

CITY COUNCIL SPECIAL SESSION MINUTES

June 18, 2013

The City Council of the City of Norman, Cleveland County, State of Oklahoma, met in Special Session at 5:30 p.m. in the Municipal Building Conference Room on the 18th day of June, 2013, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Castleberry, Gallagher, Griffith, Kovach, Lockett, Mayor Rosenthal

ABSENT: Councilmembers Jungman, Spaulding, and Williams

Item 1, being:

DISCUSSION REGARDING THE FYE 2014 NORMAN CONVENTION AND VISITORS BUREAU BUDGET AND ANNUAL PLAN OF WORK.

Mr. Stephen Koranda, Norman Convention and Visitors Bureau (NCVB) Executive Director, said the previous FYE 2014 NCVB Budget presented to Council utilized a 20-year-old format; therefore, the budget did not include a lot of details regarding the new dollars allocated to the NCVB after voters had recently approved an increase in transient guest room tax. He distributed additional information which reflected and summarized marketing efforts performed by NCVB versus the previous budget.

Mr. Koranda introduced NCVB Board Members, Mr. Joe Sparks, Mr. William Murray, and Mr. Michael Vance. He highlighted the NCVB FYE 2014 Budget, which included outlining some of the new programs as a result of the increase from the transient guest tax.

Research

Mr. Koranda said NCVB did a brand realignment in 2010 and would now like to go a little deeper into the Branding Program. He said the first research study would be a more in-depth brand assessment that would objectively evaluate perceptions of Norman's current brand position; build consensus among the organization's primary stakeholders with the brand's reality; and indicate where and how the destination is perceived today; i.e., fancy way of saying "where is Norman as a *brand*?" The second research study would help NCVB more accurately estimate attendance and prepare an economic impact report for key festivals and events. Mr. Koranda said NCVB currently uses attendance numbers provided by the event organizers and hotel occupancy numbers.

Councilmember Lockett said she appreciates research, but felt the second study is not needed at this time and would rather see money used to get "heads in beds". Mr. Koranda said NCVB wanted to do the economic impact report in order to answer questions generally asked after festivals and/or events regarding attendance and economic impacts.

Ms. Joy Hampton, *The Norman Transcript*, said the City Council in the community she recently moved from would utilize the CVB's economic impact report to help determine if the city was getting back their investment and she felt the economic impact report was so much more than just attendance numbers.

Leisure Advertising

Mr. Koranda said that NCVB has been communicating for some time now with Sooner Sports Properties and agreed on an advertising packet that would help get football crowds to visit Norman after the football season is over and discover Norman's other attractions. He said the packet includes:

- Sponsoring a stage at Fan Fest for band performances. The band would be listed on VisitNorman.com before the OU game and the NCVB would have presence at Fan Fest as well;
- Run banner ads on SoonerSports.com;
- NCVB would be the title sponsor of Game Day Program App Gameday Central Page; and
- Have basketball courtside signage.

Weather Museum

NCVB sponsorship of the weather museum mobile unit which would be the first step toward advocacy and education of a permanent museum.

Item 1, continued:

Mobile Visitor Center

Mr. Koranda said NCVB plans to purchase a used food or service truck (such as Fed Ex) and equip it with brochure racks, audio, video, etc., to use at OU Fan Fest, major festivals and other events in and out of Norman. He said NCVB is very excited about a mobile visitor center and is exploring other uses such as groundbreaking events and promotion of Norman arts at Oklahoma City and Tulsa arts events, etc. Mr. Koranda said this program budget is \$42,000.

Main Street Banners

NCVB would take the lead on producing "Welcome" banners to be hung on the new light poles recently installed along Main Street and is confident that sponsorships could be sold to cover costs of the banners. He said this is a breakeven venture; therefore, just enough money is being collected to purchase the banners, not replace them. Councilmember Lockett felt the example banners NCVB recently presented to Council might be difficult to read because of the colors and font size and Mr. Koranda said NCVB will be working with an experienced sign company that will be able to advise NCVB.

Visitors Guides

Mr. Koranda said this is not a new venture; however, NCVB will partner with OU Admissions on a cooperative visitors guide to promote Norman. He said approximately 40 pages will be about Norman with 20 or so pages about OU. The front cover would be Norman and the back cover would be OU. OU estimates distributing 30,000 copies; therefore, NCVB would print a total of 120,000 visitors' guides.

Groups Marketing

Mr. Koranda said NCVB is marketing six (6) new tradeshow/expos in FYE 2014, Meetings Quest, Smart Meetings, Fraternal Executives Association (FEA), World Education Conference-Meeting Professional International (WEA-MPI), Helms Brisco Annual Business Conference, and Hospitality Sales Marketing Association International MEET (HSMIAI). He said the National Association of Sports Commissions' Symposium is not a new tradeshow or expo to Norman, but since it will be hosted in OKC in April 2014, NCVB is currently in discussions with OKC how the NCVB can be part of a networking event by sponsoring a special session and/or something to "show off" Norman while all the sports planners are in OKC for the Symposium.

VisitNorman.com Website

Mr. Koranda said NCVB has a lot of information and resources on their website, VisitNorman.com; however, NCVB is always looking to improve and/or make upgrades to the website. He said new functions could include blogging capabilities, multiple brochure request function, videos throughout the site, upgraded mapping functions, itinerary builder, featured listing, and couponing deals and discounts. Mr. Koranda said the website is the most valued marketing tool NCVB utilizes.

Personnel

Mr. Koranda said the NCVB currently staffs five (5) professionals, including himself, and is looking to hire a New Media Manager. He said the new position responsibilities will include graphic design, management of VisitNorman.com, and social media. The new position will free up current personnel to concentrate more on media relations; groups servicing; direct sales; and management and destination development. He said there are also increases in the budget for a modest cost of living increase and incentive program.

Mr. Koranda highlighted the NCVB staff from FYE 2008 to present. He said for FYE 2009 through FYE 2011, NCVB staff was reduced from five (5) to four (4) employees.

Councilmember Kovach said Norman citizens voted and gave the City an increase in the Transient Guest Tax and out of respect for them the City needs to show how and where the money will be utilized. He said he was dismayed that the initial NCVB Budget report was so vacuous; however, the report presented today still does not include the dollar figures and costs for the additional programs.

Councilmember Kovach asked how and what NCVB will be doing to promote sports in Norman and Mr. Koranda said the NCVB is allocating additional dollars to make a better presence at the National Association of Sports Commissions Symposium. He said this week NCVB is assisting with the Women's Amateur Golf Tournament at Jimmy Austin Golf Course. He said NCVB recently asked the Parks and Recreation Department to host a baseball tournament and it was turned down. He said NCVB also approached all of the gymnasiums in Cleveland County about holding the Mid-America Youth Basketball Tournament (which would generate over 3,000 rooms per day) and NCVB was denied access to all the gymnasiums in Norman; but, Moore welcomed NCVB with open arms. Mr. Koranda said while NCVB continues to market Norman as a sports location it has been difficult to find locations in Norman that are willing to participate and/or host sports activities and events. He said NCVB is currently in discussions with David Lisle at Westwood Golf Course regarding a three course golf tournament for youth as well as and discussions with the University of Oklahoma (OU) Athletics regarding a running event to

Item 1, continued:

bring runners to the community. He said discussions include having an expo, 15K or half-marathon run, and possibly a long jump where a portion of a street in the downtown or Campus Corner area would be blocked off and a long jump pit would be installed in the street.

Councilmember Kovach asked who prepared NCVB financials and Mr. Koranda said the NCVB Board of Directors made a decision approximately four years ago to contract with Gray and Blodgett to do the daily financials and Larry Pace for the audit.

Councilmember Gallagher asked about the increase for incentives and Mayor Rosenthal asked about the benchmarks. Mr. Vance said NCVB Board's expectations for the incentive program is strictly performance based. He said there has to be measurable criteria such as how leads are generated and how many room nights are produced. He said it is currently being discussed as a tiered-level program with a certain value associated with each tier. He said a performance based bonus structure can be achieved by hitting one part or three parts and be awarded accordingly. Mr. Vance said a team goal component can also be included as part of an incentive program. He said initial numbers and criteria were reviewed at a recent NCVB executive board meeting and to further fine-tune the program. He said the expectation is that a performance has to be at a much greater level in order to be awarded an incentive and that he is a firm believer in a fair, achievable, and aggressive bonus structure and felt it was critical to the sales environment. Councilmember Lockett asked the limit for the incentive program and Mr. Koranda said the maximum is 10% of their salary.

Councilmember Lockett asked about the turnover rate for NCVB staff and Mr. Koranda said there was a large turnover in the summer of 2009, another employee left in the summer of 2011 to go back to school, and another employee left for a better job opportunity, but since that time there have been zero turnovers. Councilmember Lockett requested NCVB provide a turnover rate percentage to Council.

Councilmember Gallagher asked how beneficial the 1% increase in room tax is for NCVB. Mr. Koranda said it is difficult to answer that question; however, NCVB will be able to do some phenomenal things. He said the mobile visitor center has been a vision of the Board for over a year and with the increase in room tax, NCVB will allow this to happen. Councilmember Gallagher asked what percentage is health care for NCVB personnel and Mr. Koranda said 10% is figured for healthcare and insurance every year, that figure may go up depending on the future healthcare issues with the government.

Councilmember Kovach requested a detailed budget of how additional budget money will be utilized. He said the expected amount of increase due to the 1% increase in room tax is \$200,000. Councilmember Kovach said he expects to see some increase (annually) and would like a detailed report reflecting the increased revenues, as well as a work plan with the June 25, 2013, agenda item for Council consideration.

Councilmember Castleberry asked if the NCVB and Norman Economic Development Coalition (NEDC) has an overlap of duties and Mr. Koranda said the only overlap is that both have an interest in the quality of life that would attract visitors and/or businesses. Mayor Rosenthal said the NCVB seemed to be weighing in on issues that are borderline economic development issues, i.e., commercial lighting, high density, identifying corridors that are distressed, etc. She felt seeing the NCVB take positions on those types of issues is where some of the overlapping confusion comes from and represents to some an issue of mission creep.

Councilmember Lockett said she has constituents who have said the NCVB's mission was to put heads in beds and the rest would follow. She said constituents were also concerned they are not seeing results from NCVB and felt a report reflecting how many and which companies have come into Norman and how many visitors stayed overnight would help address these concerns. Mr. Koranda said NCVB adopted the current reporting standard from the Destination Marketing Association International and NCVB reports are based on industry standards.

Councilmember Castleberry said he did not see the Wayfinding Program in the NCVB budget and asked whether NCVB is open to sharing (costs) in the Wayfinding Program. Mr. Murray said NCVB would be open to discussion of being a possible partner, but not the sole source of funding.

Councilmember Kovach asked the City Manager to provide a follow-up regarding cooperative efforts of Parks and Recreation. He also requested turnover numbers for Board Members from 2008 to present.

Councilmember Kovach asked whether the current allocation of Transient Guest Tax is done by contract and Mr. Jeff Bryant, City Attorney said yes. Councilmember Kovach asked about the review process for the contract and how often is a review done. Mr. Bryant said the current contract renews automatically every July 1st and the current language states a notice of 60 days prior to the renewal date is required regarding any anticipated modifications to the contract.

Item 1, continued:

Mayor Rosenthal asked who NVCB utilizes for web services and Mr. Koranda said Cubic Creative located in Tulsa, Oklahoma. She asked if that contract was put out to bid and Mr. Koranda said yes, stating the contract is \$26,000 annually.

Mayor Rosenthal asked NCVB's logic for advertising at OU events and Mr. Koranda said part of the mission is continuing to market return visits. Mayor Rosenthal asked if the advertisements at OU events will be promoting other Norman events and Mr. Koranda said the strategy at this point is to have partners on hand; therefore, Jazz in June, Medieval Fair, etc., staff would be on hand assisting and volunteering at the OU Game.

Ms. Joy Hampton, The Norman Transcript, asked if NCVB's plan for the brand goes beyond logos as to how to sell people on a destination and Mr. Koranda said a brand is more than just a logo. He said a brand gets into the people and the greeting for the City. Ms. Hampton asked how NCVB is marketing Norman and Mr. Koranda said NCVB sells the arts, shopping, outdoor activities, festivals, and events. She asked the value of trade shows versus hosting events and Mr. Koranda said trade shows are the most valuable tool in the marketing business and NCVB's business is relationships; therefore, a one on one conversation with people at the trade shows is invaluable. Ms. Hampton asked for examples of successful bookings from trade shows and Mr. Koranda said he did not have that particular information with him, but he would bring back that information. Ms. Hampton asked if NCVB does any national or international marketing and Mr. Koranda said no, NCVB does mostly regional marketing.

Mayor Rosenthal said it has come to her attention that two board members with expertise in media advertising have recently been asked to resign and if City Council is to entrust the Board to exercise that oversight, then it concerns her. Mr. Koranda said no one has been asked to resign.

Councilmember Kovach felt currently there are people on the NCVB Board who feel they cannot speak up because of fear of retribution from the industry and/or NCVB. He said if that fear does exist, it is Council's obligation to step in and make certain that there is proper oversight. Mr. Koranda said he shares Councilmember Kovach's concern and is very disturbed if people feel as though they cannot call/talk to him.

Items submitted for the record

1. Memorandum dated June 13, 2013, from Ms. Brenda Hall, City Clerk, to Mayor and Councilmembers
2. Norman Convention and Visitors Bureau Fiscal Year 2013-14 Budget with attachments: Notes regarding the FYE 2014 Budget and Historical Staff Summary
3. Norman Convention and Visitors Bureau Fiscal Year 2013-14 Budget reflecting 2013-14 and 2012-13 Revenues and Expenses
4. Norman Convention and Visitors Bureau Destination Marketing Plan, Fiscal Year 2014, (July 2013 – June 2014)
5. Norman Convention and Visitors Bureau 2013 Semi-Annual Report

Item 2, being:

CONSIDERATION OF ADJOURNING INTO AN EXECUTIVE SESSION AS AUTHORIZED BY OKLAHOMA STATUTES TITLE 25 § 307(B)(4) TO DISCUSS PENDING LITIGATION IN THE CASE OF WOODS VS. THE CITY OF NORMAN, CASE NO. CJ-2011-1994 TS.

Councilmember Kovach moved that the Special Session be adjourned out of and an Executive Session be convened into as authorized by Oklahoma Statutes Title 25 § 307(B)(4) to discuss pending litigation in the case of Woods vs. the City of Norman, Case No. CJ-2011-1994 TS, which motion was duly seconded by Councilmember Castleberry; and the question being upon adjourning out of the Special Session and convening into an Executive Session as authorized by Oklahoma Statutes Title 25 § 307(B)(4) to discuss pending litigation in the case of Woods vs. the City of Norman, Case No. CJ-2011-1994 TS, a vote was taken with the following result:

YEAS: Councilmembers Castleberry, Gallagher,
Griffith, Kovach, Lockett, Mayor Rosenthal

NAYES: None

The Mayor declared the motion carried and the Special Session adjourned out of; and an Executive Session was convened into as authorized by Oklahoma Statutes Title 25 § 307(B)(4)) to discuss pending litigation in the case of Woods vs. the City of Norman, Case No. CJ-2011-1994 TS.

Item 2, continued:

The City Council adjourned into Executive Session at 6:50 p.m. Mr. Steve Lewis, City Manager; Mr. Jeff Bryant, City Attorney; Mr. Rick Knighton, Assistant City Attorney; and Ms. Kristina Bell, Assistant City Attorney, were in attendance at the Executive Session.

Mayor Rosenthal acknowledged return to Open Session.

Item 2, continued:

Thereupon, Councilmember Kovach moved that the Special Session be reconvened, which motion was duly seconded by Councilmember Griffith; and the question being upon reconvening the Special Session, a vote was taken with the following result:

YEAS:	Councilmembers Castleberry, Gallagher, Griffith, Kovach, Lockett, Mayor Rosenthal
-------	--

NAYES:	None
--------	------

The Mayor declared the motion carried and the Special Session was reconvened at 7:05 p.m.

The Mayor said pending litigation in the case of Woods vs. the City of Norman, Case No. CJ-2011-1994 TS, was discussed in Executive Session. No action was taken and no votes were cast.

* * * * *

ADJOURNMENT

There being no further business, Councilmember Castleberry moved that the meeting be adjourned, which motion was duly seconded by Councilmember Griffith; and the question being upon adjournment of the meeting, a vote was taken with the following result:

YEAS:	Councilmembers Castleberry, Gallagher, Griffith, Kovach, Lockett, Mayor Rosenthal
-------	--

NAYES:	None
--------	------

The Mayor declared the motion carried and the meeting was adjourned at 7:08 p.m.

ATTEST:

City Clerk

Mayor