CHARLESTON COLISEUM & CONVENTION CENTER / MUNICIPAL AUDITORIUM BOARD

Meeting Minutes: February 25, 2020

Chairperson Carrie Fenwick called the Charleston Coliseum & Convention Center / Municipal Auditorium Board to order at 4:00 P.M. on Tuesday, February 25, 2020 in the Jordon Board Room. Those members in attendance included Tim Brady, Kim Burton, John Cavacini, Carrie Fenwick, Andrew Jordon, Belle Manjong, Ronnie Murad, Andy Richardson, Chad Robinson, City Manager Jonathan Storage, Tessa White, Interim General Manager Jim Smith, and Business Manager Betty Tinney. Other members of the staff that were present included Administrative Assistant Anna Westfall, Event Coordinators Jo Beyer and Kelli Peters, and Facilities Superintendent Dan Brown.

Ms. Fenwick reported that the minutes of the Board meeting held on January 28, 2020 were distributed prior to the meeting. Mr. Brady moved that the minutes be updated and approved. Mr. Jordon seconded the motion. Motion approved.

Ms. Fenwick gave an update on the Executive Director search. She stated that the Personnel Committee would meet soon by phone to discuss the candidates recommended by Searchwide Global. The resumes have been narrowed down to seven and after this meeting takes place they will narrow the candidates down to four.

Ms. Fenwick then gave an update on the Booking / Marketing Firm search. She stated that the Personnel Committee had met on February 11, 2020 with representatives from OVG and Spectra. Each firm made presentations and a financial proposal was requested from each firm. On February 24, 2020 the Personnel Committee met again to discuss the proposals thoroughly regarding a variety of factors. The committee concluded that OVG edged out Spectra in two of three general categories they discussed and recommended to the Board to retain them as the booking and marketing firm for the CCCC. Minutes to both of these meetings were distributed at the meeting.

Mr. Richardson moved to accept the recommendation from the Personnel Committee to retain OVG as the booking and marketing firm for the CCCC and to present the recommendation to City Council. Mr. Cavacini seconded the motion. Motion approved.

Mr. Jordon asked Ms. Tinney and Mr. Smith what their thoughts were on hiring a marketing / booking firm. Mr. Smith said that he has known Sims Hinds for years and is looking forward to working with him on this. Mr. Smith stated that his only concern is that people will not realize that as the number of events in our facility climb, the need for subsidy will also climb. He stated that the economic impact on our community is where the real value is in the entertainment facility industry.

Mr. Murad asked for clarification on why more business will not eliminate our need for subsidy. Ms. Tinney explained that OVG will have to give up a lot more of our revenue stream to entice additional concerts. Promoters also want more in rebates, which takes away from our revenue.

Ms. Tinney gave a financial report. She stated that in January 2020 the Municipal Auditorium financial statements reflected no income for the month but in January 2019 the income was $26,650. The 2019 income was from an unusually large number of deposits received for upcoming events. YTD income is $25,000 lower than the previous YTD but we will see a definite change over the next few months due to the number of shows we have scheduled.

Operating expenses for January 2020 are $2,400 lower than last year. YTD operating expenses are $12,000 lower than the previous YTD with Medical & Life Insurance being the main reason for the decrease.

Operating revenues for January 2020 are $170,000, which is almost $146,000 lower than last January. The line item with the most significant decrease is Rent. The decrease in Rent, as well as the decrease in advertising, is mainly from a timing difference in some of our annual event revenues. YTD revenue is about $39,000 lower than the previous YTD with Rent and Distinctive Gourmet indicating significant increases. Large decreases are present in Advertisings and AV Equipment on a YTD basis.

Operating expenses for January 2020 are $18,000 lower than the last year with Medical & Life Insurance reflecting a large increase while Building & Equipment Rental has a large decrease. On a YTD basis, operating expenses are $13,500 higher than the previous YTD. We did not require an operational subsidy in January 2019 or 2020. YTD subsidy remains at $318,000 for the current fiscal year compared to $563,000 last YTD.

Mr. Richardson moved to approve and file the January 2020 financial statements. Ms. White seconded the motion. Motion approved.

Mr. Storage gave a Budget & Rates Committee report. He stated that the primary topic of the meeting was to discuss the parking rates. He stated that previously, parking rates were set and controlled by city code. Mr. Storage has filed to change that city code to allow the CCCC Board to control those rates at our discretion. As it stands under the city code, the price for parking is $3 per day or $25 per month. Mr. Minardi and Mr. Robinson have sponsored the ordinance and it has its second reading in front of City Council next week. If approved the Budget & Rates Committee will be able to change to rate of parking with each event. The first change will increase the daily fees to $5 per day for regular events and $10 per day for special events. In addition, they discussed that 20% of all revenue received from the two parking garages will go into a parking capital improvement fund to be used only on the parking garages.

It was also pointed out that as of now, we are only able to accept cash payments in the parking garages and that it may be beneficial to invest in some point of sale systems in the near future so people can pay with credit / debit cards.

Mr. Smith gave an update on the Municipal Auditorium. He stated that he and Ms. Tinney had a meeting with the City Facilities Committee on February 3 and the committee decided to table the MA issue until after a marketing / booking firm has been selected. He said that we gave the committee our wish list, but that public safety was our main concern with that facility.

Mr. Smith went on to give a construction update. He stated that the river screen project has been completed at a nearly $70,000 savings due to us doing this project in-house. We are waiting for lighting to be installed to give it a more aesthetic appearance. The AV Room project is 70% complete and we are no longer renting AV equipment. He stated that our LEED Certification consultant is working through the details of our last credit and we should have official silver certification by March 1. The Quarrier Street Parking Garage elevator repair is going to commence next week on March 2 and should be completed by March 9.

Mr. Storage stated that he attended a high-level meeting with BBL involving attorneys to discuss the $85,000 worth of damage to the AV Room and equipment and the paint on Clendenin St. BBL is adamant that they are not responsible for the cost to repair, as they did not charge us to build that space even though the flooding issue came from a design defect because the room was built directly under the HVAC system.

BBL has suggested that if we release them from all liability regarding the AV Room they will scrape off the bad paint down to the metal and repaint with matching paint. They will also include a two-year warranty on the workmanship and performance regarding the repainting. Mr. Cavacini moved that Mr. Storage continue to work with and negotiate with BBL to rescind the claim for the AV Room and move forward with pursuing the paint claim. Mr. Brady seconded the motion. Motion approved.

Mr. Smith gave an operations update. He stated that he greatly appreciated everyone's patience with the transition as we are down several positions right now and everyone is working very hard and wearing multiple hats.

Mr. Smith stated that our ENEL X contract was up for renewal. Previously ENERNOC, it is a five-year power curtailment contract worth $52,000. The staff collected quotes from other power curtailment companies and ENEL X was by far the best deal. Ms. White moved to allow Jim to go forward with the ENEL X contract. Mr. Richardson seconded the contract. Motion approved.

Mr. Smith asked if we could add Joe Varney as an approved check signor since the resignation of Marketing Manager Anna Campbell. Mr. Richardson moved to approve to add Joe Varney to the checking account as an approved signor. Mr. Jordon seconded the motion. Motion approved.

Mr. Storage explained to the board that our general liability insurance was up for renewal in March and the property premiums are doubling. Six months ago the city collected quotes from forty companies and the best deal is from Hartford – our current company. The CCCC has the biggest premium increasing from $130,000 to $266,000 due to an increase in property value from the renovation / expansion. The CCCC will likely require an operational subsidy to meet this obligation.

Mr. Smith presented an activity report for the month of February 2020 and went over some of the notable events we have recently had in the building.

The next board meeting will take place on Tuesday, March 31, 2020.

Meeting adjourned.