

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY  
MEETING OF THE  
DUNKIN' DONUTS CENTER COMMITTEE**

**June 26, 2007**

**A meeting of the Dunkin' Donuts Center Committee of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on June 26, 2007, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.**

**Board members present were Commissioners Bernie Buonanno, Dave Gavitt, Jason Fowler, Marianne Corr and Jeff Hirsh.**

**Also in attendance were Jim McCarvill, Kerrie Bennett and Betty Sullivan, RICCA; Tim Muldoon, Deb Tuton, and Nancy Beauchamp, RICC; Larry Lepore, Dunkin' Donuts Center; Steve Duvel and Larry Bacher, Gilbane Co.; Eric Ahlborg and Donna Prout, O Ahlborg & Sons; Bruce Leach, Legal Counsel and Eileen Smith, recording secretary.**

**Mr. Buonanno called the meeting to order at 3:08 pm and announced that the next meeting would be held on July 24th at 3:00 p.m.**

**Noting that the minutes of the May meeting had been distributed, Mr. Buonanno sought a motion to approve. Upon a motion duly made by Mr. Hirsh and seconded by Mr. Gavitt it was unanimously**

**VOTED: to approve the minutes of the May meeting.**

**Mr. Buonanno asked Ms. Bennett and Mr. Duvel to update the Committee on the renovations. Ms. Bennett reported that because of our need to ask for additional funding she has responded to numerous media requests. Ms. Bennett noted that the steel has been erected for the pedestrian bridge. She also reported that some Convention Center and Authority staff took advantage of ten hours of training to become OSHA certified. The certification is necessary for anyone spending time on the construction site. Ms. Bennett reported that RFPs for furniture and arena seating have been posted on the State Purchasing web site.**

**Mr. Duvel stated that the remainder of the steel would be erected by the first week in July. He said that the brick work has begun on the Aborn Street side and  $\frac{3}{4}$  of the bathroom plumbing lines have been installed. Mr. Duvel said that all the demolition is complete. Work has started on the lobby, locker rooms and administrative offices. Mr. Duvel noted that July will be a huge month. Mr. Buonanno asked if there will be any more surprises. Mr. Duvel said that ledge was encountered while digging and more asbestos was found during demolition. Mr. Duvel noted that they are x-raying another slab because of the problems encountered in the elevator shaft. Mr. Duval also noted that the bids for painting came in at \$564,000 and only \$210,000 was budgeted. Mr. Fowler asked why there was such a**

discrepancy Mr. Duvel said that the surface needs to be sand blasted prior to painting in order to be eligible for the fifteen year warranty. Mr. Gavitt asked if that should have been discovered prior to this time. Mr. Duvel said that the testing took place in the spring. Mr. Lepore noted that power washing was anticipated rather than sand blasting. Mr. Ahlborg said that we need to look into other options. Mr. Duvel noted that sand blasting was the Authority's decision. Mr. McCarvill said that getting to the area that needs to be painted is difficult and we wanted a fifteen year warranty. He continued that if the paint company is willing to provide a fifteen year warranty it should last even longer than that and not begin to peel in two years due to inadequate surface preparation. Mr. Ahlborg distributed a report that was requested by Mr. Buonanno highlighting the savings that have been realized because of the involvement of O Ahlborg & Sons. Mr. Ahlborg stated that his firm is the Authority's ally and will be the squeaky wheel as needed. Mr. Gavitt asked about change orders and the interaction that takes place. Mr. McCarvill explained the process. He said that there are several reasons for change orders. He said there are unforeseen circumstances, owner requested, and architect changes. Mr. McCarvill noted that communication between the parties is important for a system of checks and balances. Mr. Fowler asked if we should have known sooner that the renovations would cost more than originally thought. Mr. McCarvill noted that the conceptual design was prepared a year and a half after the feasibility study and for more money than we had budgeted. We were told not to be overly concerned. Five months

later there was a spike in construction costs. Mr. McCarvill said that from that time we have been working to bring costs down. We looked at things that we could do without and brought the number down to \$52 million which left out seats. Mr. Ahlborg noted that at that time the design documents were not yet complete. Mr. McCarvill said that we did not want to go back for more money and spent considerable time and effort in revising and improving the scope of the project. Mr. Fowler asked if we will have enough. Mr. Buonanno said that we will not go back for more. Mr. Gavitt said that it looks like Gilbane, Ahlborg and the Authority are trying to keep costs down. Mr. Duvel said that the steel has been pre ordered and the summer schedule is very aggressive. Mr. Hirsh noted that since Ellerbe Beckett designed the original building they should have known more about it. Mr. Ahlborg noted that as built's were not archived and there have been many changes since the building was built. Mr. Gavitt said that this was a necessary and helpful discussion. He said that we can't lose sight of why we took on this project in the first place. He said that the project made sense for the State and the people of Rhode Island. Mr. Gavitt noted that this will be a terrific facility. He thanked the Legislature and the Governor for their continued support. Mr. Gavitt continued that we need to present a positive and united front. He also thanked Mr. Lepore and his staff as well as Jim McCarvill and his staff.

Mr. Lepore presented the financial report. He said that the good news was that the Providence Bruins made the playoffs and the bad news

was that the Providence Bruins made the playoffs. He noted that because of the timing of events we needed to purchase additional sub-floor materials in order to do Bull Riding over the ice. Mr. Lepore noted that the numbers for Bull Riding this year were not quite as good as last. In the future, we will look for a larger gap between the Circus and Professional Bull Riding. Ms. Beauchamp reported that the unfavorable variance in rental income is the result of a co-promoted "Live Nation" concert where rent revenue was not generated only service income. The favorable variance in service income is due to the "Live Nation" concert, unbudgeted Providence Bruins playoff games and Professional Bull Riding that was budgeted to occur in June. Mr. McCarvill noted that the cost of doing each event is offset up by rent and service income. He said that ancillary income is where the profit is made. Ms. Corr asked if labor and benefit costs could be passed on. Mr. Lepore said that in some instances it is, but putting the ice in and taking it out can't be charged to the event or to the Providence Bruins who have a right to expect ice for the playoffs.

Mr. Lepore was pleased to report that a State wide training film for the Governor's Commission on Disabilities was made using the Dunkin' Donuts Center's video room and interns saving the State approximately \$27,000.

Mr. McCarvill reported that we were cited by OSHA for a lack of fall protection at a recent concert set-up. He reported that SMG prepared

**an RFP that was posted to the State Purchasing web-site to address the problem.**

**Mr. Lepore noted that tickets for Hannah Montana go on sale on September 28th. He said that he expects this show should do very well in this market.**

**Mr. Buonanno asked if there was any other business. Hearing none he sought a motion to adjourn. Upon a motion duly made by Mr. Fowler and seconded by Ms. Corr it was unanimously**

**VOTED: to adjourn at 4:15 p.m.**