

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 379th
MEETING OF THE BOARD OF COMMISSIONERS December 19, 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 December 19, 2013, pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were Jim Bennett, George Nee, Jeffrey Hirsh, Paul MacDonald, Scott Gunn and Dale Venturini.

Mr. Butler, Mr. DeLorenzo, Ms. Carter, Mr. Mendez and Mr. Israel were unable to attend.

Also present were James P. McCarvill, Executive Director, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Larry Lepore, John McGinn, Kathy Masino, Nancy Beauchamp, Cheryl Cohen, John Ciolfi, and Beth Johnson Complex; Dan Schwartz and Michael Gravison, The VETS; Martha Sheridan, PWCVB; Bruce Leach, Legal Counsel; Joseph Solomon, House Policy Office; Robert Bromley, Senate Fiscal Office and Eileen Smith, Recording Secretary.

Mr. Bennett called the meeting to order at 9:11 AM and asked for a motion to approve the minutes of the November Committee meetings.

Upon a motion duly made by Mr. MacDonald and seconded by Mr. Gunn it was unanimously

VOTED: to approve the minutes of the Committee meetings.

Mr. Bennett asked for a motion to approve the minutes of the November Board meeting. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Gunn it was unanimously

VOTED: to approve the minutes of the November Board meeting.

Mr. Bennett asked Mr. McCarvill to present the financial information. Mr. McCarvill reported that for the month of November the Convention Center's net income variance was \$11,389 to budget and \$30,895 to the prior year. Year to date net income for the Convention Center was \$97,497 to budget and \$282,834 to the prior year. Mr. McCarvill stated that a successful RI Comic Con contributed greatly to the favorable variance. Mr. McCarvill reported that the VETS net income for the month of November was \$57,321 to budget and \$123,776 to the prior year. Year to date net income was \$19,273 to budget and \$19,844 to the prior year. Mr. McCarvill reported that the VETS accounting has changed and they are now showing indirect expenses on their books. He said that in spite of the change the VETS finished the month with a favorable variance to both budget and prior year. Mr. McCarvill reported that for the month of November the Dunkin' Donuts Center's net income variance was (\$79,515) to

budget and \$58,209 to the prior year. Mr. McCarvill noted that year to date net income for the Dunkin' Donuts Center was \$47,402 to budget and (\$35,530) to the prior year. Mr. McCarvill noted that the Dunk had a busy November and December should be profitable. The Convention Center Authority's net income variance for the month of November was \$31,101 to budget and (\$136,511) to the prior year. Year to date net income for the Authority was \$98,873 to budget and (\$70,380) to the prior year. Mr. McCarvill stated that consolidated net income variance for the month of November was \$20,296 to budget and \$76,369 to the prior year. Year to date consolidated net income was \$263,048 to budget and \$196,758 to the prior year. Mr. McCarvill said that the consolidated statement is showing some good movement. Mr. Gunn asked if anything is on the horizon that would help the Dunk. Mr. Nee commented that Providence College has the Big East Games coming up. Upon a motion duly made by Mr. Nee and seconded by Mr. Hirsh it was unanimously

VOTED: to accept the financial report as presented.

Discussion ensued regarding the workshop that was held on Monday.

Mr. McCarvill noted that SMG's proposal would mean more responsibility for Larry Lepore and John McGinn. Mr. McCarvill said that we would be going from 7 critical managers to 5 but we are confident that we can handle the challenge. Mr. McCarvill stated that we need corporate support. He said that questions are being prepared and that answers should be provided prior to the next

meeting in January. Mr. Nee said that we need to do a thorough analysis of what they said they would do and if they are doing what they said they would. Mr. Bennett noted that SMG as a company is very risk adverse and asked if we are willing to take more risk. Mr. Lepore suggested that we could incentivize promoters to put concerts here during the week.

Mr. Bennett said that we have to consider the economic impact that we have on the area. Mr. Bennett said that he is not sure that the public or political leaders know how much the State and the City and local businesses depend on our success. Mr. McCarvill noted that an Economic Impact study is rarely done after a business is in existence.

Ms. Venturini asked what would happen if these buildings were not here. She asked about the study that was recently completed by Bryant. Mr. McCarvill stated it was not detailed or deep enough. Mr. Gunn suggested finding a way to predict how people or patrons will spend their dollars. Ms. Sheridan noted that the CVB has a firm, CSL, working with them that she could ask for their input. Mr. Bennett said that the world has changed drastically since we had our last comprehensive study completed. He noted that more information is easily available. Mr. MacDonald suggested that someone check with local businesses to see how they do when the building is occupied rather than dark. Ms. Venturini said that we need to track how much we do and give to this community and let people know. Mr. MacDonald commented that we should track a dollar and how it is plowed back into the economy. Ms. Venturini mentioned Global

Insight, a firm that measures and analyzes data. Mr. Nee asked do we know how many attendees at conferences and conventions go sight seeing, etc. while they are here. Ms. Venturini volunteered to investigate our options for this project. Ms. Venturini asked if we are required to issue an RFP for this. Mr. Leach said that right now we are only looking and not contracting with anyone. Therefore, we do not need an RFP.

Mr. McCarvill brought the next agenda item up for discussion. Mr. McCarvill noted that an annual meeting schedule is required to be posted by the Open Meetings Laws. Mr. McCarvill said that the Board meetings have been held on the last Thursday of the month throughout 2013 with the exception of Thanksgiving and Christmas. He asked if the schedule worked for most of the Commissioners or if they would like to see any changes. It was agreed that the last Thursday of the month worked. Ms. Venturini noted that a Summer meeting, usually July, gets cancelled. Mr. McCarvill stated that he would rather not cancel a meeting because the Authority is very busy at that time with the Annual Audit and Budget submission to the State.

The next item concerned committee structure. Mr. McCarvill suggested that we revert to the format that existed several years ago and combine the Dunkin' Donuts and the Convention Center Committees into one Operations and Facilities Committee, revive the Finance Committee and keep the Marketing Committee as is. Mr.

McCarvill said that we look to be more efficient and respectful of the Commissioner's time. He also noted that Mr. MacDonald as the current Chairman of the Dunkin' Donuts Committee could take over as Chairman of the Operations & Facilities Committee and Mr. Hirsh, as Treasurer could assume the Chairmanship of the Finance Committee. Discussion ensued regarding the need for committee meetings every month and it was suggested that if the Chairman of a committee saw need of a meeting he or she would notify the Commissioners at the monthly Board meeting. It was the sense of Board that we revert to an Operations & Facilities Committee, a Finance Committee and the Marketing Committee chaired by Ms. Venturini. Mr. Hirsh noting that attendance at Committee meetings has been lacking, said that if attending the meetings is a hardship perhaps those Commissioners should relinquish their seat on the Board. He said that by accepting an appointment to the Board a member has the responsibility to participate in meetings. Ms. Venturini stated that the Marketing Committee does not need to meet every month and she would work with our partners on a schedule. Mr. MacDonald commented that Committees evolved during construction or when there were special issues. He said that he sees no need to take the time of the staff to attend meetings unless there are issues that should be discussed and decided upon. Mr. Bennett said that a Committee meeting could be scheduled and announced at the Board meeting. Ms. Venturini asked if a by-weekly news letter could be prepared and sent to the Commissioners in order to keep them informed of the happenings at the Complex. Ms. Keough stated

that she would take on that responsibility.

Discussion returned to the consolidation of the Complex. Mr. Nee said that he would like to see the former organization chart with names in order to compare it to the proposed chart with names. Mr. Hirsh stated that he wants a report on what SMG told us in the past and if they have lived up to their commitment.

MARKETING

Ms. Keough distributed a report of marketing and public relations activity for the Complex. Ms. Keough reported that the new web-site will be completed soon. She noted that PSE is collaborating with us and will be a participant in the site. She said that this will make for a more inclusive site and easier for the patron to access everything that is happening at the buildings.

Ms. Keough announced that Feed 1000 was held over the weekend and that the number of people served rose by 20% to 2200. She said that it was an amazing event. Ms. Keough reported that they ran out of potatoes and some deserts. Ms. Keough also noted that Donny & Marie who were in concert at the Dunk that evening made an appearance. Mr. Nee said that he would like the minutes to reflect the effort on the part of the employees, local sports teams, and labor that volunteered to help set up and serve for this wonderful although sad, because there is so much need, event. Mr. Nee said that he hoped

someone got a picture of Mr. Lepore pouring water while wearing white gloves. Mr. Nee stated that Kathy Masino does a fantastic job. Ms. Keough noted that the event requires coordination with the State, City, RIPTA and many other organizations, small businesses and volunteers to pull this off. Ms. Keough reported that Kathy Masino manages to have flowers, linen and bakery goods donated. Mr. Bennett said that everyone was in good spirits and worked as a well oiled machine.

Ms. Keough reported that the new outdoor banners are being installed today and rugs with the Convention Center logo have been ordered for the lobby.

Ms. Sheridan was asked to address the Board. Ms. Sheridan distributed her report and stated that November Providence hotel occupancy and rate are up from 2012. Ms. Sheridan stated that the challenge in Rhode Island is corporate business. She said that Providence seldom hosts travelers that are here for corporate meetings because we have lost some of our larger corporate institutions. Mr. Bennett asked if Boston business people ever stay in Providence and take the train. Ms. Sheridan responded not much. Mr. Bennett asked the impact of less corporate transient business. Ms. Sheridan stated that the loss of the Westin – Starwood Brand has been a big loss. Ms. Sheridan said that the Omni does not have the same caché although the tide is turning. Ms. Sheridan noted that the Omni is not investing in the property as they said they would.

Ms. Sheridan reported that Kristin Adamo has been doing a great job in getting the word out on our culinary market. Ms. Sheridan also reported that a visitor's center has been opened at the State House. Mr. Nee stated that we had a great story involving the EDC Board. He said that we need to use people in the state as ambassadors. Ms. Sheridan explained the ambassador program and noted that it is not a story that Projo thinks is important. Ms. Sheridan stated that lists are provided to EDC.

Ms. Venturini reported that the Downtown Improvement District (DID) presented a plan for Wayfinding in the City at the Marketing Committee meeting. Ms. Venturini said that DID is hoping that we will contribute \$40,000 over 2 years to get the project done. Mr. Nee asked what are our priorities, an economic impact study or signage. Ms. Sheridan said that signage is terrible getting off the highway at exit 22. Discussion ensued regarding the request. Mr. Bennett said that perhaps they should present their plan to the Board.

Ms. Venturini departed at 10:30 AM