MINUTES
JOINT WORK SESSION
MAYOR and COMMON COUNCIL of the TOWN OF CAMP VERDE
and the CAMP VERDE CHAMBER OF COMMERCE
CVMO TRAINING ROOM – 646 First Street, Camp Verde, AZ
WEDNESDAY, SEPTEMBER 1, 2010 at 4:30 p.m.

DRAFT

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.

1. **Call to Order**
Mayor Burnside called the meeting to order at 4:32 p.m.

2. **Roll Call**
Mayor Burnside, Vice Mayor Kovacovich, and Councilors Baker, Garrison, German, Roulette, and Whatley were present.

Chamber Members Present:
Director Tracie Schimikowsky, Alex Wilson, Vice-Chair Linda Buchanan, Treasurer Dave Freeman, and Chair Gary Thompson

Also Present:
Town Manager Russ Martin and Town Clerk Deborah Barber

3. **Pledge of Allegiance**
Councilor Roulette led the pledge.

4. **Discussion with the Executive Board of the Camp Verde Chamber of Commerce relative to the Agreement for Contracted Services and Municipal Lease for the operation of the Visitor's Center, followed by possible direction to staff relative to the contract.**
Martin explained that the existing contract stipulates the duties and funding associated with the operation/lease for the operation/lease of the Visitor's Center, a Town-owned property located at 385 S. Main Street, Camp Verde, Arizona. The proposed contract is attached and becomes a permanent part of this record. He advised that past contracts failed to clearly outline duties and expectations. He suggested that Council approve the existing contract until he had the opportunity to meet with the Chamber Director to get a better understanding of the expectations of both parties to present to Council for consideration.

Baker asked if Martin were suggesting extending the current contract until June. Martin said that he planned to have it no later than April to accommodate the budget cycle. Baker, noting that the lease ends in December 2010, suggested that extending the lease until June when the fiscal year ends would allow an opportunity for the parties to consider their options. She also noted the immigration compliance section needed to state the Chamber agrees to assist the Town, as opposed to the Town assists the Town.

Buchanan expressed concerns with limiting the lease until June because the Chamber is limited in their long-range planning activities. She strongly urged the Council to consider a longer term than June, for example June 2012.

Baker agreed, stating that her concern was that the goals be determined in addition to the extended length since the lease expires in December 2010. She said that she would not be opposed to the 2012 extension.

Martin preferred the April date to work out the terms, so that it could be included into the budget.

Roulette agreed with Baker and with the Manager, noting that in light of recent legislation, it is important to get more detail in writing. He said that he had no issue with extending the Visitor's Center lease. He explained that the contract does need to be more specific for the benefit of each party.

German agreed with giving the Manager and Director the authority to work out the terms. She said that we could agree to a time so that the Visitor's Center could feel comfortable that they will not have to move in April. She advised that she would like to see the contract solidified before March or April.

Dave Freeman said that the Board has been limited in their planning efforts without the assurance of their location. He said that the short amount of time left on the lease has created additional budgetary expenses because they did not know where they would be located. He said that this was a disservice to the community and Chamber members. He suggested that the lease agreement be separated from the services agreement. He suggested a long-term lease and short-term service contract.

Schimikowsky noted that the State Tourism Office, who was not represented at this meeting and who gives out the official Visitor's Center designation, has stringent compliance criteria. She advised that the status is in jeopardy because there is no handicapped parking spot. She also advised that she had notified the former Town Manager because the Chamber has been 'dinged' on this problem area and it might affect their status.

Burnside agreed that this was a critical issue. He said there has been a misconception in the community that public money and the building went to the Chamber, a private organization. He clarified that the Town owns the building and that the Town pays for (i.e. outsources) the operation of the Visitor's Center to the Chamber of Commerce. He said that the Town wants and needs a Visitor's Center and in order for the Town to have a Visitor's Center, certain requirements are necessary. He said that the outsourcing agreement must outline very specific requirements. He suggested that the simplest act to accomplish at this meeting is to establish benchmarks. Burnside outlined proposed benchmarks as follows:

- $55,000 – how much do you want to pay for rent for the office space you use for the solely for Chamber activities? This amount should be deducted from the $55,000.
- How much do you pay your staff for staffing the Visitor's Center? Put this information on paper.
- Quarterly reports relative to the visitors, their interest, increase in numbers and impact on sales tax to justify the public monies that are invested in the operation of the Visitor's Center. The Town can then justify the return on the investment of public monies. This could also justify an increase in funding if needed.
- In 2 years, prepare an analysis of people coming across 260 as opposed to coming into Town – we might discover that the Center needs to be moved to another location that will attract more visitors. We now need to document the funds.
- The Visitor's Center belongs to the Town. If you want to have your Chamber meetings in the Visitor's Center, define how much space you need and how much you are willing to pay for it.

Burnside closed with stating that he felt it would be beneficial to establish benchmarks, as the previous agreement failed to define anything. In summary, he stated the following:

- Define the office space & the rent
- Estimate costs of operation and maintenance – i.e. employees, utilities, upkeep
- Quarterly reports – number of visitors, where are they from, what is their interest, possibly define a correlation with visits to local businesses; cost analysis with direct/indirect costs,
- Define what the Town could do for them – more parking, driveway, picnic tables, ramada, discounts to the local parks and sites, etc.
- Tourism Marketing Tools – provide documentation as to the benefit, what does it do, how much money does it bring in. He does not want a report about how many advertisements were placed, but a report as to how those advertisements resulted in increased visitors that would not otherwise have occurred.

Baker agreed that the handicapped spot should be there and asked why ADOT did not put one in when they did the beautification project. She said that she thought Council was not doing their job and that she was disappointed at times with the information in the Chamber's reports. She said that if Council wanted

something different, they should have let them know. She also felt that we needed to get the details worked out and work together to succeed. She would like to see us focus on the in-state visitors because people are not traveling, but they were traveling within the state. She wanted the clearest, most straightforward direction as possible in the contract

German said that the Chamber has provided the information that Burnside requested. They have shown that Town is not giving the money without something in return. She agreed with Martin's suggestion to allow the Manager and the Director to work out the details, with the information that has been provided. She said that she thought it was unfair to ask them to tie in the number of visitors with the sales tax. She said the Finance Department could determine that information.

Thompson said that correlating visitors with tax dollars would be difficult because people pay taxes differently – monthly, annually, quarterly, and sometimes not at all.

Roulette thanked the Chamber for the reports that have been given. He said that he wanted to come to the Chamber's defense for not coming to the Town to ask for a handicapped spot when they thought they were going to be kicked out. He felt that the Town was getting a good deal.

Schimikowsky advised the previous Town Manager of the handicapped parking space two years in a row and nothing came of it. All members agreed that it was a liability issue. She explained the membership paid for 45% of her salary and contributed 30% of their own budget to the operation of the Visitor's Center for the Town.

Garrison said that she was very unhappy, noting that the former director pulled out of a NACOG tourism event. She reported that Schimikowsky saved the day and has always stood behind her word. She felt that the former director made the Chamber, the Board, and the Town look bad. She said that she would like to cut to the chase. She would like to extend the lease one year, work with them to understand their needs, and agreed to allow the Manager and Director to work out the details and then move forward. She said that this coming budget cycle would be the worst yet. She noted that the Town had to take $700,000 from the rainy-day fund to make it through this year and it is just not there next year. She said that she was uncomfortable making promises that we might not be able to keep.

German said that we would assure the Chamber that they would not be removed at the end of December and allow the manager to work with the director.

Freeman thanked Garrison for her comments and reminded her that he spoke before Council a few times about the failures of the Chamber. He explained that this is a new board and chamber and assured members that he would not be part of a Chamber that was run as it was in the past. He expressed his appreciation for Council's support, noting that it is a challenge to move forward on a shoestring. He said that the focus needs to be on growing this Town and making it vibrant again.

Burnside asked Martin to check with the attorney to determine if we had the luxury of waiting until April or if it could be done more quickly. Martin advised that the attorney had reviewed the contract. Burnside asked the Chamber what they wanted from the Town, noting again that this agreement is mandated by law with benchmarks.

Baker said that she was confused. She thought this meeting was about reviewing the contract.

Martin explained that he would like to see Council approve the proposed contract in its current state that expires in December 2011 and that staff would come back in April 2011 with more detail.

Buchanan said that she was concerned with not extending the lease.

Martin said that if the Town did not have the funding to go past June, the additional six-months on the lease would allow them to make transition plans accordingly. Baker said that Bill Sims did write the contract, noting that the lease terminates December 2011. Martin noted that he had made the change to allow the Chamber additional time.

Burnside asked for a consensus on the direction. All members agreed to the existing contract with Martin & Schimikowsky to work out details later, with an opportunity to review the document in a meeting such as this before it comes to Council for a vote.

5. **Adjournment**

On a motion by Baker, seconded by Garrison, the Mayor adjourned the meeting at 5:42 p.m.

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Bob Burnside, Mayor

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Deborah Barber, Town Clerk

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the discussion of the Mayor and Common Council of the Town of Camp Verde during the Joint Work Session of the Town Council of Camp Verde, Arizona, held on September 1, 2010. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of September 2010.

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Deborah Barber