

Cain Center for the Arts
Board of Directors Meeting
MINUTES
August 10, 2020

Attending: Greg Wessling, Pat Bechdol, Cynthia Bush, Troy Stafford, Bill Morgan, Donna Johnson, Denis Bilodeau, Steve Brumm, Paul Newton, Kate Gaither, Bill Ward, Caroline Mullan, Woody Washam, Jean Bock, Ginger Griffin, Joshua Dobi, Justin Dionne, Allison Elrod, Anita Overcash

Absent: Andrew Grant

- I. Welcome - The meeting was called to order and Greg noted that there was a quorum. He thanked the board for their consistent attendance at board meetings and for all their work, dedication, and support. The meeting was held via Zoom technology.
- II. Approval of Minutes from July 13, 2020 Board of Directors Meeting - Motion by Troy, second by Woody. All approved of the Minutes from July 13, 2020 as circulated.
- III. June Financials - Troy reviewed the July financials with the board. These have been added to the board packet. It was noted that the PPP loan was received and all funds from it were spent. There will be an automatic filing date on October 1 and Bill Ward, who is the new Campaign Treasurer, will assist with this. Troy said that a bridge loan may be needed to start construction. He is reaching out to Truist, Bank of America and other financial institutions and will be putting together a package for the Finance Committee to review. This needs to be done before October 1st.
- IV. Executive Director Report - Justin reviewed the most up-to-date timeline with the board. He also informed the board of a recent article in *The Charlotte Observer*. The Interiors Committee met with furniture groups recently and Justin is in the process of meeting with signage companies. Justin also informed the board of a new education partnership with Learn Music who will be providing music lessons for Ada Jenkins students.
- V. Campaign Update - Allison presented a campaign update. Her presentation has been added to the Board meeting packet. July pledges included two new pledges totaling \$32,500.00 on a goal of \$275,000.00. It was noted that the goal included the Aquesta Challenge gift of \$250,000.00 which came in during the month of June. Current total fundraising, including the land and Town bond, is \$17,064,918. Interest earned to date is \$170,331. Together, the total fundraising and interest earned equals \$17,235,249. Allison presented campaign tools to be used during the remainder of the capital campaign. These

include 1) Lead Gift Stewardship, 2) The Founders' Society, 3) The Aquesta Challenge, 4) The Brick Campaign, 5) Virtual and small events, 6) Marketing campaign. She also discussed the July 21 virtual cocktail event and things that were learned from the event. Out of 185 Founders' Society members, 45 households attended. The goal for July brick sales was \$50,000.00 and \$31,000.00 bricks were sold. Allison said that other events are in the process of being planned. These include things like small group chef dinners, living room sessions, etc. These events, along with others for August, September, and October are still in the process of being planned.

The Demolition event is scheduled for September 10. It is being planned for three different times with groups of 25 each. All security and safety measures must be in place. Justin is meeting with Wheelhouse Media to go over how the event will be filmed and broadcast. Pat, Jean, and Bill have volunteered to take the lead on planning the Demolition event.

- VI. Construction Update - Rodgers Builders requested an additional \$4,836 for pre-construction costs and the Construction Committee approved of these fees, which did not increase anything in the approved budget. Justin recently visited the historic cotton gin on the site with the Historic Preservation of Mecklenburg County, along with Tyler and Andrew from the Town. It was determined that the scales were a good, salvageable piece that could be cut out and incorporated into the center. Bill asked if it would be possible to keep any of the bricks and/or lumber from the Cotton Gin. **Action 1:** Justin to ask Stuart of the Historic Preservation of Mecklenburg County if these items could be reclaimed in some way.
- VII. Marketing Subcommittee and Social Media - The group recently met and approved moving forward with the print strategy that was proposed. The budget for this was already approved by the board. The committee decided against doing a direct mail at this time. Money allocated for direct mail and ipads was moved to contingency at this time. A July social media report has been added to the Board meeting packet. It was recommended that board members share more about the center on social media.
- VIII. Other Business - CCA/CAC Transition - The Transition Task Force met to review and amend the transition timeline. Justin will present this at the next PARC meeting. Denis said that meetings have been going very well and there has been great team effort on all sides. Next they will be reviewing pricing for programs and the possibility of continuing with some of the existing programs at the CAC facility, which will be up for lease soon. **Action 2:** Anita to add Deloitte Report to the Board packet.

CCA/Town Operational Agreement Update -Greg informed the group that the Management Services Agreement with the Town has been in place and working well, however an Operating Agreement has been in the works as it is necessary to have in place when the center opens. Representatives and lawyers for CCA and the Town have been looking into the benefits of both a public/private partnership vs. a private ownership of the building. It is being recommended that the building be owned by Cain Center. This is a shift from the previous plan for the Town to own and maintain the Cain Center building while Cain Center is in the role of a vendor. Both Cain Center and the Town, along with attorneys on both sides, have reviewed the pros and cons of this transition. Greg shared the possibility of CCA Building being privately owned with Bill Cain and he recommended moving forward with the change. The Town will still own the land, but it will be leased to Cain Center Organization under a 75 year lease agreement for the sum of \$1.00 per year. The Town would still assist with outdoor maintenance and landscaping. A major pro is that the construction could be made private, which allows for more flexibility of changes and could lower costs by 5-10%, which could amount to a savings of around \$2 million dollars. A private ownership of the building would also mean that the Town has no control over programming. In summary the new ideas include: 1) The building would be privately owned by Cain Center for the Arts, and 2) The construction contract would go private, which could be very worthwhile as it would allow for more flexibility and lower pricing. Paul discussed that he is in favor of going private based on past experiences in his line of work. The Cain Center building going private also benefits the Town, as it reduces risks, sustaining costs, etc. This was not voted on at the last Town meeting, but commissioners have shared that they would be in favor of CCA building going private. Woody expressed that the way we deliver the message of this news will be very important since there is no broken relationship between the Town and CCA. Both parties believe this is the best option for each of them. The Town will still be committed to long term financial support of CCA and CCA would establish an endowment for raising additional funds for operating. The request to transition to CCA building being privately owned was unanimously approved by the Executive Committee. Greg asked for a motion from the board. Motion by Pat, second by Steve. All approved of the transition for the CCA building to be privately owned. The next step will be that Woody will take this to the Town board for approval. Greg asked board members and staff not to talk about the transition of CCA being privately owned yet. A press release will be created so that the proper story can be told to the media and public about the change.

IX. The next Board of Directors Meeting is on Monday, September 14.

X. Adjournment - There being no further business to discuss, the meeting was adjourned.