

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 409th
MEETING OF THE
BOARD OF COMMISSIONERS July 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 July 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, George Nee, Paul MacDonald, John Hooper, Catherine Parente and Jeff Hirsh.

Dale Venturini and Letitia Carter (retired but not yet replaced) were not in attendance.

Also present were James P. McCarvill, Executive Director and Donald Nadeau, Rhode Island Convention Center Authority; Larry Lepore, Pamela Bacon, Kathy Masino, Rachel Martelli, Amanda Wilmouth, John McGinn, Cheryl Cohen and Sue Catanzaro from the complex; John Gibbons, PWCVB ; Michael Gravison and Dan Schwartz, the VETS; Gregory Stack, Budget Office; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary

**Mr. Buonanno called the meeting to order at the meeting at 9:03 AM.
Mr. Buonanno asked for a motion to approve the minutes of the June**

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

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

Mr. Buonanno asked Mr. McCarvill to present the financial information for the month of June. Mr. McCarvill began his report.

Mr. McCarvill reported that for the month of June the Convention Center's net income was (\$147,104) to budget and (\$289,186) to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$893,612 to budget and \$2,056,586 to the previous year. Mr. McCarvill stated that the Convention Center is well ahead of last year. Mr. McCarvill continued with the income statement for the Dunk. He said that for the month of June the Dunkin' Donuts Center's net income variance was \$205,738 to budget and \$81,753 to the prior year. Mr. McCarvill reported that year to date net income for the Dunk was \$397,457 to budget and \$218,440 to the prior year. He said that things are looking better this year for the Dunk. Mr. McCarvill reported that for the month of June the VETS net income variance was \$31,083 to budget and (\$36,893) to the prior year. Mr. McCarvill said that year to date net income for the VETS was (\$70,979) to budget and \$58,810 to the previous year. Mr. McCarvill stated that all events at the VETS have been positive. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of June was (\$865) to budget and (\$58,478) to the prior year. Year to

date net income for the Authority was \$192,531 to budget and a variance of (\$41,971) to the prior year. Mr. McCarvill said that consolidated net income variance for the month of June was \$88,852 to budget and (\$302,804) to the prior year. Consolidated net income for the year was \$1,320,224 to budget and a variance of \$2,292,649 to the prior year.

Mr. McCarvill was pleased with the year-end numbers. At the Convention Center Food & Beverage and Parking are up. He said that at year end we had an impressive year with more activity which relates to a \$2 million swing. The Dunk also had an increase of \$200,000 which is \$220,000 better than last year. Mr. MacDonald said that business does not fall out of the sky and that a lot of work by the sales staff went into our success. Mr. Israel asked if CVS would do another public concert next year. Mr. McCarvill said that they will if they can find the right artist at the right price. Mr. Lepore noted that we have never had a good June at the Dunk until this year. Mr. Nee asked if that is typical in the industry. Mr. Lepore answered yes and that is why we are targeting the religious market that looks for lower rates during our need periods. Mr. McCarvill reported that the VETS had a good year and that \$25,000 of their loss was due to the insurance deductible. Mr. Schwartz stated that 1st Works is back, the Ballet is doing better and the Philharmonic is cranking. Mr. Hooper said that we should be very proud of the year and that the word should get out. Mr. McCarvill said that we will be updating the Economic Impact Study soon and that the results will be publicized.

Mr. Hirsh stated that he would call for a Finance Committee meeting soon.

Mr. McCarvill said that we have been contacted by Morgan Stanley and JP Morgan as well as others with opportunities to refund our 2009 bonds. Mr. McCarvill stated that there would be savings that might be significant. Mr. McCarvill noted that he had contacted our financial advisor, Steve Maceroni, to get his input. Mr. McCarvill asked if the Board had any interest in pursuing the refunding. It was the opinion of the Board that we look into any opportunities to save money.

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. Nee it was unanimously

VOTED: to accept the financial report as presented.

Mr. Buonanno asked Mr. Gibbons to present the CVB report. Mr. Gibbons stated that USA Gymnastics was a huge success. Mr. Gibbons said that it took 5 years to get them here and hopefully they will return with other events. Mr. Gibbons stated that the month of June occupancy was lower but rate and RevPar were all up for the month over the same period last year. Mr. Nee asked when will X Games make their decision. Mr. Gibbons responded that we did not get X Games. He said that they have decided to hold the games in a

domed facility. Mr. MacDonald asked if there has been any reaction to Brandon Bell's dishing of the State. Mr. Gibbons stated that we have a positive story to tell. He said that people want to be here and we can't allow negative factions to bring us down. Mr. Gibbons stated that slamming the State is not acceptable.

Mr. Schwartz reported that the VETS has been working to secure events for the theater. He noted that we have had success with dance competitions and cheerleading. Mr. Schwartz reported that offers have been made to Jordan Smith and there is a possibility that Bernie Sanders may be going out on a speaking tour. Mr. Schwartz noted that offers have been made to the Go Go Dolls as well as Chip Brodie.

Mr. Schwartz reported that the ropes for the curtains and other stage equipment will be replaced within the next few weeks. He noted that they were not changed at the time of the renovations. Mr. Hooper suggested that the project be expedited if there was any question concerning safety. Mr. Israel asked about parking. Mr. Schwartz stated that it is not ready yet. Mr. Nee said that he would check on the status. Mr. Butler asked if VETS printing is being done locally. Mr. Schwartz answered that it is.

Mr. Lepore stated that the credit for making this year much better than last year goes to the staff. He said that the building today is in the best shape than it has been in a long time. Mr. Lepore noted that in-house labor has worked very hard to deep clean, paint and repair where necessary. Mr. Lepore reported that the SMG corporate

meeting was here and that he has received a number of letters and hear many remarks with accolades on the building, staff, the City and local restaurants. Mr. Nee asked if there have been any security concerns over the Malala event. Mr. Lepore said that she has her own security and they have requested that we allow them to handle security. Mr. Lepore reported that CVS would consider holding another concert next year but with a different artist. Mr. Lepore stated that the Body World Exhibit is doing very well. He said that the promoter has other products that would fit into the lobby space. Mr. Buonanno stated that using the space for the exhibit is a major breakthrough. He said it is like going to a science museum.

Mr. McCarvill reported that discussion continues for the possibility of alternative energy sources. Mr. Butler asked about joining Narragansett Bay Commission and their turbines. Mr. McCarvill stated that things have changed and that we will look very carefully at all of our options. Mr. Lepore asked for permission to allow the staff to contact other entities such as the Airport Corporation, Narragansett Bay Commission and others to come up with an RFP. Discussion regarding solar ensued and it was noted that we don't want to get too involved if they can't produce results. There are only two licensed solar farms in the State.

Mr. MacDonald took the opportunity to congratulate Larry and the staff for a fantastic job in making this year a success.

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

VOTED: to adjourn at 10:25 AM