

# HUB COMMITTEE MEETING

October 8, 2018

In Attendance:

**Members Present:** Mayor Janet Winkler, **Commissioners:** Larry Chapman, Ann Smith and Bill Warren, **Committee Chairman**

**Others Present:** Town Manager, Rebecca Bentley, Steering Committee Member, Kathy Carroll, Town Clerk, Tammy Swanson, and HUB Manager, Janice Woodie

Call to Order:

Bill Warren called the meeting to order at 8:30 a.m., and he thanks everyone for attending the meeting.

HUB Rental Rates:

Rebecca Bentley presented a report showing the costs associated with operating the HUB from 2002 until now. The computation included salaries, fringe benefits, utilities, etc. Rebecca estimated that on the average, costs for operating the HUB are increasing at a rate of approximately 12% per year. Rebecca also presented a report

showing that currently for the HUB, we are at approximately \$2.3 million in direct cost plus capital outlay.

Rebecca then presented a computation of HUB lease rates for the different rental spaces in the building. She stated that the room that is being looked at for lease by the art gallery is 683 sq. ft.

Janice Woodie discussed the area that is currently being rented by the Focus Group.

HUB Lease Rate Computation				
		Annual Rate	Monthly Rate	Current Rate
2019 Direct Operating Costs *	\$ 225,739			
Indirect Operating Cost 100%	\$ 225,739			
	\$ 451,478			
Square Footage				
Auditorium	7,080			
West Wing	8,092			
East Wing	6,300			
	21,472			
Direct Operating Cost per SF		10.51		
Direct/Indirect Operating Cost per SF		21.03		
Classroom	683			
Annual Rate - Direct Cost		\$ 7,181	\$ 598	
Annual Rate - Direct + Indirect Cost		\$ 14,361	\$ 1,196	
Classroom	832			
Annual Rate - Direct Cost		\$ 8,747	\$ 729	
Annual Rate - Direct + Indirect Cost		\$ 17,494	\$ 1,458	
Focus (entire east wing)	6,300			
Annual Rate - Direct Cost		\$ 66,233	\$ 5,519	\$2,800
Annual Rate - Direct + Indirect Cost		\$ 132,466	\$ 11,039	
Focus Rooms Only	4,592			
Annual Rate - Direct Cost		\$ 48,277	\$ 4,023	\$2,800
Annual Rate - Direct + Indirect Cost		\$ 96,553	\$ 8,046	

\*Does not include cost of upgrade security/lighting

Bill asked if we are looking at renegotiating rental rates with Focus, or are we looking at what to charge the gallery for space.

Janet stated that we are trying to determine an appropriate rental rate for the gallery.

Ann discussed what the gallery pays for rent at their current location. She stated that they pay \$500.

Kathy Carroll added that it is her understanding that a maximum amount that can be paid by the gallery is \$600 per month.

Rebecca stated that based on her calculations for lease rates for the HUB, \$598 should be charged for the space the gallery is considering.

Bill commented that typically, businesses pay rent, and then pay utilities separately. Bill asked how much rent we are currently collecting for the space the gallery is looking at renting.

Janice stated that the space is not currently being rented. She added that we have no way of charging utilities separate for the different spaces at the HUB – so utilities would have to be included in the rent.

Kathy stated that she understands the gallery would need a second room that would be used for only a couple hours a week, and she asked if this would just need to be scheduled with Janice. Kathy added that they may also need some storage area.

Janet stated that she understands there will need to a sink available in the space for washing out paint brushes.

Janice Woodie stated that there is a mop sink available in a closet in the large room that can be used for washing out brushes.

Bill suggested that we could look at the rent of the space as \$500 for rent and \$100 for utilities, which would equal \$600 per month.

**Motion: (Bill Warren/Larry Chapman) to recommend charging \$600 per month including utilities for the space requested by the gallery, with arrangements for a second classroom plus storage being scheduled with the HUB Manager where available, with the contract being renewed on a yearly basis.**

**Unanimously approved.**

Rebecca stated that at some point, she would like to discuss the space rented by Focus. She commented that our current HUB renters need to be made aware of any increases in our rates well in advance of any changes.

Ann stated that in her opinion, there needs to be a formula used in determining the amount of rent charged by the square footage of the space.

Larry asked what the contract with Focus states about notification for rental rate increases.

Janice stated that according to the contract, a 60-day notice of any changes is required.

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#### Steering Committee Recommendations:

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**HUB Station Logo:** Bill presented the logo that the Steering Committee has recommended for the HUB Station.

**Motion: (Ann Smith/Larry Chapman) to accept the Steering Committee's recommendation for the HUB Station logo, and to present the logo to the full Board for approval. Unanimously approved.**



**Naming Rights & Prices**

**Naming Rights & Prices:** Kathy Carroll presented the Steering Committee’s recommendations for naming rights and prices for rooms at the HUB.

**Motion: (Larry Chapman/Ann Smith) to accept the Naming Rights & Prices as recommended by the Steering Committee, and to recommend approval by the Board of Commissioners.**

- Building B  
\$500,000
- Stage  
\$100,000
- Cafeteria  
\$25,000
- Lobby  
\$25,000
- Rooms (only 2 for now)
- Gallery Room  
\$10,000
- Art Classroom  
\$10,000

**Sculpture Art for the HUB:** Kathy stated that the Steering Committee has recommended that sculpture art be placed in front of the HUB along with banners for the building.

Kathy commented that the Committee is currently looking for large sculptures to attract attention to the building, and to promote the idea of art. Kathy stated that they would like to get three sculptures, which will require three sculpture bases. The cost of the bases is \$1,600 each. Kathy added that the sculpture pieces have not been picked out.

Janice asked where they plan to place the sculptures.

Kathy stated that three spots have been selected for the sculptures, keeping in mind the things that are already at the HUB. She added that they would also like to locate one in front of B Building (former Horizon’s Building).

**Motion: (Ann Smith/Larry Chapman) to recommend a budget amendment for \$4,800 to cover the cost of three sculpture bases, with the sculpture selections being presented to the HUB Committee for review and approval. Unanimously approved.**

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**Grant Status:**

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Rebecca stated that the ARC Grant for the Kitchen has been endorsed by the State and has now been passed on for national approval. She briefly reviewed the Grant application, and emphasized that even though it has seemed like a long and slow process, the Grant is not dead. She commented that we are just waiting on Washington to let us know what needs to be done to continue.

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**Dinner Theater – Rotary Club:**

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Rebecca stated that the drink sales at intermission at our dinner theaters has become a challenge. Because of frustrations with getting our drinks donated, Janice has started purchasing drinks to sell. Rebecca suggested that since we are trying to partner with the Rotary Club, it might be a good idea to see if they would like to take over Dinner Theater intermission. She suggested that they may even want to eventually offer beer and wine.

Bill mentioned that having beer and wine available is a very common practice for theaters and concerts. He stated that being a member of the Rotary, he thought this idea would be something the Club would want to discuss for future dinner theater productions.

Rebecca also mentioned that she would like for us to explore computer software that would allow dinner theater tickets to be sold online. She mentioned that the HUB ticket office is basically overwhelmed when the tickets go on sale for our productions, and having an option to purchase tickets on line would be very helpful. Rebecca commented that the cost of providing this type of ticket service could be tacked on to the price of the tickets.

Bill stated that purchasing tickets online is also a very common practice for theaters and concerts halls. He encouraged the staff to look into finding out more about the online option.

**Replacement Mics for the HUB:** Rebecca stated that both Keith Smith, Dinner Theater Director, and Janice Woodie have submitted requests for 8 new head mics for the HUB. She stated that some of the mics currently being used are either broken or no longer work, and they need to be replaced. The estimated cost of the mics is \$2,800.

**Motion: (Larry Chapman/Ann Smith) to recommend approval of 8 new mics for the HUB at an estimated cost of \$2,800. Unanimously approved.**

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#### Lighting Contract for the HUB:

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Rebecca stated that we have received an estimate from Duke Energy for upgrading the lighting to LED lights for both upstairs and downstairs at the HUB (Building A). Rebecca stated that Duke Energy has presented different payment options, with the best option being a lump sum payment of \$23,405.12. Rebecca suggested that we go with the lump sum option for a one-time payment out of Fund Balance.

**Motion: (Ann Smith/Larry Chapman) to recommend the Lump Sum Option for the LED Lighting upgrade with the money coming from Fund Balance as suggested. Unanimously approved.**

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#### Security Contract:

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Rebecca stated that we received two bids for security (access control) systems, camera systems, plus WiFi extenders for the HUB (Building A) and Building B (Former Horizon's Building). Commissioner Rick Shew has work experience with security/camera systems, and he reviewed the two bids. Rick suggested the following options:

### **PROTECTIVE SECURITY SYSTEMS**

P.O.BOX 2462  
725 11th Ave Blvd SE  
HICKORY, NC 28603

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PROTECTIVE SECURITY SYSTEMS, proposes to furnish all labor and equipment to install the WiFi Extenders for the first floor of the Hudson Uptown Building for a total installation cost of Three Thousand Seven Hundred Ninety Five Dollars, (\$3,795.00).

## Access Control System

**2<sup>nd</sup> Option: \$11,380.00**

- (3) CDVI 2 Door Master Control Panels
- (6) CDVI Keypad Prox Readers
- (5) HES 9600 Door Strikes
- (1) Maglock Door Lock
- (1) Push to Exit Button
- (1) Egress Motion Detector
- (1) Power Supply
- (1) 18/2 wire needed for installation
- (1) 22/6 Shielded wire
- (50) Access Cards
- (1) Labor and equipment will be guaranteed for one year from the date of installation.

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## Camera System

**2<sup>nd</sup> Option: \$10,300.00**

- (1) Digital Watchdog Cube Network Video Recorder (NVR)
  - 9 terabyte harddrive
  - up to 64 2.1mp cameras can be used with this unit
- (1) Spectrum Software
- (9) Spectrum Software License Fees
  - one time fee / free upgrades
- (8) Digital Watchdog MB44WIA IP Bullet Cameras
  - 4mp 2.8-12mm Varifocal Bullet Cameras
  - true day/night camera with 98 ft IR
  - wide dynamic range (wdr)
  - helps cut down on sun glare / natural sunlight
- (1) Digital Watchdog MV82WIA IP Dome Cameras
  - 4mp 2.8-12mm varifocal lens
  - true day/night camera with 98ft IR
  - wide dynamic range (wdr)
  - helps cut down on sun glare / natural sunlight
- (1) TP Link 8 Port POE Switch
- (1) TP Link 4 Port POE Switch
- (1) Wiring needed for installation

Rebecca commented that there is already \$5,000 in the budget for these items.

**Motion: (Bill Warren/Larry Chapman) to accept and recommend approval of Rick Shew's recommendations for an access control system, cameras, and WiFi extenders for the HUB (Building A) and Building B. Unanimously approved.**

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Painting in Building B:

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Rebecca stated that she had contacted Ricardo Mesa, a painter who lives in Town, to get an estimate for painting inside Building B (former Horizon's Building). Mr. Mesa submitted a quote of \$4,860 to paint the rooms that needed to be painted first. Mr. Mesa also presented a quote of \$2,100 for the other 3 rooms that may be rented out in the future. Rebecca commented that Mr. Mesa said he wanted to do something nice for his Town, and he bid the work very reasonable.

Rebecca presented the colors selected for the paint, and she stated that the color schemes were selected by members of the Steering Committee.

**Motion: (Larry Chapman/Ann Smith) to approve the colors and quotes for painting the rooms in Building B as presented. Unanimously approved.**

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Time Line Requested for Business & Arts Center Project & Fundraising:

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Rebecca stated that in order to keep up with how the Business & Arts Center project is progressing, we need a time line from the Steering Committee. She commented that we need the timeline for the record and for Board approval.

Kathy Carroll stated that they have a basic timeline of how the project should progress. Fundraising is set to begin in January 2019, sculptures are planned to be placed this fall, and we should have the new logo by Thanksgiving.

Bill commented that the members of the Steering Committee are very hard working, and they are aware that things need to be done in a timely manner. They are also aware that they have to be mindful of the Town's Budget. Bill added that he wanted this project to be done in a positive manner, with everyone involved working as a team.

Rebecca stated that this is a different type of approach to a project than the staff is accustomed to, which will take some adjusting on staff's behalf.

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Adjournment:

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**Motion: (Larry Chapman/Ann Smith) to adjourn the meeting. Unanimously approved.**

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Tamra T. Swanson, Town Clerk