

**ENTERTAINMENT AND CONVENTION CENTER AUTHORITY
REGULAR BOARD MEETING**

April 26, 2016

A regular Board meeting was held on Tuesday, April 26, 2016 at 4:00 p.m. in the Symphony Hall Mezzanine. In attendance were David Ross, Jay Seiler, Crystal Pelkey, Carrie Heffernan, Deb Messer, Karen Pionk, and Yvonne Prettnner Solon. Roger Reinert was present by telephone for voting purposes. Staff members Dan Russell, Chelly Townsend, Caty Kaups, and Sue Ellen Moore were present. Members Mary Finnegan-Ongaro and Greg Fox were excused from the meeting.

Ross called the meeting to order at 4:04 p.m. and noted that a quorum had been met.

Ross asked for a motion to approve the minutes from Regular Business Meeting, March 29, 2016. Seiler made the motion to approve, and Pionk seconded the motion. March's Minutes were approved unanimously.

Communications

Russell presented an email from the City of Duluth Parks & Recreation Volunteer Coordinator thanking the District Blitz group for their work cleaning up nearly 800 pounds of garbage in the city's parks and trails.

Messer arrived at 4:08 p.m.

Old Business

The seawalls on the DECC waterfront are in dire conditions, with sinkholes appearing near the Irvin and Vista Fleet operations. Two sections of sidewalk were recently washed away in a storm as well. Sinkholes are filled in every year, with the efforts washed away every time a storm hits or ship passes in the harbor and water seeps through the rotted timbers. Weekly meetings with the City Architect and Engineers have been set to come up with solutions and plans, and the current short-term fix plan is for the city to bring heavy-duty equipment and gravel to stabilize the waterfront before the summer tourist season starts for the Irvin, Vista Fleet, Grandma's Marathon, Tall Ships, and all other events and groups in the area. Russell and Townsend have met with David Montgomery and Wayne Parsons, who have estimated the cost to be \$7-10 million for the seawalls and possibly the Blue Bridge along with it. Funding for the long-term fixes could come from the \$7 million saved over the course of the AMSOIL Arena bonds from refinancing recently and from the \$752k extra food & beverage tax. LHB, along with a bridge firm from New York that does all the work on the Aerial Lift Bridge, have come up with a plan to fix the Blue Bridge by replacing the cable system with gears for a price tag of an estimated \$1.8 million.

Heffernan arrived at 4:14 p.m.

The conversation continued on ownership of the properties and funding options for fixing the seawalls and bridge issues. The Board recommended involving the state and MN DoT, as well as the City of Duluth, in funding the repairs and work. Russell mentioned that the May meeting could be moved up if any progress is made or if presentations from the City are possible.

New Business

There was no new business to report at this time.

Staff Reports

Russell gave the Event Recap, mentioning that the John Mellencamp concert was very cool, especially for him to hang out with Christie Brinkley and over \$16k in beer sales for the night. The FMX World Tour Motocross event went well over the weekend, and James Taylor should sell out for June 1st. Jerry Seinfeld is almost sold out with one show on July 22nd. KISS is the big rock show everyone has wanted in AMSOIL for a long time, and the Beach Boys/Temptations night

has sold over 4,000 tickets, with 300 going to the Independent Bankers group that will have their conference here that weekend. Two complimentary tickets will be offered to each remaining DECC Board Member that wishes to attend the concert, and there will be a reception prior to the concert in the Symphony Hall Mezzanine. The Community Open House plans for the 50th Anniversary are coming together, with plans to have an all-employee reunion and different DECC long-time clients in different parts of the DECC: the DSSO and Minnesota Ballet will be in Symphony Hall, the AAD Shrine Circus will be in Paulucci Hall, and UMD Hockey will be in the DECC Arena. Russell mentioned that the G-Eazy concert on April 1 was fun in a scary way, with 5,000 students all ready to party and the Duluth Police force here in masse. We are close to booking Keith Urban for a November 2016 show and the Brian Setzer Orchestra for a holiday show. Other confirmed shows include Celtic Thunder in September and *Rain: The Beatles Tribute* on March 9th.

Kaups gave the Finance Report for March 2016 and noted that it was another good month for the DECC. Everything was pretty much on budget in revenues. Catering was down, mostly from liquor sales, Concessions was up, and the Ticket Office was up from the Harlem Globetrotters and UMD playoff hockey. Expenses saw variances in labor in Concessions and Building Services because the Home Show was in March as well as April, and Parking was down from less snow removal than budgeted for. The Operating Reserve has been bumped up to \$2 million, and Kaups noted that the exit interview for the audit is coming up, and Krista from the State Auditor should be at the June meeting.

Ross asked for a motion to approve the Finance Report and the Operating Fund Check Registers. Messer made a motion, and Prettnner Solon seconded it. The motion carried unanimously.

Messer departed and Reinert ended his telephone call at 4:51 p.m.

Moore gave the Sales & Marketing Report, noting that four new conventions for 2017 have booked and the year is filling in nicely. The DECC was awarded the Best of Minnesota Event Center Outside the Metro Area, and Visit Duluth was awarded the Best CVB in Cities Over 80K. Moore will be attending a national trade show in DC this week, and has exciting meetings set up with clients looking to 2018 and beyond.

Townsend gave the Operations & Upcoming Events Report, noting that April has truly been a challenge, with the MN Assn of Christian Home Educators loading out of Cityside, Harborside, Pioneer Hall and Fitzgerald Hall on Saturday and all rooms turned over for the MN Assn of Children's Mental Health. May is our "Community Center" month with only 2 days without events and lots of repeat events, including Lions Pancake Day, graduations, dance recitals, and proms.

Russell stated that there was nothing to present for the Attractions Report at this time.

The next regular meeting is currently scheduled for May 31, 2016 at 4 p.m. in the Senator Sam Solon Board Room, but this is subject to change pending any action on the seawall issue.

Ross asked for a motion to adjourn the Regular Business Meeting. Heffernan made a motion, and Pionk seconded the motion. Ross adjourned the meeting at 4:57 p.m.

Submitted by:


David Ross, President


Crystal Pelkey, Secretary