

Warren County Board of Supervisors

Committee: Occupancy Tax Coordination

Date: February 28, 2012

Committee Members Present:

Supervisors Kenny
 Merlino
 Bentley
 Conover
 Dickinson
 Frasier

Others Present:

Kate Johnson, Director of Tourism
Leisa Grant, Principal Account Clerk, Tourism
Tanya Brand, Group Tour Promoter
Mike Swan, County Treasurer
Daniel Stec, Chairman of the Board
Joan Sady, Clerk of the Board
JoAnn McKinstry, Assistant to the Administrator
Supervisor Mason
Supervisor Strainer
Supervisor Taylor
Supervisor Thomas
Walt Lender, Executive Director, The Lake George Association
Fred Austin, The Fort William Henry
Jon Alexander, *The Post Star*
Nicole Livingston, Deputy Clerk

Committee Member Absent:

Supervisor Westcott

Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 11:00 a.m.

Motion was made by Mr. Merlino, seconded by Mrs. Frasier and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Copies of the agenda packet were distributed to the Committee members; *a copy of the agenda packet is on file with the minutes.*

Mr. Kenny referred to Item III on the Agenda, Report on Revenues from the County Treasurer. Mike Swan, County Treasurer, distributed the Report to the Committee members, a copy of which is on file with the minutes. He expounded that currently, there was a 2.81% increase in revenues compared to last year at this time. He pointed out that the Occupancy Tax Fund balance was currently \$850,560.01, minus the \$500,000 Designated Reserve, leaving an available balance of \$350,560.01. He predicted the final balance should be reported by either the middle or end of March, because he was still awaiting the last quarter collections to be received. In response to an inquiry, Mr. Swan explained the balance represented collections for 2011.

Under the Action Agenda, Mr. Kenny directed the Committee members to Item 2, which was a request to appropriate \$30,000 from the Occupancy Tax Reserve to the Tourism Budget for the 2011 Treasurer's fee for administration and he noted that this had been agreed upon last September. He added that Mr. Swan had generously agreed to reduce that amount to \$15,000 for 2012 and beyond.

Motion was made by Mr. Merlino, seconded by Mrs. Frasier and carried unanimously to authorize the transfer of funds as outlined above, and to forward same to the Finance Committee. A copy of the resolution request is on file with the minutes.

Mr. Kenny returned to Item 1 on the Action Agenda and stated Walt Lender, Executive Director of the Lake George Association, was present to provide an update on the Asian Clam eradication efforts in Lake George, including developments on any new funding sources. He extended privilege of the floor to Mr. Lender. Mr. Lender distributed a packet entitled "Asian Clam Containment and Eradication in Lake George" to the Committee members, a copy of which is on file with the minutes.

Mr. Lender informed that the Asian Clam was discovered in Lake George in August 2010, and the threat of the invasive species in the Lake was very serious. He apprised that the Asian Clam reproduced at alarming rates twice a year and could turn beautiful pristine bodies of water into algae filled messes. Fortunately, he continued, the threat was quickly identified and Benthic barriers were placed over five acres in the Lake. Mr. Lender reported that the Clams had been discovered just off Lake George Village in the area in front of most of the resorts and the first effort of treatment commenced in the spring of 2011. He noted that they had faced challenges with the maintenance of the mats during the summer months due to the volume of boat traffic and it was determined that a second treatment would take place in the fall of 2011. He advised that following a lake-wide survey, three additional locations were discovered and they were at Treasure Cove, at Boon Bay and at Norowal Marina all located in Bolton Landing.

Mr. Lender provided the current status of treatment of the Asian Clams as follows: between Lake Avenue and Shepard Park, the effort was mostly successful and some areas were mostly cleared; in Treasure Cove a large scale suction harvesting treatment was performed which was not as successful as the Benthic barriers technique and would require additional treatment this summer; at Norowal Marina they experienced similar success as they had in the Village, although it was very challenging to place the mats under the docks in the Marina and they would perform additional treatment in that area, as well. Relative to Boon Bay, Mr. Lender remarked that they had not addressed the area this past summer due to the size of the site and the plan was to commence treatment there this spring.

Mr. Lender referred to the last page of the packet which outlined the associated expenses for the project. He commented that in 2011 \$630,000 had been spent and the goal was to raise an additional \$500,000 for the 2012 effort. He noted that the \$500,000 was an estimate and solid figures would not be available until they started meeting with contractors. He stated that some funds had already been committed by municipalities; the Lake George Association and The Fund for Lake George had each committed \$25,000 for 2012; \$30,000 was secured from the Great Lakes Fisheries Commission; \$15,000 from the Dome Island Committee; and the plan was to conduct a campaign with private property owners with a goal of securing at least \$50,000. In conclusion, Mr. Lender requested the Committee to consider making another investment for 2012.

Mr. Bentley questioned if any funds had been committed by the Environmental Protection Fund (EPF) and Mr. Lender replied that the Governor's Budget had appropriated \$100,000 in the EPF for the efforts against invasive species in Lake George. Mr. Lender noted that the \$100,000 would be forwarded to the Lake George Park Commission (LGPC), which helped the Lake George Association fund the Lake Stewards in an amount of approximately \$50,000 and the LGPC also had an ongoing milfoil removal effort. He added that the LGPC and other non-profit agencies and municipalities had requested that the Governor increase the amount to \$300,000 in the final Budget.

Mr. Dickinson asked Mr. Lender how much money he was requesting the County to contribute for

2012 and Mr. Lender responded that the anticipated shortfall for the project was \$322,000 and he acknowledged that the County contributed approximately \$130,000 last year. Mr. Lender provided a breakdown of contributed funds in 2011 as follows: \$5,000 from the Village of Lake George; \$5,000 from the Town of Lake George; \$5,000 from the Town of Bolton; \$5,000 from the Town of Queensbury; \$5,000 from the Town of Hague; \$5,000 from Washington County; \$2,500 from Essex County; \$3,000 from the Town of Ticonderoga; \$3,000 from the Town of Putnam; and \$3,000 from the Town of Dresden.

Motion was made by Mr. Bentley and seconded by Mr. Dickinson to provide funding in the amount of \$100,000 for further assistance with the eradication of the Asian Clam population, said funds to be appropriated from the Occupancy Tax Reserve; and that a special plea be forwarded to the Governor requesting the EPF budget line for this effort be increased to \$500,000.

Mr. Merlino noticed that the Towns of Bolton, Lake George and the Village of Lake George appeared to only be contributing \$10,000 each for 2012 and he noted that the majority of the problems were located in those townships. He opined that \$100,000 seemed to be a very high amount given there was only \$350,000 in the Occupancy Tax Reserve. Mr. Kenny interjected that the balance was \$350,000 minus the \$45,000 that would be transferred to the County Treasurer for the Treasurer's fee for administration; thereby leaving a balance of \$305,000. Mr. Kenny expressed his concern that as gas prices continued to rise, occupancy tax collections would decrease and he referenced the recent Smith Travel Report which reflected a 7% decline in the last three weeks, which translated to approximately \$250,000.

Following discussions, Mr. Kenny called the question and the motion was carried by majority vote, with Mr. Kenny voting in opposition, to provide funding in the amount of \$100,000 for further assistance with the eradication of the Asian Clam population, said funds to be appropriated from the Occupancy Tax Reserve; and that a special plea be forwarded to the Governor requesting the EPF budget line for the invasive species eradication effort be increased to \$500,000; and to forward the same to the Finance Committee. Subsequent to the meeting it was determined that an Intermunicipal Agreement with the Village of Lake George would be necessary to complete the desired action and said request was forwarded to the Finance Committee, as well.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Dickinson and seconded by Mrs. Frasier, Mr. Kenny adjourned the meeting at 11:25 a.m.

Respectfully submitted,

Nicole Livingston, Deputy Clerk