

GOVERNANCE COMMITTEE

Sunday, January 21, 2024

MEETING MINUTES

CALL TO ORDER: 4:04 PM

ROLL CALL: Mike Lyons, Holly Price

Excused: Dave Wehner

Also in attendance: Park Director John Piepsny, Administrative Coordinator Polly Wheeler and several other attendees

1) Event Planning Services agreement and alternatives

Mr. Lyons initiated a discussion of the event planning services agreement. This was discussed in the last governance committee meeting. Mr. Lyons drafted an updated version of the agreement. Due to significant changes in timing of commission payments, a stepped-in approach from the current system, where the entire commission is paid at the time of booking, to the new system is recommended. For 2024 events, the commission structure would remain as is. Events in 2025 and going forward would follow the new commission structure.

Ms. Price reminded the committee why the agreement is being changed:

- a) The Lodge was previously in start-up mode, where advertising The Lodge and getting the word out was the majority of the work, with most events scheduled in the future.
- b) The Lodge is now known as an event venue, getting a lot of interest. Much of the work is now focused on actual events, which can be a year after booking.
- c) Many of the recommendations for booking The Lodge are based on Shari's work and the experience of working with her.

Mr. Piepsny said that he sent an email about a step process to ease the transition to the new system over a 3-year contract. Otherwise, Shari's compensation would be cut about in half next year. He outlined the proposal, culminating in 50% of commission upon booking and 50% upon completion of event. This aligns more with industry standard.

Ms. Price said there are actually only four events booked in 2025, based on information sent to the committee last week. Mr. Piepsny said there have been more booked recently and asked Ms. Wheeler to look up the current status.

Ms. Price said she would rather see the board change immediately for bookings in 2025 because there is still so much 2025 capacity remaining. She stated she is not opposed to a 75% commission payment at time of booking for anything booked in 2024, with 25% after event is held, then changing to 50% at each time for any bookings made in 2025.

Ms. Price indicated that she would also like to remove the tiered percentage structure for commissions because it is too confusing. A flat commission percentage would be easier and preferable. Ms. Price did some calculations to find a reasonable percentage to use, based on 2023 bookings and the commissions paid on events paid for them. She said that it works out

to 15% with one calculation, and to 13-14% with another calculation, depending on whether the bookings made accurately reflect the venue's capacity and how many events could be booked at the highest tier currently in place. Ms. Price elaborated on her methodology and the resulting commissions with different approaches.

Mr. Lyons stated that the question is what the straight commission percentage will be. He questioned whether the \$1,000/month retainer is included in the calculations. Ms. Price responded that it is not; these are just for commissions. Mr. Lyons agreed that a straight percentage commission is fine, rather than the more complicated tiered structure. Ms. Price asked Mr. Piepsny if he thought this proposal would be well received, which he thought it would.

Mr. Piepsny said that if the contract can be worked out at Monday's board meeting [Jan. 22], that would be ideal. This arrangement will have less impact for future years. The contract will need to be specific about 2026. Mr. Lyons asked about 2025. Ms. Price responded that the commission would be paid 50/50 for events booked and held in 2025, as well as those booked in 2024 to be held in 2026. Mr. Lyons suggested that the flat percentage would be in the range of 13-15%.

Ms. Price said she would like to better understand what the potential revenue is from The Lodge for one year and how much the changes will affect Shari's payment. It is not the committee's intention to cause a pay cut with these changes, just the timing of the payments. Mr. Lyons said that he will work on language that captures the plan, leaving the commission percentage out for the time being.

2) Committee recommendation

Mr. Lyons asked whether the Committee is prepared to make a recommendation to the full Board as to which terms should be included in the Planning Services Agreement. He said that the committee is still working out the percentage. Mr. Piepsny said that he could not speak to Ms. Green's acceptance of the outlined points, but the board could certainly discuss the contract terms.

Mr. Lyons reiterated that the length of the contract would be two years, through the end of 2025. Ms. Price agreed, saying that she would not be comfortable going beyond two years. Mr. Lyons said this would give the board a chance to evaluate at that time.

The committee will share the draft with the board before the meeting for Monday. Mr. Lyons said that the committee would make a recommendation on the contract, reserving the percentage amount until after the meeting. The resolution will have to be rewritten since the terms are not correct, but it can be amended on the floor since it is on the agenda. Ms. Wheeler agreed to send Resolution 20-2023 to Mr. Lyons for revision.

3) Reconsideration of 180-day termination of Friends MOU

Mr. Lyons said that the origin of the recommendation to terminate the current Friends agreement was that a new agreement is needed earlier than the termination date of the current agreement. However, following the abstention of Ms. Price on the vote for this recommendation, the objections from the Friends, and reconsideration of the automatic termination of the current agreement at the end of the year, Mr. Lyons does not necessarily feel that early termination is necessary or wise.

Ms. Price said that, after the initial vote, it was brought to the board's attention that early termination would put the Friends' grant application in significant jeopardy. She is not in favor of the recommendation to terminate, and she would like it to be changed.

Mr. Lyons offered two ways to change the recommendation, saying that reconsidering it would be the best option. As a committee member who voted for the recommendation to terminate, Mr. Lyons said he would have to make the motion to reconsider.

MOTION by: Mr. Lyons and seconded by Ms. Price to reconsider the committee's recommendation to the Board to initiate 180-day termination of the current Friends agreement.

DISCUSSION: None further.

MOTION PASSED: Vote taken by roll call: Ms. Price (yea); Mr. Lyons (yea).

With the topic of early termination back on the table, a brief discussion of motion to be made followed.

MOTION by: Ms. Price, and seconded by Mr. Lyons, to withdraw the recommendation (to have the Board formally discuss a 180-day letter of termination), and instead to allow the current contract to run its course until such time as a new agreement is executed or the current agreement terminates on its own

DISCUSSION: If motion passes, the committee will recommend that no action currently be taken by the board on the Friends MOU.

MOTION PASSED: Vote taken by roll call: Mr. Lyons (yea); Ms. Price (yea).

MOTION by: Ms. Price, and seconded by Mr. Lyons, ask if there are any comments from the floor, limiting them to 5 minutes total

DISCUSSION: None further.

MOTION PASSED: Vote taken by roll call: Ms. Price (yea); Mr. Lyons (yea).

Comments from the floor

Corey Ringle (Hawthorne Dr) thanked the committee very much for reconsidering their recommendation. She also said that the Friends board is very eager to respond to the proposed new MOU and that they will take the deadline seriously.

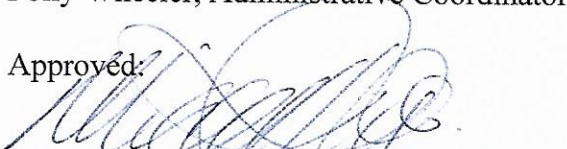
Nancy Sandlin (Broadview Rd) said that she thinks the committee made a good decision.

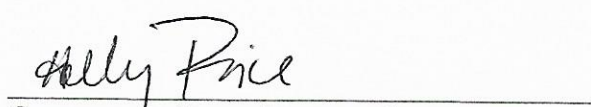
ADJOURNMENT: Mr. Lyons moved to adjourn and Ms. Price seconded. Voice vote was unanimously yea. Meeting was adjourned at 4:49 p.m.

Submitted By:


Polly Wheeler, Administrative Coordinator

Approved:


Mike Lyons, Governance Committee chair


Polly Price
Governance Committee member