Attendees:
CCC Members: Chairman Ed Pietrewicz (requested to be excused following item 4 below), Jim Knowlton, Scott Najarian & John Harrity
Absent: John Budd
City: Rick Triferko, Heather Gould, Amanda Gregoire
SMG: Sandy Dunn, Jim Moughan, Julia Iorio
Guest: Robert Murdock, Destination Worcester
Minutes Prepared by: Paige Williamson, SMG

1. Call to Order:
Chairman Pietrewicz brought the meeting to order at 12:14pm and asked that the meeting agenda be taken out of order beginning with the Management Agreement/Contract Language vote.

2. Management Agreement
   a. Contract Language

Commissioner Harrity motioned to accept as presented with the inclusion of City’s recommendations. Contract language was as it pertains to the SMG Management Agreement, Page 8, Paragraph 2.1 TERM July 1, 2010 – June 30, 2015 and Page 10 Paragraph 4.5 Contracts – Third Parties and as it relates to the practice of entering into these agreements which may extend beyond the term of SMG’s Management Agreement. Motion seconded by Commissioner Knowlton. (4 yeas, 0 nays). Motion passed.

3. Acceptance of Meeting Minutes – January 24, 2013
Commissioner Knowlton motioned to accept the minutes of January 24, 2013; seconded by Commissioner Harrity. (4 yeas, 0 nays). Motion passed.


Commissioner Harrity voiced concern that with all the approved rent free days that are being granted to organizations, the City of Worcester should receive premiere recognition in return. Sandy Dunn stated that, historically while rent free, past conventions held at the DCU Center show significant service and food & beverage income. Robert Murdock of Destination Worcester stated that approximately, 12 to 15 additional functions are booked within the City (including the DCU Center) stemming from the convention itself along with 1500-2000 hotel rooms in the region including all available rooms in the City. Additionally, this request is time sensitive and part of the bid package being submitted by Monday, March 4th, 2013. The City Manager’s Office is working with DW to enhance the bid including the addition of other City resources - police, parking, etc. – with the goal of hosting this convention in 2014.

Commissioner Harrity motioned to approve the six (6) rent free days (3 in arena and 3 in convention center), June 12-14, 2014 for the State Democratic Convention with the stipulation that the City be granted a premiere marketing location during the days of the Convention to showcase economic development, attractions, etc.; seconded by Chairman Pietrewicz. (4 yeas, 0 nays). Motion passed.

A summary of approved Rent Free Dates to date was provided to the Commission by SMG.
5. Major Projects

a. Capital Projects – Heather Gould / Rick Trifero

Scoreboard Upgrades – Awarded with install planned for the first of March.

Ballroom Lighting – Bid came in at $22,000.00, project is moving forward. In discussion about a partial install to get some functionality until the additional pieces are available. Expect this to happen in the next week or so.

Airwall – Commissioner Harrity asked for an update on Paul Moosey’s comments from the last meeting regarding the installation of the airwalls and whether these would be included in the Consigli scope. Rick reported that the City is still working on alternatives for the install to obtain the best price. A follow up report will be provided at next meeting.

Arena/Convention Center Exterior Wall Leakage/Snow – The area by the new Zone where the Convention Center and Arena connect had a significant leak and damage during the blizzard storm. This has been an ongoing issue with certain weather conditions and wind. Rick T to work with Consigli on a possible solution since they will be performing work in this general area with the current construction project.

Fiscal Year 2014 Capital Budget – Line item budget was distributed to the Commission. The upcoming year was a lump sum reflecting both capital requirements and FFE items necessary as part of the Construction Project. A more detailed listing will be provided for the next meeting. Sandy Dunn stated that some items were targeted as enhancements to the current project to ensure the areas receiving limited attention on the concourse are also improved. With available house staff and potential for favored pricing due to the larger construction project, SMG will look to focus on current restrooms, luxury boxes, and painting. The ice resurfacer is out to bid. SMG has favored pricing with Zamboni due to the number of units purchased nationally. This preferred pricing should be reflected on the bid documents and passed on to the City of Worcester. As of now, a new Zamboni would not be delivered until after the season begins. Once in place, one of the older units can be dedicated to the Oval.

The Sharks have their own allowance of $50,000 as part of the lease extension. SMG will work with them on identifying areas they are looking to improve with these monies. Also in the extension, the City has agreed to add a “passenger seat” to two Zambonis for fan participation. This has been increasingly popular among AHL franchises as well as some NHL franchises. Commissioner Harrity asked if this could be deferred. Sandy Dunn reported that it was part of the extension agreement with the Sharks and the City so it could not.

b. DCU Center Expansion & Refurbishment Project – Heather Gould

i. Construction Timeline – Foster & Commercial Street work has begun and Consigli has been very cooperative in working with SMG around events when necessary. At this point we are on target with the timeline with no apparent delays.

The signage package has not been completed yet, with architects reviewing now and trying to finalize over the next few weeks. After completion, we will have a cost estimate for this portion of the project.
6. SMG Reporting

a. Monthly Highlights – Sandy Dunn

*Highlights* – The Common Oval Ice Rink is now closed after a great inaugural season. There were many moving parts to this undertaking, which in the end, received rave reviews and gave a much improved perception of the downtown Worcester Common. It is the City Manager’s intention to reopen next season. A fabulous job was done by all involved including City Parks & Rec, WPD and City Manager’s Office who handled the programming aspects. Commissioner Harrity congratulated SMG on an excellent job well done.

This Saturday’s American Cup Gymnastics Event is a LIVE telecast from the DCU Center Arena on NBC, which will bring excellent press coverage for the City & the facility.

b. Sales Report – Jim Moughan

*Highlights* – Castleberry Holiday Craft Fair will return next year but moving weekend prior to Thanksgiving in the hopes of boosting attendance beyond 3,000. University of Phoenix Graduation this year may NOT happen as their numbers have grown and they would need the arena. Due to the construction closure, they will likely look for a facility in the Boston area though we hope that we will be able to have them consider us in the future. McDonald’s has four events booked with greater attendance numbers. Anime Festival with a potential film shooting opportunity is also being considered at the facility.

Price Waterhouse Occupancy Rate Report distributed for reference. This report is received on an annual basis and provides comparison to like sized convention centers as well as regional facilities. This report assists SMG with benchmarking their efforts as well as pricing, revenue streams, etc.

c. Financial Statements – J.Iorio

General discussion of Financials – December 2012. As a highlight, Sharks Food and Beverage per caps have increased notably this year. Sandy Dunn reported that the venue is not trending well financially this year. Lack of concerts, significantly reduced ticket rebate monies and reductions in advertising and luxury seating income due to non-renewals with arena construction rendering the facility dark for 5 months have significantly impacted income.

SMG will continue to identify potential areas for savings. With on-going convention center activity, it is difficult to provide much meaningful savings as the two largest expense items – utilities and staffing – provide for little adjustment. Indirect expenses – supplies, repairs, etc. have been limited to emergency only for the past several months and will continue as such to the end of the fiscal year.

7. New Business

a. 2013 Meeting Schedule – March 28th, 2013

*DCU Center Conference Room*

Vice-Chair Najarian moved to adjourn the meeting; Seconded by Commissioner Harrity. (3 yeas, 0 nays) *Motion passed.*
Meeting Adjourned – 1:17pm