

Town of Drumheller COUNCIL MEETING MINUTES

December 14, 2015 at 4:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, AB, T0J 0Y4



PRESENT:

MAYOR:
Terry Yemen

COUNCIL:
Jay Garbutt
Lisa Hansen-Zacharuk
Patrick Kolafa
Tara McMillan
Sharel Shoff
Tom Zariski

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:
Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICES:
Allan Kendrick

DIRECTOR OF CORPORATE SERVICES:
Barb Miller

DIRECTOR OF COMMUNITY SERVICES:
Paul Salvatore

DIRECTOR OF PROTECTIVE SERVICES:
Greg Peters

RECORDING SECRETARY:
Linda Handy

1.0 CALL TO ORDER

1.1 Councillor Lisa Hansen-Zacharuk was sworn in as Deputy Mayor for the months of January and February, 2016.

2.0 MAYOR'S OPENING REMARK

Mayor Terry Yemen announced the following:

- 2.1 Notice of Special Council Meeting - December 16, 2015 at 4:30 PM in Council Chambers at Drumheller Town Hall (224 Centre Street) to consider 1st reading of the 2016 Utility Rate Bylaw
- 2.2 Notice of Special Council Meeting - December 21, 2015 at 4:30 PM in Council Chambers at Drumheller Town Hall (224 Centre Street) to consider 2nd and 3rd readings of the 2016 Utility Rate Bylaw
- 2.3 Cancellation of December 28th Regular Council Meeting - next Regular Council Meeting is January 11th, 2016

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

MO2015.61 McMillan, Shoff moved to adopt the agenda as presented. Carried unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Regular Council Meeting Minutes of November 30, 2015

MO2015.62 Zariski, Hansen-Zacharuk moved to adopt the Regular Council Meeting minutes of November 30, 2015 as presented. Carried unanimously.

5.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

- 5.2.1 Municipal Planning Commission Meeting Minutes of September 17, 2015
Municipal Planning Commission Meeting Minutes of October 8, 2015
Municipal Planning Commission Meeting Minutes of November 12, 2015

5.3. BUSINESS ARISING FROM THE MINUTES

6.0 DELEGATIONS

- 6.1 Drumheller Chamber of Commerce: Landon Bosch - President and Heather Bitz - Executive Director

Heather and Landon provided an overview of the Chamber's activities as follows:

- Operations are based on a 3 year Strategic Plan – a new 2016-2018 Strategic Plan is currently being developed.
- Membership: 246 members for 2015 (23 new members over the 2014 membership); the Chamber promotes all businesses (not just members); introduced valued added

programs for the members such as a group insurance plan; advocacy remains the main priority for the membership such as Schedule B of the Town's Business License Bylaw and Bill 6.

- World Largest Dinosaur: Visitors totaled 121,048 from Dec. 1 to Nov. 30 (15% increase over last year – 16% increase over a five year average); repairs to the tail were done by F & D Scene Changes as well as a structural review by Williams Engineering (still awaiting their report). The WLD Legacy Fund was established to reinvest revenues generated by the WLD attraction and gift shop back into the community. For 2015, \$70,915 was given back to the community for events. Since the establishment of the Legacy Fund in 2005, \$575,000 has been given back to the community.
- Visitor Information Centre: Accredited status since 2009 (meaning that each year the VIC must meet the criteria as set out by Travel Alberta); 60,097 visitors counseled in 2015; mobile VIC's (a pilot project this past summer) whereby units were set up at locations to provide onsite tourist information. VIC Expenditure \$137,580 less wages \$112,520 with an overhead of \$25,060. A request has been put forward to the Town for an increase in the annual contribution equivalent to the minimum wage increase.
- Dino Arts Association – operates with matching Chamber funds as well as administration support. Heather thanked the Town for their in-kind contribution.

In response to a question from Councillor J. Garbutt, L. Bosch explained that the rationale behind eliminating Council's seat on the Chamber Board stems from a few board members comparing Drumheller's Chamber Board to other Chambers in Alberta. He further explained that Drumheller is unique, in that there is only a small percentage of Chamber Boards of Directors that have a municipal seat. He stated that most Chambers take more of an advocacy role on behalf of their membership without a municipality's influence. He stated that Drumheller Chamber made a motion in a positive manner to review the role and reconfirm the benefit of the Town's membership on the Board. Councillor J. Garbutt asked if the common denominator for that small group of Chambers that do have a municipal seat on their Boards is the financial contributor. H. Bitz stated that there are different scenarios and each Chamber is governed by their own set of bylaws - Drumheller Chamber's bylaw currently states that the Town is a voting member. She further explained that if there is any change to that seat, it would require the approval of the membership and then be forwarded to Industry Canada. Councillor J. Garbutt stated that Council has had no informal or formal discussion on this matter and the Town's funding for the VIC is not contingent on this matter.

Councillor S. Shoff asked if the Chamber would consider implementing a Christmas spirit startup for the businesses and community at large. H. Bitz stated that she would discuss the concept with the membership.

Councillor L. Hansen-Zacharuk asked the costs to operate the mobile VIC. H. Bitz explained that the costs to operate the mobile VIC are minimal if they are able to utilize current staff. Mayor Yemen asked if the Town is paying 1/3 of the VIC costs? H. Bitz stated that an annual request to the Province is required for dollars to fund the VIC, if no dollars come forward, the Town funds 1/3 and the remaining costs are the responsibility of the Chamber.

Heather and Landon were thanked for their presentation.

6.2 Travel Drumheller

Dan Sullivan stated that his presentation to Council is twofold: 1) annual report of activities and 2) formal request for an amendment to Schedule B.

- 1) Travel Drumheller operated as a viable tourism organization for their first year with the potential to increase the economic prosperity of the Town and to make Drumheller the next iconic destination in Alberta. He explained that the Jurassic World promotion was a highlight this year as benefits for tourism have been fueled for the next few years with \$90,000 of promotional dollars from Travel Drumheller. He explained that the 45 second Drumheller advertisement ran in advance of the movie as well as in the theatre guide books. As well, Travel Drumheller created a destination website with the launch of the catchphrase "Eat, Stay and Play". Formation of Marketing Advisory Committee – chaired by Terry Lund, along with Chamber representation, public at large members and other tourism sectors in the community. He explained that Travel Drumheller wants to play a role in other areas such as training programs in customer service and creating new events and festivals, a new program – Alberta Shift program takes static visits and turns them into a unforgettable visit (it is currently in Edmonton and will be in Drumheller next year and will assist in making the Drumheller experience iconic). He further stated that Travel Drumheller wants to reposition Drumheller as the "Dino Capital of the World".
- 2) Schedule B attempted to create a user pay system for sustainable funding of the organization but it was difficult to sustain due to the current economy; it was a flat rate fee and would have served well if the economy did not crash. He stated that the formula that was originally created does not make sense anymore with the current economy. He explained that the Alberta government collects 4% from all accommodations as a tourism levy which funds Travel Alberta; the organization recommends that Drumheller collect half of that. A 2% tourism levy is a fairer way of making the calculation which would ebb and flow with the economy. It will create less funding but as tourism dollars grow so does the organization's funding; so it is a fairer way to assess the hotels as it fluctuates with their business. For the Town it provides a method of auditing by following the provincial standards already in place. It will eliminate the need for mediation going forward as it is auditable because hotels have to bring in the remittance forms going to the province. He explained that Travel Drumheller has met with the hoteliers and they agree that it is a much fairer way of implementing Schedule B. Travel Drumheller will be looking for a new director in the new year. The organization uses a stakeholder model not a membership base model – if an organization partners, it becomes a stakeholder – pay to play system for marketing purposes. Drumheller's attractions have shown increases as proven by the statistics that even though hotel room occupancies have decreased at the corporate level, more tourists are staying overnight as the hotel room occupancies have remained status quo. As of January 1st the Canadian Badlands Passion Play has agreed to add \$1.00 as a surcharge to their ticket prices with these dollars going to Travel Drumheller.

In response to a question from Councillor J. Garbutt on the revenue raised by Schedule B and its relevance going forward (in light that business overnights are down but tourism visitor rates are up) only shows potential revenue of \$130,000. He further explained that the current formula identified in Schedule B was to yield a revenue in excess of \$400,000 so to be 60% wrong is misleading. He further explained that in one year campgrounds were to be on side as a contributing factor and they are now more reluctant than what we anticipated a year ago. He further stated that the evolution of Schedule B was to broaden into the retail area and now this has been undermined as Schedule B cannot possibly generate enough revenue for Travel Drumheller's operations. D. Sullivan explained that the anticipated \$400,000 number was only an estimate – Schedule B was created for sustainable funding or Travel Drumheller would not exist. He further explained that Travel Drumheller started with Point A and now knows that it was not an appropriate formula for fairness to businesses. Travel Drumheller will be looking for alternate sources of revenue such as the partnering with the Passion Play which will bring in an additional \$15,000 of revenue next year. He explained that the challenge is to get the campgrounds on board as there is unresolved issues one of which is they do not like municipal involvement in the program. He stated that Travel Drumheller has not sat down with the campground and / or restaurant owners to discuss the go forward scenario. He further stated that Travel Drumheller is proactively making a change as they move forward through the stakeholder model. Councillor J. Garbutt stated that we have a system where participation is under a mandatory bylaw and the adjusted Schedule B revenue will yield under \$200,000 for Travel Drumheller operations leaving a small portion available for marketing promotions.

Councillor T. Zariski asked what 2% looks like in the budget. D. Sullivan stated that from the three Canalta hotels 2% would raise \$70,000; all hotels would probably yield \$180,000 total in revenue. He further stated that we need to find more partners such as the Passion Play and other events, campgrounds, Downtown Business Association, other ideas for marketing ideas such as micro websites for Travel Drumheller (Travel Guide / Banner Program) to leverage up to \$500,000 in revenue with all partners and new revenue ideas. He concluded by stating that the 2% fee from hoteliers is the starting point not the end point.

Councillor P. Kolafa asked if Travel Drumheller was in a deficit position. D. Sullivan stated no – there are some dollars in the bank at this time.

Council thanked Dan and Terry for their presentation.

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1. CAO

8.2. DIRECTOR OF INFRASTRUCTURE SERVICES

8.3. DIRECTOR OF CORPORATE SERVICES

8.4. DIRECTOR OF COMMUNITY SERVICES

8.4.1 Drumheller Recreation and Culture Discussion

P. Salvatore provided a summary of the work done in 2015 on researching a recreation and culture policy, the Town's financial and / or in-kind contributions to various arts and culture groups /events and the next steps required to move forward. Councillor J. Garbutt stated that he agrees that the Town needs to move forward for the creation of a recreation user fees policy based on the City of Red Deer's eligibility guidelines as they are easily verifiable and not to go beyond a 50% subsidy. He further stated that the arts and culture grants program needs to be administered through the formation of an Advisory Committee from the public at large to field the grant requests and approve or make recommendations to Council. Lastly, he requested that another \$5,000 be earmarked for the 2016 budget (with a carryover of the 2015 dollars for a total of \$10,000). R. Romanetz advised that after discussion with staff, numerous groups / events were identified where the Town contributes significant dollars. He further explained that an Arts and Culture policy needs to include the terms of reference, process and eligibility criteria and, if Council wishes, what the Town intends to contribute can be identified. He stated that grant guidelines could be similar to that of the recently approved Store Front Program. He further reiterated that the Town's in-kind contributions are a significant investment in the community and, although Administration has presented several examples this evening, this is not an all-inclusive list. He recommended that, on an annual basis, organizations submit their application for funding whether for actual dollars or an in-kind contribution. He explained that another item of importance is in reference to the culture aspect as this has been identified as a priority in the Municipal Sustainability Plan. He explained that other communities have an Arts and Culture endowment fund and this may be a direction for the future. Councillor T. Zariski stated that there are successful arts and culture organizations in the community that are non profit and self sustaining and he would like to look at these successful organizations to see how other community organizations can model after them rather than expecting a handout from the Town. R. Romanetz stated that although organizations may rely on the Town's in-kind support, approval needs to be based on an organization's capacity to access dollars through their own efforts - fundraising, CIP or CFEP. Mayor Yemen asked if there were any Town examples rather than Cities. P. Salvatore agreed to research further.

8.5. DIRECTOR OF PROTECTIVE SERVICES

9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

10.0 PUBLIC HEARING DECISIONS

11.0 UNFINISHED BUSINESS

12.0 NOTICE OF MOTION

13.0 COUNCILLOR REPORTS

14.0 IN-CAMERA MATTERS

There being no further business, the Mayor declared the meeting adjourned at 6:20 PM.

Chief Administrative Officer

Mayor