

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

July 26, 2016

A regular Board meeting was held on Tuesday, July 26, 2016 at 4:00 p.m. in the Senator Sam Solon Board Room. In attendance were Jay Seiler, Yvonne Prettner Solon, Crystal Pelkey, Mary Finnegan-Ongaro, Greg Fox, Carrie Heffernan, Deb Messer, Don Ness, Karen Pionk, Roger Reinert, and David Ross. Staff members Dan Russell, Chelly Townsend, Caty Kaups, and Sue Ellen Moore were present.

Seiler called the meeting to order at 4:10 p.m.

Seiler asked for a motion to approve the minutes from Regular Business Meeting, June 28, 2016. Ross made the motion to approve, and Pionk seconded the motion. June's Minutes were approved unanimously.

Communications

Russell presented two pieces of communication from Minnesota Rural Health and the Superior National Forest/Twin Metals group, each thanking the DECC and their staff for the preparation and hard work that goes into planning these events.

Fox arrived at 4:12 p.m.

Old Business

Russell stated that the Curling Club sent over a check for the \$400K and that construction for the Curling Club ice floor project started the previous week and is on schedule. Secondly, a forum was held the previous week with Anthony Foxx, U.S. Secretary of Transportation, Congressman Rick Nolan, and Nolan's District Director Jeff Anderson to discuss the seawall issues along the DECC property and Minnesota Slip. Anderson arranged the forum and a separate meeting with Secretary Foxx for the DECC and City of Duluth to discuss the issue and request bonding for fixing the slip with a 40% match. Another discussion is planned with the MPCA, but the needs of fixing the seawall may not match the needs of fixing the pollution issues in the Slip.

Finnegan-Ongaro arrived at 4:18 p.m.

New Business

There was no New Business to present at this time.

Staff Reports

Russell gave the Event Recap, stating that the 50th Anniversary of the DECC is coming up quickly, with radio ads starting tomorrow and a 12-page insert in the Duluth News Tribune to run the Sunday prior to the anniversary. The Beach Boys and Temptations concert is already over \$200K in sales. Jerry Seinfeld was a sold out success this past Friday, and KISS is selling well for their August 3rd concert. Celtic Thunder has sold nearly 1,000 tickets, and Keith Urban is selling very well for a November show. An offer has been made for Bryan Adams in AMSOIL Arena on Saturday, November 26, just after Thanksgiving, and calls are being made and coming in for next year's entertainment lineup. Bayfront also has a great lineup with the successful All Pints North Craft Brew Festival, the Goo Goo Dolls and Collective Soul, Blues Fest, and the Tall Ships.

Kaups gave the Finance Report for June 2016 and stated that June was budgeted well and was a typical June with high school graduations, conventions, and Grandma's Marathon. Nearly every overage in revenue came from the James Taylor concert, with suite catering, ticket sales, beer sales, and concessions. Expenses were also slightly over budget due to the James Taylor concert, along with some timing related variances. Part-time employees received retro pay dating back to January from the union contract approved at last month's meeting, and Marketing showed over budget due to the special promotions for the 50th Anniversary; this should balance out for August, though. Repairs and maintenance was under budget, and some annual contracts were

paid in May but budgeted for June. Russell also mentioned that with the storms and major citywide power outages the previous week, the building was opened as a "cooling center" to the public during the Northern Exposure Hockey Tournament, so it was indeed cool in the AMSOIL Arena.

Seiler asked for a motion to approve the Finance Report and the Operating Fund Check Registers. Messer made the motion to approve, and Reinert seconded the motion. The Finance Report and Check Registers were approved unanimously.

Moore gave the Sales & Marketing Report, noting that the MN State National Archery Convention/Tournament booked for 2017 has been in the works for 6 years, and MN GIS/LIS has booked for 2018 and are looking at possibly holding a national convention here. We have a great strategic plan and partner with Visit Duluth, and the 50th Anniversary and Tall Ships will make for great client events. A question was asked about the lower number of weddings booked than past years, and Moore and Townsend stated that fewer is not necessarily bad, as we still have plenty of other business, and weddings have been trending towards smaller, more pastoral venues.

Townsend briefly gave the Operations & Upcoming Events Report, noting that August's first week is the busiest week of the month for the building, while Bayfront stays steadily busy all month with major events every weekend. The month starts off with KISS in the AMSOIL Arena on the 3rd, followed by the Independent Community Bankers of MN the 4th through 6th, and the group will attend the Beach Boys/Temptations show on the 6th. Twin Ports Night Life holds both the Howling Moon and City on the Hill Music Festivals the first weekend, and all of the 50th Anniversary happenings are listed in the report, along with the Duluth Gospel Tabernacle's 100th Anniversary on the same day. The second week is all Blues Fest, with RV parking in the DECC lots all week and the festival runs Friday the 12th through Sunday the 14th. NAHRO returns for a small planning meeting, and then Tall Ships takes over the area from the 18th – 21st with a reception, RV parking, and Harbor Drive closed to traffic, while the MN Defense Lawyers Association takes place in the Harborside the 19th – 20th. Art in Bayfront Park will also share Bayfront with the Tall Ships Festival activities, which will be great business for the long-running art fair. So far, 125K tickets have been sold for Tall Ships, and in 2012 revenue was over \$70K for parking. The final week of August will feature Tribute Fest raising funds for homeless veterans at Bayfront, in conjunction with the MN Assistance Council for Veterans (MACV) in Cityside. The last events of the month are a wedding reception, the Superior Man Triathlon, and the DECC Board Meeting.

Ross departed at 4:44 p.m.

Townsend highlighted some of the summer projects taking place around the building getting ready for the convention and hockey seasons, including menus, capital improvements, and LED lighting upgrades on over 300 fixtures. The curling club ice floor, as mentioned earlier, has been demolished and insulation is being installed before the new pour.

Russell gave the Attractions Report and stated that the Haunted Ship preparations are already underway, and they are gathering ideas around the theme "What the Government Won't Tell You."

The next regular meeting is currently scheduled for August 30, 2016 at 4 p.m. in the Senator Sam Solon Board Room.

Seiler asked for a motion to adjourn the Regular Business Meeting. Messer made the motion to adjourn, and Reinert seconded the motion. The meeting was adjourned at 4:53 p.m.

Submitted by:


Jay Seiler, President


Crystal Felkey, Secretary