Five Flags Commission Meeting Monday June 27, 2011

Present: Bryce Parks, Barb Kurt, Cindy Fuller, Joyce White, Don Howes, and Ali Levasseur

Absent: Rod Bakke

Commissioner Parks called meeting to order.

Approval of Minutes: Commissioner Fuller motioned to approve minutes of May 23, 2011 meeting. Commissioner Kurt seconded the motion, all approved.

Old Business:
- Ali Levasseur provided a Theater Lobby update. UV protection coating has been installed on all windows. Committee is working with Great Sounds to purchase a monitor for displaying a slideshow reflecting theater history. Stackis & Morrison Architectural Millwork is designing new refuse and recycling containers.
- General Manager provided an update on Black Hills Energy relative to a rate dispute. Commission members received copy of letter Don Howes prepared and sent to Black Hills Energy - and their response (see addendum). Five Flags will receive a credit from Black Hills Energy – yet to be determined.

New Business:
- No new business at this time.

General Manager, Joyce White, delivered the following reports:

Operations Department:
- The concert lighting package was received and is currently being inspected for content and condition prior to authorizing the city’s payment of this FY 2011 CIP purchase.
- Operations will spend a portion of the summer reorganizing the primary main storage area which will focus on relocation or disposal of the old tradeshow carpet. Additional storage is required to permanently house the additional equipment (tables and concert chairs), a CIP purchase made last fall.
- Operations Department plan to research the availability of a new methodology designed to reduce the trip hazard posed by the recessed and compacted materials defining the ice rink expansion joint.

Safety Committee
- The Safety Committee met on June 16 where the primary focus involved implementing staff training for two online programs: Workplace Security Awareness and Crowd Management Training. Both programs are offered through IAVM (International Association of Venue Management.)
- New “Evacuation” and Safety Relocation” scripts were reviewed and approved for laminating and posting at appropriate areas at Public Address System stations throughout the building.
- Finalized “Evacuation” and “Relocation” maps were also approved for posting inside gates.
• New electrical boxes and plugs (ceiling drops) have been purchased and will be installed over the course of the summer.

Marketing, Promotions, and Events Interests:
• America’s River Festival was fortunate to have good weather and did not utilize Five Flags as their designated rain site. However, Five Flags had presented and reviewed an exceptionally thorough plan for execution had the call been made. The city and festival patrons would have been “well served”.
• May through mid-June programming calendar primarily revolves around community related events such as graduations, recitals, community theater performances, arena pops, etc. Historically, Five Flags enters the “slow summer season” at mid-June through August.
• In mid-June, the non-profit Rising Star Theatre Company will begin their two months stint in the Bijou Room whereby they will produce two shows (Joseph and Amazing Technicolor Dreamcoat and The Wizard of Oz).
• Five Flags Center has booked several wedding ceremonies for FY12 and FY13. These bookings have come from word of mouth. We will begin promoting the Theater for ceremony space throughout FY12.
• The Oak Ridge Boys Christmas Show will be at Five Flags November 28, 2011. We have worked to get this show for many years. The show will be announced by end of summer.
• Jim McDonough has informed Five Flags of his new business plan. In the past he has rented the building, self-promoting the show. Now, he is asking the venue to buy and “present” the show.

F & B Department
• Rumble by the River (wrestling tournament), X-treme Dance, and Outlaws Roller Derby scrimmage were the three primary revenue generating opportunities in the first three weeks of June.

STAFF DEVELOPMENT
• Don Howes is now a graduate of IAVM’s Venue Management School, having recently completed the second of the two year program.
• Employee written evaluations for FY11 have been completed, along with recommend salary adjustments, and have been forwarded to Tom Lorenz for review and approval.

MAY “PRIMARY EVENTS”
• DSO Arena Pops – Saturday, May 7
• DSO Youth Ensemble – Sunday, May 8
• Civil Service Exam – Tuesday, May 10
• City Management Meeting – Tuesday, May 10
• George Carden “Shrine” Circus – Wednesday and Thursday, May 11 and 12
• Melanie Devaney in Concert – Friday, May 13
• Night Storm Dance Club – Saturday, May 14
• Studio 5-6-7-8 – Friday, Saturday, Sunday, May 20, two shows on 21, 22
• Rising Star Theatre Company (auditions) – Sunday, Monday, Tuesday, May 22, 23, 24
• Dubuque Public School System – Friday – Sunday, May 27, 28, 29
• Fly-By-Night (move-in) – Saturday, May 28

**JUNE “PRIMARY EVENTS”**

- Rumble by the River (wrestling tournament) – Saturday, June 4
- X-Treme Dance recital – Sunday, June 5
- Fly-By-Night (performances) – Friday, Saturday, Sunday, June 3, 4, 5
- Night storm Dance Club – Thursday June 9
- America’s River Festival – Friday, Saturday, June 10, 11 (rain site)
- Fly-By-Night – Friday, Saturday, Sunday, June 10, 11, 12
- Joseph Dreamcoat – Monday – Friday, June 6-July 1
- Capri College Style Show – Friday, June 17
- All That Jazz – Friday, June 17 (rain site)
- Roller Derby Boot Camp and Scrimmage – June 18

**Financial Manager, Don Howes, delivered the following reports:**

**Financial, Accounting Reports:**

- May’s numbers reflect that we came in under budget by $13.2K due to circus revenues which had not been budgeted and an increase over budgeted concession revenues for Studio 5-6-7-8 dance recitals.
- After adjusting the rolling forward forecast for approved year-end purchases of $19.2K, estimated position at YE could reflect a savings of approximately $19K. Approved FY11 purchases are listed in addendum.

**Other:**
Commissioner Parks Motioned for Commission to not meet during summer, next meeting September 26, 2011, Commissioner Fuller seconded, all approved.

**Adjournment of Monthly Commission Meeting:** Commissioner Fuller motioned to adjourn the meeting. Commissioner Kurt, seconded, all approved.

**Next meeting:** in the General Manager’s Office on Monday September 26, 2011 at 4:00PM. Five Flags staff will place an email “Thursday before” to remind commissioners of the meeting.
Don Howes  
Five Flags Center  
405 Main Street  
Dubuque, Iowa 52001  
Acct. No. 9502273860

May 20, 2011

Black Hills Energy  
P.O. Box 6001  
Rapid City, SD 57709-6001

Dear Sir/Madam;

I am writing to request a review and an adjustment of Five Flags Center’s account, #9502 2738 60, due to two faulty gas meter’s this past winter. (Five Flags Center is an arena/theater complex that offers concerts, family shows, comedians, etc. and in the past an ice sheet for hockey and skaters.)

With the start of our fiscal year 2011 (July 1, 2010 to June 30, 2011), Five Flags Center ceased to offer an ice sheet as part of our event offerings. Subsequently, Five Flags Center has observed a direct correlation and relationship between the lack of ice and energy usage. Since discontinuing ice sheet this fiscal year, gas usage has diminished because we do not need to:

- Heat water for daily showers of hockey players
- Dehumidify ice rink and arena
- Compensate for larger heat rise in promenade due to low temperature of ice in arena
- Heat seating area in arena for ice spectators
- Adjust for temperature increase when covering ice for a non-ice event

Upon receipt of January 2011 invoice, which reflected an increase in usage by approximately 10,000 therms from December 2010, Five Flags contacted Black Hills relative to the dramatic increase in usage. Black Hills Energy agreed to send a technician to inspect the meter. Upon inspection, the meter was not functioning and was replaced in early February 2011. As February usage only dropped by about 1,500 therms, Five Flags again contacted Black Hills Energy to express concern regarding our billable usage. Black Hills Energy responded with a service call and the technician discovered the replacement meter also was defective and required replacement.

Black Hills estimated Five Flags’ January and February (2011) readings based on the previous year’s (2010) usage – an amount which reflected an ice sheet was in use. Five Flags Center contends that the estimated therm usage is grossly incorrect. By examining the spreadsheets provided, you will observe that from September 2010 to November 2010 usage was tracking 75% to 85% as compared to the same
timeframe the previous year (2009). Therm usage also dropped 62% in December 2010 as compared to December 2009.

Due to two faulty meters, “actual” non-ice comparables for the months of January and February 2011 (without ice) are not available. However, Five Flags cannot accept the unfair methodology Black Hills has applied in determining and billing usage based on “an erroneous estimate”. We are requesting you to review the attached spread sheet and to apply an adjustment of 75% which reflects an average decline in our usage from September through December 2010.

Thank you for your time and consideration on this issue.

Sincerely,

[Signature]

Don Howes
Sr. Accounting Manager
Five Flags Center
Phone: (563) 589-4256
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Don Howes

From: Bandy, Chuck [Chuck.Bandy@blackhillscorp.com]
Sent: Thursday, June 23, 2011 3:59 PM
To: Don Howes
Subject: RE: Therm Usage Review at Five Flags Center - Found word(s) affiliate in the Text body

Don;
I apologize for the delay, there are many channels involved with this on the BHE end. The amount to be credited from BHE should be confirmed by tomorrow and looks like it will be $588.60 (crediting from 95% of previous years usage to 59%). Our corporate group is currently working with the broker side to see what will transpire their so we can let the broker know of any adjustment. I will keep you posted. Please feel free to contact me anytime.

Thanks

Chuck Bandy
Customer Relations Representative
Black Hills Energy
1015 Cedar Cross Rd
Dubuque IA 52003
Office: 563-585-4012
Cell: 563-590-1334
Fax: 563-583-0850
email: chuck.bandy@blackhillscorp.com
web site: www.blackhillsenergy.com

From: Don Howes [mailto:dhowes@fiveflagscenter.com]
Sent: Wednesday, June 22, 2011 2:23 PM
To: chuck.bandy@blackhillscorp.com
Subject: FW: Therm Usage Review at Five Flags Center

Don Howes, PHR
Sr. Accounting Manager
Five Flags Center
405 Main Street
Dubuque, IA 52001
Ph - 563.589.4256
Fax - 563.589.4351

From: Don Howes
Sent: Tuesday, May 31, 2011 4:23 PM
To: 'chuck.bandy@blackhillscorp.com'
Subject: Therm Usage Review at Five Flags Center

Chuck,

How is the review going? Is there anything else that you need from me?

Don Howes, PHR
Sr. Accounting Manager
Five Flags Center
405 Main Street
Dubuque, IA 52001
FIVE FLAGS CENTER  
SUGGESTED 2011 YE PURCHASES

**EVENTS**
- Replacement Iris/Igniter for Followspots $1,000  
- Xenon Followspot Lamp $1,000  
- Concert lighting - 2 moving lights* $8,400  

**OPERATIONS**
- Main Circulating Pump (replace) $3,200  
- Bobcat Bucket (repair) $1,200  
- Bulbs & Lamps $1,000  
- Paper Products $1,000  
- Liners $500  
- Chemicals $400  

**F&B**
- Safe $500  

**OVERHEAD**
- Office Supplies $1,000  

**TOTAL PURCHASES** $19,200

*All suggested purchases were budgeted for FY12 except for the two moving lights, designed to compliment the previously CIP purchased concert lighting package.