

LUZERNE COUNTY CONVENTION CENTER AUTHORITY MEETING

MARCH 11, 2020

The Regular Meeting of the Board of Directors of the Luzerne County Convention Center Authority was called to order at 12:10pm by Chairman Gary Zingaretti on March 11, 2020. Chairman Zingaretti informed everyone that there was a Finance Committee meeting that ran longer than anticipated and he apologized for the late start.

PLEDGE OF ALLEGIANCE, LED BY CHAIRMAN GARY ZINGARETTI, WAS SAID BY ALL IN ATTENDANCE.

Chairman Gary Zingaretti welcomed everyone.

ROLL CALL: PRESENT: Carmen Ambrosino, Peter Biscontini, Donna Cupinski, Neal DeAngelo, (participated via phone), John Pickering, Gene Rafalli, Michelle Reilly, John Ruckno, Anthony Ryba, Tom Woods, and Gary Zingaretti. ABSENT: No one was absent. Also present were members of the SMG/ASM Global Administration and Attorney Mary Jo Kishel from Rosenn Jenkins & Greenwald (participated via phone).

CORRESPONDENCE

There was no correspondence reported for the meeting.

PUBLIC COMMENTS

There were no public comments for this month's meeting.

APPROVAL OF FEBRUARY 12, 2020, REGULAR MEETING MINUTES

Chairman Zingaretti asked for a motion to accept the board minutes as written. Motion made by Gene Rafalli and seconded by Tony Ryba to approve the February 12, 2020, Regular Meeting Minutes. ON THE QUESTION: All those in favor of the motion to accept the minutes signified by saying "AYE". OPPOSED: No one opposed. ABSTAIN: Michelle Reilly abstained because she was not present. The motion passed.

PAYMENT OF BILLS

Chairman Zingaretti asked for a motion to pay all the bills as noted on the attached agenda. Motion made by Tony Ryba and seconded by John Pickering to accept the payment of bills as listed on the agenda. ON THE QUESTION: All those in favor of the motion to pay the bills listed signified by saying "AYE". OPPOSED: No one opposed. ABSTAIN: No one abstained. The motion passed.

GENERAL MANAGER'S REPORT

SMG/ASM Global General Manager, Will Beekman, informed the board that the venue hosted Monster Jam just after the last board meeting which proved to be the highest grossing Monster Jam run that we have had in venue history. There were then two (2) Harlem Globetrotter performances, had a sold out Jeff Dunham event, and then hosted the PIAA District 2 Championship Basketball Championships, hosting just shy of 12,000 spectators over three (3) days. He added that pretty much all of the information that you saw on the video board and announcements on the PA system were provided by Steve Poremba, Director of Marketing, and his interns over the course of the weekend. There have been 21 events since the last board meeting so it has been a very busy five (5) weeks for this venue. A lot of the nights that there were no events, the staff was changing over to the next event coming in. At one point the building went from hockey to basketball, then from basketball to concert, then back to hockey and again back to basketball. That was a tough stretch for the staff but it was a total team effort and he would put this staff up against any other staff in any other venue. They do a great job for us. Obviously we want to be busy but there is also a lot of work that goes into it. He added that looking ahead, Aaron Lewis in in town this Friday night and we have Trolls coming in towards the end of the month along with seven (7) more home hockey games with six (6) of them taking place between now and the

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next board meeting. The hockey season is winding down. He stated that some recent announcements that were made are for Tool coming to town on their Spring Tour. This is a really big show for us as a venue and as a market because every other venue is a major market and buildings twice our size. We are the only date in Pennsylvania for this tour with no dates in New Jersey. We quickly sold over 7,000 tickets for this event when it went on sale. WWE is returning again with their RAW brand and their public sale is set for Friday, May 11, which always sells well. We also announced Bob Dylan is coming in on July 7 with Nathaniel Rateliff and the Night Sweats. Normally the summer tends to be a little slower and we get a chance to catch our breath but so far we have Lauren Daigle on July 1, Bob Dylan on July 7 and Tim McGraw on July 12. We are trying to keep the momentum on the programming side and hope to keep it going.

COMMITTEE REPORTS

CAPITAL IMPROVEMENTS & STRATEGIC PLANNING COMMITTEE

Vice-Chairwoman Donna Cupinski stated that the Wi-Fi project is moving along well and the latest report is that it should be up and running in mid to late April. The next project the committee is looking at working on is the parking lot to fix some potholes and additional cracks. With the paved parking lot comes the maintenance of keeping it safe. She stated that she will ask Mike Wilczynski and staff to check the parking lots once the weather breaks and highlight some of the areas that will need work. The amount may be high enough that it will need to be put out for bid.

Ms. Donna Cupinski informed the board that another project we are still working on is the pedestrian bridges. The coating that was applied last year is already starting to peel. She stated that she spoke with Mr. Gene Rafalli about a type of coating that she has recently seen on the North Cross Valley. We are limited on what can be done to the bridges because of the depth of the bridge surface. She said she would contact Pennsylvania Department of Transportation to see if they could tell her what type of surface they used on the roadway. Maybe if it's not very expensive, they can use it on the bridges as a last ditch effort. She will call the company that applied the current coating to see if there is a warranty on the product since it is already peeling. Ms. Cupinski added that if the new product does not work or it is too expensive, they will probably have to consider covering the bridges with a roof so that the ice and rain does not get at them. She mentioned that the bridges have been an issue since she became a member of the board. The company was supposed to remove every bit of old coating by pressure washing it. It didn't all come up and they just painted right over it and now it is coming up. There are so many factors that come into play with the bridges. Just the simple fact that there is air circulating around the bridges is a big issue. Mr. Gene Rafalli asked what is being used on the surface during the winter months. If rock salt is used it will make marks and ruin the concrete. Mr. Tom Woods asked if there is something like an epoxy spray that might work. Mr. Rafalli explained that there is a sandy-type material that they spray on to make it less slippery.

FINANCE COMMITTEE REPORT

Mr. Tony Ryba said that there was a Finance Committee prior to the board meeting at 11:30am and there is a request to purchase two (2) under counter freezers for the concession stands from Rice's Food Equipment at a cost of \$3,780 for both. They would go into the Central Ice Grill and Chickie & Pete's locations. Motion made by Donna Cupinski and seconded by Michelle Reilly to purchase the two (2) under counter freezers for the concession stands from Rice's Food Equipment at a cost of \$3,780 for both freezers. ON THE QUESTION: All those in favor of the motion signified by saying "AYE". OPPOSED: No one opposed. ABSTAIN: No one abstained. The motion passed.

LAND DEVELOPMENT COMMITTEE REPORT

Ms. Michelle Reilly read an email that she received. It stated "Angelo Terrana has contacted us to let us know that Singh Property has received an expression of interest from a third party for the purchase of the front lot.

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As a result, Angelo will be preparing an agreement addressing the easement and the operation thereof for our review. We will share that information with you upon receipt. Please let us know if you have any questions.” Ms. Reilly asked Attorney Mary Jo Kishel if she has received any updates. Attorney Kishel stated that as far as she is aware, Attorney Mark Van Loon has not received anything from Attorney Angelo Terrana yet. She added that she will double check with him.

Chairman Gary Zingaretti informed the board that Mike Wilczynski, Director of Operations, is working with both PPL and UGI to figure out the best way to get utilities over to that location because it is quite possible that they could end up coming through our property and they want to make sure that it is beneficial for us and not detrimental.

POLICY & PRODECURES

Mr. Carmen Ambrosino stated that he had nothing to report this month.

SUITES COMMITTEE

Mr. Tom Woods stated that he read in the paper that someone stole three (3) sections of our seats and we are on the lookout for those persons. He asked what happened. This was related to the Penguins decision to move all season ticket holders from the flat end of the facility in order to remove those seats and re-use the area for other purposes. Chairman Gary Zingaretti stated that it was a surprise to the board and arena staff as well. He did state that those are his seats to sell so if he wants to pull those out and do something else there, he is entirely in his right under the contract to do so. He does not have the right to tell us to spend money for him without our approval. At this point, what we have agreed to is if he wants to take the seats out, he can take the seats out but he needs to work with Will and Carrie and let us know what his intentions are. He did take responsibility for this. The team had sent out their season ticket renewals forms and that is what triggered this. He did not expect media coverage on it because he stated that they move people every year but closing off an entire section and repurposing it is a bigger deal than just moving someone from one side of the arena to the other. Attorney Peter Biscontinini asked if it will be closed for every game. Mr. Zingaretti stated that he was informed the sections would be used for larger group sales. They are aware that they need to coordinate their ideas with the venue before moving forward with the anticipated changes. Mr. John Pickering asked if they are taking all the sections. Mr. Zingaretti explained that they will use all the sections on the flat wall and put up stand-up tables near the glass to give the fan a neat experience. All the other seats are fixed in place. These sections are the folding seats and there are approximately 500 seats. They will use this as a place to entertain for large groups. Attorney Biscontinini asked if this option will be included for the concert events to be used with the hockey ticket. They are using local bands as trial, but they are hoping to get some bigger national acts. Mr. Zingaretti stated that the Pens don't want to be in the concert business but they are interested in getting more people in the seats by enticing them to purchase a hockey ticket and giving them the opportunity to stay around after the event and enjoy a concert on occasions. Mr. Carmen Ambrosino asked if there is anything in place that limits the tenant from making independent decisions. Ms. Carrie Grantuskas explained that according to the contract all the tickets that are sold belong to them. They can choose to have these types of events, but they will incur added expenses because of the magnitude of the changes when seats need to be pushed back. She added that they will then be billed for those added expenses on the board's behalf if there are added expenses associated with the concert. Ms. Donna Cupinski stated that we are supposed to be partners and it is just common courtesy to tell us what their intentions are. Mr. Ambrosino asked at what point does the building stay actively involved with them booking a concert after a hockey game. When does Will, the General Manager, step in and say this event does not fit within our schedule of events? Mr. Beekman stated that the acts that they are looking at most likely would not affect anything that the venue would be able to secure in the way of concerts. He stated that they are looking more at acts that would play in clubs or theatres but would not affect us. He added that he is actively working with them and knows that they won't have very large acts to take over our venue. Mr. Gary Zingaretti explained that the Pens did have conversations with Will Beekman and Mike Wilczynski about adjusting the seating in the areas in question. It just came about in an unusual way and we

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were not prepared for the article in the paper when it happened. Mr. Gene Rafalli questioned who pays for the movable seats? Mr. Gary Zingaretti stated that it is entirely possible that the committee may be coming back to the board to request an outdoor shelter to house the seats when they are not in use since they cannot store anything outside right now. It would save some time by moving them into an outdoor shelter for storage and it would be a good addition for the storage situation we are experiencing currently. Ms. Carrie Grantuskas stated that the areas under the bridge were discussed as storage locations in the past thinking it would be more cost effective but that was not the case. Mr. Gary Zingaretti stated that the message was poorly handled, but the outcome could be something beneficial.

RIGHT TO KNOW

Attorney Peter Biscontini stated that there were no requests this month.

OLD BUSINESS

Chairman Gary Zingaretti informed the board that the Statement of Financial Interest Forms are due to GailAnn Gorski by April 8, 2020, for proper submission and filing.

NEW BUSINESS

Chairman Gary Zingaretti asked if anyone had any new business. Mr. John Pickering handed out some papers out to the board members regarding an Energy program. Mr. Tom Woods asked if we participate in a program for solar panels. Ms. Carrie Grantuskas stated that the board already participates in a bulk energy program for gas and electric. Mr. Carmen Ambrosino asked about the Indoor Football Team and if it was going to happen. Mr. Will Beekman stated that when he started in May they were already mid-way through discussions. All the venues participated on conference calls, but the league failed to communicate their intentions. It seems to have just gone away because there is no contract. It sounds like the Pioneers have become the Pittsburgh Pioneers. They were called the Pennsylvania Pioneers initially until they found a home and we have recently learned that there is now a Pittsburgh Pioneers league.

GOOD OF THE ORDER

There were no comments this month.

EXECUTIVE SESSION


Chairman Gary Zingaretti stated that there will be an Executive Session held after the meeting is adjourned for an update on the litigation from the Circus.

ADJOURNMENT

Motion made by Tom Woods and seconded by Michelle Reilly to adjourn the meeting at 12:41pm. ON THE QUESTION: All those in favor of the motion signified by saying "AYE". OPPOSED: No one opposed. ABSTAIN: No one abstained. The motion passed.

The next Regular Monthly Board Meeting is set for the second Wednesday, May 13, 2020, at noon.

The meeting was adjourned.

APPROVED: 
Tom Woods, Secretary