws (Attachment 24-62)</u> Ms. Low reported that there were no substantive changes and only two minor typos to be corrected in the Corporation’s By-Laws.</p> <p><u>Approval of the Corporation’s By-Laws – (Attachment 24-62)</u> Ms. Low presented the Corporation’s By-Laws to the Board for its approval. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1649</u> NOW THEREFORE BE IT RESOLVED that the Corporation’s By-Laws are hereby approved.</p> <p><u>Corporation’s Mission Statement (Attachment 24-63)</u> Ms. Low reported that the Committee determined that revisions would be made to the Mission Statement this year to reflect sustainability and diversity performance measurements that can be measured by the Corporation. These sustainability and diversity performance measurements replaced certain other performance measurements, including jobs supported and hotel room nights.</p> <p><u>Approval of the Corporation’s Mission Statement – (Attachment 24-63)</u> Ms. Low presented the revised Mission Statement to the Board for its approval. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1650</u> NOW THEREFORE BE IT RESOLVED that the Mission Statement are hereby approved.</p> <p><u>Approval of the Corporation’s Performance Measurements for 2022 and 2023 – (Attachments 24-64 through 24-65)</u> Ms. Low presented the 2022 and 2023 Performance Measurements to the Board for its approval. A motion was made and seconded. The following resolution passed by unanimous vote:</p> <p><u>Resolution No. 1651</u> NOW THEREFORE BE IT RESOLVED that the 2022 and 2023 Performance Measurements are hereby approved.</p>
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IV. Other Business	The Chairman noted that any inquiries about Mr. Steel’s retirement should be referred to him. The press release about Mr. Steel’s retirement will be distributed at 2:30pm today.
V. Adjournment	By motion and agreement, the meeting was adjourned at 1:58 p.m. with the next meeting to be held on September 18, 2024.