



# City of Madison

City of Madison  
Madison, WI 53703  
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## Meeting Minutes - Approved MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

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Thursday, August 20, 2009

4:30 PM

One John Nolen Drive  
Hall of Fame  
(Level Two)

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### CALL TO ORDER / ROLL CALL

**Present:** 10 -

Jeffrey B. Bartell; Warren E. Onken; Mona Adams Winston; Ann E. Kovich; Mark M. Opitz; William DiCarlo; Anne Katz; Glenn R. Krieg; Judy Sidran and M. Alice O'Connor

**Excused:** 4 -

Sheridan A. Glen; Henry S. Lufler, Jr.; Thomas J. Ziarnik and Wayne Bigelow

### APPROVAL OF MINUTES

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

### PUBLIC COMMENT

There were no citizens present who wished to address the Board.

### NEW BUSINESS

1. [11915](#) GMCVB Second Quarter Report - Deb Archer President, GMCVB, and Kristi Thering-Tuschen, Director of Sales, GMCVB

The GMCVB goal for Monona Terrace is 42 contracts in 2009, and four were received last quarter. The goal for contract revenue is \$750,000, however due to the economy, the figure will probably be closer to \$600,000. Some clients are reluctant to make commitments, so incentive payments may be needed.

More leads have been generated in 2009 when compared to 2008. A GMCVB staff member spends 80% of her time qualifying clients, and then salespeople can start the dialogue. The goal for room nights contracted for 2009 is 92,500, and more room nights are booked than at this time in 2008; direct spending impact for confirmed events has declined slightly. Second quarter publicity value for destination public relations is \$769,654. Publicity highlights include: Kiplinger's 2009 Best Cities, "No. 7, Madison, WI," Money Magazine, "Best Places to Find a Job," Newsmax.com, "Most Uniquely American Cities & Towns," Midwest Living, "Magazine Five Star Food Towns."

Room Tax collections are down, and the GMCVB is working with hotels to generate more business.

Funding for the GMCVB may be reduced, so cost savings are being taken such as furlough days for staff members, dropping 401(k) matching, requiring staff to take vacation days rather than carrying them over to the next year, etc.

The GMCVB is also booking business for the Overture Center and the Alliant Energy Center which will increase room tax amounts.

The GMCVB anticipates expanding its work on developing the sports market in order to grow the number of new events and visitor revenue generation for the destination.

2. [15551](#) Naming Rights at Monona Terrace, 7/1/09 Executive Committee Meeting - Ann Kovich, Chair

Ms. Kovich reported that the Executive Committee met on July 1, 2009 regarding naming rights at Monona Terrace. The construction of Monona Terrace was a significant public / private partnership and collaboration. The Committee felt that it is more appropriate to recognize the whole group rather than just a few people; it would be devastating to miss a key player through an oversight. The Committee also believes that Frank Lloyd Wright wanted the building itself to be the statement.

The Committee recommended to the Board that Monona Terrace continue the past practice/policy that name (or other) recognition be reserved for major donors.

Ms. Sidran made a motion that the Board ratifies the recommendation of the Executive Committee, seconded by Mr. Opitz. The motion passed.

3. [14973](#) Hotel Update - Jeff Bartell, Member, Downtown Hotel Feasibility Study Committee

**Mr. Bartell and Mr. Hess reported that negotiations between the City of Madison and the Marcus Corporation to build a convention hotel to serve Monona Terrace and the City have stalled due to the economy and its effect on the hospitality industry. However, Mayor Cieslewicz is committed to the concept of a convention hotel in the downtown area.**

**Apex Property Management Inc. has proposed a hotel also, and the team working on the project has met with the Mayor (Bruce Bosben, Apex Chairman; Steve Yoder, VP of Development; Paul Soglin, Assistant to Apex; Bill White, Assistant to Apex). The company wants to build a 300-room hotel approximately 400+ feet from Monona Terrace that would also include a grocery store, health club, residential units, etc. The company would need TIF funding for a skywalk, but not for the hotel itself.**

**The project to renovate and expand the Edgewater will most likely move forward.**

4. [15552](#) 2010 Operating Budget - Henry Lufler, Chair, Finance Committee

**Mr. Lufler was unable to attend, so Mr. Onken agreed to act as Committee Chair, and give the Finance Committee recommendation to the full Board regarding the 2010 Operating Budget.**

**Revenue levels for 2009 may be -\$100,000 when compared to budget. The Committee commended the staff for crafting an aggressive budget during difficult financial times; this year the entire Monona Terrace Management Team was involved in the budget process. The best revenue months for Monona Terrace come later in the year, and another meeting will be held before the end of the year to make certain an appropriate amount of monies are withdrawn from the reserve fund if that becomes necessary.**

**Mr. Onken complimented Mr. Zeinemann, Director of Marketing and Events, for his thorough process to forecast revenues each year. Possible cuts were prioritized, and the Committee encourages the Monona Terrace staff to adjust those priorities as opportunities arise depending on political direction from the Common Council. Any significant changes are to be discussed with the Board.**

**Mr. DiCarlo made a motion to approve the budget as presented, seconded by Ms. Sidran. The motion passed.**

5. [14291](#) Finance Report - Kathi Hurtgen, Director of Finance

June: 67 events were held vs. the 76 events that were budgeted, resulting in -32% total operating revenues for the month, -11% year-to-date. Expenses were -8% for the month, -6% year-to-date. Income (loss) from Operations was \$114,000 for the month, -\$29,000 year-to-date due to some cancelled business. Revenues levels for banquets are lower than last year which is contributing to lower revenue levels also.

July: Operating revenues were -31% for the month, -13% year-to-date. Total operating expenses were -12% for the month, -7% year-to-date. Income (loss) from Operations was -\$10,000 for the month and -\$37,000 year-to-date.

Payroll costs were greater than usual for the month of July because of three pay periods rather than two. Staff is learning how to better operate the facility with less expenditures, and finding more opportunities for efficiencies to be even more favorably positioned when the economy rebounds.

6. [14292](#) 2009 Booking Pace Update - Jim Hess, Director

- A new conference was booked for November 10-12, 2009 which will yield approximately \$12,000 in revenues.
- One meeting was re-categorized to a conference because of increased room nights.
- Weddings continue to do well even though seven were cancelled in 2009; there are 115 on the books for the year compared to 110 weddings in 2008.
- Total revenue lost because of cancelled events in 2009 is approximately \$262,000.
- The additional projected revenues losses are attributed to events that do not book at all, and lower expenditures by events that we do host.

7. [15599](#) Lake Vista Café Update - Patty Lemke, General Manager, Monona Catering

Lake Vista Café, the newest amenity at Monona Terrace, is doing very well since its opening on June 12, 2009. In response to numerous requests, service was added for Sundays also. August business is slowing down a bit because of last minute family vacations and the start of the new school year, etc. Closing time for next year may change to 7pm instead of 8pm because of slow business during that last hour. The special menu created for the August Dane Dances events has been well received by the public thanks to the creative efforts of Monona Catering staff. Monona Catering wants to keep the Café open for the season as long as weather conditions remain favorable.

8. [11917](#) Director's Report - Jim Hess, Director

- There were no questions on the Board Report.
- The Fire Fighters Union agreed to a 0% wage increase for 2010. If other City unions do the same, it is possible that deep cuts in department budgets won't be necessary.
- June 8 was the pre-opening date of the Lake Vista Café with an invited attendance of 148 people. That was followed by a DMI Inc. event that was also very successful and had an attendance of 150 guests. Attendees to the rooftop concerts have really enjoyed the LVC, and boosted its revenue totals.
- The Monona Terrace annual staff picnic was held on July 13 at the Vilas Park Shelter House. Managers pay for the food, do the set-up, grill the meats, and take care of the clean-up. Sixty staff members attended the picnic and brought a dish to pass.
- The new Monona Terrace website was launched on July 8th. Staff is working with the designer on any necessary changes, and the Gift Shop has already reported increased sales.
- A meeting was held recently with the owners of the Majestic Theatre music venue regarding the possibility of sponsoring a new concert series at Monona Terrace. They proposed a different group of bands to attract larger groups of concert attendees. They proposed a fee for coordinating the events, and an admission fee may be charged. The owners also mentioned the possibility of approaching a beer company to sponsor the event.
- The Friends of Monona Terrace Board of Directors met on August 19 to hear a proposal from staff and discuss a variety of topics involving FOMT including the following: Corporate sponsorships, grants, other revenue options, patron membership drive, and other opportunities. A discussion was held regarding the merits of potentially accepting donations or charging an admission fee for some or all community programming events. The FOMT Board wants feedback from the Monona Terrace Board regarding expectations. It was agreed that the Chair of the MT Board Marketing Committee (Sheridan Glen) will be invited to attend the next FOMT meeting which will be held at 3:30pm on Wednesday, September 30.
- Customer surveys continue to be excellent.
- Mayor Cieslewicz will recommend that Sheridan Glen be reappointed to the Monona Terrace Board following his recent change of residence which requires a 2/3 approval of the Common Council.

9. [14293](#) Announcements from the Chair - Ann Kovich, Chair

There were no announcements from the Chair.

**ADJOURNMENT**

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