



**Durham Convention Center Authority Meeting**  
Thursday, May 30, 2013  
Durham Convention Center Meeting Room II  
11:30 AM

---

The meeting was called to order at 11:30AM with the following representatives present:

*Authority:* Al Bass, Patrick Byker, Bill Kalkhof, Rosemarie Kitchin, Dawn Paffenroth, and Billy Ruffin. *Owners:* Sharon DeShazo, Jina Propst, Joel Reitzer, and Al Walker. *Management Company (Global Spectrum):* Andrea Gliatta. Rosemarie Kitchin made a motion to approve the April 25, 2013 meeting minutes, Bill Kalkhof seconded, and the minutes were approved unanimously.

**Action Items:**

- Patrick Byker to draft correspondence to the Durham Convention and Visitors Bureau (DCVB) regarding Global Spectrum's involvement with the new DCVB logo designed by McKinney firm.

**Durham City and County Administration:**

- *Design and Construction Update:*
  - Pre-function Corridor doors:  
The project was awarded on May 6, 2013 to Morlando Construction for \$47,900. The Owners are in process of executing the contract. Global Spectrum will coordinate installation which is scheduled for August 2013.
  - Exterior Signage:  
The Owners distributed a visual rendering per the architects recommendations for exterior signage for the Durham Convention Center (DCC) Morgan Street entrance. The recommendation adds a metal canopy approximately three foot deep to the existing entrance which is hoped to assist in shielding weather conditions away from patrons entering and exiting the DCC. The rendering also displays the name of the facility in silver lettering 20" high with back lighting provided to increase visibility. City General Service's Urban Forestry Manager is reviewing possible visibility issues due to existing foliage. Staff anticipates final signage drawings in early June for review. Funding availability and priority will be determined. The project is then submitted to the Historic Preservation Commission for review and approval.
  - Wall sconces project is near completion. Fifteen sconces are being prefabricated and replacement is forecast for mid June 2013.
  - Fireproofing investigation:  
Owners are in process of executing a contract with Terracon Engineers for \$9,633 with a budget of \$40,000. The project includes defining the scope of work and bid documents to solicit contractors to perform fireproofing repairs. The project will solicit informal bids in

July or August. Global Spectrum will coordinate project scheduling. Updates will be provided as the project progresses.

- Skylights:  
The Owners are in process of executing a design contract for REI Engineers for DCC skylight repairs at \$3,850 with a budget of \$6,000. Estimated completion is set for July 2013.
- Pre-function Corridor heat issues:  
The project CMAR (Skanska) and sub contractor (Comfort Engineers) performed modifications to roof top units 11, 13 and 14 to provide the proper preheat and reheat features. Testing and balancing remain for completion. The project is under warranty with no cost to the Owners.
- Convention Center Plaza fountain repairs are on-going. Prior work includes piping, pump, and mechanical to address pipe leaks. The Owners anticipate a quote from the waterproofing contractor in June. The Owners are also contacting other companies for additional cost effective solutions.
- Mediation for the DCC lawsuit with Shaner is pending and is rescheduled for late summer/early fall.
- The Owners and the City/County Finance Departments will discuss the amendment to the Interlocal Agreement between the City and County to incorporate provisions that would formally create an enterprise fund for the DCC on June 6, 2013.
- Global Spectrum provided an additional FF&E request for the DCC: (Items are listed in order of priority)
 

1. Staging/rails, stairs and ADA ramp	\$60,000
2. Mity-Lite Classroom Tables 18"x72" (120 tables)	\$16,440.00
3. Table Carts (6 carts)	\$1,560.60
4. Mity Lite Rolling Buffet Tables (6 tables)	\$2,250.00
5. Serpentine Tables 30"x60" (24 tables)	\$5,976.00
6. Serpentine Carts (3 carts)	\$885.00
7. Additional Storage Cage	\$2,500.00
8. Portable Concession Stands Plaza (2 stands)	\$29,000.00
<b>TOTAL</b>	<b>\$118,611.60</b>
- Jen Noble will provide more detailed information on the above FF&E request. Funding availability for this request is due to savings assumed from the FY2012/13 approved budget. Joel Reitzer requested that DCCA consider an FF&E allowance for staff to work with Global Spectrum.

**Global Spectrum Report:**

- In April, the DCC hosted 26 events with 35,699 guests and 39 event days. May currently has 18 events with an estimated 6,900 guests and 22 event days.
- |                  |           |           |
|------------------|-----------|-----------|
| Gross Revenue    | Budget    | Variance  |
| \$246,116        | \$180,172 | +\$65,944 |
| Indirect Expense |           |           |
| \$117,472        | \$114,392 | (\$3,080) |
- April generated a net profit of \$42,050.
- Currently ahead of budget by \$328,000.
- Customer survey scores are 4.47 out of 5.
- Notable events:
  - RegEd - 510 guests; **DCC Revenue - \$39,504.**

- Duke Medical Women’s Show – 480 guests; **DCC Revenue - \$47,380.03.**
- Duke Engage – 1100 guests; **DCC Revenue - \$91,711.**
- Duke Hooding – 1800 guests; **DCC Revenue - \$77,538.80.**
- Duke Physical Therapy – 700 guests; **DCC Revenue - \$34,382.**
- Full Frame Film Festival – 30,000 guests; Room Revenue - \$30,240.00; **DCC Revenue - \$33,842.33.**
- Sales bookings for fiscal year 2012/13:
 

	Beginning July 2012	As of May 2013
○ Actualized:		\$2,184,204.03
○ Definite:	\$706,838	\$2,309,792
○ Tentative:	\$138,612	\$7,700
○ Proposals:	\$214,760	\$0
○ Grand Total:	\$1,060,210	\$2,315,492
- Global Spectrum Public Relations:
  - Advertisement in Duke Magazine.
  - Attending Rotary Club on weekly basis.
  - DCVB Tribute to Shirley Caesar Luncheon
  - Updated Facebook and website.
  - Advertisement in Triangle Business Journal.
  - Advertisement in Small Meeting Market (co-op with other Global Spectrum buildings).
- System upgrade completion for the approved Wi-Fi purchase is expected by May 30, 2013.
- Website activity:
  - Visitors: 2,029 New: 1643 (75.36%)
  - Demographic: 1030 Google organic, 395 direct, 233 AWMI – conference, 26 – Triangle Business Journal
  - Page views: 2.76
  - Duration: 2.09 minutes
- Durham Convention Center Staffing:
  - No new hires to report.
- Budget: April 2013
 

○ Net Income (loss) for April:	\$42,050
○ April Budget Variance:	\$48,636
○ Year-to-date Budget Variance:	\$328,754
○ Year-to-date Actual:	(\$42,443)
○ Total Event Income (Actual):	\$159,038
○ Total Event Income (Budget):	\$106,972
○ Total Event Income (Variance)	\$52,066
○ Total Annual Budget:	(\$573,046)

**Durham Convention Center Authority (DCCA):**

- On behalf of the DCCA, Bill Kalkhof made a motion to recommend that the Owners authorize an allowance not to exceed \$125,000 for additional FF&E from savings accrued through the FY2012/13 approved budget. Rosemarie Kitchin seconded and the motion was approved unanimously.
- Rosemarie Kitchin has been attending DCVB board meetings. The DCVB retreat discussed major points that outlined reallocation of the DCVB’s Director’s time, possible relocation of the building and outreach.

- In addition, Rosemarie requested Global Spectrum have the ability to interface with McKinney (logo design firm) due to a new branding's affect on convention and meetings business.
- On behalf of the DCCA, Rosemarie Kitchin made a motion to recommend Global Spectrum's involvement in the group of Durham travel and tourism stakeholders with whom the McKinney Design firm interfaces with on a proposed logo design. The new logo is expected to be launched near the DCVB's first quarter of 2014 (when the DCVB's Visitor's guide is published). Bill Kalkhof seconded the motion while vote for approval continues. The next step in the process is getting the approval from all/majority of the DCCA members and drafting a correspondence to the DCVB.

**Subcommittees:**

- Finance Committee:
  - The Finance Committee reported to the Authority that, after two years of managing the DCC, Global Spectrum's FY2013/14 operating budget is more accurate for this facility than their initial FY2011/12 operating budget, which Global Spectrum created based on other facilities similar to the DCC. Therefore, we should anticipate that future operating budget results will deviate less than in the past. The next Finance Committee meeting will be held at 10:30AM on Thursday, June 27 at the Convention Center.
- Hotel Task Force:
  - 21c Hotelier's approximate opening date is September 2014 and construction is set to begin July 2013. The hotel anticipates opening during the university fall season.
  - Other downtown area hotel openings are subject to the same schedule.
- Public Relations:
 

Patrick Byker continues communication with the City/County Managers regarding the opportunity for a seat on the DCVB board and the opportunity to increase the DCC's market share.

**New Business:**

- DCCA committee member's terms.