



City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Meeting Minutes - Draft MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

Thursday, September 15, 2011

4:30 PM

One John Nolen Drive
Meeting Rooms N - R (Level Four)

CALL TO ORDER / ROLL CALL

Present: 11 -

Sheridan A. Glen; Michael E. Verveer; Mona Adams Winston; Ricardo A. Gonzalez; Ann E. Kovich; Dianne Hesselbein; William DiCarlo; Judith F. Karofsky; Glenn R. Krieg; Chet Gerlach and Thomas P. Solheim

Excused: 3 -

M. Alice O'Connor; Thomas J. Ziarnik and Judy Sidran

APPROVAL OF MINUTES

A motion was made by Kovich, seconded by Solheim, to Approve the Minutes.
The motion passed by voice vote/other.

PUBLIC COMMENT

There were no citizens present who wished to address the Board

DISCLOSURES AND RECUSALS

None.

NEW BUSINESS

1. [23852](#) Introduction of new Board Member, Ricardo Gonzalez - Mona Adams Winston, Chair

Mr. Gonzalez has lived in Madison since 1972, and opened the very successful Cardinal Bar in 1974. He served on the Common Council from 1989 – 1995 representing District Four. He is a City appointee, has prior service on the Monona Terrace Board from 1993 – 2003, and is very pleased to be reappointed.

2. [23693](#) Mayor's Comments - Mayor Paul Soglin

The Mayor thanked for the Board members for their service, and was pleased to be invited to attend the meeting. Further comments included:

The Common Council will be reviewing the City's proposed 2012 capital budget soon.

The operating budget presented by Monona Terrace was within the 5% reduction guidelines with no personnel reductions. Overture employees were paid for their accumulated sick leave in order to minimize impact on Monona Terrace. The biggest concern was potential bumping by A/V techs and their skill set. These actions were taken to keep both work forces stable without any bumping which leads to disruptions.

Judge Doyle Project: Meetings continue with Urban Land Interests (ULI) and the Marcus Corporation regarding development of Blocks 88 and 105. The City wants to move as quickly as possible to get a hotel and underground parking built. City expectations were laid out very clearly, and included how construction of the hotel would impact city offices and moving staff. If TIF funding is granted it would be done with the understanding that the necessary room blocks and favorable pricing would be available in the existing Marcus hotel and the new property to house convention attendees for Monona Terrace. Mr. McManners stated that if Monona Terrace can increase its room block to 250 rooms, conventions and conferences to which we market could increase by 20%. The City also agreed to be less restrictive with Marcus Corporation with their meeting spaces. It is the City's preference to get the underground parking built before the rest of the project so the existing aging parking ramp can be razed. The goal for starting the parking ramp construction is 2013. Mr. McManners added that the earliest the hotel construction could begin would be 2015.

When the Monona Terrace bonds are paid off (first one in 2014) the money will be divided between:

- GMCVB;
- Monona Terrace for upgrading and remodeling;
- property tax relief

The Mayor is committed to making sure Monona Terrace is well funded.

Ms. Kovich asked about the possibilities of furloughs at Monona Terrace, because there is a level of service expected by our guests. If adequate staff is not available to provide that service, it would impact repeat business. Mayor Soglin replied that there is a \$4,000,000 - \$5,000,000 gap in the budget; if that can be resolved layoffs and/or furloughs may not be an issue.

A resolution will be introduced on October 4 regarding Mr. McManners probationary period of two years which was in effect when he was hired. Mayor Soglin has hired two people since his election, and he prefers a 6-month probationary period. The resolution, if passed, will amend the probationary period of Mr. McManners and other City managers to six months. The resolution will be referred to the Monona Terrace Board for approval at the October 20th meeting.

Ms. Kovich inquired about funding for the Convention Bureau to which the Mayor replied he hopes the room tax revenue continues to increase; in addition, when the bonds are paid off there will be more money available for the GMCVB.

The Mayor stressed the importance of Monona Terrace and the Alliant Energy Center being supportive of each other's efforts, and the need to make sure that both facilities are successful. Large conventions are sometimes followed by retailers whose pricing competes with vendors who have paid for their booths in the venue. The City is working on creating a more uniform licensing procedure for these instances.

A question was raised about TIF funding, and the Mayor clarified that in order to receive TIF dollars the following questions must be answered:

- Will the granting of the funds appreciate the land value and its improvements?
 - What is the reasonable increment of revenue and how will it be divided?
- TIF funds must follow the "50-50" rule: 50% goes to the developer to reach the desired level of funding, 50% goes toward improvements in the district that is created. Any additional revenue generated goes to the school system.

The Board expressed its appreciation to the Mayor for the addition of Alder Mike Verveer as it has been some time since Monona Terrace had a presence on the City Council.

REPORTS

3. [23382](#) Strategic Planning Committee Report - Ann Kovich, Chair

The Strategic Planning Committee met on 8/28/11; members include Ann Kovich, Bill DiCarlo, Tom Ziarnik, Sheridan Glen and Judy Sidran from the Board; plus Monona Terrace staff members Gregg McManners, Bill Zeinemann, Kathi Hurtgen, Patty Lemke, Wendy Margetis, Heather Sabin and Connie Thompson. Tom Mosgaller served as the meeting facilitator. The committee reviewed a recent SWOT analysis to identify our key priorities and core strategies so we can:

- preserve our strengths
- pursue our opportunities
- protect against weaknesses and threats

The committee also reviewed and made recommendations for updates / slight changes to the Monona Terrace:

- vision statement
- mission statement and
- guiding principles (reshaping entire document)

The next committee meeting is tentatively scheduled for Tuesday, October 11, 2012 because of schedule conflicts in September. Results from the meeting will be brought back to the full Board for further discussion.

4. [14291](#) Finance Report - Kathi Hurtgen, Director of Finance
- Operating revenue for the month of August totaled \$561,000, -11% compared to the budget (\$628,000). Operating expenses were \$615,000, +5% compared to budget (\$583,000). Some large events had less revenue than budgeted. Revenue over (under) expenses for the month was (\$99,000); YTD the total is \$141,000.
- The Finance Committee will meet before the end of the year to discuss projections for 2012.
5. [17074](#) Booking Pace Update -Bill Zeinemann, Director of Marketing and Events
- 2011 numbers to date:
Banquets: 220 budgeted, forecasting 212
Meetings: 185 budgeted, forecasting 195
Conferences: 31 budgeted, forecasting 32
Conventions: 31 budgeted, forecasting 30
- Outlook for 2012:
Banquets: 220 budgeted, projecting 198
Meetings: 215 budgeted, projecting 192
Conferences: 32 budgeted, projecting 30
Conventions: 30 budgeted, projecting 30
- While the numbers for 2012 are lagging a bit at this time, they vary from month to month.
6. [22041](#) Director's Report - Gregg McManners, Director
- Board Report
- There were no questions on the Board report.
7. [18300](#) Announcements from the Chair - Mona Adams Winston, Chair
- Three Board members enjoyed the opportunity, provided by an invitation from the GMCVB, to view the swim start for this year's Ironman competition from the decks of the Betty Lou cruise ship. Other Board members were encouraged to view this thrilling athletic event in the same fashion in 2012.
- A moving remembrance ceremony in honor of the victims of 9/11 was held on the rooftop on the anniversary of this terrible tragedy.
- Vice-Chair Glenn Krieg will chair the October 20th Board meeting.

ADJOURNMENT

A motion was made by Glen, seconded by Verveer, to Adjourn. The motion passed by voice vote/other.