

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

February 24, 2021

A Regular Board Meeting was held Wednesday, February 24<sup>th</sup>, 2021 via Zoom.

Board Members Present: Chair Pat Mullen, Vice Chair Lynne Williams, Secretary Mary Finnegan, Don Ness, Peter Singler, Laura Mullen, Bill Nelson, Matt Baumgartner, Martha Bremer, Carrie Heffernan

Board Members Absent: Roz Randorf

DECC Staff Present: Roger Reinert, Caty Kaups, Renae Matt, Jeff Stark, Steve Rankila

Others Present: Guests – Steve Hanke (City of Duluth), Joel Bergstrom (Orion Search Group), Deb DeLuca (Duluth Seaway Port Authority), Chris Fleege (City of Duluth), Anna Tanski (Visit Duluth), Members of the Public, Media

CALL TO ORDER and QUORUM: P. Mullen called the meeting to order at 11:31 AM. A quorum of directors was present.

The Board reviewed the agenda.

*Finnegan joined at 11:32 AM.*

MOTION: Nelson made a motion to approve the agenda and Singler seconded. The agenda was approved unanimously.

It was noted that a correction in the January meeting minutes should be made. The first sentence should state Wednesday, January 27, 2021 instead of 2020.

MOTION: Nelson made a motion to amend the meeting minutes by replacing 2020 with 2021. Finnegan seconded. The amendment to the minutes was approved unanimously.

MOTION: L. Mullen made a motion to approve the meeting minutes from the regular meeting on January 27<sup>th</sup>, 2021. Singler seconded. The minutes were approved unanimously.

MOTION: A motion was requested to approve the January 2021 check run. L. Mullen made the motion and Bremer seconded. The motion passed unanimously.

**Executive Director Report**

The Board was given updates regarding recent events, and was informed that the current week is the busiest the DECC has been for almost a year. It was noted that \$500,000 grant from the MN DEED Convention Center Relief Grant (CCRG) was received, which will bring the current reserve balance to \$1.4 million.

*Ness joined at 11:37 AM.*

A brief overview of upcoming events was shared. The Board took time to acknowledge the positive press coverage in recent weeks.

## **Committee Reports**

**Executive:** The Executive Committee gave an update regarding recent discussions. They are reviewing options relating to the Interim Executive Director role, as the current contract is approaching its expiration at the end of March.

**Finance:** The Finance Committee announced they are revising reports and are working on clarifying the AMSOIL bond payment obligations in order for all Board Members to have a clear understanding of the way the bond payment works.

An overview of the finance report and variance analysis was given. More detail was presented regarding budgeted revenues, as well as expenses, such as snow removal.

*Heffernan joined at 11:45 AM.*

It was noted that the annual audit is still in process so the December 2020 balance sheet is not ready at this time. The Board took time to discuss the audit process and the timing of Board approvals on the financials. It was agreed that the monthly Board approvals is simply to approve the monthly snapshots, and the full Board approval of financials comes after the annual audit.

The Board took time to ask questions surrounding the ledger and notes.

MOTION: A motion was requested to approve the January 2021 Finance Report. Singler made the motion and Heffernan seconded. The motion passed unanimously.

**Governance:** The Governance Committee presented proposed updates to the state statutory language. It was noted that the committee has been in contact with local legislators regarding the revisions. The Board took time to discuss the recommendations and made the decision to increase the requirements surrounding bids from the current \$2,000 to \$50,000, with the acknowledgement that there should be internal policies in place to define purchasing protocols more thoroughly.

The committee requested approval to move forward and stated that the Board will be updated by email if any additional changes were needed after the City attorney reviews the document.

MOTION: A motion was requested to approve the proposed changes to the DECC enabling legislative language, and increase the purchasing bid requirement amount to \$50,000. Finnegan made the motion and Nelson seconded. The motion passed unanimously.

**Personnel:** The Personnel Committee reported they had been reviewing three drafted policies, including an Electronic Systems Usage Policy, a Mobile Phone Reimbursement Policy, and the updated COVID-19 Organizational Policy. The committee recommended the Board approve the revisions to the COVID-19 Organizational Policy to better align with CDC guidelines.

MOTION: Baumgartner made the motion to approve the revisions to the COVID-19 Organizational Policy and L. Mullen seconded. The motion passed unanimously.

It was noted that the Executive Committee will help define where the line should be drawn between governance policies and organizational policies.

Additionally, it was added that the Personnel Committee is in the process of analyzing information and reviewing the proposed salary range for the permanent Executive Director position.

*Executive Director Search:* The Executive Director Search Committee stated they had selected Orion Search Group as the search firm. The group has begun the process of meeting with internal and community stakeholders for input on the qualities needed for a leader at the DECC. It was noted that two community members (Mary Tennis, Executive Director of The Depot, and Nathan Stumme, Chief Prosecutor at St. Louis County) have joined the Executive Director Search Committee in order to broaden the representation and bring an outside perspective.

The Board took time for Joel Bergstrom from Orion Search Group to share his strategy and listen to information he requested from existing Board Members. It was noted that Board Members have been sent information to review. The committee plans to compile and review the input, then finalize the marketing document for the position next week. Once completed, it would allow them to move forward with the search process.

*Strategic Planning:* The Strategic Planning Committee reported they have been working to build the outline of a strategic plan and have another meeting scheduled. The committee intends to have the initial framework done by April so that once a permanent Executive Director has been selected, the new leader will be able to have input prior to the Strategic Plan being finalized.

### **Old Business**

No old business.

### **New Business**

*Great Lakes Cruising/CBP Facility Update:* Deb DeLuca, Chris Fleege, and Anna Tanski from the Cruising Coalition presented information to update the Board on the current status of the cruising plans. Several Board Members had questions for the group regarding the DECC's role and responsibilities, both operationally and financially. It was mutually agreed that the DECC would not be responsible for any capital, or constructional, expenses.

It was clarified that the ask of the Board was to appoint someone to participate in upcoming meetings and have the authority to speak on behalf of the DECC with the Cruising Coalition, but any outcomes that require a decision will require either approval by the Executive Committee or the full board. This would allow the group to move forward on engaging in planning, evaluating space (and the value of the space) for a Customs and Border Protection (CBP) passenger clearance facility within the DECC complex, as well as assisting in preparing documents and policies to be presented to the DECC Board for approval.

It was agreed that the Executive Committee would discuss and select someone from the DECC to take on this role, whether that be the current Interim Executive Director or another staff member.

It was noted that there should be clarification in the language of bullet #3 from the Cruise Partnership Request, dated February 24, 2021. The clarification should make clear that the DECC's only contribution is the in-kind use of space within the DECC complex and there is no current expectation for any financial support.

The Board continued discussions regarding the CBP requirements, as well as upfront or construction levy fees, which would be paid by the cruise lines.

MOTION: L. Mullen made a motion authorizing the Executive Committee to select a designated person to work with the Cruising Coalition on behalf of the DECC, and to make the necessary changes to the agreement to clarify that the DECC would not be responsible for any expenses incurred, other than the in-kind contribution of space. Singler seconded the motion and the motion passed unanimously.

ADJOURNMENT: P. Mullen adjourned the meeting at 1:01 PM.

**Upcoming Meetings**

The next regular meeting will be held March 31, 2021 at 11:30 AM. Location to be determined.

Minutes reported by Renae Matt, Executive Assistant.

Submitted by:

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Patrick Mullen, Chair

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Mary Finnegan, Secretary