



Durham Convention Center Authority Meeting
Thursday, March 5, 2015
City of Durham, General Services Department
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, Bill Kalkhof, Dawn Paffenroth, Alice Sharpe and Darah Whyte.

Owners: Drew Cummings, Sharon DeShazo, Jina Propst, and Al Walker.

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

A quorum was established for approval of the minutes. Dawn Paffenroth made a motion to approve the January, 2015 meeting minutes. Al Bass seconded, and the minutes were approved unanimously. The February meeting was held on March 5 due to inclement weather conditions.

Executive Summary/Major Discussion Items:

- Global Spectrum's requirements for maintaining the Facility Maintenance Plan (FMP) prior to the contract being fully executed.
- The Owners to meet with Shaner on utilities cost share and the Facilities Maintenance Plan (FMP).
- City of Durham General Services to provide status on DCC Plaza Water Fountain maintenance operations.
- The Committee reviewed and discussed the DCC's FY2015/16 Budget Proposal presentation.
 - Highlights of Global Spectrum's accomplishments as they relate to the agreement incentives.
 - Global Spectrum experienced an increase in convention business over time.

Action Items:

- A press conference to announce DCC fiscal year-end success.

Durham City/County Administration Update:

THIRD AMENDMENT TO AIR LEASE:

- Owners have asked Shaner to meet with its engineering and management staff to
 - Review the recommended Facilities Maintenance Plan (FMP) regarding the details of the new platform.
 - Costs of utilities based on engineering data.

- Update on future Shaner's improvements planned for the hotel.

PLAZA WATER FOUNTAIN:

- General Services staff is working to provide Global with an estimate to maintain the plaza fountain.
- GS staff is working to get fountain in full operation in preparation for Full Frame.

MANAGEMENT AGREEMENT:

- Staff worked through the final philological issues regarding the management agreement extension with Global Spectrum.
- The amendment will be executed by the City and County in the near future.

PFC HEAT PRIORITY ITEM:

- General Services Staff is currently working with the designer to finalize the scope and fee for bidding and construction administration. Anticipate bidding in early April and based on material lead time, starting construction in early August.

FY 2015/16 BUDGET PROCESS:

- The committee reviewed the draft PowerPoint to be presented at the City/County Budget meeting scheduled on March 30, 2015.

Global Spectrum (GS) Update:

EVENTS FOR THE MONTH

GS held 21 events with 34 event days booked and 6,680 guests.

Notable events:

	<u>Revenues</u>	<u>Guests</u>
▪ Duke University Sorority	\$57,074.15	3,950
▪ Starquest Dance	\$23,236.40	300
▪ Duke Graduate & Professional Student	\$17,633.17	1,025
▪ Contracted multiple year bookings with FullFrame, Comicon and Endurance Magazine.		

OCCUPANCY: For the month of January is 34%.

CURRENT FINANCES FOR THE MONTH OF JANUARY

	Actual	Budget	Variance
Gross Revenues	\$139,330	\$123,434	\$15,896
Less Event Expenses	(\$47,800)	(\$51,071)	\$18,397
Less Indirect Expense	(\$113,044)	(\$124,104)	\$11,060
Net Income (Loss)	(\$21,515)	(\$51,741)	\$30,227

Global Spectrum tracks marketing leads from the Durham Convention and Visitors Bureau (DCVB).

Year to Date

	Actual	Budget	Variance
Gross Revenues	\$1,204,660	\$1,138,367	\$66,283

Less Event Expenses	(\$495,653)	(\$476,473)	(\$19,179)
Less Indirect Expense	(\$807,822)	(\$872,421)	\$53,528
Net Income (Loss)	(\$93,990)	(\$203,527)	\$53,538

Sales Pace: FY2014/15: Current Sales Bookings as of February 13, 2015.

- Definite/Actual: \$1,846,486
- Tentative: \$52,725
- Proposals: \$122,513
- TOTAL \$2,039,989 vs. Budget of \$2,100,548 leaving \$54,994 to book in the year for the year until 6/30/2015.
- GS has approximately \$12,700 in proposals.

CUSTOMER SURVEY SCORES: Currently 4.61 out of 5.

STAFFING: DCC Director of Sales and Marketing and the Executive Assistant positions have been filled. GS is seeking to fill Facility Operations Supervisor.

GS PUBLIC RELATIONS:

- Weekly Rotary Club meetings.
- Facebook/Twitter/Pinterest and website updates.
- Triangle Business Journal advertisement.
- Duke Magazine advertisement.
- Convention Self Magazine advertisement.

WEBSITE ACTIVITY:

- Visitors: 1,599 New: 80.09%
- Demographic: 968 Google organic, 189 Direct, 301 Referral, and 141 Social
- Page views: 4,628
- Page Visits: 2.39
- Duration: 1.59 minutes

The LED lighting project is in process. GS will coordinate with Bryant Durham on scheduling.

Subcommittees:

- **FINANCE COMMITTEE:** *Al Bass, Dawn Paffenroth and Richard Ford*
City and County staff, the Finance Committee and members of Global Spectrum reviewed and discussed the DCC January 2015 monthly financials and the impact of the Facilities Maintenance Plan (FMP) on the FY2015/16 Budget and Global Spectrum’s issues with the amendment to their Management Contract.
- **FACILITY NEEDS COMMITTEE:** *Bill Kalkhof, Alice Sharpe and Patrick Byker*
The Facility Needs Committee awaits comments from Global Spectrum regarding the management agreement. No further update to report.
- **MARKETING & SALES COMMITTEE:** *Darah Whyte, Richard Ford and Patrick Byker*

Patrick Byker and Jen Noble interviewed with Durham County Public Affairs to promote the DCC and are waiting on an airtime date. No further update to report.