



City of Madison

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

Thursday, September 19, 2013

4:00 PM

One John Nolen Drive
Hall of Fame Room

CALL TO ORDER / ROLL CALL

Present: 10 -

M. Alice O'Connor; Mark J. Richardson; Susan Sabatke; Mark Clarke;
Judith F. Karofsky; Glenn R. Krieg; Thomas J. Ziarnik; James Ring; Chet
Gerlach and Thomas P. Solheim

Excused: 4 -

Jane Richardson; Michael E. Verveer; Ricardo A. Gonzalez and Dianne
Hesselbein

APPROVAL OF MINUTES

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

PUBLIC COMMENT

No public comments.

DISCLOSURES AND RECUSALS

No disclosures and recusals.

NEW BUSINESS

1. [31176](#) Alliant Energy Center Presentation: Mark Clarke, AEC Executive Director

Mark Clarke started with an explanation of the relationship between Alliant Energy Center (AEC) and Monona Terrace and how the facilities really complement each other. The AEC hosts 500 events a year with the majority of them being consumer shows, conferences, and conventions and the minority being banquets and meetings. Monona Terrace on the other hand is just the opposite hosting more meetings and banquets than consumer shows, conferences and conventions. This juxtaposition in the marketplace makes for a great relationship between the entities and is good for the City of Madison.

He continued with his report on the upcoming undertaking of a large scale renovation/construction project on the AEC campus. The AEC consulted with their stakeholders: World Dairy Expo, Dane County Government, Midwest Horse Fair, UW Madison and the American Saddlebred Horse Association to do a Livestock & Exhibition Space Study. The study found that though the center

could really use more flat space, the primary need is livestock building upgrades. In this area of the industry, animal safety and comfort come first, then space for feed and tack storage, along with infrastructure, wash bays, manure handling and finally, user amenities.

The study resulted in a design that consists of 2 new multi-use facilities that must meet specific standards. They need to maintain the principals of sustainability as outlined in County resolution 103. They must be constructible in less than 6 months because they will be pre-manufactured metal buildings. The facilities need to be usable year round and the facilities are required to total 290,000 sq ft.

Currently there are 11 barns in the space where the new facilities will go. These barns will be removed. The 2 facilities will take up the same footprint as the barns, but will be able to hold 1,000 more animals than the barns. This will free up 650 parking spaces that would normally be used for tents to accommodate the other 1,000 animals.

Both pavilions will have covered wash bays, manure storage and walkways. The manure storage will allow for control of runoff. The outside design of the facilities will complement the Exhibition Hall and the rest of the campus.

Funding the project will require \$21-23 million.

- \$9 million is coming from a State Grant
- \$6 million will come from the AEC operating budget
- \$5 million from the private sector
- Other funding sources will include Dane County and the sale of naming rights.

The timeline on this project has been shifted from the original October 2013 thru April 2014 to the new time of April 2014 thru September 2014. The savings gained by switching from a winter build to a summer build was significant. Construction during the summer presents some challenges; there are 5 events that have booked the barn area during this time. These challenges will be met by placing temporary tents in the parking lot to accommodate those 5 events. Project design will wrap up by the end of October 2013 and the project will be put to bid in November 2013.

2. [31618](#)

Monona Catering Contract: Gregg McManners, Director

A motion was made by Clarke, seconded by Ziarnik, to Approve the catering contract. The motion passed by voice vote/other.

This resolution is to accept \$75,000 from Monona Catering for kitchen renovation and as a return on the investment, extend Monona Catering's contract with Monona Terrace for 3 more years, to expire in 2020.

3. [17074](#)

Booking Pace Update: Bill Zeinemann, Associate Director - Marketing and Event Services

2013	Projected	Budgeted
Banquets	225	201
Meetings	205	193
Conferences	35	33
Conventions	31	27

Event revenue for the year will be 9-10% over budget.

2014	Projected	Budgeted
Banquets	225	215
Meetings	199	192
Conferences	26	30
Conventions	27	27

Conference numbers appear to be lagging; however the sales department does expect to book more conferences in 2014 as the trend has been that more and more conferences are booking in the same year as their events. In looking over past years' stats, there doesn't appear to be any particular reason for the low number of conferences.

Convention budget numbers are realistic given the fact that there are not as many potential conventions to court for business. Even though Monona Terrace can accommodate up to 60% of all conventions that are held in the USA, the infrastructure in Madison prevents it from consideration. The lack of hotel room blocks knocks Monona Terrace out of contention for many of these conventions.

Notably, Trek organizers, who plan an annual convention at Monona Terrace, have bemoaned the lack of close hotels for their attendees and have recently voiced their support of a new hotel in the downtown area.

4. [24060](#)

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

August was a strong month with 47 events. This was ten more than was budgeted. The total operating revenue was 17% over budget. With this increase in business, the operating expenses were increased to 6% over budget. However, the month finished with revenue \$71,000 over expenditures. This takes year to date revenue up to 2% over budget, expenses are 1% over budget and total revenue is now only \$2,000 under expenditures.

Monona Catering had a record breaking August, and looks to be on track for a record breaking October.

5. [28249](#)

Director's Report: Gregg McManners, Director

South Capitol District Plan

This plan is still in the early stages. The city is looking at ways to improve the intersection at Wilson/Blair/Williamson for pedestrians and bikers, along with the nearby portion of Law Park. Monona Terrace is interested in supporting the beautification of that area and will be keeping a close watch on future developments.

Judge Doyle Square

The developers' proposals are due at the end of this month. Each developer will present 2 sets of plans; one that utilizes the MMB and one that does not. Once available, the board will be debriefed on the plans. Monona Terrace staff is prepared with a plan to make sure that the facts are made public to counter any negative and sensationalized media reports.

State legislators, with the backing of CVBs have introduced legislation that would change the current TOT laws. They are interested in giving control of the TOT funds to an independent governing body. This could have significant effect on Monona Terrace where room tax equals a third of its total revenue. It's true that there are communities that are misusing the fund, but it may be more effective to target those communities than to overhaul the law. Monona Terrace staff plans on meeting with the sponsors of the bill. The board suggests that staff write up a position on the bill with suggestions of how to correct abuses while not punishing communities who are using the funds correctly.

6. [31617](#)

Announcements from the Chair: Glenn Krieg, Chair

The letter that was sent to the Common Council from the board appeared to have its intended effect. The Common Council passed the Public Works projects on the consent agenda, without discussion. There were a number of questions on the 2014 Capital Budget at the Board of Estimates meeting but no amendments were submitted to suggest changes. There still could be amendments suggested by certain alderpersons, but it would have to be from the floor during the budget debate.

A member of the board, Jim Ring, finished the Ironman Race earlier this month. The entire board and staff of Monona Terrace commend and congratulate him on this accomplishment.

ADJOURNMENT

A motion was made by Clarke, seconded by O'Connor, to Adjourn. The motion passed by voice vote/other.