

RECORD OF PROCEEDINGS

Town of Estes Park, Larimer County, Colorado, June 9, 2009

Minutes of a Joint Study Session meeting of the **TOWN BOARD AND ESTES PARK LOCAL MARKETING DISTRICT** of the Town of Estes Park, Larimer County, Colorado. Meeting held at Town Hall in Rooms 202 & 203 in said Town of Estes Park on the 9th day of June, 2009.

Board: Mayor Pinkham, Mayor Pro Tem Levine, Trustees, Eisenlauer, Ericson, Homeier and Miller

LMD Board Chair Ken Larson, Board Members Corey Blackman, Scott Webermeier, Kathy Palmeri, Bill Almond, Lee Lasson, Elizabeth Blanchard

Also Attending: Town Administrator Halburnt, Deputy Town Administrator Richardson, Town Attorney White, Director Pickering, Town Clerk Williamson

Absent: Trustee Blackhurst

Mayor Pinkham called the meeting to order at 4:30 p.m. Trustee Blackhurst recused himself from the discussion because of a conflict of interest.

CVB OPERATIONS.

Ken Larson reviewed the mission and vision statements for the LMD and significant accomplishments to date including: passing the tax, CVB assessment, Associations group leadership, lodging 120 day forecast, increased participation in the existing Rocky Mountain lodging report and groups round table discussions.

At a recent meeting the LMD Board voted to include in the proposed operating plan the transfer of the following marketing functions currently overseen by the CVB staff: advertising, public relations, website, group sales, visitors guide, Visitors Center operations (primarily the call center) and stakeholder services. The Board agreed the Town should continue to operate sponsored events, fairgrounds and the conference center. The LMD suggests a "working" leader/director be appointed from the current CVB staff to oversee the other CVB functions and report directly to the LMD Board. All pay, benefits and Human Resource functions would remain with the Town allowing the employees to retain seniority and pension status. The Town would continue to pay for the operations of the Visitors Center including repairs, maintenance, utilities, furniture, computers, IT support, phones, copiers, supplies and call center employees. In addition, the LMD Board requests a revenue sharing plan to allow the excess stakeholder services revenue not used for the maintenance of the building to be used for marketing. The LMD projects costs of \$1.243 million for 2010, which includes communication expenses of \$1 million, \$192,000 in consultant recommendations (contracting with a Public Relations firm, branding of Estes Park, new website, contract with an internet marketing firm, create a next generation design for the visitors guide) and current 2009 expenses of \$51,000. The operating plan and prioritization of next steps is dependent on the revenues received in 2009; therefore, the LMD foresees the need for Town participation to maintain current spending levels and/or to meet the consultant's recommendations.

A discussion ensued with regard to the CVB staff salaries. The LMD stated the salaries would delude the marketing efforts of the LMD and should be paid for by the Town. The Town Board has stated in past meetings that CVB salaries would be paid for during the first five year term of the IGA. The Town Board members further discussed details related to the number of employees and how long the Town would pay for the CVB staff.

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Trustee Eisenlauer voiced concern of the LMD assuming control of the Visitors Center and the effect on the Ambassadors. Trustees Eisenlauer and Levine commented the LMD should consider taking on a smaller role and assume other functions of CVB over time. The LMD Board stated the function of the Ambassadors would not change under the LMD.

Trustee Miller questioned how the call center fits into the day to day operations of marketing the community. He stated the call center should remain with the CVB. The CVB has proven marketing methods, justified by the increase in sales tax. He too expressed concern the LMD may be taking on more than it should at this time. The Town Board has stated support of the CVB staff for the first five year term of the IGA, and marketing funds previously spent by the Town would be used for future infrastructure projects.

The LMD Board stated the CVB team currently in place works well together and separating out a portion of the team could impede the operations as a whole. The LMD needs the support of the Town, including staffing and continued funding, to maintain the methods used by the CVB and enhance marketing efforts.

Trustee Homeier expressed concern with the LMD's request to assume a Town department. He state the LMD Board was appointed to manage the 2% tax and develop an advertising and marketing plan. A non-elected body should not be given the operations and assets of an elected body, and suggested the LMD hire Town personnel to perform the needed advertising and marketing tasks.

Mayor Pro Tem Levine stated additional funding above the staffing commitment could not be guaranteed.

Administrator Halburnt voiced concern with the Town paying for and managing staff that reports to the LMD. She stated anointing one of the current CVB staff to LMD Director in addition to their daily tasks would not work and would require the Town to hire additional staff. She suggested the LMD consider hiring a separate LMD Director. Director Pickering commented the CVB staff works well together and appointing a staff member as LMD Director would allow the team to operate cohesively. He stated group sales is the only position that may be divided amongst the Town and LMD, therefore requiring the need for an additional staff member.

The Town Board would hold a special meeting to discuss questions raised and provide further direction for the LMD Board as they develop the 2010 Operating Plan.

- What personnel costs will be supported by the Town, i.e. staffing clarification?
- What function of the CVB would remain with the Town, i.e. Visitors Center?
- Would the Town consider a cost sharing of the stakeholder fees for additional marketing?

There being no further business, Mayor Pinkham adjourned the meeting at 6:27 p.m.

Jackie Williamson, Town Clerk