

Hickory-Conover Tourism Development Authority
Regular Meeting Minutes
December 9, 2019, 8:30 a.m.

A Regular Meeting of the Hickory-Conover Tourism Development Authority Board of Directors was held in the Boardroom of the Hickory Metro Convention Center on Monday, December 9, 2019 at 8:30 a.m., with the following members present:

	Bruce Eckard; Chair	
Donald Duncan	Patricia Hatch	Leroy Lail
Renee Keever	Lindsay Keisler	Phil Yount

A quorum was present.

Also present were Deb Wentz; Auditor, Scott Mitchell; Architect, Terry Taylor and Justin Annas; Counsel, Bob O’Keefe; Facility Manager, 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 8:06 a.m.

II. Persons Wishing to Be Heard (None Appearing)

III. Approval of Minutes

A. Regular Meeting of November 11, 2019

Mr. Lail moved, seconded by Mr. Warren, that the Minutes of November 11, 2019 be approved. The motion carried unanimously.

IV. Approval of Financial Reports - Ms. Hildebrand

A. November 2019 Financial Report

Ms. Hildebrand reviewed the financial reports for November 2019. For the fifth month of the Fiscal Year, income and expenses should be at 41% of the budget. Income is at 38.3% without November occupancy tax and expense is at 27.7% of the budget.

Mr. Lail asked how the occupancy tax for VRBO/Air B-n-B’s are collected and how we are ensuring those taxes are being paid. Mr. Yount pointed out that it is the cities responsibility to collect and monitor those taxes. Mr. Wood stated that it would be a cumbersome task for a City staff member to monitor every entity that should be paying. Ms. Taylor said she will look into how other cities handle occupancy tax collection and we will discuss again at the next meeting.

Mr. Lail moved, seconded by Mr. Yount, that the Financial Report for November 2019 be approved. The motion carried unanimously.

V. Fiscal Year 2018-2019 Audit

Ms. Wentz presented a summary of the TDA Audit. There has been a steady growth in activity every year since 2016.

Expenditures for the year were a little over 2 million.

Occupancy tax showed a steady growth upwards at \$2.2 million for the year and total revenue was around \$2.9 million. Ending net assets were \$11,665,277.

The Fiscal Year started off with \$3,577,815 and ended with \$4,322,206, for an increase of \$744,391.

Chair Eckard made a motion to accept Audit for Fiscal Year 2018-2019, seconded by Mr. Warren. The motion carried unanimously.

VI. Old Business

Chair Eckard gave an update on the most recent building committee meeting. The committee is ready to make a recommendation to the board that TDA proceeds with prepared drawings from Scott Mitchell for a renovation/addition to the convention center.

Mr. Mitchell presented suggested layout for renovations and additions.

Mitchell discussed concerns with current building layout and all the work and discussion that has been done to focus on those concerns. He then discussed each section of the facility that would be renovated and/or added.

1. Hickory Restrooms - would be updated but no major renovation.
2. The south side of what is currently the Catawba rooms would be renovated to add additional storage space and the rooms will be reconfigured and a new moveable wall track would be installed.
3. Storage - will look at racking systems to help organize and utilize storage spaces.
4. EDC office area completely torn out to add a corridor with entrances to the west parking lot and south parking lot. Will design new restrooms with business lounge and four new meeting rooms. Those four new meeting rooms will have glass windows for direct sunlight.
5. Addition to north entry to create new/renovated offices for EDC and HMCC-CVB staff. Visitor Center will stay where it is but will have retractable walls that can open up to hallways and pre-function areas. An exhibit space that

could serve as Furniture Hall of Fame will be added. We will eliminate one ticket booth which will bring the current corridor between the Catawba and Conover rooms to be up to fire code.

6. Will eliminate Conover 4 meeting room and add a permanent concession stand and a corridor that would connect to the Conover rooms and the four new meeting rooms. By doing this, we will eliminate the need for both of current concession stands, which will give us more square footage in both the Hickory and Catawba rooms.
7. Showed an outside view with new additions. The exhibit space will be a two story addition at the front of the building that will be visible from Interstate 40. A covered walkway will also be added from the parking deck to the building entrance.

Ms. Keisler asked about making the rooms we already have (i.e. - the Catawba rooms) as well as pre-function corridors more aesthetically pleasing. She also mentioned that lighting in our facility hales in comparison to other facilities. Mr. Mitchell commented that while there is money in the proposed construction budget for upgrades to the existing space - there is not necessarily money allotted to add décor, etc. to those rooms.

Total proposed construction budget is \$9.7 million dollars. That budget does not include equipment, such as tables, chairs, and concession equipment. It also does not include upgrading Catawba rooms to have more of a "ballroom feel" as Ms. Keisler mentioned. Chair Eckard again pointed out that the conservative budget that Mr. Mitchell proposes does not include furniture, décor, audio visual equipment, etc. Ms. Keisler does not feel it is responsible for Board to not budget for those items. She feels we need to consider adding updates to the current Catawba rooms as we are already behind the trend of other facilities. Ms. Hildebrand mentioned that we also have \$2million in reserves. Mr. Wood pointed out that once the debt has fallen off, TDA will be able to borrow about \$6-\$7million and then TDA will have to use money in reserves to get to the \$9.7million. Ms. Keisler wanted to reiterate how important she feels it is to upgrade the look of the Catawba rooms. Mr. Wood feels that approving construction budget of \$9.7million is stretching it.

Mr. Duncan made a motion to accept Mr. Mitchell's conceptual drawings and to request that Mr. Mitchell move forward with a proposal for architectural drawings, seconded by Mr. Lail. The motion carried unanimously.

Mr. Mitchell said that the next phase will be design development and he will be able to get more accurate budget numbers and incorporate the details that have been discussed today.

Ms. Hildebrand discussed the need for heating/air upgrades to Hickory rooms - which is something that will be needed in the future and Staff is surprised that units haven't had to be replaced thus far.

Ms. Keisler asked how many parking spots we would lose with the addition. Mr. Mitchell said it will be approximately 54 spaces.

Chair Eckard thanked Mr. Mitchell and the Building Committee for all that has been put in to preparing the conceptual drawings for the facility.

VII. The next TDA Board Meeting will be held on Monday, January 13, 2020 at 8:30 a.m. in the Boardroom of the Hickory Metro Convention Center.

VIII. There being no further business, motion was made at 9:13 a.m. to adjourn by Chair Eckard, seconded by Mr. Yount. The motion carried unanimously.

Hickory-Conover Tourism Development
Authority

By: 
Chairman Bruce Eckard

Attest: 
Clerk to the Board