

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, September 18, 2025

Board Members Present: Dahlkemper, Deitrick, Glass, Hilbert, Johnson, Nuber, Richards (Teams)
Riley, Schmitt, White & Zaphiris

Board Members Excused:

Others Present: Gus Pine, Jim Walczak; Solicitor; Neal Wurst, Steve Morvay & Ray Williams

Ms. White called the meeting to order at 3:00 PM.

INTRODUCTION OF GUESTS: None.

MINUTES FROM PREVIOUS MONTH:

Ms. White asked for approval of the August 28, 2025, minutes.

Mr. Glass motioned to approve the August 28, 2025, minutes. Mr. Zaphiris seconded the motion. The motion was approved unanimously.

PUBLIC COMMENT: None.

FINANCIAL REPORT:

Mr. Pine said, overall, for August our event activity was in line with budget expectations. He said the ballpark, the arena and the amphitheater all performed better than expected. He said there was one budgeted concert, Nate Bargatze, that occurred in the arena. He said the attendance was over 7600, essentially a sellout. He said that event did drive the performance in that venue.

Mr. Pine said the financial closeout activity for 8 Great Tuesdays hit the amphitheater P&L. He said we showed a modestly better than budgeted performance in the month. He said, year-to-date, the amphitheater has performed well over budget expectations with strong sponsorship and beverage sales driving the performance there. Mr. Pine said as this is our first full year running the venue we are going to do an in-depth review of the financials over the next month or so as we closeout activity. Mr. Pine said I'm encouraged by what we see, but obviously it's the first time running that venue, we want to make sure we are appropriately accounting for all the expenses that are essentially transfer expenses. He said that all the staff that is working at the amphitheater is either convention center staff or from our other venues up the street. Mr. Pine said, to this point, all indications are positive that that is performing better than expected.

Mr. Pine said the performance at the ballpark was modestly better than expected as well in August. He said that it is driven by some reimbursable wages related to the event activity that occurred in the month, all baseball season associated events.

Mr. Pine said at the theater and the convention center, those two properties missed budget both by approximately \$23,000.

Mr. Pine said typically the activity in the theatre during the month of August is usually all private events. Mr. Pine said this year's mix of events produced lower than expected beverage revenues, which was the main contributing factor. He said, in addition to the lower-than-expected beverage revenues, there were some high box office fees that were incurred in the month. Mr. Pine said to understand that, essentially box office fees are incurred within the month that the tickets are bought, not within the month that the tickets are used. He said we have several events on sale for the Warner for the fall as well as the winter, so we are incurring those box office fees associated with revenue for future months. Mr. Pine said that will right itself out as the year finishes up.

Mr. Pine said at the convention center their miss of \$23,000 was driven by weaker than expected food and beverage revenues. He said the major contributor to that was the Erie Chamber event, which is happening next week. The event was budgeted at the end of August. He said that is a 500-person event so that is the major contributing factor there. Mr. Pine said I will say that from a positive standpoint, while the revenues for the month at the convention center were down by \$60,000, the team did a great job in mitigating the bottom-line shortfall. He said that was despite having over \$15,000 in unbudgeted maintenance issues that they had to deal with. He said congratulations to the convention center team on that.

Mr. Pine said, over the first eight months of the year, event related revenue in our venues, which is about \$12 million combined, is 3% higher than previous year. He said so from an event activity standpoint, we are doing very well. He said the overall negative performance that you will see at the bottom line to budget can almost exclusively be attributed to several of the unbudgeted factors that we have discussed here previously in Mr. Hesch's reports. He said legal and professional fees that have been associated with the zoo collaboration and the market studies that we are doing in association with the future CRIZ projects that we have planned. He said interest expense overages are due to the delayed closing of the current RACP grant that we have at the stadium club. He said we still have half of that grant that still needs to come through. He said that is a \$6.5 million-dollar remaining loan that we have in place that we are currently paying interest on. He said we are close to closing that out. Mr. Pine said it is with the auditor now for the State's final review. Mr. Pine said it is just unfortunately a slow process that is out of our control. Mr. Pine said we have talked about this in the past as well, related to expenses for the necessary improvements that we have had to make to create redundancy within our IT department. Mr. Pine said additionally, we have had about \$100,000 in unbudgeted and unexpected repairs in total across our venues. He said those factors have driven up the expenses for the year. Mr. Pine said, I will say, it is notable that our 3% increase in revenues over previous year is built on top of a year that was significantly higher in the past. He said we are well beyond the impact that we were having from an event standpoint related to the global pandemic. Mr. Pine said it is just those items that I mention here; unbudgeted and unexpected expenses that is impacting our bottom line.

Mr. Pine said, looking at the remainder of the year, event activity for the last quarter is expected to remain strong. He said at this time I do not think there is any need to make any sort of positive adjustment to our year end forecast, mainly because of those expenses that I mentioned. He said some of those are large ticket items, and we are not going to be able to make that up, although the event activity is strong in the last quarter.

Ms. Dahlkemper said I have a question about the zoo expenses. She said I know they have been minimal, but there have been some legal expenses. Mr. Pine said, yes. Ms. Dahlkemper said where are they categorized at this point. Mr. Pine said they are categorized under legal and professional services. He said you will not be able to pull it out. He said it is on a financial detail, but all that rolls up, as do the feasibility studies that we're doing under professional and legal services. A brief discussion followed.

Ms. Dahlkemper motioned to accept the August 31, 2025, Financial Report as presented. Mr. Glass seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT:

Mr. Pine said we started talking about the zoo and I'll touch on that first. He said Mr. Walczak did a good job of indicating where we are related to the documents, which is the most important next step. He said another resolution needs to be created that will go in front of Erie City Council. He said they will need to pass that at the same time; those documents will need to get to this board for passage as well. Mr. Pine said we are having some conversations about the particular timing of whether ours happens first or goes to the city council first. He said I think it kind of runs a parallel course. Mr. Walczak said it is not required that one go first or the other. He said they both have to be approved by this board and by city council. Mr. Walczak said our timing is probably a little different than their timing. He said they also have certain notice requirements that we don't have. Mr. Walczak said it will just be how things work out. He said hopefully everyone agrees that the documents reflect the deal accurately and fairly, and we will move forward and be in a position to implement it as of January 1st. Mr. Pine said the documents are very thorough and I think we all agree that they address the intentions of the conversations that have taken place up until now. He said there should be no surprises. Mr. Walczak said there is a separate document that is being worked on that does not relate to the city. He said it relates to the Zoological Society. He said it is our agreement with the Zoological Society to manage the zoo on our behalf. He said it is essentially a replacement of the existing management agreement that Erie City presently has with the Zoological Society. He said that it is a one-page document from 1964. He said this one will be considerably more detailed. Ms. White said is it fair to say that we will probably be comfortable with those documents for our October meeting, or will we need to consider having a special meeting from a timing standpoint. Mr. Walczak said October is a possibility but even November would probably still work.

Mr. Pine said in anticipation of this taking place January 1st, I hosted a town hall with the zoo staff last week. He said there was probably 40 zoo staff members in attendance. Mr. Pine said I started out with a review of my personal history. He said I went into some depth of Erie Events as an organization. Mr. Pine said, of particular note, I reviewed our history as before we were a county authority we were a city authority. He said many of the things; long before my time, but many of the things that this board and our organization had to deal with from a funding standpoint, a lot of what they are going through matches the history of this organization. He said there was probably 30 minutes of Q&A. Mr. Pine said I think they asked a lot of good questions. He said it is a very personal view from the staff members of what this means for me was essentially some of the questions I was trying to answer. He said I think we did a good job of identifying the fact that we will be looking for a management agreement. He said it is not a management agreement that is that dissimilar to the ones that we have with our hotels, where we own a specific property, we lack very specific expertise within the business that happens on that property. He said we would be looking for the Zoological Society, based on the expertise they have shown that they have, to be able to rely

on them to execute a proper zoo that fits the size of our city. Mr. Pine said, so by and large, I think there were some good questions from their standpoint. He said I walked away with the opinion that I think they have a much better understanding of what our intentions are and why we are doing this. Mr. Pine said some of the history that ties into our mission as an organization fits very well. He said I think it was good for them to hear our intentions from our standpoint. He said I let them know, this is not a merger, this is not a corporate takeover that this is a collaborative partnership. He said I think we set the ground nicely with that meeting. He said that we are anticipating a January start.

Mr. Pine said the Sea Wolves are home tonight and tomorrow, looking for a three-peat as Eastern League Champions. He said they do need to win tonight and tomorrow so if you can go out and cheer them on, please do so.

Mr. Pine said, related to the Otters, they start their season Friday on the road, and they are in Erie on Saturday for their home opener. He said they will have their fan fest, which the Otters have done for a few years now, to kick off the new season. He said the fan fest will happen in front of the arena. Mr. Pine said in anticipation of the start of the season we did a joint media day with them. He said, typically, they have done that separately, but we decided to do that together this year. Mr. Pine said that it was at our request because we have things like a new ticketing system and we wanted to get information out into the media. He said we have, obviously, announced it already but we wanted one more avenue to be able to disseminate that information related to the ticketing system. Mr. Pine said we talked about some of the things that we were doing to help keep the team, particularly the weight room and some in-game production. Mr. Pine said we have made some investments and are working with the Otters to create a better in-game experience for fans. He said we invited all the premium suite holders, the PSL holders and the Otters season ticket holders to media day and obviously the in-game experiences really speaks to them. Mr. Pine said a lot of positive comments came from that. He said the last item was moving to a 90% package product for beverages within the arena. He said the purpose of that being speed of service at our concession stand so I reviewed that as well. Mr. Pine said the Otters coach was there as well as the owner representative and the general manager. He said there was a lot of hockey conversation and, overall, the event went well. He said there was probably between 300 to 350 people there and we had decent media coverage as well.

Mr. Pine said Mr. Snyder will give a very brief update today about the convention center expansion study that we are doing. He said, however, we will be prepared in October to present the final results of both the feasibility of expanding as well as some design ideas that we are working on with our consultant. Mr. Pine said we have attached an architectural firm in conjunction with that study to be able to draw what it could potentially look like. He said we have expanded those drawings to give a broader look at the entire campus as well. Mr. Pine said we have requested to host October's meeting at Mr. Walczak's office, MacDonald Illig, since they have the best arial view from the seventh floor of the area that Mr. Snyder is going to review in detail at that meeting. He said I thought it made a lot of sense to host the meeting in their board room. Mr. Pine said the other thing that I like about that is it is the best spot to see the progress related to the Bayfront Parkway. He said you can see a lot of dirt moving around from the ground level view but looking out from the McDonald Illig office, you really get a sense of the progress that is happening.

Mr. Snyder said to pick up with what Mr. Pine was saying we have been having bi-weekly calls with C.H. Johnson about the feasibility study. Mr. Snyder said Ms. DiLuzio, our Assistant General Manager, and myself have been talking a lot about the demand from our customers. He said we provided a lot of data, particularly for the 2023 and 2024 fiscal years. He said they were extremely busy years here at the convention center. Mr. Snyder said we looked at a lot of potentially lost business because of our size limitations so the feasibility study is looking at additional meeting rooms and additional flexible space that could potentially add a ballroom or expo hall and expanding the existing expo hall. Mr. Snyder said hopefully we will have all that buttoned up in the next couple weeks for us to review, and then we can present it at the October board meeting. He said we just reviewed some of the renderings that go along with that. He said they include the expansion of this building and a potential parking deck. Mr. Snyder said it also shows the expansion of the Courtyard garage and the Market House.

Mr. Snyder said we are meeting here at the convention center on October 7, 2025, with all our businesses down here on the Bayfront, from the Hampton Inn all the way over to the Cobblestone and the Sloppy Duck to talk about ways that we can promote that the Bayfront businesses are open and accessible during the parkway construction project. He said the Erie Regional Chamber did a nice post on social media about our businesses on the waterfront. He said Mr. Tim Sedney and Hidden Harbor did a nice video sped up of driving on the Bayfront, promoting the ease of getting here. Mr. Snyder said we are going to meet and see how we can collaborate as business owners. Mr. Snyder said the Port Authority is involved along with Visit Erie with all the business centers down here so we will try to collaborate and push that positive message that it is easy to get down here. He said we are really concerned about 2026, the summer, the restaurants, local social activity here at the convention center, weddings and things like that. Mr. Snyder said our out-of-town guests don't know what they don't know, so we are not as concerned about them, but the folks here in Erie County have a perception that it's difficult.

Mr. Snyder said we just hosted Comic Con last weekend, and it was the first time Erie Events had run that event, since we took it over from Erie Promotions. He said we were up on attendance and floor revenue, which is our booth and vendor sales. Mr. Snyder said we worked with First Student to provide shuttles from Liberty Park. He said they have been a good partner for those shows, and we heard very little complaints about construction.

Mr. Snyder said we rolled right into the Shale Insight Conference this week, which also went well. He said a lot of security was needed for that event, and Tony Ferraro's team did a great job of adding metal detectors in the 11th hour and adjusting security for their needs.

Mr. Snyder said just to touch on Tall Ships, attendance was slightly down from our perspective. He said we have not received an official number from them, but we did manage to scrape by and get to our food and beverage concessions budgeted number, which was a win for us, and we had four ship receptions that went very well.

Mr. Snyder said at Rebich Investments Amphitheater, we have the Heart Walk tonight and the Westmoreland County Community Band on Sunday, and we'll wrap up our event season at the amphitheater. He said there might be one or two more car shows as well on Mondays, but they have extremely low impact.

Mr. Snyder said a lot of things happening on the Bayfront, mostly positive. A brief discussion followed.

Ms. White said I just want to add a couple of things to both of your reports. She said the event that the Jefferson Educational Society had on Tuesday at the arena, everybody who I was talking to said it was a world-class experience at our facility. She said they could not say enough, not even just about the atmosphere in the building, but our people and our staff. Ms. White said I want to commend Mr. Tony Ferraro and his security team with their handling of 8000 people. She said no one was bothered, upset or put out. She said I just wanted to give a shoutout to our facilities and to you and to the team and make that public acknowledgement. Ms. White said we are demonstrating that we are a world-class facility in everything that we do.

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

OLD BUSINESS:

Mr. Glass, Construction Committee Chairperson, said the Sheraton Window Project should start again in the month of October.

Mr. Glass said the Courtyard Renovation Project goes out for bids on October 1st. He said there is a three-week bid period, and we are looking at an early December start date. He said, in the meantime, our project manager, Ms. Shelley Buehler and Gus Pine have to order the furniture, the wall covering and the carpeting for the project. Mr. Glass said the furniture is a 14-week lead time, so it puts it into the end of the year, first part of January.

Mr. Glass said we are still completing the drawings for the Market House. He said they are 95% complete. Mr. Glass said we met with the architect a couple of weeks ago and made a few changes. He said we got rid of the exterior stairway that sat in front of the eastside tenant front door and incorporated an interior stairway. Mr. Glass said I think it is probably wise due to snow and weather down here seven months out of the year. He said we put in a freight elevator to service the second floor, and we are working on potential tenants for retail space number two. He said it's moving along very well.

Mr. Glass said the Courtyard Ramp Expansion Project will go out for bids in three weeks, with hopefully a construction start date around December 1st. A brief discussion followed.

Mr. Pine said and related to both the Market House Project and the Courtyard Ramp Project, we are seeking CRIZ funding for the ramp expansion and seeking additional RACP funding for the Market House. He said just generally speaking that process is going well. Mr. Pine said I mentioned this previously, we have brought Mr. Iverson back to consult with us. Mr. Pine said he is handling the documents for us for those projects. He said we just had a meeting with the governor's office earlier today to talk specifically about the RACP. He said that round closes on September 23rd, so we are in pretty good shape here to get the financing in place as we move along with all the elements related to pre-construction. Ms. Dahlkemper said what is the tentative schedule for the Market House to go out to bid. Mr. Glass said it will go out to bid probably right around the first of the year. Ms. Dahlkemper said then that whole area would have to be vacated by PennDOT. Mr. Snyder said yes, and they are aware of that. He said they have been good partners.

Mr. Glass said I do have a question about the easement with Penelec. He said, has there been any movement on that. Mr. Walczak said we are still trying to get Penelec to pay attention to us. He said they have not been very cooperative at all. Mr. Walczak said I am trying to get the name of the lawyer there to talk to which has been a challenge. Mr. Glass said did you have a chance to talk to Urban Engineers. Mr. Pine said yes. Mr. Glass said about the survey and the PA One Call. Mr. Walczak said the issue is that there's Penelec easement that's very poorly drafted. He said depending on how you look at it, it may impinge upon the footprint of where we want to put the building. He said we are not talking about more than a foot or two, but we need to work that out and make certain we don't have a situation where we are in an area where they have an easement.

Mr. Richards said has there been any recent conversation with the Transportation Department on the pedestrian bridge for Sassafras. He said I had a meeting with the Secretary of Transportation, we have the commitment, we know what cost we're going to share in that for the elevator, but now that we are getting close to construction beginning on the Market Place, those two facilities have to agree with one another on how they meet on the ground level of where the Bayfront is. Mr. Richards said I have not been privy to any conversations in the last six months on that and I was interested in where that stands. Mr. Pine said it has probably been about six months since I have had conversations with them. He said the last conversations we had were related to design of that bridge, along with where specifically it was

going to drop, and they have indicated exactly where they need that to fall, which is why it is so important that we place the building where we currently have it placed. Mr. Pine said I do need to reach out to them based on this easement issue. He said I have concerns that this easement would potentially fall within where their steps will come down. He said that would be an issue, so I need to connect PennDOT and Penelec to be able to identify that. He said I don't know if they have an easement signed, if they have even contemplated that yet. Mr. Pine said I will probably have a better update for you once I contact PennDOT to have that discussion. Mr. Richards said let me know if you need any help, because I'll be happy to go back to the Secretary of Transportation. He said we had a firm commitment, and I was in a CRIZ meeting yesterday, and there was some discussion that if we were not ready the Holland Street pedestrian bridge would take priority over ours. He said that's not what we want to have happen.

ADJOURNMENT:

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

The meeting adjourned at 3:42 PM.