

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 348th
MEETING OF THE BOARD OF COMMISSIONERS March 29, 2011**

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 29, 2011 at 12:00 p.m. at the Veterans Memorial Auditorium, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, David Duffy, Commissioners, Paul MacDonald, Jeff Hirsh, Dale Venturini, Patrick Butler, George Nee, Patrick Butler, Letitia Carter and Jason Fowler.

Mr. Gavitt and Mr. Daugherty were unable to attend.

Also present were James P. McCarvill, Executive Director, Betty Sullivan and Kim Keough, Rhode Island Convention Center Authority; Tim Muldoon, Deb Tuton, Kathy Masino, Amanda Marzullo, John McGinn, Melissa Mosunic and Nancy Beauchamp, Convention Center; Larry Lepore and Cheryl Cohen, Dunkin' Donuts Center; Steve Habl and Doreen Vitale, VMA; Alan Chille, PFM; Lynn Singleton, PPAC; Bob McClintock, SMG; Martha Sheridan and Neil Schriever, PWCVB; Mark Brodner, RIEDC; Bruce Leach, Legal Counsel; Kayleigh Prat, Senate Fiscal Office; Michael Nugent, House of Representatives and Eileen Smith, Recording Secretary.

Mr. Duffy called the meeting to order at 12:23 PM and thanked

everyone for their cooperation in changing their schedule to accommodate and the venue.

Mr. Duffy asked for a motion to approve the minutes of the February meetings as presented. Upon a motion duly made by Ms. Venturini and seconded by Mr. Nee it was unanimously

VOTED: to approve the minutes of all February meetings as presented.

Mr. Duffy asked Mr. McCarvill to present the financial information. Mr. McCarvill reported that the VMA was again our shining star for the month. He said that net income for the VMA for the month of February was \$28610 to budget and \$46,059 to the prior year. Year to date net income variance was \$50,338 to budget and \$83,036 to the prior year. Mr. McCarvill reported the Convention Center net income for February was (\$20,731) to budget and (\$99,668) to the prior year. Mr. McCarvill reported that the Convention Center year to date net income was (\$100,957) to budget and (\$421,008) to the prior year. Mr. McCarvill reported that the negative net income variance for February was due to lower than expected revenue in all areas. Mr. McCarvill stated that the Dunkin' Donuts Center net income for the month of February was (\$246,870) to budget and (\$99,605) to the prior year. Year to date net income was (\$639,242) to budget and (\$594,997) to the prior year. Mr. McCarvill noted that lower luxury suite revenue and ticket rebates as well as increased labor associated with snow

removal contributed to the negative variance for the month. Mr. McCarvill reported that the Authority net income for February was \$58,607 to budget and \$2,545 to the prior year. For the year, net income for the Authority was \$207,835 to budget and (\$1,524,575 to last year. Mr. McCarvill stated that consolidated net income for the month of February was (\$180,382) to budget and (\$150,669) to the prior year. Year to date consolidated net income was (\$482,026) to budget and (\$2,455,135) to the prior year. Mr. McCarvill said that he does not expect much improvement the remainder of the fiscal year.

Mr. Duffy asked Ms. Venturini to address to Board. Ms. Venturini announced that Mr. Schriever would be leaving the CVB. His last report will be in May. Everyone wished Mr. Schriever much success. Mr. Schriever began his report. He distributed a summary of sales activity and booking highlights for the month of February. Mr. Schriever noted that clients appear to be more positive than they were during the previous year. He reported that a large group, Major League Gaming, will be at the Convention Center the weekend before Thanksgiving which is a slow time for the area. Mr. Schriever noted that the RI Amateur Hockey Association will hold an event in February. Mr. Duffy asked about the new Sports Commission. Mr. Schriever reported that John Gibbons is working diligently to promote Rhode Island to a variety of sporting events and shows.

Ms. Sheridan reported that a nationwide search is underway to find someone to fill Mr. Schriever's position. Ms. Sheridan stated that Ms.

McGrath and Mr. Lavin are currently in New York seeking recognition of events and attractions in the State. Ms. Sheridan noted that they had scheduled several good appointments. Ms. Sheridan was pleased to report that a couple of labor groups are now looking at our facilities because of the end of the labor dispute at the Westin. Mr. Duffy asked if occupancy is up now that the dispute has been settled. Ms. Sheridan said that occupancy is up but rates have not risen yet. Mr. MacDonald reported that the Biltmore is having some financial problems. Mr. Nee said that it is a matter of public record that the Biltmore is in receivership but still operational. Ms. Sheridan said that they are attempting to work out a solution and are looking for a buyer.

Ms. Cohen distributed the March Marketing Report for the Dunkin' Donuts Center. Ms. Cohen noted that party suite sales are doing very well although there are suites available for the Circus, WWE, Cirque du Soliel and Josh Groban. Ms. Cohen reported that the Harlem Globetrotters broke their record for the highest gross revenue at the venue and group sales more than doubled. Ms. Cohen noted that other shows are beginning to sell and that Cirque du Soliel will go on sale on April 4th. Mr. Fowler asked who will be performing with Usher. Ms. Cohen said that it will be Akon.

Mr. McGinn distributed the Convention Center's sales report for March. Mr. McGinn said that attendance at most public events has increased which is a good sign that people are more confident in the

economy. Mr. McCarvill reported that he had received an inquiry from Bill Rapley who had heard that business was down considerably. Mr. McCarvill informed Mr. Rapley that it was not the case. Mr. McGinn noted that there will be an after party following Disco Night at the Dunk. He noted that Keds has a new basketball shoe and will be introducing it at a meeting at the Convention Center and also using the Dunk to demonstrate. Mr. Hirsh asked if people came from Boston to the Flower Show even though Boston had a show. Mr. Muldoon said that the Boston show is still in flux. Mr. Duffy inquired if there has been any word on the Dog Show. Mr. McGinn was pleased to say that we have a verbal commitment.

Ms. Keough reported that recently her time has been devoted to the VMA. Ms. Keough distributed a press kit that will be provided to the media at the press conference following today's meeting. Ms. Keough reported that the Complex web site went live with the changes to the VMA. Ms. Keough noted that she had worked on Mr. Duffy's op-ed concerning the sales tax issue. Mr. Nee suggested that the op-ed should have been brought to the Board's attention prior to sending it to the press. Mr. Duffy said that he was taking a position. Mr. Nee said that he thought that anything that would have an impact on the Authority should be brought to the Commissioners for discussion. Mr. Duffy stated that he was unaware of any rule regarding him expressing his opinion. Mr. Nee noted that the op-ed was sent from David A. Duffy, Chairman of the Board. Mr. McCarvill said that Feld had contacted him and were very concerned on the

impact of this action.

Mr. Duffy wished Dale and Tony good luck with Tony's surgery.

DUNKIN' DONUTS CENTER

Mr. Lepore noted that the Dunk enjoyed a small profit for the month. He said that PC continued to struggle with attendance averaging 5,000 fans even for Big East games. Mr. Lepore stated that maybe the new coach will bring more enthusiasm that rubs off on the fans. Mr. Lepore reported that the building continues to keep costs down as much as possible without jeopardizing cleanliness and security. Mr. Fowler asked if Mr. Lepore and his staff are still looking at ways to help PC. Mr. Lepore said that we are as well as the Bruins. Discussions ensued regarding the NCAA tournament for 2014. Ms. Sheridan noted that Mr. Gibbons had the bid package and that she had spoken with PC. Mr. Buonanno commented that a 6% sales tax would have a devastating effect on our chances for the NCAA. Mr. Lepore said that 6% tax would make attracting events and shows impossible. Mr. Lepore reported that American Idol would return to the Dunk.

CONVENTION CENTER COMMITTEE

Mr. Duffy asked Mr. Muldoon to address the Board. Mr. Muldoon

reported that Convention Center income fell a little short to budget for February due mostly to the fact that the RV Show was in February last year and March this year. Mr. Muldoon was pleased to report that Amanda Marzulo had secured Hasbro's International Sales Show for a period of three years. Mr. Muldoon said that attendance and spending has been mostly up. Mr. Muldoon said that the building is controlling expenses and have negotiated natural gas and electric contracts. Mr. Muldoon noted that the leaks in the rotunda have been repaired and that he was impressed with the quality of work done by Cal Restoration.

Mr. Butler asked if there was a formula that could be used to identify parking revenue. He would like event parking associated with the Dunk to be reflected on the Dunk's financial statements. Mr. Muldoon said that about 50% of event parking is contributable to the Dunk but it would be very difficult to separate the revenue. He noted that last weekend the Dunk had Monster Jam and the Flower Show was at the Convention Center. Mr. McCarvill stated that parking is parking is the responsibility of the Convention Center.

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. Buonanno it was unanimously

VOTED: to adjourn at 1:40 pm