

**WARREN COUNTY BOARD OF SUPERVISORS**

**COMMITTEE: OCCUPANCY TAX COORDINATION**

**DATE: JULY 12, 2006**

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**COMMITTEE MEMBERS PRESENT:**

Supervisors Caimano  
Tessier  
Kenny  
Merlino  
Wm. Thomas

**COMMITTEE MEMBERS ABSENT:**

Supervisors Gabriels  
Haskell

**OTHERS PRESENT:**

Joan Parsons, Commissioner of Administrative &  
Fiscal Services  
Joan Sady, Clerk  
Paul Dusek, County Attorney  
Supervisor Barody  
Supervisor Stec  
Vonda Beattie, Sr. Account Clerk, Tourism Dept.  
Pam Morin, Group Tour/Convention Promoter  
Francis X. O'Keefe, County Treasurer  
Representing the Elvis Festival Committee:  
Vincent Spitzer  
Doug Coon  
Representing the Economic Development Corporation  
(EDC) of Warren County:  
Elaine Behlmer  
Representing Fort William Henry:  
Fred Austin  
Roberta Daab  
Representing NYSPHSAA (New York State Public  
High School Athletic Assoc.) Section 2:  
Douglas Kenyon, Executive Director  
Representing Lake George Steamboat Co.:  
Janice Bartkowski-Fox  
Thomas LaBelle, Executive Director, NYS Association  
of Fire Chiefs  
Site Solutions Worldwide:  
Brigitte Connors  
Natalie Whitton  
Amanda Allen, Legislative Office Specialist

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Mr. Caimano called the meeting of the Occupancy Tax Coordination Committee to order at 9:30 a.m.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the minutes of the May 31, 2006 Occupancy Tax Coordination Committee meeting, subject to correction by the Clerk.

Mr. Caimano advised that as neither Mr. Dusek nor Mr. O'Keefe were present at that time, the meeting would begin with item number two of the agenda, and introduced Vincent Spitzer and Doug Coon to discuss the 2007 "Elvis Festival".

Mr. Spitzer related that planning had begun for the 2007 Elvis Festival and although there had been discussion of Warren County discontinuing its financial support of the event, funding was greatly needed and would be requested in future meetings. Mr. Spitzer advised that the event was making progress and had realized a profit of \$22,000 this year. A greater profit had been anticipated however; he added, adverse weather conditions and lack of attendance had hindered the estimated profit. Mr. Spitzer said that although the tents they had used were wonderful, there were still three inches of water on the ground inside the tents during the downpours.

Greater attendance had been expected from the early arrival of Americade visitors, Mr. Spitzer apprised, as approximately \$1500 had been spent advertising the Elvis Festival in the Americade booklet. He said that because of the weather many of the motorcyclists had delayed their arrival or remained in their rooms rather than attending the Festival. Ticket sales for the inside shows at the Lake George Forum and the Blue Suede Pass, (a pass which gave full access to all events for one price), had increased from last year but had not reached their full potential, Mr. Spitzer added.

Another issue affecting the income of the Elvis Festival, Mr. Spitzer advised, was their dependence on sponsorship. He said that it was their estimation that approximately \$5,000 to \$10,000 was lost in sponsorship due to late decisions made on the NYS Fire Chiefs' Association Convention and also due to the Firemen's search for sponsorship of their event.

Mr. Coon stated that their intent was to make the Festival a first rate production and noted that the event had received a great response from the Elvis world. He added that they were hoping to receive financial support from Warren County for the next year to ensure the return of the Festival; Mr. Coon advised the Committee that the cost to be licensed by Elvis Presley Enterprises alone was \$5,000 and was necessary to use Elvis photos and such. Although they were not seeking a set amount of money at this time, Mr. Coon said that he and Mr. Spitzer were in attendance today to try and receive a promise of support from Warren County for the next Elvis Festival planned for 2007.

Mr. Caimano asked if either Mr. Spitzer or Mr. Coon had completed the necessary paperwork to request financial support from the Committee. Mr. Spitzer replied that an application had not been completed yet as they were not aware that the funding request could be submitted this far in advance of the event. Mr. Caimano advised that it could be submitted any time until December 1, 2006.

Francis X. O'Keefe, County Treasurer, entered the meeting at 9:35 a.m.

Mr. Kenny advised of a point scoring system that was used to determine the amount of Occupancy Tax funding available for an event. He noted that for the first two years, the event would receive the full amount of funding available based on the scoring system; he said that for the third year the funding amount decreases to 50% of the total and for year four it would decrease to 25%. Mr. Kenny said that he supported the Elvis Festival and felt it was a great attraction for the region.

Mr. Spitzer said that he appreciated the support and noted that Paul Kaza of Paul Kaza Associates, Inc. had spent several hours filming the Elvis Festival. Mr. Caimano said that he had

seen the footage and it was very good in spite of the weather.

Mr. Tessier entered the meeting at 9:36 a.m.

Mr. Kenny advised that the deadline to apply for Occupancy Tax funding for the 2007 Elvis Festival was December 1, 2006. Mr. Caimano suggested that they fill out the application as quickly as possible and return it so that the Committee could make a decision. Mr. Spitzer advised that they would get this done and also noted that a zip code survey was being compiled for attendees of the Elvis Festival and would be delivered upon completion.

Mr. Spitzer and Mr. Coon thanked the Committee for allowing them to present their request and left the meeting at 9:37 a.m.

Privilege of the floor was extended to Mr. O'Keefe, County Treasurer, to give a review of the status of the Occupancy Tax. Mr. O'Keefe apologized for his tardiness and acknowledged that \$483,779.80 in Occupancy Tax collections had been received through July 7, 2006. He compared this figure to the total of \$318,864.62 which was the amount collected through June of 2005. Mr. O'Keefe added that the elevation was due to an increase in room reservations and in the number of visitors to the area.

Mr. Barody said he was aware that there were different methods of payment for the Occupancy Tax such as monthly, quarterly or annually. He asked if the payment pattern for 2006 matched those of 2005 to which Mr. O'Keefe replied that the payment methods were relatively the same for both years. Mr. O'Keefe added that there were seven entities that had not paid Occupancy Tax; however, he said, these issues would be resolved shortly.

Mr. Caimano noted that the increase from 2005 to 2006 in the Occupancy Tax was approximately 51%. Mr. O'Keefe replied that the addition of the Great Escape Lodge and Waterpark greatly influenced the increase.

Mr. Caimano thanked Mr. O'Keefe for his report.

Mr. Stec entered the meeting at 9:39 a.m.

Mr. Caimano returned to the agenda, advising that item 1b would be postponed until later in the meeting when Mr. Dusek was present, and that item 1c would be tabled until the next Committee meeting.

Elaine Behlmer of Economic Development Corporation (EDC), was introduced by Mr. Caimano to expound upon item number three of the agenda.

Ms. Behlmer distributed a handout to each of the Committee members, a copy of which is on file with the minutes, that detailed additional costs for the NYS Fire Chiefs' Association Convention held earlier this year in Lake George. Mr. W. Thomas advised that he had received a telephone call from Leonard Fosbrook, President of EDC, explaining the extra costs; Mr. Caimano said that he had also received a call from Mr. Fosbrook of the same nature.

Mr. Caimano asked Ms. Behlmer if the \$5,000 property fee charged by The Fort William Henry, and included in the EDC request, had been noted to the Committee prior to the NYS Fire Chiefs' Association Convention. Ms. Behlmer said that she thought the Committee had been notified of this charge; Mr. W. Thomas noted the same.

Mr. Caimano then questioned the \$18,314.00 billed by Regal Tents for supplemental labor, overtime and equipment rentals due to delay in start-up and fuel usage; he asked who delayed the start-up and what the fuel usage was for. Ms. Behlmer replied that the delay was due to the fact that the tents were supposed to be erected on May 28<sup>th</sup> but due to the Memorial Day holiday were delayed until the 29<sup>th</sup>. She noted that none of the set-up dates or requirements were ever put in writing with the rental company and therefore could not be enforced.

Privilege of the floor was extended to Fred Austin, of the Fort William Henry, who stated that Mr. Fosbrook had contacted The Fort William Henry asking for permission to use the grounds to place tents for the Convention. At the time of the request, Mr. Austin said, Mr. Fosbrook was advised by The Fort William Henry that a fee would be charged for the use of the grounds. Mr. Austin said he estimated this amount to be \$20,000.00. In an effort to secure the grounds for the Convention, he said, a figure of \$5,000 was verbally agreed upon between the Chief Financial Officer of The Fort William Henry and Mr. Fosbrook; however, he added the agreement was never documented.

Mr. Austin further explained that initially it was intended that the tents for the Convention would be erected on Sunday May 27<sup>th</sup>; however, The Fort William Henry was unable to offer the grounds on that date because the hotel and grounds were booked for the Memorial Day Holiday. It was decided, he said, that the process would begin on Monday May 28<sup>th</sup> at noon as most of the Fort's guests would have left by that time. Mr. Austin apprised that although the schedule was changed here, the tent rental company, Regal Tent Productions of Ontario, Canada, were not notified and as such, arrived on Sunday May 27<sup>th</sup> as originally planned. Due to human error an additional day of rental, labor and fuel usage were necessary, he added.

Mr. Caimano said that he understood the charges for additional labor and tent rental resulting from this error; however, he said he did not understand the charges for additional equipment. Mr. Austin replied that some of the equipment rented from Regal Tent Productions had been rented by them from National Rent-All and had to be kept an extra day due to the confusion. Mr. Barody supported this statement, adding that he thought some of the trucks used to deliver the tents might have been rented from another company and required an additional day of rental. Additional labor was required to get the tents set up in the allotted amount of time, Mr. Austin said.

Mr. Caimano said that he now understood the billing and stated that human error had resulted in a 10% increase in the bill.

Motion was made by Mr. Kenny, seconded by Mr. W. Thomas and carried unanimously to approve the request as presented and the necessary resolution was prepared for the July 14, 2006 Board Meeting. A copy of the resolution request is on file with the minutes.

Mr. Barody asked if there was ever anything in writing listing an exact set-up time, to which Mr.

Austin replied that there was not. Mr. Barody said that was a problem because there were no guidelines for the set-up time in writing and therefore, no one could be held accountable.

Mr. Caimano said that these would be good lessons for future events.

Proceeding to item number four of the agenda, Mr. Caimano referenced a request submitted by Douglas Kenyon, Executive Director, NYSPHSAA (New York State Public High School Athletes Association) Section 2. He said that the request was for \$15,000 to support the New York State Girls Volleyball Championship to be held November 17-18, 2006 at the Glens Falls Civic Center.

Mr. Kenny asked how much money remained in the 2006 Occupancy Tax Budget for the funding of such events. Vonda Beattie, Sr. Account Clerk of the Tourism Department, stated that as per the document included in the agenda, the possible balance available was \$29,649.77. Mr. Caimano asked Mr. Kenny to determine the points allotted to this event as determined by the Occupancy Tax Scoring System Guidelines. Mr. Kenny said that the event would receive approximately 24 points, putting the event in the \$5,000 to \$10,000 bracket for Occupancy Tax funding, but added that the economic impact would give additional points; however, he said, this information was unavailable. Mr. Kenny advised that in light of the missing information the event could be granted 25 points making it eligible for the \$15,000 requested.

Mr. Kenny stated that this was another great event for Glens Falls. Mr. Caimano added that Mr. Kenyon had a very good track record with these types of events, citing that the Boys Basketball Tournament, also held at the Glens Fall Civic Center and administered by Mr. Kenyon, flooded the city with visitors each year.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the request as outlined above and the necessary resolution was prepared for the July 14, 2006 Board meeting. A copy of the Resolution Request is on file with the minutes.

Mr. Caimano moved to item number five of the agenda, referencing the Smith Travel Research Reports and asked Mr. Austin if he would comment on them. Mr. Austin said that from the reports one could tell when there were events occurring in Warren County as there was a significant increase in the numbers shown. Mr. Caimano noted that there was a 20.5% increase in occupancy for the week of June 11 - June 17, when the NYS Fire Chief's Convention was taking place. Mr. Austin directed the Committee to the last portion of the report for the week of June 25 - July 1 and advised that Warren County's occupancy was down approximately 10%, as were most other Counties listed on the report, because there were no special events that week.

Douglas Kenyon, Executive Director, NYSPHSAA Section 2, entered the meeting at 9:45 a.m.

Mr. Caimano advised Mr. Kenyon that his request for \$15,000 was approved and that he may want to read the minutes as there were favorable comments made upon his behalf. Mr. Kenyon thanked the Committee for their approval of his request and for their kind comments.

Mr. Kenyon exited the meeting at 9:48 a.m.

Mr. Caimano referenced a portion of the agenda detailing expenses paid to Paul Kaza Associates

for their promotional services to Warren County, and asked the Committee if there were any questions with regard to the invoices.

Mr. Caimano noted that he had initialed a bill for \$34,800 for one month of media advertising at WABC TV in New York ; \$10,000 of this amount was for the Oprah show and feedback had been received from the advertising, he said.

Mr. Caimano asked Mr. Stec if there had been any new developments with the establishment offering parking across the street from the Great Escape. Mr. Stec advised that Code Enforcement had become involved and had issued a notice of violation to the owner; the matter was to be resolved in Court, he added. Mr. Tessier voiced his displeasure with the situation, stating that the cars were parked in the small parking lot of the establishment with no regard to which vehicle might need to be removed first and once the lot was full, the owner would leave the premises. As there was no access or driveway, there was no way to get in or out of the parking lot in an emergency, he said. Mr. Tessier said he was surprised that the Zoning Officer for the Town of Queensbury had not ceased this operation. Mr. Caimano agreed with this sentiment.

Mr. Dusek entered the meeting at 9:55 a.m.

Mr. Caimano asked Mr. Dusek to review and address agenda item 1b, which required the County Attorney to compile criteria approved to date relative to the distribution formula for the 10% earmarked for event funding for review and evaluation by the Committee. Mr. Dusek advised that this issue was addressed some time ago and had been taken care of.

Mr. Caimano stated an executive session was requested to discuss the employment history of a particular person or corporation. Motion was made by Mr. Kenny, seconded by Mr. W. Thomas and carried unanimously, to declare executive session, pursuant to section 105(f) of the Public Officers Law.

Executive Session was declared from 10:05 a.m. until 10:20 a.m.

The Committee reconvened and Mr. Caimano advised that no action was taken during the executive session.

Mr. Caimano asked Mr. Dusek to address the issue of the \$5,000 billed to Warren County for the use of the Fort William Henry grounds as detailed in item number three of the agenda. Mr. Dusek stated that the \$5,000 agreement with Fort William Henry was unknown to him. He said that the contract that Warren County entered into with all parties, including the set-up at the site, included no indication that there would be any fee for the use of the grounds.

Mr. Austin advised Mr. Dusek that the \$5,000 charge originated from a verbal agreement made between the Fort William Henry representative and Mr. Fosbrook but was never put in writing. Mr. Dusek reiterated that this charge was never mentioned to him, or to his knowledge, to Warren County. Mr. Austin stated that he could not speak for Mr. Fosbrook but was sure that when he was asked about the situation, Mr. Fosbrook would say that he had simply forgotten about the agreement. Mr. Dusek replied that Mr. Fosbrook's organization may have to incur this cost because even though Warren County was being charged, there was no basis for payment.

Mr. Barody stated that he appreciated the situation and was sure that \$5,000 was a deep discount for rental of their grounds; however, he asked if the Fort had made a profit from the event despite the lack of payment for the rental of their property. Mr. Austin responded that the Fort had not made a profit from this event and in fact it had actually cost them money. He added that because the Fort's properties were not visible due to the tents placed on the grounds in front of their establishments, as well as the food vendors throughout the town, only \$21 was made at J.T. Kelly's Restaurant on Saturday night at the height of the event. Mr. Austin said that they were not complaining about the event or looking for additional funds; he simply wanted to express that The Fort William Henry did not make a large profit from the Convention.

Mr. Caimano asked Mr. Dusek to confirm that the \$5,000 billed by EDC to Warren County could not be paid as billed in the resolution request. Mr. Dusek replied that this was correct, the \$5,000 could not be paid as there was no authority for the County to pay for this request. He suggested that the resolution be held pending his further investigation in this matter. The consensus of the Committee was that no action would be taken on the EDC Resolution Request until Mr. Dusek had spoken with Mr. Fosbrook and a determination on the source of payment was made.

*Subsequent to the meeting it was decided by Mr. Dusek that the \$5,000 charged by Fort William Henry for use of their property would be removed from the total listed on the EDC Resolution Request and the balance of \$19,635.60 would be presented for approval at the July 14, 2006 Board Meeting.*

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion by Mr. Kenny and seconded by Mr. Merlino, Mr. Caimano adjourned the meeting at 10:27 a.m.

Respectfully Submitted,  
Amanda Allen, Legislative Office Specialist