

THE MONUMENT

BOARD OF DIRECTORS MEETING MINUTES May 25, 2021

Chair of the Board, Brad Estes, called the meeting to order at 8:16 a.m. with the following Board members present: Charity Doyle and Tim Johnson, and via cell phone: Jason Lambert. Staff present include: Executive Director, Craig Baltzer; Deputy Director/Finance, Tracy Heitsch; Deputy Director/Events, Jayne Kraemer; Accounting Clerk, Teresa Dringman; and Stage/Production Manager, David Owen, and via teleconference Director of Corporate Sales and Marketing, Priscilla Dominguez; Director of Operations, Paul Sterling; Event Services Manager, Tanya Gray; and Accounting Clerk, Lori Kiehn. Others present include South Dakota Ellsworth Development Authority, Scott Landguth and Lynn Kendall; Mortenson Construction, Andrew Corson, and via tele-conference include: Visit Rapid City, Julie Jensen; RC City Council, Greg Strommen; and Assistant City Attorney, Jess Rogers.

After review of the meeting agenda, motion was made by Doyle and seconded by Johnson **to approve the agenda as presented.** Upon vote being taken, the motion carried unanimously.

General Public Comment

None

Minutes

Motion was made by Doyle and seconded by Johnson **to approve the minutes of May 11, 2021, meeting as presented.** Upon vote being taken, the motion carried unanimously.

Bill List

The 2021 Bill List for May 25, 2021, was audited.

A & B BUSINESS SOLUTIONS INC	1441.99
ACE HARDWARE-WEST	33.52
ALSCO INC	1077.32
AMAZON CAPITAL SERVICES	52.66
BORDER STATES ELECTRIC SUPPLY	146.14
BRITT BROWN	71.88
BROWN'S SMALL ENGINE REPAIR	97.34
CARBONHOUSE	600.00
CASH-WA DISTRIBUTING COMPANY	4230.18
CBH COOPERATIVE	73.50
CITY OF RAPID CITY	5115.38
CLIMATE CONTROL SYSTEMS & SERVICE LLC	429.00
COCA-COLA OF THE BLACK HILLS	2304.40
DAKOTA SUPPLY GROUP	535.52
DENNIS SUPPLY	329.94
DEPOT MUSIC	2170.93
EASTMAN SOUND & MUSIC	55.00
ECOLAB INSTITUTIONAL INC	294.95
ELASCO PRODUCTS LLC	5965.89
EVAN SIMS	111.80
FASTENAL COMPANY	3.00
FERGUSON ENTERPRISES INC	163.64
FOUR WINDS INTERACTIVE LLC	144.56
FULL COMPASS SYSTEMS LTD	951.69
GOLDEN WEST TECHNOLOGIES INC	160.00
GRASSLAND GOURMET AND GIFTS LLC	36.00
HAY CAMP BREWING CO	446.00
JANTECH LLC	295.00
JOAN'S PLANT SERVICE	390.00
JOHNSON BROTHERS OF SD	1693.20

KIEFFER SANITATION INC	2280.59
KNECHT HOME CENTER	30.22
KURITA AMERICA INC	1808.71
M G OIL CO	413.00
MATHESON TRI-GAS INC	110.53
MENARDS	100.75
MOUNTAIN STATES SECURITY INC	123.92
NATIONAL ASSOC OF CONCESSIONAIRES	265.00
NORTHERN TRUCK EQUIPMENT CORP	131.09
NORTHWEST PIPE FITTINGS INC	718.16
PACIFIC STEEL & RECYCLING INC	77.49
PARTS TOWN LLC	235.22
PIZZA RANCH RAPID CITY	114.92
PURCHASE POWER/PITNEY BOWES	2.50
QUALITY BRANDS OF THE BLACK HILLS	548.32
RAINBOW GAS CO	3969.27
RAPID CITY JOURNAL - ADVERTISING	377.56
RAPID CITY SHRINE CLUB	166.52
REPUBLIC NATIONAL DISTRIBUTING COMPANY	1756.70
SAFEWAY INC	127.48
SERVALL UNIFORM/LINEN CO INC	122.49
SHERWIN-WILLIAMS COMPANY	61.51
SIGN EXPRESS	36.00
SIMPSON'S PRINTING	588.00
STAN HOUSTON EQUIP CO INC	245.12
STATE OF SOUTH DAKOTA	1110.00
SYSCO MONTANA INC	4032.64
THYSSENKRUPP ELEVATOR CORP	360.96
TOSSWARE	2298.24
TOUT ADVERTISING	96.00
ULINE INC	731.88
US FOODS	13124.00
US FOODS INC	5544.58
VERIZON WIRELESS	2851.70
WATERTREE INC	69.00
WESTERN STATIONERS	311.32
WHISLER BEARING COMPANY	118.76
WINSUPPLY OF RAPID CITY	11.25
	Total 74,491.83

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 on the high school activities association business with the state track meets being hosted in Rapid City this weekend. The cost of hotel rooms is higher due to Memorial Day weekend and the start of tourist season. Schools had not signed contracts and were struggling with getting hotel rooms. Additionally VRC is trying to get Vision Funds to upgrade SDSMT track. Jensen stated we had a wonderful National Travel and Tourism Week. VRC is looking forward to an amazing season with conventions, meetings, and more.

RC Council – Greg Strommen stated several City Department Directors talked to the council about ideas about allocating excess budget funds saved from cutbacks and Cares money. Regarding the ribbon board and center hung digital boards for the new Summit Arena that Baltzer presented, it did not get much leverage. However, there may be some traction with the demolition of the Adams Street property. Baltzer stated The Monument will move forward with the center hung scoreboard and ribbon board after finding funding.

RC Schools – None

Financial Information

Heitsch discussed the working financial papers as of and ending in the month of April 2021 YOY comparison through 2017. Total revenue in April 2020 was \$346,000 with \$300,000 of that BBB. Total revenue in April 2021 was \$1 million with a good portion BBB. It was our strongest April in recent years. Rentals have rebounded. The Monument has had a good first four months. Box office and reimbursements are indicative of events hosted. Expenses through April were a little higher, but April was a 3-payroll month. Insurances expenses are up, and The Monument will be having a meeting to see what insurances are going to do. Other expenses included debt service due to refinancing of bond. Utilities are higher than last year. We worked with our larger vendors last year due to COVID to delay payments and are seeing expense timing issues due to that arrangement. Other increased charges are PILT and interdepartmental charges. Our cash position is solid which is expected. May continues to be strong.

Event Update

Kraemer stated this weekend we have the final regular season hockey games on Friday, Saturday, and Sunday. We are doing a Feathering and Honoring Ceremony for Native American high school graduates on Wednesday, RCHS graduation Friday, and Stevens and Central graduations on Sunday in Barnett. Monument Health has meetings this week in LaCroix. The next two weeks is the Rushmore Cup Hockey Tournament. Following this we will take the ice out. Black Hills Quilters show is next week. Red Pill Expo will be June 4 through 6 with about 500 people. Baby Shark is coming into the theater on June 12. The Quad States Bankers Convention will be June 14 and 15. The numbers are around 200 to 250. Freedom Fest is at the end of July with a few thousand people.

Executive Director's Update

Baltzer stated he has been speaking with Leah Braun, Rapid City Cultural Strategist, working with the Mayor on city culture. A culture survey was completed about The Monument with favorable responses. Baltzer would like to work with Braun and Lambert in early summer to review the overall portrait of the culture and update the mission statement.

Baltzer was approached by two gentlemen regarding a regional arena football league with teams from Colorado, Iowa, Kansas, Oklahoma, Texas, and Wyoming. They are interested in having an arena football team in Rapid City. Currently, the owner has a team in Gillette and is starting one in Billings. The league plays 5 home games in regular season which starts in March. Baltzer will be going over a contract with costs of rent, expenses, and ticketing to make sure this is something the potential team is comfortable with. Baltzer discussed with the Rush, the possibility of having arena football at The Monument, and they did not want to stand in the way of progress. Baltzer wanted to discuss this with the Board before moving forward. After questions were answered from board members, it was decided to continue discussion with the arena football ownership group.

Baltzer also discussed the naming of concession stands and food serving areas in the Summit Arena. Carvery and Big Cheesy will be moving over to The Summit. We have various areas to name. If any board member wants to join, we would encourage that. We are looking for classy and catchy names.

Miscellaneous

- 1) **Ellsworth Update** – Scott Landguth stated the South Dakota Ellsworth Development Authority was created by state legislature in 2009 with a purpose to make sure South Dakota is great place for Ellsworth and the Department of Defense to conduct the mission of Ellsworth Air Force Base. With the announcement of the Liberty Center, the goal is to provide a facility to get physical training done with an indoor track. It also has a potential to partner on events needing an indoor track.

In March 2019 Ellsworth AFB was selected as a preferred site for the B21s and awarded as preferred for training mission and first operational squadron. Ellsworth is waiting on the Record of Decision to be signed by the Secretary of the Air Force next week. Economic impact of Ellsworth AFB with the operations of the B2s is \$359 million per year. This is a significant impact to the state. The B21 timeline has the planes arriving in 2025 so construction is starting quickly. The production line will put out 10 B21s a year. Their first two operational squadrons will be at Ellsworth with 40 B21s. There will be 1,500 airmen, approximately 1,600 dependents with an increase of over 3,000 from additional personnel not including contractors. Every person assigned to the B21 will come through Ellsworth. More people will see the Black Hills of South Dakota.

Construction for the Liberty Center Project will begin by the end of the summer. With the Pride Hangar being reverted back to a hangar the Air Force needs a facility for indoor training. The Development Authority was asked to help with this. With funding from the Department of Defense, the State of South Dakota, money from the TIF, the authority donated the land to build Liberty Plaza, a 58,000 square foot facility. Liberty Plaza is a transformative project for the City of Box Elder.

The Authority is giving community tours to airmen and their families to introduce them to Ellsworth AFB, Box Elder, and Rapid City. The Monument is now selling tickets at Outdoor Recreation on base and has started doing marketing there as well. Kraemer invited Landguth and Kendall to tour The Summit to see the public bar that gives tribute to the Air Force. The Monument might also invite the wing commander, chiefs and first sergeants.

- 2) **Mortenson Update**—Andrew Corson, senior project manager of Mortenson, gave a presentation on the status of construction. Approximately 75% of craft work force on site is from Rapid City with 150 to 175 workers on site daily. We will peak at around 200 daily. Over the last couple of months, there has been a big logistical shift in the project. The enclosure is 90 to 95% complete. The roof will be finished up this week if the weather holds. The first portion of arena floor has been poured. The final section of concrete will be completed June 3. The bowl work is getting ready to kick off with seats going in after Memorial Day. Equipment will be moved into the commissary soon. Event level hospitality rooms and star rooms are getting ready for final finishes. Within the next few weeks all locker rooms will be complete. Overall, we are tracking on schedule. The discussion has begun on move in with staff to training before the first events. We are turning the corner towards the final push. Milestones will be concrete completing in early June, fixed seating in June, telescopic seating in early July, and curtains in early August.
- 3) **Capital Update** – Heitsch stated the board had approved the cart pullers at the last meeting, but we but did not have shipping included in the price. The Monument also received news the state contract pickup we had ordered has been canceled. There is no opportunity to reschedule it at this time. Vehicles are waiting on chips. That was about a \$25,000 expense. Heitsch introduced a purchase request for a portable PA system for \$8,171. Funds for the new gate controls will move out of capital and be put into FFE.

Motion to **approve to move forward with the purchases of the portable PA system and revision of the cart pullers was made by Doyle and seconded by Johnson.** Upon vote being taken, the motion carried unanimously.

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 9:32 a.m.

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

Teresa Dringman

Teresa Dringman, Accounting Clerk

6/8/2021

Date