

Monona Terrace

Capital Improvement Plan

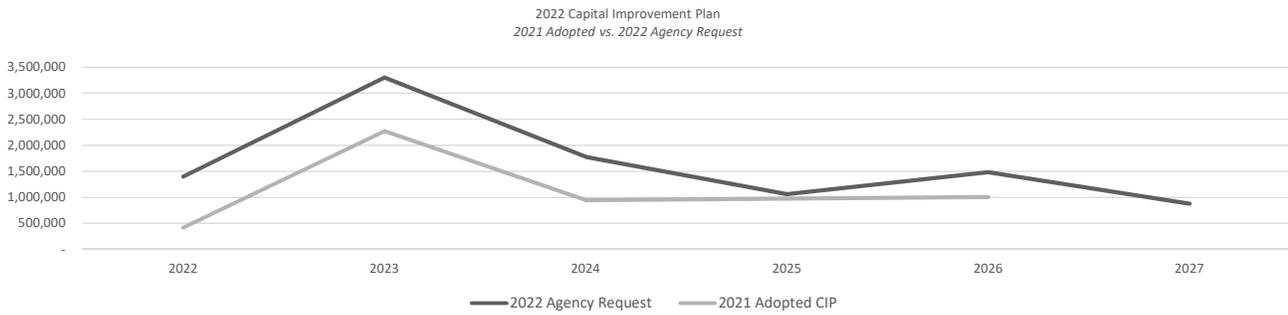
	2021 Adopted	2022 Request	Change
2022 Capital Budget	420,000	1,400,000	980,000
2022 Capital Improvement Plan*	5,635,500	9,035,500	3,400,000

*Years 2022 to 2026 used for comparison.

	2021 Adopted	2022 Request
Number of Projects	2	2

Project Summary: Agency Request

	2022	2023	2024	2025	2026	2027
Building and Building Improvements	1,185,000	2,260,000	1,450,500	360,000	735,000	260,000
Machinery and Other Equipment	215,000	1,045,000	330,000	705,000	750,000	620,000
Total	1,400,000	3,305,000	1,780,500	1,065,000	1,485,000	880,000



Major Changes/Decision Points

- Building and Building Improvements
 - Program budget increased in 2022 by \$890k and by \$2.44m for the entire CIP when compared to 2021 Adopted
 - Budget increase in 2022 is primarily due to replacement of air walls, tile replacement on the Olin Terrace walkway, and other necessary building repairs
 - Program budget entirely funded by GO borrowing due to insufficient Room Tax revenue
- Machinery and Other Equipment
 - Program budget increased in 2022 by \$90k and by \$960k for the entire CIP when compared to 2021 Adopted



MONONA TERRACE COMMUNITY AND CONVENTION CENTER

ONE JOHN NOLEN DRIVE MADISON, WI 53703 TEL 608 261-4000 FAX 608 261-4049

Date: May 21, 2021

To: David Schmiedicke, Finance Director

From: Connie Thompson, Monona Terrace

Subject: Monona Terrace 2022 Capital Budget

2022 Goals for Capital:

To replace inefficient, high maintenance equipment, and continuing the upkeep of a 24+ year old building.

To maintain Monona Terrace as a nationally renowned iconic building in order to increase business revenue and leisure visits.

Summary of Changes from 2021 Capital Improvement Plan:

While creating our Capital Budget request in 2020, with direction from City Finance, Monona Terrace was informed that the amount of funding that would be available from the Room Tax Fund would be estimated at 50% of the adopted 2020 budget. As a result of that directive, we eliminated or rescheduled much of our initial 2021 projects. This has reduced our 2021 request from \$830,000 in 2019 for 2021, to a request of \$397,500.

We also reduced our budget requests for the years 2022 – 2024 based on the information we received from City Finance. For 2022, there are projects that have been identified that had been removed previously that need to be looked at now. A majority of those projects have been added with the idea of them being part of General Borrowing, instead of being part of Room Tax contributions. The Airwall project was originally going to be funded using previous years' capital money that hadn't been spent; unfortunately, due to the pandemic, those dollars were used to help cover our 2020 Operating expenses.

Criteria used to prioritize projects:

Key personnel, including Senior Managers and Mid-Managers, meet to identify the key goals and objectives for the upcoming budget cycle. The goals and objectives are established and a list of projects are established and prioritized. Next, we meet to confirm the goals and projects that have been identified and the justification behind each project. For the purposes of identifying projects, we use product life expectancy, maintenance records, energy efficiency, and current technology expectations among other analysis tools.

Prioritized list of 2022 Capital Projects:

1. Replacement of Airwalls in Ballroom and Exhibition Hall
2. Olin Terrace tile projects
3. Exterior Building Cleaning
4. Heat Exchanger
5. Building Audio System upgrade
6. Re-caulking Building Seams

7. Replace Battery Backup at end of life
8. Purchase of riding vacuum and carpet extractor
9. Landscaping upgrades
10. Replacement of cabaret tables and 4 foot round tables

Potential for Scaling Capital Requests:

With the direction to reduce our Capital budget by 50%, the projects listed have been scaled down, and determined to be the priority for 2022. After drastically reducing budget requests in 2020 for the time period of 2021 – 2026, we have added back critically important projects that had been removed or delayed in previous years.

Impact of COVID-19 on Capital Funding:

The dramatic decrease in travel, whether leisure or business related, has had a dramatic impact on the number of events we are hosting at Monona Terrace. Additionally, the reduction in hotel stays throughout the City has had, and continues to have, a lasting effect on the Room Tax fund, which helps to fund Monona Terrace's Capital Budget.

2022 Capital Improvement Plan Program Budget Proposal

Identifying Information

Agency	<input type="text" value="Monona Terrace"/>	Proposal Name	<input type="text" value="Building and Building Imp"/>
Project Number	<input type="text" value="10031"/>	Project Type	<input type="text" value="Program"/>
Project Category	<input type="text" value="Facility"/>	Priority:	<input type="text" value="1"/>
2022 Project Number	<input type="text" value="13678"/>		

Description

This program is for building improvements at the Monona Terrace Convention Center. The goal of the program is to increase efficiency, reduce maintenance costs, and improve customer experience at the Monona Terrace. Planned projects for 2021 include window replacement, exhibition hall lighting upgrades, re-caulking building seams, and upgrading network storage for client presentations. Increased budget in 2023 and 2024 is for a major renovation of the Monona Terrace, which is completed on a ten-year cycle. Funding to ensure Monona Terrace major capital needs are addressed will require long-range planning by the Room Tax Commission, including setting aside revenue in capital reserves.

Budget Information

Prior Appropriation*

*Based on Fiscal Years 2015-2020

<input type="text" value="\$3,142,281"/>	Prior Year Actual	<input type="text" value="\$2,115,845"/>
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Budget by Funding Source

<i>Funding Source</i>	2022	2023	2024	2025	2026	2027
Non-GF GO Borrowing	1,185,000	2,260,000	1,450,500	360,000	735,000	260,000
Total	\$1,185,000	\$2,260,000	\$1,450,500	\$360,000	\$735,000	\$260,000

Budget by Expenditure Type

<i>Expense Type</i>	2022	2023	2024	2025	2026	2027
Building	1,185,000	2,260,000	1,450,500	360,000	735,000	260,000
Total	\$1,185,000	\$2,260,000	\$1,450,500	\$360,000	\$735,000	\$260,000

Explain any changes from the 2021 CIP in the proposed funding for this program.

2022 - in 2020, we were instructed to reduce our Capital Budget request by 50%, due to a reduction in anticipated Room Tax funding due to the pandemic. A year later, several areas of the convention center have been identified as having issues that need attention soon, resulting in an increase in 2022 from the 2021 CIP. Airwalls in the building, and our Olin Terrace walkway are two of the primary areas that need repair/replacement. There are also projects in 2023 - 2025 that have been identified as needing attention, resulting in increases in those years as well. With a 25+ year old building, there are more areas that are in need of repair/replacement.

Priority & Justification

Citywide Element

Strategy

Describe how this project advances the Citywide Element:

As a cultural and economic engine for the downtown, Madison, and the State, Monona Terrace provides opportunities for people of all backgrounds a place to visit, attend events, and hold meetings, banquets, etc. The overall appearance and functionality of our building is crucial to our continued success, and our ability to support downtown businesses, initiatives to increase equity and diversity.

Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

Describe how Black, Indigenous, and People of Color, people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)?

Our proposed Olin Terrace tile project provides for a safe, aesthetic entry way to Monona Terrace, which holds many free community events open to the public (i.e., Dane Dances, Lakeside Kids, rooftop concerts).

What City agencies or community partners are affected by, care about, or already working on issues related to this project/program?

Madison Arts Commission works to provide avenues of entertainment, education, etc. to the general public. Dane Arts is one of our event series sponsors. Dane Dances is an organization that has utilized our facility for a number of years for their events.

Have we asked for their perspectives directly and, if so, how have we incorporated their feedback?

Surveys are sent out to all event holders; a staff member currently meets with the Dane Dances Board of Directors, and their feedback is taken into consideration.

How will we continue to communicate with them in this process?

Surveys are always sent post-event, and guests have the opportunity to complete a comment card after visiting Monona Terrace.

Have we used any data related to the project/program that details race, non-binary and transgender people, people with disabilities, those experiencing homelessness, or undocumented status?

- Yes
- No
- Some, not all

Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTS, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

- Yes
- No

If so, please identify the respective group and recommendation.

Project Schedule & Location

2022 Projects

Project Name	Est Cost	Location
Building and Building Improvement - individual projects include: replacement of Air Walls in Exhibition Hall and Ballroom; Tile replacement on Olin Terrace; Exterior building cleaning; Building Audio system upgrades; re-caulking building seams; and rooftop landscaping improvements.	\$1,185,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2022:

After reducing Capital Budget requests by more than 50% in 2020 due to Room Tax funding decreases, it was determined that several projects in and around the building needed to be replaced. The Airwalls in the Exhibition Hall and Ballroom were going to be replaced using previous years' capital money, but that was used to help cover 2020 operating expenses, due to the pandemic. The exterior of the building needs to be cleaned, as it is among the first impressions that visitors, clients and customers get of Monona Terrace as they approach the building. Additionally, upgrades to the building's technology allows us to continue to provide exceptional service to customers, visitors, and community members.

2023 Projects

Project Name	Est Cost	Location
Building and Building Improvement - Monona Terrace projects for 2023 currently include: Rooftop name tile project; re-grouting the main entrance; renovation purchases (renovation scheduled for 2024) - carpet, restroom fixtures, doors, painting, Level 3 Gallery renovations, and wood surfaces. Additional projects include rooftop membrane inspection and repair, and technology upgrades, such as Hearing Assistance system replacement, lighting controls upgrade, and upgrades to the Server systems.	\$2,260,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2023:

Maintaining Monona Terrace as a world-class meeting destination, community gathering place, and tourist site. Additionally, upgrading our technology allows us to continue to provide exceptional customer service to customers, visitors, guests, and community members. With 2024 planned as a renovation year, we have learned that a lot of the equipment and prep work needed for the renovation needs to be purchased in the prior year, to ensure that the materials are in the building before the dates of the scheduled renovations/projects.

2024 Projects

Project name	Est Cost	Location
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<i>Project name</i>	<i>Est Cost</i>	<i>Location</i>
Building and Building Improvement - 2024 renovation projects currently include: kitchen floor refinish, installation of carpet building-wide; improvements to heater panels, replacement of wood doors, hardware, windows, and stainless steel elevator panels. Additional projects include: Gift Shop updates, replacement of "beehive" lighting, building wide data cable update, and digital signage upgrade.	\$1,450,500	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2024:

Maintaining Monona Terrace as a world-class meeting destination, community gathering place, and tourist site. Additionally, upgrading our technology allows us to continue to provide exceptional customer service to customers, visitors, guests, and community members. With 2024 being a renovation year, there are several projects that need to be completed in that time that is set aside for renovations, including the window replacement, installation of heater panels, the carpet installation, and the kitchen floor refinish.

2025 Projects

<i>Project name</i>	<i>Est Cost</i>	<i>Location</i>
Building and Building Improvement - currently identified projects for 2025 at Monona Terrace include: technology upgrades, landscaping upgrades, furniture replacement, replacement of Lecture Hall Stage flooring, exterior building cleaning, and upgrading to LED theatrical lighting fixtures.	\$360,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2025:

Maintaining Monona Terrace as a world-class meeting destination, community gathering place, and tourist site. Additionally, upgrading our technology allows us to continue to provide exceptional customer service to customers, visitors, guests, and community members.

2026 Projects

<i>Project name</i>	<i>Est Cost</i>	<i>Location</i>
Building and Building Improvement - currently identified projects for 2026 at Monona Terrace include: rooftop membrane inspection/repair, window replacement, Fire Alarm system upgrade, and Lecture Hall technology upgrade.	\$735,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2026:

Maintaining Monona Terrace as a world-class meeting destination, community gathering place, and tourist site. Additionally, upgrading our technology allows us to continue to provide exceptional customer service to customers, visitors, guests, and community members.

2027 Projects

<i>Project Name</i>	<i>Est Cost</i>	<i>Location</i>
Building and Building Improvement - projects currently identified for 2027 include: Network and technology upgrades, office furnishing replacements, Exhibition Hall floor box replacement, upgrades to interior lighting, and rooftop membrane inspection/repair.	260,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2027:

Maintaining Monona Terrace as a world-class meeting destination, community gathering place, and tourist site. Additionally, upgrading our technology allows us to continue to provide exceptional customer service to customers, visitors, guests, and community members.

Operating Costs

What are the estimated annual operating costs associated with the projects planned within this program?

Personnel

<i># of FTEs</i>	<i>Annual Cost</i>	<i>Description</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Non-Personnel

<i>Major</i>	<i>Amount</i>	<i>Description</i>
2022 Capital Budget		Agency Requests

<i>Major</i>	<i>Amount</i>	<i>Description</i>

Notes

Notes:

v1 03/15/2021

2022 Capital Improvement Plan Program Budget Proposal

Identifying Information

Agency	<input type="text" value="Monona Terrace"/>	Proposal Name	<input type="text" value="Machinery and Other Equ"/>
Project Number	<input type="text" value="10037"/>	Project Type	<input type="text" value="Program"/>
Project Category	<input type="text" value="Facility"/>	Priority:	<input type="text" value="2"/>
2022 Project Number	<input type="text" value="13679"/>		

Description

This program funds machinery and equipment purchases at Monona Terrace. The program's goal is to provide a safe environment for clients and guests and to increase overall customer satisfaction. Projects planned in 2021 include replacing tractor and snow removal equipment, replacing Level 2 curtains, repairing exterior loading docks, upgrading video cameras, and purchasing virtual meeting equipment. Finance Committee amendment #7 replaced \$50,000 of Room Tax funding with non-General Fund GO Borrowing in 2021.

Budget Information

Prior Appropriation*

*Based on Fiscal Years 2015-2020

<input type="text" value="\$2,052,882"/>	Prior Year Actual	<input type="text" value="\$1,565,146"/>
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Budget by Funding Source

<i>Funding Source</i>	2022	2023	2024	2025	2026	2027
Room Tax	215,000	1,045,000	330,000	705,000	750,000	620,000
Total	\$215,000	\$1,045,000	\$330,000	\$705,000	\$750,000	\$620,000

Budget by Expenditure Type

<i>Expense Type</i>	2022	2023	2024	2025	2026	2027
Machinery and Equipment	215,000	1,045,000	330,000	705,000	750,000	620,000
Total	\$215,000	\$1,045,000	\$330,000	\$705,000	\$750,000	\$620,000

Explain any changes from the 2021 CIP in the proposed funding for this program.

2022 - in 2020, we were instructed to reduce our Capital Budget request by 50%, due to a reduction in anticipated Room Tax funding due to the pandemic. A year later, several areas of the convention center have been identified as having issues that need attention sooner than later, resulting in an increase in 2022 from the 2021 CIP. There are also projects in 2023 - 2025 that have been identified as needing attention, resulting in increases in those years as well. With a 25+ year old building, there are more areas that are in need of repair/replacement.

Priority & Justification

Citywide Element

Strategy

Describe how this project advances the Citywide Element:

As a cultural and economic engine for the downtown, Madison, Dane County, and the State, Monona Terrace provides opportunities for people of all backgrounds a place to visit, attend events, and hold meetings, banquets, etc. The overall appearance and functionality of our building is crucial to our continued success, and our ability to support downtown businesses, initiatives to increase equity and diversity. Improves operational efficiency.

Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

Describe how Black, Indigenous, and People of Color, people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)?

As a Community and Convention Center, Monona Terrace needs to provide a safe, well functioning, accessible environment. The replacement of equipment such as tables, heat exchangers, and building cleaning equipment is essential to our ability to keep a safe, healthy and appealing environment for guests, attendees, visitors and staff.

What City agencies or community partners are affected by, care about, or already working on issues related to this project/program? N/A - replacement of equipment

Have we asked for their perspectives directly and, if so, how have we incorporated their feedback? N/A - replacement of equipment

How will we continue to communicate with them in this process? N/A - replacement of equipment.

Have we used any data related to the project/program that details race, non-binary and transgender people, people with disabilities, those experiencing homelessness, or undocumented status?

Yes
 No
 Some, not all

Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Project Schedule & Location

2022 Projects

Project Name	Est Cost	Location
Machinery and Other Equipment - Equipment currently identified for Monona Terrace in 2022 include: replacement of tables, Heat exchanger upgrades, replacing battery backup at their end of life, and riding vacuums and carpet extractors.	\$215,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2022:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class community and convention center, as expected by customers.

2023 Projects

Project Name	Est Cost	Location
Machinery and Other Equipment - projects currently identified for 2023 include: replacement of pipe, drape and bases; replacement of banquet chairs, replacement of stage skirting; A/V equipment upgrades, including wireless microphones and radio replacement. Building cleaning equipment, 3 foot stage and stairs for the rooftop, upgrades to staff work stations, and mid-tier projector replacement completes the list of 2023 equipment.	\$1,045,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2023:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class venue.

2024 Projects

Project name	Est Cost	Location
Machinery and Other Equipment - 2024 equipment and machinery includes: Rope and stanchion for building wide use; replacing easels and white boards; cleaning equipment, and replacing trash and recycle containers.	\$330,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2024:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class community and convention center. As part of the 2024 renovation, these purchases also add to the overall appearance of the building.

2025 Projects

Project name	Est Cost	Location
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<i>Project name</i>	<i>Est Cost</i>	<i>Location</i>
Machinery and Other Equipment - 2025 projects include: Chiller and HVAC drive units upgrade, replacing building cleaning equipment, and A/V upgrades. Those upgrades include video switchers, wireless microphones, headsets for clients, and LCD screens.	\$705,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2025:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class community and convention center. The purchase of A/V items allows us to continue to provide state of the art technology for our clients, visitors, guests, staff members, and attendees of all events.

2026 Projects

<i>Project name</i>	<i>Est Cost</i>	<i>Location</i>
Machinery and Other Equipment - 2026 projects currently identified include: building cleaning equipment, replacement of screens and large tier projectors, the purchase of an LED video wall with software, and replacing banquet tables.	\$750,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2026:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class community and convention center. The purchase of A/V items allows us to continue to provide state of the art technology for our clients, visitors, guests, staff members, and attendees of all events.

2027 Projects

<i>Project Name</i>	<i>Est Cost</i>	<i>Location</i>
Machinery and Other Equipment - 2027 projects currently identified include: building cleaning equipment, including an escalator cleaner; replacement of classroom tables, a new dishwashing machine in the Kitchen; new Ice machines, upgrades to the elevators and escalators, and upgrade to the John Nolen Drive marquee signage.	620,000	Monona Terrace - One John Nolen Drive

Explain the justification for selecting projects planned for 2027:

The purchase of equipment allows Monona Terrace to upgrade outdated equipment, while continuing to increase employee efficiency. Other purchases will allow us to have the look and feel of a world class community and convention center. The purchase of A/V items allows us to continue to provide state of the art technology for our clients, visitors, guests, staff members, and attendees of all events.

Operating Costs

What are the estimated annual operating costs associated with the projects planned within this program?

Personnel

<i># of FTEs</i>	<i>Annual Cost</i>	<i>Description</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Non-Personnel

<i>Major</i>	<i>Amount</i>	<i>Description</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Notes

Notes:

