

Mayo Civic Center Commission Meeting
Wednesday, April 12, 2017 – 3:00 PM
Mayo Civic Center Offices Conference Room

Attendees: Commission Members

Teresa Chapman, Jerrie Hayes, Matt McCollom, Heidi Mestad, Marv Mitchell, Dan Nelson, Amita Patel
Absent: Teresa Chapman

Other Attendees:

Marti Abts (Rochester Civic Music Board), Donna Drews (Mayo Civic Center (MCC)), Matt Esau (Rochester (Rochester Convention and Visitors Bureau (RCVB)), Mary Gastner (RCVB), Julie Gay (Freelance), Brad Jones (RCVB), Andy Krogstad (MCC), Gary Neumann (City Administration), Jo Oeltjen (MCC), Erin Okins (MCC), Randy Peterson (Post Bulletin), Pete Virnig (Blue Bell)

- A. Call to Order
00:03 Audio Tape
The meeting was called to order by Marv Mitchell at 3:00 PM
- B. Approval of Agenda
00:15 Audio Tape
Motion to approve the agenda was made by Jerrie Hayes, Second by Amita Patel. Motion was approved.
- C. Open Comment Period
00:30 Audio Tape
There were comments about the video wall coming across the Skyway.
- D. MCC Commission Group Photo for Post Bulletin Grand Opening Insert
01:27 Audio Tape
- E. Consent Agenda
08:17 Audio Tape
 - a. Council Item Review
 - i. Convention Center Expansion Change Order 13
 - ii. GESP Work Order Contract Amendment 4 with McKinstry Company, LLC
 - b. Meeting Minutes
 - i. March 8, 2017
 - c. Monthly Financial Report – No Items
 - i. March 2017 Bills & Income Statements

Motion to approve the consent agenda was made by Heidi Mestad, Second by Dan Nelson. Motion was approved.

F. 2016 Year End Financial Report – Andy Krogstad

09:06 Audio Tape

Andy Krogstad discussed the 2016 Year End Financial Reports. The 2016 books were closed in March of 2017. Barring any adjustments by the auditors, these numbers should be very, very close to final. 2016 was a challenging year from the construction standpoint. In 2015, we were not impacted for the entire year as construction did not really start until April of 2015, but we were impacted for the entire year of 2016. There was an increase in operations expenses – some due to staffing but also utilities as the Mayo Civic Center has been supplying steam heat to the new building, even when it was under construction. The Food and Beverage for 2016 was greatly improved. In 2015, it netted almost \$18,000. In 2016, it netted almost \$76,000. A lot of the increase, but not all of it, is tied to the Rotary group. We did money into reserves.

G. Review Action Items from March 8, 2017 Meeting – Marv Mitchell

25:52 Audio Tape

Item H. – Jerrie Hayes will provide a list of issues with the RCVB rental lease to Donna Drews – this has been completed. The RCVB lease has been approved by the City Council. Item I. b. – Donna Drews will redo the language in item 15 (biodegradable serve ware) of the MCC Signature Caterers Services Standards & Guidelines – this has been completed.

H. Directors Report – Donna Drews

12:55 Audio Tape

i. Construction Update

Donna Drews talked about how construction continues to be very, very busy; especially with training. We do have substantial completion, but there are still some minor things that need to be wrapped up. We are still waiting for some equipment. Work is progressing on Presentation Hall. We are waiting for the final numbers on what it is going to cost to ship the Po Shu Wang artwork. Hopefully the artwork will be installed next month.

I. Sales Report – Matt Esau

16:31 Audio Tape

Matt talked about the 2017Q1 RCVB and MCC Sales Report. Q1 MCC sales goal was \$791,734.75 and the Q1 actual was \$803,713.44 (102% of goal). The leads goal was 155 leads and the actual was 135 leads (87% of goal). Matt talked about some of the upcoming trade shows. Key targets for Q2 were discussed - national dance events, medical events, charitable events, agricultural events. He also highlighted bookings and site visits during Q1. MCC sales revenue equals room rental, A/V, food & beverage and services.

J. New Business

26:45 Audio Tape

Jerrie Hayes talked about there may be a need for non-disclosure paperwork when discussing potential customers/events. Mary Gastner talked about the work being done to update items on the building. The 2017 campaign is being phased out. Mary also talked about partnerships that are being formed.

K. Unfinished Business

29:29 Audio Tape

a. Strategic Plan – 1st Quarter Update

There are four strategic goals:

- Significant, sustainable economic generator for the City and the community
- Create a positive, “great”, memorable, meaningful, exceptional customer service
- Create an internal culture that attracts and retains the best talent
- Foster/create operational excellence for efficiencies

With the rebranding, there will be testing of some names in the marketplace shortly. There are updates on the goals in the report and things are doing well overall. Now the Commission can start “fleshing” out those specific goals and what kind of objectives and deliverables do we have around those. Heidi Mestad would like to take a full meeting to discuss the goals and to have this during the monthly meeting. Dan Nelson thought it might take more than one meeting to do the strategic plan. Amita Patel talked about coming with some ideas to the meeting and to use a facilitator. Heidi congratulated Donna Drews and her team on the work they have done on the strategic goals. Jerrie Hayes suggested taking a half hour at the next meeting to check off the initiatives/tasks that have been accomplished. These could be included in the report to the City Council. The Strategic Goals were designed to be a three-year plan and we have completed a lot of the items. In January, there was a guest service staff meeting with ushers, security people, stagehands and box office people. The time was spent familiarizing them with the new building and reminding them they are the public face for Mayo Civic Center.

ACTION: The Commission will review and, if needed, revise Strategic Goals during the May meeting, and in June, determine objectives and deliverables.

b. Finance Committee Update – Jerrie Hayes, Chair

The Finance Committee looked at the financials for 2016, there were concerns on operating the new building. Because of the uniqueness of construction (expenses going up and revenue still lagging), it will be difficult to compare expenses in 2016 to the expenses in 2017. Year-to-date versus budget may be a better comparison for the 2017 numbers. An item that was brought to the attention of the Committee was that the in-house MCC Hospitality may have some additional costs as they may be hiring more staff. This is an opportunity that requires an investment in order to make money. At the March meeting, MCC Hospitality was given the OK to actively compete for catering business. Financially, we are doing well and by hiring additional staff, MCC Hospitality revenues should increase. The MCC Hospitality positions are: a full-service chef and a food & beverage sales/event manager.

c. Food & Beverage Committee Update – Dan Nelson, Chair

MCC Hospitality information on hiring the same as to the Food & Beverage Committee.

d. Convention Center Grand Opening Task Force Update – Mary Gastner

Printed Mayo Civic Center Grand Opening invitations were sent out the week of April 10th. The first email blast was also sent out. Event structure and volunteers to work sign up for the event are going well.

e. Branding Task Force Update – Mary Gastner

Mary talked about they are waiting to send some rebranding names for market testing. The overall City platform will also be sent out as part of this online testing. There will be focus groups in the Rochester area, too. Brad Jones mentioned there is good representation on the Branding Task Force. He also said Fuselideas, the group hired to work on this project, is doing a good job.

L. Other Business

53:14 Audio Tape

At the next meeting, Marv Mitchell would like to discuss the financial model for MCC Operations – the questions is do we continue with current model or come up with something different (i.e. tell Brad and his team here is how much money you have to deliver every year and let them figure out how to make that happen).

Request for Brad Jones to create a booking process map so everyone knows what their roles and responsibilities. Review booking process map at May meeting. Invite Randy Staver to the May meeting.

There have been some booking conflicts – double bookings and bumping of some long-standing events. Sales meeting with combined MCC and RCVB staffs are held every other week at 10 AM. Brad Jones stated that they have a plan for handling every booking conflict. There are two conflicts that currently exist. This may be something that is better talked about at the MCCC Executive Committee that is schedule for Monday, April 17 at 1:30 PM or the combined staff meeting is on Tuesday. There are four grandfathered events included in MCC's Booking Policy.

Marti Abts, representative from the RCM Board, suggested that an open dialogue with RCM regarding the entertainment booking process could be helpful for both MCC and RCM. She will discuss this opportunity with RCM Board members.

On June 13, the RCVB will be doing their strategic planning with their RCVB Board. If there is anything someone would like for consideration, please let Brad know.

Also in June, a debriefing on the Arena discussion needs to be discussed.

There is a commitment to re-evaluate the sales goals in July of every year.

ACTION: At the next meeting, Marv Mitchell would like to discuss the current financial model for MCC Operations – the questions is do we continue with current model or come up with something different (i.e. tell Brad and his team here is how much money you have to deliver every year and let them figure out how to make that happen).

ACTION: Request for Brad Jones and Donna Drews to present an updated booking process map so staff knows and understands their roles and responsibilities. Review booking process map at May meeting. Invite Randy Staver to the May meeting.

M. Adjournment – Marv Mitchell
1:13:44 Audio Tape
Meeting adjourned at 4:14PM.

Next Meeting: Wednesday, May 10 at 3:00 PM