

Commission Attendees: John Beltz, John Eischen, Shannon Knoepke, Marv Mitchell
Absent: Jerrie Hayes, Heidi Mestad, Dan Nelson

Attendees: Donna Drews (Mayo Civic Center (MCC)), Brad Jones (Rochester Convention and Visitor's Bureau), Julie Gay (Self), Dave Goslee (City Attorney's Office), Chad Koehler (Lancer Hospitality), Andy Krogstad (MCC), Gary Neumann (City Administration Office), Jo Oeltjen (MCC), Pete Virnig (Lancer Hospitality)

A. Call to Order

Meeting was called to order by John Beltz at 3:04 PM

B. Approve Agenda

Motion was made by Marv Mitchell to approve the Meeting Agenda, Second by Shannon Knoepke. Motion unanimously carried.

C. Open Comment Period

John Eischen said he has been working on arrangements for the 2017 Builders Home Show, and due to construction, needs to make preparations for the best possible utilization of the Arena. John mentioned he has been discussing these arrangements with Paul Sund, MCC stagehand, and while the Midwest Energy Assn. (MEA) Gas Operations Conference was in town, Paul contacted John and suggested he drop by to see their booth set up in the Arena. John commented that Paul provided great customer service and he appreciated the extra effort.

D. Consent Agenda

a. Council Item Review

a. Convention Center Expansion Change Order #2

b. Meeting Minutes

a. July 8, 2015

c. Monthly Financial Report

a. June 2015

d. MCC Booking Pace Report

e. Strategic Plan Goals Update

Comment was made that any consent item may be "pulled" from the Consent Agenda if anyone wants to have additional discussion/input on that item.

A motion was made by Marv Mitchell to approve the Consent Agenda, Second by Shannon Knoepke. Motion unanimously carried.

E. New Business

a. MCC Food & Beverage Management Agreement One-Year Contract Extension

MCC has a three-year agreement with Lancer Hospitality and this is the final year of that contract.

According to the IRS regulations, we are able to extend this agreement for two one-year terms. Donna will email a copy of the current Food and Beverage Management Agreement, and Commission members are invited to comment.

F. Unfinished Business

a. Review of 2016 Operating Budget

A copy of the proposed 2016 MCC operating budget was emailed to MCC Commission members, and Andy Krogstad asked for comments. Andy said that this budget preliminary, and includes the costs associated with funding four proposed new full time employee positions: Custodial Crew Chief, Custodian, Technical Audiovisual Supervisor, and Event Coordinator. The wages and benefits for these four positions total is approximately \$200,000; with two positions to be filled in January, and two in September. Andy commented that a large portion of the MCC annual operating budget is determined by the City Finance Department, e.g. s for wages and benefits, utilities, insurance, etc. The City Council will set the tax levy limit in September, and the overall 2016 budget will most likely be approved in December. 2008 was the last time that any new employees were added to the MCC staff. The 2016 operating budget request is due on August 21. A motion was made by John Eischen to approve the preliminary budget, Second by Shannon Knoepke. Marv Mitchell suggested an informational session on the budget, and this topic will be added to the MCC Commission's September Agenda. Motion carried unanimously.

G. Construction Update

Construction is going very, very well. Pile driving is finished in the front, and only 20 piles are left to do on the east side of the building for the kitchen. CPMI has indicated that once we are "out of the ground", there are usually fewer surprises. As planned, the skyway connection is targeted to reopen in December. Also, the new Arena locker rooms are nearly finished and will be available for use during the MSHSL Section One Volleyball Tournament scheduled in late October, early November.

H. New Business

- a. Discussion: How do we prepare for MCC to be 50% booked in 2017 by January 1, 2017?
Currently there is \$355,887 in revenue of confirmed/contracted in 2017, and another \$1.8M is in the pipeline. Brad Jones estimates the CVB conversion rate is between 65-70% so as of today, approximately \$1.526M is on the books, and another \$1.574 is needed in order to achieve the overall revenue goal of \$3.1M in 2017. Brad offered to provide the Commission with a lost business report with information on why business is not converted. John Beltz asked for comments on any trends that have been tracked. He suggested we monitor new business and determine why they chose us.

I. Director's Report

On August 17, City Department Heads will present the 5-year Staffing Plan to the Rochester City Council at their Committee of the Whole Meeting. Included in this plan, is MCC's request for additional staffing. This weekend will be the seventh and final 2015 CCJW District Convention. Also, we should know soon if the MEA Gas Operations Conference will be returning in August 2016. This group met in Rochester last week, and customer response was very favorable. There are two weekends remaining of Down by the Riverside, and a large country-rock concert will be announced shortly.

J. Other Business

No other business

K. Adjournment

Meeting adjourned at 4:10 PM

Next Meeting: Wednesday, September 9, 2015