

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
440th MEETING OF THE
BOARD OF COMMISSIONERS
March 28, 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 March 28, 2019 pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

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

Catherine Parente, Peri Ann Aptaker, John Hooper, Stan Israel and Dale Venturini were unable to attend.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Larry Lepore, Beth Johnson, Amanda Wilmouth, Cheryl Cohen and Kristin Murphy the Convention Center and DDC; Tom Riel, PWCVB; Dan Schwartz and Michael Gravison, the VETS; Alan Chille, PPAC/PFM; Rick Hall, Keough Construction; Michael Crawley, Consultant CFO, Citrin Cooperman; Chantale Sarrasin, House Finance; Mark Liff, JP Morgan; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Buonanno called the meeting to order at 9:05 AM. **Mr. Buonanno** asked for a motion to approve the minutes of the February Board Meeting. Upon a motion duly made by **Mr. MacDonald** and seconded by **Mr. Hirsh** it was unanimously

VOTED: to approve the minutes of the February meeting.

Mr. Buonanno asked Mr. Hall to update the Board on the construction of the Courthouse Garage. Mr. Hall presented pictures of the construction site showing progress with the concrete. Mr. Hall reported that the design team and contractor are 90% complete with all submittal reviews. A mockup of the exterior materials will be assembled at the marshaling yard in May. (Project Summary attached). **Mr. Butler** asked how we were doing with the budget. Mr. Hall said that the construction is on budget although the overtime allowance has been used.

Ms. Venturini asked Mr. Riel to present the Marketing Report for the PWCVB. Mr. Riel reported that the PWCVB is having a good month in March and will make up for the slow February. He noted that they are on pace and the funnel is full. Mr. Riel stated that we have some great opportunities.

Mr. Riel referenced the Smith Travel Report and stated that demand is an important detail to look at because of the number of rooms that have been added to our inventory or will come on line in the near future. **Mr. Nee** asked how many room we have currently in the City. Mr. Riel

said that he was unsure because of the hotels that have recently come on line but will get an answer for next meeting. Mr. Riel reported that definite bookings and room nights for the destination are down for the month compared to 2018. Mr. Riel said that tentative bookings for the destination are up. Tentative bookings related to the Complex are also up. Mr. Riel reported that the direct spend number connected to Convention Center bookings was \$2,806,877.26. Mr. Riel highlighted the booking activity for the month. **Mr. Mendez** inquired about the effect that the URI Nursing School is having on potential business. Mr. Riel stated that having the Nursing School combined with Brown helps to attract many medical diverse groups.

Mr. Buonanno questioned the progress for finding a replacement for Martha Sheridan. Mr. Riel stated that the first round of interviews has been completed and the second is about to begin.

Mr. Hirsh said that he is confident that they will find the right person.

Ms. Venturini took the opportunity to suggest that we have a need for a sports complex that has fields and courts and space for volleyball, gymnastics and dance competitions. She said that such a facility would free up some space in the Convention Center and allow for the Sports Council to promote Rhode Island for competition that draws a large family following. **Ms. Venturini** noted that she was just planting a seed and looking for every opportunity to promote the State.

Mr. Buonanno asked Mr. Schwartz to give an update the Board on activity at the VETS. Mr. Schwartz stated that January presented the VETS with a big hole that they are trying to fill. Mr. Schwartz reported that February's Net Income for the month was \$10,032 to budget and \$27,031 to the prior year. Year to date Net Income was (\$13,146) to budget and (423,248) to the prior year. Mr. Schwartz was pleased to report that Paw Patrol was very profitable. He said that next year Paw Patrol will be replaced by Nick Jr. and dates are being held for Disney Live. Mr. Schwartz stated that March has been good and by June the VETS will be on budget. **Mr. Butler** asked Mr. Schwartz about upcoming kids shows and if they include Dora. Mr. Schwartz responded that Dora is not one of the shows this year but there are several that should do very well for the theater.

Mr. Buonanno asked Mr. Lepore to address the Committee. 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 February was \$225,010 to budget and \$405,518 to the prior year. Year to date Net Income was \$8,108 to budget and (\$770,399) to the prior year. Mr. Lepore stated direct event net income was better than budget primarily due to NEAAU Volleyball, Varsity Live and the Auto Show as well as an unbudgeted CVS event.

Mr. Lepore announced that we are in negotiations for an Evening with Sophia Loren. He said that we have had offers of sponsorships for the event. **Mr. Mendez** asked if there would be a dinner involved. Mr. Lepore said that it would be a speaking program only but ideas for food and beverage opportunities are being considered.

Mr. Lepore stated that parking did not meet budget expectations. Mr. Lepore stated that with the number of events at the Dunk parking revenue should have been better. Mr. Lepore said that issues of getting into or out of the garage with the traffic pattern the way it is now is having an

impact. Discussion ensued regarding technology and if a new system will improve the situation. Mr. Lepore also noted that we are looking for parking attendants but it is a difficult position to fill. They don't make much money and have to deal with sometimes irate customers.

Mr. Lepore reported that for the month of February Net Income at the Dunk was \$102,692 to budget and \$391,353 to the prior year. Year to Date Net Income was \$390,758 to budget and \$1,209,123 to the previous year. Mr. Lepore that the big swing at the Dunk is due to the concert business. He said that this could be a magical year at the Dunk. Mr. Lepore reported that Monster Jam and Mumford and Sons performed better than budget. Mr. Lepore stated that we are beginning to see savings in energy credits for electricity. Mr. Lepore reported that the upcoming shows at the Dunk are doing well with the exception of Migos. He said that we will not lose money on the show but he is concerned that the promoter will be hurt.

Mr. Lepore reported that we are down an accounting manager and the search is on for the right person to fill the position.

Mr. McCarvill reported on the Authority and the Consolidated Financial Statements. He stated that the Authority's net income for the month of February was \$29,667 to budget and \$13,472 to the prior year. Year to date net income was \$62,343 to budget and (\$223,805) to last year.

The Consolidated net income results for the month of February were \$367,401 to budget and \$837,374 to the prior year. Year to date consolidated net income was \$448,063 to budget and \$211,671 to the prior year. Mr. McCarvill noted that there has been an improvement at the Dunk.

Mr. McCarvill reported that the 2019 Capital Projects are nearing completion and we are getting ready for the 2020 projects. He also noted that we are beginning to see some credits from our turbines.

Mr. Crawley presented his report and stated that there have been no issues with reporting. All entries have been reviewed and signed. Mr. Crawley noted that accounts receivable is clean and there is only one item that is supposed to be collected in March.

Mr. McCarvill reported that the PSE had reached an agreement for a ten-year extension of the contract with the Boston Bruins. (Announcement Attached). **Mr. MacDonald** congratulated Matt Poor and said that they had a tough negotiation but it got done. **Mr. Mendez** noted that we should spin the story. Mr. McCarvill said that according to the article this is good for the Boston Bruins. He said that if it is good for Boston it must be good for Providence.

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. Mendez** and seconded by **Mr. Butler** it was unanimously

VOTED: to adjourn at 10:18 AM