

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 280th
MEETING OF THE BOARD OF COMMISSIONERS April 28, 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 April 28, 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, David Gavitt, Joe Judge, George Nee, Jeff Hirsh, Dale Venturini and Michael Mello. Mr. Massa was unable to attend. Also present were James P. McCarvill, Executive Director and Theodore J. Przybyla, RICCA; Bruce Leach, Legal Counsel; Joanne Sourial and Jen Leigh, The Link Agency; Brian Whiting and Neil Shriever, PWCVB; Robert Morgan and Angelo DePeri, Westin Hotel; Tim Muldoon and Debbie Tuton, SMG; Thomas Hodge, Auditor General's Office; Andrea Stape, Providence Journal; Stephen Maceroni, First Southwest; Normand Benoit, Partridge, Snow & Hahn; Thomas Mullaney, Budget Office and Eileen Smith, Recording Secretary. CALL TO ORDER Recognizing a quorum, Chairman Duffy called the meeting to order at 9:05 a.m.

Chairman Duffy began the meeting by announcing that the closing on the Hotel Sale had taken place at 4:00 p.m. on April 27th. Mr. Duffy asked Mr. Morgan to introduce his replacement as General Manager. Mr. Morgan thanked the Board on behalf of Starwood for the past four years. Mr. Morgan said that the Authority has been a great owner. Mr. Morgan said that the negativity over the past few months that was

the result of uncertainty with the hotel sale is gone and the staff has a positive outlook for the future with the Procaccianti Group. Mr. Morgan introduced Angelo DePeri the new General Manager for the Westin Providence. Mr. DePeri stated that he was very happy to be at the Westin and gave a brief description of his background. He said that he has been on site for the past month and was pleased to report a smooth transition. Mr. Duffy invited Mr. DePeri to attend the Board meetings in the future and said that although we no longer own the Hotel it remains significant part of our mission.

APPROVAL OF MINUTES Chairman Duffy entertained a motion to accept the minutes of the 279th meeting, March 31, 2005. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Gavitt it was unanimously **VOTED:** to approve the minutes 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

Chairman Duffy reported that Mr. Massa was unable to attend the meeting due to illness and asked Mr. Przybyla to update the Board on the Operations and Facilities Committee meeting. Mr. Przybyla stated that unfortunately the escalator project has been delayed again. Mr. Duffy commented that we were able to issue an RFP for a consultant, an RFP for the sale and development, and complete the sale and we can't get the escalator project finished in the same amount of time.

Mr. Przybyla said that this has been the most difficult contractor that he has ever dealt with and they are just not getting the work done. Mr. McCarvill said that we can't get any definitive answers from Mr. Burman and noted that at the March Board meeting we were promised that the project would be complete by April 23rd. Mr. McCarvill continued that these delays are not costing us any money. Mr. Nee said that although the delays are not costing any out of pocket money they have been a major inconvenience to the valets and our guests. Mr. MacDonald stated his concern that with all of the delays the job will not be done right. Mr. MacDonald recommended that the contractor not be paid until we are satisfied that all work has been completed to our satisfaction. Mr. Przybyla stated that a contingency fee will be held for one year. Mr. Morgan agreed with Mr. Przybyla's assessment. He said that the contractor has not been fulfilling his obligations and that it very disappointing. Mr. Przybyla noted that without the help of Ken Mancuso the inspections would not have been done. Mr. Duffy recognized Mr. Muldoon who proceeded to update the Board on projects and taking place in the Convention Center. Mr. Muldoon reported that glazing of the windows would begin Monday. He said that the granite work on the rotunda plaza would begin on Monday, May 9th and that both projects should be complete in approximately 30 days. Mr. Muldoon also reported that the staff is putting together a list of summer projects. He noted that the defective carpet would be replaced in the pre function area. Mr. Muldoon said that the lighting in the South Garage would be discussed at the next Operations and Facilities Committee

meeting. Mr. Muldoon thanked Mr. Leach for his assistance in negotiating the contract with CTR for the PARCs system. Mr. MacDonald informed Mr. Muldoon that he had breakfast with the Teamsters on Wednesday and congratulated the Convention Center staff on the cleanliness of the building.

FINANCE COMMITTEE

Mr. Judge presented a report from the Finance Committee. He stated that consolidated year to date operations for the nine months ended March 31, 2005 reported a positive variance of \$778,000 and a year to date negative variance for the prior year nine month period of \$250,000 which is attributed to March, 2005. Both operators stated that March activity was off due to the Easter Holiday but stated that April was showing positive numbers. Both operators noted that May and June were expected to track on budget.

MARKETING COMMITTEE

Ms. Venturini reported that the marketing committee met on April 21st. Ms. Venturini asked Brian Whiting to address the Board. Mr. Whiting noted that the new marketing campaign, Providence Night and Day, was launched at a gathering in the Rotunda Room on April 6th. Among those attending were Providence Mayor David Cicilline and Warwick Mayor Scott Avedesian. Mr. Whiting reported that the campaign was next presented to approximately thirty media

representatives in New York City. Mr. Whiting noted that Commission Hirsh took part in the presentation in New York. . Mr. Whiting reported that year to date room nights booked are 11,000 over the prior year and Convention Center square footage is also up from last year. He invited anyone from the Board that would be interested to join the CVB in Boston next week at a customer event. The CVB sales staff will be meeting with meeting planners on Tuesday, May 3rd. Mr. Whiting said that the Spring FAM will be held May 11th through the 13th. He reminded the Board that last year's event led to 4 or 5 bookings. Mr. Hirsh stated that the CVB had done a great job in New York and that he was pleased to be a part of the launch. Ms. Venturini informed the Board that Mr. Whiting had asked Susan DeAngelis to attend the Marketing Committee meeting in his absence. Ms. Venturini stated that Susan did a great job. Neil Shriever then addressed the Board and reported on the transition following the hotel sale. He noted that the Procaccianti Group had retained a Director of Sales prior to the sale and that the transition is expected to be smooth. Mr. Whiting said that he would like to have some research done to identify the target market with the influx, in the near future, of 600 additional rooms. Mr. Nee asked if he could get an update on City Arts. Mr. Whiting informed him that City Arts had received approximately \$13,000.00 from Festival of Trees. He also noted that Mr. McCarvill, Mr. Muldoon and Sister Ann had met to negotiate City Arts future involvement in the event. Mr. Whiting noted that because it was a first year event it lost a significant amount. Mr. Nee said that City Arts had given up holding their own event which in

the past had a net profit of \$30,000.00. Mr. Judge said that although he was not present at the meeting he sits on the Board of the CVB and knows that there just isn't any more money. Mr. McCarvill said that plans are underway that will allow the event to go forward and be profitable. Mr. McCarvill said that a plan to have the Convention Center and the Authority absorb the event and then partner with City Arts to jointly approach sponsors is being discussed. Mr. Duffy stated that this would be an unusual step to take and we are trying to find a way to make City Arts whole. Mr. Gavitt said that it sounds like we are trying to be good guys and is there any way that we might make up the difference. Mr. Judge said that it would be a great gesture but the CVB is not in a position to do that. Mr. McCarvill stated that Tim Muldoon and John McGinn deserve a lot of credit for their efforts in this matter. Mr. Duffy told Mr. Nee that Sister Ann and City Arts will be getting back to Mr. McCarvill following their board meeting and we will keep him informed of the outcome. Ms. Venturini asked Mr. Morgan to report on Hotel sales. Mr. Morgan stated that due to the loss of sales Starwood and the Procaccianti Group agreed to have Barry Akers, who would be the Procaccianti Group's Director of Sales, take up that position prior to the closing. Mr. Morgan said that Mr. Akers and the Procaccianti team have been working with Neil Shriever and the remainder of the year looks strong. Ms. Venturini asked Mr. Muldoon to update the Board on Convention Center marketing. Mr. Muldoon reported on some upcoming events. He said that Fidelity Group is important piece of business for the Hotel and the Convention Center. Mr. Muldoon continued that the Convention

Center will host the Diocese of Providence's welcome to the new Bishop and a Brown University class reunion. Mr. Muldoon stated that as a direct result of the ballroom renovations there has been more interest in holding weddings and christenings. Joanne Sourial of the Link Agency reported on an event held on April 17 through the 21st entitled 2005 Paradigm Shifting Conference & Expo. Ms. Sourial stated that Minority Business News, a publication that features breaking news of interest to minority business owners in a wide range of industries has requested photos for a story that will run in May. Photos were taken with Tom Gaines, Professor and Director of the Office of Campus Diversity at Johnson & Wales. Ms. Sourial also reported that through trade outreach, the Link Agency has secured a feature in New England Antiques Journal, a monthly magazine for antiques professionals and enthusiasts. Ms. Sourial continued that she is working with PBS to schedule interviews and obtain access to the event for PBS. Ms. Sourial noted that a feature story with photos of the Ocean State Grand National Karate Championship appeared on www.karateangels.com and an article appeared on www.sportmartialarts.com. Ms. Sourial stated that she met with the CVB to discuss details of upcoming Culinary FAM. The FAM tour includes wine tasting and dinner in the rotunda room at the Convention Center and will take place on April, 29 at 7:00 pm. Ms. Sourial said that she is focusing on key press that might be available such as Barbara Brewer, Association Meetings and Barbara Scofidio, Corporate Meetings & Incentives. Additionally, Ms. Sourial stated that she hopes to secure the attendance of two key reporters who

have been planning to visit the area from Destinations Magazine and Travel Weekly. Ms. Sourial described ongoing public relations activities for the Authority. Ms. Sourial said that she had attended a CVB sales meeting where the Procaccianti Group presented their plans for construction in Providence, including Hilton Garden Inn and the new Westin tower construction. She stated that discussions have taken place on measures to ensure that guests are minimally impacted by, room availability, construction noise and the general aesthetics of construction areas. Ms. Sourial stated that the Link Agency met with organizers of the upcoming Providence Craft Show and Fine Furnishing Show to brainstorm marketing opportunities. The event has been termed “a jewel in the crown of a city dedicated to the arts”. Ms. Sourial said that the agency is coordinating a tie-in for the Craft Show during the Antiques Roadshow which appeals to a similar target audience. Ms. Sourial stated that a meeting has been set to discuss public relation’s objectives with the coordinator of the Freedom Tour Concert.

DUNKIN DONUTS COMMITTEE

Mr. Gavitt reported that the Committee did not meet in March. He continued that the meetings with the House Finance Committee have gone very well. Mr. Gavitt said that the House Finance Committee would like to have some conversations with the City. Mr. Gavitt noted that interest appears to be for the more comprehensive renovation. He also noted the concern for the memorial in the courtyard of the

Dunkin Donuts Center which would be enhanced by the renovation. Mr. Mello reported that meetings between the State House and the City have taken place this week and more are scheduled for next week. Mr. Mello said that an agreement has been reached in principal and the City is looking forward to getting something done. Mr. Gavitt said that everyone agrees that we need to get this done. Mr. McCarvill said that we set the stage and provided a cost and benefit analysis. Mr. Duffy stated that he is pleased that the Legislature keeps asking for more information.

CHAIRMAN'S AND EXECUTIVE DIRECTORS REPORT

Chairman Duffy congratulated the staff of the Authority for all their hard work on the sale of the hotel. He especially congratulated Bruce Leach who Mr. Duffy said had given up his life the past few weeks to get this deal done. Mr. Leach stated that the closing was a long process and thanked the City of Providence for extending their business hours to allow us the time to file our sale documents. He also thanked the State Properties Committee, the Department of Transportation and all State and City agencies for the cooperation. Mr. Leach said that he is looking forward to a good working relationship with the buyer. Norm Benoit informed the Board that we now have 60 days to set up an escrow account and apply the funds to the outstanding debt. Mr. McCarvill also noted the fine job by the staff and Mr. Leach. He informed the Board that Bruce had been

outnumbered at the closing but he remained steadfast in his defense of the Authority's best interest. Mr. McCarvill thanked First Southwest, Partridge Snow & Hahn and LGC&D for all their help in getting this done. Chairman Duffy said that he was pleased for the people of Rhode Island. Mr. Judge echoed his comments. Mr. Duffy then informed the Board that our CFO, Ted Przybyla, had been offered and accepted a new position with the Wasserman Group. Mr. Duffy said that on behalf of the Board "it has been a privilege working with you and we wish you great success". The Board then applauded Mr. Przybyla and wished him well.

Mr. Mello said that on behalf of the City he would like to thank the Authority for hosting the visiting police reception following the funeral of Detective Sergeant Allen.

Following a moment of silence, upon a motion duly made by Mr. Nee and seconded by Mr. Mello it was unanimously

VOTED: to adjourn in memory of Detective Sergeant Allen at 10:00 a.m.