



Durham Convention Center Authority Meeting
Monday, September 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, Richard Ford, Bill Kalkhof, Rosemarie Kitchin, and Dawn Paffenroth. *Owners:* Drew Cummings, Sharon DeShazo, Jina Propst, Al Walker, and Karmisha Wallace. *Management Company (Global Spectrum):* Jen Noble. Rosemarie Kitchin made a motion to approve the August 29, 2013 meeting minutes, Bill Kalkhof seconded, and the minutes were approved unanimously.

Action Items: *(comments italicized)*

- Request for Global Spectrum to provide a return on investment analysis on Convention Center FF&E recently purchased. *(Jen Noble to report at November meeting based on audio visual and other equipment purchased and sold)*
- Meeting to discuss objectives for short and long-term sales bookings. *(Jen Noble will coordinate with Rosemarie Kitchin and DCC staff)*
- The DCCA requested a one-page report showing net revenue of peer city convention centers during the June 27, 2013 meeting. *(project in progress – Joel Reitzer)*

Durham City and County Administration:

- *Design and Construction Update:*
 - Pre-function Corridor doors (*PFC*):
PFC doors installation is 95% complete. Project will be 100% by October 2013.
 - Exterior Signage and fireproofing investigation: No update to report. This project is on hold and will be addressed after the capital project is complete.
 - Skylights:
Work is scheduled to begin, today, September 30 with ProTech (contractor) for approximately ten days. The scope of work for the repairs includes removal of failed sealant joints and replacement/wet seal of all joints, including hip joints on six skylights. Drywall repairs include replacement that occurred during water infiltration.
 - Fountain in Plaza:
Convention Center Plaza fountain repairs remain ongoing. The revised scope of work has been prepared and the contract is \$23,400 with FloorChem, Inc. The project timeline is estimated at thirty days upon issuance of NTP and is weather/temperature dependent. The scope of work includes diamond grind areas to remove existing failing coatings, clean and profile for acceptance of new coatings; repair joints and/or cracks with flexible joint filler, membrane as needed; apply immediate coat of pigmented 100% solids polyuria resins;

install fiberglass mesh cloth (7.5oz.) in first coat while wet; apply top coat of pigmented 100% solids polyuria resins for a smooth finish.

- Sconces:
Staff is in process of contracting a different vendor to produce an acceptable product.
- The revised contract for the Durham Convention Center (DCC) Facilities Maintenance Plan is under review by Global Spectrum prior to execution.
- Interlocal Agreement:
 - Owners’ representatives and the DCC Authority met to discuss proposed amendments to the current interlocal agreement. The proposed amendments will address treatment of operational savings, authorizations to purchase capital assets and powers and duties of Owners’ representatives. There was consensus for the City to lead the endeavor to work with both City and County attorneys to develop the agreement.

Global Spectrum (GS) Report:

- In August, the DCC hosted 13 events with 2,426 guests and 19 event days. September currently has 16 events with an estimated 1,907 guests and 27 event days.

Current financials for August:

Gross Revenue	Budget	Variance
\$46,138	\$127,712	(\$81,574)
Indirect Expense		
\$101,980	\$121,076	+\$19,096
Net Income (Loss)		
(\$77,756)	(\$50,038)	(\$27,718)

- Customer survey scores for current fiscal year are 4.61 out of 5.
- Notable events:
 - Echo Event Solutions/Gluten Free Expo - 875 guests; DCC Revenue - \$5,962.28.
 - Patel Kolappa Wedding – 330 guests; DCC Revenue - \$11,674.60.
 - Duke Etiquette Dinner – 500 guests; DCC Revenue - \$13,602.24
 - Blue Cross Blue Shield – 600 guests; DCC Revenue - \$23,922.80.
 - IDCON/Pulp and Paper Maintenance – 175 guests; DCC Revenue - \$25,380.60
- Sales bookings for fiscal year July 1, 2013/June 30, 2014:
 - Definite: \$735,362 (Definite on the books reflects contracted events and actualized revenue).
 - Tentative: \$222,171
 - Proposals: \$95,380
 - Projected Total: \$957,533
- Pace for fiscal year 2013/14:
 - \$120,100 vs. \$43,000 on the books for one year out or 279%, and ahead of Pace for next year.
- GS Public Relations:
 - Attending Rotary Club on weekly basis.
 - Updated Facebook and website.
 - Advertisement in Duke Magazine.
 - Co-op advertisement in Trade Show Executive and Expo Magazine with Global Spectrum’s facilities.
- Global Spectrum was able to maintain indirect expenses during the month of July.
- Website activity:
 - Visitors: 1,163 New: 77.59%

- Demographic: 751 Google organic, 303 direct, 70 Southern Bride and Escapist Expo
- Page views: 2.94
- Duration: 2.06 minutes
- DCC Staffing:
 - Currently looking to fill vacant Executive Assistant position.
- Budget: August 2013
 - Net Income (loss) for August: (\$77,756)
 - August Budget Variance: (\$50,036)
 - Year-to-date Budget Variance: (\$52,765)
 - Year-to-date Actual: (\$155,856)
 - Total Event Income (Actual): \$23,740
 - Total Event Income (Budget): \$70,040
 - Total Event Income (Variance) (\$46,300)
 - Total Annual Budget: (\$332,028)
- Occupancy is low at 7% for the month of August partially due to the Cisco event cancelling, which affected the DCC budget. The event moved to the Museum of Science in Raleigh.

Durham Convention Center Authority (DCCA):

- The DCVB board will have upcoming vacancies (three in 2014). Patrick Byker discussed opportunity to apply for one of those seats. Patrick’s DCCA term is scheduled to expire in July 2015.

Subcommittees:

- Finance Committee:
 - The DCC audit presentation was held during the Finance Committee meeting. The Committee will reserve its recommendations until the October DCCA meeting (after opportunity for a detailed review).
- Public Relations:
 - Patrick Byker and Jen Noble met with Jeff Durham, DDI to discuss marketing efforts. Future meetings are on hold until resources within the interlocal agreement are certain.
 - The Marketing Committee requests additional members in an effort to increase sales for the DCC prior to the opening of the four downtown hoteliers. Rosemarie Kitchin suggested recruiting outside talent for the committee.

DCVB has a three year marketing plan to attract visitors to Durham. It enlisted McKinney firm for research and creative execution to enhance Durham’s branding efforts. The new branding tag “Fresh Daily” will be modified for specific markets. DCVB will use McKinney’s efforts to target a broader audience.

New Business:

- The Annual Report update
- DCC Audit