

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE SPECIAL MEETING OF
THURSDAY JANUARY 21, 2021**

A special meeting of the Board of Directors (the “Board”) of the Berks County Convention Center Authority (the “Authority”) was called to order at 7:00 a.m. in the SMG Board Room, Santander Arena, 700 Penn Street, Reading, Pennsylvania.

The following members were present:

Mr. P. Michael Ehlerman
Mr. Michael J. Gombar, Jr., Esquire
Mr. Michael Fiucci
Mr. Izzy Gonzalez (via telephone)
Ms. Michele Richards
Dr. Rodney Ridley
Mr. John Ernesto

The meeting was chaired by Mr. Ehlerman.

Also present:

Mr. Matthew Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.
Mr. David Farrar, Reading Royals

The Chairman declared that a quorum was present and proceeded with the meeting.

PUBLIC COMMENTS

There were no comments from the public.

APPROVAL OF MINUTES

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of December 17, 2020 were unanimously approved.

ROYALS FINANCIAL REPORT

Mr. Farrar advised the Board that the Reading Royals will need a cash infusion of approximately \$60,000 to cover its expenses through the end of February 2021. He noted that the Royals applied for the second round of PPP loans, which will be about \$70,000, but the loan application has not been processed and approved yet. Mr. Farrar further advised the Board that if the Royals received the \$70,000 PPP loan that would cover the Royals expenses through the end of April 2021.

ASM GLOBAL FINANCIAL REPORT

Mr. Farrar advised the Board that ASM will need a cash infusion of approximately \$211,000 to cover its expenses through the end of March 2021. He further advised the Board that ASM's expenses continue to be approximately \$112,000 per month.

MINORITY INVESTMENT INTEREST

Mr. Ehlerman advised the Board that he was recently contacted by, Mr. Phil Eichinger, an individual who was interested in purchasing a minority ownership interest in the Reading Royals. Mr. Eichinger had previously tried to purchase the Royals when the team was sold to Jack Gulati. After missing out on purchasing the Royals, Mr. Eichinger had an ownership interest in Jacksonville's ECHL team until they were sold. Mr. Eichinger advised Mr. Ehlerman that he is currently looking at a potential investment in either the Royals or the new ECHL team being formed in Savannah, GA. Mr. Ehlerman advised the Board that Mr. Eichinger would contribute a few hundred thousand dollars for a minority interest in the Royals. The Board noted that the only way it would accept a minority owner is if such owner would be willing to share in the downside of the Royals and contribute to any losses sustained by the team. After some discussion, the Board authorized Mr. Ehlerman to continue discussions with Mr. Eichinger to see if he would be willing to share in the team's losses as a minority owner.

HOTEL TAX RECEIPTS

Mr. Ehlerman provided the Board with an update on the hotel tax receipts. He advised the Board that the hotel tax receipts for the month of November 2020 were 50% lower than in November 2019. He noted that there appears to be another downturn in the hotel tax occupancy in the past month or two and noted that the Doubletree is currently only at 25% occupancy.

ASM GLOBAL UPDATE

Mr. Farrar advised the Board that he had received a ASM Reactivation Plan from ASM titled the "Return to Fans Plan." He advised the Board that the plan covered various different topics on how to reopen the Arena when permitted to do so under the COVID restrictions. He noted that a lot of the information in the plan dealt with touchless items and other cleaning duties related to COVID. He advised the Board that the Arena has purchased most of the items needed for the touchless and cleaning protocols using the \$508,000 grant it received from the County. He further noted that the Arena would be ready to reopen when permitted to do so under the Governor's orders.

SOLICITOR'S REPORT

Mr. Mayer had nothing to report.

CHAIRMAN'S REPORT

The Chairman noted that the Board was going to go into an executive session to discuss a contract matter and that the meeting would reconvene after the executive session.

After the executive session, upon a motion duly made and seconded, the Board approved the outline of the proposed Amendment to the ASM Management Agreement subject to: (i) the proposal that all employees of ASM be free to accept employment with the Authority upon the termination or expiration of the ASM Management Agreement and (ii) the formal Amendment document being prepared as soon as possible.

There being no further business before the Board at the public session, the Chairman announced that the next regular meeting of the Board would be held at the Santander Arena at 7:00 a.m., on February 18, 2021. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.