



AUTHORITY BOARD MEETING

Date/Time: Wednesday, May 24, 2017; 12:00 p.m.

Location: BMO Harris Bank Center (Board Room – Lower Level)
300 Elm Street, Rockford, IL 61101

MINUTES

Board Members Present: Craig Thomas Luz Ramirez
John Phelps Marcus Hill
Sunil Puri

Board Members Absent: Tom Walsh Mike Dunn
Howie Heaton
Michael Schirger

Others Present: Alderman, Frank Beach

Guests: Roseanne Haedt; Chartwell Agency
Cameran Coy; WIFR 23
Sabrina Bennett; WIFR 23
Beth Howard; Friends of Coronado

Staff Present: Troy Flynn; Executive Director, BMO Harris Bank Center
Jollene Haney; Staff Accountant/RAVE Board Secretary/RAVE FOIA Officer, BMO Harris Bank Center
Gretchen Gilmore; Director of Finance, BMO Harris Bank Center
Jena Keith; Director of Ticketing Services, BMO Harris Bank Center
Mike Walsh; Director of Operations, BMO Harris Bank Center
Kristen O’Halloran; Booking Manager, BMO Harris Bank Center

Chairman Craig Thomas calls the meeting to order at 12:07 PM.

MINUTES – Deferred until quorum available. The minutes from the April 26, 2017 meeting were reviewed and approved with a spelling correction noted by John Phelps.

MOTION: *Motion to approve April 26, 2017 minutes made by Sunil Puri, second by Marcus Hill. Motion passes unanimously.*

ELECTION OF ACTING BOARD SECRETARY – Deferred until quorum available.

MOTION: Motion to appoint Jollene Haney as RAVE Board Secretary made by Sunil Puri, second by John Phelps. Motion passes unanimously.

MOTION: Motion to appoint Jollene Haney as FOIA Officer made by Sunil Puri, second by John Phelps. Motion passes unanimously.

COMMITTEE REPORTS

- **Finance** **Mr. Sunil Puri, Chair**
John Phelps defers to Treasurer’s report.
- **Executive** **Mr. Craig Thomas, Chair**
Craig Thomas defers to Chairman’s report.
- **Coronado** **Mr. Craig Thomas, Chair**

Beth Howard reports the roof repair is moving along, however they have been cautioned that the new City Council is moving slowly on things. They may not approve the roof right away and may send it back for more information. Another roof leak has occurred so they are advising RAVE to start on the repairs. Regarding the Capital Assessment Plan, Beth Howard met with the Executive Director of the Tennessee Theater. She located a restoration document from the year 2000 and started a preliminary excel report for up-to-date information with replacements. Plaster paint information is now complete and is being submitted to the City for an RFP. They can’t begin until the roof is complete and the plaster is dry. For plaster damages that have occurred throughout the years, Evergreene Architectural Arts is coming through in June, which is funded by FOC. Stanchions used for security look like they were being dragged and did some damage to the terrazzo. They are looking to fix it and seal it this summer. The Orchestra Shell needs a mechanical inspection. Craig Thomas states, this is something they will be discussing in their Capital Planning Meeting. Beth Howard continues, at the LHAT conference, there was an open discussion about the use of modern technology in historical theaters and the damage high decibels cause to plaster. Two venues did experience plaster cracking. They use the same thin coat plaster that Coronado has under the balcony. They are requesting a structural study and recommending we do the same. They went through a process of bringing in special equipment to study the decibels. At the same time as the replacement of the sound system, FOC would like Bergstrom Foundation to fund a decibel study in the Coronado. Talaske Sound, who did the sound during restoration, will come out and put temporary devices all around the venue during a high decibel event. Craig Thomas requests best industry practice information in order to become better educated on studies that have been done on decibel level impacts on historical theaters. Beth Howard responds that most of the larger venues that were built around the same time as the Coronado are currently stretching to new territories with types of events. They are all scratching their heads wondering how to consider the affects. Craig Thomas is concerned about measuring levels in the abstract without the understanding of the appropriate decibel level and how to address it. Beth Howard reports that there is an open chat among these other venues and they are typically staying below 100 decibels. Craig Thomas is interested in the scientific studies on decibels; in particular, ranges in these facilities potentially leading to damage. Beth Howard reports they are all doing the same thing. Talaske is creating a new consulting service to do the scientific studies behind the concern. Craig Thomas states he would like to talk about this in more depth at another time. John Phelps asks if a bigger theater is less prone to higher decibels or if the decibels disperse differently. Beth

Howard reports the sound people control the decibel limit. Craig Thomas states he understands the need for a limit but we need to do more studies to get a limit established and not just follow what the other venues are setting. Beth Howard reports this study is not just going to measure the decibels, it is going to measure the vibrations. Craig Thomas states his concern is that Talaske Sound is more of a sound company not a structural engineer company. Beth Howard reports that Talaske will advise what the vibration levels are in the different spots. We would then take that information to engineers. Regarding the funding requests from RAVE, FOC has approved funding for the stage and the funds are available. They have also approved funding for the sound system replacement, updates and amps, and are currently working on raising the funds. That will be an upcoming fundraiser. They are wanting to launch a special campaign for that purpose.

- **TREASURER’S REPORT – Mr. Sunil Puri**

Gretchen Gilmore reports that this April we had 3 IceHogs Games, The City First Women’s Conference, Alton Brown, Celtic Woman, David Sedaris, 2 RSO’s, an RCCA, Heritage Run, Theatreworks, Odyssey Dance, and an RSO Youth Performance. When you compare the BMO events to last year, which had Newsboys and the Rodeo versus just the Women’s Conference, the Women’s Conference did very well this year but we still fell short compared to last year because there were two programs. The IceHogs game averages look better than last April. This year we had 3 games, while last year we had 6 in April. Coronado also fell short but not by much. Expenses were still favorable compared to prior year and budget. Year to date overall the IceHogs and the BMO events have been what’s hurting us. IceHogs’ averages have significantly impacted our team store and Savor. We are still recording parking expense. Gretchen Gilmore has not received an update on the entertainment tax as to whether or not there will be an increase. Sponsorships year to date look really well. Expenses compared to both prior year and budget are very favorable. We are still trending to beat last year’s budget but not this current year’s budget. Last year’s budget was very aggressive. Troy Flynn states last year’s budget was a 20% increase from prior year and this year was an 8% increase. Gretchen Gilmore reports that we will beat last year’s budget but not as good as last year’s actuals nor will it meet this year’s budget. May will probably still be a little unfavorable. We had a significant 5 day touring event in the budget that didn’t lock up but June will be favorable. However, we will still not make budget. Sunil Puri asks how we are coming with next year’s budget. Troy Flynn states we have everything from the department heads that is needed. Gretchen Gilmore reports it is moving slowly because we are short our HR, which she is filling in for at the moment. Sunil Puri asks how many major shows we had this year compared to the year before. Troy Flynn states last year we did several half houses but this year they didn’t come to fruition. Sunil Puri states he is wondering about blockbusters because of our deal with SMG. Craig Thomas clarifies, the concern continues to be with SMG and their breadth and scope and industry contacts. It continues to be an area of disappointment that they are not assisting us with getting nationally touring artists.

MOTION: Motion to approve April 2017 financials made by John Phelps, second by Luz Ramirez. Motion passes unanimously.

GENERAL MANAGERS REPORT

Mr. Troy Flynn

IceHogs Update: Troy Flynn reports the IceHogs have hired a new coach. Jeremy Colliton is coming from Sweden. Troy Flynn believes he will be a good addition. He is 32 with a young family. He has a great

resume, great history, and was an NHL player for approximately 56 games. Prior to that he was in the AHL for a period and played in the European Leagues as well. The Blackhawks have a lot of faith in him. Troy Flynn has not had much interaction with him as of yet but believes he is in the process of relocating to the area. We did host the garage sale on the 13th. That is our year end marquee event where we sell the players equipment that we have purchased throughout the year. We had good numbers from that. It is 143 days until opening night. We were able to complete our 4 year comparison of ticket sales, revenues, sponsorships, and various other elements. As a result of a season that we felt wasn't on par, after reviewing, we have found areas that we need to improve and we are starting to take some steps. We are looking into some new elements with new thought processes. Regarding the 17-18 Season, last month Troy Flynn reported he was unsuccessful on gaining engagements from the east coast. There was an additional AHL meeting in which they discussed the scheduling. In that meeting, Troy Flynn had conversations with Hershey and Wilkes-Barre to try to set up some travel games. We were currently assigned to only play the regional 6 teams on multiple occasions which does not provide anything new to the mix. Craig Thomas states that because of the expense of travel we tend to play the same regional teams and don't see any other AHL teams. Troy Flynn states it did not get approved at that meeting but he went back the following day to get some buy-ins from some of the other east coast teams. We will be playing the Hershey Bears and the Wilkes-Barre Penguins for the first time. The Penguins franchise is currently going on to Game 7 against the Ottawa Senators. Hershey has been a huge contender in the AHL. We are also taking up a game against Bakersfield which is the Edmonton Oiler's AHL Affiliate. This allows us to give a little bit more content. Sponsorships are going well, renewals are going well, and season tickets are about 75% recovered. IceHogs charity is engaged with the CVB and the Paint the City Green initiative with planting various plants downtown. This comes back into our logo that we are rolling out this year "Our Team. Our Town." This really makes sure our fingerprints and DNA are telling the story of what we are in Rockford. In June, we have the Marketing meeting. We have 3 individuals going out to Tucson to work through some best practices.

Marketing Update/Events Update: We already talked about a lot of the elements about the Coronado. In May, we hosted 12 events. We are always focusing on what the next steps are. Kristen O'Halloran has been putting a hustle on and has been able to lock up two new events. One at the BMO that is a rehearsal for a show that's going to be touring this summer. We won't get a play out of it but we get a nice rental out of it for 3 days. We picked up an event this Sunday for a local religious group at the Coronado. As we are coming into the end of the year, we have some interesting programs that Troy Flynn thinks are going to pull us into some different numbers. In regards to self-promoted events, one show went away but we have an additional hold for a new show. We are working on locking that up. It is one of the artists previously discussed. Our focus is not to do what we call "Fly Dates" which are fly artists in from out of town. We are trying to establish ourselves in their routing so we pay less for them. In regards to Wilco, the social crossover with Prairie Street and local artists has been impactful for us. It is not quite sold out yet. As we look at our tickets and who is buying from where, it does appear to be a strong Chicago draw. We are trying to focus some efforts into Madison to see what we can pull out of there and see if we can get some last minute tickets sold. John Phelps asked about holding tickets back because you seem to lose momentum. Troy Flynn feels they weren't impactful in the holds. The fan base that wanted to come out, like the fan clubs, were able to get their tickets. Troy Flynn states that all

programs for the remainder of the fiscal year are in a great spot to be making money. He believes we need to go into Madison a little more.

Friday Night Flix starts June 2 once a month. We have looked into some more low cost initiatives to give a little more of an experience. Our first movie is Moana, a Hawaiian/South Polynesian children's movie. They are looking to bring out Hula Dancers and give out leis. Sunil Puri asks when the word would be put out. Troy Flynn expresses most of the advertising is on Facebook. Sunil Puri asks about getting a TV sponsor to advertise. Troy Flynn states we use WIFR and Townsquare Media to push advertising. Sunil Puri states he has not heard anything about the Friday Night Flix. We have had announcements and Press Conferences in past years. Roseanne Haedt with Chartwell works with Meghan Weiss in marketing. She reports they have done a press release announcement and kick off of the season, they have developed an op-ed to go in the paper this next week, and they have secured exclusive sponsorship with 97ZOK and Sweet Lenny who will come out. WIFR is the exclusive television sponsor. They have also worked with RR Star for some trade in the GO Section. Pepsi is also sponsoring. Troy Flynn continues by stating the budget templates have been sent out to Departments.

Manchester had a bombing outside of the arena and that building is an SMG managed facility. SMG has been involved with local law enforcement as well as federal officers. There has been a lot of discussions about what happened and how things were going on. The company called Troy Flynn and reinforced that we need to review all of our security protocols, talking to local law enforcements about possible enhancements, and reviewing high profile events as well as crisis communications. Troy Flynn has, along with security, set up appointments for next week where local and federal law enforcement will come in and do the same assessment we did last year prior to the new procedures we have put in place. We are going to reassess those and discuss exactly what the event was that occurred in the UK. This was an outside person in a public space with a lot of traffic and bad intent. What we can do to mitigate those risks is a priority for us and we are going to follow up accordingly. Craig Thomas informs everyone that within hours of this happening, SMG had communicated with Troy Flynn and other General Managers with an update on the happenings. Craig Thomas feels one of the things we need to look at again is closing off the two blocks that engage at the box office to create a perimeter. Sunil Puri adds shelter in place is one thing but we have facilities a few blocks away. Can we possibly have some relationship with Memorial Hall and one of the churches in the area, where we have access to them to have an opportunity to get people to a secure building? Troy Flynn states these are elements we are taking into consideration. Craig Thomas adds what if this was a bomb threat that we needed to empty the building? Where do we hold the people? Troy Flynn can't speak specifically about the plans at this time but it will be part of the consideration. In regards to Corporate Sales, we have a couple of new marketing tools we are going to be rolling out soon. He had a meeting with LaMonica and we are in good shape with them.

COUNSEL'S REPORT – Attorney Tim Rollins

No report at this time.

CHAIRMAN'S REPORT – Mr. Craig Thomas

Craig Thomas states they had a meeting with Chairman Haney and there are a few board members whose terms will be up soon and he is going to reach out to them directly. John Phelps and Craig Thomas have a meeting with the Mayor on Friday to get thoughts on the relationship and how they will continue to share information. They will also discuss with him the appointees from the City of Rockford to the board. Also, he wants to make sure the board is aware there were some protests around bringing the Circus to the venue. At least one Alderman had been contacted by the protesters. It involves animal rights and animal abuse. Ringling Brothers will no longer have animals after this year; however, Garden Brothers that comes here has animal acts, specifically elephants. There has been no direct communications, he just wants the board to be aware. Troy Flynn states the event was last weekend, we had around 3,000 people with children's tickets being free. The protesters numbered 6. There were a lot of families that had a very nice time. Craig Thomas states that if the City has any ideas, they will share them and RAVE will consider what they have to say.

OLD BUSINESS:

None at this time.

NEW BUSINESS:

None at this time.

MOTION: Sunil Puri made a motion to adjourn; seconded by Marcus Hill. The motion passes unanimously.

ADJOURNMENT – The Authority Board adjourns at 1:00 p.m.

Respectfully Submitted,

Jollene Haney