

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 403rd
MEETING OF THE
BOARD OF COMMISSIONERS January 28, 2016**

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, 2016, pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were Chairman Bernie Buonanno, Patrick Butler, Stan Israel, Paul MacDonald, Joe DeLorenzo, John Hooper and Jeff Hirsh.

Tony Mendez, Dale Venturini and Letitia Carter were unable to attend.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Larry Lepore, John McGinn, Kathy Masino, Amanda Wilmouth, Pamela Bacon, and Cheryl Cohen from the complex; Lynn Singleton, PFM; Michael Gravison and Dan Schwartz, the VETS; Martha Sheridan, PWCVB; Ray Keough, Keough Construction; Robert Bromley, Senate Fiscal Office; Chantale Sarrasin, House Finance Office; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary

**Mr. Buonanno called the meeting to order at the meeting at 9:00 AM.
Mr. Buonanno asked for a motion to approve the minutes of the**

December Board Meeting. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Hooper it was unanimously

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

Mr. Buonanno asked Mr. McCarvill to present the financial information for the month of December.

Mr. McCarvill reported that a new format for the financial statements has not been completed. He noted that the finance department is short-handed and trying to keep up with the daily duties. Mr. McCarvill said that he hopes that the new format will be available in February. Mr. McCarvill began the financial statement review. Mr. McCarvill stated that the Convention Center's net income for the month of December was \$93,665 to budget and \$5,336 to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$763,232 to budget and \$1,705,344 to the previous year. Mr. Hooper asked why the Convention Center is so far ahead. Mr. McCarvill said that we have seen a rebound in Food & Beverage and we have had some events where people stay in the building and access our concessions. Mr. McCarvill continued with the Income Statement for the Dunk. He said that for the month of December the Dunkin' Donuts Center's net income variance was (\$87,735) to budget and (\$123,116) to the prior year. Mr. McCarvill reported that year to date net income for the Dunk was \$179,637 to budget and (\$418,278) to the prior year. Mr. McCarvill again stated that the Disney Show

Frozen that was very successful last year is negatively affecting the variance to prior year. Mr. McCarvill noted that Providence College Basketball is drawing large crowds and he thinks that January will be a show a big improvement. Mr. McCarvill reported that for the month of December the VETS net income variance was (\$12,948) to budget and \$58,887 to the prior year. Mr. McCarvill said that year to date net income for the VETS was (\$101,722) to budget and \$61,201 to the previous year. Mr. McCarvill reported that this is the first December where the VETS finished December in the black. He also reported that the schedule is full. Mr. McCarvill reported that the parking lot is not finished yet complete. Mr. McCarvill noted that the VETS did not budget for parking so that any revenue increase because of parking will be a boost.

Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of December was (\$18,554) to budget and (\$42,510) to the prior year. Year to date net income for the Authority was \$85,527 to budget and a variance of \$51,616 to the prior year. Mr. McCarvill said that consolidated net income variance for the month of December was (\$25,572) to budget and (\$101,403) to the prior year. Consolidated net income for the year was \$926,673 to budget and a variance of \$1,399,877 to the prior year. Mr. Hooper asked where we will be at year end. Mr. McCarvill said that the rolling forecast indicates that we will have made up most of last year's loss. Mr. Hooper said that is good stuff. Mr. Buonanno asked for a motion to accept the financial report as presented. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Butler it was unanimously

VOTED: to accept the financial report as presented.

Mr. Hirsh reported that the Authority had issued an RFP for Insurance Broker Services. Mr. Hirsh said that we had not been out to bid in several years and thought the time was right. He noted that our Insurance Advisor, Suzanne Ibbeken of Albert Risk Management was involved and provided guidance throughout the bid process. Ms. Ibbeken as well as Jim McCarvill and myself looked at the proposals and interviewed the five respondents. Mr. Hirsh stated that it is the recommendation of our advisor as well as both Jim and myself that the Authority continue its relationship with Starkweather & Shepley. Mr. Hirsh stated that the incumbent firm had the lowest price, are a local presence and have the expertise that are required for the services. Mr. Hirsh asked for a motion to accept the Committee's recommendation and award the contract for Insurance Broker Services to Starkweather & Shepley. Upon a motion duly made by Mr. Nee and seconded by Mr. Butler it was unanimously

VOTED: to accept the Finance Committee's recommendation.

Mr. Sheridan distributed the CVB's report. Ms. Sheridan said that because the Board Meeting is early in the month the Smith Travel information is not available. She reported that the CVB is having some success in attracting religious and fraternal groups to the complex.

Ms. Sheridan reported that the CVB launched a new web site “goprovidence.com”. Ms. Sheridan reported that the CVB held a retreat. She noted that Mr. Buonanno, Ms. Venturini, and Mr. Hirsh attended the retreat.

Ms. Sheridan reported that for the month of December hotel rates were up 4.6% over the same time last year although occupancy was down 15% of last December. Mr. DeLorenzo asked why the rates were higher. Ms. Sheridan stated that it is only supply and demand. Mr. DeLorenzo also suggested that we are an alternative to Boston. Mr. Hooper asked what affect the new hotels would have on the City. Ms. Sheridan stated that the rate should stay the same and the new properties might draw from Warwick.

Conversations took place regarding the NCAA Basketball Tournament. Ms. Wilmouth noted that an instructional video was received with helpful information and how to participate in the Tournament. Mr. Lepore noted that metal detectors have been requested although they are not required by the NCAA. Mr. Lepore stated that we intend to have detectors installed prior to the games.

Mr. Buonanno asked Mr. McGinn to prepare a report stating what expansion would mean to the facility. Mr. Lepore stated that the large shows that we currently have use the majority of the space in the

buildings and that eliminates the opportunity to book more than one event in the facility. Also ComicCon and Cheerleaders are outgrowing the space that we have and could look to other venues. Mr. Lepore reported that it has been decided that the Journal Building is not practical. He stated that groups want to be in the same building even if the walk is only across the street. Mr. Lepore noted that Vision III had provided their concept of what could be done using some space from the garage. Mr. Lepore noted that we would be giving up about sixteen parking spaces for stairs and 200 less spaces in the garage. Mr. Lepore noted that the parcel behind the building may become useful to us. Mr. McCarvill said that we need to compete with facilities the size of Louisville, Cincinnati, etc. He said that Vision II idea looks good. Mr. Lepore said that we can't grow without more space. Mr. Hirsh asked if the hotel would have any issues with this plan. Mr. Lepore said they might but the rooms that would be affected have other windows.

Mr. Schwartz presented the VETS upcoming schedule and included a list of special events. He reported that Peppa Pig and Straight No Chaser are almost sold out. Mr. Gravison noted that we are making a name for ourselves in the place to be for entertainment for younger audiences. Shows like Peppa Pig and Daniel Tigers Neighborhood do very well at the VETS. Photos of the parking lot that VETS patrons can take advantage of during off hours of the State workers.

Discussion ensued regarding security and the measures that we are

being asked to take to keep the buildings and patrons safe. Mr. DeLorenzo stated that he had an opportunity to visit the facilities and reported that the back door was not secured and there was no security present. Mr. Nee asked how many police officers are present during an event. Mr. Lepore said that it depends on the event. There are more for a concert than a Disney Show. Discussion ensued regarding guns and a license to carry. Mr. Lepore said that our security guards are not armed, fire arms are not allowed in the buildings unless brought in by an off duty police officer. Mr. Lepore reported that metal detectors will be installed within the next few weeks. Mr. Hirsh said that an e-blast should be sent to ticket holders making them aware of new security procedures. Mr. Lepore noted that the purchase of a new Zamboni would have to be delayed to cover the cost of the metal detectors but at this time they are a priority.

Capital projects were discussed and Ms. Wilmouth reported that the 5th floor painting was nearing completion. She also stated that the connector doors leading to the garage and the Omni will be replaced as soon as it is determined if the installation requires the doors to be fire rated. Mr. Hirsh noted that SMG had presented a plan for moving the café and asked where that project stands. Mr. Lepore said that the funding for that project will not be available this fiscal year. Mr. MacDonald stated that we had conversations regarding Virtual Net Metering at the Operations and Facilities Committee meeting. He said that we decided to wait until we spoke with the State Energy Office

before moving ahead. Mr. Lepore noted that the cracked and broken granite in front of the building will be replaced with stamped concrete. Mr. Lepore reported that we had someone look into sandblasting and painting the outside steel on the building. He said he received an estimate that it would cost upward of \$1 million. Mr. Lepore said that for now we will just sand down the rust and paint.

Mr. Nee left at 10:30

Mr. McCarvill reported on the Garrahy Courthouse Parking Garage project. He said that Walker Parking Consultants is doing a traffic study that they will be available to report on at the next committee meeting. Mr. McCarvill reported that Bruce Leach and Ray Keough are working on a contract for the work that we think is necessary before moving forward.

Mr. McCarvill reported that we are looking for a commitment from the State for the same rate that has been approved at the Nursing School.

Mr. DeLorenzo interrupted the meeting to inform the group of the passing of former Mayor Buddy Cianci. A moment of reflection occurred.

Mr. Keough reported that Beta had found contamination on the site in the form of heavy metals that can be remediated by capping the site. Mr. Keough said there is no need to find a hazardous waste site. Mr.

MacDonald urged that we use caution noting that we have been burned in the past.

Mr. Butler asked when we will be able to get a price per space. Mr. Keough said that in about 90 days we should be able to have an idea. Mr. Butler asked if a slow-down would mean the price go up. Mr. Keough said very likely. He said that very seldom do prices go down. Mr. Keough noted that the price will be determined by the cost of pre-cast.

Mr. Buonanno asked if there was any other business. Hearing none he asked for a motion to adjourn. Mr. DeLorenzo said that the meeting would be adjourned out of respect for Former Mayor Buddy Cianci, seconded by Mr. Butler it was unanimously

VOTED: to adjourn at 10:45 AM