

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

June 26, 2019

A Regular Board Meeting was held Wednesday, June 26, 2019 at 11:30 AM in Room 202.
Board Members Present: Chair Don Ness, Vice Chair Karen Pionk, Secretary Crystal Pelkey, Roz Randorf, Bill Nelson, Greg Fox, Mary Finnegan-Ongaro, David Ross, Roger Reinert
Board Members Absent: Deb Messer
DECC Staff Members Present: Chelly Townsend, Caty Kaups, Sue Ellen Moore, Renae Matt

CALL TO ORDER and QUORUM: Ness called the meeting to order at 11:39 AM. A quorum of directors was present and the Board reviewed the agenda. Ness requested approval of the agenda. No objections were made and the agenda was approved unanimously.

MOTION: Ness requested a motion to approve the Regular Business Meeting Minutes from May 29, 2019. Ross made a motion to approve the minutes as written and the motion was seconded by both Randorf and Nelson.

Communications

Event Feedback: Townsend reviewed comments received from planners and clients regarding recent events including Northwood Children's Services and I'm a Tourist, Too.

Media Mentions: Townsend stated that a social media post focusing the ISD709 Meals gained great feedback which was shared to support the community.

Reinert arrived at 11:43 AM.

Townsend stated that a poll was offered on social media to gain feedback from guests on concession menu items as the DECC plans for the upcoming hockey season. A mention was made about increasing the concession team's knowledge about gluten-free products and offering additional selections.

Townsend stated that Mayor Emily Larson has reappointed Ness for another 3-year term and an appointment has been made to replace Ross, pending their acceptance of the position. Townsend added that, due to the high turnover, Pionk and Pelkey's terms will be extended for one year. Ness added that the Gubernatorial selections may be appointed within the next week.

Old Business

MN Slip & William A. Irvin Update – Contract: Townsend stated that the contract for the Irvin hull restoration has been reviewed by Fraser, the DECC, and the DECC's attorneys. She gave an overview of the scope of work which includes the movement and preparation of the vessel to/from dry-dock, dry-dock fees and charges, the blasting and coating of the hull near the waterline, and the blasting and coating of the hatch crane and winches. Once the vessel is examined in dry-dock, it will be determined if the scope of work will change, based on whether or not lead-abatement is necessary. The Board inquired if the consulting firm fees can be covered by the grant. Kaups mentioned there are items the DECC is required to pay for as part of the grant match and the consulting fees may be one of them. The Board continued to discuss the expected length of the project and potential dry-dock rental fees.

MN Slip & William A. Irvin Update – Contract, continued

Townsend stated that Fraser plans to move the Irvin into dry-dock around July 15th or 19th and is confident the project will be completed by mid-August or early September. Several members of the Board suggested that, due to Fraser delaying the project when they took on additional work before the Irvin, the DECC should request that Fraser cover the extended docking fees that have been accrued.

Ness and Townsend took a few moments to thank several members for their extra help and commitment to this project.

MOTION: Ness made a motion to approve the DECC & Fraser Contract for the Restoration of the William A. Irvin. Randorf seconded the motion and the contract was approved unanimously.

DECC Parking Rate: Townsend informed the Board that DECC parking rates have not changed in 8 years. They reviewed the differences on how they compare now versus if they had increased annually. The Board discussed increasing rates to provide additional revenue for parking lot repair, ramp maintenance, and upgrades. Kaups added they would also like to increase security for guests with additional cameras in the ramp. The Board discussed the impact this could have on the community and reviewed options to consider including discounted package rates, express lanes, local coupons on parking passes, special event rates, and more. The Board requested Townsend and her team to develop a plan for the recommended rate increase, how to communicate it to the community, and additional options guests could consider. Townsend should then bring it to the Board for a vote.

New Business

Irvin Media Plan: Townsend informed the Board of a plan that was created to update the media and inform the community on what is happening with the Irvin. The Board approved of the plan and Ness mentioned the importance of being available for additional media requests. Pelkey offered the idea of sharing a live video via Facebook when it moves to dry-dock to have another way to inform the community rather than by news media alone. Nelson asked who is authorized to speak to the press from the DECC. Townsend stated that Steve Rankila is authorized to talk about the William A. Irvin and Jeff Stark is authorized to speak about Bayfront and events in the AMSOIL Arena. Due to Townsend's full schedule, Ness and other Board members advised Townsend to create a list of talking points on specific subjects and have a point of contact other than herself in the role of PR Consultant/Spokesperson for media requests.

Ness added that once the Irvin contract is signed, it will be a great opportunity to deliver the information to the media with a positive message that the project is moving forward.

UMD Alcohol Service: Townsend reviewed the agreement the DECC has with UMD regarding alcohol service during hockey season and an ongoing discussion about sponsorship. Townsend proposed offering UMD a sponsorship to replace their current vendor sponsorship. The Board agreed and explored the possibility that the DECC may be able to provide other beer selections if UMD was no longer linked to their current vendor sponsorship. Townsend added that DECC staff is working to increase efficiency by switching from tap beer to cans and changing stand locations to improve guest experience. Ness asked Townsend to discuss this with Josh Berlo [UMD] and, if UMD is in agreement, the Board can vote to approve the sponsorship at the July meeting.

Ness announced that there will be an executive session following this meeting to discuss the Personnel Committee's Executive Director review process.

Committee Reports

Personnel: Randorf stated the committee has created a review process outline. Townsend will put together a one-page document that includes three long-term and three short-term goals which she will present to the Personnel Committee on July 17th. Randorf said Townsend will give a 5-10 minute presentation of these goals at the July Board Meeting. There will be an executive session following that meeting for the Board to discuss. Then, in mid-August, Randorf, Ness, and the committee will review the feedback and discuss Townsend's annual salary which will be brought to the Board at the August Board Meeting.

Randorf stated there are three officer positions open – President (Board Chair), Vice President (Vice Chair), and Secretary. Randorf requested all nominations be emailed to her by July 15th so they can be voted on at the July Board Meeting.

Governance: No report.

Finance: Ness said the Finance Committee discussed salary increases for full-time DECC staff. It was noted there is a recommended 2% CPI adjustment to the pay grade as well as discretionary salary adjustments based on positions, performance, and responsibilities applying to individuals. Randorf asked how this rate compares to the Union employee contract. Townsend stated that the part-time Union contract was recently accepted for 3% (2019), 2% (2020), and 2% (2021).

MOTION: Ness requested a motion to approve the recommended salary increases and additional adjustments as authorized by Townsend. Finnegan-Ongaro made the motion which was seconded by Nelson.

Staff Reports

Finance Report: Kaups stated that, when the 2019 budgets were finalized, there was a concert scheduled for May that later cancelled. Due to the cancellation, budgeted revenue was down but expenses also remained lower than expected. She added that Minnesota Power distributed an interim rate refund which also increased the revenue for May and overall, the month ended well. Kaups continued with the following updates: In May, Building Services (building rent), Parking, and Bayfront revenues were over budget and Building Services (special services), Catering, Concessions, and Ticket Office expenses were under budget. For expenses, Engineering (contract services, steam, electricity), Marketing, and Catering were under budget and Engineering (plumbing/heating), Concessions, and the Ticket Office were over budget. Kaups stated she distributed documents to the Board recapping two concerts so they could see the revenues and expenses that are associated with such entertainment.

MOTION: Ross made a motion to approve the Finance Reports and the Operating Fund Check Registers for May and Reinert seconded the motion.

Sales & Marketing Report: Moore mentioned the next two years are looking great for the sales department and added that the DECC will be hosting the 2019 Bentleyville sponsorship reception which is normally held at Grandma's Sports Garden.

Operations & Upcoming Events: Moore highlighted several events coming up, including Hairball, Fourth Fest, and the Thomas Shows.

Event Recap: Townsend informed the Board that June was filled with several events such as Grandma's Marathon, League of MN Cities, and more. She noted that June is becoming consistently busier than it has been in previous years.

Attractions: No report.

Summer Projects: Townsend stated there are several projects the DECC plans to work on this summer which include parking lot repairs, parking signs, planting clover, and more. Townsend said additional cameras will be added to parking areas, preferably by Labor Day.

MOTION: Ness made a motion to close the meeting for an executive session to discuss the plan for Townsend's annual review process. Pionk seconded the motion. The meeting was closed for an executive session at 12:59 PM.

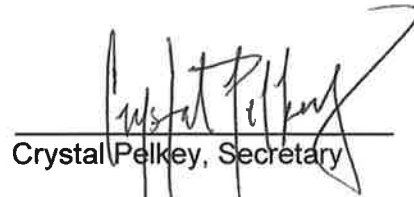
Townsend, Kaups, Moore, and Matt departed.

Upcoming Meetings

The next regular meeting is scheduled for Wednesday, July 31, 2019 from 11:30 AM to 1:00 PM in the Symphony Hall Mezzanine.

Minutes reported by Renae Matt, Executive Assistant.

Submitted by:


Don Ness, Chair
Crystal Pelkey, Secretary