

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
445th MEETING OF THE
BOARD OF COMMISSIONERS
September 26, 2019

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 August 29, 2019 pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Bernard Buonanno, Catherine Parente, John Hooper, Patrick Butler, George Nee, Tony Mendez, Jeff Hirsh, Paul MacDonald, Peri Ann Aptaker and Stan Israel.

Dale Venturini, was unable to attend.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Larry Lepore, Beth Johnson, Cheryl Cohen and Kristin Murphy the Convention Center and DDC; Kristen Adamo and Nicholas Millard, PWCVB; Daniel Schwartz, Judy Ferreira and Michael Gravison, the VETS; Alan Chille, PPAC/PFM; Nikoleta McTigue and Stephen Gross, Blum Shapiro; Michael Crawley, Citrin Cooperman; Rick Hall, Keough Construction; Patrick Crawley and OMB; Bernie Lane, Department of Administration; Robert Bromley, Senate Fiscal Office; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Buonanno called the meeting to order at 9:00 AM. **Mr. Buonanno** asked for a motion to approve the minutes of the August Board Meeting. Upon a motion duly made by **Mr. Butler** and seconded by **Ms. Aptaker** it was unanimously

VOTED: to approve the minutes of the August meeting.

Mr. Buonanno asked Mr. Hall to update the Board on the construction of the Courthouse Garage. (Report Attached). Mr. Hall reported that the Providence Tree Warden had approved the trees to be planted around the site and the final paint colors for the stairs and elevator lobbies has been approved. Mr. Hall presented pictures of the construction site showing progress with the construction. Mr. Hall reported that site work is moving along. Mr. Hall reported that coordination with security and pedestrian flow is going smoothly. He said that Joe Baxter and Chief Justice Suttell visited the site and were very pleased with the progress and the look of the garage. Mr. Hall reported that the Arts Council reviewed 3 finalists for the art element and will make their final choice in September. Mr. Hall stated that precast will continue for the next sixteen weeks. Substantial completion is scheduled for late January 2020. **Mr. Butler** asked if there was any problem with water in the basement. Mr. Hall said that there is no problem. The water that is visible is rain water and will go away when the pumps are turned on. Mr. McCarvill noted that the art element has become an issue because it is difficult to embellish an

already beautiful building. He said that the Arts Council is still working on a piece that will be appealing to everyone. **Mr. Butler** asked about the budget and Park Assist. Mr. McCarvill noted that at this time there is no problem with the budget. He stated that Park Assist is still being considered.

Mr. Buonanno asked Ms. McTigue and Mr. Gross to present the audited financial statements. Ms. McTigue reported that the facilities have a clean opinion on internal control. She stated that the audit went very smoothly and stated that Blum Shapiro found that there were no instances of non-compliance except for the same issue every year and that is the operating reserve account is not adequately funded. Ms. McTigue said that the finding and response is the same as in previous years. Ms. McTigue noted that funding that should have been received in May for operating reserves did not occur until August.

Ms. McTigue reported that the Management Letter contains Blum Shapiro's recommendations. She noted that the Management Letter recommends that record retention should be addressed. Mr. McCarvill noted that we have the State's policy and many things are required to be permanently saved. Ms. McTigue also noted that some food and beverage purchases are not bid. Mr. McCarvill stated that food quality and access to the freshest supplies makes bidding not the best was to satisfy the patron.

Ms. McTigue noted that there have been no new accounting policies. Ms. McTigue and Mr. Gross noted that they had a really good experience dealing with the Authority and the finance department of the facilities. Ms. McTigue said that it was a pleasure working on this audit. She said that overall it was a great experience.

Mr. Buonanno asked for a motion to approve the Audited Financial Statements as presented to be submitted to the Auditor General. Upon a motion duly made by **Mr. Butler** and seconded by **Mr. MacDonald** it was unanimously

VOTED: to accept the Audited Financial Statements as presented and submit to the Auditor General.

Mr. McCarvill reported that the PWCVB had presented their Marketing Plan at the Marketing Meeting. He noted that the Plan is part of our contract with the PWCVB. **Mr. Hirsh** asked for a motion to accept the PWCVB's plan and our Marketing Agreement. Upon a motion duly made by **Mr. MacDonald** and seconded by **Mr. Butler** it was unanimously

VOTED: to accept the PWCVB's Marketing Agreement.

Mr. Buonanno asked Kristen Adamo to address the Board. Ms. Adamo reported that the CVB had hired a company to produce a virtual tour of the City that will include the Convention Center. She introduced Nick Millard who presented a virtual tour of the Convention Center is Tampa as an example of what can be done with a virtual tour. Mr. Millard said that filming would take place at the Complex in the next few weeks and will be available through Google.

Ms. Adamo stated that the CVB exceeded their goal for the year. She noted that the closure rate for tentative business rose from 23% to 27%. Ms. Adamo stated that we are getting some great interest and there is a high demand for 2020. Ms. Adamo reported that there has been a growth spurt in the Washington market as well as the religious segment. Ms. Adamo stated that the decision to concentrate on those areas is reaping benefits. Ms. Adamo reported that we are not booking as far out as in the past especially in the sports market. She said we are hoping for more trade shows and conventions that have a greater impact on the area. Ms. Adamo said that the CVB is targeting the best fit for our building

Mr. Buonanno asked Mr. Schwartz to address the Board. Mr. Schwartz reported that for the month of August, VETS Net Income was (\$7,316) to budget and (\$17,589) to the prior year. Year to Date Net Income was \$4,880 to budget and (\$36,437) to the prior year. Mr. Schwartz said that summer is always slow. He reported that there was 1 less event that budgeted and the Vets had some additional expenses. **Mr. Butler** asked if parking had any expenses because they are not listed on the financial statements. Mr. Schwartz said that there are some expenses but the reported is at net. **Mr. MacDonald** asked how ticket prices are calculated for a self-promote show. Mr. Schwartz said that they take the Pollstar average and look at our expenses to build a budget.

Mr. Lepore presented the financial statements for the Convention Center and the Dunkin' Donuts Center. Mr. Lepore reported that the Net Income for the Convention Center for the month of August was \$39,958 to budget and \$81,336 to the prior year. Year to date Net Income was (\$55,173) to budget and (\$232,732) to the prior year.

Mr. Lepore reported that for the month of August Net Income at the Dunk was \$29,816 to budget and (\$169,980) to the prior year. Year to Date Net Income was \$162,880 to budget and \$33,467 to the previous year.

Mr. MacDonald had questions on the Omni Hotel Parking. Mr. McCarvill explained that the hotel valets use level one of the south garage. He said that self parkers can have their charges included in their hotel bill. The Omni then submits payment to us.

Mr. McCarvill reported on the Authority and the Consolidated Financial Statements. He stated that the Authority's net income for the month of August was \$87,558 to budget and (\$119,066) to the prior year. Year to date net income was \$160,393 to budget and (\$264,605) to last year.

A discussion ensued regarding the parking rates for the new garage. **Mr. Butler** asked how the new garage will help our bottom line. Mr. McCarvill said that it should help but he is unsure of how much it will add. He said that Wexford is not fully occupied and will most likely not use the spaces that we have contracted with them.

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 distributed the 4th Quarter Event Recap for the facilities as well as the monthly accounts receivable listing as of August 31, 2019.

Mr. McCarvill said that he thought everyone was aware that our accountant, Donald Nadeau would be retiring in November. Mr. McCarvill said that Donald has been here for 25 years and it will be difficult to replace him. He said that he had asked Mr. Crawley to prepare a scenario of what it would cost to fill Donald's roll with an in-house person or outsource the job to Citrin Cooperman. It was noted that we have had Lidia, from Citrin Cooperman, working closely with Donald for several months, therefore we would have a backup during the transition. Discussion ensued and the thought of the Committee was that an in house person would be the better choice.

Mr. McCarvill stated that we are very close to an agreement on the SMG contract. **Ms. Aptaker** asked who would do the analysis. She stated that consideration will have to be given in the way points are earned, who awards the points and how they were awarded in the past. **Ms. Parente** said that we should consider allocating points quarterly rather than annually. Mr. McCarvill said that qualitative is hard to do. He said that he would attempt to make a chart. Mr. Lepore said that he has concern where it comes to the Dunk. He noted that parking and food and beverage the Dunk has no control over.

Mr. McCarvill brought up the 911 Wall of Hope that was removed from Waterplace Park and a request that it be located on the outside columns and façade of the Convention Center. Mr. McCarvill noted that the project had been discussed at the Finance Committee meeting and was well received. Mr. McCarvill reported that there are some factors to consider such as responsibility for upkeep but Mr. Leach will work with the 911 Committee to draw up a contract that will be suitable for both the Convention Center and the Committee. **Mr. Buonanno** asked for a motion to approve the installation of the 911 Wall of Hope at the Convention Center. Upon a motion duly made by **Mr. Israel** and seconded by **Mr. Nee** it was unanimously

VOTED: approve the installation of the 911 Wall of Hope at the Convention Center.

Mr. Buonanno thanked the Board and stated that Arthur Robbins will be very pleased. Mr. Hooper stated that it will enhance the building.

Discussion ensued regarding Bold Point in East Providence. Mr. Lepore said that they will compete with us as well as Twin River and the VETS. He said that we should keep up with what is being planned for the waterfront in East Providence. Mr. Lepore noted that DOT is planning to put a new exit ramp from I 195 to access the amphitheater.

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

VOTED: to adjourn at 10:40 AM