

**MINUTES OF THE MEETING**  
**of the**  
**MASSACHUSETTS CONVENTION CENTER AUTHORITY**  
**January 18, 2018**

A meeting of the Massachusetts Convention Center Authority was held on January 18, 2018 in Boardroom 201 at the Boston Convention & Exhibition Center, 415 Summer Street, Boston, Massachusetts. Members in attendance were: Chairman John McDonnell, Dominick Ianno, Emme Handy, Paul Sacco, Jack Hart, Barbara Capuano, Cindy Brown, Michelle Consalvo and Karen Diane Johnson.

Staff members in attendance were: David Gibbons, Fred Peterson, Michael Esmond, Nate Little, Milt Herbert, Maureen Shea Baker, Mark O'Leary, Michael Palmer, Robert Noonan, Devin Taylor, Christopher Donato and Dennis Callahan.

**I. ROLL CALL**

Chair McDonnell called the meeting to order at 10:03 a.m., and a quorum was established by a call of the roll.

**II. MINUTES**

Upon a motion duly made and seconded, the Minutes of the November 16, 2017 meeting were approved.

The Chairman introduced and welcomed Emme Handy, the Chief Financial Officer, Collector-Treasurer and Chief of Administration and Finance for the City of Boston to the Board.

**III. EXECUTIVE DIRECTOR'S REPORT**

1. David Gibbons welcomed the Board back from the holidays and wished everyone a Happy and Healthy New Year.
2. Mr. Gibbons reported that Authority staff and the Authority's Designer Selection Panel have a meeting scheduled next week to discuss the BCEC Master Planning and Feasibility agreement including fees and a schedule of deliverables. Mr. Gibbons stated that he anticipates bringing this matter back to the Board for a review and vote at the February Board meeting.
3. Mr. Gibbons reported that that PCMA recently wrapped up their annual gathering in Nashville. The BCMC hosted a great party on the rooftop at Martins BBQ restaurant. Ayla Brown and her band provided the entertainment and we also had Ambassador Brown visiting from New Zealand who joined the fun. BCMC and Boston industry leaders partnered for the reception to promote the City of Boston to meeting planners from across the nation.
4. Mr. Gibbons reported that just before Thanksgiving the BCMC travelled to Washington D.C. on one of their well run and productive sales missions. The BCMC hosted a terrific event at Top of the Town restaurant and welcomed clients and prospects for dinner and an update on

Boston. The Authority's Board Chairman John McDonnell opened the evening which also featured an entertaining and insightful presentation by the Boston Planning and Development Authority's Jon Greeley. John Murtha, General Manager at the Omni Parker House provided an update on their Summer Street Hotel Project. The Chairman had the pleasure of giving an overview of the BCEC Master Planning and Feasibility efforts.

5. Mr. Gibbons reported that with 2018 well underway and took a quick look back and highlighted several charitable efforts made by the Authority team and our venue partners during the holiday season.

In November, staff from multiple Authority departments and in-house partners volunteered to help the United Way fill thousands of bags at the BCEC with meals for local families in need. That same week, Authority and Levy employees worked with Friends of the Children Boston loading over 100 turkey dinners, donated by Levy Restaurants, into vehicles to be delivered to local families that would not have otherwise enjoyed a Thanksgiving meal.

In December, working closely again with Levy Restaurants, the Authority invited the Condon Elementary School back for our annual cookie decorating. More than 200 third graders from the Condon Elementary School visited our kitchen at the BCEC and decorated freshly baked gingerbread cookies with Levy's new Executive Chef Kao Yuen. That weekend, Christmas in the City returned to the BCEC for a Winter Wonderland Carnival in Halls C and D filled with rides, games, and lots of presents. The annual themed event introduced a new tradition this year, opening its doors to the public as a ticketed event on Saturday, before hosting thousands of children from Boston area homeless shelters and group homes on Sunday. The event concluded Monday when members of underprivileged families were welcomed into the BCEC to shop for toys and gifts to bring back to their families for the holidays.

Also in December, two employee-led initiatives added more warmth to the holidays: Authority staff collaborated with the St. Francis house for a coat drive collecting clothing for local families facing poverty and homelessness. Authority staff also worked with Toys for Tots collecting and donating over 200 toys for the 70 year old program.

6. Mr. Gibbons also reported that he wanted to recognize the continued success of our Conventions C.A.R.E Program which works with shows at our facilities to donate non-perishable items to local non-profits. In Fiscal Year 17 the Authority helped find homes for over 18 tons, or 36,000 pounds, of donated goods including but not limited to furniture, school and office supplies, and building materials. In August, the BCEC welcomed back the Orgill Annual Dealer Market who, through the Authority's C.A.R.E program, donated 400 pallets of building materials totaling roughly 25 tons to Habitat for Humanity. This generous donation allowed the Boston Chapter of Habitat for Humanity to build an entire house! More recently, the Greenbuild International Conference & Expo came to the BCEC in November and worked with our team to donate 13 tons of material to both Habitat for Humanity and the Gavin Foundation. To date, the Conventions C.A.R.E program has collected and donated upwards of 200 tons of goods and materials to local non-profits.

In addition to our teams' efforts in giving back to our host communities, Mr. Gibbons stated he was proud of the dedication and performance of the Authority staff, as well as our partners, to service excellence throughout the organization.

7. Mr. Gibbons reported that he was excited to share with the Board that the BCEC and Hynes Convention Centers have again earned "Gold Level" status from the AIPC (International Association of Convention Centres) Quality Standards Program. This recognition is a credit to the consistent quality training that our entire team experiences at each level.

8. The commitment to customer service has also been embraced by our venue partners. The International Brotherhood of Teamsters Local 25 recently launched the first trade show worker training program providing workers an opportunity to earn certifications and licensure related to various aspects of the trade show industry.

9. Mr. Gibbons reported that with the return of our annual gate shows, the energy level in our venues is rising as we welcomed big crowds to The New England International Auto Show and the Boston RV & Camping Expo earlier this week. Looking ahead, The Mass Dental Society's Yankee Dental Congress moves in next week to the BCEC. The Progressive New England Boat Show moves is scheduled for February. Meanwhile, the Hynes will be welcoming 3,500 international high school students for the Harvard Model United Nations Opening Ceremonies next Thursday.

10. Mr. Gibbons stated that having recently marked his two year anniversary at the Authority, he wanted to thank the Board for its support, guidance and vision. He further stated that he joins the Board in looking forward to what promises to be an eventful 2018. In closing, Mr. Gibbons extended best wishes for a safe and happy holiday season on behalf of everyone at the Authority and that he looks forward to what promises to be another great year in 2018.

#### **IV. BCMC SALES AND MARKETING REPORT**

Milt Herbert gave a brief sales report, including the following highlighted information:

1. Citywide Convention Sales & Hotel Relations. Year to date (July 2017-December 2017) the BCMC team closed 10 Bulls-Eye events at the BCEC. Projected total BCEC Room Nights for this period totaled 106,314. At the Hynes the team closed 12 Bulls-Eye events with a projected 66,845 room nights. In total for this period, 22 bulls-eyes, 19 non-bulls eyes for a total of 41 events. Combined BCEC and Hynes hotel room nights accounted for 173,159. Mr. Herbert highlighted five particular events for this period: National Association of Chain Drug Stores, (2026) with 10,590 room nights, Credit Union National Association and World Council of Credit Unions Joint Conference (2025) with 8,825 room nights, Society for Laboratory Automation and Screening Annual Meeting (2022 and 2024), with 6,450 rooms nights, National Pest Management Association (2027), 5,575 room nights, MathWorks Sales Kick Off (2020 and 2021) 5127 room nights.

2. Citywide Convention Sales & Hotel Relations. The total number of events for FY 2017 at 87 with an estimated 6,809 number of hotel rooms.

3. Event & Media Sales. Mr. Herbert provided a brief update on Event & Media Sales noting significant activities such as Watson IoT Genius of Things, Open Source Data Science Conference 2018, Directions 2019, GE Company Meeting 2018, and Electronic Design Concept among others.

4. Marketing Initiatives included PCMA in Nashville and a sales meeting in Washington, D.C this past November.

## **V. REPORT OF THE DEVELOPMENT & CONSTRUCTION COMMITTEE**

Paul Sacco stated that the Development and Construction Committee had met and recommends the approval of the following vote before you today.

Mr. Sacco introduced John Donahue to present the following vote:

### **Board Vote: Hynes Convention Center and Boston Common Garage Fire Alarm Maintenance Contract**

The Hynes Convention Center and the Boston Common Garage Fire Alarm System requires inspection, testing, preventative maintenance, and incidental servicing on a regular basis, software maintenance and periodic upgrades, as well as occasional major and emergency service and repairs.

The procurement for a project to provide for such work is subject to bidding in accordance with the State's construction bid law, MGL. c. 149. The Authority advertised for bids for a three-year maintenance contract on November 1, 2017. The bids were opened on November 20, 2017. Bids were received from the following contractors prequalified by DCAM:

American Service Company:	\$391,375.00
Siemens Building Technologies, Inc.:	\$461,400.00
Simplex Grinnell, LP:	\$326,679.00

The bid law requires award of the contract to the lowest responsible and eligible bidder, which in this case is Simplex Grinnell, LP.

A vote to implement the Development and Construction Committee's recommendation and award of this contract to Simplex Grinnell, LP, would take the following form:

**VOTE -- The Massachusetts Convention Center Authority hereby votes to authorize the Executive Director to execute with Simplex Grinnell, LP, a contract for Fire Alarm Maintenance at the Hynes Convention Center and the Boston Common Garage, in the amount of \$326,679 (Three Hundred Twenty Six Thousand Six Hundred and Seventy Nine Dollars), for a term of three years, in accordance with the term and conditions of the bidding documents dated November 1, 2017.**

## **VI. REPORT OF ADMINISTRATION, FINANCE & PERSONNEL COMMITTEE**

Dominick Ianno introduced Michael Esmond who reported that staff and members of the Administration, Finance & Personnel Committee met with Wainwright Investment Counsel (“Wainwright”) at a Committee meeting this past November. The Committee had suggested that representatives of Wainwright should provide the full Board with a presentation of the proposed Authority asset allocation policy. Mr. Esmond noted that the Authority will have approximately \$14.4 million (\$11.5 million in Pension Plan and \$2.9 million in OPEB Plan) in cash to invest. Following Mr. Esmond’s remarks he introduced Michael Dwyer and Jeffrey Fabrizio from Wainwright, who gave a presentation on the process of establishing an Investment Statement Policy for the Authority’s Pension and OPEB Plans. Mr. Dwyer presented a comparison of three (3) investment portfolios showing different asset allocations, (75%, 70%, and 65% equity with balance in fixed income) with expected return, expected standard deviation, expected yield, and “Sharpe Ratio.” Mr. Dwyer explained the differences in risk and return in each. Mr. Dwyer stated that it is Wainwright’s recommendation that that the target allocation of 70% and 30% fixed income and cash be selected. Mr. Dwyer also presented a hypothetical of the investments of the 70% equity/30% fixed income, by the Authority’s income investment manager, as well as a recommendation of the Initial Portfolio Allocations by percentages of Index Funds and Emerging Market ETFs, as well as the Fixed Income allocations and cash investments. Mr. Dwyer stated that this asset allocation could be adjusted at any time. In closing Mr. Esmond stated that the Authority would likely be investing these funds per Wainwright’s Portfolio Allocations in late January or February. Mr. Esmond also noted that the Authority intends to hire an actuarial to provide an assessment to anticipate the Authority’s Pension and OPEB Plans’ expenditures over time.

## **VII. OLD BUSINESS**

1. Seaport Flooding. The Chairman asked if the BCEC had experienced any flooding with the recent winter storm and if the Authority was exploring any mitigation efforts in this regard. Fred Peterson reported that the BCEC had not had any flooding at the facility. Mr. Peterson stated that the Authority has been actively involved with state and City of Boston officials in discussion about climate change, and specifically involved with Climate Ready Boston. David Gibbons also stated that the scope of services for the Authority’s BCEC Master Planning and Feasibility study will also explore and address these concerns as well as sustainability and LEED Certification.

2. Security Update. The Chairman also asked for an update on the Authority’s plans to address safety concerns especially in light of recent news and industry events. David Gibbons stated that the Authority’s public safety department are actively working with federal, state and local agencies and first responders on an active shooter table top exercise and that this exercise will take place this afternoon in the BCEC facility. The table top exercise is based on an “active shooter scenario” at the BCEC. This exercise will include members of our entire first responder community at the federal, state, and City of Boston levels as well as numerous attendees from our industry including other convention destinations. The Authority is currently expecting approximately 200 people to attend as either a participant or an observer. Mr. Gibbons

stated that it is important to note that as it relates to the convention and meetings industry this will be the first large scale exercise held throughout the nation since the tragic events in Las Vegas this past October centered around the convention center industry. As a result, those within the first responder community and our industry are closely paying attention to where we can improve and get better as an industry to prevent these incidents from happening. Mr. Gibbons invited the Board to attend the table top exercise. Additionally, Mr. Gibbons stated that the Authority's public safety department is also exploring Active Shooter technology within each of its facilities.

Lastly, Mr. Gibbons stated that the Authority is also applying to the U.S. Department of Homeland Security ("DHS") for certification under the Support Anti-terrorism by Fostering Effective Technologies Act (SAFETY Act) for the BCEC. The benefits of Safety Act certification include: a limit of liability, for an act of terrorism, up to the amount of insurance as determined by DHS; federal court jurisdiction; no joint and several liability for non-economic damages; no punitive damages or prejudgment interest; recovery reduced by amounts from collateral sources. Should the BCEC receive DHS Safety Act Certification it would be the first convention center to do so. It would also be a selling point to the Authority's potential customers regarding the level of safety within the BCEC.

#### **VIII. NEW BUSINESS**

There was no new business.

#### **IX. ADJOURNMENT**

Upon a motion duly made and seconded the meeting was adjourned at 10:55 a.m.

ATTEST:



Dennis Callahan  
General Counsel

Date:

3/15/2022