MINUTES
JOINT WORK SESSION
MAYOR and COMMON COUNCIL of the TOWN OF CAMP VERDE
and the CAMP VERDE CHAMBER OF COMMERCE
COUNCIL CHAMBERS
WEDNESDAY, MARCH 23, 2011
5:00 p.m.

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**
The meeting was called to order at 5:00 p.m.

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

Chamber Members Present:
Director Tracie Schimikowsky, Chairperson Dave Freeman, Gary Thompson, and Kyle French; Ashton Powell arrived at 5:11 p.m.

Also Present: Town Manager Russ Martin, Councilor-elect Alan Buchanan, Adm. Asst. Valerie House and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**
The Pledge was led by Kovacovich.

4. **Discussion with the Board of Directors 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 contracts and/or other matters relating to the Visitor's Center.**
Town Manager Martin reported that based on the Joint Work Session held in September, 2010, and discussion regarding the agreement with the Chamber, he and Director Schimikowsky have drafted two different versions of contracts with the Chamber. One is a lease arrangement that would allow the Chamber to use the Town-owned facility as a Visitors Center for a period of no less than 18 months from the starting point, and/or from when the Town would give them notice to leave. The other contract would be for serving as the Visitors Center contractor and offering those services to the public for no less than 44 hours in any given week. The funding is not included. The goal is to draft a contract that would result in the Town and the Chamber being able to work with each other from that point forward, without having to annually try to come up with a new and better agreement, and that would hopefully serve for at least a couple of years. The goal also is to establish a good working relationship, with a very clear understanding of that relationship to the public as well, that, one, the leasing arrangement is for that goal, and, two, the Chamber is given some stability to find a way to operate that Visitors Center. Underlying the relationship are the State statutes which require a quid pro quo type of scenario: what the Town does for the Chamber as a public entity has to be returned in like kind. Throughout the discussions with Ms. Schimikowsky, Martin said that their efforts were to try to find the wording that was generic enough to refer to documents required to be reported annually as well as quarterly, if and when those funding sources are provided, and that would reflect that the quid pro quo is met and well documented, and clearly sets forth what each party is to be doing.

In response to a question from Baker, Martin said that the 18-month period had been selected based on the likelihood of giving notice in a fiscal discussion; that would allow a minimal time for the Chamber to move out and would be intentionally off the budget cycle just enough to make sure that a solution has been found for use of the building. Gary Thompson commented that the 18 months would be in essence the Chamber's

eviction notice. Martin said that the 18 months would give both the Town and the Chamber enough time to be able to come up with a different alternative or business plan that may not have been considered at this point. Burnside said he understands that after notice is given, the Chamber would then have 18 months; the document specifies that the lease shall continue until a written notice is given by either party; then the 18-month period to vacate follows.

Garrison questioned the lack of information in the document regarding cost; Martin explained that the funding will be a budgeted item; during the 18 months the Chamber has to demonstrate that what they are giving is the value of what they are getting. The "contractor" takes the risk that the Town might pass a budget on July 5th that "retroactively" shuts the place down from the standpoint of funding. Martin said that there are benchmarks that the Town has asked for in order to get the clarity that they, and ultimately the citizens, need to understand the value of the proposition at whatever level of funding is put in. What is the real value of the Visitors Center, and how do we report that to the public? What specifically is wanted from the Chamber on a quarterly basis to show the actual dollar impact? Burnside commented that the answers to those questions are what the Town is seeking, and referred to the introductory clause in the draft agreement stating that tax revenue will be generated by the Chamber for the benefit of the Town. Burnside said that with its expertise the Chamber should be able to come up with a number that would suggest a projected revenue, to think positively.

Garrison asked Schimikowsky if the Visitor's Log provides information on how many days the visitor planned on staying in Camp Verde; Schimikowsky confirmed that it did, including the entire number of nights in the State as well.

Burnside referred to Paragraph 1, Visitor Center, specifying payments to the Chamber in connection with quarterly reports. Martin could see changing the dates for each installment, for example, June 30th, the end of the fiscal year, instead of July 1, the issue being when is the first check written for the next fiscal year. Burnside pointed out the example of the Chamber previously needing funding in advance, and Schimikowsky explained that she understood it was because of a delay in the budget process and the Town not wanting that to affect the Visitors Center operation. After discussion of when the payments would be made, and the issue of accountability regarding the funding, Martin said that the language could be revised to reflect that the Town would write a check for "X" quarter in advance, and the report on that quarter would be given at the end of that quarter; for example, "...quarterly reports will follow..." In that regard, Burnside suggested that Paragraph 3 would require the addition of a Subparagraph (c) regarding estimated tax revenue as discussed earlier in the meeting.

There was further discussion on the question of trying to determine a legitimate, or conservative, number to give to the citizens, which Schimikowsky agreed would be addressed. Kovacovich suggested trying to get the occupancy rate from hotels. Since hotels are protective of information regarding their occupancy rates, Martin countered that the hotels might be approached with a request to simply provide the actual number of nights that rooms had been occupied, and the average cost. Garrison proposed that Schimikowsky might be able to find out complete statistical data compiled from several sources and provide that to the Town. Burnside again referred to Paragraph 3, Subparagraph (c) to add a provision for an estimate of sales tax revenue.

There was a roundtable discussion on marketing "tools," what are those tools doing, and can the Chamber clarify, or quantify, the need for the particular tool. Schimikowsky said that tools would refer to ad campaigns, and Burnside said that he considers the extra tourism money that we also get would also be called a tool. Whatley suggested that visitors could be asked what brought them to Camp Verde; Schimikowsky said that could be added to the sign-in statement; she also reviewed the various printed materials and on-line ads that are intended to publicize Camp Verde and its events, adding that there is no way to actually track the results of those programs in comparison with the cost. Ashton Powell, from Out of

Africa, spoke on the issue of how her company quantifies what it spends on advertising. It would be difficult to actually say that every single dollar spent is received back as such; however, the money spent is for a visibility campaign that puts you in front of others and puts you in the forefront of future planning for vacations. Schimikowsky said she can tell how many subscribers to a magazine there are, or how many people received information from which ad. Burnside said he is looking for a percentage of advertising against profit, for long-range planning. Thompson commented that because of the marketing efforts of the last four years, the Chamber has seen an increase in a visitor trend while other Chambers are reporting a downward trend; there is no way to track the number of actual visitors.

The issue of upcoming events being posted on the website was raised; Schimikowsky pointed out the problem of not getting information in a timely manner, that there is no way to anticipate or make up dates for future events.

Baker asked Schimikowsky if more volunteers are needed. Schimikowsky said that the hours of operation that the State requires are 48 hours, Monday through Friday. She outlined the varied hours the Chamber is open in order to have visitors all seven days of the week. There are currently 3 volunteers in addition to the part-time staff and the Director, and more volunteers would be more than welcome, especially on weekends.

Burnside referred to Paragraph 12, Subcontracting; he said he would encourage the Chamber to do as much subcontracting as possible, to generate as much business as possible, the more people as members will help everybody. Burnside said he believes that Martin understands that there is a consensus that everyone is in agreement with the minor changes that were discussed and made. Martin commented on a proposed meeting with a representative from Big Park that he will pursue further with the Mayor.

5. **Adjournment**

On a motion by Whatley, seconded by Garrison, the meeting was adjourned at 5:55 p.m.

Bob Burnside, Mayor

Margaret Harper, Recording Secretary

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Joint Work Session of the Town Council of Camp Verde and the Camp Verde Chamber of Commerce, Camp Verde, Arizona, held on the 23rd day of March 2011. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 21 day of April, 2011.

Deborah Barber, Town Clerk