

LUZERNE COUNTY CONVENTION CENTER AUTHORITY MEETING

SEPTEMBER 9, 2020

The Regular Meeting of the Board of Directors of the Luzerne County Convention Center Authority was called to order at 12 PM by Chairman Gary Zingaretti on September 9, 2020.

The Pledge of Allegiance, led by Chairman Zingaretti, was said by all in attendance.

ROLL CALL – PRESENT: Carmen Ambrosino, Peter Biscontini (via telephone), Donna Cupinski, Neal DeAngelo (via telephone), John Pickering, Eugene Rafalli, Michelle Reilly, John Ruckno (via telephone) Anthony Ryba (via telephone), Tom Woods, and Gary Zingaretti. Also present were members of ASM Global Administration - General Manager Will Beekman, Assistant General Manager/Director of Finance Carrie Grantuskas, Director of Marketing Stephen Poremba Director of Operations Michael Wilczynski, Director of Food & Beverage Chuck Kovach, and Mary Jo Kishel of Rosenn, Jenkins & Greenwald, along with members of the media, Jerry Lynott from the Times Leader and Eric Mark from the Citizens' Voice.

CORRESPONDENCE:

Chairman Zingaretti stated that he has received two pieces of correspondence. When Ed Miller was here giving his insurance presentation, he mentioned that we had filed a Business Interruption claim with our insurance carrier CHUBB. We just received notice that the claim was denied, which is what Ed pretty much expected. A copy will be forwarded to Mary Jo Kishel for her review to see if there is any wiggle room in terms of arguments that we might be able to make back to them. There is nothing for the Board to do at this time. From what Ed Miller said it is pretty much their standard response to everyone who puts in a Covid related Business Interruption claim.

The second was a letter from Turn Key Technologies who is the company that did the WiFi. You may remember that we are holding the final \$25,000.00 of their contractual payments. They have sent us this letter as an appeal to be paid the final \$25,000.00 that has been withheld for the network project. The letter states that no one could have predicted the devastation that COVID-19 thrust upon all of us but, with your approval, TTI was afforded access to the Arena to complete the project. Our team is credited for their incredible dedication to TTI but having empowered the Authority with a ready network to help the community if called upon. You have every assurance from TTI that the network we delivered will work as designed and we will honor and look forward to monitoring the three events in our contract.

Chairman Zingaretti stated that was the sticking point for getting the final payment. They have an obligation to come to three events to make sure that their system is working as it is supposed to. Of course, we really can't test that with no events. They know that with no events for the foreseeable future and none expected until late spring of 2021 at the earliest. We would be

holding payment well past the year finish date. Turn Key states that this letter is your guarantee and hope that you will evaluate my appeal.

A discussion was held regarding this appeal. We have talked in the past about getting them to extend their on-hand technical support. We had a year in the original agreement to potentially, if we want to pay them, to extend that year and somehow tie it to the actual testing. If we can get 6 months, 9 months, or a year following that date, would we be more comfortable releasing most of the funds? The last time when we looked at this there was a portion of their original bid that related to the actual testing itself. We can still argue that we can withhold that until they can do the testing. That would only be a couple of thousand dollars. That is their ask unless anyone has anything to add, I was just going to have Carrie Grantuskas or Will Beekman reach out to them and see if they would be willing to swap an extension of that warranty for giving them the cash now as opposed to waiting a year or whatever that ends up being. Michelle Reilly stated that she thinks that it is fair for them to receive their payment now. Chairman Zingaretti replied that they have done the work and they are essentially on call for us at this point. Carrie Grantuskas stated that our IT people are in touch with TTI if there is a hiccup in anything. We have what they call their white glove service for one year, 24/7 access to their people. They have been monitoring our system, but that year will be up soon. It would be more beneficial for us to have the extension than anything else. Michael Wilczynski agreed, stating that is not like we would never see them again. Chairman Zingaretti stated that it would be a little different if it were a vendor who just came to build new sidewalks and we are never going to see them again. This is someone who we are working with now and will continue to work with. The best plan of action is to go back and see what we can get on the back end and cut them a check. Mary Jo Kishel asked if it would be one year of the white glove service following testing and acceptance. Chairman Zingaretti replied that it would be the ask. Chairman Zingaretti asked for a motion to authorize Carrie Grantuskas to contact TTI to discuss the extension and payment of some portion of the \$25,000.00. Chairman Zingaretti asked what the minimally acceptable extension be and stated that they are going to ask for one year. Michelle Reilly asked if it could be a certain number of shows because we do not know when the shows are going to happen. Maybe the first 6 shows? Carrie Grantuskas responded that it is not really a show related thing and it is a support of the whole network. Chairman Zingaretti said that they are testing the WiFi itself for three events, but they are also supporting the entire computer network in the building. So, there could be no shows, but we have an issue that we need to bring them in on because there is a computer problem in the building.

(John Ruckno just joined the meeting via telephone.)

Carrie Grantuskas will go back to the Capital Committee either way. Chairman Zingaretti asked if we can do a motion to pay the balance excluding the fee for the three events subject to an extension to be approved by the Capital Committee. Carrie Grantuskas can talk to TTI and call a Capital Committee meeting and say they will do it for whatever they agree on. The Capital Committee can agree if they think that it is a reasonable trade. It would be a motion to approve the balance less the fee associated with the three events subject to an extension of their white glove treatment for a term to be agreed upon by the Capital Committee. Gene Rafalli made the

motion and it was seconded by Michelle Reilly. Gary asked if there was any further questions or discussion on that and there were none. **ON THE QUESTION:** All those in favor signify by saying "AYE". **OPPOSED:** No one opposed the motion. **ABSTAIN:** No one abstained. The motion carries.

PUBLIC COMMENTS:

Chairman Zingaretti asked if there were any public comments and there were none.

APPROVAL OF THE MINUTES:

Chairman Zingaretti asked for a motion to approve the minutes of the August 12, 2020 regular meeting. Two clarifications were noted: Donna Cupinski stated that under the **CAPITAL IMPROVEMENTS & STRATEGIC PLANNING COMMITTEE** it should read RACP application, not Arc Cap. John Pickering also noted that John Ruckno was present.

A motion was made by Carmen Ambrosino and seconded by John Pickering to approve the minutes, as amended, of the August 12, 2020 regular meeting. **ON THE QUESTION:** All those in favor of approving the meeting minutes as amended signify by saying "AYE". **OPPOSED:** No one opposed the motion. **ABSTAIN:** No one abstained. The motion carries.

PAYMENT OF BILLS:

Chairman Zingaretti asked for a motion to approve the remaining invoices totaling \$5,596.62. Motion was made by Michelle Reilly and seconded by John Ruckno to approve the payment of bills. **ON THE QUESTION:** All those in favor of the motion to accept the payment of bills signified by saying "AYE". **OPPOSED:** No one opposed the motion. **ABSTAIN:** No one abstained. The motion carries.

GENERAL MANAGER'S REPORT:

Will Beekman reported the following:

Good morning, everyone. I guess I should start by saying that when we met last month, I told you that we were not actively pursuing any parking lot concerts, but that we were willing to listen if the right deal was to fall into our laps. And, as fate would have it, a great deal fell into our laps later that same afternoon.

This weekend we are hosting bluegrass guitar phenom Billy Strings and his full band for three concerts in our parking lot. Saturday night is completely sold out, and Friday and Sunday are getting closer to selling out each day. It's going to be a great production, and a great weekend for all involved. They are bringing in a 40' x 40' stage, 5 LED screens and a festival-grade PA

system. Interestingly enough, they decided to put the stage in a different spot this time, so they are setting up out in the parking lot near the parking booths and the stage will be facing across the parking lot towards Mundy Street. I am going to pass around a site map graphic that shows the layout for each concert.

This is an act that I have worked with in the past when he wasn't selling nearly as many tickets as he is selling today, so we're excited to have that relationship and this weekend will only make that relationship stronger.

If anyone is at all interested, or even if you're just a little too bored over the weekend, please consider coming down on Friday or Sunday to check it out. You will be blown away by the production, and especially by the musicianship.

Beyond that, it's worth noting that since our last meeting we received a request from Luzerne County to use our empty arena floor as a socially-distant space in which they can hold a tax sale on September 24th and where they can hold upcoming criminal trials in October and November, respectively.

From a programming standpoint, we had another indoor cancellation this week, as WWE has officially done away with its Smackdown Live TV event scheduled for October 30th, and we were also informed that the entire 2020 Trans-Siberian Orchestra tour is being cancelled, including the two concerts that traditionally play our building each year. So, if you're keeping score at home, that's an unfortunate 48 performances that have been either cancelled or postponed since March 12th.

We continue to stay in close contact with Jeff Barrett and the Penguins, and we hope to soon have a clearer picture on what the AHL is planning to do with its 2020 season. As I mentioned last time, they are hoping to start the season in December, but whether or not that happens seems to still be up in the air.

Other than that, we continue to work and plan for a safe reopening whenever that time comes.

Tom Woods asked how the public would be tested during the upcoming trials. Michael Wilczynski replied that there will be temperature checks, guests will enter through walk-through metal detectors, everyone is required to wear a mask, traffic will be routed one way only, no 2 people will sit next to each other; chairs will be placed six feet apart for social distancing. Arena staff will provide cleaning during the sessions as we do for events. There are 150 chairs on the Arena floor for the jury selection and auction; the seating will be changed for the trials. Michelle Reilly asked if the Authority would be compensated for the use of the space. The County will provide their own security and the Arena will be reimbursed for any out of pocket expenses.

Carmen Ambrosino asked Will Beekman if there were any states that he was familiar with that do not have restrictions, such as the ones that were imposed by the Governor of PA, that do have shows in arenas and convention centers and are doing business as usual. Will Beekman replied that he didn't think as usual, but some further south are opening their doors and doing events at a reduced capacity. That is something that we hope to ease into eventually. Carmen Ambrosino also asked about the possibility of sitting down with elected officials to gauge the temperature of

the state for reimbursement to facilities of this nature for lost revenue. Will Beekman stated that we have been pushing for this as a venue and we belong to an organization, IAVM, which has been having phone calls with venues in each state. We have spoken to Senator Casey's office urging them to assist us to be included in future funding. We are making those efforts, as best we can, to have our voices heard.

COMMITTEE REPORTS:

CAPITAL IMPROVEMENTS & STRATEGIC PLANNING COMMITTEE:

Vice Chairwoman Donna Cupinski stated that right now they are waiting to hear on the RACP grant. Everything is held up with more important things going on in the state, health wise right now. The Committee is going to try to get together for some planning that they may be able to do in this down time and get some things rolling that we have talked about. It does not make a lot of sense to spend a lot of money with the situation that we are in but there are things that we could plan for. Vice Chairwoman Donna Cupinski asked the Committee members to keep their eyes and ears open for a meeting announcement.

FINANCE COMMITTEE:

Carrie Grantuskas stated that there was nothing new to report.

LAND DEVELOPMENT COMMITTEE:

Michelle Reilly reported that the Committee did meet with Sonny Singh and his project management team as well as their attorney to go over a new proposed agreement which is still going back and forth between the attorneys at this time. We had hoped to have it for this meeting to vote and approve it but it is not completed yet and we may have a board meeting scheduled between now and then if it comes back and we are ready to approve it and have a special Board meeting just for that. We do not want to hold it up another month. We are getting close and we are working on some final details with it. Michelle Reilly asked Mary Jo Kishel if she had anything to add and she did not.

POLICIES AND PROCEDURES COMMITTEE:

Carmen Ambrosino had nothing to report at this time.

SUITES COMMITTEE:

Tom Woods had nothing to report at this time. He stated that he had a short talk with Steve Poremba and they are going to have to call a meeting because of contracts that have to be renewed. Tom Woods is leaving that up to Steve Poremba.

RIGHT TO KNOW REQUESTS:

Peter Biscontini reported that there is one request from Jerry Lynott from the Times Leader which was received on August 21, 2020. An extension was requested and was graciously granted. We are in the process of responding to that request.

OLD BUSINESS:

Chairman Zingaretti asked if there was any old business. There was no old business.

NEW BUSINESS:

Chairman Zingaretti asked if there was any new business. There was no new business.

GOOD OF THE ORDER:

There is nothing to report.

EXECUTIVE SESSION:

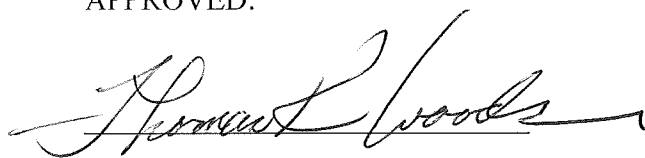
Chairman Zingaretti stated that there is no need for an Executive Session this month.

ADJOURNMENT:

Chairman Zingaretti called for a motion to adjourn the meeting. The motion was made by Tom Woods and seconded by Gene Rafalli. **ON THE QUESTION:** All those in favor of the motion signify by saying "AYE". **OPPOSED:** No one opposed. **ABSTAIN:** No one abstained. The motion carries.

Chairman Zingaretti thanked everyone and stated that he would see them at the October meeting, but if they schedule a special meeting, they will be given advanced notice.

APPROVED:

A handwritten signature in cursive script, appearing to read "Tom Woods", written in black ink.

Mr. Tom Woods, Secretary