

LUZERNE COUNTY CONVENTION CENTER AUTHORITY MEETING

MARCH 13, 2019

The Regular Meeting of the Board of Directors of the Luzerne County Convention Center Authority was called to order at 12:06pm by Chairperson Gary Zingaretti on March 13, 2019.

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

ROLL CALL: PRESENT: Carmen Ambrosino, Peter Biscontini, Hal Bloss, Donna Cupinski, Neal DeAngelo (via phone), Gene Rafalli, Michelle Reilly, John Ruckno (via phone), Anthony Ryba, and Gary Zingaretti. ABSENT: Tom Woods was absent. Also present were members of the SMG Administration including Mr. Bob Cavalieri from the SMG Corporate office in Philadelphia. Also present were Attorney's Murray Ufberg and Dan Taroli, Solicitor, both from Rosenn Jenkins & Greenwald.

CORRESPONDENCE

There was no correspondence to report for this month's meeting.

PUBLIC COMMENTS

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

APPROVAL OF FEBRUARY 13, 2019, REGULAR MEETING MINUTES

Chairman Zingaretti asked for a motion to accept the board minutes as written. Motion made by Michelle Reilly and seconded by Gene Rafalli to approve the February 13, 2019, 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: No one abstained. The motion passed.

PAYMENT OF BILLS

Chairman Zingaretti asked for a motion to pay all the bills as noted on the attached agenda in the amount of \$11,780.88. Motion made by Carmen Ambrosino and seconded by Hal Bloss 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 General Manager, Mr. Brian Sipe, informed the board that on March 6, 2019, the SAVOR Food & Beverage Department at the arena participated in a Secret Shopper evaluation called SAVOR Safe Beverage Bars Program and all 24 locations that sell alcohol passed the evaluation. They make sure that all locations are checking identification and are only sell two (2) alcoholic beverages per identification card.

Mr. Sipe stated that the Saturday of PIAA the venue had the highest gross sales of Chickie's & Pete's French Fries since its opening. There are only four (4) workers in that stand and they were really busy all day long. This was the fourth (4th) year in a row that we hosted PIAA. It was a great turnout with a lot of media exposure. Mr. Steve Poremba worked with Mr. Frank Majikes to produce this event. The operations team hooks a lot of internet outlets for them and that's always appreciated. The District II Committee, Allied Services, who was the presenting sponsor, and sixteen (16) other event sponsors helped to make the three (3) day event a huge success. They have contracted again for 2020 and will return for a fifth (5th) year.

Additionally, Mr. Sipe informed the board that since the last meeting, we have hosted numerous events including Justin Moore, Steve Martin-Martin Short, a Christian Concert called The Roadshow, WWE Smackdown LIVE was on television, and obviously a bunch of WBS Penguins games were held throughout the month. He added that last week the building needed to be transformed from WWE Smackdown TV on

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Tuesday into a WBS Penguins hockey game on Wednesday night and there was a lot of hard work to be done last week.

Mr. Sipe informed the board that Steve Poremba, Director of Marketing, and Jim Petch, Business Development Manager, have reached an agreement for a new Suite lease for next season and are still working hard to get the suites sold.

Lastly, he introduced Kevin Eovitch, SMG Booking and Box Office Manager, who has worked at the building for approximately 16 years. Mr. Sipe stated that when he started at the building, he asked Mr. Eovitch if he would become the Booking and Box Office Manager. He informed the board members that a lot of the event load is attributed to the hard work that Kevin does. There will be a fairly large announcement next week that Kevin Eovitch booked on his own and he wanted the board to know who he is. Mr. Sipe added that he gets a lot of credit as the General Manager but also stated that "if you surround yourself with good people, they make you look good" adding that Mr. Eovitch does a lot of hard work for the building.

Mr. Steve Poremba, Director of Marketing, passed around the upcoming events list to all members of the board.

COMMITTEE REPORTS

CAPITAL IMPROVEMENTS & STRATEGIC PLANNING COMMITTEE

Ms. Donna Cupinski informed the board that the board is anxious to get the test areas done on the pedestrian bridges. They committee is hoping to have the testing done within the next couple of days if possible. The only other information to report is the announcement for the LSA Grants, which typically happen sometime in March. They have the grant that was worked on with the Redevelopment Authority for the Wi-Fi project. She is hoping that the arena receives something towards the project.

FINANCE COMMITTEE REPORT

Mr. Tony Ryba stated that there are two (2) requests for capital funds this month. There are two (2) refrigerator units that need to be replaced. They are 20 years old, each with a life expectancy of 12 years. Four (4) quotes were received and the best quote was in the amount of \$8,100 to purchase two (2) freezer/refrigerator units. Each unit prices at \$4,050. Motion made by Hal Bloss and seconded by Gene Rafalli to approve the purchase of the refrigerator/freezer units at a cost of \$8,100. ON THE QUESTION: All those in favor of the motion signified by saying "AYE". No one opposed. The motion passed. (NOTE: The units will be purchased from Rice's Food Equipment for Power Play Pizza and Revello's Pizza concession stands.)

Mr. Ryba explained that the second (2nd) request was for an Arbitrage Calculation Rebate because of the refinancing of the 1998 and 2012 bonds. Two (2) proposals were received for the review at a cost of \$1,500 for the 1998 bonds and \$500 for the 2012 bonds. The IRS uses this rule because you are only allowed to borrow money at a higher interest rate than you can invest it for. We really don't have that problem anymore because it's not the climate as back in the late 1990's and early 2000's. Back then you could invest the money and make money off of it. That is not the case anymore. This calculation is now a mandatory part of the process after refunding the bonds. Motion made by Peter Biscontini and seconded by Hal Bloss to approve the Arbitrage Rebate Calculation at a cost of \$2,000 for both the 1998 and 2012 bonds. ON THE QUESTION: All those in favor of the motion signified by saying "AYE". No one opposed. The motion passed.

LAND DEVELOPMENT COMMITTEE REPORT

Ms. Michelle Reilly stated that she had nothing to report and asked Mr. Mike Wilczynski, Director of

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Operations, if he has heard of anything. Mr. Wilczynski stated that there was a scheduled meeting this week about the property at the Township. It was on the agenda for them to present the plans but on the day of the meeting they cancelled so it was not discussed. It is now slated again for next month's meeting to learn of their changes.

SUITES & CLUB SEATS COMMITTEE

Mr. Tom Woods was not in attendance. Chairman Zingaretti stated that there is a new suite sold as stated in the General Managers report. Mr. Steve Poremba informed the board that the marketing team is just moving forward towards the end of the season.

POLICY AND PROCEDURES COMMITTEE

Chairman Zingaretti stated that the Policy and Procedures Committee is not listed on the agenda this month because there has not been anything to discuss as of recently. The prior chair of that committee is no longer serving on the board and Mr. Hal Bloss has agreed to accept the Chairmanship of that committee.

Mr. Hal Bloss had nothing to report this month.

RIGHT TO KNOW

There was nothing to report this month.

OLD BUSINESS

There was nothing to report this month.

NEW BUSINESS

There was nothing to report this month.

GOOD OF THE ORDER

There was nothing to report this month.

ADJOURNMENT

Motion made by Tony Ryba and seconded by Peter Biscontini to adjourn the meeting at 12:16pm. 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.

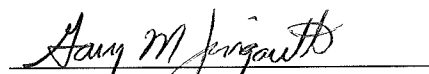
EXECUTIVE SESSION

There is no need for an Executive Session at this time.

The next Regular Monthly Board Meeting is set for the second Wednesday, April 10, 2019, at noon.

The meeting was adjourned.

APPROVED:


Mr. Gary Zingaretti, Chairman