

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
428th MEETING OF THE
BOARD OF COMMISSIONERS
January 25, 2018

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 January 25, 2018, pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Bernard Buonanno, Dale Venturini, Paul MacDonald, Stan Israel, Catherine Parente, Tony Mendez, George Nee, John Hooper and Patrick Butler.

Mr. Hirsh and Ms. Aptaker were unable to attend.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Larry Lepore, Amanda Wilmouth, Bob Cappalli and Kristin Murphy, the Convention Center; Martha Sheridan, PWCVB; Dan Schwartz and Michael Gravison, the VETS; Lyn Singleton, PFM; Michael Crawley, Citrin Cooperman; Mark Liff and Spencer Barton, JP Morgan; Burnell Goldman, Omni Hotel; Ray Keough and Rick Hall, Keough Construction; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Buonanno called the meeting to order at the meeting at 9:03 AM and asked for a motion to approve the minutes of the December Board meeting. Upon a motion duly made by **Mr. MacDonald** and seconded by **Mr. Butler** it was unanimously

VOTED: to approve the minutes of the December Board meeting.

Mr. Buonanno said that because he would be away for the usual board meeting date, we are moving the meetings to the following week. The committee meetings will be held on Monday, February 26th and the board meeting would be held on Wednesday, February 28th at 9:00 AM.

Mr. Buonanno asked Mr. Schwartz to present the financial report for the VETS. Mr. Schwartz reported that for the month of December the VETS net income was \$24,512 to budget and \$16,900 to the prior year. Mr. Schwartz stated that year to date the VETS net income is \$(21,971) to budget and \$35,968 to the previous year. Mr. Schwartz noted that there has been an increase in Worker's Comp insurance that will be reflected in January's financials. Mr. Schwartz stated that sales are exceeding budget for Shaping Sound and Postmodern Jukebox. Mr. Schwartz stated that the VETS has been working well with AEG. He also reported that the venue was ranked 165 out of 200 small theaters in the world by Polstar. **Mr. Hooper** asked if there were any issues with New Life Church. Mr. Schwartz answered that following Mr. Lepore's reported difficulties with the group he required an extra deposit up front to cover any

unforeseen costs associated with the events. Mr. Schwartz Mr. Schwartz said that there were some surprises such as an extra rehearsal but nothing that could not be accommodated.

Mr. Buonanno recognized Mr. Lepore who reported that for the month of December the Convention Center had a very good month. He reported that several Holiday parties were held in the building leading him to believe that the economy is getting better. Mr. Lepore reported that for the month of December the Convention Center's net income was \$79,000 to budget and (\$39,877) to the prior year. Year to date net income is \$1,023,911 to budget and \$1,309,986 to the prior year. Mr. Lepore said that we are running better than budget and over \$1 million better than last year at this time. He said that overall the Convention Center is doing well.

Mr. Lepore reported that event and transient parking revenue is down. He said that since the Providence Place Mall renovated their garage we have seen a decline in parking revenue for events. Mr. Lepore stated that you can park at the Mall for \$2.00 and we charge \$15.00 for event parking. The surface lots surrounding the building also lower their rates.

Mr. Lepore reported that the Dunk net income for the month of December was (\$144,409) to budget and (\$90,680) to the prior year. Year to date net income is (\$237,928) to budget and (\$264,679) to last year. Mr. Lepore reported that last year Providence College played Boston College and URI here. Those games were not played at the Dunk this year which greatly affected ancillary income. He also stated that the Boston Bruins, in the past, have played an exhibition game or a Black and Gold game here that would result in an uptick in ticket sales for the P. Bruins. Neither of those games took place this season. Mr. Lepore said that he hopes that ticket sales pick up after the Superbowl. PC is expected to draw bigger crowds with the Big East schedule. **Mr. Hooper** commented that we appear to do well with family shows. He asked if there were any out there that we don't book. Mr. Lepore stated that Feld has most of the family shows and that we have everything that they have. Mr. Singleton cautioned that family shows are not steady. He said that it changes from year to year. Mr. McCarvill reminded the Board that there are strict non-compete windows with Feld.

Mr. Lepore reported that a safety day was held for all employees at both the Dunk and the Convention Center. Mr. Lepore said that Coach Ed Cooley was the guest speaker and gave a great speech to the attendees. Mr. Lepore noted that an active shooter drill was held and consideration is being given to inviting others in the area to attend as a public service.

Mr. Lepore noted that emergency repairs have been made to the roof and thanks to Keough Construction there are no leaks.

Discussion ensued regarding E Gaming. Mr. Lepore noted that we have the infrastructure and with our new WiFi we could be the first venue to have the capability to host these events. **Mr. Hooper** asked how you would monetize such an event. Mr. Lepore said that he would look into ways to get this idea going. He said that careful planning would be necessary. Mr. Lepore noted that the City was the first to bring in X Games and we could be in the forefront of E Gaming. **Mr. MacDonald** stated that he appreciates Larry's enthusiasm and forward thinking. **Mr. Mendez** commented that we had video gaming here in the past. Mr. Lepore said that we did and it was successful. Ms. Sheridan noted that it outgrew our capacity and moved on.

Mr. Buonanno invited Ray Keough to speak to the Board. Mr. Keough reported that the drawings for the garage are complete and will be presented to the Downtown Design Review Committee on February 12th. Mr. Keough stated that the final edit of the RFP is in the works. He noted that the Board voted to use a PLA for the project which will ensure that anyone bidding will have the proper credentials and expertise to get the job done. Discussion ensued with Mr. Leach regarding the PLA. Mr. McCarvill noted that a copy of the agreement was in the package distributed today. Mr. McCarvill noted that one of the main advantages of a PLA is that there will be no picketing. **Mr. Butler** asked if there could be picketing at our other facilities. **Mr. Nee** responded no that it is project specific. Mr. Leach noted that there is an incorrect address in the resolution distributed today. He said that he used Richmond Street and it should be Clifford Street. Upon a motion duly made by **Mr. Nee** and seconded by **Mr. Butler** it was unanimously

VOTED: to amend the resolution to say Clifford Street not Richmond Street.

Mr. MacDonald proceeded to read the resolution. Upon a motion duly made by **Mr. Nee** and seconded by **Mr. Butler** it was

VOTED: by roll call vote to accept the resolution as revised and read.

Bernie Buonanno – yes
Dale Venturini – yes
George Nee – yes
Patrick Butler – yes
Catherine Parente – yes
Tony Mendez – yes
Stan Israel – yes
Paul MacDonald – yes

Mr. Hooper recused himself for business reasons.

Mr. McCarvill presented the Bond schedule for the garage project which he said was tight. Mr. McCarvill reported that moving the displaced parkers portion of this project is the responsibility of the I 195 Commission. He noted that this will also be a tight schedule.

Mr. Buonanno recognized Ms. Sheridan. She distributed her report for the month and noted that 2018 was soft but the CVB is filling it in with short term bookings. Ms. Sheridan noted that her group has seen cuts in funding which is having an impact on advertising. She noted the lack of advertising for Restaurant Week and the effect on restaurants. **Mr. Nee** asked if she had made her concerns known to Commerce. Ms. Sheridan stated that they are just now feeling the impact but she will let Commerce know of the impact. **Ms. Venturini** explained the changes in funding saying that the hotel room tax has been spread out. Mr. McCarvill noted that a significant portion of the room tax from the Providence market does not go to the CVB. There was discussion on the role of the PTC and funding for the CVB. Ms. Sheridan said that she will get the tax distribution schedule for the Board to view. Mr. McCarvill reported that the main purpose of the PTC is destination marketing for tourism which is primarily done through a

partnership with the PSCVB and a public relations contract with Lou Hammond Associates and they also approve appropriate grants for events that attract people to the City.

Mr. McCarvill reported that the Net Metering project is progressing. He said that we need control of the back-up site in Portsmouth which should be resolved today. Mr. McCarvill noted that the environmental concerns with the site on Shun Pike are not considered material according to Phase I of the environmental study. **Mr. Nee** suggested a press event to announce the initiative. **Ms. Parente** asked when this will be in operation. Mr. Leach said 1 ½ years. **Mr. MacDonald** thanked Mr. Leach for all his hard work on the agreement.

Mr. Buonanno asked Mr. Crawley to update the Board on the finance department at the facility. Mr. Crawley was pleased to report that things are looking up. He said that the internal review of the financials went very well. Mr. Crawley stated that all journal entries were reviewed and signed as well as all reconciliations. **Mr. Buonanno** noted the big improvement. Mr. Lepore reported that a separation agreement had been reached with the former Finance Director.

Mr. Hooper asked about the Economic Impact Study and asked if there was a plan in place to get out in front of any negatives. Mr. McCarvill said that everything is under control and we have contacted our Public Relations Consultant, Jon Duffy.

Mr. Hooper asked for a report on other facility management firms that are out there in light of the changes in ownership at SMG. **Mr. Hooper** said we should look to see who is out there because there might be an opportunity to improve our contract. He mentioned the possibility of hiring a consultant. **Mr. Butler** disagreed. Mr. McCarvill noted that we do not need a consultant. He said that he knows who is who in the business. **Ms. Venturini** asked if the contract has been breached by the sale. **Mr. Hooper** said that we don't know what that means today. **Ms. Venturini** said that perhaps we could manage ourselves. **Mr. Hooper** said that there is a window here that we might take advantage of. **Mr. MacDonald** suggested that this subject would best be heard at the Finance Committee. **Ms. Parente** asked if there were private consultants that we could speak with. Mr. McCarvill said that he knows people who could provide some direction. **Mr. Hooper** said that we should see if we can get a better deal.

Mr. Buonanno asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. Mendez** it was unanimously

VOTED: to adjourn at 10:55 AM