

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: APRIL 17, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY  
TESSIER  
MERLINO  
BENTLEY  
CHAMPAGNE  
SIMMES

COMMITTEE MEMBER ABSENT:

SUPERVISOR GOODSPEED

OTHERS PRESENT:

FRANK O'KEEFE, COUNTY TREASURER  
KATE JOHNSON, DIRECTOR OF THE TOURISM DEPARTMENT  
WAYNE LAMOTHE, DEPUTY DIRECTOR OF THE PLANNING & COMMUNITY  
DEVELOPMENT DEPARTMENT  
FREDERICK MONROE, CHAIRMAN OF THE BOARD  
PAUL DUSEK, COUNTY ATTORNEY  
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES  
JOAN SADY, CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISORS PITKIN  
SHEEHAN  
TAYLOR  
FRED AUSTIN, BUILDING PROJECT COORDINATOR  
THOM RANDALL, *THE ADIRONDACK JOURNAL*  
GORDON WOODWORTH, *THE CHRONICLE*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST  
*PLEASE SEE THE ATTACHED SIGN-IN SHEET FOR ADDITIONAL ATTENDEES*

Mr. Kenny called the meeting of the Occupancy Tax Committee to order at 9:00 a.m.

Motion was made by Mrs. Simmes, seconded by Mr. Champagne and carried unanimously to approve the minutes from the prior Committee meeting, subject to correction by the Clerk of the Board.

Copies of the agenda were distributed to the Committee members, a copy of which is also on file with the minutes.

Mr. Kenny announced that although the meeting had been called primarily to discuss the responses to the Requests for Proposals (RFPs) received in connection with the Special Event/Sales Coordinator (SESC) and the First Wilderness Heritage Corridor Event Coordinator (FWHCEC) positions, Frank O'Keefe, County Treasurer, was in attendance and would provide an update on the amount of occupancy tax revenues received.

Mr. O'Keefe apprised that an annual report reflecting the receipt and expenditures of all occupancy tax revenues had been developed and distributed to the members of the Board of Supervisors during the prior week and anyone wishing to obtain a copy should contact him directly. He announced that a total of \$3,302,214 in occupancy tax revenues had been received for 2008, which was a decrease of about \$175,000. He added that a total of \$15,204,294 had been received since the occupancy tax fund was established in 2004. As for 2009, Mr. O'Keefe stated that \$184,161 had been collected to date, which was approximately \$28,000 less than what had been collected at the same time in 2008.

Mrs. Simmes pointed out that at a prior meeting Mr. O'Keefe had noted that the Treasurer's Office expected to receive additional outstanding occupancy tax revenues for 2008. Mr. O'Keefe replied that this was correct and noted that they expected to receive an excess of \$50,000 in additional outstanding occupancy tax revenues.

Moving on, Mr. Kenny advised that they would begin the review of the responses to the RFPs for the event

coordinator positions and he asked Kate Johnson, Director of the Tourism Department, to address the SESC proposals received.

Ms. Johnson apprised that they had received only one response to the RFP for the SESC position which had come from the Lake George Chamber of Commerce (LGCC). She said that although she felt the LGCC proposal was very good, it was the only one received; therefore, she added, there was no other to compare it to. In addition, Ms. Johnson noted, the proposal had included a cost of \$55,000 which was \$5,000 more than the maximum amount previously determined by the Committee, nor did it reflect who would be working in the sales position. She stated that in her opinion, enough was not known about the Gaslight Village property to promote its possible uses and she proposed that they delay awarding the contract until January 1, 2010 in order to get more information on the prospective uses of the property and also to re-advertise the RFP in hopes of gaining additional responses.

Mr. Kenny said that he agreed with Ms. Johnson's suggestion that the award of the contract be delayed and he added that it was too late in the current year to begin promoting the area for the quickly approaching summer season.

Mrs. Simmes questioned how the County intended to fund the \$50,000 cost associated with the SESC position and Mr. Kenny replied that it would be funded through the Tourism Departmental budget which was supported by occupancy tax funding.

Mr. Merlino asked if the LGCC would provide the services expected of the SESC position or if they intended to hire an employee to fill the position and Luisa Craige-Sherman, of the LGCC, replied that they intended to hire someone to serve as the SESC. However, she noted, they were unable to specifically name who would be filling the position as they could not seek out or hire someone without knowing if they would be guaranteed the contract.

Rob Sgaslata, Director of Sales for the Great Escape Lodge, addressed the Committee, advising that as someone who had been involved in the hotel business for the past 20 years, it was his opinion that the sooner the SESC position was implemented, the sooner they would begin to reap the positive results. He added that upon selection, the SESC would immediately begin to make investments in terms of promoting what they hoped would be an extended tourism season for the entire area; therefore, he said, it made sense to get someone in place to promote the entire region as quickly as possible.

Mrs. Simmes noted that the LGCC proposal included a salary of \$55,000 and she questioned how this figure had been established if no one had been chosen for the position. Ms. Craige-Sherman replied that the \$55,000 salary was based on a number of factors, such as salary, travel allowances and expenses, which were outlined in the proposal.

Mr. Merlino stated that he was in favor of instituting the SESC position and did not feel they should prolong the decision making process any further than absolutely necessary. He said that if the Committee was in favor of delaying the process, they should only do so until September, at which time the SESC position would be advertised once again so that a firm could be chosen and the position implemented by January 1, 2010.

Mr. Champagne questioned if it would be possible to proceed in contracting with the LGCC for the SESC position to commence on October 1, 2009 in order to begin preparations for the 2010 summer season, thereby allowing a sufficient amount of time to determine an appropriate candidate to fill the position and to prepare the person for the job. Mr. Kenny replied that he was unsure if any decision could be made with respect to the matter in light of the fact that the sole response included a salary higher than what had been approved by the Committee. He then suggested that Paul Dusek, County Attorney, be summoned to the meeting to provide legal counsel on the matter.

Discussion ensued while awaiting Mr. Dusek's arrival.

Messrs. Dusek and Tessier entered the meeting at 9:15 a.m.

Mr. Kenny apprised Mr. Dusek of the previous conversation, noting specifically that although the original RFP for the SESC position had not included any limitation for the related base salary, the Committee had previously determined a limit not to exceed \$50,000; he then questioned if they were legally able to accept the LGCC's proposal as it included a \$55,000 salary. Mr. Dusek advised that because only one response to the RFP had been received, the Committee was able to proceed in whatever fashion they determined to be in the best interest of the County.

Ms. Craige-Sherman stated that the LGCC intended to provide \$25,000 of in-kind services as their contribution to the SESC position and she was confident that they could find a way to supply an additional \$5,000 to make up the difference in salary.

Motion was made by Mrs. Simmes and seconded by Mr. Merlino to accept the proposal and authorize a contract with the Lake George Chamber of Commerce for an Event Coordinator with a cost not to exceed \$50,000 annually to be pro-rated based upon the date of execution of the contract.

Ms. Johnson noted that the initial contract with the LGCC would be for a one-year term to evaluate the profitability of the position and she questioned if the contract could be renewed if desired. Julie Pacyna, Purchasing Agent, replied that the RFP included a clause which stated that the contract could be renewed for an additional one-year term if funding was available.

Mr. Kenny called the question and the motion to accept the LGCC proposal was carried unanimously thereby authorizing the necessary resolution for the April 17<sup>th</sup> Board meeting.

Proceeding to the FWHCEC position, Mr. Kenny apprised that three responses to the RFP had been received, one of which was received from a good friend of his; therefore, he said, he would refrain from discussion and from voting on the issue. Mr. Kenny then asked Wayne LaMothe, Deputy Director of Planning & Community Development, to outline the RFP responses.

Mr. LaMothe confirmed that three responses to the RFP had been received, copies of which were included in the agenda. He advised that because the FWHCEC position was to be funded partially by NYSDOS (New York State Department of State) grant funds, the NYSDOS would make the ultimate decision as to whom the contract would be awarded to. Mr. LaMothe explained that although the three proposals had been forwarded to the NYSDOS for their review, they had been unable to make a determination prior to the current meeting. He then provided a copy of an email received from the NYSDOS explaining that they had received the proposals on the day prior to the meeting and would not have enough time to review them prior to today's meeting. Mr. LaMothe apprised that a meeting between himself and NYSDOS representatives had been scheduled for May 4<sup>th</sup> with respect to the proposals received and he asked that any further discussion be pended until after the meeting was held. He added that although they could certainly proceed in reviewing the proposals received, he preferred to do so with the NYSDOS decision on hand.

Motion was made by Mr. Merlino, seconded by Mr. Tessier and carried unanimously to table discussion on the FWHCEC position pending the receipt of further information from the NYSDOS to be received at their May 4<sup>th</sup> meeting with Mr. LaMothe.

David Kenny, Lake George resident, addressed the Committee, noting that the Basketville building located just north of the Municipal Center Building on State Route 9 was available for purchase and would be a wonderful site for the Tourism Department. He said that the sale price of the building was approximately \$100 per square foot and it was large enough to bring in other partners, such as Lake Placid, who were interested in drawing tourism to their area. Mr. D. Kenny stated that this was a considerable opportunity for the County to make a grand presence for the Tourism Department which would be much more accessible to visitors than their current location in the Municipal Center. He then noted that he did not foresee the County gaining another opportunity to secure such a prime location at a similarly reasonable price in the future and it was not so much a question of whether the County could afford to purchase the building, but whether they could afford not to. Mr. D. Kenny noted that the Basketville building was of Adirondack-style architecture befitting of the Tourism Department and would provide a commanding presence which would attract area visitors to learn more about Warren County and the upstate New York area as a whole.

Mr. Merlino questioned if occupancy tax funding could be used to subsidize the cost of bonding the purchase of the Basketville building and Mr. Dusek replied that this might be a possibility and he would have to research the matter further in order to provide a definitive answer. Mr. Merlino noted that if each Town were willing to relinquish a portion of their occupancy tax funding each year they could easily fund the purchase of the building without incurring any further debt to the County.

Mr. Kenny stated that they had discussed the purchase of the building for use by the Tourism Department in the past and he suggested that the issue be discussed further at the next Tourism Committee meeting.

Mr. Taylor said that although he would not necessarily be opposed to the idea of purchasing the Basketville building, he cautioned the Committee that the building would require certain renovations before it could be occupied, which would certainly incur some costs to the County.

Discussion ensued.

As there was no further business to come before the Occupancy Tax Committee, on motion made by Mr. Champagne and seconded by Mrs. Simmes, Mr. Kenny adjourned the meeting at 9:33 a.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist