

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
464th MEETING OF THE
BOARD OF COMMISSIONERS
July 29, 2021

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 July 29, 2021, pursuant to notice, at the Dunkin Donuts Center, One LaSalle Square, Providence, Rhode Island.

Board members attending were Patrick Butler, Peter Mancini, Bernie Buonanno, Paul MacDonald, George Nee, Jeff Hirsh, Dale Venturini, Peri Ann Aptaker and the newest Commissioner, Edward Feldstein.

John Hooper and Tony Mendez were unable to attend.

Others participating were Allen Chile and Dan Schwartz, The VETS and PFM; Cheryl Cohen, Dunkin' Donuts Center; Larry Lepore, Beth Johnson and Chris Spolidoro, Convention Center; Kristen Adamo, PWCVB; Mike Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel; Daniel McConaghy, Executive Director, Dana Peltier, Authority Accountant and Eileen Smith, Recording Secretary.

Mr. Buonanno called the meeting to order at 9:00 AM. **Mr. Buonanno** introduced the newly appointed Commissioner, **Edward Feldstein**. The Board Members welcomed **Mr. Feldstein** who then stated that he was pleased to be appointed by the mayor was looking forward to being an active member of this important board. **Mr. Buonanno** asked for a motion to approve the minutes of the June meeting. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. Nee** it was unanimously

VOTED: To approve the minutes of the June meeting as presented.

Mr. Buonanno announced that there would be no meeting in August.

Mr. Buonanno recognized **Ms. Venturini**. **Ms. Venturini** asked Kristen Adamo to address the board. Kristen reported that we are in an upward trajectory with rate creeping up. Ms. Adamo stated that the funnel is picking up. She noted that July should be a good month for bookings and she reported that Warwick is picking up. **Mr. Hirsh** asked why Warwick would pick up before Providence. Ms. Adamo said that affordability and Warwick hotels have more double double rooms that are good for families. Ms. Adamo stated that tentative prospects are almost all in 2022. Ms. Adamo also reported that 123 groups have been relocated during this time. Ms. Adamo reported that Mr. Riel is interviewing candidates for the newly created position of business development. Ms. Adamo announced a mini campaign highlighting virtual trade shows. **Ms. Aptaker** said that Ms. Adamo sounds encouraging. Ms. Adamo said that it is a slow but steady climb. **Ms. Venturini** said that the main issue is employment, and everyone is looking for ways to get people back to work. **Ms. Venturini** stated that childcare and transportation appear to be obstacles to people returning to work. She noted that she is working on a RIPTA program with Scott Avedisian to address these issues. Ms. Adamo stated that the supply chain is also broken. **Mr. Hirsh** said that it is awful. **Mr. MacDonald** stated that Scott

Avedisian has a committee that is looking into ways to assist getting people back to work. **Ms. Venturini** said that she would call Scott today.

Mr. Schwartz was asked to present the financial and operational report for the VETS. Mr. Schwartz said we made it. The year ended reported that the VETS Net Income for the month of June was (\$49,716) to budget and (\$73,121) to the prior year. Year to date Net Income was (\$12,145) to budget and \$135,753 to the previous year. Mr. Schwartz noted that the rolling forecast indicates a loss of (\$210,401). Mr. Schwartz stated that the VETS has been busier this summer. He noted that the summer months are usually dark. Mr. Schwartz stated that they are closely monitoring the Delta variant in order to anticipate mask mandates and social distancing orders. Mr. Schwartz reported that PFM requires all personnel as well as police and fire to be fully vaccinated. Mr. Schwartz announced that the VETS will welcome Festival Ballet's The Nutcracker this season. He said that the sets have been modified to fit the stage in the VETS. **Mr. Nee** asked if we are still waiting for word on the PPP loan. Mr. Schwartz answered that we have had no definite word, but it is likely that we will get it. He continued that he hasn't been given direction on how the money can be spent. **Mr. Nee** asked if the money can be used for lost wages. Mr. Schwartz said that he will be given guidance. Mr. McConaghy noted that he had met with Lyn yesterday. **Mr. Butler** asked if how the Nutcracker is doing. Ms. Adamo responded that 300 tickets were sold on the first day and Festival Ballet is thrilled. **Mr. Buonanno** asked how Hamilton is doing. Mr. Chilli answered that it is doing very well and that Pretty Woman will be opening their tour in Providence.

Mr. Lepore presented the financial information for the Convention Center, the Dunkin' Donuts Center and the Clifford Street Garage. Mr. Lepore reported that the Convention Center Net Income for the month of June was \$512,597 to budget and (\$329,284) to the previous year. Year to date Net Income was \$5,767,760 to budget and \$5,016,704 to the prior year with the rolling forecast at \$5,871,907. Mr. Lepore reported that the government stepped in to care for our citizens and we were able to assist in numerous ways. The Complex, The Convention Center, the Dunkin' Donuts Center and the VETS were all involved in keeping the people of Rhode Island safe. The staff is preparing for re-opening with the first event in August. Mr. Lepore said that the accounting department is working on year end closing and preparing for the upcoming audit.

Mr. Lepore presented the financial report for the Dunkin' Donuts Center. Net Income for the month of June was \$181,747 to budget and \$323,951 to the previous year. Year to date Net Income was \$2,624,139 to budget and \$443,364 to the prior year with the rolling forecast at \$49,717. Mr. Lepore reported that all income at the Dunk was related to vaccines.

Mr. Lepore presented the financial report for the Clifford Street Garage. Net Income for the month of June was (\$14,583) to budget and \$40,629 to the previous year. Year to date Net Income was (\$203,816) to budget and \$1,000,556 to the prior year with the rolling forecast at \$1,303,540. Mr. Lepore noted that most of the parkers are from state agencies therefore the state is paying themselves. Mr. Lepore stated that we have to be very patient. He continued that monthly for the surrounding buildings will be slow to come.

Mr. Lepore reported on some operational changes that have taken place. He noted that the structure was put in place when the building opened. Mr. Lepore stated that conversations took place with Kristen Adamo, Tom Riel, Dan McConaghy and we even reached out to Martha Sheridan. Mr. Lepore stated that the current sales staff would concentrate on repeat business rather than looking for new opportunities. He said it was determined that either the staff had to change or we needed a new staff. Mr. Lepore announced that after consideration for several months John McGinn decided that the new direction would not work for him. Mr. Lepore stated that we need to look at the Complex concept therefore Cheryl Cohen will be in charge of everything, concerts, meetings, food and beverage. Mr. Lepore stated that Cheryl will be working with the CVB. He said that we need to know what a show will cost prior to signing a contract. Mr. Lepore reported that we have interviewed for the position of senior sales director and have met with someone from the DCU Center and well as someone that is well known to the sales staff. Mr. Lepore noted that the requested salary for the position is an obstacle, so we have suggested an incentive program for the salesperson to make more money. He stated that a lot of thought has gone into this. Ms. Adamo stated that this will be a much cohesive system. **Ms. Aptaker** asked if you will be able to digitize files in order to analyze profitability. Ms. Adamo said that is one objective. Discussion ensued regarding salary and the cost of getting workers. **Ms. Venturini** said that she applauds Cheryl. **Mr. Buonanno** commented that he assumes Cheryl will be incentivized. **Mr. Hirsh** brought up the rising costs of food and beverage.

Mr. Lepore reported that and RFP for EMT was issued and the results were surprising. Mr. Lepore stated that we are now paying \$75.00 and the proposed cost went up to \$250.00. He said that we will need to make changes. **Mr. Nee** asked if we have an RN here. Mr. Lepore said only for concerts. He said that we can't have an RN here for NHL and PC. In those cases we need 2 vehicles for transport. Mr. Lepore noted that we do not want to overwhelm City services.

Mr. Lepore reported that Live Nation is pumping their brakes. Ms. Adamo stated that we have had proposals pulled. Groups are waiting for things to settle down. Ms. Adamo noted that things are being driven by tour companies and insurance. We are still on a very slippery slope and people have a wait and see attitude.

Mr. McConaghy reported on the Authority and the consolidated results. The Convention Center Authority ended the month of June with a Net Income of \$105,529 to budget and \$78,717 to the prior year. Year to Date Net Income for the Authority was \$137,219 to budget and \$229,696 to last year. The Consolidated Financial Statements indicate a Net Income variance for the month of June of \$735,574 to budget and \$699,460 to the prior year. Year to Date Consolidated results were \$8,313,157 to budget and \$6,826,073 to the prior year. The rolling forecast shows that we finished the year with a \$5,189,202 profit.

Mr. McConaghy reported that an announcement of the placement of the Wall of Hope will be made on the 20th anniversary. Mr. McConaghy reminded the Commissioners that they had approved the installation a few years ago. **Mr. Nee** stated that it will be a great thing and something that will provide a lot of exposure to the building and the tiles. Mr. McConaghy reported that we are making emergency repairs to deal with the leaks at the Dunk. To protect the asset. Mr. McConaghy noted that there were some energy questions that we are looking into.

He said that the information that we have is convoluted and complicated. Mr. Butler said that he wants to see what we are saving with all the upgrades that we made. Mr. McConaghy said that he will get an answer.

Mr. Crawley reported that audit fieldwork will begin on August 10th. Mr. Crawley noted that accounts payable over 90 days at the Convention Center is as clean as it has ever been. Mr. Crawley discussed the advance deposit ratio and stated that using an 80% ratio is the target and the Convention Center is at 76%, the Dunk is at 84% and the VETS is at 68% which is an improvement from last month.

Mr. Buonanno asked for a motion to convene in executive session pursuant to Section 42-46-5(a)(1) of the Rhode Island General laws to discuss a matter related to a personnel item.

Upon a motion duly made by **Mr. Nee** and seconded by **Ms. Butler** and by a roll call vote it was unanimously

VOTED: to Convene in Executive Closed Session pursuant to RI General Laws Section 42-46-5(a)(1) to discuss a matter related to a personnel item.

Vote:

Bernie Buonanno – yes

Peter Mancini – yes

George Nee – yes

Dale Venturini - yes

Paul MacDonald, yes

Patrick Butler, yes

Peri Aptaker, yes

Open session resumed at 10:40 a.m. **Mr. Buonanno** announced that no votes were taken in Executive Session. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. Nee** it was unanimously

VOTED: to seal the minutes of Executive Session

Mr. Buonanno asked for a motion to approve Mr. McConaghy's two year contract. Upon a motion duly made by **Mr. MacDonald** and seconded by **Mr. Nee** it was unanimously

VOTED: to approve McConaghy's two year contract.

Mr. Buonanno asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by **Mr. MacDonald** and seconded by **Ms. Aptaker** it was unanimously

VOTED: to adjourn at 10:42 a.m.