

Hickory-Conover Tourism Development Authority
Regular Meeting Minutes
June 15, 2020, 8:30 a.m.

A Regular Meeting of the Hickory-Conover Tourism Development Authority Board of Directors was held in the Conover 2 meeting room of the Hickory Metro Convention Center on Monday, June 15, 2020 at 8:30 a.m., with the following members present:

	Bruce Eckard; Chair		
Donald Duncan	Patricia Hatch	Leroy Lail	
Mark Seaman	Warren Wood	Phil Yount	

A quorum was present.

Also present were Scott Mitchell; Architect, Terry Taylor; Counsel, Mandy Hildebrand; CEO, Sarah Davis; Director of Sales and Marketing, and Amber Howard; Director of Events/TDA Clerk.

- I. Chair Eckard called the meeting to order at 8:30 a.m. All Board Members were present except Renee Keever and Lindsay Keisler.
- II. Persons Wishing to Be Heard (None Appearing)
- III. Approval of Minutes
 - A. Regular Meeting of May 11, 2020.

Mr. Yount moved, seconded by Mr. Seaman, that the Minutes of May 11, 2020 be approved. The motion carried unanimously.

IV. Financial Reports

A. Event Revenue Report

Ms. Hildebrand reviewed the event revenue report for May 2020 and a list of events effected by COVID-19.

MDI has been onsite training new employees since March 30 and total event revenue collected is \$47,000, which is counted in April and May revenue and another \$18,000 will be added for June.

The Railroad Expo, Spa & Hot Tub Expo, and the Hickory Gun & Knife Expo will also contribute to June's total event revenue. We anticipate ending the year with around \$583,00 in event revenue.

B. Occupancy Tax Report

Ms. Hildebrand presented the occupancy tax chart, which reports tax collected through April 2020. Due to COVID-19, anticipated Fiscal Year 2019-2020 Occupancy Tax will be around \$550,000 short of budget.

C. May 2020 Financial Report

Ms. Hildebrand reviewed the May 2020 Financial Report. For the eleventh month of the Fiscal Year, income and expenses should be at 92%. Overall, we are at 74% of income projected without May Occupancy Tax and 66% of expenses.

Mr. Lail moved, seconded by Mr. Wood, that the Financial Report for May 2020 be approved. The motion carried unanimously.

V. Public Hearing for Fiscal Year 2020-2021 Proposed Budget (Proper Notice and Publication Given)

A. Motion to Open Public Hearing

Chair Eckard moved, seconded by Mr. Yount, that the Public Hearing on Fiscal Year 2020-2021 proposed Budget be open. The motion carried unanimously.

B. Discussion

Ms. Hildebrand reviewed the proposed Budget for Fiscal Year 2020-2021. The proposed Budget is balanced at \$1.9 million for both income and expenditures.

No members of the public were present to speak.

C. Motion to Close Public Hearing

Mr. Duncan moved, seconded by Mr. Yount, that the Public Hearing on Fiscal Year 2020-2021 proposed Budget be closed. The motion carried unanimously.

VI. Approval of Fiscal Year 2020-2021 Budget

Mr. Duncan moved, seconded by Mr. Lail, that the Fiscal Year 2020-2021 Budget be approved. The motion carried unanimously.

VII. New Business

A. Amendment to Catering Contract

Ms. Hildebrand reported that she has discussed the catering contract with both Attorney Taylor and Liazzo's Owners and due to lack of convention center business due to COVID-19, all have agreed on an amended kitchen lease payment schedule for the last three months of Fiscal Year 2019-2020 and Fiscal Year 2020-2021. The lease payment schedule in the current catering contract totaled \$48,000. With amended schedule, Liazzo's will pay a reduced rate for April-June and \$40,000 total for Fiscal Year 2020-2021. In July 2021, Liazzo's would return to the originally contracted lease payment schedule until the contract expires in January of 2022.

Mr. Lail stated that he feels Liazzo's has a good deal with the convention center and he has driven by and seen that Liazzo's is doing plenty of business out of convention center kitchen, so we should consider that before giving them a break. Chair Eckard said he feels the business that Liazzo's normally gets from convention center business has significantly decreased in the last 90 days because of COVID-19 and amending this contract would be helpful for Liazzo's.

Mr. Duncan moved, seconded by Mr. Yount, that the lease payment schedule in the current catering contract be amended so that Liazzo's will pay the following:
Remainder of FY 2019-2020 - April \$0, May \$2,400, June \$2,400.
FY 2020-2021 - July and August - \$2,000 per month, September and October - \$2,500 per month, November - \$3,000 per month, December through June 2021 - \$4,000 per month. The motion was carried unanimously.

VIII. Old Business

A. Restroom Renovation - Mr. Mitchell; Architect

Mr. Mitchell explained concept for renovations for Hickory and Conover restrooms in the convention center. Mr. Lail commented that he does not feel the need to spend the funds that Mr. Mitchell has quoted for the Sloane System, which is a touch-less hand washing/sanitizing/ drying station. He feels there are other systems that are much cheaper and that certain type of one-station system is not needed for the cost. Mr. Mitchell explained that the Sloane System that has been quoted in this project is the only one of its kind and; therefore, is more expensive than others on the market. Mr. Lail suggested that the Board can get something similar that is lower cost but good quality.

Mr. Lail requested that Mr. Mitchell get an alternate bid for a different system. Chair Eckard thought that the Sloane System was an innovative tool that could be used as part of marketing campaign after the impact of COVID-19.

Mr. Duncan agrees that Mr. Mitchell get a bid for an alternate system since the Sloane system is newer, it may be harder to come by parts when in need of repairs. Chair Eckard requested that Mr. Mitchell move forward in getting alternate bids (Informal) for the Board to consider.

Ms. Hildebrand added that our competitors are making changes/upgrades to their building in the downtime that has come because of COVID-19 and we need to follow suit. TDA has the money in the Capital Project Fund to complete the project.

Discussion ensued about how to move forward.

Chair Eckard moved, seconded by Mr. Duncan, to approve Capital Project Ordinance #2 (attached), for an upgrade of the Hickory and Conover restrooms, with the project not to exceed \$275,000 and requested that Mr. Mitchell get additional bids. The motion carried unanimously.

IX. CEO Report

Ms. Hildebrand reported that the Railroad Expo that was held over the past weekend was successful. There will also be a Hot Tub & Spa Expo and a Gun Show in June and she has been staying in contact with Catawba County Public Health Director who is aware of the consumer shows and gave guidance and reviewed the convention center plans to have a successful and safe consumer sale. The Hickory Fire Department also gave a recommendation on how retail space numbers compared to assembly space and staff has decided to use the retail space occupancy during these June shows.

There are currently two retail shows in July - The Bird Expo & The Toy Expo.

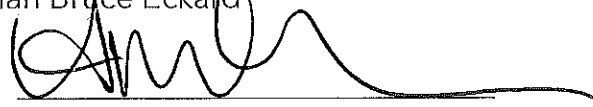
Sales team has been in contact with meeting planners and event organizers and are discussing strategies on how to move forward once convention center is back to standard occupancy.

Ms. Davis touched on marketing projects. Some were agreed to before COVID-19. The focus is currently on day trips.

- X. The next TDA Board Meeting will be held on August 10 at 8:30 a.m. at the Hickory Metro Convention Center.
- XI. There being no further business, motion was made to adjourn by Chair Eckard, seconded by Name. The motion carried unanimously.

Hickory-Conover Tourism Development Authority

By: 
Chairman Bruce Eckard

Attest: 
Clerk to the Board