



Durham Convention Center Authority Meeting
Thursday, July 31, 2014
Durham Convention Center Meeting Room II
11:30 AM (Lunch)

The meeting was called to order at 11:50AM with the following representatives present:

Authority: Al Bass, Patrick Byker, Richard Ford, Rosemarie Kitchin, and Dawn Paffenroth.

Owners: Drew Cummings, Sharon DeShazo, Joel Reitzer, and Al Walker.

Management Company (Global Spectrum): Jen Noble and Andrea Gliatta.

A quorum was established for approval of the minutes. Richard Ford made a motion to approve the June 26, 2014 meeting minutes; Al Bass seconded, and the minutes were approved unanimously.

Durham City and County Administration:

Capital Project Update:

▪ Pre-function Corridor doors (*PFC*):

The project is ongoing and pending data from the manufacturer. The contractor will coordinate with the manufacturer for resolution regarding issues with a popping noise. Once the noise is resolved and the project accepted, training will be initiated for DCC staff.

▪ PFC heat issues remain ongoing. The City is reviewing the engineer's design for supplemental heat. The cost estimate is higher than anticipated at \$45,000; therefore, the Owners are seeking additional quotes. Seven different locations have been identified to increase supplemental electrical heat at a low level. Next steps will be determined after plans are complete. This is a priority item.

▪ Staff is preparing a draft facility improvements plan for review and consideration by the Authority. Forecast for priority items include bathrooms, doors for grand ballroom, supplemental heat, signage, and energy/utility management. Determining a timeline for this project is a key component impacting DCC revenues.

Plaza Fountain:

▪ Leaks are significantly reduced and repairs show progress. General Services Department (GSD) Facilities Operations staff is working to repair remaining leaks. The fountain is operating and will continue to operate while remaining leaks are being repaired. The work on the return line and final test of the return pipe is forecast for the next few weeks.

Interlocal Agreement:

▪ Draft comments have been reviewed by City Finance. A final review with the City and County Managers is complete and the draft has been released to the attorneys for completion. The current agreement will remain in force until the new agreement is approved and released.

▪ Next steps include reviewing the County's comments. A tentative meeting is set with the City Manager for August 8, 2014.

Facility Maintenance Plan:

- Consulting work with MBP (McDonough, Bolyard, and Peck construction and program management firm) is on-going. A timetable for adjusting anomalies found with the meter reading has not yet been defined. There is no update to report this meeting.

Mediation with Shaner:

- Air lease documents have been submitted to Shaner. Staff is anticipating next steps in this process. Shaner's upgrades have been postponed until air lease agreement is complete.

Global Spectrum (GS) Report:

In June 2014, the DCC hosted 29 events with 8,068 guests and 37 event days.

Financials for June:

▪ Total Gross Revenue	Budget	Variance
\$121,356	\$60,201	\$61,155
Total Indirect Expenses		
\$144,798 (Actual)	\$142,023	(\$2,775)
Net Operating Income (Loss)		
(\$23,442)	(\$81,822)	\$58,380
Year-to-date		
Net Operating Income (Loss)		
(\$167,080)	(\$332,028)	+\$164,948

- Customer survey scores for the 2013/14 fiscal year are 4.98 out of 5. Customer surveys are generated weekly.
- *Notable events:*
 - Triangle Caregivers Conference – 350 guests; Revenue - \$61,500.
 - NC Funeral and Morticians Directors – 592 guests; Revenue - \$123,511.
 - Project Graduation – 2000 guests; Revenue - \$66,900.
 - Herbalife – 492 guests; Revenue - \$6,644.
 - City of Durham Economic and Workforce Development – 460 guests; Revenue - \$15,496;
 - Chase Media Boxing Match – over 1500 guests; Revenue - \$46,096.
- Occupancy for the month of June was 39%.

Booking pace for July is \$85,000 versus \$75,000 (same time last year). One year out bookings are slightly ahead. For July 2014, revenues are budgeted at \$58,000 based on historical data. Books are ahead on revenue for the month of July by \$46,000.

Fiscal Year 2014/15 Bookings:

- Definite/Actual: \$708,054.95
- Tentative: \$212,338
- Proposals: \$222,260

Fiscal Year 2015/16 Bookings: \$85,450

- The Owners and the Durham Convention Center Authority congratulated Global Spectrum for outstanding success achieved during the Durham Convention Center (DCC)'s FY2013-14 final operating results.
- *GS Staffing:*
 - Currently searching to replace the chef's position.
- *GS Public Relations:*
 - Attending Rotary Club on weekly basis.
 - Updating Facebook/Twitter/Pinterest and website.
 - Duke Magazine.
 - Triangle Business Journal – ¼ page ad.
 - Advertisement in Showtime Playbill for Carolina Theatre.
 - Website upgrade completed.
- *Website activity:*
 - Visitors: 1,538 New: 78.15%
 - Demographic: 772 Google organic, 234 Direct, 108 Triangle Caregivers, 84 Southern Bride & 13 Forever Bridal
 - Page views: 4,064
 - Page Visits: 2.64
 - Duration: 1.47 minutes
- Jen Noble presented the 2013/14 Fiscal Year Annual Performance Evaluation for the Durham Convention center to the Owners. The assessment was prepared by Global Spectrum.

Durham Convention Center Authority (DCCA):

- Request for the Owners to draft a congratulatory press release in regard to the DCC FY2013/14 final operating results.

Subcommittees:

- *Finance Committee:*
The Committee would like the Owners to requisition the FY2013/14 incentive payment within 30 days of the completed audit.
Staff reviewed the DCC fund income statement ending June 30, 2014.
- *Public Relations:*
Meeting held with Greater Durham Chamber of Commerce to discuss marketing opportunities with the Durham Bulls and the DPAC.
- *Marketing and Sales Committee:*
No update to report this meeting.
- *DCCA Nominees Committee:*
New members have been assigned. The nominees committee will dissolve until further notice.
 - Alice Sharpe – County appointee
 - Darah Whyte – City appointee