

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 372nd
MEETING OF THE BOARD OF COMMISSIONERS April 25, 2013**

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 April 25, 2013 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 George Nee, Joseph DeLorenzo, Letitia Carter, Jeffrey Hirsh, Scott Gunn, Stan Israel, Dale Venturini, Paul MacDonald and new Commissioner Tony Mendez.

Mr. Bennett and Mr. Butler were unable to attend.

Also present were James P. McCarvill, Executive Director, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Tim Muldoon, John McGinn and Nancy Beauchamp, Convention Center; Larry Lepore and Beth Johnson, Dunkin' Donuts Center; Dan Schwartz, The VETS; Martha Sheridan, PWCVB; Paul Grimaldi, PROJO; Bruce Leach, Legal Counsel; Bob Eaton, State Budget Office; Joe Solomon, House Policy Office; Robert Bromley, Senate Fiscal Office and Eileen Smith, Recording Secretary.

Mr. Bennett was not able to attend the days meeting, therefore, Vice Chairman Nee called the meeting to order at 9:05 AM. Mr. Nee welcomed and introduced the newest member of the Board, Tony

Mendez. Mr. Nee stated that Mr. Mendez would be filling the seat held by Mr. Buonanno.

Mr. Nee asked for a motion to approve the minutes of the March Board Meeting. Upon a motion duly made by Mr. Israel and seconded by Mr. MacDonald it was unanimously

VOTED: to approve the minutes of the March meeting.

Mr. Nee asked Mr. McCarvill to present the financial information. Mr. McCarvill reported that for the month of March the Convention Center's net income variance was \$30,631 to budget and \$72,367 to the prior year. Year to date net income variance at the Convention Center was (\$513,840) to budget and (\$265,009) to the prior year. Mr. McCarvill stated that the favorable variance is due to strong revenue for Emery Waterhouse and new shows. At the VETS, March's net income variance was (\$14,580) to budget and \$26,538 to the previous year. Mr. McCarvill stated that year to date net income variance was (\$112,358) to budget but \$30,521 to the prior year. Mr. McCarvill stated that March was a busy month at the VETS. He noted that American String Teachers Association as well as the Ballet contributed to a good month. Mr. McCarvill reported that for the month of March the Dunkin' Donuts Center's net income variance was \$119,738 to budget and \$365,424 to the prior year. Year to date net income variance at the Dunk was (\$232,752) to budget and \$721,265 to the prior year. Mr. McCarvill said that the Dunkin' Donuts Center's favorable variance for

the month was due to NCAA Hockey, NIT Basketball, WWE and a Cheerleading event. Mr. McCarvill stated that he remains hopeful that with robust ticket sales by Providence Sports and Entertainment and the exploration of possible new events the Dunkin' Donuts Center will see a positive trend upward. The RI Convention Authority's net income variance for the month of March was (\$23,593) to budget and (\$37,305) to the prior year. Year to date net income variance is \$146,581 to budget and \$1,353,691 to the prior year. McCarvill stated that consolidated net income variance for the month of March was \$112,196 to budget and \$457,024 to the prior year. Consolidated Year to date net income variance is (\$712,664) to budget and \$1,465,474 to the prior year.

MARKETING

Ms. Venturini reported that she will be working with Martha Sheridan on a new contract for the CVB. Mr. Gunn had questions regarding the current contract. Mr. McCarvill said that we currently pay the CVB \$45,000.00 per month and that amount has been the same since 1996.

Mr. Israel asked if there were any personnel issues in the contract. Mr. McCarvill said no. Mr. McCarvill noted that the CVB is charged with working with the sales staff of the Complex to attract conventions and other events to the State and our facilities. Mr. McCarvill noted that we have three members of the Authority Board on the CVB Board; in fact Mr. Hirsh is the President of the CVB Board.

Mr. Gunn asked what the fiduciary responsibilities are when it comes

to the Authority. Mr. Leach explained that when the organization was formed their main objection was to fill the Convention Center. He said that since we are all people of good will he does not see this as a conflict.

Ms. Keough reported that plans are underway for the 40/20 anniversary celebration. She noted that she has been working on a menu with Kathy Masino and waiting for confirmation of a performer for the event. Ms. Keough also said that an RFP for web upgrades is being prepared and should be advertised soon. Ms. Keough reported that the team is also working on a new ad campaign for the facilities. Ms. Keough presented the 30 second video spot that was created in house and is being shown whenever the Waterfire film is viewed. Ms. Keough stated that she is working with Mike Abbott to locate space at the VETS that would be suitable for advertising.

Ms. Martha Sheridan of the PWCVB delivered a positive report regarding the current room statistics and the favorable trend upwards. Ms. Sheridan reported that we are on pace to exceed last years numbers. Mr. MacDonald asked how fewer definite bookings could result in a greater number of definite room nights. Ms. Sheridan stated that a group could require more room nights depending upon the number of attendees and the length of stay. Ms. Sheridan thanked Scott Marshall, the State Veterinarian, for helping to secure the American Association of Veterinary Lab Diagnosticians meeting for October 2015. Ms. Sheridan stated that we are seeing

more groups that are looking at repeating their event here. Mr. Nee asked if this trend was consistent with the national numbers. Ms. Sheridan said that it is well above the national trend for the year and equal to the trend for the season. Ms. Sheridan reported that a new ad campaign is being developed for the facilities. She stated that the team is attempting to distinguish our complex from others. She said that most ads feature pictures of the buildings and they all look alike. Ms. Sheridan stated that it is important to note that all of this creativity is happening in-house. She said that we are fortunate to have such talented people available to us. Mr. DeLorenzo asked what are some of the cities that we are in compete with. Ms. Sheridan answered that Pittsburg, Charlotte and Boston are some of the cities. Mr. DeLorenzo asked what they are doing. Ms. Sheridan said that it mostly comes down to the size of the facility. Mr. Hirsh noted that those cities have better air lift.

Mr. Nee recognized Mr. Lepore and asked that he address the Board. Mr. Lepore reported that a contract has been sent to an artist to perform for our 40/20 anniversary event and that he hopes to get an answer shortly. Mr. Lepore stated that March was a great month and that WWE was almost a sell out. NCAA tournament was successful and we will bid on it at every opportunity. Mr. Lepore reported that WWE Smackdown will be here in July, American Idol in August and two electronic dance events have been booked for the Fall. Mr. Lepore said that we have contracted with a celebrity that is bringing a new business venture to the Complex. Mr. Lepore noted that this will

bring a lot of exposure to the City and will utilize local businesses for sound, light, web design and other business needs. He stated that we are very excited about this opportunity and a press conference is being planned.

Mr. Lepore noted that following the Boston Marathon bombing and subsequent lockdown of the City, the Boston Bruins contacted the Dunkin' Donuts Center to make tentative arrangements to play Pittsburg in the event that the second suspect remained on the loose.

Mr. Lepore said that we would have been ready to host the game. Discussion ensued regarding security for the Complex. Mr. Lepore said that every event is different and our staff reacts accordingly. Mr. Gunn suggested that our security team present our emergency response plan at the next meeting. Mr. McCarvill agreed saying that it will be on the agenda for next month. Mr. Lepore reported that we have a great relationship with the police. He noted that the Dunk is used as a training facility for bomb sniffing dogs.

Mr. Lepore reported that an RFP for a new sound system had been issued and two responses were received. Mr. Lepore said that although Ambient Sound's bid was \$424,000 and the competing firm's bid was \$370,000 Ambient Sound met the criteria that we were looking for in the system. Mr. Lepore said that the other firm did not meet our needs and they were just adding to the system that we already have. Mr. Lepore stated that he would recommend Ambient Sound. Mr. Israel asked if the company understood what we were

looking for. Mr. Lepore said that they thought we only needed to add speakers to our current system. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Israel it was unanimously

VOTED: to award the contract for a new sound system to Ambient Sound

Mr. Muldoon reported that March was a good month and that we had three major trade shows. Mr. Muldoon noted that Emerory Waterhouse would be doing a smaller event in August. Mr. Muldoon was pleased to report that Salt Water Anglers was up 20%. Mr. Hirsh asked where the show draws its attendees. Mr. Muldoon said that it is a regional New England based crowd. Mr. Muldoon noted that String Teachers had a successful event and is looking to come back in 2018. Mr. Muldoon noted the opportunity to use multiple buildings.

Mr. Muldoon reported that the North Garage Fire Alarm system upgrade is nearing completion and is on target. Mr. Muldoon also reported that the new sound system is working well. Mr. MacDonald commented that he had attended an event recently and the place was packed. He thanked the staff for doing a great job at the Teamsters fund raiser.

Mr. Schwartz was pleased to report that rental income for the VETS has doubled and attendance is up considerably. Mr. Schwartz listed

several performances that will take place in the Fall. Spank the Musical, a musical parody of 50 Shades of Grey, and Capitol Steps have been confirmed.

Mr. Schwartz noted that the construction is moving along and multiple contractors can now be on site at the same time. Ms. Carter asked when the street will re-open. Mr. Schwartz said that the street will re-open when there are no more safety issues. Mr. McCarvill said that this is a tough subject. He noted that the street has been re-opened for special occasions such as school visits to the Philharmonic but it will not open until all construction equipment is gone.

Mr. Gunn asked about food & beverage revenue. Mr. Schwartz said that there have been some concession upgrades and a liquor license is now in place. Mr. Schwartz noted that with the lack of rest rooms it is difficult for patrons to visit both the bathroom and the concession stand before the event resumes. Mr. Schwartz stated that after the upgrades there will be more bathroom facilities and more points of sale. He was happy to announce that patrons now have a credit card option for paying. Ms. Carter suggested the use of the downstairs space for a food and beverage venue. Mr. Schwartz said that we do not want to compete with the Mall restaurants prior to a performance but we could look at options for post event gatherings.

Mr. Nee acknowledged Ms. Carter's leadership of the VMAF and

thanked her for her service.

Mr. McCarvill reminded the Board to file their ethics form.

Mr. Nee asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Gunn it was unanimously

VOTED: to adjourn at 10:10 AM