

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 356th
MEETING OF THE BOARD OF COMMISSIONERS November 22, 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 November 22, 2011 at 9:00 am at the Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, Jim Bennett, Commissioners, Bernie Buonanno, Letitia Carter, Dale Venturini, Scott Gunn, Patrick Butler, George Nee and Stan Israel.

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

Also present were James P. McCarvill, Executive Director and Betty Sullivan, Rhode Island Convention Center Authority; Tim Muldoon, Deb Tuton, Kathy Masino and Nancy Beauchamp, Convention Center; Larry Lepore, Cheryl Cohen, Bob Cappalli and Kaitlyn Bizier, Dunkin' Donuts Center; Steve Habl, VMA; Kristin McGrath and Martha Sheridan, PWCVB; Bob Bromley, Senate Fiscal Office; Bruce Leach, Legal Counsel; Kevin Lovett, 50/50 Central and Eileen Smith, Recording Secretary.

Recognizing a quorum Mr. Bennett called the meeting to order at 9:05 AM. Mr. Bennett asked for a motion to approve the minutes of the October Board Meeting. Upon a motion duly made by Ms. Venturini

and seconded by Mr. Butler it was unanimously

VOTED: to approve the minutes of the October meeting.

Mr. Bennett asked Mr. McCarvill to present the financial information. Mr. McCarvill said that for the month of October the VETS was \$9,548 to budget and (\$4,807) to the previous year. Mr. McCarvill stated that year to date net income was \$56,377 to budget and (\$20,466) to the prior year. Mr. McCarvill stated that the financial health of the theater continues to improve. Mr. McCarvill reported the Convention Center net income for October was \$225,970 to budget and \$269,323 to the prior year. Year to date net income was \$120,996 to budget and (\$377,814) to the prior year. Mr. McCarvill said that the Convention Center is keeping a close watch on expenses and that parking revenue is showing continued improvement as well as strong food and beverage revenue. Mr. McCarvill noted that the timing of events impacts the month over month income statements. Mr. Gunn asked Mr. McCarvill to explain. Mr. McCarvill stated that some repeat meetings or events are not always held in the same month each year. He said that a meeting might have been held in September 2010 and October 2011. Mr. McCarvill reported that the Dunkin' Donuts Center net income variance for the month of October was (\$55,872) to budget and (\$4,490) to the prior year. Year to date net income for the Dunk was (\$208,328) to budget and (\$180,159) to the prior year. Mr. McCarvill reported higher labor costs as well as lower than expected concession revenue contributed to the budget shortfall for October.

Mr. McCarvill stated that as the season progresses management expects a more favorable outcome. Mr. McCarvill reported that net income for the Authority income was \$60,616 to budget and \$17,885 to the prior year. Year to date net income is \$164,872 to budget and \$127,033 to the prior year. McCarvill stated that consolidated net income for the month of October was \$37,262 to budget and (\$260,736) to the prior year. Year to date consolidated net income is \$133,918 to budget and (\$451,406) to the prior year.

MARKETING

Ms. Venturini asked Ms. Sheridan to address the Board. Ms. Sheridan noted that the weekend had been great for the City and the Convention Center. Ms. Sheridan reported that Major League Gaming was a huge success with gamers competing for significant prizes. Ms. Sheridan also noted that the Irish Step Dancers had a great experience at the Convention Center and the CVB sales staff is negotiating future dates. Ms. Sheridan reported that the CVB traveled to New York to meet with representatives of travel and tourism publications. Ms. Sheridan noted that Mr. Bennett had joined the group at the media event. Ms. McGrath distributed the CVB's report indicating sales activity for the month. Ms. McGrath noted that definite bookings are ahead of the same period last year as well as year to date. Ms. McGrath reported that definite room night bookings related to the Convention Center are also ahead of 2010 numbers. She said that US Gymnastics will be here in August and SIMULA has

booked for May 2012 and May 2014. Ms. McGrath also noted that the Phoenix Society for Burn Survivors signed a contract for October 2013 and is working closely with survivors of the Station Night Club fire. Ms. McGrath reported on prospective groups that the CVB is negotiating contracts. Ms. McGrath thanked Mr. Gunn and GTECH for recommending us to the North American Associational of State and Provincial Lotteries. Mr. Nee asked how many groups there are. Ms. Sheridan said there is a group for everything.

Ms. Venturini asked Mr. Lepore and Ms. Cohen to address the Board. Mr. Lepore stated that revenue is up this month and that we should be able to close the gap shortly. He said that Providence College has a new coach and that the team is getting more attention and there is more buzz about the upcoming season. Mr. Lepore noted that he had traveled to Mohegan Sun with Mr. Bennett to discuss our concerns regarding restrictions on performers. Mr. Lepore stated that Mohegan is not doing as well as projected. He said that we need to stop beating each other up and start working together for the success of both venues. Mr. Bennett said that he and Larry had established a line of communication. Ms. Cohen reported that PSE is doing a great job and working very hard to sell suites and advertising. She stated that they have contracted with four new advertisers. Ms. Cohen said that three suites are available. Mr. Gunn asked what if any impact the competition of Massachusetts Casinos would have on this building. Mr. Lepore said that it will depend on where the casinos are located and will most likely have more of an impact on Twin River and

Mohegan. He said that these venues have had an impact on the Dunk and he expects the impact will be greater in the future.

Ms. Venturini called upon Mr. Muldoon to update the Board on the Convention Center's marketing efforts. Mr. Muldoon said that he had concerns about the weekend of Major League Gaming and fitting everyone into the building but all went well. He thanked Larry and his crew for their cooperation saying that the Complex is working well and that labor flowed smoothly between both buildings. Mr. Muldoon explained an event called Feed 1,000 People. He stated that the Convention Center will host homeless and other under privileged people for a special meal. Mr. Muldoon said that Kathy Masino and Chef have put together a menu and that the food will be provided at cost. Mr. Muldoon said that the staff of both buildings has volunteered their time. Ms. Venturini asked that a list of needs be sent to all Board members because they might be able to enlist more volunteers. Mr. Muldoon stated that the Complex is pleased and excited to be able to do this.

Mr. Hahl reported that this month there is a great mix of events at the VETS. Mr. Hahl noted that the Philharmonic season is going well. Mr. Hahl reported that December is looking good for the Theater. He said that Providence College and Brown University are teaming up to perform a concert of Beethoven music. Mr. Hahl said that this past week has been difficult working around the construction. Mr. Hahl reported that the windows are going in and look so much better than

the old ones.

Ms. Venturini reminded the Board that a scholarship fund has been set up in memory of Steve Marra. She said the scholarship would be awarded to individuals interested in the food service or hospitality industry.

Mr. Bennett introduced Kevin Lovett of 50/50 Central who was invited to address the Board regarding and opportunity to bring a 50/50 raffle to the Dunkin' Donuts Center. Mr. Lovitt began his presentation by saying that this practice is now taking place in Fenway Park, TD Bank Garden and many other venues. Mr. Lovitt's power point presentation was informative and showed how the tickets were sold and the process of drawing the winning ticket. Mr. McCarvill noted that the Authority could not profit from this activity and explained that a charitable organization (501 c3) would be the responsible for recruiting volunteers for all aspects of the operation. He said that it might be a good fit for the RI Hospitality Association's Scholarship fund. Mr. Gunn said that he would like to see a legal opinion. Discussions ensued regarding how charities are chosen being mindful that all charitable organizations have an opportunity to participate. Mr. Buonanno said that he would like more information to be sure we understand the implications of doing this. Mr. Butler noted that many people could benefit from this plan. Mr. Israel asked if the Board members could pick their favorite charity. Further questions were asked concerning the P. Bruins and Providence

College. It was noted that neither wanted to take this on and that the P. Bruins already do a 50/50 at their games but would back out if the Authority moved forward with this plan. Mr. Leach stated that the Board had brought up all legitimate issues and noted that the Authority cannot make any money on the operation. Mr. Nee said that we would have to notify every 501 c3 and hold a lottery to invite an organization to participate. Mr. Buonanno said that he thinks it needs more discussion. Mr. Butler asked if a decision was needed today. Mr. Bennett said that we could discuss the proposition at a later date. He asked Mr. Lepore his thoughts on the matter. Mr. Lepore said that it would be another thing that we would need to negotiate with our tenants. Ms. Venturini said that we need to flush it out some more.

Mr. Bennett asked if there was any new business. Hearing none Mr. Bennett asked for a motion to adjourn. Upon a motion duly made by Mr. Buonanno and seconded by Mr. Nee it was unanimously

VOTED: to adjourn at 10:30 AM