

**RUSHMORE PLAZA CIVIC CENTER
BOARD OF DIRECTORS MEETING MINUTES
SEPTEMBER 22, 2020**

Chair of the Board, Gary Brown, called the meeting to order at 8:15 a.m. with the following Board members present: Tim Johnson, and via tele-conference: Charity Doyle and Mike Diedrich. Staff present include: Executive Director, Craig Baltzer; Deputy Director/Finance, Tracy Heitsch; Deputy Director/Events, Jayne Kraemer; Accounting Clerk, Pat Koerlin; and Stage/Production Manager, David Owen. Liaisons present include: RC Council, Greg Strommen; Visit RC, Julie Jensen; and via tele-conference RC Area Schools, Jordan Bauer. Others present via tele-conference include: RC Journal, Kent Bush; City Council, Ritchie Nordstrom; and Assistant City Attorney, Jess Rogers;

After review of the meeting agenda, and discussing a new line item added of Event Update, motion was made by Johnson and seconded by Doyle **to approve the agenda as presented.** Upon vote being taken, the motion carried unanimously.

General Public Comment

None

Minutes

Motion was made by Diedrich and seconded by Johnson **to approve the minutes of September 8, 2020, meeting as presented.** Upon vote being taken, the motion carried unanimously.

Bill List

The 2020 Bill List for September 22, 2020, was audited.

A & B BUSINESS SOLUTIONS INC	1441.99
A TO Z SHREDDING	53.70
ACE STEEL & RECYCLING INC	117.34
AMAZON CAPITAL SERVICES	152.88
CARBONHOUSE	600.00
CARQUEST AUTO PARTS	7.64
CHEXCEL	25.00
CHRIS SUPPLY COMPANY INC	137.78
CITY OF RAPID CITY	4661.16
CONVERGINT TECHNOLOGIES LLC	412.30
DAKOTA SUPPLY GROUP	86.43
DENNIS SUPPLY	19.83
DIAMOND VOGEL PAINT CTR	102.65
FASTENAL COMPANY	18.42
FOUR WINDS INTERACTIVE LLC	71.42
G&H DISTRIBUTING INC.	17.50
GOLDEN WEST TECHNOLOGIES INC	160.00
GRIMM'S PUMP SERVICE INC	109.40
HAUGO BROADCASTING INC	714.00
KEVN	1635.00
KIEFFER SANITATION INC	1759.28
MATHESON TRI-GAS INC	110.53
NORTHERN TRUCK EQUIPMENT CORP	306.92
NORTHWEST PIPE FITTINGS INC	419.64
PRAIRIE AUTO PARTS	111.26
RAPID CITY JOURNAL - ADVERTISING	3351.94
RDO EQUIPMENT CO	60.74
STURDEVANT'S AUTO PARTS	664.74
TIM ARCHER	87.30
ULINE INC	627.34
US FOODS INC	77.74
VAST BUSINESS	2627.36
VERIZON WIRELESS	1630.42

Motion was made by Doyle and seconded by Johnson and carried **to authorize the Finance Officer to issue warrants or treasurers checks, drawn on proper funds, in payment thereof.**

Liaison Reports

Visit Rapid City

Julie Jensen reported that their staff is back in the office with one exception who is working from home. They are social distancing with masks required. VRC is kicking off a new marketing campaign focusing on meetings and conventions. Jensen played a radio and TV advertisement featuring Governor Noem. Jensen indicated the Governor has done an amazing job of encouraging businesses across the country to make South Dakota a destination for their event. With South Dakota's great business climate, we are open for business and here to help. Baltzer reiterated that many events have had to cancel in other cities and our city and state are open for business. He commended VRC on their work in bringing these opportunities to Rapid City and the RPCC. Jensen said that VRC has received calls from three large groups looking to relocate their events to Rapid City and the RPCC. They also have a tour tomorrow with two meeting planners for possibly 3,000 attending a convention in July 2021. Baltzer stated that he had a great phone meeting with Jensen last week with a lot of ideas out there on how to market ourselves. He stated that VRC is going forward with what they can do with a limited budget. Jensen indicated that although financial positions are difficult right now, things are not as bad as originally anticipated. Losing the Pow Wow was a large hit, but LNI is still coming as of now which will give us a boost in the winter. Jensen distributed a new Official Insider Guide to Rapid City that gives tourists guidance on things to do, food and beverage, annual events, and shopping right in the City of Rapid City. Brown complimented the Civic Center staff on how things are being handled during this pandemic.

RC Council

Greg Strommen wanted to also thank the Civic Center for their efforts. He stated he was pleased with what he has seen with the progress of the new arena. He asked if the facility was going to be available for events such as indoor soccer. Baltzer said yes and discussed how the Civic Centers extensive cleaning guidelines are reviewed weekly. We give events flexibility on how to run their events. Our staff is required to wear face masks and our cleaning efforts allow us to clean quickly with no residue. Therefore, we are able to continually clean while the event is happening. Baltzer said we offer our published guidelines and recommendations, but every event is different and has their own ways of operating events. We are not turning down any events and sit down with the client to determine the best procedure to make every event as safe as possible.

RC Schools

Jordan Bauer said they are busy getting ready for state events. They have girls tennis the first week of October with State Cross Country, Cheer/Dance, Combined Wrestling, AA Basketball, and State Track following. Bauer said they are excited that the students are able to participate and hopefully are able to finish their seasons. A lot of requirements and guidelines for the kids are in place to help make their season a reality. The kids are doing a great job and are excited to be back with friends and do what they love.

Financial Information

Heitsch discussed the working financial papers as of and ending in the month of August 2020 YOY comparison through 2016. Heitsch stated that we are controlling expenses to the best of our ability. As for revenues, the BBB is our biggest factor. August BBB receipts were high and looking at historical averages, BBB was only down 9.5% as of the end of August. As of mid-September, based on the payments received, the BBB was down 20%. We should see a comeback by the end of September. Heitsch is hopeful that the few large events we have happening this fall in the area should help. Those events include the Buffalo Roundup this weekend, events at the fairgrounds, the downtown Pumpkin Festival, and other things happening in the community. We will be more concerned about the November and December time frame, which will be reflective of the early fall tourism decline we're experiencing due to the pandemic. We are continuing daily and weekly financial projections. Overall, our revenues are down, but so are our expenses. The furlough program was a huge financial help. Heitsch said we are now purchasing items that are needed for events. We continue to trace all Covid related items. Overall we are still optimistic and cautious. Doyle wanted to commend the Civic Center staff on getting thru this and thank everyone from their efforts. The Board accepts this as information.

Event Update

Jayne Kraemer referred to an event calendar that was distributed to the Board. She recapped the events of last week. Normally in May we have the Academy of Dance event with three large performances. Because of Covid related issues, Academy postponed to last week, divided up dancers and had 16 mini shows instead over five days. They required masks for all dancers and attendees. The dancers were required to social distance on the stage, there was special entrance and exit for a one way flow, and the Civic Center maintenance team disinfected all the lobby areas, seats and concourses after each performance. Kraemer was pleased with the process and commended the Civic Center and the Academy staff. Brown asked if there were any comments from the public. Kraemer said one individual asked what the disinfectant was made up of - we have the literature available to anyone who asks. It was a good showing and made people feel safe. Kraemer said last weekend was also the Pheasants Forever Banquet and the Bob Fisher banquet event featuring speaker Joel Rosenberg. The events were well planned, managed and staffed. There were a few additional smaller events. Our staff is very conscientious. Kraemer discussed the calendar of events moving forward. The Cosmic Clash Black Light wrestling tournament is this weekend. Catholic Social Services Annual Meeting is this weekend, plus a national leadership seminar with a few hundred people in attendance. Kraemer stated that Tanya Gray is our in-house contact working with Tyson at VRC on conventions. We appreciate Tyson and the VRC group. They all do a great job. A wedding market is scheduled for next Thursday with 55 vendors, plus two additional church groups with approximately 500 people each. These events will fill a lot of hotel rooms as most of the attendees are from out of town. Kraemer said this calendar gives a highlight of the next couple of weeks. Kraemer said a decision was made to add this section to the Board meeting agenda to notify the Board Members of what is going on since not all events are open to the general public. Also included is a worksheet that lists all cancelled and postponed events. This is still an ongoing thing, and sadly a reality. The Event Services department is constantly juggling space and events. The LNI Board will be meeting this Friday and are planning for their event this December.

Diedrich left the meeting at 8:50

Executive Director's Update

Baltzer stated that we are now having to find part time crews for our food and beverage events, plus some stagehands for our production department. As we get busier this fall and winter, we need to build up our part time crews. It is a struggle finding help. Heitsch mentioned that it is difficult getting people to show up for an interview, then pass a background check, and having them show up for work once hired. We hired 25 people in food & beverage alone last week, only two showed up to work, and one quit by the end of the night as it was "more work than he expected." Labor has always been a problem in Rapid City, but it seems especially pronounced right now. Next month will be more difficult unless more help is found thru our advertising and marketing for applicants.

Baltzer said he was able to visit with Josh Houk last week about his medical condition. Baltzer admires his attitude. He is hoping to return to work in late 2020. Baltzer is also proud of the Civic Center staff who have donated 49.5 days (2+ months) of their personal vacation time to Josh for recovery. Houk is a meaningful employee to the Civic Center, as well as our sponsors. He is Our Guy and we are excited to have him back.

Baltzer stated that the next couple days will be very busy with architects, engineers, and designers here, working on the new building. We are now into final details. Overall the project is going well. Heitsch mentioned that we are in the process of securing/bid/quoting the hundreds of items on our FFE list. There will be many of those items brought before the City Council in the coming weeks. These items have already been included in the \$130 million new arena bid.

Baltzer commented on the large homeless and panhandler problem on our property and in the park area, which has gotten much worse lately. The promenade area and the Berlin Wall tourist corridor are the gateway to Rapid City. Baltzer said there have been meetings with the police and parks department to address the issue. The city Ambassador Program was extended, for the time being, to cover this area. We have seen a noticeable difference since the program was extended. This program is a soft approach and is in contact with the Police if individuals become aggressive. The bad news is that the program ends in October since it does not go into the winter months. The issue is negatively affecting our business. We have had two conventions bring up the problem when they were visiting our facility. They want to feel safe when walking from the Civic Center to downtown, especially after dark. Baltzer said we cannot lose events because of this. The problem of gathering around tourist areas has to change. Jensen mentioned that this is an issue in most cities, but needs to be addressed. Doyle stated there are plenty of resources available from the City and unfortunately we need to entice people to utilize those

resources. One Heart is there to serve a gap in the community for the people we don't see on the streets. They are an outreach workforce development campus. Everyone at One Heart has to be able and willing to work. Doyle clarified that for every person on the street, there are a dozen more homeless that are not. Kind hearted people in this city are trying to get the message out as to how our actions impact the City as a whole. Johnson said he would be happy to help with organization of the Ambassador program if needed. He has heard that the empty retail spaces downtown may be related to the panhandler problem. People don't feel safe walking downtown.

Baltzer said the Chamber office is now vacant. In a future meeting, we will invite Board members on a field trip to tour the area. We are in the idea stage right now since we do not have the budget to remodel the space. We plan centralize the office areas so managers are not spread throughout the building

Doyle asked about conversation circulating about BH Energy turning off lighting to the downtown alleys. Ritchie Nordstrom commented that the council was informed of the lighting question and a survey was in process with downtown business owners. Nordstrom feels this issue will be addressed and resolved.

Miscellaneous

None

There being no further business, motion was made by Doyle and seconded by Johnson **to adjourn the meeting**. Upon vote being taken, the motion carried unanimously. The meeting adjourned at 9:45 a.m.

I certify a true and accurate accounting of the minutes of the meeting.

Pat Koerlin, Accounting Clerk

Date