

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 337th
MEETING OF THE BOARD OF COMMISSIONERS February 25, 2010**

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 28, 2010 at 9:00 a.m. pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Commissioners, David Gavitt, Jeff Hirsh, Bernie Buonanno, Letitia Carter, Patrick Butler, George Nee, William Daugherty, Paul MacDonald and Dale Venturini.

Also present were James P. McCarvill, Executive Director, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Bruce Leach, Legal Counsel; Tim Muldoon, Danielle Pestana and Nancy Beauchamp, SMG/RICC; Larry Lepore, Bob Cappalli and Cheryl Cohen, SMG/DDC; Steve Habl and Doreen Vitale, VMA; Tom Crocker, Sportservice; Neil Schriever, PWCVB; Joseph Solomon, House Policy Office and Eileen Smith, Recording Secretary.

Mr. Duffy and Mr. Fowler were unable to attend.

Mr. Hirsh called the meeting to order at 9:02 AM.

APPROVAL OF MINUTES

Mr. Hirsh entertained a motion to accept and approve the minutes of the 336th meeting, January, 2010. Upon a motion duly made by Mr.

Butler and seconded by Mr. Gavitt it was unanimously VOTED: to approve the minutes as distributed

Mr. Hirsh instructed the Authority office to send the approved minutes to the Secretary of State's Office via electronic mail. Mr. Hirsh announced that the next meeting would be held on Friday, March 19, 2010 at 9:00 AM.

Mr. Hirsh asked Mr. McCarvill to present the financial information. Mr. McCarvill noted that the VMA net income for the month of January was (\$26,796) to budget. Mr. McCarvill reported the Year to Date net income was (\$98,882) to budget and \$48,615 to the prior year. Mr. McCarvill said that upcoming events have been attracted more media notice that should spark interest in the theater. Mr. McCarvill reported that the Convention Center net income for the month of January was (\$138,674) to budget and \$164,542 to the prior year. Year to date net income was \$474,637 to budget and \$966,963 to the previous year. Mr. McCarvill stated that Food & Beverage and ancillary income continue to exceed budget expectations due mainly to strong catering and concession revenues and audit/visual and internet revenues. Mr. McCarvill stated that the Dunkin' Donuts Center net income for January was \$55,728 to budget and \$160,085 to the prior year. Year to date net income was \$257,197 to budget and \$571,764 to the prior year. Mr. McCarvill noted that January was better than budget by 78%, a direct result of increased events that produced strong event and concession revenue. Mr. Daugherty

asked if the financial statements were correct because they indicate that attendance is down 109,000 people. Mr. McCarvill answered that the statements are correct. He said that attendance is down to budget but that the Dunk continues to do a great job with staffing. Mr. McCarvill reported that for the month of January the Authority was \$24,860 to budget and \$145,071 to the prior year. Year to date Net Income for the Authority is (\$18,297) to budget and \$2,357,983 to last year. Mr. McCarvill reported that consolidated net income for January was (\$58,086) to budget and \$469,698 to the prior year. Year to date consolidated net income was \$713,539 to budget and \$3,896,771 to the prior year. Mr. McCarvill said that the consolidated income statement indicates that we are enjoying a better year than last year.

DUNKIN' DONUTS CENTER

Mr. Buonanno asked Mr. Lepore to update the Board on the Dunkin' Donuts Center Committee meeting. Mr. Lepore reported that this year the Dunk continues to host some premiere events. He noted that the NCAA Basketball Tournament will be here in March and that Walking with Dinosaurs will be here in June and that we have already had Cirque de Soleil and Spirit of America. Mr. Lepore stated that the P. Bruins continue to do well. He said that Monster Truck ticket sales are encouraging. Mr. Lepore noted that the Disney Ice Show was down but that it is an old property. Mr. Lepore reported that because

of this being an Olympic year more interest will be shown in ice shows and that there may be spin offs such as speed skating. Mr. Lepore noted that the concert business is not great and that we are in competition with the casinos that can give away tickets. Mr. Lepore reported that the Portuguese Heritage Foundation is sponsoring a concert by Tony Carreira. He said that they don't have the experience to promote that event and the Dunk staff has stepped up to assist them. Mr. Hirsh asked what the breakeven point is for the show. Mr. Lepore said that 3,000 tickets needed to be sold but that should not be a problem. He said that this is a big deal in the Portuguese community to have Mr. Carreira perform in North America.

Mr. Gavitt stated that he has heard nothing but positive things about the Dunk building and the staff. He asked if we charge for our staff assistance to visiting TV crews. Mr. Lepore said that we do charge back but that it is not very profitable. Mr. Gavitt asked if we could bump up our fees for more profit. Mr. Lepore said that we could bump up a little but that there would be push back.

Mr. Gavitt commented that the NCAA Tournament will mean a great deal of exposure for the building and the City. Discussions ensued regarding the Tournament. Mr. Butler asked if there will an opportunity for street closures. Mr. McCarvill noted that area restaurants and bars have applied for permits to close streets. He said that we might be able to do something in the West Lobby of the Convention Center. Mr. Muldoon said that the West Lobby will be

used by Mary Kay. Mr. Gavitt reminded everyone that we will be severely limited by NCAA rules. Mr. Lepore stated that we will look at every opportunity but we should let the local business enjoy the opportunity. Mr. MacDonald concurred, saying that this is an important event for the entire City and State.

Mr. Lepore reported that he had been approached about putting a DAS (direct access system) at the Dunkin' Donuts Center. Discussions ensued regarding the possibility of the service. Mr. McCarvill said that we would have legal council look into it. Mr. Leach stated that he will investigate. Mr. Lepore said that this is the wave of the future. Mr. MacDonald asked the length of the contract. Mr. Lepore responded 10 years.

Mr. Lepore reported that the Dunkin' Donuts Center's recycling program was featured on Channel 12's Green Report. He said that so far we have saved \$16,000 in trash hauling fees. Mr. Lepore stated that response to an RFP for the marquee is due in March.

CONVENTION CENTER COMMITTEE

Mr. Muldoon reported that the Convention Center fell short of budget expectations for the month of January due to a Mathworks meeting that did not take place. Mr. Muldoon reported that the rolling forecast looks strong. Mr. Muldoon reported that Citizens Bank was becoming a very important client for the Convention Center. He said that we

have been marketing to Citizens for a long time and recently they held an event here and are now negotiating for others, in part due to their satisfaction with recent events at the Convention Center. Mr. Muldoon reported that parking revenues are down slightly due mostly to a reduction in transient parkers. He said that the hotel had reserved extra space in the South garage for a busy hotel weekend. Mr. Muldoon noted that event parking is up because of events at the Dunk.

Mr. Muldoon reported that a safety inspection was performed by Zurich Insurance and the Convention Center scored a 98% for building safety. Mr. Muldoon said that both facilities did very well and it is a testament to everyone in the buildings. Mr. Muldoon said that SMG Corporate is pleased with anything over 90%. Ms. Tuton reported that an RFP has been issued for life services for both the Convention Center and the Dunkin' Donuts Center.

VMA

Ms. Carter reported that the VMAF Board had met on Wednesday and that everyone is very impressed with the changes in attitude. She said that the talk among the new Board was how to bring in more diverse local talent. Ms. Carter noted that the Board will be doing a lot of community outreach.

Mr. Hahl reported that that January was a fairly good month for the

VMA. He said that the Youth America Grand Prix went very well. Mr. Habl stated that we were privileged to have some very impressive dance talent on stage at the theater. Mr. Habl noted that there were 175 contestants competing in the event. Mr. Habl also noted that master dance classes were held during the competition. Mr. Habl stated that a letter has been crafted to send to local corporations inviting them to consider holding corporate meetings at the VMA. He said that a similar outreach to the pageant industry resulted in a response from the Miss Rhode Island Pageant. Mr. Habl reported that the theater has a runway and provide a service for pageants and fashion shows. Mr. Habl was pleased to report that following his visit to the train station, Amtrak will be doing a piece for their publication featuring the VMA. Mr. Habl reported that he had spent the better part of an hour stuck in the elevator.

Mr. McCarvill explained that the State Budget Office and the Legislature are investigating the most advantageous opportunities for the possible purchase and repairs and maintenance of the VMA. Discussions ensued regarding the Authority's purchase of the building and its immediate needs. Mr. Nee said that he would not be optimistic about the State selling the building. Mr. McCarvill said that he would keep everyone posted on what is included in the supplemental budget for the VMA.

MARKETING

Mr. Schriever reported that Ms. Sheridan was in Washington. Mr. Schriever presented an update of NCAA preparations. Mr. Schriever reported that a pep rally is being planned for Selection Sunday at McFaddens. Ms. Keough said that a welcoming reception is being planned for Wednesday, March 17th and that he would like all Board members to attend. Ms. Keough stated that she has been working on welcoming sound bites from the Governor, Mayor and Mr. Driscoll. Mr. Schriever said that we want everyone from visitors to residence to have fun in the City. Ms. Cohen reported that the Dunkin' Donuts Center continues to negotiate sponsorships for the tournament.

Ms. Cohen said that there has been overwhelming response from the media to Walking with Dinosaurs. Ms. Cohen reported that we have achieved synergy with the three buildings on the web site. She stated that we now have an opportunity to cross market events at the venues. Mr. Fowler asked if there is a goal for direct traffic for the site. Ms. Cohen responded that direct traffic should increase with the synergy. Ms. Cohen noted that sales of the party suite are going extremely well.

OTHER BUSINESS

Mr. McCarvill reported that our management contract with SMG will expire at the end of October. He said that we are working on an RFP and would like input from the Board.

Mr. Duffy asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Butler and seconded by Mr. Daugherty it was unanimously

VOTED: to adjourn at 10:20 AM