

MINUTES OF THE MEETING OF THE ADVERTISING AND PROMOTION COMMITTEE OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD ON FEBRUARY 18, 2009, AT 9:00 A.M. IN THE EXECUTIVE MEETING ROOM.

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Chairman Meyer called the meeting to order at 9:06 a.m.

COMMITTEE MEMBERS PRESENT:

<u>ROLL CALL:</u>	<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>
Gwen Meyer	<u>X</u>	<u>    </u>	Randy Fuller	<u>    </u>	<u>X</u>
Dennis Hughes	<u>X</u>	<u>    </u>	Sean Preiss	<u>X</u>	<u>    </u>
Chris Kengla	<u>X</u>	<u>    </u>	John Solarz	<u>    </u>	<u>X</u>
Woody Biscoe	<u>    </u>	<u>X</u>	Linda Bohn	<u>X</u>	<u>    </u>
Tom Fields	<u>    </u>	<u>X</u>			

STAFF PRESENT:

Kent Brooksby, Finance Director; and Donna Stanley, Secretary.

OTHERS PRESENT:

Julia Patrick, Patrick Media Group; and Beverly Stepp, Pinetop-Lakeside Chamber of Commerce.

ITEM NO. 2, INTRODUCTIONS:

Introductions were made.

Chairman Gwen Meyer introduced Donna Stanley and said Ms. Stanley is filling Robin Miller's position as Secretary to the Committee. She said Ms. Stanley is familiar with the Committee.

ITEM NO. 3, CALL TO THE PUBLIC:

Chairman Meyer explained the rules for Call to the Public.

ITEM NO. 4, CONSENT AGENDA:

**COMMITTEE MEMBER LINDA BOHN MOVED THE COMMITTEE APPROVE THE CONSENT AGENDA WITH A CORRECTION TO THE SPECIAL MEETING MINUTES OF NOVEMBER 25, 2008 CHANGING "IS NOT A VALUE VACATION" TO "IS NOT PERCEIVED AS A VALUE VACATION" ON PAGE 5. VICE CHAIRMAN DENNIS HUGHES SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.**

Chairman Meyer stated item No. 9 would be discussed at this time.

ITEM NO. 9, UPDATE BY PATRICK MEDIA GROUP:

Julia Patrick recommended the Committee return to monthly meetings until economic conditions stabilize. She said she would like this item added to the agenda of the next meeting. There was discussion regarding having a Special Meeting and a date. Chairman Meyer said the Special Meeting would be held March 4, 2009 at 9:00 a.m. with the Budget Subcommittee meeting at 8:00 a.m.

**VICE CHAIRMAN HUGHES MOVED THE COMMITTEE AGENDA AN ITEM FOR THE SPECIAL MEETING OF MARCH 4, 2009 TO DISCUSS CHANGING THE REGULAR MEETING SCHEDULE FROM QUARTERLY TO ONCE A MONTH. COMMITTEE MEMBER BOHN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.**

Ms. Patrick thanked the Chamber of Commerce for the link to the Tourism DVD. She said she spoke with Rod Stevens and Lu Anne Frost about adding the DVD to the Town's website. She said the Arizona Office of Tourism (AOT) has a new section which is just video tapes of different activities going on in Arizona. She said she is also trying to get them to post the entire 7 minute DVD on their new website. She said she also offered them footage. She said she received a bid from McMurray Publishing for the e-mail post card program. She said the cost is approximately \$300 per month for 5,000 electronic postcards and does not include Patrick Media Groups cost to facilitate. She said they are working on a non profit rate. She said the next level would be 10,000 e-mail postcards and the price may go up approximately \$50. She said she believes this is the direction the State is moving towards. She said they can only have one web address on the website per the funding requirements. She said she is pleased with the cost from McMurray and thinks they would be a good company to work with. She said she addressed the Pinetop-Lakeside Town Council on February 5 and gave a short recap of the year's activities and future plans. She said she received positive comments from the Council Members and Kelly Udall gave a statement of support. She said by the end of March they would receive the 2009-2010 TEAM Grant guidelines and application from AOT. She said AOT believes the funding would remain the same and there may be a greater push towards electronic marketing. She said she recommends the Town of Pinetop-Lakeside move in that direction even if the State does not. She explained the TEAM Grant and said the program is being evaluated and could change, which means the funds they once had may be diminished.

Ms. Patrick said she likes the concept of Milestone Marketing. She said it is a 3-year process. She said she met with the Arizona Historical Society Museum Director Peter Welsh and discussed the Arizona Centennial. She said there will only be two more centennials celebrated in the Country which will be Hawaii and Alaska. She said they would celebrate the 100-year anniversary of Arizona on February 14, 2012. She said Heritage Tourism is a big thing, people will be coming to this part of the world to see what is going on and experience the activities. She said Patrick Media Group signed up to participate. Chairman Meyer said she would like additional information on Milestone Marketing. Ms. Patrick said AOT is partnering with National Geographic to do a test market on Heritage Tourism with Pinal County, which has to do with making ancient lands and tribal lands more accessible. She said if it goes over well she feels the State will embark upon more things of this nature. She said these travelers spend more

time and want to engage in the community. She said she believes this type of marketing has a huge long term impact and thinks this feeds into the marketplace of the first and second homeownership. Committee Member Bohn said the White Mountain Roundup is looking at the preservation of the legacy of the western and pioneer era. Ms. Patrick asked Committee Member Bohn to get the information to her and she would dovetail that with the Centennial. Committee Member Bohn said the tickets will be available online. Committee Member Chris Kengla said there are tour buses that go into Fort Apache and said he thinks they should also dovetail with this because this is part of the heritage of the area and they need to be selling that more. Ms. Patrick said they have travel representation at the White Mountains Partnership level, and said she thinks the State will be working more diligently on that side. She said she was at Fort Apache a few months ago and they have new displays, they have changed the gift shop and are working on the old fort section. She said they are working hard and need support. Committee Member Bohn asked for the German contact for journalism. Ms. Patrick said AOT funds a full time German liaison and would supply the information to her. She gave an update on the White Mountains Partnership. She said she addressed the Show Low Town Council on January 20, 2009 and is meeting with the main voters of the White Mountains Partnership today to discuss what they believe will be their funding level for fiscal year 2009-2010. She said she did a media recap and more than \$1.3 million is editorial coverage for the region in 2008. She said they would do the same thing for the Town of Pinetop-Lakeside and she would report the dollar amount. She said they did not have the funding to run the ski campaign. She said the associate publisher of Front Doors was generous and gave Pinetop-Lakeside the back page twice, which is approximately a \$12,000 value.

Ms. Patrick said Arizona has been chosen, for the first time, to provide the United States Capitol Christmas Tree. She said it is an honor and it is called "the people's tree." She said it will be displayed in a public place in front of the U. S. Capitol. She said the United States Forest Service asked Arizona to supply a tree from the Apache Sitgreaves Forest. She said it is a year long task. She said within a ten year period it could be the biggest opportunity they have to market the region. She said not only are they providing the Capitol tree but 75 additional trees will be delivered and placed throughout the Capitol complex and all will be decorated. She said the Capitol tree will be decorated with 5,000 ornaments made by the school children of Arizona. She said she let them know they would participate and has signed up to sit on the Steering Committee. She said she is participating on a volunteer basis to represent her company and tagging on the Town of Pinetop-Lakeside, as well as the White Mountains Partnership. Chairman Meyer said for the first time the entire Country will know that Arizona is more than just cactus. Ms. Patrick said the logo is "Arizona's Gift from the Grand Canyon State." She said the City of Show Low has also gotten behind it. She said the tree will go on a tour throughout the state and then travel on a national tour to Washington, DC. She said Patrick Media would do the marketing and public relations and would request the community be present at some of the activities. She said Alegra donated the website development and the site should be up within a week. She said there are many aspects involved and she would keep them updated.

Chairman Meyer stated item No. 10 would be discussed at this time.

ITEM NO. 10, UPDATE BY PINETOP-LAKESIDE CHAMBER OF COMMERCE:

Beverly Stepp said the Chamber would be pleased to participate with the Capitol tree. She reviewed the statistics from the Chamber of Commerce for the year. She said they partnered with Hon-Dah for the Winter Games activities. She gave Ms. Patrick a copy of the Southwest Meeting and Events magazine. Chairman Meyer asked about the progress of forming a Convention and Visitors Bureau (CVB). Ms. Stepp said she does not have a report.

The Committee took a break at 10:09 a.m. The meeting reconvened at 10:21 a.m.

ITEM NO. 5, REASSIGNMENT OF VICE CHAIRMAN:

Chairman Meyer said Vice Chairman Hughes has offered to continue as Vice Chairman provided his attendance record is within the by-laws. She said Committee Member Tom Fields has missed several meetings as well and Ms. Stanley has been asked to research the attendance requirements within the by-laws and to agenda the item for the Special Meeting.

ITEM NO. 6, BUDGET SUBCOMMITTEE REPORT:

Committee Member Sean Preiss said as they know tax revenues are decreasing. He said currently they are down 16.2%, compared to last year. He said the latest figures from the Hospitality Tax are alarming to him. He said Lake of the Woods typically generates 28-30% of the tax and in November it was 45.7%. He said he assumes December will be the same. He said as of March they are down 34% in pace compared to where they were last year. He said pace is pre-bookings, last year they had \$50,000 on the books for March and as of this date they have 34% less than last year. He discussed the percentages for April, May, and June. He said he projects they have \$34,000 coming in over the next 5 months in tax revenue. Chairman Meyer said they also look at the retail numbers because they tell the total number of visitors to the mountain. Committee Member Kengla said he feels they will also see a huge decline in walk through traffic. He said Paul Allen of Whispering Pines expressed a similar situation at his property. Chairman Meyer said the State moved for approval of a mid year reimbursement of the TEAM Grant. She said with the way the TEAM Grant has been delayed if they are approved they would not receive the funds until fall which is past the summer season. She said they must have a decent summer season so businesses survive. Committee Member Preiss said they are going to do what they can, but said he would like the Committee to be prepared for when the economy comes back. He said he does not doubt they may see some closures this year.

ITEM NO. 7, HOSPITALITY SUBCOMMITTEE REPORT:

Committee Member Preiss said they met for the first time in December and it was very positive. He said they had 28 people in attendance both from hotels and restaurants, which is a total of 14 properties. He said they passed out questionnaires. He said he feels they need to help educate the hoteliers. He said they would schedule another meeting in the next couple of weeks, but will not provide dinner as they do not have the funds. Committee Member Bohn asked if the properties are interested in education. Committee Member Preiss said he believes a lot of them will be. He said he does not think they know the power of the Internet. He said there are several

free online booking sites available, but they are afraid of using that vehicle. Chairman Meyer said during the Budget Subcommittee Meeting Committee Member Preiss said there are properties that are sticking to their minimum two to three night stay requirement and in one case a week. She said Ms. Patrick mentioned doing a Tourism University for them which is focused on the Internet. Ms. Patrick said the service is offered by AOT. Chairman Meyer said she would like to see a centralized booking system here. She said that would make a difference with the smaller properties and some could be handled through a CVB. Committee Member Kengla said there could be a problem with a cross over.

ITEM NO. 8, RACK CARD PRODUCTION WITH DISCOUNTS FOR TRACKING PURPOSES:

This item was postponed to the March 4, 2009 Special Meeting.

ADJOURNMENT:

The regular meeting was adjourned at 10:49 a.m.

Dated this 23rd day of February 2009.

PINETOP-LAKESIDE ADVERTISING & PROMOTION  
COMMITTEE

/s/ Donna Stanley, Secretary