

**MINUTES OF MEETING
TOURIST DEVELOPMENT COUNCIL
ST. JOHNS COUNTY, FLORIDA
July 18, 2011
(1:30 P.M.)**

Proceedings of a regular meeting of the Tourist Development Council of St. Johns County, Florida, held in the auditorium at the County Administration Building, 500 San Sebastian View, St. Augustine, Florida.

Present: Jack Peter, Chairman
 J. Ken Bryan, BCC Representative
 Richard O'Brien, City of St. Augustine Beach Representative
 Scott M. Bartosch, District 3
 Fred E. Cozby, District 4
 Jeffrey Mayers, District 4
 John B. Yanni, District 5
 Pam Halterman, Deputy Clerk

Absent: Joseph Boles and Bill Hughes

Also present: Glenn Hastings, Dena Masters, Carrie Horn, and Regina Ross, Assistant County Attorney

(07/18/11 - 1 - 1:35 p.m.)

1. CALL TO ORDER

Jack Peter called the meeting to order.

(07/18/11 - 1 - 1:35 p.m.)

2. PLEDGE OF ALLEGIANCE

O'Brien led the Pledge of Allegiance.

(07/18/11 - 1 - 1:36 p.m.)

3. ROLL CALL

Dena Masters called the roll and noted that Boles and Hughes were not in attendance.

(07/18/11 - 1 - 1:37 p.m.)

4. APPROVAL OF AGENDA

Motion by Mayers, seconded by Bartosch, carried 7/0, with Boles and Hughes absent, to approve the Agenda.

(07/18/11 - 1 - 1:37 p.m.)

5. APPROVAL OF MINUTES

Motion by O'Brien, seconded by Bryan, carried 7/0, with Boles and Hughes absent, to approve the minutes for the June 20, 2011, regular TDC meeting.



(07/18/11 - 1 - 1:37 p.m.)

6. PUBLIC COMMENT

There were none.

(07/18/11 - 2 - 1:37 p.m.)

7. FY 2012 BUDGET

a. FY2012 VCB Marketing Plan & Line Item Budget Presentation

Hastings introduced and welcomed Richard Goldman, VCB representative, to the meeting. Goldman reviewed the VCB Marketing Plan and line item budget and noted that the FY2012 budget had increased seven percent and key elements of the increase included prominent web development, research programs, and meeting market. He reviewed the political, legal, and SWOT analysis sectors for the Board. Although stakeholders were highly engaged, he pointed out that one weakness included the lack of information and communication to visitors and tourists; although, he identified that many opportunities existed for the VCB to exploit in order to increase visitation. He noted that their primary visitor research would be launched in the near future. He advised that threats continued to exist, such as an uncertain economy, high gas prices, unpredictable State-level decisions, the 450th discord, and weather factors. Peter pointed out that the TDC had allocated substantial funding for the City's 450th celebration, and said those funds should be watched closely in response to the discord. Bryan noted that the funding had been accompanied with a plan for the allocated funds. Hastings clarified that the VCB plan funding was the only funds currently being distributed to the 450th celebration.

(1:56 p.m.) Goldman said their overall goal included growth and an increase to bed tax dollars. He reviewed the VCB 2012 marketing objectives and marketing strategies for the year. In response to an inquiry from Bryan, Goldman stated that the VCB planned to host a major expo at a Latin-American travel industry event for the Hispanic travel market. He added that the publicity budget had increased by 14% for 2012. He noted that among the Marketing Plan Tactics Sales had increased 90% from the amount that had been allocated during the previous year. Directing attention to the 2012 Marketing budget, he pointed out that the figures excluded operations, supplies, and travel. Mayers questioned the increase to contractual services. Goldman responded that the increase included benefits and salaries for staff; although he reported that the budget included fewer personnel. Yanni directed attention to the third penny redistribution reserve item and asked for clarification. Hastings noted that the funds involved the third penny which was evenly redistributed to the original three categories on a 40/30/30 split, with access to the funds around May 1st, 2012.

(2:11 p.m.) Hastings advised that the Board was required to approve or accept the marketing plan as part of the overall budget. Yanni noted that he had been a part of the formation of the VCB in the 1990's, and voiced that seeing the development and maturing of the entity was a pleasure and thrill to watch over the years.

(2:11 p.m.) Motion by Yanni, seconded by O'Brien, carried 7/0 with Boles and Hughes absent, to accept the VCB Marketing Plan.

(2:12 p.m.) Peter spoke about the 450th and 500th celebrations for St. Augustine and its marketing plan timeline. Goldman explained that they did not have the specific events and celebrations thus far; however, events would not be handled alone by the VCB but in concert with other businesses and entities. He acknowledged that the VCB would promote but not produce events and had assisted with the development of one of three different conferences that would take place in St. Augustine concerning the 500th. It would be an academic and public celebration. Bryan asked for a detailed plan which he articulated as currently somewhat vague.

(07/18/11 - 2 - 2:16 p.m.)

b. FY2012 Arts, Culture, & Heritage Grant Funding Recommendations

Richard O'Brien, Chairman of the VCB Funding Panel, explained the FY2012 Arts, Culture, & Heritage grant funding recommendations and noted that the process was difficult because of the limited funding available. He stated that the Panel's methodology was appropriate, consideration fair, and recommendations were in the best interest of St. Johns County. Bartosch voiced that he would recused himself from the discussion before the board that day. Yanni evaluated how the Funding Panel reviewed, scored, and recommended funding requests. Bryan agreed that due to the limited funds, the Panel had a difficult task in making their determination. He suggested that the need was to focus on thinking outside the box with new adventures and new opportunities. Mayers questioned how many room nights were generated by funding certain events that would show a return on investments. Yanni noted that counting heads-in-beds was difficult to determine and not all events generated overnight stays. Hastings spoke about the development of a database which involved visitor and event counts to help determine funding needs. Discussion ensued between board members and Hastings that involved cancelled events and rollover funds. O'Brien expressed that the Funding Panel provided a list of additional recommendations which totaled \$50,000.00. He noted that more funds might become available due to other funded events being canceled. Yanni questioned whether the recommended events with less funding than what had been requested would be held anyhow due to cuts in funding. Hastings noted that funds not spent would remain in their respective category.

(2:37 p.m.) Bartosch stated that he recused himself due to his relationship with the Limelight Theatre, who had requested funding. Mayers recused himself due to his relationship with the Sawgrass Wine Festival held at the Sawgrass Marriott Hotel, who he chair-managed. Peter recused himself due to his relationship with the Cultural Center of Ponte Vedra Beach, who had requested funding. Ross clarified that Bartosch recused due to specific line-items involved with the current budget year only. Mayers and Peter affirmed that they also recused themselves due to specific line-items in the current budget year.

(2:39 p.m.) **Motion by O'Brien, seconded by Bryan, carried 4/0, with Boles and Hughes absent; and Bartosch, Mayers, and Peter recusing themselves, to approve the FY 2012 Arts, Culture, & Heritage Grant Funding Recommendations.**

(07/18/11 - 3 - 2:39 p.m.)
c. FY2012 Budget

Hastings reviewed the FY2012 Budget for the TDC and explained budget numbers to the board that included a 157% increase in indirect administrative fees for Administration and Special Uses category which he noted paid for the TDC office rent, Clerk of Courts auditing, etc. He pointed out that an additional \$64,952.00 needed to be cut from the current budget. He explained that facilities maintenance involved a study of cost involved for the TDC.

(2:47 p.m.) Troy Blevins, Recreation Director, explained that the Ponte Vedra Beach concert hall improvements generated the facilities maintenance line item; however, according to Gene Burns, Facility Maintenance Superintendent, the item was miscoded and needed an investigation to make a determination. Hastings affirmed that staff was attempting to solve the issue. He pointed out that the Clerk of Courts processed a check each month to reimburse the VCB for their expenditures. He suggested that indirect administrative fees would not be as costly next year. Bryan asked for clarification regarding the next budget year and a running account of the funds. Hastings suggested that the Board review the specific part of the County ordinance in regards to the indirect administrative fees which should be paid for by each category of origin. He noted many different ways existed to eliminate the overspending with the budget. He pointed out that the ordinance provided that remaining funds would not rollover to the

next year but be returned to their original categories. Discussion ensued between board members and staff regarding the remaining funds and how they were handled. In response to an inquiry from Peter, Hastings affirmed that he would recommend that indirect fees be paid by their category of origin. Bartosch asked for clarification regarding whether the Land Trust was included in the budget being shown to the board, and he suggested that cuts had already been implemented by removal of the North Florida Land Trust element. He stated that if the board allowed the North Florida Land Trust to remain in the budget, then additional cuts would be required. He commented that the board was not reviewing apples-to-apples but apples-to-peaches in the budget. Hastings affirmed that a shortfall would not exist if the suggested adjustments were made and he continued to explain how the expenses were handled in each budget. Cozby questioned whether the 4th penny had been created in order to place in the cost of administrative fees and special uses. Blevins noted that a GASB 51 rule existed for the budget required process and explained how that rule affected budget items; suggesting that each individual groups pay their own indirect cost because it was above and beyond the normal administrative cost. O'Brien suggested that cutting \$10,000 from the Nights of Lights event, a proven successful program, would be critical. Mayers said the \$21,000.00 shortage could be spread between the Visitor Information Centers. Hastings expressed that the shortage could be handled in that manner.

(3:17 p.m.) Hastings suggested that the Board consider the budget after they hear from Bonnie Barnes, North Florida Land Trust.

- 1) FY2012 Budget Workshop
- 2) Carried Forward and Redistribution Amounts
- 3) Projected New Revenues
- 4) Reserves
- 5) Admin & Special Uses Line Item Budget
 - a) North Florida Land Trust Request

(3:19 p.m.) Bonnie Barnes, Executive Director, North Florida Land Trust, offered a presentation concerning the North Florida Land Trust, which was a 501c3 organization, and the Conservation Resource Center in Ponte Vedra area which she pointed out would be located just minutes from Mickler Landing. She summarized properties owned by NFLT that were located throughout North Florida. She explained the report submitted to the board and offered details on visitors, local events, and other elements of ecotourism. She communicated that the return on investments for the TDC would be an increase in competitive activity opportunities which would increase overnight stays, weddings, and other events for the property. She stated that they were requesting a total of \$250,000 to help kick start the renovations which would total over \$3.5 million dollars. She pointed out that they did not need all funds in one year but could be distributed over two or three years.

(3:29 p.m.) In response to an inquiry from Bryan, Barnes noted that once the facility was approved, others would provide pro-bono services and assistance to the project. O'Brien questioned how Goldman would feel about the possibility of losing \$40,000.00 funding next year to another acquisition. Goldman voiced that they would need to review their numbers again. O'Brien questioned whether the expenditure was permitted under F.S. Chapter 125. Ross affirmed that the funding was a permissible use under Florida Statutes. Peter voiced that he was a fan of the project but was surprised to hear that the County had an ownership stake in the property. Barnes stated that details regarding outfitters or any other entities for the center would be ironed out during the next month. Bartosch questioned whether a longer period of time, like three years, would be appropriate to distribute the requested \$250,000.00 funds. Barnes agreed that three years would be doable; however, she pointed out that they had yet to

make an offer or approach the landowner. Yanni said he had concern whether the process was legal and would the project put "heads-in-beds". Hastings noted that changes to the ordinance would be necessary as well as reductions involved with the \$21,000 budget shortfall. Ross explained the process for the BCC and the TDC recommendation and changes to the plan.

(3:44 p.m.) Motion by Bartosch, seconded by Yanni, carried 7/0, with Boles and Hughes absent, to proceed with the North Florida Land Trust request based on the agreement that the County was part owner and the funding could be spread over three fiscal years.

- b) Visitor Information Centers
- c) Nights of Lights / Fireworks

- 6) Art/Culture/Heritage Line Item Budget
- 7) Leisure & Recreation Line Item Budget
- 8) Budget Related Recommendations to BCC

(3:44 p.m.) Hastings asked for clarification regarding the NFLT Impact Budget. He affirmed that the proposed cuts to the Nights of Lights and the Visitor Information Centers would not be necessary because NFLT would receive their funding over three years and not in one lump sum. He reviewed the Arts, Culture, and Heritage and Leisure & Recreation budgets.

(3:49 p.m.) Motion by Bryan, seconded by Bartosch, carried 7/0, with Boles and Hughes absent, to accept the budgets with the noted changes which included the adjusted amounts for the Nights of Lights, the appropriations to the North Florida Land Trust, and the amended amounts for the Visitor Information Centers.

Hastings noted that the TDC had annual contracts with the Ponte Vedra Chamber of Commerce and the City of St. Augustine for the operation of the Visitor Information Centers and asked for a motion to continue those contracts for one year.

(3:50 p.m.) Motion by Peter, seconded by Bartosch, carried 7/0, with Boles and Hughes absent, to extend the agreements as stated.

Hastings advised that he needed direction from the Board to possibly modify the VCB contract to allow them to reimburse the pay for personnel cost associated with the VIC at the Beach.

(3:52 p.m.) Motion by Peter, seconded by Bryan, carried 7/0 with Boles and Hughes absent, to recommend amendment to the agreement to include reimbursement for personnel cost associated with the VIC.

Hastings asked for a motion to change the name of the Arts & Cultural category to the Arts, Heritage, and Cultural category.

(3:53 p.m.) Motion by Peter, seconded by O'Brien, carried 7/0, with Boles and Hughes absent, to change the name from Arts & Cultural category to Arts, Heritage, and Cultural category.

Hastings asked for a recommendation to the BCC that the North Florida Land Trust project be added to the Administrative and Special Uses category in the County ordinance.

(3:53 p.m.) Motion by Peter, seconded by O'Brien, carried 7/0, with Boles and Hughes absent, to recommend that the North Florida Land Trust be added to the Administrative and Special Uses category.

Ross explained that indirect cost was currently under Category 4 and the Board's recommendation was to move it elsewhere.

(3:54 p.m.) Motion by O'Brien, seconded by Peter, carried 7/0, with Boles and Hughes absent, to recommend to the BCC that the indirect administrative fees be charged to the category of origin and the language in the County ordinance be changed to reflect same.

(07/18/11 - 6 - 3:55 p.m.)

8. ARTS & CULTURAL CATEGORY

Bill Coleman directed attention to the Boards' packet and offered a presentation to the board regarding the process of hiring an Executive Director for the Cultural Council. He noted that they had received over 40 applications over the internet thus far. In response to an inquiry by Bryan, Coleman noted the numerous places they had advertised for the Director's position and said the salary would be based on experience.

(07/18/11 - 6 - 3:57p.m.)

9. COMMENTS BY MEMBERS

Bryan, O'Brien, Bartosch, Yanni, and Mayers had no comment.

Cozby voiced that Barnes had provide him additional information concerning the NFLT project, and he suggested that the project would be a good addition for tourism and local residents. He voiced that he remained concerned about which category the funding would come from but was put at rest after the discussion earlier that day.

Peter echoed Cozby's comments.

(07/18/11 - 6 - 3:59 p.m.)

10. ADJOURN

With there being no further business to come before the Board, the meeting adjourned at 3:59 p.m.

Approved August 22nd, 2011

TOURIST DEVELOPMENT COUNCIL
OF ST. JOHNS COUNTY, FLORIDA

By: Jack Peter

Jack Peter, Chair

ATTEST: CHERYL STRICKLAND, CLERK

By: Sam Halteman

Deputy Clerk

