

River's Edge Convention Center Advisory Board

Meeting Notes – October 10, 2017

Present Jodi Domeier, Patty Gaetz, Alvin Yu

Not Present Ibrahim Abdi, Julie Lunning, Marty Mahowald

Staff Present Bill Dunsmoor, Tony Goddard

1. The meeting was convened at 5:05 pm at the Convention Center.
2. The Board considered the minutes of August 8, 2017. Yu moved acceptance of the minutes as submitted; Domeier seconded and the motion passed unanimously.
3. Goddard updated the Board on the timing of the City Enterprise Budget process. Management has submitted a proposed budget, which will be presented to the City Administrator and Finance Director on October 11<sup>th</sup>. After refinement, the proposed budget will be presented to the City Council toward the end of October. Final approval by the Council will occur in December. The Advisory Board will see the refined proposal and have the opportunity to comment.
4. Goddard reported on hospitality tax trends so far in 2017. Through July, both the hotel/motel and the food and beverage taxes have been essentially flat compared to the comparable months of 2016. The July results, somewhat confusingly, showed a significant (3%) decline in hotel/motel tax and a 14% increase in food and beverage tax receipts. The Board discussed the situation and its impact on the Convention center. Goddard commented that an increase in the taxes may be proposed again in the 2018 Legislative Session.
5. Goddard presented the 2018 Marketing Plan, noting that it was prepared by Rich Gallus, who is at a conference today, representing the River's Edge. The Plan proposes additional expenditure for a targeted social media campaign focused on three markets: wedding market; business and professional leaders in the St. Cloud area; and meeting planners in a 300-mile radius of St. Cloud. There was extended discussion of the wedding market, which has dropped off in 2017, due to changing tastes that favor "barn weddings." The Board also discussed the relationship between our own, rather small, marketing budget and the CVB's significant marketing effort. The Board recommends the adoption of the Plan.
6. The Board had been sent a beta test of our newly-developed email satisfaction survey prior to the meeting, and discussed the format and logistics. All were positive.
7. Dunsmoor provided an update of recent operations at the facility, noting that July and August are the slowest period of the year for events, but the operations staff were very busy with maintenance and repairs. For example, August saw 17 events in the building; September 33, and October 47. We anticipate 33,000 patrons in September and October. Dunsmoor also gave an update on the construction project that will add an elevator to the east side of the building, greatly enhancing flow within the building and access to the plaza and trail. There have been several complications, and we anticipate that the elevator will be operational by the end of January 2018. In addition to the significant plumbing leak in the building on July 3<sup>rd</sup>, one of the elevators failed last month. Repairs will be somewhere between \$50,000 and \$95,000, depending on how many components we choose to replace. Unanticipated major repairs in

2017 will exceed \$150,000. Tom Decker, one of our longest-term operations technicians retired at the end of September, and we have hired a replacement.

8. Goddard provided several updates:

- We had a security assessment by U.S. Homeland Security on July 13<sup>th</sup> and received the written report in September. It will be a guide for future improvements to both structure and procedures, which we are beginning to implement.
- Several faculty at SCSU, including Yu, are crafting research proposals after discussion with Goddard about marketing research.
- The capital budget proposed for 2018 will include roof replacement, HVAC equipment replacement and a roof-top solar array.
- We are reviewing our contract documents with the City Attorney with the goal of streamlining the documents and putting them into our scheduling system, saving labor time and cost.
- The MAC capital budget proposal for 2018 will also include significant upgrades to the arena building.

9. Next Meeting: Tuesday December 10, 2017, 5:00 pm

10. Adjournment at 6:10 pm.

Submitted by Tony Goddard