

CITY COUNCIL MINUTES
OF A SPECIAL MEETING

KERRVILLE, TEXAS
JULY 19, 2012

On Thursday July 19, 2012, the meeting between the Kerrville City Council and the Convention and Visitors Bureau was called to order by Mayor Pratt at 3:00 p.m. at the Butt-Holdsworth Memorial Library, meeting room, 505 Water Street, Kerrville, Texas.

CITY COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

CITY COUNCILMEMBERS ABSENT: None

CITY STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Asst. City Manager
Brenda G. Craig	City Secretary
Mike Erwin	Director of Finance
Mindy Wendele	Director of Business Programs
Kim Meisner	Director of General Operations

CVB BOARD PRESENT:

Lew Williams	Bob Miller
Jan Lynch	John Helm
Tom Myers	Karol Schreiner
Mike Lemmons	

CVB STAFF PRESENT:

Sudie Burditt, Executive Director
Julie Land

CONSIDERATION AND POSSIBLE ACTION:

City council priorities and objectives pertaining to convention and tourism marketing efforts and current Convention and Visitors Bureau (CVB) activities.

Ms. Burditt provided the draft CVB 2012-2013 Marketing Plan.

The council recognized Sudie Burditt for almost 30 years of service as CVB executive director, and noted the CVB was in the process of interviewing applicants to fill Ms. Burditt's position upon her retirement in December 2012.

Mr. Parton noted the FY2012 Hotel Occupancy Tax (HOT) budget included: \$725,000 to CVB; \$105,000 for events coordinator budget; and \$50,000 for the arts co-operative.

He noted the city had not allocated any funds to the HOT reserve fund for several years. Mr. Parton and Ms. Burditt noted the events coordinator position had not been implemented because the community did not have sufficient venues to market and support additional events, and the project would not meet expectations.

The City Council and CVB Board discussed the following:

- Council assured CVB that the city was not proposing to merge CVB with the Kerr Economic Development Corporation or the Chamber of Commerce, despite rumors.
- The CVB contract would expire in 2013; CVB had already posted the executive director position and was receiving resumes; CVB was concerned that they may be misrepresenting the way CVB would operate in the future.
- CVB made changes to the marketing plan every year and often changed advertising venues based on tracking the results of advertising.
- The economic downturn resulted in a significant decrease in HOT revenue in FY2012, also hotels had lowered their rates to compete for tourism.
- Hotels were full on weekends, but there continued to be a lack of business on weekdays; discussed CVB's lost business report and noted 400 groups that could meet in Kerrville during the week if there was a meeting facility. The city had an incentive package for a convention facility out now and was working through KEDC to determine if there was any interest in building a convention facility in Kerrville.
- Mayor Pratt read a list of topics that had been previously discussed by city staff.

Ms. Burditt stated that the city's budget process as it related to HOT funding had not proceeded as it had in past years and was concerned that CVB may not be funded for 2013; therefore, she had not signed any advertising contracts, and if delays continued, the city would miss advertisements in fall and winter publications. It was noted that the city council had not discussed not funding CVB.

Ms. Lynch expressed dissatisfaction with the council's decision to move the fireworks from July 4th to June 30, stating there was nothing to do in Kerrville to celebrate the 4th and people had to go elsewhere to see fireworks.

Mr. Conklin noted the Independence Day Celebration held on Saturday, June 30 was organized by a private group with the intent to bring more people to Kerrville to increase tourism and have a financially successful event. More people could stay overnight and shop if the event was not on a workday, which July 4th was on Wednesday. The committee members did not have anything to gain personally from the event, and they hoped to build attendance for the event in future years, and July 4, 2013, would be on a Thursday. He noted that funding for the fireworks was donated, and the council made the decision to coordinate the fireworks with the weekend celebration. He stated it would be too costly to hold two events, noting the city staff expense was about \$30,000.

Mr. Parton estimated the FY2013 HOT revenue to be \$835,000 and proposed allocation: \$775,000 to CVB; \$50,000 for arts co-operative; and \$10,000 for audit and collection services. Ms. Burditt projected HOT revenue for FY2013 would be \$842,850,000.

The consensus of the council was to reaffirm commitment to the CVB and to instruct staff to place an item on the July 24 agenda to allocate all hotel occupancy tax revenue for FY2013.

The meeting adjourned at 4:19 p.m.

APPROVED: _____

ATTEST:

Jack Pratt, Mayor

Brenda G. Craig, City Secretary