



MONONA TERRACE COMMUNITY AND CONVENTION CENTER

ONE JOHN NOLEN DRIVE MADISON, WI 53703 TEL 608 261-4000 FAX 608 261-4049

DATE: May 13, 2022

TO: Monona Terrace Finance Committee

FROM: Connie Thompson, Executive Director

SUBJECT: **CAPITAL BUDGET 2023**

Attached is the information packet for Monona Terrace's 2023 Proposed Capital Budget.

This Capital Budget for 2023 is consistent with the 10-year Capital Improvement Plan developed by staff. The 10 year plan is reviewed and updated annually by staff and is attached for your review. The Hotel Room Occupancy Tax and our operating revenues fund Monona Terrace debt service, and Monona Terrace operating and capital budgets. Per the direction of City Finance, Monona Terrace was given the task of reducing our capital budget requests for the years 2021 – 2024, due to the Room Tax Fund being greatly diminished because of the COVID-19 pandemic, and the corresponding reduction in hotel stays.

The marketability and competitiveness of Monona Terrace as a physical asset is an essential element to our success. There are many convention centers and hotels across the country that our customers can choose from. The 2023 Capital Budget will continue to prioritize replacement of obsolete or dated equipment and finishes. Competition for business is fierce and only those convention centers that are well maintained, and able to meet current demands of the market will be successful. Additionally, some purchases will need to be made in 2023 for the 2024 renovations, such as the purchase of carpet for the building.

The Finance Committee should keep in mind that there is an upcoming 10 year renovation scheduled for 2024. The City of Madison has stated that funding for 2023 and 2024 renovation projects will be part of the City's general obligation borrowing. At the current time, the plan is for future years to be funded through Room Tax.

Below is a description of each attachment.

Attachment #1 2022 Capital Projects

Funding of \$1,400,000 was approved by the Monona Terrace Board in June 2021, and then approved by the Common Council in November 2021.

Attachment #2**2023 Capital Budget**

The projects are outlined in the attached document for your review. Some of the highlights are as follows:

Building and Building Improvements

Carpet purchase in preparation for 2024 renovations
Replacing tiles on Monona Terrace Rooftop
Restroom fixtures replacement
Wood door replacement
Wood surface rehabilitation in Dane/WI Rooms
Lighting Controls upgrade
Server systems upgrade

Machinery and Other Equipment

Décor package (17' pipe, bases, and drape)
Replacement of banquet chairs
A/V equipment upgrade, including microphones and radios
Rooftop 3 foot stage and stairs
Mid-tier projector replacement
Replacement of building work stations, monitors, and printers

Thank you for taking the time to review the attached information.



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2022 Adopted Capital Budget

Attachment 1

| BUILDING and BUILDING IMPROVEMENTS | Requested Budget |
|---|-------------------------|
| Tile project (Olin Terrace) | 100,000 |
| Building Audio System upgrade | 130,000 |
| Landscaping Upgrades | 40,000 |
| Exterior Building cleaning | 25,000 |
| Airwalls – Ballroom and Exhibition Hall | 540,000 |
| Re-caulk Building Seams | 150,000 |
| Replacement of supported tiles on Olin Terrace | 200,000 |
| Total - Building and Building Improvements | 1,185,000 |

| MACHINERY AND OTHER EQUIPMENT | Requested Budget |
|--|-------------------------|
| Cabaret tables and 4 foot round tables | 40,000 |
| Heat Exchanger | 85,000 |
| Chariot I-Vac | 20,000 |
| Aqua Ride | 20,000 |
| Battery backup for devices at end of life | 50,000 |
| Total - Machinery and Other Equipment | 215,000 |

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|--|---------------------|
| Total Adopted Capital Budget for 2022 | \$ 1,400,000 |
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2023 Requested Capital Budget

Attachment 2

| BUILDING and BUILDING IMPROVEMENTS | Requested Budget |
|---|-------------------------|
| Rooftop tiles (regular and name tiles) | 900,000 |
| Re-grout Main Entrance | 40,000 |
| Carpet purchase (for 2024 renovation) | 800,000 |
| Gallery renovation (Level 3) | 50,000 |
| Restroom fixtures | 150,000 |
| Wood Door replacement | 100,000 |
| Interior Painting | 50,000 |
| Wood surface rehabilitation (Dane/WI Rooms) | 40,000 |
| Rooftop membrane inspection/repair | 25,000 |
| Hearing Assistance System replacement | 10,000 |
| Lighting controls upgrade | 30,000 |
| Server systems upgrade | 65,000 |
| Total - Building and Building Improvements | 2,260,000 |

| MACHINERY AND OTHER EQUIPMENT | Requested Budget |
|---|-------------------------|
| Décor Package (17' pipe, bases, and drape) | 110,000 |
| Banquet Chairs | 500,000 |
| Stage Skirting (2' and 3') | 30,000 |
| 8' Pipe, bases, and drapes, table skirts | 150,000 |
| A/V Equipment Upgrade – Wireless microphones | 20,000 |
| A/V Equipment Upgrade – partial Two-way radio replacement | 20,000 |
| Chariot I-Vac | 21,000 |
| Aqua Ride | 24,000 |
| 3 foot Stage and stairs for Rooftop | 100,000 |
| Building work stations, monitors and printers | 45,000 |
| Mid-tier projector replacement | 30,000 |
| Total - Machinery and Other Equipment | 1,050,000 |

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|---|---------------------|
| Total Requested Capital for 2023 | \$ 3,310,000 |
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