

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 350th  
MEETING OF THE BOARD OF COMMISSIONERS May 26, 2011**

**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 May 26, 2011 at 9:00 am at the Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.**

**Board members present were Chairman, David Duffy, Commissioners, Paul MacDonald, Jeff Hirsh, Dale Venturini, Patrick Butler, George Nee, Bill Daugherty, Letitia Carter, Bernie Buonanno and Jason Fowler.**

**Mr. Gavitt was unable to attend.**

**Also present were James P. McCarvill, Executive Director, Betty Sullivan and Kim Keough, Rhode Island Convention Center Authority; Tim Muldoon, Deb Tuton and Kathy Masino, Nancy Beauchamp, Convention Center; Larry Lepore, Cheryl Cohen and Bob Cappalli, Dunkin' Donuts Center; Steve Habl, VMA; Hank Abate, SMG; Kristen McGrath, Neil Schriever and Martha Sheridan, PWCVB; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.**

**Mr. Duffy called the meeting to order at 9:02 AM and noted that this would be our 350th meeting. He also noted that a great deal has been accomplished by this Board. Mr. Duffy asked for a motion to approve**

**the minutes of the April meeting. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Daugherty it was unanimously**

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

**Mr. Duffy asked Mr. McCarvill to present the financial information. Mr. McCarvill reported that the VETS ended the month of April \$11,364 to budget and \$10,607 to the prior year. Year to date net income variance was \$72,292 to budget and \$140,280 to the prior year. Mr. McCarvill said that the VETS is our shining star this month. Mr. McCarvill reported the Convention Center net income for April was \$85,609 to budget and \$131,623 to the prior year. Mr. McCarvill reported that the Convention Center year to date net income was (\$267,624) to budget and (\$398,510) to the prior year. Mr. McCarvill reported that the positive variance for the month was due to the timing of events and the addition of new events. Mr. McCarvill stated that the Convention Center's unfavorable year to date net income variance is the result of lower event revenue in November and March. Mr. McCarvill noted that the gap is narrowing and we may see a positive number by year's end. Mr. McCarvill stated that the Dunkin' Donuts Center net income variance for the month of April was (\$107,907) to budget and (\$6,945) to the prior year. Year to date net income was (\$843,068) to budget and (\$688,216) to the prior year. Mr. McCarvill noted that the timing of concerts and Stars on Ice contributed to the negative variance. Year to date loss is due primarily to the lack of touring events and the non occurrence of**

anticipated shows. Mr. McCarvill reported that the Authority net income for April was \$27,700 to budget and \$8,992 to the prior year. For the year, net income for the Authority was \$296,503 to budget and (\$1,510,323) to last year. Mr. McCarvill stated that consolidated net income for the month of April was \$16,766 to budget and \$144,277 to the prior year. Year to date consolidated net income was (\$741,897) to budget and (\$2,454,360) to the prior year.

Mr. Duffy stated that in spite of bond requirements there is no indication that we will receive the 2011 renewal and replacement funds requested in the budget. Mr. Duffy was confident that Mr. Muldoon would show a profit for the year. Mr. Muldoon said that the Convention Center budgeted aggressively and continues to work hard to meet budgeted projections. Mr. Duffy congratulated Mr. Hahl noting that the staff at the VMA had done a great job. Mr. Duffy said that the concert outlook for next year at the Dunk is better.

## **DUNKIN' DONUTS CENTER**

Mr. Lepore reported that Michael Buble is almost sold out and that Cirque du Soleil is selling better than the last time they were here. Mr. Lepore stated that he has been talking with Major League Lacrosse but noted that we are not in a position to offer the building to any major league tenant at a lower rate than Providence College is paying.

Mr. Duffy asked if the building schedule could fit them in. Mr. Lepore said that we would have to do a double header but it could be done.

**Mr. Lepore noted that according to our contract with the P. Bruins we would pay a penalty if any other tenant had eight or more scheduled dates. Mr. Lepore said that the Dunk sales team is also negotiating with Hockey East and a potential Pay Per View MMA event in 2012. Mr. Lepore said that he is hoping that Feld will bring another family friendly Motorcross event to Providence.**

**Mr. Lepore stated that this has been a long season. He said that a major cleaning would be done to get the building back to pre NCAA shape. Mr. Lepore reported that he has been discussing some issues with Gilbane and Ellerbe Beckett. Mr. Lepore noted that there are leaks in the joints on the suite level that need to be addressed by either the architect or the construction manager. He said that they appear to be putting the blame on each other and we just want the problem taken care of. Ms. Venturini asked if the walkthrough with the representatives from Portland Maine had happened. Mr. Lepore said yes and we were gracious and informed them that both are good companies. Mr. Lepore said that he had spoken with both Gilbane and Ellerbe prior to the walkthrough and got their attention. Mr. Lepore said that they are proud of this retrofit and they like to use it as an example of what can be done. Mr. McCarvill stated that he thinks that Ellerbe will design a fix but they will not repair. Mr. Lepore noted that this issue came to light during the construction and it was concluded that caulking would solve the problem. Mr. McCarvill said that we should have been made aware at the time that there was a significant difference of opinion. Mr. Nee asked if there would be**

other groups coming to view the building and if so we can ask that Ellerbe and Gilbane refrain from scheduling any more tours until the problem is fixed. He said that we should not be used as a reference.

Mr. MacDonald again suggested that we look at rodeo. He said that he understands that we can't have calf roping in Rhode Island but we should try to get the law changed. Mr. Lepore said that the State Veterinarian is very much against the rodeo. Mr. MacDonald said we should try to get the law changed and work with the new State Vet.

Mr. Duffy said that he understood that we were invoiced for the repairs to the front stairs. Ms. Sullivan noted that she would be meeting with Gilbane on Tuesday and would make it clear that we would not pay because the issue belongs to Gilbane.

Mr. Duffy asked Mr. Abate about the concert outlook. Mr. Abate stated that it appears to be picking up and showing signs of improvement. Mr. Abate noted that the guarantees should reflect the willingness of the fans to pay the ticket prices. Mr. Duffy asked what a sales tax would mean to our ability to attract events. Mr. Abate said that managers would look at that as an additional cost and would take that into consideration.

## **CONVENTION CENTER COMMITTEE**

Mr. Duffy asked Mr. Muldoon to address the Board. Mr. Muldoon

reported that the Keds group was very happy with the space. He noted that the Convention Center is looking at installing drapes for that area of the lobby. Mr. Muldoon reported that there have been a few dance groups in the building recently and that is proving to be a very good market for us. Mr. Muldoon stated that repeat business continues to be a main stay for the building. Mary Kay, Sisco Boston and the Dog Show are very important. Mr. Muldoon said that the sales staff is closing in on the numbers and all departments are watching expenses.

Mr. Muldoon reported that our new electrical contract will result in \$100,000 in savings for the Complex. He said that we had very good pricing before this contract but this one is even better. Mr. Muldoon stated that Cal Restoration has completed the necessary repairs to the Rotunda Room and the Café and will now move to the exterior of the building. Mr. Duffy asked when work will begin on the concession stands. Mr. Muldoon responded that the materials have been ordered and demo will start shortly. Mr. Nee thanked and congratulated both Mr. Muldoon and Mr. Lepore for making an event memorable. He said that the graduation for the Institute of Labor Studies had been a once in a lifetime moment for the graduates. Mr. Nee also thanked Ms. Masino and her staff saying that they always do an excellent job. Mr. Buonanno asked about the vendor that sells candy in the Convention Center. Mr. Muldoon stated that the vendor contributes approximately \$20,000 per year in revenue and both the vendor and the Convention Center are pleased with the results.

**Ms. Sullivan reported that 4-Site has been selected as the contractor to install the Medal of Honor Wall at the Veterans Cemetery in Exeter. Ms. Sullivan said that 4-Site is the same contractor that installed the site across the street for the Dunk. She noted that she has been working with the Veterans and everyone is looking forward to the finished product. Ms. Sullivan said that all the materials from the original memorial would be re-used for this project. Ms. Sullivan stated that the dedication would be in late September or early October. Mr. Duffy asked if the project was on budget. Ms. Sullivan responded that it is.**

## **PWCVB**

**Ms. Sheridan said that sadly this is the last episode of the Neil Schriever Show and that he will be missed. She said that today is Mr. Schriever's official last day. Ms. Sheridan reported that Kristen McGrath would be taking Mr. Schriever's position. Ms. McGrath said that she would do her best to keep the momentum that Mr. Schriever has worked so hard to achieve.**

**Ms. Sheridan reported that the IEEE had met at the Convention Center. She said one of the topics was safety issues for linemen. Ms. Sheridan said that she wanted to publicly thank National Grid for assisting with the issue. Ms. Sheridan reported that a recent trip to Washington, D.C. was successful. She noted that with the support of**

our Congressional delegation she presented to a forum of senators the value that tourism is to the community. Ms. Sheridan said that her presentation was reaffirmed by small business owners.

Mr. Schriever distributed the CVB's sales report for the month of April. Mr. Schriever reported that definite bookings are ahead of fiscal year 2010 although definite room nights are down. He said that attendees are making their own arrangements and therefore the meeting planner is not blocking a large number of rooms. Mr. Schriever stated that groups that are now definite are the New England Select Lacrosse League, thanks to Mr. Nee, the Int'l Union of Bricklayers & Allied Craftworkers, Burlington Coat Factory, Challenger Sports and the Bay Colony Cluster Dog Show. Mr. Schriever said that we are attempting to convince the Dog Show to change the name from Bay Colony to something that is more representative of their new venue. He said that they have been the Bay Colony Dog Show for 100 years and change is not easy. Mr. Schriever reported that Collinson Publishing will help to bring a FAM tour to the City. Mr. Schriever noted that an Amazing Race type of site visit will take place and include a Waterfire.

Ms. Keough reported that she is planning for media coverage of the Dunkin' Donuts Naming Rights contract signing. Ms. Keough said that she continues to work with Kristen Adamo and the Convention Center staff to identify opportunities to combine our advertising effort.

**Ms. Venturini reported that the City of Providence is investigating a delay until 6:00 PM for the suspension of parking meter usage. She noted that this will be a huge inconvenience and burden to the restaurant and club workers in the City. Ms. Venturini asked if there was any way that our parking garage could be of assistance. Mr. Muldoon reported that he would put together a proposal that would allow those workers to park at a reasonable rate.**

**Ms. Venturini voiced her concern regarding violence on busses that bring groups to the clubs in Providence. She said that this is of grave concern and that an incident took place recently where the bus driver left his bus and refused to continue his trip. Mr. Nee asked how many busses were here each night. Ms. Venturini said that 7 or 8 a night. Mr. Fowler asked if the staggered closing times would help. Mr. Fowler suggested a town hall type meeting with radio and television people in attendance to address the issue. Mr. McCarvill said that we continue to monitor the City's plans to make Sabin Street two way. Mr. Nee was surprised that the plan is still alive.**

## **VETS**

**Steve Habl reported that tickets for Rene Fleming are on sale and that some have sold although the event is scheduled for the Winter. Mr. Habl stated that PFM has been getting more aggressive in selling the**

facility because of the impending renovations. Mr. Hahl also stated that Food & Beverage revenue is growing. Mr. Hahl said that he has been working with Ms. Sullivan to get the banners for the building. Mr. McCarvill noted that the Capitol Center Commission needs to approve the banners and asked if there is anyone else that we need to contact regarding the project. Mr. Hahl stated that the architect will present the plans for the banners to the Capitol Center Commission. Mr. McCarvill responded that we want these yesterday and asked Mr. Hahl to put the pressure on the architect.

Mr. Hahl noted that dance events have also been good for the VETS. He said that cheerleading and dance competitions have become very popular and are good source of rental income.

Mr. Hahl thanked Deb Tuton and the staff of the Complex for moving electrical and phone lines for the move to the 6th floor office space. Mr. Hirsh asked if there had been any discussion on using the lot next to the building for parking. Mr. Duffy stated that there will be a meeting with Mr. Licht and Lynn Singleton to discuss the possibilities. Mr. McCarvill noted that a review had been done last year and the project does not appear to be feasible at this time due to the asking price for the land. Ms. Venturini stated that a garage on that site would most likely be full during the legislative session. Mr. Duffy said that the space is on our radar.

Discussion ensued regarding the contractor for the first phase of the

VETS renovation. Mr. Duffy noted that the VETS is a State building and therefore we have to follow State purchasing regulations which state that the bid must be awarded to the lowest responsive and qualified bidder. Mr. McCarvill explained that if this were a Convention Center Authority project we would have more leeway in negotiating the contract and getting the best contractor at the best price for the project. Mr. Nee asked if this is being done through State Purchasing and if it is a State owned building why we are making the decision. He asked if this is properly our issue. Mr. Leach stated that the State has given us the project and therefore we have to follow the State's purchasing regulations and we do not have any flexibility. Mr. McCarvill stated that we have no say beyond low bid and we cannot go to other bidders and ask that they review their bids even where there are obvious errors. Mr. Leach said that he has found nothing that would disqualify the low bidder although the regulations specify that they need participate in an accepted apprenticeship programs. Mr. Leach said that he has attempted to contact the State Department of Labor and Training and the person responsible for the list of registered contractor apprentice programs will not return until Tuesday. Further discussion was had on the difficulty in following the new regulations. Ms. Carter said that she is not pleased that we have to take the low bidder if we are unsure that they can complete the job to our satisfaction. She asked if there would be any warranty and what happens if the job is not complete by the date the theater will be occupied. Mr. Duffy said that it will have to be complete. Mr. Nee asked if the Board is being asked to vote on

**this contingent to the contractor providing all information regarding his apprentice program and his subcontractors. Mr. Duffy said that Mr. Leach will continue to investigate the contractor's programs and references. Mr. MacDonald asked Mr. Leach to pay particular attention to the number of apprentices that have graduated from the program in the past couple of years and make sure that he has not just registered but had participants. Mr. Butler said are we sure that this contractor can handle this project and are we voting before we have all the information. Mr. McCarvill said that this provision in the purchasing regulations is fairly new but there should be some form that can be provided that assures contractor compliance. Mr. Hirsh stated that we had a problem with Burman in the past. Mr. McCarvill stated that we did with the escalator project at the hotel but not with work at the Dunkin' Donuts Center. Mr. Nee said the regulation calls for the lowest responsible bidder and asked who determines responsible. Mr. Duffy asked for a motion. Upon a motion duly made by Mr. Hirsh and seconded by Mr. Buonanno and by a roll call vote it was**

**VOTED: to award the contract for the first phase of the renovations of the VETS to Calson Construction contingent upon their meeting all requirements of the State Purchasing Regulations. The vote was 6 in favor and 4 against.**

**George Nee No**

**Dave Duffy Yes**

**Dale Venturini Yes**

**Paul MacDonald No**

**Letitia Carter No**

**Patrick Butler No**

**Jeff Hirsh Yes**

**Bernie Buonanno Yes**

**Bill Daugherty Yes**

**Jason Fowler Yes**

**Mr. Duffy reported that the motion passed contingent upon Calson Construction meeting all requirements. If they fail to do so we will move to the next lowest bidders in order.**

**Mr. Duffy stated that the Dunkin' Donuts Center naming rights contract had been signed. Mr. McCarvill presented the highlights of the contract. He said that the contract is for \$5 million over 10 years. Mr. McCarvill noted that Dunkin' Donuts will get two opportunities to open a store. Mr. Daugherty congratulated everyone that participated in the negotiations and stated that it was great news. Mr. Abate said that Mr. McCarvill had done a terrific job. Mr. McCarvill said that it took three years but it is finally complete.**

**Mr. Duffy noted that Mr. Daugherty requested an executive session pursuant to Section 42-46-5(a)(1) of the Rhode Island General laws to discuss personnel issues. Upon a motion duly made by Mr. Daugherty and seconded by Mr. Fowler and by a roll call vote it was**

**unanimously**

**VOTED: to convene in executive closed session pursuant to Section 42-46-5(a)(1) of the Rhode Island General laws to discuss personnel issues.**

**Open session resumed at 11:25 a.m. Mr. Duffy announced that no votes were taken in Executive Session. Upon a motion duly made by Mr. Nee and seconded by Mr. Fowler it was unanimously**

**VOTED: to seal the minutes of Executive Session**

**Mr. Duffy asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Nee and seconded by Mr. Daugherty it was unanimously**

**VOTED: to adjourn at 11:26 a.m.**