

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
449th MEETING OF THE
BOARD OF COMMISSIONERS
January 23, 2020

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 23, 2020 pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Bernard Buonanno, Peri Ann Aptaker, Paul MacDonald, George Nee, Patrick Butler, Tony Mendez and Jeff Hirsh.

Catherine Parente, Dale Venturini and John Hooper, were unable to attend.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Dana Peltier, RICCA; Larry Lepore, Beth Johnson, Chris Spolidoro and Kristin Murphy the Convention Center and DDC; Kristen Adamo and Tom Riel, PWCVB; Daniel Schwartz and Michael Gravison, the VETS; Rick Hall, Keough Construction; Bernie Lane, Department of Administration; Robert Bromley, Senate Fiscal Office; Mark Liff, UBS; Michael Crawley, Citrin Cooperman; Walt Buteau and Eli Sherman, WPRI; Dan McGowan, Boston Globe; Josh Fenton, GoLocal; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Buonanno called the meeting to order at 9:00 AM. **Mr. Buonanno** reported that the next meeting would be held on February 27th at 9:00 AM. **Mr. Buonanno** asked for a motion to approve the minutes of the December Board Meeting. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. MacDonald** it was unanimously

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

Mr. Buonanno asked Mr. Hall to present his report on the construction of the 75 Clifford Street Garage. Mr. Hall noted that the punch list items are being worked on. He said that the big issue with the garage is the elevator installation which will not be operational at the scheduled opening. Mr. Hall reported that training will be set up for personnel on the PARQs system and security. **Mr. MacDonald** asked that orientation be used in place of training. Mr. Hall said that if anyone would like a tour of the building just let him know. (report attached)

Mr. Buonanno asked Ms. Adamo to address the Board. Ms. Adamo reported that the CVB has been concentrating on attracting groups from the nursing sector. She said that definite bookings include the INACSL International Nursing Association will be here in 2023 and the Eastern Nursing Research Society has contracted for March 2022. Other definite bookings are APPA Leadership in Education Facilities for 2022 and the North American Catalysis Society for June of 2023. Ms. Adamo reported that December was quite a month for the destination. She said

that 6.6% new inventory has been absorbed and the rate has held steady. Ms. Adamo noted that we have a revenue growth of 5.5% for the year. **Mr. Butler** asked if the Beatrice is included in these numbers. Ms. Adamo answered that the Beatrice is part of these numbers. She said that it is a small hotel with 48 rooms that has not opened yet. **Mr. Mendez** asked about Boston's growth. Mr. Riel stated that he can't get that information. Mr. Riel reported that the direct spend number for Convention Center bookings was \$4,965,996. Tentative Prospects include the American Association of Wood Turners, the American Association of Christian Councilors Infosys, Northeast Modern Language Association and the American Cheese Society. Mr. Riel noted that these tentative bookings are all for 2020. **Mr. Hirsh** stated that Kristen had arranged for a Board retreat and it was very productive. Ms. Adamo stated that she will take the ideas developed through the retreat and develop a strategic plan.

Mr. Buonanno asked Mr. Schwartz to address the Board. Mr. Schwartz distributed the latest brochure for the upcoming months productions. He said that all in all December was a good month with Hip Hop Nutcracker being the big winner. Mr. Schwartz stated that for the month of December the VETS Net Income was \$5,501 to budget and \$19,361 to the prior year. Year to date Net Income was (\$151,668) to budget and (\$186,120) to the prior year. Mr. Schwartz stated that on the operations side the web-site is complete and we are working on the outside banners with Alisa Bateman of the CVB.

Mr. Lepore stated that timing is important to keep in mind when looking at the financial statements. He said that the budget is prepared two years in advance. Mr. Lepore noted that the facilities are on target to meet budget and do better than last year which was a very good year. Mr. Lepore reported that the Net Income for the Convention Center for the month of December was (\$37,103) to budget and \$3,302 to the prior year. Year to date Net Income was \$134,038 to budget and \$338,167 to the prior year. Mr. Lepore noted that indirect expenses were better than budget due to saving for utilities.

Mr. Lepore reported that there is even better news at the Dunk. He said that events for the month of December Net Income at the Dunk was (\$252,165) to budget and (\$33,924) to the prior year. Year to Date Net Income was \$6,872 to budget and \$135,775 to the previous year. Mr. Lepore stated that we could have 15 concerts this year. **Mr. Nee** asked how that compares with past years. Mr. Lepore said that it is better than it has been for a long time.

Discussion ensued regarding capital projects. Mr. Lepore reported that work on the roof has stopped because of the weather. He said it is about 60% complete and is not leaking at this time. Mr. Lepore noted that the basketball risers are being replaced. He said that this will save significantly on labor. The old risers were a safety hazard to the staff.

Mr. Lepore stated that Feed 1000 was back this year with a different sponsor. He reported that approximately 800 people were served a sit down dinner by volunteers. This is part of our Community outreach efforts. **Mr. MacDonald** expressed the appreciation of the Commissioners to Kathy and all the volunteers.

Mr. McCarvill reported on the Authority and the Consolidated Financial Statements. He stated that the Authority's net income for the month of December was \$59,551 to budget and \$27,690

to the prior year. Year to date net income was \$59,217 to budget and (\$76,092) to last year. Mr. McCarvill reported that the difference in the Authority's financials is only timing as we have very little revenue. Mr. McCarvill stated that insurance costs have increased about 5%.

Consolidated results were (\$224,216) to budget and \$16,429 to the prior year for the month of December. Year to date Consolidated results are \$48,459 to budget and \$211,730 to last year.

Mr. Buonanno invited Mr. Crawley to present his report. Mr. Crawley stated that the finance department is working well and all reporting is being reviewed and signed by the appropriate person. Mr. Crawley noted that there has been some discussion on refinancing of bonds in the event that we could save significant dollars and fund our operating reserve. He said that he and Jim would meet with our financial advisor Steve Maceroni to investigate any opportunities. Mr. Crawley reported that URI had paid the amount owed and we did not lock them out of the garage.

Mr. McCarvill brought to the Board's attention the letter (included in Board package) that was hand delivered from the Auditor General informing us of an audit ordered by the Speaker of the House. Mr. McCarvill said that he was aware that a performance audit was scheduled to be initiated by the State Bureau of Audits but this would be in addition and completed by the Auditor General's Office.

Mr. Nee stated that this order for an audit to be performed by the Auditor General that was issued by the Speaker of the House, Nicholas Mattelo is illegal. **Mr. Nee** read a portion of the applicable law. He said that a majority of the joint committee on legislative services is required to call for such an audit and they did not do so and in fact they did not meet. **Mr. Nee** said that the Speaker is attempting to influence the personnel decisions of the Convention Center and the Dunk. Upon a motion duly made by **Mr. Nee** to not comply with an audit by the Auditor General as ordered by Mr. Mattelo until and unless the JCLS votes on the request and seconded by **Mr. MacDonald** it was unanimously

VOTED: not to comply with an audit by the Auditor General as ordered until and unless the JCLS votes on the request.

Mr. Nee asked the Authority to send a letter to the Auditor General informing him of the Board's decision. **Mr. Hirsh** asked Mr. Leach's opinion. Mr. Leach said that this is appropriate although it might be academic because a member of the JCLS, Mr. Filippi, is reportedly suing the Speaker over the issue. **Mr. Buonanno** stated that he thinks an investigation of the Speaker's motives should be undertaken.

Mr. Buonanno asked if there was any new business. **Mr. Buonanno** asked for a motion to adjourn. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. MacDonald** it was unanimously

VOTED: to adjourn at 9:45 AM