

Town of Estes Park, Larimer County, Colorado, November 17, 2008

Minutes of a Special meeting of the Board of Trustees of the Town of Estes Park, Larimer County, Colorado. Meeting held in the Town Hall in said Town of Estes Park on the 17th day of November, 2008. Meeting called to order by Mayor Pinkham.

Present: William C. Pinkham, Mayor
Mayor Pro Tem Chuck Levine
Trustees Eric Blackhurst
Dorla Eisenlauer
John Ericson
Richard Homeier
Jerry Miller

Also Present: Greg White, Town Attorney
Jacquie Halburnt, Town Administrator
Lowell Richardson, Deputy Town Administrator
Jackie Williamson, Town Clerk

Absent: None

1. ACTION ITEMS:

1. LOCAL MARKETING DISTRICT.

Mayor Pinkham stated this meeting should clarify the Town's role as it relates to the Local Marketing District (LMD). The LMD will be officially sworn in on November 18, 2008 during their first official meeting. He reminded the Board that the Town Board and the LMD are two distinct boards and it is imperative the members act as Boards and not as individuals.

Attorney White stated the LMD is a separate political body with members appointed by the Town Board and the Board of County Commissioners. The LMD Board has the obligation to fulfill their duties as outlined in the state statutes. The LMD must develop an Operating Plan and budget in order to levy the 2% lodging tax by January 1, 2009. The tax collected would remain with the LMD to fund marketing and advertising of Estes Park. The district is operating under the assumption the tax has passed; however, official results are not expected until November 21, 2008. If the tax fails, an additional election would be held in November 2009.

Administrator Halburnt reviewed the Intergovernmental Agreement (IGA) regarding the transition period, which states the Town shall provide a staff member to act as administrator of the District. The Town has appointed Town Administrator Halburnt and Director Pickering to act in this role. The IGA also stated the Town Attorney would provide legal services to the LMD Board. Town Clerk Williamson would create agendas, packets and maintain official records. A member of the CVB will act as the recording secretary. Finance Officer McFarland would provide support related to budget, audit and banking. Town staff would aid the LMD Board in creating by-laws. Director Pickering has created a draft transition plan that would allow the LMD Board to review the CVB operations over the next year prior to developing an Operating Plan for 2010. Staff proposes allowing the LMD Board to develop and operated with no predetermined boundaries. The Town Board has agreed to fund CVB salaries for the initial term of the IGA.

Trustee Blackhurst stated there are three key issues that have not been addressed: 1) Will the LMD manage the Visitor Center or other CVB functions other than marketing and advertising; 2) LMD would have access to funds other than the 2% lodging tax, i.e. stakeholder fees; 3) What CVB staff members would work with the LMD? He stated these issues have not been resolved and are necessary for the LMD to develop an Operating Plan. He commented the approved IGA between the Town and the County does not include payment of the CVB salaries for the initial five year term. He voice concern with transferring stakeholder fees of approximately \$250,000 to the LMD, because it would increase the transfer from the General Fund to the CVB for operations and negate a portion of the \$850,000 for infrastructure improvements.

Board discussion followed: LMD should focus on marketing and advertising over the next five years and leave sales, customer service and the visitor services with the CVB; LMD should take over the functions of the current Marketing Committee; the Board should not over define the functions of the LMD Board and provide the LMD with latitude to develop a plan to include the functions and staff needed to complete the task; LMD Board should not be burdened with employees; and current operations at the CVB should be discussed during the review of the Operating Plan.

Ken Larson/LMD Member commented the Board does not have a point of view or a direction. The Board would like to have the opportunity to develop a plan to market the Town. The Board has expressed no interest in managing staff. The newly established Board's main goal in 2009 would be the establishment of an operating plan, budget and determining the resources needed to complete the plan in 2010. He stated it is too earlier in the process for the Board to determine if additional funds would be needed and what significant steps could be accomplished with additional funding. Mr. Larson recommended the two Boards meet during the development of the Operating Plan to ensure the LMD has buy in from the Town Board prior to November.

Trustee Blackhurst stated the Board never approved transferring the approximately \$250,000 in stakeholder fees to the LMD. He commented the visitors guide continues to be a self supporting document that should not be an expense of the LMD. The Town should reinvest the approximately \$850,000 spent on marketing on infrastructure.

The Board agreed to allow the LMD Board to develop an Operating Plan and a budget with out overburdening the Board with restrictions and providing them a broad scope to work within. The Town would continue to provide support for the first year and perhaps longer if needed and pay the salaries of the CVB staff.

Administrator Halburnt questioned whether or not the LMD Board would retain revenues from services rendered. The Board stated the question was premature and should be discussed later.

2. ADJOURN.

Whereupon Mayor Pinkham adjourned the meeting at 6:25 p.m.

William C. Pinkham, Mayor

Jackie Williamson, Town Clerk