

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 277th
MEETING OF THE BOARD OF COMMISSIONERS January 27, 2005**

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 January 27, 2005, 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, Joe Judge, George Nee, Brad Waugh and Michael Mello. Mr. Gavitt and Ms. Venturini were unable to attend. Also present were James P. McCarvill, Executive Director, Theodore J. Przybyla and Ken Mancuso, RICCA; Bruce Leach, Legal Counsel; Matthew Kenney and Richard Brush, Pinnacle Advisory Group; Joanne Sourial and Jen Leigh, The Link Agency; Brian Whiting and Neil Schriever, PWCVB; Robert Morgan, Brien Fox, Jeff Hartel, Manish Bhatia and Harry Jones, Westin Hotel; Tim Muldoon, SMG; Alisa Gallo, Samuel Sanchez, Mirjaaun Herraud, Gorge Dobige, Teri Watkins, Christine Fortes, Chris Cook, Gene Zimmerman, Leslie Baker, Bertha Medina, Stephen Bloodwood, Apalinar Mendez, Andy Rodrieques, Delau C. Boutesth, Ann Panu, Patricia Medera, Yvette Zaher, Ouilau Cyloto, Local 217 H.E.R.E; M. Charles Baskt, and David McPherson, Providence Journal; Stephen Maceroni, First Southwest; Normand Benoit, Partridge, Snow & Hahn; Frank Champi, LGC&D 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 276th meeting, December, 2004. Mr. Judge noted that the motion reported in the distributed minutes regarding the authorization to negotiate with the next highest bidder was not correct. He asked that the minutes be amended to reflect his motion;

That if, for any reason, the Authority is not able to negotiate a purchase and sale agreement with the Procaccianti Group, then the Board authorizes the Chairman and the Executive Director in concert with the Authority's consultants, to enter into negotiations with the next highest and qualified bidder, Cornerstone.

Upon a motion duly made by Mr. Massa and seconded by Mr. Waugh it was unanimously VOTED: to approve the minutes of the 276th meetings as amended. 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

Chairman Duffy asked Mr. Massa to report on the Operations and Facilities Committee meeting that was held on Monday, January 24th. Mr. Massa asked Harry Jones to update the Board on the ongoing projects in the hotel. Mr. Jones said that the escalator project is behind schedule and that time was lost because some of the welds had to be repeated. He stated that the interior of the escalator has been completed and the vestibule was being worked on. Mr. Jones said that City View is complete and is being used. Mr. Duffy asked

Mr. Jones when the revolving doors would be installed and Mr. Jones said that as soon as the escalator is complete installation would begin. Mr. MacDonald acknowledged the incredible job done by the staff during the storm. Mr. Jones said that the staff had done a great job during a long storm. Mr. Massa recognized Mr. Muldoon who proceeded to update the Board on projects and events taking place in the Convention Center. Mr. Muldoon reported that the Auto Show would open today. He said that the client party held in the renovated ballroom was a huge success and afforded the Convention Center sales team an opportunity to highlight the center to prospective clients. He said that he wished to thank his staff for going above and beyond their duties to make the evening a success. Mr. Massa asked if Mr. Muldoon had received any feedback from the event. Mr. Muldoon stated that the guests were very impressed. Mr. Muldoon reported that he is still looking at responses to the RFP for the Parking Garage Access and Revenue Control Systems and he would have more information at the next O&F Committee meeting.

FINANCE COMMITTEE REPORT

Chairman Duffy recognized Mr. Judge and asked him to report on the Finance Committee meeting. Mr. Judge stated that the consolidated income from operations before other expenses for the six months ending December 31, 2004 exceeded last year by approximately \$203,000 and fiscal year 2005 budget by approximately \$1,336,000. Mr. Judge stated that the Westin reported year to date revenue exceeding the prior year's revenue by approximately \$607,000

resulting in increased year to date revenues over expenses of approximately \$162,000. Mr. Judge said that actual year to date revenues exceeded Fiscal Year 2005 budget by approximately \$524,000 and actual year to date expenses less than budget by approximately \$164,000 for a net positive variance to budget of \$688,000. Mr. Judge continued that the Convention Center reported a positive actual year to date variance to the prior year of approximately \$131,000 and a positive year to date actual to budget of approximately \$400,000. Both the Hotel and Convention Center operators indicated their projections continue to track on budget for the remainder of the fiscal year.

MARKETING COMMITTEE

Ms. Venturini was unavailable for the Board meeting. Mr. McCarvill asked Mr. Whiting to report on the PWCVB. Mr. Whiting informed the Board that with the assistance of Mayor Cicilline, the hotel and the Convention Center the CVB was pleased to report the USA Taekwondo National Championship Qualifier event would be held in Providence this year on April 9th and 10th. Mr. Whiting also noted that his sales team was on the road pounding the pavement trying to book events for the City. Mr. Whiting continued that the CVB's booking pace is ahead of last year and that he is looking forward to a successful year. Brien Fox, hotel sales manager, reported that some business was displaced because of the recent snow. He said that the

hotel was leading the region in rate and occupancy due in part to on line e-marketing. Mr. Fox reported that American Power Conversion was in the hotel and noted that this was a short term booking and a great success. Mr. Muldoon addressed the Board and reported that the Convention Center has been very busy. He said that the promoter, George Hawkins, was pleased with the Boat Show results. Mr. Muldoon noted that the SNE Bridal Show had been canceled because of the snow storm and is not expected to be rescheduled. Mr. Duffy asked if there were any problems with the Auto Show because of the snow. Mr. Muldoon said that the move in was more difficult but everything was on schedule for the opening today. Mr. Waugh said that it was his understanding that parking of cars or boats on the sidewalk in front of the Convention Center was not going to be allowed. Mr. Muldoon said that after the repairs are made in the spring other arrangements will have to be made. Mr. MacDonald suggested that something be built to allow for the weight of a car or boat so that they can be put in front of the Convention Center as an advertising tool during the shows. Mr. Muldoon said that he would look into the possibility of doing that before the repairs are made in the spring. Mr. McCarvill asked Joanne Sourial of the Link Agency to update the Board on their public relations efforts during January. Ms. Sourial noted that the agency had helped to place 23 print articles, 23 web articles, 9 television segments and 1 radio feature on the "Sox Spectacular" that had been held in December. Ms. Sourial stated that she has been working on a joint press release with PBS announcing Antiques Road Show and with

Get Psych'd announcing John Edward's visit to the Convention Center in March. Ms. Sourial reported that she had secured coverage of the "Venue Chef" story angle in the March issue of New England Food Service Magazine. The agency developed a bio on Tony Haskins, Executive Chef at the Convention Center and Chef Haskins will be interviewed in February. Ms. Sourial said she has been in contact with the editor of Destinations Magazine to discuss covering the Convention Center as a premiere meeting venue and has arranged a site visit for potential coverage in the February/March issue and has responded to a query from the Editor of Small Market Meetings Magazine regarding meeting-related news from smaller cities (second and third-tier). She reported that she is focusing on key opportunities including Physicians Travel & Meeting Guide – Fall Foliage Tours, Successful Meetings – Convention Centers, Business Travel News – Domestic Destinations: Northeast, Corporate Meetings & Incentives – New England and Insurance Conference Planner – New & Renovated facilities (New England).

CHAIRMAN'S AND EXECUTIVE DIRECTORS REPORT

Chairman Duffy noted the inclusion of the new committee makeup in the Board package. Mr. Duffy asked that committee members make every effort to attend meetings. Mr. Massa noted that all commissioners are welcome at committee meetings. Chairman Duffy asked Mr. McCarvill to update the Board on the progress of the Hotel Purchase and Sale Agreement with the Procaccianti Group. Mr.

McCarvill said that we have been dealing with some complicated issues such as zoning, parking, security and mechanics. He said that we have a number of solvable issues, i.e., the corridor from the garage, easements and issues with the City. He continued that we are also working on how best to defease the bonds. Mr. Massa asked about the development agreement and Mr. Duffy said that we need to be working every day to move the sale forward. He also noted that we lost some time because we had to prepare for the legislative hearings.

Upon a motion duly made by Mr. Nee and seconded by Mr. MacDonald it was unanimously

VOTED: to continue to negotiate for a Purchase and Sale Agreement with the Procaccianti Group and if it can be reached prior to the next scheduled Board meeting, a special meeting would be called.

Chairman Duffy thanked Mr. Nee for his efforts with the General Assembly.

Mr. McCarvill said that there have been some good conversations regarding the Dunkin Donuts Center and that he expects to sit down with representatives of the City to work on the Memorandum of Understanding. Commissioner Mello stated that the Legislature wants to see a comprehensive plan.

Alisa Gallo of Local 217 H.E.R.E. addressed the Board and stated that the Union had entered into an agreement with the Procaccianti Group that would protect the jobs and conditions of employment of the hotel workers. Ms. Gallo thanked the Board for including the provision in the RFP and said that the union would appreciate the continued support from the Authority. Chris Cook also of Local 217 asked if any arrangements would be made for employee parking. Mr. McCarvill stated that he hadn't thought of it but thanked Mr. Cook for bringing that issue to light. Mr. Duffy thanked the union members and stated that without their effort the hotel would not be a four diamond property. He also noted that management has provided valuable assistance during this process. Mr. MacDonald said that he is very pleased that the Board has been supportive of the employees. Mr. Massa spoke to the employees and assured them that we have great concern for them and their jobs. Mr. McCarvill expressed appreciation for the effort, support, leadership and professionalism displayed by the management team and suggested that the Board was also properly appreciative of their efforts.

Upon a motion duly made by Mr. MacDonald and seconded by Mr. Mello it was unanimously

VOTED: to adjourn at 9:57 a.m.