

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, February 15, 2024

Board Members Present: Glass, Hilbert (Phone), Johnson (Phone), McCormick (Phone), Nuber, Riley, Sapienza, and G. White

Board Members Excused: Dahlkemper, Deitrick, Richards

Others Present: Charles Iverson, Terry Scutella, County Liaison, Ed Snyder, Jim Walczak; Solicitor, Ray Williams

Ms. White called the meeting to order at 3:01 PM.

INTRODUCTION OF GUESTS:

Mr. Pine introduced, Mr. Terry Scutella, Erie County Councilman, who is the new liaison for the Erie County Convention Center Authority. Mr. Scutella shared that he is now serving his third year on county council and that he is now the chairman and is enjoying the opportunity to serve the people of Erie County. Mr. Scutella said that he had a chance to take a tour of the Warner Theatre before they opened the doors after the recent renovation. He said that a gorgeous job was done with the renovations and it has become an attraction for the city.

Mr. Snyder said that we also have two new convention center, full-time employees, that are with us today. He said that Ms. Davina Matheson is a Cook #1 with our culinary team. He said that she was previously an employee with us as a part time cook. Mr. Snyder said that Betty Barber is our new Housekeeping Manager at the convention center. He said that she has been with Erie Events for about 10 years as a crew leader at the arena. Mr. Snyder said that we are excited to have Ms. Matteson and Ms. Barber join our team at the convention center.

The Board welcomed Mr. Scutella as the new county liaison and congratulated Ms. Matheson and Ms. Barber on their new full-time positions with Erie Events at the convention center.

Ms. White asked if there was any public comment. There was no public comment.

Ms. White asked for approval of the January 18, 2024 minutes.

Mr. Glass motioned to approve the January 18, 2024 minutes. Mr. Riley seconded the motion. The motion was approved unanimously.

FINANCIAL REPORT

Mr. Iverson presented the January 31, 2024, Financial Statement to the Board. He said, overall, we had a reasonably good start to the year. He said the operating venues were slightly ahead of budget by about \$5,200.

Mr. Iverson said, within each of the specific venues, the arena did have a fairly sizable shortfall that was specifically due to the fact that we had two budgeted events that did not happen in the month of January. Mr. Iverson said there was an Otters game, scheduled for January 10th, that was postponed because of an ice issue due to a power outage. He said that the rescheduled game was played on February 5th. Mr. Iverson said that the Motorcycle Ice Racing event also postponed their event, scheduled in January, due to storms throughout the Midwest. He said that the ice racing event was rescheduled to February 10th. Mr. Iverson said the shortfall that we saw in the performance in the arena was specifically a function of those two rescheduled events. Mr. Iverson said that, at the arena, we did have some additional repairs and

maintenance in the month of January with the zamboni and the brine pump repair that was needed due to the damage from the weather event. He said that these issues contributed to the shortfall at the arena as well.

Mr. Iverson said that the theater operated ahead of plan and their activity was right on budget. He said that the Dancing with the Stars event significantly outperformed expectations. Mr. Iverson said that we only budgeted about 1,000 patrons in paid attendance and that event was just short of selling out. He said due to this event, the theatre generated significant additional revenues particularly in terms of box office fees. He said that combined with some expense savings, in the salary area, that helped them push their performance ahead of budget by about almost \$30,000.

Mr. Iverson said that in the ballpark, they were within about \$5,000 of budget that is primarily timing of expense recognition, so nothing really to report there.

Mr. Iverson said, lastly, in the convention center, they operated ahead of plan. He said that their event activity was right about on budget. Mr. Iverson said that they did outperform their revenue on those events that were budgeted. He said they also had some expense savings which allowed them to push their performance up in excess of \$80,000 for the month. Mr. Iverson said, overall, not a bad opening for the year. He said that hopefully we will get all or a portion of the shortfall, that we saw in January at the arena, back next month.

Mr. Riley motioned to accept the January 31, 2024; Financial Statements as presented. Mr. Sapienza seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT

Mr. Pine said that I have several items to touch on and I will try to go through these quickly. Mr. Pine said, as Mr. Iverson mentioned, the cancelled hockey game that was in relation to the windstorm that we experienced in early January, that same storm also took out the roof at the theatre. Mr. Pine said we have talked to the insurance company regarding the damage, at all of our managed facilities, not including the hotels. Mr. Pine said that we are trying to combine them into one claim. He said that our insurance company has told us that likely is not a problem. Mr. Pine said that this will give us the opportunity to submit one claim with only one deductible, which will save the authority a substantial amount of money. He said that, part of that claim, is the fees and expenses associated with the cancellation of the hockey game. Mr. Pine said that the fees are related to the overnight stay for the opposing team that was coming from out of town for the game, along with some other incidentals. He said that we are confident that that loss is going to be covered in that claim. Mr. Pine said regarding the theatre roof, we are just about finished with the repairs. Mr. Pine said I had a conversation with Mr. Walczak, prior to finishing the roof. He said that the major damage, done to the theatre roof, was associated with the auditorium. Mr. Pine said it is the part of the roof that goes up and over the audience that became delaminated. Mr. Pine said that there was another section of the roof, that goes over the front lobby, that also had significant issues. He said when we walked that section of the roof it was very spongy. Mr. Pine said that is really concerning to me because that section of the roof is over some very elaborate interior work. Mr. Pine said we asked the contractor to give us a bid on repairing that section of the roof. He said the insurance company rejected that portion of the bid as part of the wind storm. Mr. Pine said that after reviewing it with the insurance company, we were told that it is a separate piece of the roof which makes it difficult to say that it was caused by the wind damage. He said we thought it made sense to add that needed repair as a change order. Mr. Pine said that McCreary Roofing was onsite to be able to continue with the additional repair work. Mr. Pine said I did not want to take a chance with not repairing that section of the roof and have water damage inside the 90-year-old facility. He said that we added the additional repairs needed as a change order and the work was done prior to notifying the board. Mr. Pine said that he spoke with Mr. Walczak beforehand and he said that it is within the rights of what we have to do to operate the facility so that is what we decided was best. Mr. Pine said that we will have a brand-new roof over that portion of the building, including the lobby.

Mr. Walczak said when the damage was discovered, it was really an emergency situation. He said the fact of the matter is that you have a damaged roof, it is wintertime, and results of water going through would be catastrophic.

Mr. Sapienza asked if the roof repairs are complete. Mr. Pine said they are finishing up this week. A brief discussion followed.

Mr. Pine said I have some great news, relating to 216 West Bay Front, Suite 2, which is next to Pier 6. Mr. Pine said that this week I signed a Letter of Intent with Monacella Massage. He said it is a massage therapy business that is currently located in the Renaissance Building. Mr. Pine said that we have been having discussions for several months now. He said that this is a high-end resort-style business and we think it is a great addition to what we do down here on the bay. Mr. Pine said that we have already had conversations with the hotels about packages to offer. He said that the

owner's husband runs a sailing company so there are all sorts of opportunities for us to really create that resort feel that we are looking for through collaboration. Mr. Pine said he feels this business fits perfectly. Mr. Pine said that we have been marketing that building for close to eight years now and there has been a lot of interest from lawyers and dentists but nothing, from my understanding, that really fits the objective of what we are trying to accomplish at the bayfront. He said we have already received an agreement with an architect to start the drawings for that space. Mr. Pine said that it is our intent is to have her move in January of 2025.

Mr. Pine said that this month we posted our Director of Marketing position. He said that this is a new position that was created during our budgeting process. Mr. Pine said I am very excited about this position. He said I think it is really going to take us in a new direction with some strong leadership from a marketing, branding, and communication standpoint. He said that we will start the interview process at the end of the month.

Mr. Pine said regarding the parkway construction project, there is not a whole lot to update. He said that they are still here and working through the winter. Mr. Pine said that the roundabout portion is set to start in the spring. He said that their intention is to have the project completed in 2024. Ms. White asked if the sign will come down during the construction. Mr. Pine said that we have discussed the location of the sign. Mr. Snyder has had some conversations with Brayman-Trumbull Construction, which is the contractor of record for that project. Mr. Pine said, originally, we suspected that the sign needed to come down because of the infrastructure easement and water lines. He said we are being told now that they think that that might not be the case. Mr. Pine said that, as of now, we are not going to take the sign down because it might end up being in the right spot if we can keep it there. He said we have to see where the roundabout comes through and if it still makes sense. He said it could save us a substantial amount of money from having to tear down the sign and then rebuild it somewhere else. Mr. Pine said we are going to keep the sign in its place and Mr. Snyder is going to get it in working condition due to the damage from the windstorm.

Mr. Pine said that, as part of the board packet, there is an updated contact list for all of our current board members, including phone numbers. He said that we are providing this to you, as a member of the board, to assist you in contacting other members if needed.

Mr. Pine said that our new Director of Security, Tony Ferraro, has been working with Erie City Police Department to train Erie Events security staff in ALLERT Training. He said, historically, we have done training with our staff related only to how to react to an active shooter within one of our facilities. Mr. Pine said that with Mr. Ferrara on staff, we are now doing proactive response trainings for our armed guards. He said that we will still provide training for our staff but that we are now providing training for our armed officers so that they know how to respond if there would be an active shooter. Mr. Pine said that members of the Erie City Police Department traveled to Texas and took part in this specific training in order to train officers. He said that we are the first in Erie to get this type of training. Mr. Pine said that our security officers participated in classroom training and also simulation exercises, which were held at the old Bel Air Hotel, where officers participated in active shooter situational training. Mr. Pine said that training will be ongoing for the next month or so in small groups. He said that once all the training is complete, all of our armed security personnel, on our staff for Erie Events, will have been trained. A brief discussion followed.

Mr. Pine said, lastly, I am sad to inform the board, that a former, original board member of the authority, Carney Metzger, recently passed away. He said that the authority has made a donation to the Lions Club, in memory of Mr. Metzger. Mr. Pine said that our thoughts and prayers are with his family.

Ed Snyder said three of our hotel sales team associates have won a prestigious Chairman's Award from White Lodging. He said they are all White Lodging employees and work for our hotels. He said this award was given out to the top 10% performers in 2023 from event management, marketing, sales and revenue management of all White Lodging properties nationally. Mr. Snyder said the three winners from our Erie team are Brianna Massari, Taylor Buffalari and Erica Mohny. Mr. Snyder said in addition to the national recognition, they have won an all-expense paid three nights trip to Brush Creek Ranch in Wyoming. He said that we are very proud of them and the work that they do with our sales team here at the convention center.

Mr. Snyder said that the convention center's senior sales association manager, Amy O'Connell will be attending a few national conferences and trade shows this spring to gather leads for the convention center. He said in the management report, you will see there is a lot of good stuff in the fall of 2025 and beyond. He said we are proud of what she has accomplished. Mr. Snyder said she will be in Bethlehem, PA; Las Vegas, NV, and in Omaha, Nebraska in the spring to bring national and regional association conferences to Erie.

Mr. Snyder said we will start phase two of our Bayfront Landing campus landscaping project. He said in 2024 we met with our team, specifically Neal Wurst our chief mechanical engineer, with a plan on how we are going to lay all that out. He said this year, we will be tackling the landscaping at the entrance to the Courtyard and Bay House Restaurant, the front parking lot islands and garage entrance of the convention center. He said that we will finish the two smaller sections

at the Sheraton. Mr. Snyder said that in 2025, phase three will begin with the East walkway at the convention center and the Sunset Terrace. Mr. Snyder said that they will also start the seawall and scallop repairs.

Mr. Snyder said I did include a marketing summary in my management report for the Bayfront Landing. He said if you have any questions on those figures, please let me know.

Mr. Snyder said I want to give the board advance notice that I intend on taking paternity leave. He said that my wife and I are expecting our first child the end of March early April. Mr. Snyder said that he will be out for a little bit, but is excited for the team to run things while I am on leave. He said he wanted to thank the Erie County Convention Center Authority Board, Mr. Pine and Ms. Danielle Weaver, Director of Human Resource, for the new added benefit of Paternal Leave and Care Leave for all full-time Erie Event employees.

Mr. Glass said you mentioned the seawall and just painting the scallops. Mr. Snyder said there is some damage over on the east side by the marina. He said that it was in pretty rough shape and that the various 18 scallops around the corner and a lot of the concrete and the stone has washed out. Mr. Snyder said that our in-house maintenance team will backfill some of that this year with loose material. He said we did a couple a few years ago behind the Courtyard. Mr. Snyder said they put new concrete to fix the damage. He said it is holding up really well. Mr. Snyder said we want to continue that work around the convention center so we do not lose any more of that landscaping.

Mr. Riley said he wanted to mention to the board and Mr. Pine that him and his wife are members of the Broadway Theater League. He said that we went to the production of Annie last night at the Warner Theatre. He said I don't know if anyone else has seen it, or saw it last night but that if you have not, you should go tonight. Mr. Riley said it is as good of a show as I have ever seen in Erie. Mr. Riley said the production was absolutely incredible, it was like you are on Broadway and on top of that you are in a beautiful new facility.

Mr. Pine said he had one last thing to report to the board. He said we discussed, at the last board meeting, that Dan Pora, longtime general manager at the Sheraton, has moved on. He said that since that meeting, Stacy Tupek, who is the general manager at the Courtyard, has been promoted to take over as the general manager at the Sheraton Hotel. Mr. Pine said he wanted to congratulate Ms. Tupek. Mr. Pine said there are some internal candidates to fill the general manager position at the Marriott Courtyard and they are looking externally, as well. Mr. Pine said I am hoping by the next board meeting that we will have a full roster of general managers and assistant general managers at our facilities.

Mr. Glass motioned to accept the Management Reports as presented. Mr. Nuber seconded the motion. The motion was approved unanimously.

OLD BUSINESS

Mr. McCormick, Chairperson of the Construction Committee, shared that the Sheraton Renovation Project seems to be on schedule. He said that the rooms will be finished the third week of March. Mr. McCormick said that the restaurant is moving right on schedule.

Mr. Pine said we were supposed to get the fourth floor back on Friday. He said that there has been a delay in the construction, by a couple days, but that it is nothing to necessarily be concerned about. He said that those rooms were not needed from the hotel, due to occupancy levels, until this coming Friday. Mr. Pine said that the restaurant is moving along extremely well and that its completion date is right on target. Mr. Pine mentioned that we are also looking at the rebranding of the restaurant. Mr. Pine said that the hotel is leading the charge on that and the management company that they have hired. He said that they have hired a new manager for the restaurant which is elevated to a general manager. He said they will be hiring an executive chef for the restaurant as well. Mr. Pine said we are working right now on a new name for the restaurant. He said that we are working with Tungsten, a local company, to help with that project. He said that White Lodging is obviously involved along with myself, so we will see where that goes. Mr. Pine said I am excited to get the new restaurant name and start working on rebranding. He said we are really looking to elevate the restaurant to another level. Mr. Pine said that the restaurant will open the Friday before the Eclipse on April 8th which will be a good time with a lot of visitors coming to town. Ms. White asked if the rebranding or renaming will be tied in to our Bayfront Landing. Mr. Pine said absolutely, it will tie in with the area's history. He said the menu will have a coastal theme.

Mr. Riley asked if there was anything new regarding the windows at the Sheraton that have lost their seal. Mr. Glass said, as far as the replacements, they have taken a count. Mr. Pine said the property identified 100 windows where gases leaked between the two window panes and caused it to vaporize. He said I am assuming we are going to need to replace half of them. He said we currently have one bid and we are going to get at least another bid for a cost to replace.

Mr. Pine said, as part of replacing the windows, we want to make sure that we repair the caulking issues on the outside as well. He said that the best time to do that, take the window out and check and repair as needed, cannot be done until we have, at least, 50-degree weather. Mr. Pine said we will get the additional bid to make sure that we are paying the right price for the glass and then we will bring in a company and have them complete both parts of that project. He said we are confident that they can probably start this spring. Mr. Pine said obviously the summer is going to be tough from the standpoint of occupancy for the hotel so we definitely want to do it in the spring.

NEW BUSINESS

Mr. Pine said that when the Courtyard Hotel was built, it doubled our room count and made it viable to do conventions. He said its location ended up creating a challenge for guests. Mr. Pine said, often when we have conventions or even when we have summer business, we have people that know each other who could possibly be staying at one or the other hotel. He said that often times, the Sheraton guests come over to have drinks at the Courtyard and vice versa. Mr. Pine said that during the winter, it becomes difficult when those two hotels are 24/7 businesses. He said that the Convention Center is not a 24/7 business. Mr. Pine said, at some point and on many days, if there is no activity, we lock the doors to the convention center, which means if somebody comes across the bridge, they have to finish their trek outside if the doors at the convention center are locked. Mr. Pine said that obviously the weather can be cold and snowy or it can be raining in the summer. He said that there are a lot of times where that becomes a guest service issue and Ms. Stacey Tupek and Mr. Dan Pora used to hear a lot about that from customers. Mr. Pine said to solve that problem, we added a temporary gate. He said we just ended up taking the door out and created a gate system. Mr. Pine said that the gate was flimsy at one point and we had kids in the summer get through because there was not a good way to secure it. He said that they went into the convention center and did some damage within the building. Mr. Pine said Mr. Snyder and himself discussed what long term solution could be done that would look like it belongs and does not look like we are just pulling a gate and using a bike chain to secure. Mr. Pine said that Mr. Snyder got a bid on the project. He said that they have found a product that looks like it belongs. Mr. Pine said that the bid is around \$60,000. Mr. Pine said I took that bid to HVS which is our asset manager for our hotels. He said HVS shared that this is essentially an expense that should be spread out among all three properties. Mr. Pine said it will be close to a \$20,000 capital expense for each property. Mr. Pine said what I am asking of the board today is to approve adding to our capital budget, \$20,000 for the convention center and \$20,000 for each hotel property to make sure this project happens and we are able to take care of our customers.

Mr. Glass motioned to increase the Capital Budget for the Bayfront Convention Center, Courtyard Marriott and Sheraton Hotel for the Convention Center Security Partition Project; Mr. Riley seconded the motion. The motion was approved unanimously.

OTHER BUSINESS

Mr. Sapienza asked if we ever received an update on the stormwater bill. Mr. Walczak said he never heard a thing.

Ms. White said John Oliver from Visit Erie will be at our March board meeting to share some information and updates about the Eclipse activities for April 8, 2024.

ADJOURNMENT

Mr. Sapienza motioned to adjourn. The motion was approved unanimously.

The meeting adjourned at 3:32 PM.

