

DRAFT
MINUTES
JOINT WORK SESSION
MAYOR and COMMON COUNCIL of the TOWN OF CAMP VERDE
and the CAMP VERDE CHAMBER OF COMMERCE
COUNCIL CHAMBERS
WEDNESDAY DECEMBER 14, 2011
5:30 p.m.

1. **Call to Order**

The meeting was called to order at 5:30 p.m.

2. **Roll Call**

Mayor Burnside, Councilors Buchanan, George, Baker and German were present; Vice Mayor Kovacovich and Councilor Whatley were absent.

Also Present: Town Manager Russ Martin, Economic Development Director Mel Preston, Town Clerk Debbie Barber, and Recording Secretary Margaret Harper.

Chamber of Commerce Board Members: Tracie Schimikowsky, President and CEO; Chairman Dave Freeman; Vice Chairman Gary Thompson, Secretary Ashton Powell; and Members Ramona Aldridge and Randy Pruett.

3. **Pledge of Allegiance**

The Pledge was led by German.

4. **Discussion with the Board of Directors of the Camp Verde Chamber of Commerce relative to the Visitors Center to include, but not limited to:**

a. History/Opening comments

Town Manager Martin referred to the meeting that he and Councilor Buchanan had recently with Dave Freeman, Gary Thompson and the Executive Director to plan an agenda for this session in order to discuss the current status of the relationship and a future direction. Martin deferred any further opening remarks to Chairman Dave Freeman.

Freeman expressed appreciation for those who were in attendance at the meeting. Freeman said that his original purpose for the meeting was to be able to present more accurate information and a better understanding about what the Chamber has done relative to the Visitors Center. Freeman explained that he was speaking not only as a member of the Chamber, but as an individual who has been an active, concerned citizen of the community through the years. Freeman referred to the Staff Report submitted by Martin, and said that he is thrilled that the Town is now taking a step forward in economic development. Freeman acknowledged that the economic puzzle is composed of many pieces; however, he said that business development is a much more important factor because of the multiplier effect on the economic base when a new business comes in, as opposed to when a new tourist visits. The idea of creating a cohesive unit consisting of the Town, the Chamber and other community organizations and tourist attractions is of value and commendable; however, concentrating on just the Visitors Center is in a sense only catching the "low-hanging fruit." Freeman suggested that some of the budget numbers on the Staff Report could be assigned primarily to the things that are not being done right now, rather than continuing to fund those that are already being done. He described ways to help grow the Town by supporting, or incubating, new businesses. Freeman said that he was having a difficult time looking at the priorities outlined by Martin, commenting that tourism is a fickle industry, the product of which is difficult to precisely evaluate, but can only be assumed from numbers spent and received in return. Spending more money on tourism is not the better direction to follow. Looking at the current economic situation, the limited funds the Town has, and the available empty buildings in Town, Freeman said he would throw all of his energy into advertising for and promoting serious economic development, focusing on what is not being done, rather than what is being done. He would agree on having a presence out on I-17 and 260, and proposed the idea

of having a billboard at each of the two entrances to the Town, displaying every point of interest, together with maps and brochures. He agreed that the Visitors Center can be improved, but the more important point of any discussion is developing new businesses in the Town. There should be more emphasis on the things that already are being done well; keep the budget; and keep Melissa full time on the things that she can do that the Chamber cannot really do, and support her in helping to bring in new businesses. Economic development is exciting, and Freeman said he does not want to lose the momentum and opportunity to turn the Town around.

Martin agreed that the idea of business outreach is important to pursue as well, but the difficulty is establishing priorities. The point of this evening is to critique the ideas presented by the Town, to make sure the ideas are solid or need tweaking, to add more ideas, and then to move forward from there. Martin pointed out that the Town is currently invested in the Visitors Center, and the concern of the Council is what is being produced, and whether some things that haven't worked perhaps should be re-tried. Martin said that he hoped this evening to have the opportunity to explore with the Chamber some of the commonalities of their proposals and ideas as well. Martin said that everyone has come here tonight to try to find a way to move forward, and he hoped that he will end up with at least as many ideas as he had suggested, and can then work on some solutions that will include promotional and economic development opportunities for the Town, representing the business community well, with the Town doing the best it can, with the resources given.

The Council discussion commenced with concern about how the Town can move forward with new ideas, considering the funds it has to work with, and still be able to coordinate and work with the Chamber as a partner. Martin said that the intent was simply to present a menu of items from which to choose; the relationship with the Chamber that the Town has had historically will change with the way the Town moves forward; what the Chamber will bring to the table is part of why they are participating in this discussion.

Board Member Ramona Aldridge, a member of the business community, commented that whatever the Council does affects the business people in Camp Verde and affects their level of trust in the Town. She referred to the Town taking over Rio Verde Plaza, throwing out five businesses, and losing employees and sales tax; she said there is a lack of trust right now, and questioned the ability of the Town to take over the Visitors Center, citing the now-empty Rio Verde Plaza as a prime example. She said she would prefer money and effort to go into economic development; let the Chamber work with tourism and business relationships.

Vice Chairman Gary Thompson advised the Council that the Chamber are not really prepared to offer any ideas yet; the Chamber is in the process of polling the members for direction. The Work Session was basically called for the purpose of correcting some misinformation regarding the Visitors Center being contracted by the Chamber. Ideas have been discussed, but none can be brought forward tonight without authorization from the membership; however, the process is moving forward. He said the Chamber has now demonstrated it is good at drawing in visitors; they should not be held accountable for prior leadership, just as the Council should not be held accountable for past Councils.

PUBLIC INPUT

(Comments from the following individuals are summarized.)

Nancy Floyd commented that Camp Verde looks like a ghost town compared with Cottonwood; if tourists are brought in, where will they go or do? More businesses on Main Street are needed.

Randy Pruett asked if the Town is assuming it can just open up a designated Visitors Center and all that is involved, which led to a discussion with Martin who commented on the outcome being based on the decision of the Chamber, creating presence by setting up kiosks, deciding on advertisements and funding other ideas, all of which is basically part of the next six months of conversation and budget decisions. Martin

said now we should talk about what we could do, how much it might cost, and if it would be worth the effort; the question is whether we want more of the same, or take advantage of other and better utilizations of our resources and opportunities in a different way. Pruetz said that the Chamber has other options for the Visitors Center outside of the Town; Martin confirmed that the Town is not asking the Chamber to run the Visitors Center after July 1st; the Town has said that if the Chamber would like to continue to provide Visitors Center services from the current location after 18 months, they can continue to have that facility for those services. If they choose not to go forward they would have to vacate the building at that time, and the Town would have the opportunity to do whatever it needs to do and in whatever way. The Chamber has until July 1st to make a final decision. Pruetz said that the Town would be looking at a very lengthy process to get reclassified and get approval through AOT, so it would be losing a tremendous amount of support, which Martin acknowledged.

Jennifer Wesselhoff, President and CEO of the Sedona Chamber of Commerce, said she is also a member of several other prominent civic organizations that focus on cities, towns and communities and how they present themselves to the world for tourism. She shared some practices followed in other communities as examples of how destination marketing organizations are funded; they do much more than put up billboards, create websites or operate visitors centers. A partnership with the Chamber and the Town allows the businesses to participate; marketing and visitors centers go hand-in-hand.

Fran Arries said she has seen many businesses that failed because there was nothing to draw the people here. For 30 years she has had a production to offer that would draw people here, and all she would need is advertising; it would tie in with the Fort, and only needs a little imagination. It's called "Halloween Capsule of the World."

There was no further public input.

Ms. Aldridge continued her opening comment to try to further clarify the issue of partnership; another option for the Chamber would be to simply do their own thing independently, but that would be sad to see happen. Burnside said that he would like to make the public aware that the Camp Verde Chamber of Commerce received a Resolution from the State Parks thanking them for their help and contribution to the State Park. Town Staff and the Council also received a Resolution, which confirms that everyone has worked together. Now is the time to bring forth ideas to talk about, think about and consider. Changes are forthcoming.

b. Ideas moving forward

Martin said staff has put together some ideas; as for the one example of billboards, bring those ideas to the table so that they can be investigated to the degree where they can be advanced. Ashton Powell said that she can hand out brochures in Phoenix all day long, promoting the Town, but that would be to no avail if the people come to Camp Verde and find there is nothing other than the Casino or Out of Africa. A round-table discussion followed questioning what reason do people have to come here; there is nothing on a map promoting Camp Verde and all the activities it offers. It was acknowledged that resources should be focused on developing the business community so that there are attractions on Main Street, other than the Fort. Councilor Baker commented on the \$500,000 funding for the Chamber in the past; grants had been received to build the Ramada and the public restrooms, but nothing is changing. Many in the community would object to billboards. She stressed that in addition to what is being done, there is a need to do a better job of economic development and marketing, and that must be the emphasis. Councilor George said that he would like to see the Chamber in a smaller room and the Archaeological facility in a larger area, with a book store and ticket sales to the Fort. Income from the leased space could be used to fund the Visitors Center off of the freeway, including an electronic kiosk, partially staffed by volunteers. Councilor German said everyone realizes the importance of economic development, and that's why the Town now has an Economic Development Director to help bring in businesses. Gary Thompson said that everyone agrees on

the need for economic development; that is one of the purposes of the Chamber and the organization of the businesses.

Freeman shared his idea of connecting the different attractions, such as the Fort, the Historic Society, the Archaeology Center, so that they were all open at the same time. He proposed putting together packaged deals and advertising in magazines, promoting a synchronized tour of all that Camp Verde has to offer by way of history and local talent, perhaps once a month, or once every two weeks. It is workable, other towns are already doing it, and it is one way to get Camp Verde on the map. Mel Preston commented that she would love to go full throttle ahead on the incubation program, business outreach, retention and incubation; she said she is capable of doing that job as well. Putting her in charge of tourism is under-utilizing her expertise.

PUBLIC INPUT

(Comments from the following individuals are summarized.)

Ken Zoll, of the Archaeology Center, wanted to set the record straight, and reviewed how the Center was welcomed to Camp Verde, but said they will need a larger space by July 1st. No one has discussed any plans directly with the Center; they would not agree to share any facility with the Chamber because of the need to secure and protect the artifacts. Sedona is now expressing interest in the Center locating in West Sedona; the Center has no firm commitment to Camp Verde and their options are open. However, they do not want to leave. He outlined the upcoming activities, management responsibilities, and myriad plans to attract the public to Camp Verde, including the 2012 Native American Festival and Art Show. He said the Center needs more space, and would be open to discussing that.

Jennifer Wesselhoff commented that the travel industry is the bread and butter of tourism marketing; however, it takes a lot of work to put together and selling the type of tour packet suggested earlier. She said that it would be a good idea to consider the International market as well. Bringing in events is the way to get people here. She added that a billboard would cost \$10,000, for instance, but there is no way to track one cent of business from that investment. Tourism marketing and economic development are dependent upon each other.

There was no further public input.

Burnside talked about the tourists brought in to Northern Arizona by the Wine Consortium, with the majority going to Sedona and Jerome, because there is nothing to draw them to Camp Verde. He proposed the idea of a TV set in the Visitors Center with 30-second intriguing blogs to foster interest. Burnside said that everyone needs to be dedicated to work together; the Town needs to build a ladder to get past the low-hanging fruit and reach the higher fruit. We need trade schools and emphasis on being able to staff manufacturing businesses. Each succeeding Council should be dedicated to following a set path for continuity. Burnside asked what are we looking for and what businesses are wanted for the needs of our citizens. He then outlined an idea for setting up a bartering system, trading labor for professional services, and described how one small town operates such a non-profit program. Burnside said that the consensus from this meeting appears to be the need for the Town to spend its money toward getting some businesses in place, and if the Chamber cannot continue with marketing, then the Town must pick up on that. We need to find out how everyone can work together to focus more on economic development than tourism.

Martin summarized the options he had presented in the Staff Report, including relocating the Visitors Center and where, maintaining kiosks, reassessing the amount of efforts by volunteers and paid staff at the Center and at the Fort, and adopting and running with the additional ideas that have presented here, and looking at all three options proposed. Martin referred to the suggestion regarding incubating businesses, and used the Archaeological Center as an example. Martin said he wanted to try to come up with a positive solution moving forward, if and/or before July 1st. He said he believes the Town has a great opportunity to get an

anchor tenant, and it would behoove everyone to try to bring the traffic back to Downtown; the chicken-and-egg scenario is absolutely right. The traffic is needed to bring the business, and vice versa, but we can work with an incubator that will benefit everyone now and especially in the future. German asked if it was really necessary to have a Visitors Center subject to AOT restraints. Martin said that whatever the Town decides to do, more time should be devoted to pursue and understand the importance of that designation, as pointed out by Randy Pruett. Burnside asked Thompson if it would be possible, as a subcontractor to the Town, to pick up the Visitors Center and move it out there; it would have 40 times more visibility out at the intersection than in Town. Schimikowsky said that in order to move the AOT Visitors Center, they would have to have approval and building inspection from the AOT and meet all their criteria, so the answer, in essence, was yes. Burnside then asked if the possibility of marketing is greater when you have more people coming in the door than limited to what we have in the Town. Thompson replied a definite yes. George suggested working with the people at that location instead of trying to regulate them, putting a staff person or volunteer in the same office, with an electronic kiosk. Ashton said that Out of Africa did just that in Sedona, sharing space, but she had no opinion to offer. Wesselhoff said that the Sedona Pines timeshares people have a very different mission, or goal, than the Chamber of Commerce; they want to sell their timeshare units. The separate goals would not be mutually beneficial to each other.

Thompson said there is something he wanted to bring to the attention of the Council. Back to the subject of good faith or cooperation, for legal and contractual reasons the Chamber could not reveal individual rates in providing the Town with numbers requested. He subsequently found that deceptive language had been used by Town staff to contact some of the companies in an effort to get them to disclose their rates; he distributed copies of a verbatim transcript of conversations had between the advertisers and the Camp Verde employees. Ashton interjected a comment that, as a representative of a private business, she is not at liberty to disclose different rates. Martin said that the packet provided by the Chamber suggested that the Town and the Chamber costs would be two different things; he had directed staff to verify if that could be the case on the premise that, if significantly different, the best choice would be to continue to remain with a group that would save money. The staff found in general that the same or similar rates could be offered. The research was not intended to convey the impression that the Chamber would not be there at all, or existing. In order to move forward in the future, the suggestion should be set aside that everything is going to cost more because government does it; experience has shown that is not always the case. Martin said the message he has heard this evening was that we are not doing enough with the current system we have, the current dollars, the current Visitors Center, the current Chamber, the current Council, the current staff and/or those that came before us. The point of the whole exercise is to determine what is it that we do with the public's money, and what do we do to keep positively moving forward. Martin added that he cannot understate that the government is here to help, and every one of the staff members is on the same mission.

Baker volunteered that she is in favor of the recommendations provided by staff, going forward and not to continue doing the same thing as in the past. German said that time is needed to process all the ideas thrown out on the table and work on coming up with some kind of plan. Martin agreed, and said that as the next step, staff will be working with the results, including where the Chamber wants to go, and the time frames, to be able to envision partnerships, and try to calculate and allocate costs in preparation for a real budget in the spring based on what he perceives is expected or anticipated by the majority. Buchanan said that nothing can really be done until the membership gets back to the Board with information; the next meeting should be set up as soon as possible, and he recommended meeting in January. Burnside suggested locating the Archaeology Center in the Rio Verde Plaza building, as well as the Historical Society, and using the old Visitors Center for the Economical Development Department and Planning & Zoning. German reminded everyone that the Rio Verde Plaza has needed major building renovations. Preston estimated that 50 or 60 thousand dollars would cover the improvements that would be needed.

Freeman suggested that at the next meeting, perhaps outside people could continue to be brought in, such as some of the motel personnel at the interchange, and reach out to other sources, continue to help educate everyone, inviting others who work on economic development in other towns.

c. Setting next joint meeting

Martin consulted the calendar for January, and it was agreed to target the fourth Wednesday in January as the next joint session; everyone will be kept advised of any changes.

5. Adjournment

By unanimous consent the meeting was adjourned at 7:56 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, Arizona, and the Camp Verde Chamber of Commerce held on the 14th day of December 2011. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2011.

Debbie Barber, Town Clerk