

THE RHODE ISLAND CONVENTION CENTER AUTHORITY
MEETING OF THE BOARD OF COMMISSIONERS
WEDNESDAY, SEPTEMBER 25, 2024, AT 9:00 AM

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 September 25, 2024. The meeting was held in the McCarvill Boardroom, Second Floor, Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, RI 02903 and the AMP, One LaSalle Square, Providence, Rhode Island.

Board members in attendance were Chairman Almonte, George Nee, Paul MacDonald, Jeffrey Hirsh, Jennifer Goodrich Coia, Dale Venturini, Oscar Vargas and Carol Lombardi.

Board members not in attendance were Peter Mancini, Stephen Iannazzi and Diony Garcia.

Also attending were Dan McConaghy, Dana Peltier, Linda Maroun, Melissa Lasko-O'Connor and Trish Verrecchia, RI Convention Center Authority; Dan Schwartz, Mike Gravison and Judy Ferreira; The Vets; Kristen Adamo, PWCVB; Lawrence Lepore, Chris Spolidoro, Bobby Lauro, Mike Lamantia, Cheryl Cohen, Brianna Corcoran, Veronica Van Jura, Christina Montanaro and Tim Sullivan; RI Convention Center and/or AMP; Michael Crawley, Citrin Cooperman; and Bruce Leach, Legal Counsel; Chris Pelland and Adam Cabral; Withum.

1. Call to Order – Chairman Almonte called the meeting to order at 9:05 AM
2. Next Board Meeting date – Chairman Almonte stated that the next meeting will take place Thursday, October 31, 2024 at 9:00 AM

Mr. Almonte took a moment to recognize Mr. Nee on his retirement and thanked him for all he has done.

3. Consent Calendar Items
 - a. Approval of minutes from July 2024 Board Meeting
 - b. Approval of Operations & Facilities Committee Report

Chairman Almonte requested a motion for the Consent Calendar Items. Upon a motion duly made from Mr. Mancini which was seconded by Mr. Nee, it was unanimously

VOTED: to approve the consent calendar items

4. Finance Committee Report – Chair Jeffrey Hirsh
 - a. Audit Review and Consideration for Approval (Mike Crawley & Withum)

Mr. Hirsh introduced Mr. Crawley who thanked everyone for all the hard work on completing the Audit during this year of transition. The financial statements have been approved by the State Controller's Office, office of the audit general and Withum's QC Department. Mr. Crawley introduced Chris Pelland and Adam Cabral from the new audit firm to present the financials. Mr. McConaghy took a moment to thank Mr. Crawley for all his leadership in handling the audit and his team. Mr. Pelland began the presentation by introducing himself

and Withum. He also took the time to thank everyone who helped with the audit. Withum is a National Firm with offices on the East Coast. Mr. Pelland began by reviewing their responsibilities. They noted one incident of noncompliance, which had to do with an existing bond covenant related to operating reserves. This has been in the audit every year for many years. Mr. Almonte noted that this is something the State is aware of. We are also getting close to paying off the bond which will significantly reduce the amount of the reserve required. Mr. Pelland continued by noting they are independent and reviewed management responsibilities. There were no difficulties or major issues performing the audit. They did consult with the Authorities prior auditing firm (Clifton Larson). One of the last sections reviewed was regarding fraud. They noted that no fraud was discovered. There was also no overinflating of revenue. The last section reviewed was the draft of the financial statements. Total assets in 2024 are \$208m, total capital assets, net is \$144m. Total liabilities is \$148m which is due mainly from 140m bond debt. The net position at the end of the year totaled \$39m compared to \$12m in 2023. This was a \$27m increase in net position mostly due to payment of the bond. The income statement shows that operating revenue went up by \$1.7m but the operating expenses went down due to a large reduction of depreciation expense of \$3m. Operating activities went down \$10m due to SFRF money. More money was spent on capital projects which brought the total up by \$1.3m from last year which now totals \$39m. Mr. Almonte made a note to the Board stating that pages 4-10 contain a high-level review of the financial statements. It's basically an executive summary so you don't have to go through the whole packet. The second thing to point out is the net position and how it increased this year. The reason why the State gives us money is that we are creating jobs and increasing revenue for the local restaurants and hotels. This is why the state gives us money to pay down the bonds. (See attached handout for more details)

Mr. Almonte asked for a motion to approve the financial statements. Upon a motion duly made by Mr. Nee and seconded by Mr. Vargas it was unanimously

VOTED: to approve the financial statements

5. Marketing Committee Report – Chair Dale Venturini
 - a. AMP highlights – Cheryl Cohen
 - b. RICC highlights – Brianna Corcoran

Ms. Venturini began by stating that Mr. Almonte retired from RI League of City and Towns. He was also chair for ESGR (Employers Support of the Guard Reserve) which he handed down to Ms. Venturini. Mr. Almonte received the Meritorious Public Service Medal from Major General Christopher Callahan. This is the first time this award has been given out in the State of RI. This was also a surprise to Mr. Almonte. (Please see attached write-up regarding award).

Ms. Cohen began with highlights from AMP stating what a wonderful start to the fiscal year. 8 new shows were announced, and 2 new family shows were added to the schedule. The two new family shows are All Elite Wrestling and Nitro Circus (freestyle motorcross). Sebastian Maniscalco was added to the schedule. Lots of activity due to promoters wanting

to get on sale prior to the election. WWE Raw was a record-breaking event in Aug. It was a sold-out show with an attendance of 8,775 and a gross of \$738,659. Merchandise gross revenue was \$135,475 (mostly belts). F&B gross revenue was \$135,229. Per cap was \$30.83. This was the highest grossing WWE event in the venue's history. This was also the first show with the new vomitory signage, which looked amazing. Oak View Group also had an employee welcome and lunch. This was a team building event with teams, a scavenger hunt, photo stops around the city, individual and team prizes were awarded.

Ms. Corcoran began her presentation for RICC by noting that the month of September had 3 dark days. There was a total of 18 events. Some September highlights include Pri-Med East which is an educational consultant for primary care clinicians out of Boston. This was their 2nd show, and contracts for 2025 and 2026 are secured. Consigli Construction made the switch to Providence from DCU Center in Worcester. They spent \$90k in F&B. They will host 2 back-to-back shows with us, their next meeting will be held in Oct. This is a great filler event. Rise Women's Leadership Conference is a 1-day conference. They have been hosting their event since 2018. It has grown from 500 to over 800 attendees. Last bit of news at the RICC is to congratulate Victoria Patriarca, senior event manager who was nominated by PWCVB & RI Sports Commission as their Hospitality Sales & Service partner for the year! Victoria has been part of the team since March of 2022. She is the event manager on all sports, public shows, and banquet events. Great job Victoria.

Ms. Venturini asked Kristen Adamo with the PWCVB to give an update on what she has been doing. Ms. Adamo noted that in the beginning of September they hosted 7 travel journalists including Good Morning America, Travel & Leisure, Food & Wine, and USA Today. They also hosted their Annual Meeting where they honored and gave out many awards. From there they moved onto a 3-day familiarization tour with 25 meeting planners from all over the country.

6. Operations & Facilities Report – Chair Paul MacDonald
a. Update on IDG Solar Array Project

Mr. MacDonald asked Mr. McConaghy to review the update with the Board. Mr. McConaghy included the presentation from the Operations and Facilities meeting from last week. Mr. McConaghy gave a brief overview. Please see notes from Operations and Facilities meeting which are listed below.

Engineering studies by Revity determined the most efficient system size to be just under 1MW of power. Return on Investment would be 8 years. There would be operating savings due to eliminated snow removal, which would preserve the top floor and offer convenience to customers with fully covered parking.

After extended efforts with Revity's structural engineer and Walker/Dimeo, it was determined that the existing structure could support the new system.

RI Energy's (RIE) requirements for permitting the system was very difficult and complicated. This was new territory for RIE and Revity in an urban environment. Revity and RIE started

in earnest in the fourth quarter of 2023 through the second quarter of 2024. During the first quarter of 2024, RIE returned with several requirements. Reivity would need to construct an underground vault to house the equipment where our system would connect to RIE's grid. The Authority would be responsible to pay for this. The vault size would be 40 feet long, 20 feet wide and 11 feet high. The cost would range anywhere from \$1m to \$3m. The Authority made it clear to Reivity that it did not have the additional funds for this investment. An alternative to move the vault into currently unoccupied RICCA retail space in the IDG was proposed in July 2024. It was likely that RIE would not allow this due to access requirements. Building code could be an issue based on permitted use. Authority loses revenue opportunity of retail space if occupied by RIE's equipment. Expense of reworking façade, curtainwall and interiors would be expensive although likely less than the vault. A final alternative was made in August 2024 to reduce the system from 1MW to 0.25MW. There would be a 75% reduction in energy produced. Return on Investment would be 14 years. Initial investment costs reduced to \$2.2m. Size reduction eliminates operational improvements and customer benefits. This option only works if four conditions are agreed upon by the Authority. 1.) Drop existing electrical capacity for the garage from 800A to 600A. This reduction would limit potential of retail space and impact capacity of future potential EV stations. 2.) Move existing service to 4kV from 11kV circuit requiring the purchase and relocation of transformers on the court's property. May also require the purchase of an additional transformer. The negative to this would be the added expense to the project with little to no return to the Authority and the garage would also need to go on backup energy while this happens. 3.) Relocation and installation of new metering equipment. This might interfere with first floor court operations and again, added cost to project with no return to the Authority. 4.) Possibility of needing additional electrical switchgear equipment. The negative to this is increasing space needs inside secure courthouse are a potential deal breaker.

RICCA team has concluded that it is best to pull away from the project. Settle with Reivity and return approximately \$4.75m to RICAP funds for future investment in AMP, RICC or the Vets. The cost to withdraw is \$250k. \$55k has already been paid to Reivity.

The Authority can re-allocate the funds to other projects. The Authority will get to keep all the engineering, drawings and information from Reivity for the project. This project can be revisited in time. Mr. MacDonald thanked the team for being present during the Operations/Facilities meeting. In conclusion it became clear that this is not a project for us to continue with.

Mr. MacDonald requested a motion to withdraw from the Solar Array Project at IDG, make the final payment to Reivity and to reallocate the RICAP funds to other future projects. Upon a motion duly made from Mr. MacDonald and seconded by Mr. Vargas, it was unanimously

VOTED: to withdraw from the Solar Array Project, make final payment to Reivity, and reallocate RICAP funds to future projects.

7. Employee Highlight

a. Mike Lamantia (Video Production Manager – AMP)

Mr. Lepore introduced Mr. Lamantia to the Board. Mr. Lamantia was hired in 2006 when they were about to purchase their 1st video board. They reached out to NE Tech regarding the video boards and at the same time inquired about students they could hire. 3 students were interviewed but Mr. Lamantia stood out and was hired on the spot. Mr. Lamantia introduced himself and mentioned that he was living in NY at that time. He moved back to RI immediately to run the video system. Mr. Lamantia was born in Providence and currently lives in Johnston with his wife and 1.5-year-old. Mr. Lamantia runs the jumbotron. They have gone from 2 cameras to 8. In 2018 they installed a new scoreboard and have had 2 control room renovations. Mr. Lepore also mentioned that they asked Mr. Lomatia to start an internship program with Hope H.S. vo-tech. This led to Mr. Lamantia being part of the Providence school system where he teaches students his trade. Mr. Lamantia mentioned that we went from standard optics in the bowl to all fiber optics. Mr. Almonte asked Mr. Lamantia how he stays up to speed. Mr. Lamantia stated that he talks to friends in the industry and does his own research. There are also conferences, trade shows, and seminars available. Mr. Lamantia defines success at work by being able to meet with the team after each event to discuss the negatives and positives and how improvements can be made. Success at home is just spending time with the family, especially in the summer, which is his down time from both jobs.

8. Issues with downtown – Mr. Lepore

Mr. Lepore discussed the back entrance issues regarding the homeless population and individuals with substance use disorders. This issue has escalated since April and May. We have been getting complaints from show managers having concern for the celebrities they bring in. We have been cleaning up the area, including picking up hypodermic needles. Mr. Lepore has gone public to bring awareness to the severity of these issues. Mr. Lepore has also had meetings with D.O.T. We will continue to clean up the area, add lighting, security, and maybe add temporary fencing, add police detail and get a low-speed vehicle to monitor West Exchange St. In the past we invested \$100k in lighting, fencing, and security cameras. This was all taken down because of the construction. It will all go back up upon completion which will not happen until 2026. We need to be aggressive and do something now. Our people also need to be safe.

9. Adjournment

With there being no further business to be discussed by The Board of Commissioners, Chairman Almonte asked for a motion to adjourn. Upon a motion duly made by Mr. Mancini, which was seconded by Mr. Vargas, it was unanimously

VOTED: to adjourn the meeting at 10:45 AM

Recognition of Ernest Almonte

Congratulations to Ernie Almonte on receiving the Meritorious Public Service Medal from Major General Christopher Callahan, Adjutant General of the RI National Guard.

Presentation made by Brigadier General Andrew Chevalier. It was a surprise!

FOR EXCEPTIONALLY MERITORIOUS PUBLIC SERVICE TO THE DEPARTMENT OF DEFENSE, Employer Support to the Guard and Reserve, the United States Army, and the Rhode Island National Guard. For over 25 years, Ernest (Ernie) Almonte selflessly volunteered to serve in a variety of leadership positions that supported America's military personnel and veterans.

Ernie was appointed by the Secretary of Defense to be the RI Chair of the RI Employer Support of the Guard and Reserve in 2021, a position he previously held in the early 2000s. Ernie is the single most influential ESGR chair and reserve component advocate since the beginning of the Global War on Terrorism. As the ESGR chair, Ernie promoted cooperation and understanding between Reserve Component Service members and their civilian employers and assisted in the resolution of conflicts arising from an employee's military commitment.

Recently the Secretary of the Army appointed Ernie as the Army Reserve Ambassador for the State of Rhode Island, a position with the protocol rank of a 2-star General. As an Army Reserve Ambassador, Ernie has been exceptional in educating the public, community leaders and congressional staff offices about the capabilities and value of the Army Reserve and its Soldiers. Additionally, Ernie established open lines of communication within these communities which helped establish mutually supporting relationships.

In his role as a nationally known certified public accountant and former Auditor General for the State of Rhode Island, Ernie's professionalism has been sought by many in the halls of federal government. Ernie became the Chair of the Audit Committee for the Department of Defense - appointed by President George W. Bush and reappointed by President Obama. Ernie consulted for Secretaries of Defense Gates, Panetta, and Hagel. Ernie served in numerous positions as Chair of audit committees, including the Department of Defense Audit Advisory Committee at the Pentagon, and as a member of the Government Auditing Standards Committee for the Comptroller General of the United States.

Ernie is a consummate teammate and exceptional problem solver. He is driven to ensure collaborative and empathic relationships exist between all concerned parties. It is for these achievements and countless other selfless endeavors supporting the Department of Defense, that Ernie Almonte is recognized for distinguished public service to the United States of America and the State of Rhode Island. What sets Ernie apart from the norm is his unwavering commitment to supporting reserve component servicemembers, their families, and their employers. These actions and attributes of Ernie Almonte warrant emulation and brings great credit upon the American public, the Department of Defense, the United States Army, and the Rhode Island National Guard.