

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY  
275th MEETING OF THE  
BOARD OF COMMISSIONERS**

**October 28, 2004**

**A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on October 28, 2004 at 9:00 a.m. pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island. Board members present were Chairman, David A. Duffy, Commissioners, Paul MacDonald, Jerry Massa, Brad Waugh, Dale Venturini, Joe Judge, Dave Gavitt and George Nee. The City of Providence has not as yet appointed a replacement for Commissioner Joan Countryman. Also present were James P. McCarvill, Executive Director, Theodore J. Przybyla and Ken Mancuso, RICCA; Bruce Leach, Legal Counsel; Matthew Kenney and Rachel Raginski, Pinnacle Advisory Group; Joanne Sourial and Jen Leigh, The Link Agency; Neil Schriever, PWCVB; Thomas Mullaney, Budget Office; Harry Jones, Westin Hotel; Tim Muldoon, SMG; Thomas Hodge, Auditor General; Alisa Gallo, Alexander Gonzales, Joseph Semedo, Bertha Medina, Gerald Rosadas, Aquinada Maene, Apalinar Menedez, Leslie Baker, Local 217 H.E.R.E and Eileen Smith, Recording Secretary.**

**CALL TO ORDER**

**Recognizing a quorum, Chairman Duffy called the meeting to order at 9:05 a.m.**

## **APPROVAL OF MINUTES**

**Chairman Duffy entertained a motion to accept the minutes of the 274th meeting, September, 2004 as distributed. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Nee it was unanimously**

**VOTED: to approve the minutes of the 274th meetings as distributed.**

**Chairman Duffy instructed the RICCA office to send the approved minutes to the Secretary of State's office via electronic mail.**

## **OPERATIONS AND FACILITIES COMMITTEE**

**Mr. Massa asked Mr. Jones to update the Board on the status of construction and renovation projects in progress. Mr. Jones reported that the escalator project is running approximately 11 days behind schedule but should be in place by mid November and the exterior glass will be installed by the beginning of December. Removal of the existing escalator is scheduled to be complete by March, 2005. Mr. Jones continued that the renovation of the hotel's premium suites is scheduled to begin on December 8th and is expected to be complete by December 30th and ready for New Year's Eve. Mr. Jones reported that the Conversion of IYAC to the City View meeting room is scheduled to start in mid December to be complete by late January. The Agora renovation is scheduled for January 3rd and the project**

should be complete by April 10, 2005. Mr. Jones noted that the CVB office renovation is in the final stage. Mr. Jones reported that all projects are at or below budgeted costs. Mr. MacDonald asked about the search for a new general manager and said that the Board should be involved in the selection process. Mr. Duffy said that an offer has been made and the subject would be discussed further in Executive Session. Mr. Massa recognized Tim Muldoon and asked that he update the Board on renovations to the Convention Center and the Parking Garage. Mr. Muldoon reported that the ballroom renovations are going well and will be complete by the end of November. Mr. Duffy noted that several guests that had attended the Women & Infants luncheon complimented the facility on the new ballroom and the service from the staff. Mr. Muldoon reported that responses to the RFP for Parking Access Revenue Control System are due on November 15th and he would have more information by the next O&F meeting. Mr. Muldoon continued that an RFP for replacement of the concrete sidewalk had been advertised.

## **FINANCE COMMITTEE REPORT**

Chairman Duffy recognized Mr. Judge and asked him to report on the Finance Committee meeting. Mr. Judge reported that consolidated operations for the first three months of the current fiscal year reflect a positive variance of approximately \$652,109 when compared to the same period last year and approximately \$871,319 when compared to the current year budget. He reported that the hotel staff had advised

**the committee that short term bookings have been strong resulting in high occupancy for October exceeding 90% and that occupancy for the next two months is tracking on forecast. Mr. Judge noted that food and beverage for October will slightly lag forecast but will be offset by room's revenue. Mr. Judge reported that the Convention Center's second quarter bookings continue to track on forecast with concessions and catering showing a strong performance.**

## **MARKETING COMMITTEE**

**Ms. Venturini reported that the marketing committee is operating well and that there have been a number of ideas and thoughts shared from other tourism entities. She asked Neil Shriever to report on efforts of the PWCVB. Mr. Shriever reported that the Fall FAM tour was extremely successful and that the CVB received cooperation from new venues including the Aldrich Mansion. He continued that the CVB had hosted seven meeting & convention planners and two members of the industry press. Mr. Shriever informed the Board that Spirit Airlines, now flying out of Green had contributed air fare for the group. Ms. Venturini noted that she had flown on Spirit last week and it was a good experience. Mr. Shriever noted that The Rabbit Breeders Association will be at the Convention Center in early November. Mr. Shriever reported that Tom Reil as well as Brien Fox will be exhibiting at the Nurses Alliance Organization in Kansas City and will hosting a client event. Mr. Shriever noted that Meetings & Conventions Magazine has notified the PWCVB that they will be**

awarded the Meetings & Conventions Magazine Gold Service Award in mid-November. The award is a reader's choice award. Ms. Venturini reported on the recent tour of Hartford and noted the significant improvements to the City. She asked Mr. Shriever's thoughts of the destination. Mr. Shriever said that Hartford is not an area that we can ignore. He noted that the building is not as flexible as ours, there are larger hotels but the hotels are farther away. He said that the City is spending a lot on advertising. Mr. Shriever indicated that the local organizing committee has decided not to bid on the 2008 United States Figure Skating Championships. Ms. Venturini noted the absence of a representative from the hotel. Mr. McCarvill reported that the Westin sales team was unable to attend today's meeting but he would address the Board on their behalf. He noted the success of the new e-marketing campaign. He continued that the twelve Starwood properties in the surrounding area cross sell and we do not do well in this area. Ms. Venturini suggested a FAM tour for the sales team from these other properties to familiarize them to the area. Ms. Venturini asked Joanne Sourial of the Link Agency to present the results of their public relations activities since the last meeting. Ms. Sourial reported that the agency was successful in garnering interest in "Take Me 2 Tea" noting the article on the front page of the Providence Journal's food section and the "2004 Fish Expo WorkBoat Atlantic" also reported by the Providence Journal. Ms. Sourial reported that the agency is working with a freelance reporter who is writing a National Bridal Magazine story highlighting unique weddings with a focus on ethnic/cultural weddings. She

continued that the agency has a commitment from Rhode Island Monthly to write a chef related story featuring the Rhode Island Convention Center by year end. Ms. Sourial reported that she is meeting weekly with Mr. McCarvill and representatives of the PWCB, the Westin and then Convention Center on joint marketing efforts. Ms. Venturini suggested that the Convention Center create place where wedding pictures can be taken. Mr. MacDonald reported that he was able to convince the local carpenters union to build tree stands for the Festival of Trees and that it is important that we recognize their efforts. He said that people don't often hear of the positive side of unions. Mr. Judge said that will be a number of sponsors and that these in-kind contributions should be recognized. Ms. Venturini stated that we will make a point of recognizing everyone that has contributed their time for this event

## **DUNKIN DONUTS CENTER**

Mr. Gavitt reported that the City of Providence through the Civic Center Authority has issued an RFP for management services. The RFP asked for creative responses and suggested that they expect the successful bidder to earn management fees by running an operation that was at least break-even. He further reported that they have asked for bids to buy or lease the facility. Short of that, there is a provision for the prospective manager to prepare and fund upgrades to the facility that can both extend its life and improve its financial return. Mr. Gavitt noted that bids are due on November 8th and we

are awaiting the results of this process before engaging in more detailed due diligence and further formal negotiations with the City. Mr. Gavitt reported however, the City Administration and Chairman of the Civic Center Authority have expressed a willingness to re-energize our talks post RFP in the event that no proposal is received that will meet their needs. Mr. Gavitt noted that we believe that the responses are likely to fall short and are encouraged by contacts from the legislature and indications that they are serious about addressing a comprehensive solution that is generally in line with the Memorandum of Understanding and structure that we presented in June. Legislative leadership has targeted January for action and the post election, pre holiday time frame for discussions and negotiations that will net a final agreement. Mr. Duffy reported that the Governor continues to be supportive of our efforts to create a good business deal for the City and the State and Mr. Bounanno has indicated that he is in discussions with the Mayor and will continue to press for an early resolution of any open issues. Mr. McCarvill stated that he is hopeful that a meeting with Representative Costantino and Mr. O'Keefe can be scheduled prior to the legislative session. He said that a decision needs to be made because the Civic Center is in bad shape and getting worse every day. Mr. Gavitt said the building is in terrible condition, but the Civic Center staff has done a great job under difficult conditions. Mr. Nee inquired if our renewal and replacement system can be used for the Civic Center saying that our ongoing capital program works. Mr. McCarvill noted that he and Mr. Przybyla have discussed the issue and will factor renewal and

replacement into the bond documents and legislation.

## **CHAIRMAN AND EXECUTIVE DIRECTOR'S REPORT**

**Chairman Duffy introduced Matt Kenney and Rachel Raginski of Pinnacle Advisory Group. Mr. Kenney informed the Board that Pinnacle has put up two web links for the hotel sale and development.**

**He explained that the first site is available to anyone interested in receiving the RFP and Confidentiality Agreement and that after return of the signed Confidentiality Agreement a password is provided to access the second site. He said that the process is going smoothly and that there has been a great deal of interest from major firms.**

**Chairman Duffy reported that several commissioners were interested in making the continued employment of the hotel staff and union contract as a condition of the sale. Mr. Kenney stated that the union contract is included in the information being provided to interested parties. He continued that any buyer would have to recognize the union contract and realize that the employees have had a major impact on hotel operations. Mr. MacDonald thanked the Chairman for understanding the issue. Mr. Nee asked if it would be appropriate for Mr. Kenney to meet with union representatives to discuss their concerns. Mr. Kenney said that he would be pleased to meet with them and stressed that we need to lower the anxiety level of the employees. Mr. Nee said that they have legitimate concerns and that they need to know that they are valued. Ms. Venturini asked that status of Joan Countryman's replacement. Mr. MacDonald said that**

**he has some discussion on it with the City but did not know where her replacement stands.**

**Upon a motion duly made by Mr. Nee and seconded by Mr. Waugh by a roll call vote it was unanimously**

**VOTED: to convene in executive session in accordance with R.I.G.L §42-46-5(a) at 9:55 a.m.**

**Mr. Waugh - yes, Mr. Nee - yes, Mr. Duffy - yes, Mr. MacDonald – yes, Mr. Massa – yes, Ms. Venturini – yes, Joe Judge - yes**

**Open session resumed at 10:58 a.m.**

**Upon a motion duly made by Mr. Waugh and seconded by Mr. Judge it was unanimously**

**VOTED: to extend the deadline to November 17th for submission of bids for the sale of the hotel and development of the adjacent parcel.**

**Upon a motion duly made by Mr. MacDonald and seconded by Ms. Venturini it was unanimously**

**VOTED: to seal the minutes of Executive Closed Session until matters have been resolved and adjourn at 11:00 a.m.**