MINUTES FOR THE MONUMENT BOARD OF DIRECTORS
Rapid City, South Dakota
Tuesday, March 22, 2022

ROLL CALL AND DETERMINATION OF QUORUM
MEMBERS PRESENT: Charity Doyle, Chairman; Tim Johnson, Vice-Chairman; Gary Brown, Member; and Patri Acevedo Fuentes, Member.

MEMBERS ABSENT: Jason Lambert, Member.

OTHERS PRESENT: Craig Baltzer, Executive Director; Tracy Heitsch, Deputy Director/Finance; Jayne Kraemer, Deputy Director/Events; Paul Sterling, Director of Operations; David Owen, Stage/Production Manager; Teresa Dringman, Accounting Clerk; Stacie Granum, Visit Rapid City; Justin Williams, City Attorney; and via teleconference Jared Vasquez, Rapid City Area Schools; and Greg Strommen, City Councilman.

ADOPTION OF AGENDA
Motion to approve agenda was made by Johnson, and second by Acevedo Fuentes, motion carried.

APPROVE MINUTES
1) March 8, 2022 – Motion to approve minutes as presented made by Brown, second by Johnson, motion carried.

GENERAL PUBLIC COMMENT
None

FINANCIAL ITEMS REQUIRING BOARD ACTION
2) Bill List – Heitsch highlighted items greater than $5,000. She discussed the bills to be paid to Jayne Kraemer, Jarrett Breuninger, Sara Callaway, and Evan Sims as per diem and reimbursements for travel to the PACnet Ticketing Conference in California. She also noted $21,000 for South Dakota Pool and Dart Corporation for purchase of the state dart tournament. That is an event we purchase that generates a sizeable amount of revenue every other year. This year, for example, the state dark tournament brought over 2,800 players to town for multiple days, resulting in great economic impact for the City. We do have the state pool tournament on opposing years. Additionally, we have a sizeable amount on the bill list for Vast. We now have a new phone system and have been in the process of consolidating multiple accounts. We are not going to pay much more than before even with the new phone system. The bill for Kone was discussed. Baltzer stated we have had 6 events where we have had an escalator or elevator go down. This last time we had an escalator go out on us due to a pebble. Unfortunately, once the escalator stops due to a problem, it requires a service call because a Kone technician has to reset the system via computer. So, we had lost the use of the unit for that event. We have had them go down for simple things as well as bigger issues. We would like to solve that. Johnson said his hotel negotiated not paying after hour charges. Heitsch said at this point all is under warranty, but that is a direction we need to head.

Motion to approve bill list as presented made by Johnson, second Brown, motion carried.

3) Capital Update – Heitsch stated we have a capital update. The total capital budget for 2022 is currently projected at about $27,000 less than total $700,000 budget because we can’t be confident in the price on things until we go to purchase as pricing for nearly everything is fluctuating dramatically. We will be bringing these to you as we know. Strommen asked about the south side theatre exterior—exposed block. Heitsch said we have a contract in place. We will be covering that in the month of May. Since our last meeting we have had an opportunity to purchase a new utility pickup. With the pandemic, the order from last year was canceled by the company. It turns out they were able to get it. Paul Sterling said during COVID they stopped all government purchases. Mike from Liberty Superstore was able to get it reestablished. MSRP for the truck is $41,000. Base price for us is $29,000. We are looking to reduce our fleet due to age and reliability. Basically, we can get this unit for a little under $18,000 with a trade of four of our older vehicles. We bought a plow for the big loader and use it for snow removal.
We are proposing giving up four high maintenance vehicles with high mileage to get one low maintenance vehicle with a fifth wheel hitch. Baltzer stated we are carrying extra vehicles that we don’t need. **Motion to declare surplus the four vehicles (2004 Ford Sport Trac, 1999 Ford F250, 1999 Ford F250 V10, 2003 Chevrolet 2500HD) and purchase the 2021 Ram 3500 Regular Cab 4x4 on state contract 17339 made by Brown, second Johnson, motion carried.**

**ITEMS NOT REQUIRING BOARD ACTION**

4) **Visit Rapid City** – Granum said we have hit the ground running. Brook Kaufman, from Casper, was named as the new president and will start on April 18. Baltzer is giving her a tour of The Monument that day. Granum said Kaufman will join these meetings at some point. Inquiries for the area have been way up over last year. The traveler sentiment that we are seeing is that people are not canceling because of high gas prices but just cutting back on retail, restaurants, and entertainment. There was great engagement with the winter campaign. We have our online Go Rapid campaign. National Travel and Tourism Week will be May 1 - 7. We team up with South Dakota Tourism and Black Hills and Badlands and Lakes to promote tourism. We will send invites for travel rally day where we do a kickoff breakfast. We have a literature swap here at The Monument as well. There was a sports authority meeting last week and will have another one in April. Baltzer thanked Granum and Domi Rodriguez of Main Street Square for organizing the meeting. Typically these meetings had 80 people in the room. Granum put together a smaller group of people who would have a passion or interest. Domi Rodriguez did some research on Sioux Falls Sports Authority. They only have two employees. Funding is always an issue. If we work the program the right way, it could be self-funding. There is definitely a will and a need for it. Granum said we had the right people in the room. To have an organization like this would be great. A sports authority works closely with venues and destinations but also manages and creates events as well. They make sure events run and find volunteers. It is an important piece to grow our sports business within Rapid City. Granum states the right person is needed to run the authority or spearhead sports in general. Part of the challenge we have had in the past is getting everybody to work together and support each other. Baltzer said we are hearing the soccer groups about getting a covered field and swimming groups desiring a cover for some of the outdoor pools. That makes a lot of sense if bringing in tournaments.

5) **RC Council** – Strommen stated the basketball tournaments were successful in person and on TV. Hotel owners were pleased. He asked about parking. Baltzer stated we evaluated parking this past weekend as we do with all the events. As busy as we were, the east lots were not filled. We have parking, but people are not finding it or are getting frustrated in the process of finding parking. It is a lot more than a block walk in from the farthest outlying lots. We need to get better information out. Priscilla Dominguez started an email “Know before You Go”. It explains security measures, bag policies, if there is full metal detection, and also directs people to our east lots. Dominguez wants to take day of photographs of the lots to show people the lots and availability. It is a rarity to fill all lots. Baltzer said we have to get more messaging out and get people to the empty lots. We also have noticed more people parking in the north neighborhood, and the northwest entrance became extremely busy. Baltzer does not know if that becomes a neighborhood issue. Strommen also asked about signage on the Summit Arena. Baltzer said the signage should be installed in June. We had material procurement issues before we opened in October. The material has arrived, but we are at a point where we need two weeks clear with no events in the building. The first opportunity is June. We just have not had any time to allow the company to come in to install the signage.

6) **RC Area Schools** – Vasquez stated he didn’t receive any parking complaints during the two recent state tournaments. The parking lot west of Central was not full, but the north end was. The youth basketball tournament extended over to Central. Vasquez was not able to check the East lot. During the State AA Girls Basketball –that parking lot was full. The only complaint by teams was there was not enough room for buses in the loading dock area of the Ice Arena. There were minimal complaints. Vasquez wanted to thank all The Monument staff because both tournaments were great. We were a little worried about the girls not being in the new arena. Afterwards, people said the ice arena was a great environment for the girls. We got great feedback on facilities and accommodations, especially the Summit with 8 locker rooms. Teams were happy to have a home for the 3 days they were here. People were very happy about variety and diversity of the concession stand offerings as well as the market. Cost and prices never came up as issues. They were really happy with the venue. RCAS is very thankful and grateful. The activities association was very happy with the AA numbers. We had great crowds and some very exciting basketball. Heather Jasnoch and Priscilla Dominguez made a hype video and updated it on Saturday with tournament footage. Teams loved that. He sent an email to STM board and coaches that helped with supervision. Student crowds were positive. Vasquez also noted after a tough semifinal loss, STM cheerleaders, parents, coaches, wives, and students cleaned the whole south end of the Summit seating area. That was really cool that a local team showed respect for the venue.
DISCUSSION FROM THE PRESIDENT, BOARD MEMBERS, AND STAFF

Event Update – Kraemer had Owen put up a picture of our event level floor plan, and she recapped the last month. The State Dart Tournament started the last Tuesday in February and ran thru Sunday 7 a.m. to various hours into the night. They were in Rushmore Hall, LaCroix, Cowboy Bar, Alpine, Ponderosa, and Spruce. Food and Beverage was open and selling from 7 am to well past midnight. We are certainly busy on the weekends, but the daytime workers during the weekdays are hard to find. It’s been a tough few months for Operations – transitions from BHSS&R to Sports Show and nearly every day since. The first week in March had Festival of Bands in the theatre on Thursday and Celebration Talent. Rushmore Soccer was in Rushmore and Barnett. The soccer tournament has been able to add three more courts with the use of the Barnett Fieldhouse. So, there were four courts in Rushmore and three in Barnett. Then we had the Heart Ball in LaCroix Hall with a plated dinner for 400 people. Monster trucks was in Summit Arena with dirt—loaded in all week. After that event, we had to move dirt outside. We also had three hockey games that weekend. We had State AA Girls Basketball in ice arena on Thursday, Friday, and Saturday. We had Marshals Football in the Summit Arena on Saturday. We had Festival of Bands in the theatre and youth basketball in Barnett. This last weekend we had to flip from indoor football on Saturday to basketball on Monday for Harlem Globetrotters. We also had Black Hills Defense Industry Convention, State Visual Arts events in Rushmore A through D. They were here Thursday through Saturday. We had State A Basketball Wednesday through Saturday. We had three hockey games. From Thursday through Saturday we had Strings in Concert in the theatre and taking up LaCroix Hall. This week we have the Home Show moving in. It will run Friday through Sunday in Summit Arena, LaCroix Hall, Barnett, concourses, and Rushmore Hall. On Thursday we have Jeff Dunham in the ice arena, so today after the hockey team practices, we will move them out. Thursday, we also have Blippi in the theatre. Thursday night after Jeff Dunham we have to move that out because we have hockey games starting on Friday. We are having to change the way we do things and take a step back. We don’t have enough staff and not enough hours in the day to do these changeovers. We are short staffed both full time and part time.

For Event Services, we want to make sure we can take on another event. We want people to have a memorable and positive experience while they are here. We have to protect our staff. A lot of our team are not getting any days off or only 1 day per week. It’s great for the building and the business, but we need to take care of our staff. We do not need to be losing our full-time staff due to the work load and hours. Baltzer says we are seeing outstanding success with events. We booked it all up. In order to do that right, we need to increase our staff. We are not even holding our own with our staff. We might have to scrutinize what we can do. The main problem is finding the labor. Next year during this period of time we will have to scrutinize but need to think smarter. It is hard to get rid of a bad reputation if acquired. Right now we are on a good swing. This has always been our busy season, but it has been difficult. Even existing events are growing. We are at a point of not being able to handle it. Kraemer has talked with her staff to build in buffer days and is going to block off dates for conversion and changeover and then we will have to evaluate if we can do that. She is not complaining but wants to let the Board know what our reality is. We are constantly re-evaluating. Last weekend, Baltzer stated six months ago a Garth Brooks concert was canceled in Nashville because of not enough labor.

Kraemer said when we built the new arena we wanted to have it onsite. If we would have built the new arena on the interstate, we would have to hire a whole new staff just to handle that building. It would have been 15 full-time people to service it. Here we only added five to six full-time positions. We know we need more, but we can’t keep those full. Last weekend Sterling lost six maintenance staff. They told us they didn’t want to work this hard. We are afraid of losing more full-time staff. Baltzer stated we have open full-time positions that we are struggling to fill. We are going to have to scrutinize our calendar for next year. We are going into our budgeting process for next year. Some of our departments might need to add staff. Most of the things this month are traditional things. Baltzer said it is not only the new building. Even without it, we would still be struggling. All of these events are successful and growing. Doyle asked if there is anything short term the board can do to support. Baltzer stated we need to have a good plan in place. We need to get the right structure in place. We have all come to the conclusion the part time work force is not there. We need the board to ask us the questions. If you have things that you see, please let us know. Additionally, our summers are not like the old days. We take care of our own lawn here. We stripe our own parking lots. We have tons of maintenance. We need to do a bunch of touch up painting. There are lot of things we have to get done. Sterling says our part time will run out of hours. They are going to run up against it.

8) Executive Director’s Update – Baltzer spoke about the summer. He would like to take the chamber space and see if we could get it completed. We have office staff in temporary offices. The plan is to
do that in house with our staff, but we may have to hire a contractor. I do not know how much we can do ourselves. We are going to be reevaluating the space. It is there for our use and we need to convert it to make it useful. We want to get people in a more permanent location. We have a rough sketch but need to come up with a plan. It will be difficult to hire a contractor. We have a board member who could look over the design and give advice. Brown said you should get it all done in one shot. Acevedo Fuentes asked if we can figure out things and get trades lined up. She is happy to sit down and work through that with Baltzer. If we have to hire a contractor, we are probably not budgeted for it. The curtains in the Barnett need some work. We would like to paint the orange railings to black. Central States Fair is interested in the seats in the Barnett. Our city attorney is working with us to determine if we might be able to donate them and have CSF remove them. There are places that are dirty. Our windows need cleaning throughout the entire facility. This summer we will be busy getting the place ship shape. There is also some cement work we need to do. We had a young lady in a wheelchair flip over going through our ADA area. These are things that we need to look at. Baltzer said Kraemer had a really good idea about flooring in the connector that we built as an add-on to the new arena project. We had enough money to deconstruct the area, build the walls, and put in the ceiling. It still needs some work. It does not tie in or look very good. Kraemer had an idea to put an epoxy product on the floor. It cleans and wears well. We want to make it look uniform. That is another thing that we should look at this summer. That connector is working exactly how we planned it, but we need to spruce that up. There will be sponsorship and products on the wall.

9) **February Financial Summary** – Heitsch stated we do not have a summary as we have not received the February treasury report. As soon as we get it and internally audit, we will pass it on to the board. It is going to be a little lower cash balance at the end of February. For the month of February, we had one BBB payment and a lot of expenses. You are going to see the cash balance less than anticipated but mainly due to a couple of timing issues. Our first payment of $121,000 for the center hung and ribbon board was withdrawn in February and we weren’t expecting that until March. Revenues are way up over where they have been historically but so are the expenses. Payroll is up about 25%. That is not a surprise but we knew we had to raise our part-time wages. The pattern continues. We are in a good position.

**ADJOURNMENT**
Doyle adjourned the meeting at 9:40 a.m.

Respectfully submitted,

Teresa Dringman
Accounting Clerk
The Monument