



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

April 20, 2023

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on April 20, 2023 at 5240 Knowledge Parkway, Erie, PA 16510. Legal Notice of the meeting was given through an advertisement appearing in the Erie Times-News. The meeting was called to order by the Vice-Chair at 8:39 am.

ELECTION OF OFFICERS

Mr. Cleaver: Mr. Chairman. I make a motion that we continue with the same officers that we had in the year 2022 through 2023; the same positions if there's no objection. I, as treasurer, have no objections. I can't speak for the rest.

Ms. Hess seconds the motion. There is no further discussion of the election of officers. Motion carries 5-0.

ROLL CALL

Mr. Cleaver, Mr. DiPaolo, Ms. Hess, Mr. Oberlander, and Mr. Winschel are present in person. Mr. Barney is present via Zoom (arrives late). Mr. Wachter and Mr. Smith (arrives late) are present via zoom. Dr. Wood is present in person.

APPROVAL OF THE AGENDA

Mr. Cleaver makes a motion to approve the agenda. Mr. Winschel seconds the motion. There is no discussion of the agenda. Motion carries 5-0.

APPROVAL OF MINUTES – March 2023

Mr. Cleaver makes a motion to accept the minutes as presented. Ms. Hess seconds the motion. There is no discussion on the minutes. Motion carries 5-0.

DIRECTOR'S COMMENTS

No member of the Board has a comment at this time.

COMMENTS BY THE CHAIR

Mr. DiPaolo, Vice-Chair acting on behalf of Mr. Barney, has no comments at this time.

PUBLIC COMMENT

There is no public present for comments.

PRESENTATIONS

There are no presentations at this time.

Let the record reflect that Mr. Barney has joined the meeting.

Mr. DiPaolo: Mr. Barney, would you like to take over or would you like me to continue?

Mr. Barney: You can continue. Thank you.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Cleaver: Thank you, Mr. Chairman. We finished the year really good. We had about four or five items that were overspent which we didn't have much control over. One was the accounting fees, web design, subscriptions and dues, and meetings. I don't know how meetings got overspent because I didn't eat anything but bologna! Insurance increased a little bit, but overall, the year finished up very well. That's basically all I have to say and now we will move on to 2023 with a new budget. That's the end of my report, Mr. Chairman.

Dr. Wood: Can you talk about how you've worked with the auditors?

Mr. Cleaver: The auditors called me. They have begun the audit and they called me with a couple of questions. They have indicated to me that everything is fine and in order. They may have to do an extra audit this coming year because of the ARPA money. They have to do that if we spend any of it and we're at that point. By law, we have to do that and so it's going to cost us a few more bucks to have them come in and do that. But other than that, they said everything's fine.

Mr. DiPaolo: You're doing good, Whitey.

Dr. Wood: So, we'll have them here in May to present a draft audit.

Ms. Hess makes a motion to accept the Treasurer's Report as presented. Mr. Oberlander seconds the motion. There is no further discussion of the Treasurer's Report. Motion carries 6-0.

- b. Strategic Planning Committee: Dr. Wood: What happened at Strategic Planning was the discussion of the Community Assets for Arts, Culture, and Heritage, and that will be addressed later in Resolution Number 7.
- c. Update from County Council: Mr. Shank is not present to give an update.
- d. Update from County Executive's Office: Mr. Smith is not present to give an update.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Good morning, everyone. I'll give a brief report that correlates with the packet on the Board site. You have the communications report and can see what has been going on and the strategy there. You'll see the press release, as well as the event that we did following last month's Board meeting for Special Events. The Strategic Planning, of course, met to discuss Arts, Culture, and Heritage. Then I like to include letters of appreciation and we have one in here from Mercy Hilltop Center thanking us for one of the grants that we gave to them.

Then you'll see the news. There is a piece from the Times about Infinite Erie and the role that ECGRA has played in that, as well as some articles from the Corry Journal about Renaissance Block, Special Events, and Mission Main Street. I'll end there and see if you have any questions.

SOLICITOR'S REPORT

Mr. Wachter is currently traveling for work, but has nothing specific to report at this time.

OLD BUSINESS

- a. Executive Director Contract Renewal

Mr. Cleaver: Mr. Chairman, I've got a comment in reference to that. Last month, we approved the employee's increases. It seems that we're supposed to negotiate, or we should negotiate, every three or four years with Perry. I can't remember negotiations for salary since I've been here. We don't really sit down to talk. So, I took some time to talk with Perry about this because I feel we should get this out of the way. I mean, I'm not real happy with the way the last meeting went. Regardless, I talked to Perry and made a couple of suggestions and he sort of agreed with me and if the Board would agree, maybe we could move on with this.

My major change was that he would receive a 3% increase this year, which I believe is already done because we passed the budget. But in the future years, I think that we shouldn't put a number in there. I think we should negotiate that. If it's a good year, fine. If it's a bad year, fine. But to just set a number like 3% or 2.5% or the social security rating, I just think that puts us and the other Board members into a bind.

So, what I would like to do if the Board approves, I'd like to renew Perry's contract, and I've talked to him about it, and I'll let him comment if he has anything to say. But I would like to move

on with an extension of Dr. Wood's contract with the stipulations that on a year-to-year basis we review any increases in salary.

Ms. Hess: I'd like to comment. I obviously voted against tabling this last month, so I wasn't in agreement last month. I believe that now more than ever, if you have been paying attention to the news, and I'm sure you all have been, I have noticed on a pretty consistent basis that the County Executive's office is talking about ECGRA funds in regards to public safety. Not that I disagree with that. But I think there is a bigger picture here that, as the ECGRA Board, we need to take a look at.

There are a lot of organizations in our city and our county that rely on ECGRA for this money. And I'm not necessarily saying that has to be a priority, but I think to stabilize leadership in ECGRA, to make sure that these organizations over the next "X" number of years have the support that we have been able to give to these really important organizations. I think it's something that we as a Board really need to consider because if you've been watching the news, I really believe they are coming after ECGRA; they are coming after these funds that are used to support a lot of important organizations. I think we've got to think of the other side that if we take that money away from those organizations, we're going to have a group of people in here talking about that. So, I do think it's time to consider stabilizing our leadership.

With that, Mr. Cleaver, I would agree with you.

Mr. DiPaolo: I'd like to basically say that I think we're putting the cart before the horse. We don't know if the County is going to do that. I mean, there's rumors flying all over of what's going to happen to ECGRA. We voted at the last meeting to table this until September. I don't know what could have changed in 30 days. Everybody was in agreement; there were five votes to table it. I understand, Mr. Cleaver, that you're trying to do this the best way that you think is possible. But I think we're in a position right now that we're stuck until September, with the vote that we took.

Mr. Cleaver: If I may interrupt, I beg to differ. I looked at the minutes and we did say that we would shoot for September. We did not indicate that we would only make a move in the month of September. I'm trying to find it here in the minutes. I just wanted to bring that up. We discussed September, we said we would address it, but it wasn't engraved in stone.

Ms. Hess: You can always make a motion to un-table something that has been tabled. And Dom, I hear what you're saying as far as that is concerned. You're right. I mean, I voted against that. However, I hear what you're saying. So maybe today is not the day; maybe everybody needs to sit on it. I'm not sure about that, but I don't think our hands are tied and that we can't do anything until September.

Mr. Barney: I don't think we have to sit on it. I think we need to come to a conclusion. We either decide to change our motion from last month or pick a particular month we want to handle this in. Whether it's next month or whenever, if somebody needs more time to think about it. But we don't have to wait until September.

Mr. Wachter: If I may, my recollection of the motion was that it was to be handled no later than September. But even if it did have a definitive date on it, we would have the opportunity to reconsider that if the Board so wanted.

Mr. Winschel: Yeah, the actual wording in the minutes said, "there would be a motion to table until no later than the September meeting."

Mr. Cleaver: No later than September. I'm glad you found that, that it was no later than September.

Mr. Winschel: So, first of all, can the County Executive or the County, do what he says he can do? Can he basically strip ECGRA of all the funding or is it a Home Rule Charter thing or how it's set up through the casino that that money has to flow to ECGRA and the Board will disseminate the funds?

Dr. Wood: That's a quasi-political and legal question. But I guess what I would say is that only happens if there's a complete and total breakdown of communication between the administration and ECGRA and that hasn't happened yet. In fact, I am going to sit down with Doug next week and talk about what we can do to help out with public safety from a grantmaking standpoint. And that's probably the best way to go. That conversation from before, they've already begun to back off the idea of going the route of trying to defund us, which would result in multiple legal challenges, especially with the settlement municipalities.

Ms. Hess: I would agree. Of course we want to support public safety, but it would be through a grant funding process. I work with grants on a daily basis and if anything, when you're talking about grants, is that it has to be something that's sustainable. If we're talking about personnel, like ECGRA supporting public safety, personnel in public safety – that's something that continues and goes on forever. Personnel doesn't go away. That versus us helping with buying some truck or some sort of equipment, those are more one-time purchases.

So, what I can wrap my mind around as far as how ECGRA can support that. So, could we support public safety for one-time, grant-type purchases? I think 100%, how could you not be in favor of that? To support things like personnel, from some of the things that I'm hearing on the news, that to me is a slippery slope that once you start giving money towards that, you're signing up forever.

Mr. Barney: It used to be when agencies were requesting money through grants, we saw to it that it wasn't for increasing their personnel or paying for staff. It was for paying for things that were concrete. So, this would be different than what we had done in the past.

Mr. Winschel: I could see, like you said, if ECGRA made a contribution that was matched by the County, matched by the municipality, and matched by, well maybe not matched, but in part by the auxiliaries. Look at what they are doing down in Edinboro. They have the restaurant to help fund themselves. Fire House 39 or 69, it's a restaurant where they all work together; all the volunteers and families work together to raise money to support their volunteer fire department. I like that idea. I agree that we should be part of it.

My fear when asking about can they do that is because if we enter a contract for three or four years, and then there is no ECGRA, where does that money come from?

Dr. Wood: So, to that question, there is an out clause. I've talked to somebody so that if something did happen, let's say that funds cease to exist, like the casino closes tomorrow, there is an out clause so that you're not on the hook for a four-year contract for the Executive Director. There is an out clause.

Mr. DiPaolo: Now, did you say you have a meeting next week with Doug?

Dr. Wood: Yes, next Monday.

Mr. Cleaver: I think it's political suicide to eliminate ECGRA.

Mr. DiPaolo: Well, nobody's talking about eliminating ECGRA.

Mr. Cleaver: (inaudible) to distribute it elsewhere. If you look at the groups, and it was a good example after last meeting, how many people were out there and how much we affect certain groups, it's political suicide to eliminate ECGRA. And I can't believe that that's going to be their game plan.

Mr. DiPaolo: Why don't we hold off on this table issue because Dr. Wood is going to meet with Mr. Smith and he will bring back a little bit more information as far as where we stand with this. Like I said, I think we're jumping the gun here. Everybody has an opinion of what's going to happen, like Whitey just said, they may decide to get rid of ECGRA, well nobody said they were going to get rid of ECGRA. I think we ought to wait. That's my opinion.

Ms. Hess: I hear what you're saying. But in the back of my head, the conversation that I had with the County Executive when he called me prior to last month's meeting and some of the comments he made, he was just flippant about it. When he described our projects as self-esteem projects, it didn't make me feel like he supported what we're doing here.

Mr. DiPaolo: But you don't know that for sure.

Ms. Hess: I hear that. I hear what you're saying, Dom. I'm just saying that when it comes from your leader, you have to choose your words carefully. And I don't think his words were chosen very carefully when he talked to me.

Mr. DiPaolo: Does anybody disagree with waiting until Perry meets with Doug?

Ms. Hess: What's the objective?

Dr. Wood: Well, I do. The reason I disagree with it is because you need to create stability in your organization. And the best way to do that is to not have your executive director susceptible to threats. Doug is not the County Executive but when the County Executive zooms in and says, "you're not going to need that executive director," that is basically saying, "we want you to fire that executive director." So, how is that person supposed to keep up morale, do their job, keep the office going? That being said, Doug and I are going to meet next week. We're going to figure out a compromise and we're going to start doing research on what is the best way to fund this issue. If we can come to that compromise, and, Doug, feel free to chime in, I think it's a positive thing for the County, for the Administration, and for ECGRA.

Mr. Winschel: Doug is on the zoom now. Doug, can you make any comments on hearing this discussion?

Mr. Smith: Sure. I know that the temperature was turned up pretty high last time and as Perry noted, we are going to meet on Monday and discuss this issue. The County Executive is very passionate sometimes when he gets to talking about particular issues. I think some of his comments were premature, and I need to be the first to say so.

At this point, we want to work with ECGRA. I think Whitey made a good point a couple minutes ago when I jumped on about the fact that you do help a lot of different groups in the

community. We recognize that, so we're looking to figure out a way to address this problem. We're not looking to disband ECGRA. We feel like in any circumstance, ECGRA is going to be an integral part of this mechanism.

I understand Perry's comments, certainly. And if I were in his chair, I would also be feeling a certain way about what I heard. So, I just want to say that we are going to go forward with you. We want to work this through and handle it in a way that makes sense for ECGRA as a Board and for the community.

Ms. Hess: When I'm hearing Doug say that, it even underscores – what are we waiting for? What I heard Doug just say is they don't want to disband ECGRA. What I heard Doug say was that the County Executive may have been a little passionate about what he said and maybe over spoke some things. So, what are we waiting for? What are we waiting for if I heard him say that they have no intentions of disbanding ECGRA? Then what are we waiting for to stabilize our leadership? Give Perry the consistency and the support that I think we all should give him. I'm concerned. I'm confused as to why we wouldn't just move on this and get it done?

Mr. Winschel: I guess my take on that, Kelly, is those are the words from Doug Smith, but that's not the words I'm hearing from Brenton Davis. And so I know that we had said until September, and I got the impression that the contract is until next year. My thought was or my impression for tabling until September is to afford a lot of meetings, not just one meeting next week, but a lot of meetings and hopefully Brenton is in front of us too so we can confront him head on with this. It would give us the opportunity to meet several times. We have the contract through next year so I think it may be premature just to say, "let's do this." At that point, I think it loses some of the discussion opportunities.

Ms. Hess: What is that going to accomplish? What does that accomplish other than saying to Perry that the support of the Board, we are not behind him. He has asked for an extension. He has done nothing but portray ECGRA in a positive light. And I firmly believe that he deserves an extension of his contract. And if we were to talk last month when the County Executive was here, that's when there was definitely some angst about whether ECGRA was even going to exist. But what I hear Doug saying, who doesn't speak for the County Executive, but he represents the County Executive, that no, we're not going to disband them, Doug recognizes the importance of ECGRA and the support that we give organizations throughout the city and county, then why wouldn't we give; I'm not sure why we wouldn't give Perry his extension.

Mr. DiPaolo: I agree with Mr. Winschel and what he just said. No disrespect to you, Mr. Smith, but we should hear that from the County Executive.

Ms. Hess: But if we hear from the County Executive that they do want to disband ECGRA, I think as a Board, we want to fight against that because of the impact that we make.

Mr. Barney: Then we need a director.

Mr. DiPaolo: Well, we can fight against that but it's just the idea, like Mr. Winschel said, if we're going to be in a position where if we okay this and something happens that it's going to be dissolved, then we have a problem with the pay that we've got to pay everybody. So, I think we should wait until next month. That's my understanding and I believe we should do that.

Mr. Oberlander: Perry, County Council has had a meeting since Brenton has talked to us, right? So Doug would have been at that meeting and discussed, I would assume, that exact thing, correct?

Mr. Winschel: County Council gave a million dollars, didn't they?

Dr. Wood: County Council has not discussed disbanding ECGRA.

Mr. Smith: Board, I would say also that the resolution didn't say that you should wait until September, but that it would be no later than September.

To Gary's point, I think there should be several meetings discussing this issue and we certainly don't want, I certainly wouldn't want, your Executive to feel like he's on a slippery floor. At the same time, I don't feel that there is a need for you to rush to that extension at this point at this meeting. I mean, Perry is in no danger.

Mr. Barney: We don't know that.

Mr. DiPaolo: What do we want to do? Whitey, do you want to make a motion?

Mr. Cleaver: I make a motion that we extend the Executive Director's contract based on a pay scale that is reviewed yearly; nothing engraved in stone as far as social security increases. It's the Board's decision to either freeze it or discuss an increase.

Mr. Winschel: Tim, you can help us out with this, but don't we need to make a motion to take it off the table?

Mr. Wachter: Gary, I was just thinking that. First, we should take a motion to remove it from the table. Then if that passes, then Mr. Cleaver, your motion would be in order.

Mr. Cleaver: I discussed this with Perry; maybe you want to hear Perry's side of it as far as the negotiations with the dollars and cents.

Mr. DiPaolo: Who wants to make a motion to take it off the table? Only the ones who voted to table it can do that.

Ms. Hess: I will make a motion to un-table . . .

Mr. DiPaolo: You can't. You didn't vote to table it. Is that correct, counselor?

Mr. Wachter: I believe that is only for a motion to Reconsider, sir. I believe that anyone can make the motion to remove it from the table.

Ms. Hess makes a motion to un-table the Executive Director's contract. Mr. Cleaver seconds the motion. Motion fails 3-3, with Mr. DiPaolo, Mr. Oberlander, and Mr. Winschel voting in the negative.

Mr. DiPaolo: Mr. Wachter, as a question, because of the fact that the vote was 3-3, can this be brought up again, or not?

Mr. Wachter: We do not have the rule that County Council has that says if a motion fails they can't bring it up for a period of time. We do not have that rule so we can bring it up at any time.

Mr. DiPaolo: Very good.

Mr. Cleaver: To bring it off the table, is that what you're saying counselor? That's what we would bring up again if we so desire?

Mr. Wachter: That is correct. You can have a motion again in the future to remove it from the table and if that passes, then a motion to dispose of the contract, an extension or otherwise, whatever terms you want, would be appropriate.

Mr. Cleaver: Thank you.

NEW BUSINESS

- a. Resolution Number 7, 2023 – Resolution to enter into agreements with twenty-four (24) Erie County community organizations and municipalities engaged in Arts, Culture, and Heritage

Dr. Wood reads the resolution.

Mr. Cleaver makes a motion to approve the resolution. Mr. Winschel seconds the motion. There is no discussion of the resolution. Motion carries 6-0.

ADJOURNMENT

Ms. Hess moves to adjourn. Meeting is adjourned at 9:12am.