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 Details: State Fair Park

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2003-04

(session year)

Joint

(Assembly, Senate or Joint)

Committee on Audit...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (November 2012)

Assembly

Record of Committee Proceedings

Joint Legislative Audit Committee

✓ **Audit Report 03-11,**
State Fair Park.

September 11, 2003 Referred to Joint Legislative Audit Committee.

November 7, 2003 **PUBLIC HEARING HELD**

Present: (6) Representatives Jeskewitz, Kaufert, Kerkman and Cullen; Senators Darling and Plale.
Absent: (4) Senators Roessler, Cowles and George; Representative Pocan.

Appearances For

- Joseph Chnelich, West Allis – CEO, Wisconsin State Fair Park
- Martin Greenberg, Milwaukee – Chairman, State Fair Park Board
- Leah Vukmir, Wauwatosa – Parent
- Terry Quam, Lodi – Wisconsin Cattlemen's Association
- John Weiskircher, Shullsburg
- Mike Metcalf, Madison – Chief, Capitol Police
- Benno Weigel, New Berlin – Bay Elm Way
- Ed Kalashian, West Allis – Kalashian Food Service
- James Wetzel, Mukwonago – Milwaukee Mile/Himself
- James Mejchar, West Allis – Board Member, State Fair Park Board/City of West Allis
- Marty Weigel, West Allis – Alderman, City of West Allis

Appearances Against

- None.

Appearances for Information Only

- Janice Mueller, Madison – State Auditor, Legislative Audit Bureau
- Julie Gordon, Madison – Legislative Audit Bureau
- Anthony Staskunas – Representative, 15th Assembly District, Wisconsin State Assembly/Wisconsin Exposition Center
- Gale Tanger, Wauwatosa – U.S. Olympic Committee
- Charles Henderson, Milwaukee – Pettit National Ice Center,

- Cindy Yomantas, Brookfield – Executive Director, Pettit National Ice Center
- Gino Cavallini, Wauwatosa – Executive VP of Programming, Pettit National Ice Center
- Bonnie Blair Cruikshank, Delafield – Pettit National Ice Center
- Tom LeTendre, Greenfield – Family Business at Fair
- Dr. Joseph Schwartz, West Bend – Clydesdale Breeders of the USA

Registrations For

- None.

Registrations Against

- None.



Pam Matthews
Committee Clerk



Record of Committee Proceedings

Joint Legislative Audit Committee

Audit Report 04-5

An Audit: State Fair Park

June 22, 2004 Referred to Joint Legislative Audit Committee.

November 16, 2004 **PUBLIC HEARING HELD**

Present: (7) Senators Roessler, Cowles, Plale and Lassa;
Representatives Jeskewitz, Kaufert and Cullen.
Absent: (3) Senator Darling; Representatives Kerkman and
Pocan.

Appearances For

- None.

Appearances Against

- None.

Appearances for Information Only

- Janice Mueller, Madison – State Auditor, Legislative Audit Bureau,
- Julie Gordon, Madison – Legislative Audit Bureau
- Martin Greenberg, Milwaukee – Chairman, State Fair Park Board
- Craig Barkelar, Madison – Interim Executive Director/CFO, State Fair Park
- Scott Gunderson, Waterford – State Representative, State Fair Park Board Member
- Tony Staskunas, West Allis – State Representative, State Fair Park Board Member
- Gina Frank-Reece, Madison – Deputy Secretary, Department of Administration

Registrations For

- None.

Registrations Against

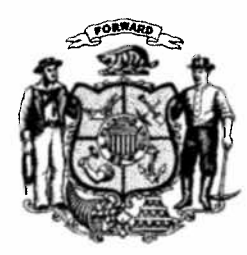
- None.



Pam Matthews
Committee Clerk



WISCONSIN STATE LEGISLATURE



SFP Business Plan – Recommendations for the Future

- Good that they seem to understand the magnitude of the current picture.
- Response to amount of expenses exceeding revenues –
 - ** mentioned that some factors out of their control – yes lapse and Pettit outside of their control, but decision to shift parking revenue to the Exposition Center and not factoring in the revenue shift from events was certainly within their control.
- Noted that the State Fair (Event) is not a financial drag on SFP, it is the “linkages,” i.e. PNIC, WEC, Milwaukee Mile Race Track.
- If these linkages are not revenue neutral or in a profit position in a relatively short period of time (2 yrs.) consideration should be given to selling, liquidating or leasing them..
- Questions/comments regarding some of the suggested short-term steps and changes:
 - (1) ??
 - (2) Hire or promote from within a State Fair Manager... – **no longer use a contract employee (the Canadian guy)?**
 - (3) *Good* (obtain business plans)
 - (4) *Good* (hire a CFO)
 - (5) Under the direction and control of a Marketing VP... - **don't you already have someone who does marketing? Are they not qualified to do this? If not, will the current person stay or go?**
 - (6) Fundraising plan... - **do you have one?**
 - (7) Employee consolidation... - **what took you so long! How many do you estimate?**
 - (8) Good (bonding analysis – potential refinance)
 - (9) Create performance standards, etc... - **what is the timetable?**
 - (10) On a monthly basis, the WSFP Board should receive a consolidated operating statement... - **should or will?**
 - (11) Adopt other recommendations as made by the LAB and WSFP Committee on Budget and Finance... - **Which ones?**
 - (12) *Good* (obtain waiver for funds raised...)
 - (13) Settle accounts with the State relative to current operating shortfalls... **How?**
 - (14) Consider forming & capitalizing a non-stock corp... - ??
- Plan for “new company” - **Plan mentions a number of details that are not laid out – are you working on a draft of a proposed agreement that**

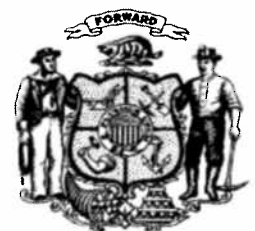
enumerates the ideas outlined here? Has the governor seen this plan? If so, what was his reaction?

- **Changes needed to effectuate the short-term seem to be creating a lot of new management positions... Are you planning to add additional employees/increase payroll or utilize people you have but under a different form of structure?**
- **(page 14, last bullet)**
- **Long-term considerations – Don't know enough about what the plan may look like to comment about the positives, but I do have some questions:**
 - * **3rd bullet on page 17 – Happy to see LAB mentioned, what about LFB?**
 - * **last bullet on page 19 – Can you give me an example of how the current structure has created problems?**
 - * **last bullet on page 20 – How many civil service positions are we talking about changing?**
 - * **1st bullet on page 21 and page 30 (24) – again, what is preventing you from consolidating employees now? Why do you have to wait?**
 - * **2nd bullet on page 21 – Can you provide an example of how the current procurement guidelines are burdensome?**
 - * **last bullet on page 26 – How much beyond the \$1.8 Million you approved last week is needed to make the Milwaukee Mile a “state-of-the-art” facility?**
 - * **Racing, page 27 (3) – GM currently makes \$150,000 – any planned changes to contract to provide a financial incentive to meet goals?**
 - * **Racing, page 28 (9) – What exactly was the “Drive The Mile” event and was it successful?**
 - * **Racing, page 28 (11) – We haven't been able meet the goal of 6 races that were needed to cover the cost of previous capital expenditures, what makes you think we can attract additional races now?**
 - * **Racing, page 29 (17) – How did residents react to the first night race held this year?**
 - * **Racing, miscellaneous – Again, how much beyond the \$1.8 Million you approved last week is needed to make the Milwaukee Mile a “state-of-the-art” facility?**
 - * **Racing, page 30n (29) – if the plan is to consolidate more, why would you want to hire an outside marketing firm if you will be having a Marketing VP?**
- **Pettit National Ice Center (PNIC) – there seems to be a number of potentially good ideas expressed (refinance debt, WSFP board member on PNIC board, shared services, etc) however, others will necessitate capital improvements and thus higher debt (see page 36).**

- **Wisconsin Exposition Center (WEC) – There are a number of issues that need to be addressed in relation to how/when WEC will be able to break even or be profitable – too many to enumerate and trying to change the past is not productive. However, a few key questions must be asked:**
 - 1)



WISCONSIN STATE LEGISLATURE



State Fair Park

Expansion of facilities

- 1) Exposition Center**
- 2) Ag building**
- 3) Milwaukee Mile**

**Expenses and revenues have gone more out of wack every year.
Pg. 4**

The question exists-----if you cannot meet expenses without taking out of the capitol fund---what is going to happen in year 2005 when the fund is gone?

Can you please explain the rationale for the structure of State Fair Park? State Fair-----Petit Center, separate board--- Exposition Center, non, profit organization---Milwaukee Mile, private contract. Why were they all combined under one umbrella but each has separate identity, authority, but not fiscal responsibility? Why on earth would you allow an entity to only pay rent if indeed they made a profit.????????????? Because you were under the state authority-----you knew that the state would pick up the bill?

**State Fair negotiated with Exposition Center
(see page 6, 29,30-37)**

1. Why wouldn't the agreement have been amended when they saw that it was not working? Pg. 31

2. Page 32 Why can't a certain amount be charged to the Expo Center—charge backs are done every day in bookkeeping

3. Page 32 When was the licensing agreement made with the expo center

4. Page 32---,last paragraph

5. Page 33- Who decided the formula?Why---- when they found out it was not working---didn't they rework it?

6. Page 34 How much square footage was razed and how much was built. Was the difference in square footage considered when the budget plan was adopted?

7. Page 35 Why would the consultant think that 8 events would leave the Midwest Center?

8. Page 35 Projections for losses and profit

Old building, rents were low - no overhead

9. Who was the consultant and where is he now?

10. Page 36- Why has there been a vacancy in the position that markets the center since April 2003—by understanding of event scheduling is that it is done a year or two in advance----n

11. page 37 Have discussions been held with the commercial lender.

12. page 37 States that the state may provide financial assistance-----why if they choose not to?

Pettit Center

1. What are the plans for financial betterment?? Page 40

MILWAUKEE MILE

1. page 19 Why was the contracted terminated 2 days before the beginning of the season?

2. page 20- in your original plans you included more renovation and now have plans to go ahead with those plans-----why---when you didn't meet budget?

3. Page 21- buyout of 250,000 dollars----Haas agreement good always unless Haas 1) failed to pay the minimum rent required. 2)S.f. received a minimum annual track rental fee ---how much was that? 3) required to hold only one major race a year 4) SFP had no financial oversight over racing activities. In 2002 an agreement was reached however the season was over?? This agreement was bottom of page?? Was this agreed upon by the board???????????????? Page 22

4. Contract buyout!!!!!!!!!!!!page 23

5. page 25

6. What was the incentive pay for---what successes did you see????????

7. Page 27 ---is this revenue neutral without dipping into the capitol fund????????????

Future considerations

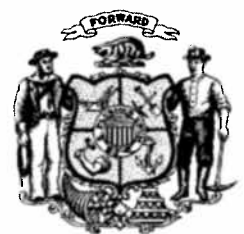
Page 48 49, 50 ask the questions that are on those pages.

10.

Exposition Center



WISCONSIN STATE LEGISLATURE



WISCONSIN STATE FAIR PARK

During the two year period that the Capitol Police have been the primary law enforcement agency for State Fair Park, number of enhancements to the security program have been implemented.

An operational security response plan for the park was developed. The plan details responses to various emergency situations.

A new state of the art video system has been installed in the park using Federal Grant money. The video system allows for continuous video monitoring from various points around the park. The camera can be monitored from any computer on the state network (where the software is installed). Officers, detectives, communications staff and law enforcement supervisors can monitor activity around the park 24-7. The video is monitored in Madison at the Capitol Communications center. During the upcoming year we plan on obtaining additional funding to allow an expansion of the system.

Through another grant, we have dramatically improved the communications program at the park. We added a new dispatch console at the police center. We added a number of portable radios on new frequencies that enable officers to communicate directly to our 24-7 communications center in Madison. We have enough radios on hand to supply all our officers without having to lease radios as in the past for the major events held at the park. Having a 24-7 dispatch center monitoring the officer's activity provides a safer work environment for the officers as well as providing greater protection for the park.

Security alarms have been added to the Expo Center, Grand Stand and the new Horse barn. The Thompson Center was also connected. Prior to two years ago, the facility had an alarm but did not ring anywhere. The alarms are monitored at the communications center in Madison. The service is free to the park.

Through a number of grants we have been able to supply the officers assigned to the park with a number of tools to allow them to provide a safer environment for the park and it's many visitors.

We acquired a free fully equipped Harley Davidson motorcycle, which is used around the park during major events to patrol the perimeter, the parking lots and to serve as a PR tool for the park.

We purchase debrillators for deployment in our squad cars and at our station. Officers have all been trained to use the equipment.

We have provided all full time officers in the Milwaukee area with Hazmat response equipment. Protective clothing, respirators and other devices have been placed in the squad cars and the headquarters. Officers have been trained to respond to various emergency situations.

Senior
Tapping
MATT GREENE

Human Resources
State Fair

Web Site
Security

Safety
Security
Recruiting
Communication

Harley
AD
GN
Disables
Terminations
Training

from
Reduction
HR AB
37 YRS

?
Benefit
#

Through a grant from a private corporation, we have purchased a dog that is used for locating explosive devices. The dog is used to provide "sweeps" of sensitive areas prior to events and to respond to suspect bomb incidents.

We have improved and updated the police computer system. Two years ago the computers used by our officers were very much outdated equipment. That equipment has been replaced and additional workstations made available. The police department was given access to a new report and cad system used in Madison. The system allows for our department to better keep track of incidents and to use that information to schedule our resources.

During the past year we added 5 high quality bikes to the bike program. The bikes retail for approximately \$2000 each and were basically donated to the park. We have plans of adding several additional bikes next year. The bike program has proven to be very effective means for officers to respond to emergency situations during crowded periods.

To reduce the park's liability for baseless claims against the police, we have installed in car video systems in each of our patrol units.

We have also purchased new mobile data computers for each of the patrol vehicles in the park. This system allows for more efficiency by the officers and allows another means of communications between officers.

Given the type of venue we have, we felt it necessary to give our officers additional tools other than employing deadly force in critical situations. We now have converted our shotguns to dispense less lethal projectiles. The system is basically a small beanbag that hits the subject with force allowing the officer to apprehend the suspect without using deadly force.

In addition we now have deployed a pepper-ball dispensing system. This system allows the officers greater safety in trying to apprehend an unruly subject or group without have to use batons or other more serious methods.

Officers have also been provided with AR-15 semi automatic weapons. The weapons are assigned to each squad in addition to be located at the police station. The weapon is more accurate than the shotguns and can be used with confidence by all officers.

All officers have received additional training opportunities in specialized classes as well as the standard inservice training provided by our agency. In the past officers attended a minimum of 3 days per year as required by law. Officers now receive a minimum of 8 days, which includes all the required subject matter dictated by the Department of Justice in addition to a number of courses directed at improving the quality of policing in the park.

FUTURE PROJECTS

I would like to obtain a grant to add a parkwide intercom system that could be used for emergency announcements as well as other park information. Currently there is no method to make emergency announcements.

I would like to add two Gators to the police department operations – Gators are the 4-wheel vehicles capable of carry equipment. Gators allow the officers to get around the park quickly and are much safer during events than using full size vehicles.

I would like to add additional video to the park to cover several areas that are currently not covered completely with the new video system. The grant for the video system allowed us to provide approximately 75% coverage. An additional grant can help us to cover the remaining 25%.