



# City of Madison

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

## Meeting Minutes - Approved MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

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Thursday, August 21, 2014

4:00 PM

Hilton Madison  
Nine East Wilson Street  
Founders Room

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### CALL TO ORDER / ROLL CALL

**Present:** 12 - Jane Richardson; Michael E. Verveer; M. Alice O'Connor; Mark J. Richardson; Susan Sabatke; Shelia Stubbs; Mark Clarke; Judith F. Karofsky; Glenn R. Krieg; James Ring; Chet Gerlach and Thomas P. Solheim

**Excused:** 2 - Ricardo A. Gonzalez and Thomas J. Ziarnik

### APPROVAL OF MINUTES

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

### PUBLIC COMMENT

None.

### DISCLOSURES AND RECUSALS

None.

1. [35221](#) Monona Terrace Market Analysis: Aaron Olver, City of Madison

Mr. Olver presented a PowerPoint explaining the analytical process they went through to assess Madison's market possibilities for a new hotel to serve Monona Terrace. The database they drew from is the Destination Marketing Association International's collaborative database, EmpowerMINT. The data was scrubbed superficially to determine market size; however, future analysis could further narrow the focus. This resulted in a sample of 16,700 events. Points of interest include:

Monona Terrace is more competitive when it comes to larger events requiring specialized facilities, whereas, smaller events have numerous options in the area that can accommodate their groups. Monona Terrace and Madison appear to compete quite well against larger size cities.

Based on data from the GMCVB covering 2000-2013, Madison is becoming less competitive in the conference and convention market as a whole, especially for events demanding over 300 peak room nights.

A guaranteed room block of 400 would potentially expand Monona Terrace's

market by 31% (measured by number of events).

Compared to other venues, Monona Terrace has comparatively few adjacent rooms relative to its meeting space capacity. Increasing the adjacent room block substantially expands both the number of events Monona Terrace can compete for and, more importantly, the number of room nights it can generate. This expanded impact will spill over to other hotels and will likely displace additional smaller events into the marketplace.

2. [35224](#)

GMCVB Second Quarter Report: Rebecca Ramsey, Director of Sales and Diane Morgenthaler, Vice President of Marketing & Strategic Planning

Contract revenue year-to-date totaled \$311,171. This meets 44.5% of the goal for 2014. Room nights total 39,180 representing 37.5% of the goal to date. Pending contracts total \$102,154 and 2,900 room nights.

School Counselors have signed a contract to return for the next 3 years.

Hotel occupancy for the first half of the year remains flat with 2013, averaging at 62%. Average daily rate outpaced 2013 by 8.5%, which comes out to \$99.71.

GMCVB leadership has continued engagement in development discussion of Judge Doyle Square and the Alliant Energy Center campus.

3. [35225](#)

Catering Second Quarter Report: Patty Lemke, General Manager

Revenue: The first half of the year ended with revenues of \$2,892,226 (pre-audit), 1.4% down from the same period in 2013. Long range projections are on track to finish 2014 approximately 6.5% below 2013 at around \$6.8 million in sales.

Services for Q1-Q2:

Hospitality (coffee breaks)	54,967 guests
Meals (breakfast, lunch, dinner)	50,690 guests
Receptions	34,656 guests
Total Services (includes all misc.)	199,335 guests

Lake Vista Café: The Lake Vista Café opened for the season on May 13, 2014. Weather conditions have been mostly good with moderate temperatures. At the end of June, year-to-date sales were 36% ahead of 2013 at approximately \$64,000.

LVC year-to-date guest comment card averages have been exceptional with overall staff service satisfaction rated at 98% and overall food satisfaction rated at 96%.

Marketing and Donations: During Q1-Q2 Monona Catering donated goods/services to: UW Habitat for Humanity Souper Bowl; CASA; Wisconsin Public Television; Terrace Town; Art Fair Off the Square; GMCVB Fam Tours; MT Sales Blitz; and 2014 Menu Showcases for Wedding Clients.

In addition to the donations to local pantries/shelters of more than 2600 pounds of useable food during Q1-Q2, Monona Catering diverted approximately 12,000 pounds of pre-consumer food waste to composting.

4. [35226](#) Updated Mission and Vision Statements: Kathi Hurtgen, Associate Director - Finance and Operations
- After the Strategic Planning Committee meetings, Monona Terrace took its vision statement to use as the mission statement. Staff has since worked on developing a new vision statement. They have come up with the following:**
- MONONA TERRACE MISSION STATEMENT: To deliver an exceptional and inspirational experience.**
- MONONA TERRACE VISION STATEMENT: To be a globally recognized facility of distinction, offering endless possibilities and extraordinary service.**
- MONONA TERRACE KEY MANDATES: Monona Terrace serves as a community gathering place, tourism destination, and catalyst for economic activity for the City of Madison, Dane County and the State of Wisconsin.**
5. [35029](#) Creating Section 33.21(11)(b) of the Madison General Ordinances to allow the Monona Terrace Board to enter into agreements for monetary contributions not exceeding \$25,000.
- A motion was made by O'Connor, seconded by Karofsky, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other.**
6. [35229](#) Booking Pace Update: Bill Zeinemann, Associate Director - Marketing and Event Services
- 2014 event revenues are 4% over projections and overall revenue is 3% over projections for 2014.**
- Conventions are at 26 of a budgeted 30 and conferences are 28 of a budgeted 27 for 2014.**
- 2015 conventions and conferences are on pace with 28 conventions and 30 conferences booked.**
7. [35227](#) Finance Committee Report: Alice O'Connor, Chair
- The finance committee recommends the board approve the operating budget expenditure request.**
- A motion was made by Stubbs, seconded by Ring, to Approve the operating budget. The motion passed by voice vote/other.**
8. [35230](#) Finance Report: Kathi Hurtgen, Associate Director - Finance and Operations
- July had only 41 of a budgeted 47 events and yet the operating revenues were up by 52% over budget. This was due to the fact that 2 conventions were added within the year for a total of 4 conventions versus the 2 budgeted.**
- Expenses were up by 24%, but some of this is on account of the specialized equipment that had to be rented to accommodate one of the above mentioned**

conventions. Another factor was additional cost for hourly employees and sick leave conversion. Despite this, the month still ended with revenue \$3,000 over expenditures.

9. [35231](#)

Directors Report: Gregg McManners, Director  
A. Board Report

A new contract is being negotiated with the GMCVB with the idea of increasing the organization's percentage of TOT dollars. The contract will incrementally increase their percentage over 10 years. The blueprint for this increase was the release and recommendations of the TOT Committee formed under former Mayor Dave Cieslewicz. The committee recommended that the CVB funding reach 35% of the total TOT collected.

The CVB will need to meet certain marketing obligations and there will still be a pay-for-performance element to the contract. The contract will be completed before the operating budget goes to council.

10. [35232](#)

Announcements from the Chair: Glenn Krieg, Chair

None.

#### ADJOURNMENT

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