

LUZERNE COUNTY CONVENTION CENTER AUTHORITY MEETING

APRIL 10, 2019

The Regular Meeting of the Board of Directors of the Luzerne County Convention Center Authority was called to order at 12:03pm by Chairperson Gary Zingaretti on April 10, 2019.

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

EXECUTIVE SESSION

Chairman Gary Zingaretti asked that an Executive Session be held to address Personnel issues and contract updates that there are non-disclosures on.

ROLL CALL: PRESENT: Carmen Ambrosino, Peter Biscontini, Hal Bloss, Donna Cupinski, Neal DeAngelo, 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 Administration including Mr. Bob Cavalieri from the SMG Corporate office in Philadelphia. Also present was Attorney Dan Taroli, Solicitor, from Rosenn Jenkins & Greenwald.

The Executive Session ended at 12:35pm. The Regular meeting reconvened at 12:36pm. Chairman Gary Zingaretti thanked everyone for their patience.

CORRESPONDENCE

There was one item for correspondence to report for this month's meeting. Cyrus Matthews from Hackettstown, NJ, advising the Arena board that he is willing to participate in the Wilkes-Barre/Scranton Penguins negotiations. He also added commentary on the players and the coaching staff.

PUBLIC COMMENTS

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

APPROVAL OF MARCH 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 Donna Cupinski to approve the March 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 \$11,325.14. Motion made by Tom Woods and seconded by Tony Ryba 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 Assistant General Manager, Ms. Carrie Grantuskas, informed the board that Alabama is coming on Friday, April 12, for their 50th Anniversary Tour with special guest Charlie Daniels. There are still some tickets available but the show is close to sold out. The Wilkes-Barre/Scranton Penguins will continue to fight for a spot in the 2019 Calder Cup Playoffs. Their last home games against Bridgeport on Saturday and Binghamton on Sunday afternoon. Mr. Steve Poremba, Director of Marketing, passed around the upcoming events list to all members of the board. Ms. Grantuskas highlighted some of the upcoming events that will be here over the next few weeks. Monster Jam will return for four (4) shows from April 26-28, 2019.

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Ms. Carrie Grantuskas added that a few new concerts have been announced since the board last meeting. Nickelodeon's, JoJo Siwa, will perform on Saturday, August 31, 2019, and will go on sale on Friday, April 12, at Noon. Disturbed will perform on Saturday, October 5, and tickets are currently on sale.

Mohegan Sun Arena is a sponsor of Greater Wilkes-Barre Chamber of Commerce Young Professionals Conference on March 28, 2019. This was a first time event for the Chamber and it exceeded their expectations. We are proud to be a sponsor for this event. Also, Steve Poremba, attended Scranton Chambers Annual Dinner at the Radisson Lackawanna Station on March 28, which featured keynote speaker Matt Higgins, from ABC's Shark Tank.

In other news, there have been reports of our venue being considered to host an indoor football team as part of the National Grid Iron League to be played this year. The league recently released a statement that they are targeting 2020 for the league's kick-off season. SMG will continue to negotiate with the ownership group for the league about prospects for the team having prospects in Wilkes-Barre for 2020. The board will be updated with any new developments as they come. A copy of the league's announcement is available for review if you are interested.

Ms. Carrie Grantuskas added that Mr. Brian Sipe has recently resigned from his role as SMG General Manager at Mohegan Sun Arena, Wilkes-Barre. He accepted a position as Director of Booking for the Rupp Arena in Lexington, Kentucky. We would like to thank him for his time here in Wilkes-Barre and wish him and his wife, Kaitlyn, well in their next step. Mr. Sipe is crashing the meeting today because he did not get to see everyone prior to his leaving the end of March. Chairman Zingaretti thanked Mr. Sipe and Ms. Grantuskas for their work.

COMMITTEE REPORTS

CAPITAL IMPROVEMENTS & STRATEGIC PLANNING COMMITTEE

Ms. Donna Cupinski informed the board that the board received good news that the LSA Grant that was sponsored by the Redevelopment Authority was approved for the Wi-Fi project; it is just short of \$127,000. Right now they are working with the bid specifications that will be needed to put it out for bid and hope to have additional information as they move forward.

Ms. Cupinski added that the pedestrian bridge project has started. The West gate is the area that is being tested first. There was some surface that was removed and to the right of the doors, that is the painted surface that will cover both bridges when the project is all done. That project is progressing well thanks to the weather finally cooperating. There is hope that it is done soon.

Mr. Tom Woods congratulated the board on the Wi-Fi grant award and asked what the final figure is. Ms. Cupinski informed him that they received estimates ranging from \$300,000-\$500,000 and will get a better idea of costs once all the specifications are defined and get it out for bid. The estimate put forward with part of the grant application was for approximately \$500,000 because of the parts being taxed higher from China. There was discussion of minimizing the project and reducing the costs but then looking at coming back in a few years to complete the project. It was decided to get it all completed.

FINANCE COMMITTEE REPORT

Mr. Tony Ryba stated that there was nothing to report for the Finance Committee this month.

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LAND DEVELOPMENT COMMITTEE REPORT

Ms. Michelle Reilly stated that she recently spoke with Attorney Angelo Terrana and he is unaware of anything going on with Suny Singh and the land development at this time. In speaking with Mike Wilczynski, Director of Operations, he has a little more to report. Mr. Wilczynski informed the board that they did have their monthly meeting on Monday and there was a presentation by a completely different party than the original group of people. It is our understanding of this is that they divided that lot into three (3) pieces and they are still trying to sell the front two (2) pieces. The back piece was either purchased or leased to this developer who plans on putting a 110-room hotel on that parcel. The presentation was about the hotel with similar access of what it was earlier, coming in through highland and utilizing the shared driveway. It is supposed to start sometime in the summer when they break ground and start building the hotel. The other part of it was that we were told that they were going to put a light at the marquee sign as part of this project but it was stated that they would have to work with us on working out the logistics of utilizing the road. He added that he is aware that there was previous discussion about that but this is now a different individual. There is some development but the original grocery store backed out and so did the gas station and Burger King. The hotel is the only one currently moving forward. Originally they said that the other buildings were happening but not sure about the hotel, now it's the complete opposite. The hotel that is coming in is a Residence Inn by Marriott. Ms. Michelle Reilly stated that she would research and see if there is any marketing being done on the two (2) front lots and how are they being listed for sale. Mr. Wilczynski stated that he is not sure what is going on with them because there are still sale signs on the front lots. Mr. Tom Woods asked if it would be to the Arena's advantage to try to purchase any of the lots. He asked if there would be an advantage by purchasing one of the lots. Mr. Gene Rafalli stated that even if there was an advantage to purchase a lot you would need to see if there are some grants out there to assist with the purchase of the property. Mr. Woods added that he wanted this gem (arena building) to stand alone and he didn't want anything to infringe coming into the arena property. Ms. Michelle Reilly said that Attorney Terrana informed her that the initial investment was \$3 million for all of the land. Mr. John Ruckno asked if Suny Singh still owned the property or if he stepped away. Ms. Reilly stated that he did own the property so he could just be leasing it out to the hotel or grocery chain and he would be collecting rent off of all those businesses. We now need to start fresh and play catch-up with the whole project. Attorney Peter Biscontinini questioned who currently cleans that property because it is in pretty bad shape right now. Mr. Wilczynski informed the board that a few years back, we (SMG) as a company, went over there and cleaned up the property but it has not been cleaned up in a few years. Ms. Donna Cupinski informed the new board members that the Authority does own a sliver of some of that land up on the hill. Mr. Woods stated that he wished the board had the money to purchase the area. Mr. Carmen Ambrosino asked about the traffic signal being installed by the marquee and he is concerned about the operation of the traffic signal when there is events at the arena. That could really be a nightmare if the lights are not set to work properly. Mr. Wilczynski stated that the arena currently works with the Township Police to operate the light at Lord & Taylor and they control that for the traffic flowing into and out of the arena for events. He believes it would have to be the same set up for the light at the marquee also. Ms. Reilly said that it was discussed whose responsibility it would be to incur the cost of the officers to work the lights. Right now the arena hires the constables to control the traffic flowing in and out for events. The township controls the light at the exit ramp and Lord & Taylor. Chairman Gary Zingaretti informed the board members that in the last version, the Wilkes-Barre Township Planning actually required us to have an actual contract in place regarding all of these items we have just discussed. Those items will definitely get bounced back to the Land Development Committee if they actually do proceed with the projects. Mr. Wilczynski informed the board that the Ashley Furniture location on Mundy Street was purchased by Tambur. That area will be developed again, as well.

POLICY AND PROCEDURES COMMITTEE

Mr. Hal Bloss had nothing to report this month.

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SUITES & CLUB SEATS COMMITTEE

Mr. Tom Woods said that he and Mr. Steve Poremba, Director of Marketing, will get together after the meeting to go over a few things for their plan when the contract takes place.

RIGHT TO KNOW

Attorney Peter Biscontini stated that there was one request by Kamille Watson from the Oak View Group and they requested a copy of the SMG Management Agreement. On March 22, 2019, he responded to their request and provided them with a redacted copy of that contract with the redacted financial figures. There has been no communication since it was sent.

OLD BUSINESS

Chairman Gary Zingaretti stated that there were previous discussions on the SMG Management Agreement and SMG Food & Beverage Agreements. Both of those agreements are at the one-yard line. The financial terms have been identified and pretty much everything is nailed down except for the verbiage that the attorneys would want their hands in. He is asking for a motion to allow the committee that is working on that contract to have the authority to execute and deliver a contract subject to the terms and conditions which the board has all been brought up to speed on. That will allow the board to expedite the process and not have to wait for the next board meeting. Motion made by Tom Woods and seconded by Peter Biscontini to allow the committee to execute and deliver the agreement once the remaining items have been resolved. 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.

Chairman Gary Zingaretti stated that the status of the Wilkes-Barre/Scranton Penguins negotiations is about the same as it was from the last board meeting. The committee is presently waiting to hear from the Penguins organization very shortly. Everything is status quo right now.

The news reporter asked if there is a new General Manager because today is the first they have heard about the position being open. Chairman Zingaretti said that there is not a new General Manager assigned to Wilkes-Barre yet. Ms. Carrie Grantuskas is the Acting General Manager in the interim. The news reporter asked if they missed a press release and added that he had been in contact with his office in the last few minutes and no one had any idea that the General Manager had resigned. Mr. Bob Cavaliere stated that the National Press carried the announcement, not the local press. The reporter asked if there is a search committee for a new General Manager. Chairman Zingaretti stated that there is but that crosses into personnel issues which cannot be discussed. It will be an SMG employee so SMG will be making the hire after a meeting with the selected individual and the board committee. The board has no employees. Ms. Carrie Grantuskas, is currently the Director of Finance and now the Assistant General Manager. She has been working at the building in some capacity since it opened and with SMG since 2005.

NEW BUSINESS

There was nothing to report this month.

GOOD OF THE ORDER

Vice-Chairwoman, Donna Cupinski, informed the board that Michelle Reilly will be performing in Jesus Christ Superstar for six (6) shows. Ms. Reilly said it is opening on Friday night at the Phoenix Theatre in Duryea. It is an all-female cast of Jesus Christ Superstar, and she plays the part of Judas.

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Attorney Peter Biscontinini asked the Capital Improvements Committee if the sound system has been updated in recent time. As someone who has been going to Penguins games since 1999 and concerts, the people are always bringing it up. Ms. Donna Cupinski stated that a lot of work has been done on the acoustics but not so much the sound. It is such a cavernous bowl inside and had more people saying that it is more the acoustics versus it being the sound. Ms. Michelle Reilly said that the ceiling panels were all installed last year. The acts that do come into the building use all of their own equipment. Mr. Tom Woods said that it is impossible to make the sound perfect when you are in a building like this. It's all concrete and all the sound bounces. After what was installed we have one of the better sounding arenas with all the ceiling wall panels that were installed. Mr. John Ruckno said that it has been a remarkable improvement.

Assistant Chairwoman Donna Cupinski read a resolution for Mr. Brian Sipe, former SMG General Manager (attached). Motion made by Michelle Reilly and seconded by Tony Ryba to accept the resolution and include them in the minutes for the month of April 2019. ON THE QUESTION: All those in favor of accepting the resolution signified by saying "AYE". OPPOSED: No one opposed. ABSTAIN: No one abstained. The motion passed.

Chairman Zingaretti asked that all board members be sure to turn in their Financial Interest Statements as soon as possible as they are due by May 1, 2019. Please submit them to Mrs. GailAnn Gorski, Office Manager, at your earliest convenience.

Mr. Bob Cavalieri, SMG, wanted to commend Brian R. Sipe for a great job here in Wilkes-Barre and for the SMG Company as a whole adding that they are very sorry to see him go. We give him all the support in the world until we can steel him back. He also wanted to express the appreciation that this board has given to SMG. Wilkes-Barre, Pennsylvania is a shining jewel in the SMG portfolio of buildings and they want to keep it that way.

ADJOURNMENT

Motion made by Carmen Ambrosino and seconded by Tom Woods to adjourn the meeting at 1:05pm. 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.

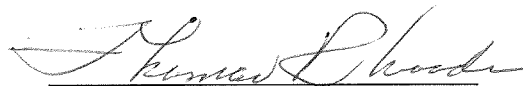
EXECUTIVE SESSION

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

The next Regular Monthly Board Meeting is set for the second Wednesday, May 8, 2019, at noon.

The meeting was adjourned.

APPROVED:



Mr. Tom Woods, Secretary