



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved OVERTURE AD HOC COMMITTEE

Thursday, September 23, 2010

7:00 PM

Room 260, Madison Municipal Building
215 Martin Luther King, Jr. Boulevard

CALL TO ORDER / ROLL CALL

Present: 6 -

Mark D. Bugher; James D. Garner; Deirdre Garton; Warren E. Onken;
Paul Soglin and Pablo Sanchez

Excused: 4 -

Tim Bruer; Lauren Cnare; Michael E. Verveer and Becky A. Steinhoff

Others Present: Ald. Mark Clear, Ald. Bridget Maniaci, Ald. Shiva Bidar-Sielaff, Ald. Chris Schmidt, Janet Piraino (Mayor's Chief of Staff), Rachel Strauch-Nelson (Mayoral Assistant), Andrew Statz (Fiscal Efficiency Auditor), Dean Brasser (City Comptroller), Michael May (City Attorney), Brad Wirtz (HR Director), Mike Lipski (Compensation & Benefit Manager), Steve Wolff (AMS), Andrew Taylor, Dode Lowe, Davin Pickell, Chris Gauthier, D. St. Clair, Tom Carto, Sally Miley, Joe Sensenbrenner, Kristin Czubkowski (TCT), Brenda Konkel

Chair Mark Bugher called the meeting to order at 7:00 p.m.

APPROVAL OF MINUTES

Jim Garner asked that the September 16, 2010 minutes be amended to include the number of employees and the number of volunteers that Tom Carto mentioned in his comments during the Public Comment period:

"but it is the people inside the building, not only the nearly 300 staff, but the over 600 volunteers, MCAD, 201 State Foundation and the artists themselves that make Overture Center a success...."

A motion was made by Jim Garner, seconded by Paul Soglin, to approve the minutes as amended. The motion passed by voice vote/other.

Becky Steinhoff arrived at 7:06 p.m. Ald. Lauren Cnare arrived at 8:25 p.m.
Ald. Mike Verveer arrived at 8:37 p.m.

Present: 9 -

Lauren Cnare; Michael E. Verveer; Mark D. Bugher; James D. Garner;
Deirdre Garton; Warren E. Onken; Paul Soglin; Pablo Sanchez and Becky A. Steinhoff

Excused: 1 -

Tim Bruer

PUBLIC COMMENT**Registrants:**

Davin Pickell, IATSE Local 351/AFSCME Local 60, 17 Merrill Crest, Madison - Spoke

Denise St. Clair, 4719 Siggelkow Road, McFarland, WI - Spoke

Tom Carto, Overture Center Director - Spoke

Chris Gauthier, IASTSE 351, 2125 Davis Hills Drive, Verona - Available to Answer Questions

Davin Pickell stated that the analysis of the numbers at the heart of the AMS Focus Model coincided with the release of a book titled "Proofiness: the Dark Arts of Mathematical Deception" by Charles Seife. He paraphrased something he found on NPR "As McCarthy knew, numbers could be a powerful weapon and in skillful hands, phony data, bogus statistics, and bad mathematics could be used to bludgeon enemies, destroy critics, and squelch debate". Mr. Pickell then quoted from the book, "No matter how undisputable the mess up, no matter how obvious it is that somebody has screwed the pooch, the statistics put a happy face on failure."

He stated that one of the theses of both the AMS focus model and the city's HR staffing study is the use of statistics to argue that the president of Overture was underpaid and that his pay must be increased to remain competitive. He stated that the error in that presumption is the confusion of a fact with the justification and that in this case it may be a case of a statement, not fact, being confused with the justification.

He stated that the HR Staffing Report was dubious because it relied substantially on the data and the research provided by Overture staff and by AMS Planning and Research. He noted that he would be providing a report to Overture Ad Hoc Committee members on Tuesday, September 28, 2010.

Denise St. Clair spoke next. She stated that she was representing concerned citizens and art lovers and that she was a professional researcher, with 12 years of experience at the largest statistical research firm in the country. She noted she was concerned with the staffing report, particularly the references throughout the report of speaking to two primary entities, Marcus Center and Fox Cities Performing Arts, and to the AMS and McQueen Associate reports, which are not named and are not provided in the staffing report.

She stated that she looked up other AMS studies. There noted that she found there was no methodology provided, only four-day interviews with key informants (where the informants were listed), in the appendices where data tables that were listed the only footnote was for Insight, LLC, which was also owned by AMS and that was not noted anywhere in the report.

She stated she was concerned the staffing report recommended cutting or reducing box office or maintenance staff to hourly status but there were no recommendations to cut management.

Tom Carto spoke next. He stated that this season, Overture would host more than 600 events bringing nearly half a million people to downtown Madison and there would be many nights where you would see shows not only in Overture Hall, but all the theaters would be full, and maybe a reception or two

in the other spaces that they have.

He also noted that the onstage performances for kids on weekdays would bring nearly 45,000 school kids to Overture and the Kids in the Rotunda another 30,000. Combine this with their many other community programs more than 150,000 people would be able to enjoy the performing arts for free or at very little cost.

He then noted that Overture Center was becoming a destination spot for non-theatrical events. Since last May, they've had 57 weddings and receptions in various spaces around the building, including one that built a full set of Italy on the stage of the Capitol Theater. Two weekends ago, they had five weddings in two days. He believed that they could do a better job competing for weddings. According to their research, there are 3,100 weddings every year in Dane County.

Mr. Carto stated that Overture's collaboration with UW continued to blossom. Recently they added the second year of "Freshman's First Night" for 3,500 freshmen who gathered in Overture for concerts and social activities making it one of their first experiences of Madison. He also noted their connections to other festivals, like the book festival and the film festival.

He believed that the Overture was making its mark on the community and each year the community connected closer to Overture. He stated that these bonds are strong, and that they were getting stronger.

REFERRAL FROM THE COMMON COUNCIL

19944

City of Madison Staffing Study for the Overture Center: An Analysis of Various Operating Structures for the Overture Center - Brad Wirtz, Human Resources Director & Mike Lipski, Compensation & Benefits Manager

Attachments: [Overture HR Staffing Study Final .pdf](#)
[9/23/10 HR Overture Ad Hoc Committee Presentation](#)
[Staff Comparison of FTE's by Comparables](#)
[Staffing Comparison by Comparables](#)
[9/23/10 OAHC Discussion on Legislative File 19944 - Staffing Study registrations 10.5.10.pdf](#)
[Registration 10.5.10.pdf](#)

Please see attachment to this legislative file for the September 23, 2010 Overture Ad Hoc Committee discussion on this item.

A motion was made by Deirdre Garton, seconded by Ald. Lauren Cnare, to RECOMMEND TO COUNCIL TO ACCEPT - REPORT OF OFFICER. The motion passed by voice vote/other.

DISCUSSION ITEMS

Upcoming Overture Ad Hoc Committee Meeting Dates and Discussion Topics

Mr. Soglin asked City Attorney Michael May could be prepared to answer two questions at the next meeting. The first question was if the City was on the hook for the \$6M or when this was refinanced was it possible that somebody

forgot to get the City's signature and therefore the City is not on the hook for \$6 million? The second question was related to the banks. It has been repeated many times that the package, where they take the haircut and money was raised to make up the difference, included a component that the City would take over ownership of Overture. His specific question was, was that a generic statement, or was it specific. He didn't understand, as long as they were paid under the deal, why the banks would care who took ownership of Overture.

Mr. Bugher noted the next scheduled meetings of the Overture Ad Hoc Committee:

Tuesday, September 28, 2010

7:00 p.m.

Overture Center – Wisconsin Studio

Topics: Governance and mechanics of recommendation and report to the Common

Wednesday, October 6, 2010

5:00 p.m.

Overture Center – Wisconsin Studio

Topic: Drafting report to the Common Council - putting together the components of how the committee will communicate to the Council their perspective.

Mr. Bugher noted that the report will go to the Common Council at their meeting on October 19, 2010. He also noted that Mr. Carto had arranged for two tours for members of the Overture Ad Hoc Committee and the Common Council (20 people maximum). Each tour would meet in the main rotunda area and would last approximately 1 hour to 1 1/4 hours:

Monday, September 27, 2010

5:30 p.m.

Monday, October 4, 2010

5:30 p.m.

Ald. Cnare also requested that people RSVP to Lisa Veldran.

Mr. Onken asked who was going to talk to them about governance. Mr. Bugher stated that it has yet to be determined but he thought that Steven Wolff would be presenting some sort of a discussion about what other governance models looked like in other similar organizations.

19998

Discussion of Overture Center Focus Model

Mr. Bugher stated that Steven Wolff was present to get their sense of any follow-up questions, discussions, issues, concerns, thoughts that committee members had with respect to the Focus Model. Mr. Bugher thought it would be helpful, if they had concerns or questions about the Focus Model that they start to air those questions and concerns. He reminded the committee member that their charge was to make a recommendation to the Council on their point of view with respect to the Focus Model, not to create their own model that they would like the see the Council pass or execute.

Mr. Soglin stated that when the committee started this process he was convinced that a city-owned and operated facility would be superior to a privately owned and operated facility. Those two are not the Focus Model. He wasn't so sure about that anymore. He stated that reason was that given what he has heard about the ability to raise funds is that we should move away from City involvement. He stated that if it was that easy to raise \$2 million or \$3 million he wasn't sure that the city is even needed, even as the owner. He asked if any of the other members had similar thoughts. Mr. Bugher stated that Steven Wolff could comment on the private-private model.

Ms. Garton asked if she could comment. She stated that when the two boards looked, at a very high level last October, at the possibility of a private-private mode, there was certainly concern about whether or not they would be able to raise enough money to support all of those costs. She reminded the members that the facility study identified a whole range of capital costs that would be required and their sense was that balancing that, between partial responsibilities for the City, partial responsibility for the private sector, was the way to go. She wished that they had asked that question about whether there was the capacity to do that at the meeting on Monday with Kathleen Voit because she thought her perspective would be valuable.

At this time Ald. Mark Clear, Council President, asked if he could join the committee during this discussion. Mr. Bugher told him was free to join the discussion.

Ald. Clear stated that he thought Mr. Soglin raised a very interesting point and one that I thought the Council was struggling with as well. It seemed to him that the biggest advantage of City ownership was the opportunity that was being presented to us by the financial institutions, which was forgiveness of the debt, along with some participation from some of the philanthropists involved and that opportunity would go away if the City doesn't exercise that option.

But he questioned why City ownership was important to the financial institutions and why did they make that a condition of their agreement to forgive the remaining debt. Mr. Bugher stated that they would have that answer next Tuesday.

Mr. Soglin stated that there was also another reason that he brought this up, which was you've got the City in ownership position under the model, and you've got the nonprofit operating it and if this model failed, and he thought it would, the nonprofit can walk. Now the City was stuck with the bill. He thought this was another consideration they have to enter into when reviewing this model.

Mr. Bugher stated that he recalled during the first meeting that Steven Wolff said that if the operator under the Focus Model failed, that the City, as the owner of the building, could execute an agreement with another private-sector operator, bring somebody at a national operator of performance art venues. So the City could have some control over that.

Mr. Soglin stated that they could have some control over it but from what he

knew from people in that business and having discussed it with them, the City better not be expecting to get revenue to let an operator come use the facility. If you thought about this as a business transaction, you've got entity A and entity B entering into an agreement which is tantamount to a lease. Entity B has hired a consultant to spend two years in developing a working model and entity A, which is us, are getting all of our information from entity B's study. That was not due diligence, and that was not arm's length. In fact, I'm curious as to who's been paying the consultant. Ms. Garton stated that 201 State Foundation was paying the consultant.

Ald. Lauren Cnare thought Mr. Soglin asked a very good question. It was similar to purchasing a home and a home owner said, "Oh, yeah, there's never water in the basement". She stated that we've all been there, there's water in the basement. She stated that the question was then that it was incumbent upon us as a City to put into our budget the money that it takes to do a study like this, or some abbreviated version. It would delay that we have done. She asked what the Foundation paid for the study, was it \$100,000 or \$1M. Ms. Garton disclosed that it was \$7,000 a month and that a \$75,000 donation covered the economic impact study.

Mr. Bugher thought that in order to accomplish what Ald. Cnare is suggested there is the forbearance agreement time sensitivity, which the banks have sort of laid out, and it would require that to be changed. He stated that they certainly didn't have time for second opinions and second studies before the various parameters of the forbearance and that kind of thing go into effect.

Ms. Garton stated that it was her understanding is that there was regular communication about whether or not there was any flexibility about that with these particular banks. And the answer that they receive is, no.

Ms. Sanchez stated that the banks want to make this work and that was \ the reason they were giving us this discounted rate for this building. If it was another developer, it would be a different story. He believed that that they see the importance of this building here in this community and ideally they would love to see it function and be an asset to the community. He couldn't believe that they're writing off that much.

Mr. Garner thought that the way it was structured was that he Mayor asked the committee to take a look the Focus Model. The City was currently paying \$1.4M and some change, and part of that was in salaries. He asked if what the Mayor wanted to know is if this could be done without the City having to encumber any more dollars. He asked if that was that a fair question.

Ald. Clear said that in an operating subsidy.

Mr. Garner noted with the capital subsidy being separate. He noted that they also heard that based on what Andrew Statz put together, the capital subsidy could run us \$450,000 to \$500,000 a year. If the City walked away from it now, and the potential for the \$6M was out there, that's about four and a half years, other than whatever relationship they've got with the employees and where they would have to put them. You'd have to deal with that. But a bank, looking at a scenario like that, might say, you know what, I'm going to take the hit now because I know that it's going to impact me for four and a half years. It's not going to impact me for 20 years. The banks don't know if that \$1.4M will then

grow to \$1.6M to \$1.9M to \$2.1M. So there's kind of an unknown on that. Systematically, the City could walk away and they might be in a better position financially, from a fiduciary responsibility to all the people that pay taxes just from that perspective. He wanted to know if they are able to comment on the different things that they've heard and say.

Mr. Bugher stated that it was his understanding of how this would work is that the committee would come to a decision with respect to broad parameters of the plan. For example, the committee said that they think that the Focus Model, which recommends public ownership of the building and private nonprofit operation of the facility, was basically the appropriate model moving forward but they have concerns about this, that, and the other thing. Or they think that the City Council ought to look at whatever, the individual items that they have all been talking about here over the course of the last few weeks. He stated that at the end of the day, he thought that they can't manufacture or create a new plan, but he thought they had enough flexibility to comment on the Focus Plan. And at the end of the day, the Council had to ultimately decide if they want to accept the committee's recommendation along with the framework that's contained within the Focus Plan.

Mr. Onken stated that from personal experience the 200-pound gorilla over at Overture Center has been the debt. And if not for that, he thought the situation would be significantly different. He stated that if there were a chance to get the debt behind us and narrow the number of players, we couldn't afford to turn our backs on that. He believed there could be some safeguards put in place. He also stated that there has been a sincere effort to try to do the right thing and to turn it around. Even their fundraising capabilities, in terms of being able to staff, were severely handicapped by the debt issue. He stated that for him getting the debt out of the way was the biggest issue that will move the Overture Center in a more positive direction.

Mr. Soglin stated that he would not say if he would support or recommend this. He stated that one possibility was to go with the Focus Model and in effect make it a two-year contract, which meant at the end of the second year, the City would have the right to basically say the agreement is over. He noted at that point, the City may want to continue the agreement, want to modify the agreement or, before the two years was out, want to put the matter out to bid. He stated the reason he didn't like it was because that was the sort of deal that once you go down that path, it was very hard to undo it.

Mr. Soglin asked what happened to the so-called negotiated items. They still don't know what they are.

Mr. Soglin also noted that they had not heard from the resident companies on this proposal, they do not know what their thinking is on the proposal or what it meant fiscally to them. He further noted that the original projected costs to the resident companies was too conservative and caused too many problems which left many of them in a very weak position. He stated that they are going to have to make these decisions without hearing from them.

Ald. Mark Clear stated that what the Council was looking for from the Overture Ad Hoc Committee was not necessarily just their blessing or not of the Focus Model, but also their evaluation of the areas of the Focus Model they had a high degree of confidence in: the parts they had questions about and the parts

they had other recommendations but not to the point of reinventing something else.

Ald. Cnare asked Mr. Carto about 2012 and 2013 programming and the Focus Model. She wanted to know how that would be affected if another decision was made, what would happen with all the negotiated performance contracts.

Mr. Carto stated that they had not signed those contracts, that they are holding dates. He stated that a no vote by the Council would have a domino effect: ODC would most likely have to declare bankruptcy. If that occurred, he was sure their relationship with producers, agents, Broadway Across America would all be in jeopardy and their ability to program and their ability to do the work that they do would be seriously undermined.

Ald. Cnare asked Mr. Wolff if the summary pro formas and if they contained conservative estimates. Mr. Wolff stated that they had used conservative estimates. Ald. Cnare then asked if they could use those estimates beyond five years, possibly project numbers out 10 or 15 years. Mr. Wolff stated that five years was standard and they usually don't have projections beyond five years and five years was comfortable timeframe for the company and their budgets.

Mr. Garner asked, if using Mr. Soglin's scenario of a two-year agreement and that agreement would fail, what would happen to the contracts with all of the different performing groups that currently reside at the Overture Center and what would the City be looking at two years from now as far as obligations. He wanted to know if the city would be obligated to make sure that the Madison Symphony Orchestra and all the other groups would have a performing place in the facility.

Mr. Carto said there were two things. First, the model calls for a five-year window of continuous improvement of activity and fundraising. Year two, if they benchmarked to where they are in the model, would be a good milestone. He cautioned them to remember that the transition funding was actually supporting the deficit gap up until year four so they needed to look at the whole plan and how that worked out in terms of activity and fundraising.

Mr. Garner stated even if you used the five year scenario and the Overture Center failed, the city would then get the facility back and he asked then what obligations the City would have to the performing groups that are already there. Mr. Wolff stated that if the Focus Model was pursued and the City entered into an agreement with the nonprofit to operate the facility, the obligations for use of the facility would be between the nonprofit and the users. There would be no contractual obligation that leaked back to the City. He noted that the City may feel it had a moral or ethical obligation to accommodate community users, but that would be City's choice. The assumption here in the model was that the private nonprofit would have operating responsibility for the building. It would carry all of its own contracts, and it would be subject to all of its own exposures.

Mr. Garner stated if the city was left with the building after a two-year or five-year agreement, they could put whatever they wanted in the building to cover the costs of heating, air conditioning and maintenance because the city did not have any contractual agreements to deal with, if the nonprofit failed. Mr. Wolff stated that would be subject to the terms of the agreement between

the City and whomever. Mr. Garton stated it would be with the resident companies.

Mr. Soglin stated that they should look at this arrangement like a landlord, a tenant, and a sublease. He stated that one of the critical questions on the sub lease was did the landlord sign it. Assume that the landlord does not sign it. So at that point, with the City as a landlord and the nonprofit as the tenant, the City has no obligation to any contracts that the tenant enters into. Now if the tenant fails, it raised a real good question as to what does the landlord do at that juncture, and what happened to the sub-tenants, (which would be the performing arts groups). The sub-tenants have no place else to go and the City (as the landlord) had the building.

Mr. Garner asked about the role of the non-profit operator and their improvements to the facility. He wanted to know if they would have any legal ability to come back to the City for undue enrichment in that facility to help them be more successful. Mr. Soglin stated not if the City Attorney did a good job.

Mr. Bugher stated that they keep in mind that the nonprofit operator had to go out and raise the \$2 million a year in order to meet the budget projections that were outlined in the Focus Model and the budget. He questioned if they started putting timelines or talking about two-year windows would people be motivated to provide that philanthropy if they had these sort of artificial relationships with the operating company and the City. He would say no. He noted that under the Focus Model the City is not responsible for running the Overture Center. The City was just going to own the building and somebody else was running it. They had no business worrying about the operation.

Mr. Soglin stated that Mr. Garner had brought up something up that was absolutely correct. It was the case of the city and the operation of the Hartmeyer Ice Arena in the 1970s. He noted that the City decided it was going to get out of the operation of the Hartmeyer Ice Arena, even though it continued to own it. The city leased it to a person to run and after all was said and done he was bankrupt. This person had made all kinds of improvements to the building, and there were mechanic liens all over the place. So now the City not only wasn't being paid under the lease from that person, the City also had to take care of the mechanics liens from the improvements. So, yes, if the nonprofit puts in that flooring and doesn't pay for it was possible the city would be responsible. He also noted that the City Attorney could protect the City by putting something in the agreement requiring bonds and requiring that any kind of improvement like that was to be paid with cash.

19999

Discussion of Overture Center Ad Hoc Committee Report Preparation

Mr. Bugher stated that his view on developing a report framework was that they have a discussion, over the course of the next two meetings, and that they come to some consensus as to how they feel about the Focus Model. In addition, as Alder Clear suggested, any concerns, ideas for constructive change, thoughts they had with respect to the various components of the Focus Model. They would then communicate that to the Common Council and the Mayor in the context of a letter on behalf of this Committee to them.

Mr. Soglin thought it was wonderful that he suggested a letter because he was thinking a written report. He thought the amount of content in a letter would

only result in one or two pages versus a report which would longer.

Ms. Steinhoff stated that she was still struggling with the condition of City ownership and why the banks would make that a condition. She didn't understand why that was so important to the banks. Mr. Bugher stated that they would hear about that at the next meeting unless City Attorney May wanted to respond. City Attorney May stated that he didn't think it was a condition placed by the banks but the donors of the \$15M. Ms. Steinhoff asked Ms. Garton if that was correct. Ms. Garton stated that it was part of the agreement after happened after consideration of the Focus Model, although the banks also had had an opportunity to take a look at the Focus Model. Ms. Steinhoff stated that the Focus Model came first and the idea that the public ownership/private operator came first. She asked if this had been on the table before the donors or the banks or whoever put that condition out there. Ms. Garton replied that it had and the reason for that was that nobody on the boards (MCAD or 201 State Foundation) felt it would be appropriate to approach anybody without some sort of a plan for a sustainable future. Ms. Steinhoff then asked if it was correct to say that this was the plan that donors looked at and said, "Oh, we like this model. Therefore, we're going to put this condition out there that we're going to get \$5 million or \$3 million". Ms. Garton stated that was correct.

Ald. Shiva Bidar-Sielaff asked if this plan was the only model that the donors were presented with. Ms. Garton stated that there were discussions with donors. They went through a process at the boards of taking a look at a series of different models a year ago that included private, public-private, etc. In order to do the kind of modeling that was required (which was a very expensive process), it was the feeling of the board that they needed to decide which was the most sustainable. The only one that really ended up at that high level without major deficits, whether it was public or private, was the public-private scenario. She stated that therefore, the boards endorsed that view and asked for the work to be done (the very detailed work on the modeling) and presented that full picture, the very high level look and then the more detailed level for the ones that the boards chose, to bring back to the donors.

Mr. Garner asked if they the members of the Overture Ad Hoc Committee needed to be present when the Common Council reviews their recommendations and report. He wanted to know what the date(s) may be.

Ald. Clear noted that they are trying to schedule a Council discussion for Wednesday, October 27 at approximately 6 p.m. in Room 201, CCB. The Common Council meeting where the report would be on the agenda was Tuesday, November 9, 2010 at 6:30 p.m.

Mr. Soglin was distressed by the requirement of City ownership came to be. He stated that there has been a continual problem in regards to openness and transparency. He repeated that the committee was being asked to act on a report, paid for by people who basically predetermined the outcome in a private setting and this was not the best way to conduct public business. He stated that this was one of the problems that has plagued Overture from the very beginning. Ms. Garton stated that the 201 State Foundation and the MCAD operated open meeting and followed the public records law.

Ms. Steinhoff stated that there were six models studied and asked if there wasn't more detailed information on the models that were looked at by the boards. Ms. Garton stated that there was a particular charge to the Committee given by the Council and by the Mayor, and information presented in a tight timeline, and therefore, information was presented to the committee that particular way. Mr. Bugher noted that at the next meeting, they would have a broad discussion on governance and other issues related to the Focus Model. He thought when Steven Wolff was present at the next meeting committee members could question him on the alternative models including his experience with other types of models. Ms. Steinhoff stated she understood but that she couldn't necessarily make conclusions about the Focus Model without a little more information. She stated that to her the success of Overture was absolutely critical to everybody in the city.

Mr. Soglin recommended a book by Daniel Kemmis, where he writes about community and the politics of place. In the book Mr. Kemmis referred to a model where all of the legal necessities and requirements of due process are followed, but it was inherently un-democratic because of the way it's structured. He noted that Mr. Kemmis makes the point that input, whether it was formally notified or not, was critical to the outcome of a meeting and a republic process and that the simple fact that the resident companies did not have a participatory part in this evolution may have changed the outcome. There had to have been something that they would have contributed to the thinking and their viewpoint that would have affected the result.

Ald. Cnare asked Ms. Garton if it was correct to say that they had several models to select from and one seemed to rise to the top that was then developed in depth. Ms. Garton stated that was correct. Ald. Cnare asked if it was possible to obtain some sort of table that would show how they came to the Focus Model conclusion. Ms. Garton stated that it was available. Mr. Bugher asked Ms. Garton to send it to Lisa Veldran to distribute to members. Mr. Bugher noted that this could be added to the agenda for next Tuesday.

Ald. Bridget Maniaci stated that she would like to see more substance to a table than what was originally presented to this committee at their first meeting. She stated that as much supportive documentation that they can bring to the table about what all the options on the table would be very beneficial and the sooner that came forward, the less they would have to spend backtracking.

Mr. Bugher stated that they could broaden these sorts of discussion points to be included on the next agenda; not only a discussion of the Focus Model but other alternatives that were reviewed.

Mr. Onken stated that there was one last constituent group that he thought had been very active: the bargaining units. He thought they could allow them longer than three minutes and put them on as an agenda item. He noted that the Council was going to hear from them anyways. He noted that it didn't mean they could change anything.

Mr. Garner asked for clarification about the capital expenses not being a concern. He wanted to know if the concern was not going over the \$1.4M that the Mayor talked about. Mr. Soglin stated that was correct but you couldn't say that you aren't concerned about the capital cost because debt service was

usually attached to it.

Mr. Garner stated he understood that, but what he was trying to get at was, regardless of what you call it, there was an expense to the City. He asked if that was a problem if that took you above the \$1.4M. He asked if that changed what the Mayor was asking them to look at. He noted that the City was already spending \$1.4M, and now they were going to spend \$1.9M. The taxpayers didn't whether it's capital or operating.

Mr. Soglin noted that he had asked the Mayor at the first meeting, should they take into account how this impacted the entire City budget and the Mayor said yes. Mr. Soglin stated that he was going to consider what he thought was the best way, spending public money, to develop the arts in this community.

ADJOURNMENT

A motion was made by Paul Soglin, seconded by Jim Garner, to adjourn. The motion passed by voice vote/other. Meeting adjourned at 9:31 p.m.