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JOINT TOWN/COUNTY SPECIAL MEETING MINUTES
WEDNESDAY, SEPTEMBER 11, 2013
Ross Aragón Community Center
South Conference Room
451 Hot Springs Blvd.
10:00am

- I. **CALL MEETING TO ORDER** – Mayor Aragon, Council Member Bunning, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger.

- II. **VISITOR CENTER OPERATION AND FUNDING** – In November 2012, the Chamber of Commerce board of directors informed the town that due to reductions in funding from the town, they would no longer be able to manage the visitor center beginning January 2014. An agreement for management services with the chamber was agreed upon for the 2013 fiscal year. Two town council members were assigned to a visitor center committee to discuss the merits of negotiating a management contract with the chamber, meeting with the county to discuss options of moving the visitor center out of the chamber building, as well as other options. Recommendations were given to council regarding increasing the technology at the visitor center to assist staff as well as move into a new age of communication. Council Member Lattin said the TTC has requested the budget reflect kiosks throughout town, technology advances, as well as provide walk-in area for the visitors. Commissioner Whiting asked about increases in lodgers tax related to increased visitors. Mr. Patel with the lodgers association said there is not a correlation between a 2% increase in lodger's tax in 2012 and the 6% increase in visitor traffic. Town Manager Mitchem said the cost of tourists into the Pagosa Springs visitor center is \$4.33 per visitor; the national average is \$2.72 per person. Mr. Patel said the lodging tax dollars should be used to get the highest return on investment. He said that although the visitor center is very important it is taking up too big of the lodger's tax funds. He said the lodging tax dollars should be used to get the visitors to the town, once they are here the businesses and potential kiosks will give them more information. Ms. Carla Shaw with the TTC said the ballot language states the lodgers tax will be spent on advertising to tourists. Mr. Todd Stevens with the Chamber board is happy to move forward with a new plan. He said the board is interested in what is best for Pagosa. He said the point of the visitor center is to help the tourist when they arrive in Pagosa. He said the 28% decrease in revenue to the visitor center over three years is a big chunk for any business. He would like to see a plan that works for Pagosa. He opposes the comparison of the Pagosa visitor center to other communities. He said the board is not intending to bail out of the management of the center, but a comprehensive business plan needs to be created to transition to a new visitor center plan. He said the Chamber board wants what is best for the community. Commissioner Wadley said there needs to be a balance for the tourists in town and attracting others visitors to the town. He asked about when the communication for negotiation went downhill, Town

Manager Mitchem said the Chamber has had a firm stance on no reductions of support from the town and county. Mr. Stevens said the Chamber board would not condone reductions and said reducing funding will reduce services offered. He said Mary Jo Coulehan does a terrific job for the Chamber and visitor center. Town Manager Mitchem said the funding from the County for the planning of a future visitor center is still negotiated. Commissioner Wadley said that a reduction of the county funding from \$70K to \$65K was discussed with the Town. Tourism Director Jennie Green said the marketing budget includes book direct, website updates, and many other items not just print ad. Commissioner Whiting said the way the Chamber is running the visitor center and events is working very well. He said of the \$500,000 of lodger's tax funding between town and county, a \$10K-\$15K reduction to the Chamber is little amount to squabble over. Mr. Stevens said the Chamber board is looking for a healthier relationship with the Town and County in operating the visitor center and making it better for the community. Council Member Lattin said the Town, County and Chamber has had excellent communication. She said she has weeded through the different functions of the TTC, Chamber and visitor center. She said the Chamber is to support the businesses in town, the TTC to attract the tourists to town, and said the visitor center is more a function of the TTC. She said the chamber staff would better support their business members if they did not have to also run the visitor center. She said the TTC should run the visitor center and move it forward with a plan for future development of the technologically advanced visitors. Ms. Coulehan supports a smooth transition and what is best for the community; she is worried about the execution. She said the budget reflects technology that has not been installed. Ms. Green said technology is evolving quickly and the TTC is currently evaluating the best use of technology funding. Mrs. Shaw said the TTC has a plan for the visitor center moving forward, she asked Ms. Coulehan about a plan the chamber has to update the visitor center. Ms. Coulehan said she is ready for upgrading technology and they do have a plan within the budget provided. Mayor Aragon said we are all in the same boat, striving for the same thing, and we all need to work together. He appreciates the way Mr. Stevens has handled the negotiations thus far very professionally. Commissioner Wadley asked if there was a way to get a new visitor center started by the first of the year. Ms. Green said the TTC proposal would begin in May of 2014 and hoped the Chamber would continue to operate the center until May. Mr. Stevens said that if a plan is in place, the Chamber would be happy to continue to run the center until May for the benefit of the community. Commissioner Wadley suggests funding the same amounts as 2013 until May 2014 and a plan can be completed. Mr. Patel said that once the visitor center is no longer a concern for the Chamber, the result would be two strong independent entities between the Chamber and visitor center. Town Manager Mitchem said the Town Council has decided to move funding of the visitor center to marketing and technology over the next five years. Council Member Volger said there is a multi-step process to this transition. He said the council agreed to move more toward marketing and technology and will most likely reduce funding in the next few years. He said the next step was proposing the Chamber continue to operate at reduced funding. The next step is the proposed plan to have the TTC run the visitor center, or relent and allow the Chamber to continue to run the center with a higher accepted budget. He said communication needs to be the top priority and all parties come together to reach understanding for the best of the community. Council Member Cotton said the Chamber has said they do not want to operate the visitor center for less. Mr. Patel said the lodgers have determined that instead of moving forward status quo with the Chamber running the center, they would like the TTC to run the visitor center independently for less cost and with more functionality. Commissioner Whiting would like to compare apples to apples as to the finances for a new or current visitor center.

III. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 11:15am.