

MINUTES OF THE MEETING

of the

MASSACHUSETTS CONVENTION CENTER AUTHORITY

January 22, 2010

A meeting of the Massachusetts Convention Center Authority was held on January 22, 2010 in Room 201 at the Boston Convention & Exhibition Center, 415 Summer Street, Boston, Massachusetts 02210. Members in attendance were: Chair Gloria Larson, Dean Stratouly, Scott Jordan (designee of the Secretary of Administration and Finance), Barbara Capuano, Darryl Settles, Peter Bassett, Robert Kenney, and Carol Fulp. Staff members in attendance were: James E. Rooney, Kenneth A. Sinkiewicz, Fred Peterson, Jack Haley, Steve Snyder, Shu Hsia, Mac Daniel, Justin Holmes, Mark Michaud, Johanna Storella, Michelle Ho, Milton Herbert, Maureen Baker, Matthew Hollander, Todd Mattuchio, Joann Washington, Dennis Callahan, and William Smith.

I. ROLL CALL

Chairman Larson called the meeting to order at 8:45 a.m., and a quorum was established by a call of the roll.

II. EXECUTIVE DIRECTOR'S REPORT

1. Mr. Rooney related that four Authority employees and many employees of our contractors have lost family and loved ones in the tragic earthquake in Haiti. He reported that in an effort to assist with the relief efforts, the Authority teamed with the American Library Association to raise \$30,000 to be combined with the funds being raised by other City and state leaders. The ALA also made a commitment to assist in rebuilding Haiti's libraries, especially its National Library which suffered serious damage. Mr. Rooney also indicated that when the local arm of the George Clooney's Hope for Haiti fundraising event at the Reggie Lewis Center realized it was short some equipment and expertise for its Telethon, it called the Authority, and the Authority's audio visual contractor Projections, Inc., rose to the occasion and donated the equipment and labor in order to make the staging of the Telethon a success. Mr. Rooney introduced Hani Hindiye, Projections' General Manager, to the Board, and the Board thanked him for the company's generosity.

2. Mr. Rooney reported that the Top 5 initiative continues to make progress. The first meeting of the Convention Partnership is scheduled for January 27th. Mr. Rooney indicated that he expected that the first half of the year's efforts would be focused on

information gathering and analysis and the second half on deliberating and crafting a recommendation or report based on materials reviewed and analyzed.

3. Mr. Rooney indicated that there would be votes related to technology issues today. Technology is an area that the Authority established as part of its success strategy, beginning seven years ago, at the outset of the BCEC design and continuing today it has served us well. Mr. Rooney noted that the Authority has developed the first convention center I-Phone Application and we are working to determine how it can best serve our customers and exhibitors. Chair Larson indicated that technological excellence was important both from a practical standpoint and symbolically to show we are leaders. She also remarked that we were first to offer free wireless internet service and years later other convention centers and airports such as Logan are beginning to follow our lead.

4. Mr. Rooney indicated that this was a year for procurement of large service contracts, with cleaning, and the management of the MassMutual Center being bid this year. The Food and Beverage procurement is also underway as the Board well knows, and Mr. Rooney introduced Mr. Sinkiewicz to describe for the Board the status of that procurement. Mr. Sinkiewicz laid out, step by step, the process as it has evolved thus far, beginning with Board policy making early in the year, the issuance of Request for Qualifications in July and Requests for Proposals in October, and the extensive analysis, interview and site visit process that the Authority selection Committee has undertaken. At the conclusion of Mr. Sinkiewicz's presentation, Mr. Rooney indicated that Board committees would be reviewing the selection committee's recommendation in advance of a board presentation at the next meeting.

[Mr. Kenney entered the meeting]

III. MINUTES

Upon a motion duly made and seconded the minutes of the October 15, 2009 meeting were approved

IV. REPORT OF THE ADMINISTRATION, FINANCE & PERSONNEL COMMITTEE

Mr. Snyder was introduced to make a presentation concerning the Showbiz project

1. Board Vote-Showbiz Release 2 Core Extensions & Release 3 Planning

On June 29, 2007 the Authority issued a Request for Proposals ("RFP") for a Custom Enterprise Event System: Solution Definition and Architectural Blueprint. The services sought were for the first phase of the project, and included user experience study, solution design, reference architecture development technology recommendation, application roadmap determination, development of an implementation budget and a project plan. This initial RFP also asked for documentation to procure subsequent phases if that were

development of a Custom Enterprise Event System on behalf of the Authority with Optaros, Inc, in an amount not to exceed \$400,000 plus approved reimbursable expenses.

Mr. Jordan made a presentation concerning the following vote:

2. Board Vote: Massachusetts Office of Travel and Tourism

In November, 2009, the Authority, upon a vote of this Board entered into a Memorandum of Agreement under which MCCA, recognizing the Commonwealth's budgetary constraints and resulting necessary state spending cuts, agreed to commit funding to the Massachusetts Office of Travel and Tourism (MOTT) in the amount of \$2,500,000 for development and performance of domestic and international marketing initiatives in connection with convention and tourism promotion related to the Authority's business and mission in the Boston and Springfield area for the purpose of furthering economic development activities to ensure that such important activities may continue despite the Commonwealth's challenging fiscal situation. In June, 2009, the Authority amended its agreement with EOHED to provide \$1,000,000 to MOTT to be utilized in its efforts in connection with the Tall Ships event scheduled in July, 2009.

The Commonwealth's General Appropriation Act for Fiscal year 2010 contained the following provision:

SECTION 129. The following agencies or authorities which, as a result of the governor's actions to reduce allotments under section 9C of chapter 29 of the General Laws in fiscal year 2009, assumed or were assigned the responsibility for programs or other services which were otherwise funded in the fiscal year 2009 general appropriation act or a supplementary appropriation act prior to the governor's actions to reduce allotments under said section 9C of said chapter 29, shall continue their contribution for said programs or services in fiscal year 2010:...

(e) the Massachusetts Convention Center Authority, the Massachusetts Office of Travel and Tourism Marketing program; and,

Upon a motion duly made and seconded the Board voted unanimously to effectuate the provisions of Section 129 (e) of the General Appropriation Act for Fiscal Year 2010 as follows:

VOTED: The Authority authorizes the Executive Director to enter into a contract with the Massachusetts Office of Travel and Tourism in an amount not to exceed \$2.5 million for the development and performance of domestic and international marketing initiatives in connection with convention and tourism promotion related to the Authority's business and mission in the Boston and Springfield areas on such terms and conditions as the Executive Director determines to be in the best interests of the Authority.

V. REPORT OF THE DEVELOPMENT COMMITTEE

Mr. Stratouly introduced Mr. Howard Davis who made a presentation concerning a Marquee and video wall project At the Boston Convention and Exhibition Center. The presentation resulted in the following vote:

1. Board Vote—Amendment to Simpson Gumpertz and Heger Consulting Engineering Contract for Digital Display Plan and the BCEC Marquee and Main Lobby Video Wall

In 2003, during the construction of the BCEC, preliminary plans were developed for two significant electronic digital display projects. The first project, referred to as the "marquee," was a tall, iconic sign to be located on the plaza adjacent to Summer Street between the BCEC and the headquarters hotel. The second project was a "video wall" to be located at the south end of the main lobby. For a number of reasons, the decision was made not to proceed with these projects at that time, and instead suspend further work until a future date. Among the reasons that the projects were suspended was the fact that the digital display technology to be incorporated into these projects was rapidly evolving at that time, leading to the conclusion that it would be more cost effective to consider the projects at a later date.

During the last few months, at the request of the Development Committee, these two projects have been reconsidered. The Development Committee also requested that a digital display master plan be prepared to comprehensively identify opportunities for digital displays at both the BCEC and the Hynes Auditorium.

At the Development Committee's meeting on November 5, 2009 there was a presentation demonstrating progress to date on these initiatives. MCCA staff reported that a consulting team had been retained to assist with the effort. The consulting team consisted of Simpson Gumpertz and Heger ("SGH"), Utile, Inc. and Sensory Interactive ("SI"). These consultants brought the necessary expertise to the task, including structural engineering and waterproofing (SGH), architecture and urban design (Utile), and digital display technology and industry knowledge (SI). The directive from the Development Committee after the November 5, 2009 meeting was to proceed with additional work on the digital display master plan, and to advance the designs and prepare budgets and schedules for the marquee and video wall projects.

A second presentation was made to the Development Committee at its January 15, 2010, meeting. At this meeting, a physical mock-up of the marquee was erected and sample LED digital displays were available for the Committee to review. The Committee also reviewed the digital display master plan, the budgets for design and construction of the marquee and the video wall, and the project schedules. The additional scope of work for SGH and its subconsultants to complete the design and construction of the marquee and video wall at the BCEC, together with the associated fees were also discussed.

The Development Committee at a recent meeting voted to recommend that the full Board approve an amendment for the above described work.

Upon a motion duly made and seconded the Board voted unanimously as follows:

VOTED: The Massachusetts Convention Center Authority hereby authorizes the Executive Director to execute an amendment to the design services agreement between the Authority and Simpson Gumpertz and Heger be approved, in an amount not-to-exceed \$460,000, to perform design, engineering, and other services necessary to complete the design and procurement of the Summer Street marquee and the main lobby video wall at the Boston Convention & Exhibition Center.

Mr. Stratouly introduced Mr. Haley to make a presentation concerning the following vote:

2. Board Vote – Contract with Haley and Aldrich

In connection with the design of the Boston Convention and Exhibition Center, the Authority contracted with HNTB/RVA which utilized Haley and Aldrich as a subconsultant to perform environmental consulting services and was also the Project's Licensed Site Professional (LS P). Since these services are typically provided in a direct contracting relationship with the owner, the Authority and Haley and Aldrich entered into an agreement which provided aspects of a direct relationships between the Authority and Haley and Aldrich such that substantial portions of the work of Haley and Aldrich was overseen by the Authority's Project staff and the Authority's Owner's Project Manager, Tishman Construction Corp. of MA.

Haley and Aldrich, under this arrangement, developed and provided oversight of all aspects of the project's initial remediation work, (Phase 1) which was performed pursuant to regulation of the Massachusetts Department of Environmental Protection (DEP) and the United States Environmental Protection Agency (EPA). Haley and Aldrich also performed consulting services for the Authority and other plaintiffs in connection with the Commonwealth's and the Authority's lawsuit against Boston Edison concerning remediation to be required as Phase 2, which was successfully settled resulting in Boston Edison contributing over \$8 million to the cost of such Phase 2 remediation.

The work associated with Phase 1 remediation was completed contemporaneously with project construction and subsequently, documentary compliance was achieved, documented and, where necessary, recorded.

Because Haley and Aldrich was intimately familiar with the site and participated in all filings and interactions with federal and state regulators over both Phase 1 and 2 remediation, it was determined that the Authority should utilize Haley and Aldrich directly to assist in the development of an interim site containment program and a longer term risk based closure plan that integrates remediation with the future development of the Phase 2 site. Such a plan must be presented to and approved by the appropriate state

and federal regulatory agencies. This initial Phase 2 expansion area project undertaken by Haley & Aldrich was intended to divide the site into two separate and distinct areas from a regulatory standpoint in order that the non-PCB contaminated portions could be placed on a regulatory closeout path immediately leaving only the area under and directly adjacent to the EM-1 capped area remaining. This project was accomplished in the fall of 2009.

Accordingly, a request for a proposal was directed to Haley and Aldrich seeking their services in connection with securing an extension of the Short-Term Risk Based Approval granted by EPA for the EM-1 Cap which expires on May 11, 2010, file a Phase II/III Report with MassDEP, and supporting the Authority's case to be made seeking regulators permission to integration the Site contamination remediation with the planned BCEC Phase 2 expansion activities. The Authority's representatives, including Tishman Construction Corporation as the Owners Project Manager, negotiated and came to agreement upon the required scope of services needed for this effort, a lump sum cost, and a budget estimate for the required geotechnical services for which H&A shall contract and bill as on a reimbursable basis. Including an appropriate contingency amount, the cost of this new environmental effort is \$973,600. At a recent meeting of the Development Committee, the Committee reviewed Haley and Aldrich's proposal dated December 14, 2009, and voted to recommend that the Board approve entering into a contract with Haley and Aldrich in that amount.

Upon a motion duly made and seconded the Board voted unanimously as follows:

Voted: the Executive Director is authorized to enter into a contract with Haley and Aldrich to perform services including; securing from EPA a two-year extension of the Short-Term Risk Based Approval by May 2010, developing a viable interim site containment plan and a risk based closure plan meeting with Regulator approval, and filing a Phase II/III Report with MassDEP before the June 2011 deadline in an amount not to exceed \$973,600.

Mr. Haley made a presentation concerning the following vote:

3. Board Vote-Owner's Project Management Services

As a result of the Authority's need to supplement its construction project management resources, as well as a mandate of the Construction Reform Statute requiring the utilization of owner's project management services on construction projects valued in excess of \$1 million, the Authority, in 2007, advertised a Request for Proposals (RFP) for Owner's Project Management Services. The RFP requested responses and identified twenty projects valued at approximately \$27,000,000 scheduled to be undertaken through January 2009. In the qualifications based procurement Tishman Construction Co ("TCC") was chosen, and a three year contract with three additional option years was approved by the Board, and after negotiation, the amount of \$1,908,544 was allocated based on the number, status and projected amount of services required for an initial eighteen month period through January, 2009. An additional amount of \$1,800,000 was

voted by the Board in January 2009 for the TCC staffing and reimbursable expenses through January 2010.

A request was made of Tishman for a proposal to amend the contract to perform Owner's Project Management Services from March 2010 through February 2011. After analysis of the current staffing requirements and status of existing projects an amount not to exceed \$2,678,259 was negotiated as the amount necessary to provide the required services inclusive of reimbursable expenses. At a recent meeting of the Development Committee, this proposal was presented to the Committee and after review voted to recommend approval of the contract amendment in the amount of \$2,678,259

Upon a motion duly made and seconded the Board voted to authorize the Executive Director to amend the contract with Tishman Construction Company to perform Owner's Project Management Services through February, 2011, in an amount not to exceed \$2,678,259 as follows:

VOTED: That the Massachusetts Convention Center Authority hereby authorizes the Executive Director to amend the contract for Owner's Project Management Services with Tishman Construction Company of Massachusetts, in an amount not to exceed \$2,678,259.

[Mr. Kenney took no part in, and recused himself from this vote]

VI. OLD BUSINESS

There was no old business

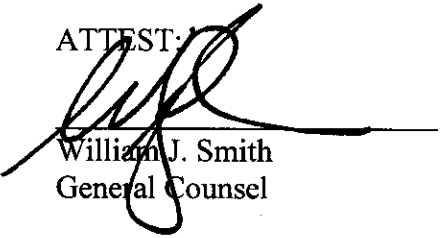
VII. NEW BUSINESS

There was no new business.

VIII. ADJORNMENT

Upon a motion duly made and seconded, the Board voted unanimously to adjourn at 11:00 am.

ATTEST:


William J. Smith
General Counsel