



City of Racine

Meeting Minutes

Civic Centre Commission

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Jeff Coe
Andrew Kindsvater
James T. Spangenberg
Ray Mathews
Esperanza Martinez
Lydia Vela
John Weibel
Nicholas Yackley

Wednesday, April 26, 2006

5:30 PM

Festival Hall - Conference Room

Call To Order and Roll Call.

PRESENT: 5 - Jeff Coe, Andrew Kindsvater, James T. Spangenberg, Ray Mathews and Lydia Vela

ABSENT: 2 - Esperanza Martinez and John Weibel

EXCUSED: 1 - Nicholas Yackley

Present Kate Scheller

Approval of minutes for the March 22, 2006 and April 5, 2006 meeting.

- 06-1615-A** Subject: Communication from the Assistant Finance Director requesting to discuss to discontinue the sale of personalized bricks at the Festival Hall site.

(Item also referred to License & Welfare Committee)

Recommendation of the Racine Civic Centre 04-26-06: That the sale of personalized bricks at Festival Hall be discontinued.

Ayes: Alderman James Spangenberg, Jeff Coe, Andrew Kindsvater, Ray Mathews, Lydia Vela, and Kate Scheller
Noes: None
Abstain: None

Fiscal Note: N/A

Kathleen Fischer, Assistant Finance Director, appeared before the Commission. She reported that the price to produce bricks have risen 51%. The installation of bricks has risen over 100% and the interest has dropped to a low of 8 bricks per year. As an alternative, the general public has the ability to purchase bricks through two local nonprofit organizations. Jim Walczak stated that the Racine Civic Centre agrees with the proposal.

A motion was made by Kindsvater, seconded by Mathews, that this file be Recommended For Acceptance .

Recommendation that the sale of personalized bricks at Festival Hall be discontinued.

Ayes: Alderman James Spangenberg, Jeff Coe, Andrew Kindsvater, Ray Mathews, Lydia Vela, and Kate Scheller

Noes: None

Abstain: None

2. [06-1831](#)

Subject: (Direct Referral) Communication from Lakefront Beverage Consultants requesting for a contract extension and the City of Racine wave the 180-day notification clause.

Recommendation: that the item be denied.

Ayes: Alderman James Spangenberg, Lydia Vela, Kate Scheller, Andy Kindsvater, Jeff Coe,

Ray Mathews

Noes: None

Abstain: None

Fiscal Note: N/A

Kelly Jensen, Lakefront Beverage Consultants, appeared before the Commission. Chairman Spangenberg asked Kelly Jensen if there were any changes to the offer. She replied that there were none. Kelly had concerns that the recommendation forwarded by John Lamkin, Director of Concourse Premium Food and Merchandise, was general and inaccurate. She also had the following concerns:

1. *Product pricing was low.*
2. *Management number was about right.*
3. *Insurance figure was low, but was pointed out by Jim Walczak that the Centre only needs the liquor liability insurance as the Centre already has general liability insurance.*
4. *Recommendation is for 3 bars - she currently utilizes 7 and there was no contingency for back bars, Jim Walczak stated that the price for full service bars included back bar coolers.*
5. *Figure for a walk-in cooler is low and Memorial Hall has no walk in cooler.*
6. *No figures for service or maintenance were included.*
7. *Kelly feels that the \$30,000 number for startup was quite low.*
8. *Maintaining a staff to operate would be difficult.*

Jim Walczak is confident that a professional part-time staff can be hired and trained by July 1 and manage the department. He stated that private management firms such as Compass as well other municipalities he has worked for actively seek to bring as many services as possible in house and with the limited amount of revenue streams available the Civic Centre bringing beverage service in house is needed. He said the \$30,000 in start up costs would pay for itself in less than 12 to 18 months. He provided an example from last year. The previous custodial company cost the City of Racine almost \$246,000 in 2004. Compass eliminated that service and we hired our own in house employees in mid February and reduced that costs to approximately \$95,000 for ten and one half months.

Andy Kindsvater questioned why Kelly Jensen wouldn't agree to the percentage increase

based on the "sweet deal" she is getting. Kelly quarreled with the "sweet deal" saying it is not and offered that Lakefront Beverage has offered to work on a graduated scale based on sales.

Kate Scheller asked where the \$30,000 is coming from. Chairman Spangenberg answered that it will come from the sound and lighting improvement budget that was designated for Festival Hall. Jim Walczak stated that is the only place that he is aware of the money could come from.

Chairman Spangenberg asked if we will be short on equipment being limited to \$30,000. Jim Walczak was confident in John Lamkin's numbers. He asked Kelly Jensen if Lakefront would be interested in selling the walk in cooler. Kelly said yes and also offered that it would be foolish to buy all new equipment when hers is in good working condition and is willing to negotiate a sale price for all equipment Lakefront owns.

Chairman Spangenberg stated that Jim Walczak needs to be confident that he can handle this given the short time frame. The take over would occur in July 1 if approved. Jim said he was confident that he could handle this.

Jeff Coe asked Kelly Jensen if she would consider a one-year extension. She responded that the one year deal would be just that and she would just be used to "train" the Civic Centre staff.

Andy Kindsvater asked if a 2-year extension were approved would Lakefront Beverage be willing to absorb any of the operating costs. Paul Setzer read a report detailing the power usage of Lakefront's equipment and gave hard costs \$3,876.80 associated with the usage. Lakefront Beverage was not willing to pick up any additional costs.

Jim Walczak offered that he will work with John Lamkin and make the \$30,000 cap work and buying Lakefront Beverage's equipment will help considerably. Lakefront stands need repair and updating but those costs will be considerably less than purchasing all new equipment.

Jeff Coe thinks that bringing this in-house is a good idea but has concerns that the \$30,000 may not be enough money and going back to the City for additional funds is not an option. Jim Walczak said he will stay at the number.

Chairman Spangenberg wants to hear a positive and convincing statement from Jim Walczak that he can handle the budget and time line.

Ray Mathews stated that he was ready to vote for the in-house proposal but is now wavering a bit based on the discussions this afternoon. He said that purchasing Lakefront's equipment will make a more feasible timeframe and less costly. Staffing will always be an issue regardless of where people work and people will line up for any opening.

Chairman Spangenberg asked for motion to:

1. Extend the agreement with Lakefront or
2. Not extend and recommend that Compass be authorized to provide alcohol beverage service. The language for each recommendation was drafted by the City Attorney.

Kate Scheller was waiting to hear Chairman Spangenberg's earlier request to have a positive and convincing statement from Jim Walczak that he can handle the budget and

time line.

Jim Walczak stated that we will get it done for \$30,000 and be ready by July 1.

Chairman Spangenberg asked for a roll call vote. Motion passed unanimously.

Chairman Spangenberg stated that the motion will go to the Common Council then be referred to Finance and Personnel Committee for approval and the License and Welfare Committee for approval, followed by approval by the Council May 16th.

Chairman Spangenberg also said that Jim Walczak and Kelly Jensen should agree on the sale price of equipment soon so the figures can be shared with the Finance & Personnel Committee.

Recommendation: that the item be denied.

Ayes: None

Noes: Alderman James Spangenberg, Lydia Vela, Kate Scheller, Andy

Kindsvater, Jeff Coe,

Ray Mathews

Abstain: None

Miscellaneous.

Jim Walczak requested a new business item regarding the Festival Park tent while Kathleen was available. Item is granted by Chairman Spangenberg.

Jim Walczak hands out three bids for tent replacement parts and/or renting a new tent for the season and clarified any questions regarding the handout.

Karl's proposal would include renting a free standing tent at \$4,500 for the time period of May 4 through June 14, and Karl's would be responsible for setup, take down, and storage at their facility. Karl's proposed tent structure anchors to the ground without the need for outriggers and also has pull down side walls as a permanent piece of the structure. The Karl's tent structure also includes a lighting system.

The other two bids are for replacement parts for the existing tent lost during last year's storm to include but not limited to the section of the tent destroyed. Those bids came in at \$5,844.55 from General Rental plus \$525.50 for installation and \$6,000 for a new panel or \$3,000 for a used panel from Top Choice Rental. Top Choice also had a \$500 installation fee. The existing tent also had a portable lighting system and power panels that were lost as well and would need to be replaced and during inclement weather side walls need to be installed many times at a moments notice. The existing tent also has outraging arms that extend from the tent that has caused numerous tripping accidents.

A second proposal from Karl's was to rent that tent for the summer season at an additional \$13,500 for a total of \$18,000 for the season to rent. A third proposal from Karl's was to buy the tent outright at \$18,000.

Kathleen Fischer and Jeff Coe both agreed that it would be senseless to rent for the season. Kathleen recommended that the tent be rented from Karl's for the \$4,500 until June 14th to give more time to find the capital expenditure to buy the tent. Kathleen suggested that a communication be forwarded to the Common Council asking that the issue be referred to Finance and Personnel Committee for their review and consideration. This will also allow Jim Walczak additional time to possibly negotiate a corporate sponsorship with Karl's or another interested corporate sponsor in hopes of covering the cost of the new tent.

Andy Kindsvater questioned why a tent was needed. Jim Walczak offered that the current clients expect the tent for their use. Having a quality structure such as the Karl's proposed tent would potentially increase the available programming avenues for the Centre now that Compass management has given approval to seek programming in house.

Chairman Spangenberg suggested that renting from Karl's was the direction to go for now and follow up with the communication to Council for approval of purchase. Kathleen stated that the communication would need to be received within two weeks for consideration in the 2007 budget.

Chairman Spangenberg asked for a motion authorizing Racine Civic Centre to rent the tent from Karl's.

Jeff Coe made a motion and Ray Mathews second the motion. Motion passed unanimously.

New Business

None

There being no further business to come before the Commission, the meeting adjourned at 7:01 p.m. The next scheduled meeting of this Commission is at 5:30 p.m., May 24, 2006, Festival Hall Conference Room.

Respectfully submitted,

**Alderman James Spangenberg, Chairman
Racine Civic Centre Commission**