



City of Madison

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

Thursday, February 19, 2015

4:00 PM

One John Nolen Drive
Community Terrace

CALL TO ORDER / ROLL CALL

Present: 12 - Michael E. Verveer; M. Alice O'Connor; Mark J. Richardson; Ricardo A. Gonzalez; Susan Sabatke; Shelia Stubbs; Mark Clarke; Glenn R. Krieg; Thomas J. Ziarnik; James Ring; Chet Gerlach and Thomas P. Solheim

Excused: 2 - Jane Richardson and Judith F. Karofsky

APPROVAL OF MINUTES

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

PUBLIC COMMENT

None.

DISCLOSURES AND RECUSALS

None

NEW BUSINESS

1. [37274](#) Policy Approval: Tobacco Smoke Control Policy: Gregg McManners, Director

Instituting this policy is part of the LEED sustainability efforts. The board asked whether this policy as stated is more lenient or more severe than current city or state regulations. It was recommended to add the following statement in some form to the policy: "Compliance with applicable laws and regulations in regard to smoking is also taken into account by this policy."

A motion to approve this policy with the recommended amendment was made by Solheim and seconded by Ring. The motion passed by voice vote/other.

2. [37301](#) Monona Catering Year-End Report: Patty Lemke, Vice President and General Manager

2014 year-end revenue was \$6.8 million (pre-audit). This was down nearly 6% from the record setting 2013. Lake Vista Café sales were up 27% from 2013, primarily due to good weather and a successful concert season. The revenue projection for 2015 is \$6.5 million, with May, June, August and October forecasted to be the highest revenue earning months.

A new set of menu packages will be unveiled in March of 2015 and marketed to Quinceanera celebrations. The packages offered will address the cultural catering needs of this market segment and will be published in both English and Spanish.

3. [37276](#)

Community Events Year-End Report: Fran Puleo, Manager of Community and Public Relations

Attendance at all 2014 community events was approximately 52,000 people. Concerts on the Rooftop attendance grew by 7%, Meditation grew by 21% and group tour attendance grew by 44%.

Donations collected totaled \$5,584. Additionally, the re-opening of the personalized rooftop tile campaign to support community programming has been very successful. In 2014 a retail value of \$11,375 in tiles has been sold.

Media coverage for 2014 was calculated to have a PR value of \$202,573.

The volunteer crew, consisting of 55 people, logged in 1,221 hours and the intern program logged in 1,518 hours for 2014.

Sponsorship support came from 16 different sources, among them organizations, private companies and individuals. Multiple grants were received from the Madison Arts Commission and Dane Arts.

7 spots have been identified as areas to display sculptures. The plan is to have a yearly rotation of sculptural pieces from Midwest artists on display.

A new event "Funky Dance Madison" was rolled out in 2015. This event is ticketed with the proceeds going to support Dane Dances free summer concerts. The first of these dances raised \$3,000.

A new slate of tour options is being offered to groups including: food & wine tours, content specific tours and even a scavenger hunt style tour.

4. [37278](#)

Quality Year-End Report: Gregg McManners, Director

Performance indicator: This report shows that the 2014 quality index, which includes things like quality of service, building cleanliness, staff courtesy and the like, had a target of 95% satisfaction, the target was easily surpassed averaging 98% satisfaction for the year. The report also indicates that the customer engagement index, based on surveys given to clients and patrons, shows an average of 96% satisfaction for the year. Repeat business is at 67% for the year. Additionally, the target for employee satisfaction was 80%; however, the employee survey came back showing satisfaction at 96%. Spending was only over by 4% for the year and lastly, revenue targets were met or exceeded by 9% for the year.

Employee Survey Results Comparison: This chart lists the 30 questions posed in the employee survey and aggregates the results. Significant increases in satisfaction were seen in questions about communication, performance recognition, commitment to social responsibility, equality of treatment, and more. Most drops in satisfaction were under 5%.

Guest Survey Comparisons: A chart comparing the guest survey averages for the years 2010-2014 showed consistently high overall satisfaction rates and a nearly 100% 'willingness to return' across the board. The 'willingness to recommend' stayed steady at 100%, since it began being measured in 2012. Survey return rates remain high, averaging 51% over the past 5 years.

5. [37280](#)

Year-End Finance Report: Kathi Hurtgen, Associate Director - Finance and Operations

The event revenue mix in 2014 was very similar to 2013 with over 50% of revenue generated by conventions and conferences.

2014 revenue came in at \$4.35 million (pre-audit), up 9% from what was budgeted. Expenses were \$7.3 million, up 4% from what was budgeted.

2014 had several unexpected and significant expenses. 1) Two retirements by long-term city employees resulted in large benefit pay outs. 2) A conference booked on short-term notice needed highly specialized tech and the cost of that rental equipment could not have been budgeted. 3) The need for stage hands and hourly laborers increased due to a variety of unforeseen reasons, such as multiple employees requiring disability leave and the addition of short-notice events. Furthermore, credit card usage charges have continued to increase, with many clients using credit cards over other forms of payment. Additionally, heating costs have risen sharply. This has prompted research into alternative heating options. Staff is investigating the savings that could be generated by the installation of boilers instead of purchasing steam from the state to heat the building.

The unusual expenses as well as ever increasing operating expenses coupled with the fact that the facility was only in operation for 11 months of the year (due to renovation) resulted in the necessary application of \$250,000 in reserve financing in December to close the gap.

6. [37282](#)

Finance Committee Report: Alice O'Connor, Chair

After reviewing the proposed changes to the 2016 base room rental and equipment pricing, the committee has approved these price lists.

A motion was made by Clarke, seconded by Ring to accept the report. The motion passed by voice vote/other.

7. [37284](#)

Judge Doyle Square Ad Hoc Committee Report: Sue Sabatke, Vice Chair

The committee discussed the newly approved RFP and the Board of Estimates meeting at which it was introduced. It is apparent that the council does not support financing of a full service hotel.

The JDS AH committee is currently working on a question & answer piece that will educate and outline a clear message supporting the need for a hotel to compliment Monona Terrace.

One note of concern, if the TIF funded parking garage is used to benefit the new hotel in some way, this will be disputed by the hotel group that claims

that this would be considered TIF financing for the hotel and is unfair.

8. [37290](#) Booking Pace Update: Bill Zeinemann, Associate Director - Marketing and Event Services

	Budgeted	Projected
Conventions	28	33
Conferences	35	30
Banquets	212	209
Meetings	205	185

The 2015 numbers on conventions and conferences are lining up on budget at 63 for the year. Meeting numbers are a little soft; however, they often catch up in a matter of a month's time as they are generally short term bookings and the sales manager in charge of booking meetings is excellent at drumming up business.

9. [37288](#) Directors Report: Gregg McManners, Director
A. Board Report

A change in finance procedure due to new financial software will result in financial reports that reflect the revenues and expenses of food and beverage, essentially treating Monona Catering like any vendor. This will provide a clearer picture of the volume of business done by the organization. Though the numbers in the revenue and expense columns will be uncustomarily high, Monona Terrace's bottom-line will remain unaffected.

Staff is working on an application for the Wisconsin Forward Award.

Structural engineers have been brought in to examine the Bike Elevator and determine how to vent it in order to help normalize the otherwise extreme temperatures that build up in the elevator shaft. A report will be ready in approximately three weeks with the recommendations.

10. [37292](#) Announcements from the Chair: Glenn Krieg, Chair

A Celebration of Life program for George Nelson will be held on Saturday, February 21 at 2pm here at Monona Terrace in the Madison Ballroom.

ADJOURNMENT

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