

AGENDA

4:30 P.M.

CITY OF SEDONA, CITY COUNCIL MEETING

TUESDAY, JUNE 13, 2017

NOTES:

- Public Forum:
Comments are generally limited to **3 minutes**.
- Consent Items:
Items listed under Consent Items have been distributed to Council Members in advance for study and will be enacted by one motion. Any member of the Council, staff or the public may remove an item from the Consent Items for discussion. Items removed from the Consent Items may be acted upon before proceeding to the next agenda item.
- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

www.SedonaAZ.gov

GUIDELINES FOR PUBLIC COMMENT

PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.

PROCEDURES:








- Fill out a "Comment Card" and deliver it to the City Clerk.
- When recognized, use the podium/microphone.
- State your:
 1. Name and
 2. City of Residence
- Limit comments to **3 MINUTES**.
- Submit written comments to the City Clerk.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE/ROLL CALL


2. CITY'S VISION/MOMENT OF ART

3. CONSENT ITEMS - APPROVE

LINK TO DOCUMENT = 

- a. Minutes - May 16, 2017 City Council Special Meeting. 
- b. Minutes - May 17, 2017 City Council Special Meeting. 
- c. Minutes - May 23, 2017 City Council Regular Meeting. 
- d. Minutes - May 24, 2017 City Council Special Meeting. 
- e. AB 2240 Approval of a resolution authorizing an Intergovernmental Agreement for Technical Communications/Consulting Services between the Sedona Police Department and Sedona Fire District. 
- f. AB 2241 Approval of a resolution to approve an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department (SPD). Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet. 
- g. AB 2247 Approval for renewal of undercover license plates for existing undercover vehicles. 

4. APPOINTMENTS

- a. AB 2245 Discussion/possible action regarding appointment of Michael Goimarc as Magistrate Judge and approval of a two-year contract. 



5. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER

6. PUBLIC FORUM

(This is the time for the public to comment on matters not listed on the agenda. The City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.)

7. PROCLAMATIONS, RECOGNITIONS & AWARDS - None.

8. REGULAR BUSINESS

- a. AB 2236 Discussion/possible action regarding the Chamber of Commerce and Tourism Bureau's contract documents for Fiscal Year 2018 including the FY18 Marketing and Development Plan and Budget Document and a Memorandum of Understanding between the City of Sedona and the Chamber of Commerce and Tourism Bureau for the purchase of real property located at 401 Jordan Road. 
- b. AB 2238 Discussion/possible action regarding the donation of a bronze sculpture from Friends of Jack Jamesen Memorial Park, Jill Galea, Chairman, to be placed within Jack Jamesen Memorial Park. 
- c. Reports/discussion on Council assignments.

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

AGENDA

4:30 P.M.

CITY OF SEDONA, CITY COUNCIL MEETING

TUESDAY, JUNE 13, 2017

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d. Discussion/possible action on future meeting/agenda items.

9. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action on executive session items.

10. ADJOURNMENT

Posted: _____

By: _____

Susan L. Irvine, CMC
City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at www.SedonaAZ.gov. The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

**Action Minutes
Special City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, May 16, 2017, 4:30 p.m.**

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Moriarty called the meeting to order at 4:30 p.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

Staff Present: City Manager Justin Clifton, Finance Director Cherie Wright, Chief of Police David McGill, City Clerk Susan Irvine.

3. Special Business

a. AB 2230 Public hearing/discussion/possible action regarding approval of the Tentative City Budget for Fiscal Year 2017-18.

Presentation by Cherie Wright and Justin Clifton.

Questions from Council.

Opened the Public Hearing at 6:02 p.m.

The following spoke on this item: Michael Yarbrough, Sedona, Karen Ann Mack, Sedona, Harvey Bershader, Sedona, Wendy Edwards, Sedona, Jim Romberg, Sedona, and Gwen Ortmeyer, Sedona.

Closed the Public hearing and brought back to Council at 6:14 p.m.

Further questions from Council.

Comments from Council.

Motion: Councilor Lamkin moved to approve the Tentative Budget for FY2017-18 and thereby set the expenditure limit for the budget at \$47,752,118. Seconded by Councilor Jablow. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

b. Discussion/possible action on future meeting/agenda items

Mayor Moriarty requested that a meeting regarding the Library contract be scheduled. Mayor Moriarty stated that there is only one more chance to add anything to the League committee meetings and it would have to be done May 24th or June 13th.

4. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).

Sedona City Council
Special Meeting
Tuesday, May 16, 2017
4:30 p.m.

- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

5. Adjournment

Mayor Moriarty adjourned the meeting at 7:08 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on May 16, 2017.

Susan L. Irvine, CMC, City Clerk

Date

**Action Minutes
Special City Council Meeting
Magistrate Judge Interviews
Vultee Conference Room, Sedona City Hall,
106 Roadrunner Drive, Sedona, Arizona
Wednesday, May 17, 2017, 8:00 a.m.**

1. Call to Order/ Pledge of Allegiance

Mayor Moriarty called the meeting to order at 8:02 a.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

Staff Present: Human Resources Manager Brenda Tammarine, City Clerk Susan Irvine.

3. Executive Session

Motion: Vice Mayor Martinez moved to go into Executive Session at 8:03 a.m. Seconded by Councilor Jablow. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

a. **Interviews with candidates for City Magistrate Judge. Discussion and consultation regarding personnel matters per A.R.S. § 38-431.03(A)(1), specifically, to discuss the employment, and/or appointment of a person to fill the City Magistrate Judge position. Candidates to be interviewed are:**

- i. **Michael Goimarac 8:00 a.m.**
- ii. **Douglas LaSota 9:00 a.m.**
- iii. **Catherine Kelley 10:00 a.m.**
- iv. **James Speed 11:00 a.m.**

b. **Return to open session. Discussion/possible action on executive session items.**

Reconvened in open session at 1:28 p.m.

4. Special Business

a. **Discussion/possible action regarding appointment of a Magistrate Judge.**

Motion: Councilor Jablow moved to authorize the Mayor to offer the magistrate position to Michael Goimarac following satisfactory reference checks and a background investigation. Seconded by Vice Mayor Martinez. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

5. Adjournment

Mayor Moriarty adjourned the meeting at 1:29 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on May 17, 2017.

Susan L. Irvine, CMC, City Clerk

Date

**Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, May 23, 2017, 4:30 p.m.**

1. Call to Order/Pledge of Allegiance/Moment of Silence/Roll Call

Mayor Moriarty called the meeting to order at 4:30 p.m.

Roll Call: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier.

Staff Present: City Manager Justin Clifton, City Attorney Robert Pickels, Jr., Chief of Police David McGill, Director of Public Works/City Engineer Andy Dickey, Engineering Supervisor Stephen Craver, Community Services Aide Steven Crisman, Court Clerk Cindy Gray, Police Officer Kevin McCullar, Court Clerk Jade West, Court Clerk Nancy Zabalza, City Clerk Susan Irvine.

2. City's Vision

A video of the City's vision was played.

3. Consent Items

- a. **Minutes - May 9, 2017 City Council Special Meeting.**
- b. **Minutes - May 9, 2017 City Council Regular Meeting.**
- c. **AB 2232 Approval of recommendation regarding a new Series 10 Beer and Wine Store Liquor License application for Sedona Off Road Adventures located at 320 N State Route 89A, Sedona, AZ (License #10033228).**
- d. **AB 2196 Approval of a Resolution revising the Board of Adjustment Operating Rules and Procedures to update the document and provide for Hearing Officer procedures.**

Item 3d was pulled at the request of Councilor Currivan.

Motion: Vice Mayor Martinez moved to approve consent items 3a, 3b, and 3c. **Seconded by Councilor Jablow. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

Pulled Consent Items:

3d - AB 2196 Approval of a Resolution revising the Board of Adjustment Operating Rules and Procedures to update the document and provide for Hearing Officer procedures.

Comments from Council. Presentation by Robert Pickels, Jr.

Motion: Councilor Thompson moved to approve the Board of Adjustment Operating Rules and Procedures as amended. **Seconded by Councilor Jablow. Vote:** Motion carried unanimously with seven (7) in favor and zero (0) opposed.

4. Appointments – None.

5. Summary of Current Events by Mayor/Councilors/City Manager

Justin Clifton introduced the following new staff members: Community Services Aide Steven Crisman, Court Clerk Cindy Gray, Police Officer Kevin McCullar, Part-time Court Clerk Jade West, and Court Clerk Nancy Zabalza. Councilor Thompson stated that World Environment Day is June 5th and is an annual United Nations' day to raise global awareness and action for the protection of the environment. This year's theme, sponsored by Canada, is connecting people with nature. He encouraged everyone to look at the website: www.worldenvironmentday.global. He asked people to consider viewing a webinar on that day about air pollution at www.climateactionprogramme.org. Vice Mayor Martinez stated that he presented at and attended a Verde River State of the Watershed Conference on May 11th. He also advised that tomorrow night at 5:00 p.m. is the second in a series of concerts at Barbara Antonsen Park with food available and encouraged everyone to attend. The City of Sedona is hosting a "Boost a Business" course on June 8th for veteran and non-veteran businesses to learn basic concepts to create a business plan. The class is free, seating is limited, and more information can be found on the City's website. Councilor Currvan stated that there will be a ceremony on Memorial Day at the Sedona Military Park at 9:00 a.m.

6. Public Forum

Madeleine O'Callaghan, Sedona, thanked the City of Sedona for supporting the desire to have a performance venue within Posse Grounds Park. She thanked Andy Dickey and James Crowley for seeing Barbara's Park through to completion.

7. Proclamations, Recognitions, and Awards – None.

8. Regular Business

a. AB 2147 Discussion/possible direction regarding the next steps toward development of possible alternatives, strategies, and recommended improvements as part of the Transportation Master Plan Project.

Presentation by Justin Clifton, Stephen Craver, and Andy Dickey.

Questions from Council.

Opened to the public at 6:15 p.m.

The following spoke in this item: Richard Pitcairn, Sedona.

Brought back to Council at 6:19 p.m.

Further questions and comments from Council.

By majority consensus, Council concurred with staff's plan to proceed with a survey to obtain input on proposed traffic solutions and instructed staff to include both the Red Rock Crossing and Schnebly bypass options. They also requested that the survey be sent to City Council for individual comments prior to release to the public.

b. Reports/discussion on Council assignments

Councilor Vernier stated that he attended a Library Board meeting last week. Their used bookstore will be opening next Thursday, and the Mayor will be present for a ribbon cutting. Councilor Lamkin stated that he recently attended an event at The Hub and encouraged everyone to attend events there. He also suggested that everyone read a recent article about Sedona Recycles in the Red Rock News.

c. Discussion/possible action on future meeting/agenda items

Mayor Moriarty advised that there is a meeting tomorrow at 3:00 p.m.

9. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

10. Adjournment

Mayor Moriarty adjourned the meeting at 6:54 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on May 23, 2017.

Susan L. Irvine, CMC, City Clerk

Date

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**Action Minutes
Special City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Wednesday, May 24, 2017, 3:00 p.m.**

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Moriarty called the meeting to order at 3:00 p.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor Martinez, Councilor John Currivan, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Joe Vernier. Councilor Jon Thompson was absent and excused.

Staff Present: City Manager Justin Clifton, City Attorney Robert Pickels Jr., Director of Community Development Audree Juhlin, Assistant Director of Community Development Warren Campbell, Senior Planner Cari Meyer, Deputy City Clerk JoAnne Cook.

3. Special Business

a. AB 2229 Discussion/possible direction regarding the Draft Revised Sign Code (DRSC), an update of Sedona Land Development Code Article 11, Sign Regulations.

Introduction by Cari Meyer. Presentation by Cari Meyer and Audree Juhlin.

Questions and comments from Council.

Opened to the public at 4:01 p.m.

The following spoke on this item: Jerry Buley, Sedona, Barbara Vickers, Sedona, Ron Volkman, Sedona, spoke on behalf of the Sedona Verde Valley Association of Realtors, Janeen Trevillyan, Sedona, Cathleen Healy-Baiza, Sedona, Steve Segner, Sedona, Robert O'Donnell, Sedona, and Al Comello, Village of Oak Creek.

Brought back to Council at 4:22 p.m.

Questions and comments from Council.

By consensus, Council agreed to continue this discussion on this item on Wednesday, June 14, 2017 in place of the item that was tentatively scheduled.

b. Discussion/possible action on future meeting/agenda items- None.

4. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).

b. Return to open session. Discussion/possible action on executive session items.

No Executive Session was held.

5. Adjournment

Mayor Moriarty adjourned the meeting at 4:45 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on May 24, 2017.

JoAnne Cook, Deputy City Clerk

Date



**CITY COUNCIL
AGENDA BILL**

**AB 2240
June 13, 2017
Consent Items**

Agenda Item: 3e
Proposed Action & Subject: Approval of a resolution authorizing an Intergovernmental Agreement for Technical Communications/Consulting Services between the Sedona Police Department and Sedona Fire District.

Department	Police
Time to Present	N/A
Total Time for Item	
Other Council Meetings	July 23, 2013
Exhibits	A. Resolution B. Intergovernmental Agreement with Sedona Fire District

City Attorney Approval	Reviewed 6/5/17 RLP	Expenditure Required	
			\$ 38,525.76
City Manager's Recommendation	Approve a resolution authorizing an IGA with Sedona Fire District for Technical Communications/ Consulting Services	Amount Budgeted	
			\$ 39,000.00
		Account No. (Description)	10-5510-45-6235
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: The Sedona Police Department (SPD) and Sedona Fire Department (SFD) have worked together for a number of years in a Shared Services Intergovernmental Agreement for Telecom Support services provided by the SFD Telecom Division. The current Intergovernmental Agreement is set to expire June 30, 2017. Both parties have the desire to renew the Agreement with a simplified annual cost inflator of 5% per year. Prior years included a Cost Index multiplier. Telecom service provided include maintenance of SPD Radio Systems and tower sites, some of which are co-located on our towers.

The annual agreement amounts are:

FY 2018	\$3,210.48 per month	\$38,525.76 per year
FY 2019	\$3,371.00 per month	\$40,452.00 per year
FY 2020	\$3,539.55 per month	\$42,474.60 per year
FY 2021	\$3,716.53 per month	\$44,598.36 per year.

This agreement is a renewal that provides both SPD and SFD shared Telecom services and the ability to share tower locations for ease of maintenance and communications. This agreement continues the cooperative interagency efforts that both SPD and SFD have fostered for years.

The cost for these services was submitted for approval in the Police Department's proposed operating budget for FY 2017-18.

Community Plan Compliant: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: approve Resolution No. 2017-___, a resolution authorizing an Intergovernmental Agreement for Technical Communications/Consulting Services between the Sedona Police Department and Sedona Fire District.

RESOLUTION NO. 2017-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE SEDONA FIRE DISTRICT FOR TECHNICAL COMMUNICATIONS/CONSULTING SERVICES.

WHEREAS, the Sedona Fire District has technical communications expertise that can assist the City of Sedona in maintaining its law enforcement communications infrastructure; and

WHEREAS, the Sedona Police Department wishes to utilize the Fire District's Communications Technicians on an ongoing basis in order to ensure that its communications and technology needs are met: and

WHEREAS, for such purposes, an Intergovernmental Agreement has been negotiated with the Sedona Fire District for technical communication/consulting services.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, that the City of Sedona, through its Mayor and Council, hereby approves the Intergovernmental Agreement with the Sedona Fire District for technical communications/consulting services, and authorizes the Mayor to execute said agreement on behalf of the City of Sedona, Arizona.

PASSED AND ADOPTED this 13th day of June, 2017 by the Mayor and Council of the City of Sedona, Arizona.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney

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**INTERGOVERNMENTAL AGREEMENT
TECHNICAL COMMUNICATIONS/CONSULTING SERVICES**

Preamble

This Intergovernmental Agreement ("Agreement") is made and entered into this 17th day of MAY, 2017, by and between the SEDONA FIRE DISTRICT, a political subdivision of the State of Arizona (hereafter "SFD") and CITY OF SEDONA, a municipal corporation of the State of Arizona (hereafter the "CITY "). SFD and the CITY may each also be referred to herein as a "Party" and jointly referred to herein as the "Parties," as the context requires.

Recitals

WHEREAS, the Parties are empowered pursuant to A.R.S. §11-951 and §11-952, etc., §48-805, etc., and §9-240, etc., to enter into this Agreement for purposes of carrying out their mutual responsibilities; and

WHEREAS, the Parties wish to cooperate with each other in order to more effectively and economically provide communication technician and consultation services to the CITY; and

WHEREAS, the CITY wishes to utilize SFD's Communications Technician (the "Communications Technician") on an as-needed basis to provide technical support to the CITY's Police Department; and

WHEREAS, the Parties wish to modify, in its entirety, the terms of that certain Intergovernmental Agreement between the City of Sedona and the Sedona Fire District, originally dated October 22, 2008 and that certain related Memo of Understanding, originally dated October 22, 2008.

NOW THEREFORE, in consideration of mutual promises and covenants contained herein, the Parties hereto agree as follows:

SECTION A - PURPOSE

The purpose of this Agreement is to set forth the terms and conditions whereby the CITY may utilize the services of SFD's Communications Technician to (1) provide maintenance for critical communications equipment on a 24/7 basis, (2) provide non-emergency support and maintenance of the City of Sedona's police departments' radios and radio console, mobile and portable radio equipment, and (3) to provide limited emergency support and service on an as needed basis.

SECTION B – DUTIES OF THE PARTIES

The Parties' mutual undertakings, as set forth in this Agreement shall be the consideration for entering into this Agreement.

1. SFD's Responsibilities and Obligations: SFD shall:

(a) Subject to availability, as determined by SFD, provide a qualified Communications Technician to the CITY on an as-needed basis to perform the technical and consultation services as provided herein.

(b) To respond to requests by the CITY for service of the radio and communications equipment which the CITY believes to be critical to its ability to respond to public safety calls, including radio consoles located within the CITY's facilities, and radios and radio equipment located in law enforcement vehicles operated by the CITY. This shall include the maintenance of up to two consoles. Said radio and communications equipment to be maintained shall be listed in Exhibit "A" attached hereto.

(c) Upon completion of any work performed pursuant to this Agreement, provide a timely (monthly) billing statement to the CITY to include service charges based upon the rates set forth herein.

(d) When servicing modules, SFD will not be obliged to service the internal workings of the modules. In addition, SFD may, in its discretion, substitute a "field replacement unit" in lieu of repairing a unit. Further, SFD is not obliged to stock spare modules or software for the equipment listed in Exhibit "A". The CITY shall be responsible for maintaining any module "mail-in" service contracts it deems necessary and will hold SFD harmless for any delay in repairs caused by said modules being sent out for further repair under said contracts.

(e) Ensure that any Communication Technician performing work pursuant to this Agreement meets the required qualifications for that function as established by SFD's then-current Communication Technician job description.

2. CITY Responsibilities and Obligations: CITY shall:

(a) Give reasonable notice to SFD when the Communications Technician is needed;

(b) Supervise the work of the Communications Technician while the Technician is providing services pursuant to this Agreement;

(c) Pay within ten (10) days any amounts billed by SFD for work referenced in Section "C" below, and for any additional work that is outside of the scope of the Service Contract Fee set forth in exhibit "C". Said additional hourly charge is more fully described in Section "C" below. Work will be invoiced by SFD, in addition to any materials, supplies, parts or software invoiced together therewith.

(d) Provide personnel as required to assist the Communication Technician in the performance of services pursuant to this Agreement.

(e) Provide access to spare equipment, if any, for the equipment listed in Exhibit "A".

SECTION C – COMPENSATION

The CITY shall pay SFD, as a minimum, a non-refundable payment as set forth in Exhibit “C” (“Service Contract Fee”), payable monthly, in advance; with the first such monthly payment due on the date this Agreement is executed by both Parties, and continuing on the same day of each successive month thereafter. This monthly Service Contract Fee is being paid to provide, service of the equipment listed in Exhibit “A”. It also covers a portion of the cost for SFD to maintain, and provide connectivity to the SFD microwave system, as per current practice. The Service Contract Fee shall be adjusted upwards, on an annual basis, beginning on July 1, 2018 and each year thereafter, in an amount equal to 5%. At the end of each annual period, SFD, by April 1 of each year, shall furnish the CITY with the amount to be paid by the CITY for the following year.

In addition to “Service Contract Fee”, SFD shall be paid for “Additional Services” as described in Exhibit “B”. For any “Additional Services” as described in Exhibit B, SFD shall be compensated at a rate of \$76 per man hour for responses occurring Monday-Friday 8:00 a.m. - 5:00 p.m., and \$114 per man hour for all other times (including Holidays.)

SFD shall also be entitled to reimbursement for any materials, supplies, software, or parts purchased by SFD for the exclusive use in performing its duties hereunder. Invoices for said materials, supplies, software, or parts shall be attached to the monthly billing statement forwarded by SFD to the City.

SECTION D - TERM

This Agreement shall be effective from July 1, 2017 through June 30, 2018, and shall, thereafter, automatically renew for successive three (3) year terms (June 30, 2021, etc.) unless terminated by either Party as provided in this Agreement.

SECTION E - TERMINATION

1. This Agreement will terminate should the governing body of either Party fail or decline to allocate funds for its continued implementation. Should termination occur due to said non-allocation, the non-allocating Party shall give ninety (90) days written notice to the other Party prior to termination.

2. Either Party may terminate this Agreement for any reason upon ninety (90) days written notice to the other Party.

3. This Agreement is subject to cancellation pursuant to A.R.S. §38-511, the pertinent provisions of which are incorporated herein by reference.

SECTION F - LIABILITY INSURANCE

Each Party shall maintain, during the life of this Agreement, either a policy of liability insurance, or through self-insurance providing for liability insurance, coverage in an amount of

not less than \$1,000,000 per occurrence with aggregate liability coverage of not less than \$3,000,000.

On the policies of insurance to be obtained and maintained pursuant to this Agreement, each Party shall provide to the other Party a Certificate of Insurance, confirming the required coverage and the Additional Insured designation.

SECTION G - INDEMNIFICATION

Subject to the limitations of liability set forth below, the Parties to this Agreement shall indemnify and hold harmless each other and their respective departments, boards, employees, and agents, from any and all claims, liabilities, expenses, or third-party actions resulting from the indemnifying Party's negligent acts or omissions arising from its performance pursuant to this Agreement.

SECTION H – LIMITATIONS OF LIABILITY

Notwithstanding any other provision to the contrary, the CITY agrees and acknowledges that SFD shall not be liable for or indemnify the CITY against damages incurred or suffered by reason of the CITY's inability to provide services or delay in providing a response due to the failure of any equipment maintained by SFD under this Agreement or the failure of SFD's Communication Technicians to respond promptly to a request for service. The CITY acknowledges that SFD's Communication Technicians may, at any given time, be unavailable to immediately service the equipment contemplated under this Agreement by reason of those Communication Technicians having been assigned to or located at other locations for the purpose of servicing SFD's communication equipment or other equipment for which SFD is obliged to service. Upon receiving notice by the CITY of a request that SFD's Communication Technicians provide service or maintenance to the CITY's equipment, SFD will either cause said Communication Technicians to be dispatched to the CITY to provide said service, or shall alert the CITY to the fact that said requested maintenance will be delayed by reason of conflicting service demands. In that event, the CITY may opt to seek alternate service from another source, or wait until such time as SFD is available to provide the services requested.

The CITY's sole remedy for any equipment or software failure, or for SFD's failure to provide timely service under this Agreement shall be the termination of this Agreement.

SECTION I - LEGAL ARIZONA WORKERS ACT COMPLIANCE

The Parties warrant compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. §23-214.

SECTION J - NON-DISCRIMINATION

The Parties shall comply with any state and federal laws, rules and regulations, or CITY ordinance which mandate that all persons, regardless of race, color, creed, religion, sex, genetic information, age, national origin, disability, familial status or political affiliation, shall have equal access to employment opportunities, including but not limited to the Americans with

Disabilities Act. The CITY shall take affirmative action to ensure that it will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, Genetic Information Nondiscrimination Act of 2008.

SECTION K – MISCELLANEOUS PROVISIONS

1. The Parties understand and agree that SFD is an independent contractor and not an employee, agent, partner, joint venture, or representative of the CITY. SFD shall at all times represent and disclose that it is an independent contractor of the CITY and shall not represent to any third party that SFD and/or its employees is an employee, agent, or representative of the CITY. SFD and/or its employees shall not be entitled to receive any employment benefits offered to the employees of the CITY, including workers' compensation insurance coverage.

2. Each Party herein shall comply with the provisions of A.R.S. § 23-1022 (E), by posting the public notice required. As provided for in A.R.S. 23-1022(D), the Parties acknowledge that government employees working under another public entity jurisdiction may be deemed employees of both public agencies for purposes of worker's compensation.

For the purposes of Workers' Compensation, an employee of a Party to this Agreement, who works under the jurisdiction or control of, or who works within the jurisdictional boundaries of, another Party pursuant to this Agreement or to another specific intergovernmental agreement having no Workers' Compensation provision, is deemed to be an employee of both the Party who is the employee's primary employer and the Party under whose jurisdiction or control or within whose jurisdictional boundaries the employee is then working, as provided in A.R.S. § 23-1022(D).

(a) The primary employer Party of such employee shall be solely liable for the payment of Workers' Compensation benefits payable as the result of the employee's participation in such activity.

The employees of each Party to this Agreement shall remain under the ultimate control of said Party notwithstanding their participation in the operations or activities anticipated by this Agreement. Employees of a Party participating in said operations or activities are not considered employees of any other Party for any purpose except as described herein. Except as otherwise provided in this Agreement, each Party shall remain responsible for its employees' salaries and employee-related benefits, discipline and similar matters and shall be solely responsible for its employee's civil wrongs, and each employee shall be deemed to be performing regular duties for the primary employer Party while engaged in said operations and activities.

3. Nothing contained in this Agreement shall create any partnership, joint venture or joint employment relationship between the Parties.

4. This Agreement does not provide for the joint purchase of any property. Upon partial or complete termination of the Agreement, each Party shall retain any property it has acquired pursuant to the Agreement.

5. This Agreement is intended solely for the benefit of SFD and the CITY, and shall not be construed as a third-party beneficiary contract for the benefit of any third party, including but not limited to the recipient of any services by the City Police Department.

6. If any provision of this Agreement shall be held to be unconstitutional, invalid, or unenforceable, it shall be deemed severable; however, the remainder of the Agreement shall not be affected and shall remain in full force and effect.

7. This Agreement shall be binding upon the Parties and any successor-in-interest.

8. The Parties hereto expressly covenant and agree that in the event of a dispute arising under this Agreement, the matter shall be put to non-binding arbitration under the terms and provisions of the Arizona Arbitration Act. In any event, the Parties hereto waive any rights to a trial by jury. The Parties hereto further expressly covenant and agree that each Party shall be responsible for their own attorney's fees incurred in conjunction with any dispute, arbitration or judicial action.

9. The waiver by either Party of any breach by the other of any term, covenant or any condition of this Agreement shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition of the Agreement. No term, covenant, or condition hereof can be waived except by the written consent of both Parties and forbearance or indulgence by either Party in any regard whatsoever, shall not constitute a waiver of the term, covenant, or condition to be performed by the other Party.

10. Notices required pursuant to this Agreement shall be hand-delivered or sent by U.S. Mail to the following addresses or to such other addresses as the Parties may subsequently designate:

SEDONA FIRE DISTRICT
Attn: Fire Chief
2860 Southwest Drive
Sedona, AZ 86336

CITY OF SEDONA
Attn: City Manager
102 Roadrunner Drive
Sedona, AZ 86336

11. This Agreement shall be interpreted in accordance with the substantive and procedural laws of the State of Arizona and shall be deemed made and entered into in Yavapai County.

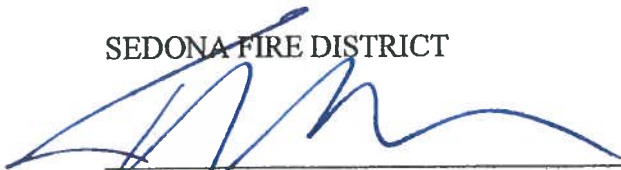
12. This Agreement sets forth the entire understanding of the Parties as to the matters set forth herein as of the date of this Agreement and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by the authorized representatives of each of the Parties hereto. This Agreement is intended to reflect the mutual intent of the Parties with respect to the subject matter hereof, and no rule of strict construction shall be applied against any Party.

IN WITNESS WHEREOF, the Parties enter into this Agreement on the date(s) set forth below.

APPROVALS

SEDONA FIRE DISTRICT

CITY OF SEDONA



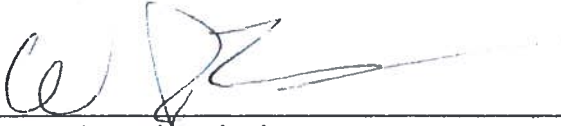
Chairman/Fire Board Date
Ty MONTGOMERY 5/17/2017

City Manager Date

Fire Chief Date
KRIS KAZIAN 5/17/2017

DETERMINATIONS OF COUNSEL

Pursuant to A.R.S. Section §11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the Sedona Fire District who has determined that the agreement is in proper form and within the powers and authority granted under the laws of this State to the Sedona Fire District.



Attorney, Sedona Fire District

Pursuant to A.R.S. Section §11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the City Of Sedona who has determined that the agreement is in proper form and within the powers and authority granted under the laws of this state to the City Of Sedona.

Attorney, City of Sedona

EXHIBIT "A"

EQUIPEMENT TO BE SERVICED (Billed under Service Contract Fee)

Quantity of 2 Telex C-Soft dispatch software application with license key (updates only, using only updates from Vendor; no programming)

Quantity of 2 Dell desktop PC's running the above application

Quantity of 2 Telex IP223 radio base station interface modules

Quantity of 2 Daniels VHF repeater located at the Sedona Airport radio building

Quantity of 2 JPS receiver comparator otherwise known as a receiver voting system

Quantity of 1 Telco systems channel bank

Quantity of 1 PCOM 8T1 microwave link

Quantity of 12 receivers

Quantity of 1 Carlson 4.9Ghz microwave link

Quantity of 1 Daniels VHF base station

Quantity of 55 Motorola XTS series portable radios (only if repaired on a non-emergency basis (during regular business hours). If emergency, will be charged hourly, per contract).

Quantity of 25 Motorola mobile vehicle radios (only if repaired on a non-emergency basis (during regular business hours). If emergency, will be charged hourly, per contract).

EXHIBIT "B"

ADDITIONAL SERVICES

(to be billed in addition and separate to the Monthly Retainer)

- Only one dispatch position is down at SFD's discretion.
- Excessive trouble calls due to repeated radio interference from an unknown source.
- Excessive trouble calls due to new equipment poor manufacturer design/defect in workmanship or known warranty issue.
- Make corrections to equipment or software changes performed by others or another third party.
- Antenna system work that involve any special tooling or outside contractor for roofing modifications or the rental of a crane or man-lift device.
- Issues related to the phone system or lease lines.
- FCC licensing involving co-ordination fees.
- Lightning, flood, earthquake or power surge.
- Wireless headset systems external to the console with dead batteries or interfering with another.
- Any unit not listed on exhibit "A".

Exhibit "C"

SUMMARY OF CHARGES

- (1) Year 1 (July 1, 2017 – June 30, 2018) = \$3,210.48.00 per month
- (2) Year 2 = \$3,371.00 per month
- (3) Year 3 = \$3,539.55 per month
- (4) Year 4 = \$3,716.53 per month



**SEDONA FIRE DISTRICT
FIRE BOARD AGENDA COMMUNICATION**

Submitted by: Asst. Chief Jeff Piechura *Date:* May 11, 2017

SUBJECT: Sedona Police and SFD Telecom Support Intergovernmental Agreement Renewal	BOARD MEETING DATE: May 17, 2017
AGENDA ITEM #: IV.D.4.	DIVISION / SECTION: Telecom
ACTION REQUIRED: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion – <i>Consent Agenda</i> <input type="checkbox"/> Information <input type="checkbox"/> Other (Explain)	BOARD RECOMMENDATION: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded

Project/issue relates to SFD Strategic Plan _____ or Not Applicable _ ____.

ISSUE: The City of Sedona Police Department (SPD) and Sedona Fire District (SFD) would like to renew the long standing Telecom Support Intergovernmental Agreement beginning July 1, 2017 for a period of four years. The Agreement has a 5% annual cost inclinator included.

BACKGROUND: The SPD and SFD have enjoyed a number of years working together in a Shared Services Intergovernmental Agreement for Telecom Support Services provided by the SFD Telecom Division. The current Intergovernmental Agreement is set to expire June 30, 2017. Both parties have the desire to renew the Agreement with a simplified annual cost inclinator of 5% per year. The current agreement provided for the last year to move to the 5% increase number. Prior years included a Cost Index multiplier. Telecom Services provided include maintenance of SPD Radio Systems and tower sites, some of which are co-located on our towers.

FINANCIAL PERSPECTIVE: The Agreement provides a predictable budgeting tool for the City and District. The annual agreement amounts are:

FY 2018	\$3,210.48 per month	\$38,525.76 per year
FY 2019	\$3,371.00 per month	\$40,452.00 per year
FY 2020	\$3,539.55 per month	\$42,474.60 per year
FY 2021	\$3,716.53 per month	\$44,589.36 per year

PROS & CONS: This agreement is a renewal that provides both SPD and SFD shared Telecom services and the ability to share tower locations for ease of maintenance and communications.

INTERNAL PROCESS PERSPECTIVE: This agreement continues the cooperative inter-agency efforts that both SPD and SFD have fostered for years. The agreement provides the District with financial resources to provide the staffing for the benefit of the City Police Department radio infrastructure.

BOARD ATTORNEY APPROVAL: Legal has reviewed and approved the IGA as presented.

FIRE CHIEF RECOMMENDATION: SFD has been providing technical Telecom services to SPD for a long time. This agreement has been modified in the last 5 years to include a cost escalator for service. This is an alternate source of revenue that we have actively sought to help balance our technical expertise and our ability to provide shared services for our fellow governmental agencies. We have highly technical personnel capable of providing service to SPD's needs while we are constantly working to balance the needs of SFD. Analysis continues to show this is a viable partnership and at this time recommend we engage in a 4 year agreement.

FINANCE SECTION APPROVAL: N/A

MOTION(S): I move to approve the IGA for Technical Communication Services between SFD and City of Sedona Police Department. (Listed as part of Consent Agenda.)

ATTACHMENTS: IGA for Technical Communication Services between SFD and SPD



**CITY COUNCIL
AGENDA BILL**

**AB 2241
June 13, 2017
Consent Items**

Agenda Item: 3f

Proposed Action & Subject: Approval of a resolution to approve an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department (SPD). Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet.

Department	Police
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	December 11, 2012
Exhibits	A. Resolution B. Intergovernmental Agreement 2017-042 C. DPS MOU Contract No. 2017-043

City Attorney Approval	Reviewed 6/5/17 RLP	Expenditure Required
		\$ 105,550
City Manager's Recommendation	Approve a resolution authorizing an IGA for participation in GIITEM	Amount Budgeted
		\$ 105,550
		Account No. 10-5510-63-XXXX (Description) Total GIITEM program (25% to be paid by City)
		Finance Approval <input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: Over the past several years, law enforcement agencies across Yavapai County have not been immune to gang-related activity and crime. Members of these gangs as well as their associates have been responsible for offenses involving drugs, assaults, weapons, burglaries, robberies, threats, and disorderly conduct. The Gang and Immigration Intelligence Team Enforcement Mission (GITTEM) is a task force led by the Department of Public Safety (DPS) is the only dedicated full-time gang intelligence and enforcement entity within Yavapai County to deal with these types of criminals and incidents. The purpose of this agreement is to enhance law enforcement services concerning the criminal activities of street gangs, through the cooperative efforts of the Gang Task Force.

DPS agrees to reimburse Sedona Police Department seventy-five (75%) percent of payroll expenses of the Officer related to this assignment and the Police Department will cover the twenty-five (25%) percent. The department has included this cost in the FY 2017-18 budget.

The Memorandum of Understanding included in the agreement is to grant access to the assigned Sedona Police Officer the use of the Arizona Gang Database that is maintained by DPS.

While gang activity within the City of Sedona is not an everyday occurrence, the department and community benefit by having trained and readily available personnel to address any gang related issues or awareness needs that may develop. Providing this assignment opportunity to our officers will also assist in the professional development and performance capacity of the Sedona Police Department.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): None.

MOTION

I move to: approve Resolution No. 2017-__ approving an Intergovernmental Agreement with Arizona Department of Public Safety/Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) State Gang Task Force and the Sedona Police Department. Included in the agreement is the DPS Memorandum of Understanding (MOU) Contract No. 2017-043, between the Arizona Department of Public Safety and the Sedona Police Department regarding Arizona GangNet.

RESOLUTION NO. 2017-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND AUTHORIZING THE CITY MANAGER AND THE CHIEF OF POLICE TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY (DPS), AND TO ASSIGN A SEDONA POLICE OFFICER TO PARTICIPATE ON THE ARIZONA GANG & IMMIGRATION INTELLIGENCE TEAM ENFORCEMENT MISSION (GIITEM) STATE GANG TASK FORCE.

WHEREAS, two or more public agencies may enter into a mutual aid agreement with respect to law enforcement pursuant to A.R.S. § 13-3872: and

WHEREAS, the City of Sedona ("City") has determined it would enhance public safety, improve criminal investigations and prosecution of criminal offenses, and ensure the proactive use of gang intelligence within the City and throughout the Verde Valley area, as well as increase the crime prevention activities of the Sedona Police Department and its ability to further develop the performance capacity of its personnel through participation on the GIITEM State Gang Task Force; and

WHEREAS, the City has reviewed the terms of the proposed GIITEM State Gang Task Force agreement and determined that it qualifies as an intergovernmental agreement under A.R.S. § 11-952.B.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA that the City of Sedona, through its Mayor and Council, hereby approve the IGA with the DPS, being DPS Contract No. 2017-042, for participation on the GIITEM State Gang Task Force, according to the terms and conditions of the agreement, and authorizes its signature by the City Manager and Chief of Police.

PASSED AND ADOPTED this 13th day of June, 2017 by the Mayor and Council of the City of Sedona, Arizona.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney

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**INTERGOVERNMENTAL AGREEMENT
REGARDING
GANG & IMMIGRATION INTELLIGENCE TEAM ENFORCEMENT MISSION
(GIITEM) STATE GANG TASK FORCE**

This Intergovernmental Agreement (“IGA”) is entered into between the State of Arizona through its Department of Public Safety (“DPS”) and the Sedona Police Department, hereinafter referred to as “Agency”.

The purpose of this Agreement shall be to enhance law enforcement services concerning the criminal activities of street gangs, through the cooperative efforts of the parties to this IGA.

DPS is authorized and empowered to enter into this IGA pursuant to A.R.S. §41-1713 B.3. Both parties are authorized and empowered to enter into this IGA pursuant to A.R.S. §11-952. The Agency is authorized and empowered pursuant to A.R.S. §11-952.

Now, in consideration of the mutual promises set forth herein, the parties to this Agreement hereby agree to the following terms and conditions:

I. PARTICIPATION

The Agency agrees to assign one (1) AZ P.O.S.T. certified sworn law enforcement officer (“Officer”), to DPS and its Gang & Immigration Intelligence Team Enforcement Mission “GIITEM”, on a full-time basis for such assignments within the purposes of this IGA, as directed by DPS. The Agency agrees the Officer shall be in compliance with DPS residency requirements.

During this period of assignment, the Agency and DPS agree to allow the Officer to maintain all benefits, rights, and privileges available to the Officer as if they were assigned on a full-time basis to the Agency. The Officer must abide by all of the applicable rules and regulations of the Agency and are subject to its disciplinary process.

The Agency agrees to enter into a Memorandum of Understanding (MOU) with the DPS relative to the connection and operation of the Arizona GangNet system.

II. REIMBURSEMENT

DPS agrees to reimburse the Agency on a monthly basis (based upon DPS weekly time sheets completed by the Officer) for seventy-five (75%) percent of payroll expenses of the Officer related to this assignment, including salary, shift pay, benefits (which accrue during the term of the IGA) and employee-related expenses to include employer’s workman's compensation and social security at established rates, vacation and sick leave taken while working GIITEM. DPS will reimburse all overtime compensation (based upon DPS rules, not to exceed eight (8) hours per month). There must be a minimum of 40 hours GIITEM related work in order for DPS to reimburse for overtime in any given week.

Overtime compensation will be for GIITEM related activities only. The limitation of overtime to eight (8) hours per month may be exceeded without contacting the Agency if DPS determines that additional funding is available. Monthly vacation or sick leave which accrues, but not used by the Officer, will not be reimbursed. The Agency will pay twenty-five (25%) percent of payroll related expenses. All personnel costs, including shift pay, will be based on a standard forty (40) hour work week, with the understanding the forty (40) hour work week may be altered to address the needs of

DPS as it relates to an on-going investigation or special assignment request dictated by the needs of a requesting city, county, or entity.

Prior to the Officer reporting to GIITEM, the Agency agrees to furnish DPS with the following information: Officers' annual, bi-weekly and hourly rates of base pay and fringe benefits, as well as, the overtime rate based upon the assumption outlined above. DPS is not obligated to reimburse the Agency for salary raises or modifications to base salaries, unless the Agency submits such modification to DPS at least 60 days prior to the effective date of such modification.

All approved travel expenses will be reimbursed directly to the Officer by DPS under employee travel reimbursement guidelines established by the Arizona Department of Administration. The amount reimbursed for the aforementioned expenditures shall be for actual costs incurred during the effective dates of this IGA.

DPS agrees to assign a department vehicle to the Agency's Officer. The Officer is responsible for maintaining the assigned vehicle in accordance with DPS policy and will utilize the DPS assigned vehicle for GIITEM purposes only. The Officer must meet the ADOA Driver's Training Requirements.

III. IMMIGRATION

All parties agree to comply with A.R.S. §§23-214 and 41-4401.

IV. NONDISCRIMINATION

The Parties shall comply with Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Parties shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

V. INDEMNIFICATION

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, agents, employees, or volunteers.

VI. DRUG FREE WORKPLACE

Any Officer assigned to GIITEM will be subject to random and/or for cause, drug and alcohol testing in accordance with his/her Agency's guidelines. If the Agency does not have a drug free program, the Officer will be required to submit to testing pursuant to the DPS Drug Free Workplace Program. Each assigned Officer shall be subject to the responsibilities of and shall retain all rights as provided for in the DPS Drug Free Workplace Program Manual, DPS Form Number DPS 932-02056. DPS shall not charge any fee or cost to the Agency for any assigned Officer who undergoes testing. The Officer may be removed from GIITEM for failure to comply with the program or for failure to pass DPS drug screening requirements.

VII. RECORDKEEPING

All records regarding the IGA, including Officers' time accounting logs, must be retained for five (5) years in compliance with A.R.S. §35-214, entitled Inspection and Audit of Contract Provisions.

VIII. FEES

In no event shall either party charge the other for any administrative fees for any work performed pursuant to the IGA.

IX. JURISDICTION

The Agency agrees to permit its Officers to work outside of its regular jurisdictional boundaries.

X. ARBITRATION

The parties to this agreement agree to resolve all disputes arising out of or relating to this agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

XI. WORKER'S COMPENSATION BENEFITS

Pursuant to A.R.S. §23-1022 D., for the purposes of Worker's Compensation coverage, the Agency Officers covered by the IGA shall be deemed to be an employee of both agencies. The Agency, as the primary employer, shall be solely liable for payment of Worker's Compensation Benefits and the processing of any potential claims occurring during the Officers' assignment to GIITEM.

XII. LIMITATIONS

This agreement in no way restricts either party from participating in similar activities with other public or private agencies, organizations, and individuals. Nothing in this agreement shall be construed as limiting or expanding the statutory responsibilities of the parties.

XIII. EFFECTIVE DATE/DURATION

The duration of this IGA shall be the fiscal year, July 1st through June 30th, beginning July 1, 2016, and shall renew annually on July 1st for a period of time not to exceed five (5) years. Annual renewal shall be contingent upon legislative allocated budget approval for the applicable fiscal year. If funds are not allocated to support this agreement, DPS will provide written notice to the Agency notifying them of termination of funding and cancellation of the IGA.

All prior agreements between DPS and the Agency regarding GIITEM gang enforcement participation are cancelled as of the effective date of this IGA.

XIV. NON-AVAILABILITY OF FUNDS

Every payment obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

XV. CANCELLATION

All parties are hereby put on notice that this IGA is subject to cancellation by the Governor for conflicts of interest pursuant to A.R.S. §38-511.

XVI. TERMINATION

Either party may terminate the IGA for convenience or cause upon thirty (30) days written notice to the other party. Upon termination, DPS shall pay all outstanding amounts up through the time upon which the termination becomes effective. All property shall be returned to the owning party upon termination.

Any notice required to be given under the IGA will be provided by mail to:

Criminal Investigations Division Assistant Director
Arizona Department of Public Safety
P. O. Box 6638, Mail Drop 1350
Phoenix, Arizona 85005-6638

Chief of Police
Sedona Police Department
100 Roadrunner Drive
Sedona, Arizona 86336

XVII. VALIDITY

This document contains the entire agreement between the parties and may not be modified, amended, altered or extended except through a written amendment signed by both parties. If any portion of this agreement is held to be invalid, the remaining provisions shall not be affected.

The parties hereto have caused this IGA to be executed by the proper officers and officials.

STATE OF ARIZONA




Frank L. Milstead, Colonel
Director, Arizona Department of Public Safety

4-20-17

Date

APPROVED AS TO FORM:



Assistant Attorney General

4/20/17

SEDONA POLICE DEPARTMENT

David McGill, Chief

Date

**MEMORANDUM OF UNDERSTANDING
THE SEDONA POLICE DEPARTMENT AND
THE ARIZONA DEPARTMENT OF PUBLIC SAFETY
REGARDING
ARIZONA GANGNET**

This Memorandum of Understanding (“MOU”) is entered into between the State of Arizona through its Department of Public Safety, hereinafter referred to as “DPS”, and the Sedona Police Department, hereinafter referred to as “SPD”.

I. PURPOSE

This MOU defines the roles and responsibilities of the DPS and the SPD relative to the access and use of the Arizona gang database maintained by the DPS, hereinafter referred to as “AZ GangNet”.

Whereas, the SPD seeks access and use of the AZ GangNet; and

Whereas, the DPS is willing to provide such services on the condition that the SPD adheres to AZ GangNet established policies and procedures.

II. AUTHORITY

The DPS is authorized and empowered to enter into this MOU pursuant to A.R.S. §41-1701 et. seq. to administer law enforcement programs supporting state and local law enforcement. The SPD is authorized and empowered to enter into this MOU pursuant to _____.

III. SCOPE

DPS agrees to provide access to gang member data from AZ GangNet for the purpose of creating and maintaining a state gang database to be shared by all participating agencies. The SPD agrees to enter all persons who have been documented as a criminal street gang member and/or associate members pursuant to A.R.S. §13-105.8, in order to populate the AZ GangNet. Information contained in AZ GangNet shall not be shared with anyone outside of law enforcement or criminal justice agencies. Dissemination shall be in accordance with established policies and procedures. Information in AZ GangNet is to be used for investigative purposes only. Any requests for gang data, other than for investigative leads, must be forwarded to the originating agency of that particular data for disposition.

IV. RESPONSIBILITIES

Both parties shall comply with the *Arizona GangNet Polices and Procedures* (Appendix A).

The DPS is responsible for developing policies and procedures relating to the operation of AZ GangNet. The DPS will develop, review, modify and approve the standardized training for AZ GangNet. The DPS will conduct system audits.

The SPD agrees to provide an administrative contact who assumes the leadership role in organizing and coordinating the SPD users and the information collection activities of the SPD. The SPD agrees to populate the AZ GangNet database with gang members and gang associates. The SPD will establish written administrative policy and procedures, if they do not already exist, to ensure computer security, data access, and dissemination of data in compliance with existing laws, regulations and guidelines. The SPD will control access to AZ GangNet and only allow access to those individuals who have been

properly trained in the use of the AZ GangNet system and the related policies and procedures. The SPD will maintain operational control and system supervision over their agency users. The SPD will ensure the security of information received and transmitted.

V. NON-AVAILABILITY OF FUNDS

Every payment obligation of the State under this agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the agreement, this agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

VI. NON-DISCRIMINATION

The Parties shall comply with Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Parties shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

VII. E-VERIFY

Both parties acknowledge that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. Both parties warrant that they have registered with and participate with E-Verify. If either party later determines that the other party has not complied with E-Verify, it shall notify the non-compliant party by certified mail of the determination and the right to appeal the determination.

VIII. CONFLICT OF INTEREST

The requirements of A.R.S. §38-511 apply to this agreement. The DPS may cancel this agreement, without penalty of further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this agreement on behalf of the DPS is, at any time while this agreement or any extension is in effect, an employee or agent of the party with respect to the subject matter of this agreement.

IX. ARBITRATION

The parties to this agreement agree to resolve all disputes arising out of or relating to this agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

X. AUDIT OF RECORDS

Pursuant to A.R.S. § 35-214, both parties shall retain and shall contractually require each subcontractor to retain all data, books and other records relating to this agreement for a period of five years after completion of the agreement. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the parties shall produce the original of any or all such records.

XI. EFFECTIVE DATE/DURATION

This document will be effective on the date of the last signature obtained and will remain in effect for five years.

XII. TERMINATION

This agreement may be terminated by either party upon ninety (90) days written notice to the other party.

XIII. COMMUNICATION

Any notice required to be given under the MOU will be provided by mail to:

Lt. Colonel Ken Hunter
Arizona Department of Public Safety
P. O. Box 6638, Mail Drop 1350
Phoenix, Arizona 85005-6638


Chief David McGill
Sedona Police Department
100 Roadrunner Drive
Sedona, Arizona 86336

XIV. VALIDITY

This document contains the entire understanding between the parties and may not be modified, amended, altered or extended except through a written amendment signed by both parties. If any portion of this MOU is held to be invalid, the remaining provisions shall not be affected.

The parties hereto have caused this MOU to be executed by the proper officers and officials.

ARIZONA DEPARTMENT OF PUBLIC SAFETY



Frank L. Milstead, Colonel
Director

4-26-17
Date

APPROVED AS TO FORM:



Assistant Attorney General

4/20/17
Date

SEDONA POLICE DEPARTMENT

David McGill, Chief

Date



ARIZONA GANGNET POLICIES and PROCEDURES

Revised: November 28, 2012

1. MISSION STATEMENT: The Arizona Department of Public Safety (DPS), Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) oversees the operations of the Arizona GangNet (AZ GangNet) system, and participating law enforcement and criminal justice agency's access, in an effort to provide an accurate, timely, and electronically generated base of statewide gang related intelligence information.

2. SYSTEM OPERATION:

2.1. DPS GIITEM: AZ GIITEM will develop policies and procedures relating to the operation of the AZ GangNet database; designed to provide rapid access and response to gang related inquiries to authorized law enforcement and criminal justice agencies.

2.2. Law Enforcement and Criminal Justice Agency Definitions: The AZ GangNet system will provide services to authorized law enforcement and criminal justice agencies.

2.2.1. A law enforcement agency is defined as a governmental agency or sub-unit thereof having statutory powers of arrest, and whose primary function is detection, investigation and apprehension of criminal offenders including authorized support staff.

2.2.2. A criminal justice agency is defined as a governmental agency or sub-unit thereof whose primary duties include detention, pre-trial release, post-trial release, correctional supervision, and the collection, storage, and dissemination of criminal history record information.

2.3. Qualifications for Becoming a Participating User Agency: All agencies understand and comply with the AZ GangNet regulation reference AZ GangNet Records and court. AZ GangNet records are **NOT** to be taken to court. AZ GangNet records are **NOT** to be attached to arrest reports. The User must contact the original submitting User to obtain the gang card. AZ GIITEM will review requests from all Arizona agencies interested in becoming a Participating User Agency. The review will consist of several issues, including but not limited to



Arizona GangNet Policy & Procedures

2.3.1. The Participating User Agency's leader must sign a Memorandum of Understanding (MOU) between their agency and DPS .

2.3.2. The Participating User Agency agrees to provide an Administrative contact who assumes the leadership role in organizing and coordinating their users and the information collection activities of the law enforcement or criminal justice agency they represent. In AZ GangNet, the Administrative contacts are called "Power Users".

2.3.3. The Participating User Agency agrees to populate the AZ GangNet database with gang members and gang affiliates.

2.4. Participating User Agency Roles and Responsibilities: Participating User Agencies agree to adhere to policies and procedures established by AZ GIITEM and the AZ GangNet Users (AGNU). The AGNU group is composed of the Power Users from each participating agency. The agencies may establish more restrictive policies and procedures for their agency, but cannot operate under less restrictive guidelines. Agencies that establish more restrictive policies shall notify the AZ GangNet Administrator before those policies are implemented to ensure that the more restrictive policies are consistent with the mission of the AZ GangNet system. Agencies and individual users who violate established policies and procedures shall be referred to the AZ GangNet Administrator for review and resolution of violations.

2.4.1. The Participating User Agency shall establish internal written administrative policy and procedures, if they do not already exist, to ensure computer security, data access, and dissemination of data is complied with according to existing laws, regulations and guidelines.

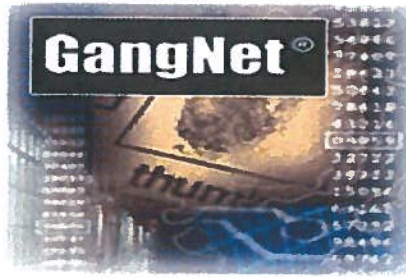
2.5. Power User Responsibility: The Participating Agency Power User is responsible for maintaining operational control and system supervision over their agency and users. The Power User has the responsibility to ensure that all users adhere to the AZ GangNet Policies and Procedures to protect the system and data integrity.

2.5.1. The Power User obtains and stores their agency's User acknowledgement of the AZ GangNet regulation regarding AZ GangNet records being prohibited in court and reports.

2.5.2. The Power User provides AZ GangNet training to their agency's Users.

2.5.3. The Power User provides User access rights and information to the AZ GangNet Administrator.

2.5.4. The Power User performs audits on the Users of their agency.



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2.5.5. The Power User maintains the Gang Member Information Card (GMIC) until that record is purged.

2.6. AGNU Mission Statement: The Arizona GangNet Users (AGNU) provides oversight to the AZ GangNet system. The AGNU members are the operational 'subject matter' experts to the AZ GangNet system. The AZ GangNet system is designed to enhance officer safety, improve the efficiency of criminal investigations and identify and track gang members. This is accomplished through information sharing via a statewide automated gang database. This database affords participating Arizona and other states' law enforcement agencies the ability to impact the effects of violent crime, thereby ensuring the safety of their communities.

2.7. The AZ GangNet system shall comply with 28 CFR Part 23 and the Arizona Revised Statutes 13-105.

2.8. System Policies and Procedures: Policy and Procedures are designed to provide the most efficient operating system consistent with the needs of criminal justice. Adherence to the policies, procedures, regulations and guidelines, will ensure the Participating User Agencies standardization and maximum return on information queried. Violations of procedures will result in an investigation and disciplinary action as determined by the AZ GangNet Administrator.

2.8.1. AZ GangNet records are NOT probable cause for detention or arrest.

2.8.1.a. The AZ GangNet system is not designed to provide users with information upon which official actions may be taken. Rather, its purpose is to provide users with sources of information upon which official action may be taken. **THE FACT THAT A RECORD EXISTS CANNOT BE USED TO PROVIDE PROBABLE CAUSE FOR AN ARREST OR BE DOCUMENTED IN AN AFFIDAVIT FOR A SEARCH WARRANT.** The facts, which led to the creation of the record, must be used to establish the probable cause in the affidavit. The system can identify the agencies, which must be contacted to obtain and verify those facts. Any questions should be brought to the Power User for that agency.

2.9. ALL FILES ARE CONFIDENTIAL AND ARE FOR OFFICIAL USE ONLY. SYSTEM INFORMATION, e.g. GANG LISTS ARE TO BE PRINTED ONLY WITH THE PERMISSION OF THE POWER USER FOR THAT AGENCY.

2.10. Training: AZ GIITEM and the AGNU will develop, review, modify and approve the standardized training for all Users and Power Users in AZ GangNet. The Participating User Agencies are responsible for obtaining approved training of personnel within their respective



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agencies. Only those individuals who have been properly trained in the use of the AZ GangNet system and the related policies and procedures will be allowed access to AZ GangNet information.

2.10.1 Properly Trained (defined). A course of standardized instruction from a Power User or their approved designate that at a minimum addresses the issues of:

- 2.10.1.1** Criminal Street Gang (defined)
- 2.10.1.2** Accepted Gang Member, Affiliate, and Photo Input Criteria
- 2.10.1.3** Criminal Predicate/Reasonable Suspicion (defined)
- 2.10.1.4** Local, State and Federal Statutes and Policies regarding Criminal Intelligence Information
- 2.10.1.5** Physical, Technical Security and Data Dissemination
- 2.10.1.6** Practical, "Hands-On" System usage

2.10.2. Instructors shall be graduates of a 8-hour AZ GangNet Train-the-Trainer class. Personnel shall be trained and functionally tested, and affirmed in the proficiency of system use in order to assure compliance with policies and procedures. Personnel shall be trained in intelligence file guideline requirements and the legal use of intelligence and any additional administrative requirements.

2.11. Security: In order to maintain the integrity of the system and to ensure the security of information received and transmitted, the following policies and procedures shall be adhered to:

- 2.11.1.** Reasonable measures shall be taken to locate equipment in a secure area to preclude access by other than authorized personnel.
- 2.11.2.** Personnel authorized access to the system shall be sworn law enforcement personnel, non-sworn law enforcement support personnel, or non-criminal justice technical or maintenance personnel (IT / IS staff, including any contract employees) who have been subject to character or security clearance and who have received approved training. City, County, and State prosecutors may request a subject's status in AZ GangNet by contacting their agency's designated Users.
- 2.11.3.** In all matters pertaining to personnel security, the Power User for the agency or her/his designee will be responsible for making the final determination of the individual's suitability for access.

2.12. System Discipline: The Arizona GangNet Administration is responsible for overseeing system discipline and conformity with Policies and Procedures.



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2.12.1. Sanctions: A violation of State, Federal law, regulation, and/or policies or procedures established by AZ GIITEM and AGNU may result in any of the following sanctions:

- 2.12.2. Letter of censure.
- 2.12.3. Temporary suspension from the system.
- 2.12.4. Removal from the system.

2.13. System Management: Operational control and system supervision shall be the responsibility of the agency Power User under the direction of the Arizona GangNet Administration/Administrator.

2.14. Responsibility for Information: Information entered into AZ GangNet must be kept accurate and up to date. Agencies entering information are responsible for its legality, relevance, accuracy, timeliness, and completeness. Every effort will be made to prevent duplicate records from entering the system. Prior to entering a subject into AZ GangNet, it is mandatory that each subject be searched through the system to ascertain whether or not he/she has already been entered.

- 2.14.1. All agencies entering information will maintain sufficient source documentation in support of their entry. Each entering agency shall adhere to established criteria and procedures to ensure proper entry of data, storage of the Gang Member Information Cards, and data confirmation.
- 2.14.2. Once an individual is entered into the AZ GangNet system, the original Gang Member Information Card shall be maintained by the entering agency in the event of legal challenge.
- 2.14.3. Photographs shall be scanned in at the lowest setting on the scanner. The size shall not exceed 320 X 240 DPI and be no more than 72 pixels.
- 2.14.4. **Print privileges shall generally be restricted. Privileges may be granted at the discretion of each Agency Power User. Users must demonstrate a compelling need to print before print privileges are extended. Each agency shall ensure that any printed copies of intelligence and investigation information is afforded security to prevent unauthorized access to, or use, of the data.**
- 2.14.5. Disseminated documents that are no longer needed shall be destroyed.

2.15. Data Entry Protocol: The purpose of the criteria is to provide standardized guidelines, which contribute to the investigative information utilized by law enforcement or criminal justice agencies in carrying out their efforts to protect the public and suppress criminal gang activity.



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Data entry into AZ GangNet shall conform to the AZ GangNet Business Rules that are established by the AGNU group.

2.16. Criminal Street Gang Defined: "Criminal street gang" means an ongoing formal or informal association of persons whose members or associates individually or collectively engage in the commission, attempted commission, facilitation or solicitation of any felony act and who has at least one individual who is a criminal street gang member. (See Arizona Revised Statutes 13-105.7)

2.17. Criteria To Determine A Gang Member:

"Criminal street gang member" means an individual to whom two of the following seven criteria that indicate criminal street gang membership apply:

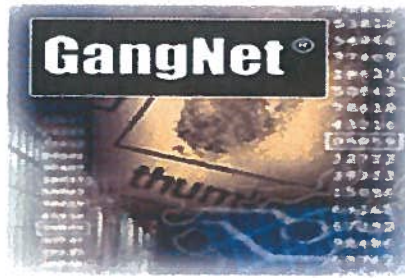
- 2.17.1. Self proclamation
- 2.17.2. Witness testimony or official statement
- 2.17.3. Written or electronic correspondence
- 2.17.4. Paraphernalia or photographs
- 2.17.5. Tattoos
- 2.17.6. Clothing or colors
- 2.17.7. Any other indicia of street gang membership (See Arizona Revised Statutes 13-105.8)

2.18. Affiliate Submission Criteria:

(Previously Affiliates had to be able to list a documented gang member by name or moniker in order to be entered into AZ GangNet, as of June 2012 – an affiliate can be linked to a documented gang member or to a specific gang)

The affiliate information is entered for the purpose of providing further identification, through an established relationship with an existing gang. There are two mandatory separate submission criteria established for entry of affiliates into a gang member's record. Two of the following criteria must be present.

- 2.18.1. **Definition:** When an individual is known to affiliate with documented gang members or,
- 2.18.2. When the individual is known to affiliate with documented gang members, and the law enforcement or criminal justice officer has established there is a reasonable suspicion that the individual is involved in criminal activity or enterprise. The officer's belief must be premised upon reasoning and logic coupled with sound judgment based upon law enforcement experience and training rather than mere hunch or whim.
- 2.18.3. Agencies entering information into AZ GangNet on Affiliates shall maintain



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documentation, which adequately supports each entry.

2.19. Authorized Entry and Query: Only personnel who have been given access by the Power User of an agency, and have received approved training in the use of the system, are authorized to query or enter new data into AZ GangNet.

2.20. Purge Criteria: Records not modified by the addition of new information and gang membership criteria for a 5-year period will be purged. In-custody subjects shall follow the same purge policy. Documents supporting the AZ GangNet entries that are purged shall be destroyed.

2.20.1. Shared Records: Records created by one agency shall not be purged prior to the five year no activity time limit if that record has been substantially modified by another Participating User Agency without the express approval of that other user agency. Substantially modified means that new information is added to the record and the gang member criteria is renewed or added to.

2.21. List of AZ GangNet Participating User Agencies: AZ GIITEM shall provide periodic updates of all Participating User Agencies in AZ GangNet.

2.22. Inter and Intrastate Policy: AZ GIITEM shall establish and maintain communications with both inter and intrastate agencies and define how interested agencies will interact with the Arizona system.

2.23. System Audit: Each agency will be audited bi-annually (January and July) by the AZ GangNet Administrator for accuracy based upon criteria established by AGNU. Potential inaccuracies or deficiencies will be reported to the agency for review and possible corrections or deletions. This shall be completed by the next audit date. Power Users shall conduct audits during March and September. At the minimum, an audit shall consist of five subject and five gang records that are checked for accuracy and validity of the record's content.

3. SYSTEM

3.1. Logon ID/Password: All login ID's and Passwords shall be consistent with the security procedures established by AZ GIITEM. If a password needs to be reset, the User will contact the Power User and that person will contact AZ GangNet Administrator or designated staff.

3.2. Users who are found to have shared their passwords shall be removed from the system and the Power User of the agency notified of the security violation. A letter from the Power User to the AZ GangNet Administrator will be required to reinstate the offending User only after the



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person was retrained. A second violation will permanently remove that user's access.

3.3. Prioritization of Work Performed by Vendors: AGNU and the AZ GangNet Administrator will determine which projects will be initiated or enhanced and their priority. This includes development of new programs, modification of existing programs, and resolution of technical problems through use of technical advisory groups.

3.4. Compatibility: AZ GIITEM will determine any interaction with other compatible criminal justice systems and databases.

4. RELEASE OF STATISTICS: The purpose of this policy is to ensure that no single agency user employs statistical information from the AZ GangNet system without approval from the AZ GangNet Administrator. All releases under this policy shall specify that they are estimates based on the best information available at the time of release.

4.1. Any agency user may release statistics on gangs gathered by that same agency.

4.1.1 Any such release shall not include any data gathered by any other agency.

5. MISCELLANEOUS

5.1. Press Policy: The AZ GangNet database and its contents shall NOT be released to any form of the media.

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CITY COUNCIL
AGENDA BILL

AB 2247
June 13, 2017
Consent Items

Agenda Item: 3g
Proposed Action & Subject: Approval of the renewal of undercover license plates for existing undercover vehicles.

Department: Police Department
Time to Present: N/A
Total Time for Item:
Other Council Meetings: June 13, 2012; May 28, 2013; June 10, 2014; June 9, 2015; June 14, 2016
Exhibits: None

Table with 2 columns: City Attorney Approval, City Manager's Recommendation, Expenditure Required, Amount Budgeted, Account No. (Description), Finance Approval.

SUMMARY STATEMENT

Background: The Police Department has three unmarked investigative vehicles. State statute requires that government vehicles have markings on them, unless a governing body requests an exemption from this requirement. This is the annual renewal for three current vehicles in the program.

The list of vehicles by year, make, model, and VIN has been prepared and will be available for review at the Police Chief's office.

Community Plan Compliant: [] Yes - [] No - [x] Not Applicable

Board/Commission Recommendation: [] Applicable - [x] Not Applicable

Alternative(s):

MOTION

I move to: approve the renewal of undercover license plates for existing undercover vehicles.



**CITY COUNCIL
AGENDA BILL**

**AB 2245
June 13, 2017
Appointments**

Agenda Item: 4a
Proposed Action & Subject: Discussion/possible action regarding appointment of Michael Goimarac as Magistrate Judge and approval of a two-year contract.

Department	City Council
Time to Present	2 minutes
Total Time for Item	15 minutes
Other Council Meetings	N/A
Exhibits	A. Draft Magistrate Judge Contract

City Attorney Approval	Reviewed 6/5/17 RLP	Expenditure Required
		\$ 0
City Manager's Recommendation	None.	Amount Budgeted
		\$ 0
		Account No. N/A (Description)
		Finance <input checked="" type="checkbox"/> Approval

SUMMARY STATEMENT

Background: On May 9, 2017, the City Council met in executive session and selected applicants for in-person interviews. City Council selected the top four applicants who were subsequently interviewed on May 17th. Following the interviews, Michael Goimarac was selected as the candidate for the position of Magistrate Judge.

Per Arizona Revised Statutes § 22-403: *Presiding officer of municipal court; appointment; compensation; justice of the peace as magistrate*

- A. *The presiding officer of the municipal court shall be a magistrate, who shall be selected in a manner provided by the charter or ordinances of the city or town. The magistrate shall receive such compensation as provided by the governing body of the city or town.*

Furthermore, per Sedona City Code, 2.45.010:

- A. *The city magistrate shall be the presiding officer of the magistrate's court and shall be selected by the council and shall perform those functions necessary to the maintenance of the magistrate's court as set forth in this code, and as provided by*

the Constitution and laws of this state, and the applicable orders, rules and directives of the Arizona Supreme Court.

The terms of the magistrate's contract are set forth in Sedona City Code, 2.70.030:

2.70.030 City magistrates – Appointment – Compensation.

The magistrate court shall be composed of a presiding magistrate and such other magistrates as may be determined by the council. The council shall appoint and may remove for cause the presiding magistrate and such additional magistrates appointed. All magistrates shall be appointed for a period of two years, with their compensation to be determined by the council.

Michael Goimarac has been a lawyer since 1981, and was the City of Sedona's City Attorney from 1995-2015. He also served as a seasonal judge pro tem for Yavapai County Superior Court since July 2015, a judge pro tem for the Verde Valley Justice Court since July 2015, and a municipal magistrate pro tem for Flagstaff since July 2016.

Community Plan Compliant: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: approve the appointment of Michael Goimarac as Magistrate Judge for the City of Sedona and approve the two-year employment contract.

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into this ___ date of _____, 2017, by and between the City of Sedona, State of Arizona, a municipal corporation, (“Employer”), and Michael Goimarac, (“Employee”), both of whom agree as follows:

WITNESSETH:

WHEREAS, Employer desires to employ the services of the Employee as Magistrate Judge of the City of Sedona, as provided by A.R.S. 9-240.B.28 (general powers), 9-237 (appointed officers) and Section 2.70.030 of the Sedona City Code; and

WHEREAS, it is the desire of the Employer to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, Employee desires to accept employment as Magistrate Judge for said City of Sedona; and

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1: Duties

Employer hereby agrees to employ the Employee as Magistrate Judge of Employer to perform the functions and duties specified in the Sedona City Code, Section 2.45.010; Title 22, Chapter 4, Articles 1 and 2 of the Arizona Revised Statutes; and all regulations, orders, policies and handbooks established by the Arizona Supreme Court, and to perform other legally permissible and proper duties and functions as the Council shall from time to time assign.

Section 2: Term

- A. This agreement shall be considered effective from the date of June 21, 2017.
- B. Employee agrees to remain in the exclusive employ of Employer until June 21, 2019, and neither to accept other employment nor to become employed by any other employer, except that the Employee may, with the consent of Employer, enter into IGAs for performance of court duties with other municipal courts or Justices of the Peace pursuant to ARS 22-427.
- C. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provision set forth in Section 4 of this agreement.

Section 3: Termination and Severance Pay

- A. In the event Employee is terminated by Council with cause before the expiration of the twenty-four (24) month term of employment, Employer shall have no obligation

to pay Employee any severance pay; provided, however, that Employee shall be compensated for all earned flex leave, vacation, holidays, and benefits accrued to date, as limited by conditions set forth in the City of Sedona Employee Manual.

Section 4: Resignation

In the event Employee voluntarily resigns his position with Employer before expiration of the aforesaid term of his employment, then Employee shall give Employer sixty (60) days written notice in advance or such other length of notice as may be mutually agreed upon in writing by the parties. In addition to the sixty days' notice, the Employee agrees to be available to the City of Sedona for consultation for an additional (30) thirty days.

Section 5: Disability

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued sick and vacation leave, Employer shall have the option to terminate this agreement.

Section 6: Salary

- A. Employer agrees to pay Employee for his services rendered pursuant hereto an annual base salary of \$60,000.00 payable in installments at the same time as other management employees of the Employer are paid.
- B. Employer agrees to increase said base salary and/or benefits of Employee in such amounts and to such extent as the Council may determine that is desirable to do so on the basis of an annual salary review of said Employee and made at the same time as similar consideration is given other employees generally.

Section 7: Hours of Work and Telephone

- A. Employee shall be contracted to work not less than twenty-four (24) hours per week on such days and at such times as Employee determines appropriate to maintain the most efficient management and oversight of Municipal Court operations. Employee is an unclassified employee per Section 104 of the Employee Manual.
- B. The Employee is required to maintain a personal telephone at his place of residence and a cell phone at which he may be reached in emergency situations. Such telephones shall be the financial responsibility of the Employee.
- C. The City shall compensate the Employee \$100 per month for the cost of a personal cell phone.

Section 8: Outside Activities

Employee shall not spend more than ten (10) hours per month in teaching, consulting or other non-employer-connected business without the prior approval of the Council.

Section 9: Benefits

The Employee will receive pro-rated vacation leave accrued at 2.77 hours per pay period up to a maximum accrual of 108 hours, pro-rated flex time at a rate of 28.8 hours every six (6) months, and pro-rated holidays as provided by the City Employee manual and rules paid at 60% of accrual for full-time employees. Employee will have the option of health insurance for Employee only and will participate in the Arizona State Retirement or Alternate Contribution Rate paid by City, as applicable.

Section 10: Dues and Subscriptions

Employer agrees to budget for and to pay for professional dues and subscriptions of Employee necessary for his full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer.

Section 11: Professional Development

- A. Employer hereby agrees to budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings and occasions to continue the reasonable professional development of Employee and to adequately pursue necessary official functions for Employer, including but not limited to the Judicial Conference, state conferences, and such other national regional, state, and local governmental groups and committees thereof which Employee serves as a member.
- B. Employer also agrees to budget for and to pay for travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for his professional development and for the good of the Employer.

Section 13: Indemnification

In addition to that required under state and local law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, arising out of an alleged act or omission occurring while in the course and scope of his employment and consistent with the performance of Employee's duties as City Magistrate. Employer may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

Section 14: Bonding

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 15: Residency Required

The Employee shall reside within an area that would allow a response time to City Hall of 60 minutes and shall continue to do so as long as employed by the City of Sedona.

Section 16: Other Terms and Conditions of Employment

- A. The Council, in consultation with the City Magistrate, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement, the City of Sedona Code or any other law. Any such terms shall be set forth in writing as part of or an amendment to this or future employment agreements.
- B. Except as otherwise expressly provided herein, all provisions of the City of Sedona Code and regulations and rules of the Employer as set forth in the Employee Manual relating to vacation and flex leave, retirement and pension system contributions, holidays, and other benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of Employer, in addition to said benefits herein specifically provided for the benefits of Employee.
- C. Employee shall be entitled to receive the same vacation and sick leave benefits as are accorded department heads, subject to the pro-rating identified in Section 9 herein, including provisions governing accrual and payment therefore on termination of employment all as set forth in the Employee Manual.

Section 17: No Reduction of Benefits

Employer shall not at any time during the term of this agreement reduce the salary, compensation or other financial benefits of Employee, except as provided herein concerning the option of reducing hours worked and equivalent compensation therefore.

Section 18: Notices

Notices pursuant to this agreement shall be given to deposit in the custody of the United States Postal Service, postage paid, addressed as follows:

EMPLOYER: Mayor, City of Sedona, 102 Roadrunner Drive, Sedona, Arizona 86336

EMPLOYEE: Michael Goimarac, 120 Hohokam, Sedona, Arizona 86336

Alternatively, notices required pursuant to this agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United State Postal Service.

Section 19: General Provisions

- A. The text herein shall constitute the entire agreement between the parties.
- B. This agreement shall be binding upon and inure to the benefit of the heirs in law and executors of Employee.
- C. If any provision, or any portion thereof, contained in this agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement or portion thereof shall be deemed severable, shall not be affected, and shall remain in full force and effect.

WITNESS WHEREOF, the City of Sedona has caused this agreement to be signed and executed in its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this agreement, both in duplicate, the day and year first above written.

Michael Goimarac
Magistrate

Sandra J. Moriarty
Mayor

ATTEST:

APPROVED AS TO FORM:

Susan L. Irvine, CMC
City Clerk

Robert L. Pickels, Jr.
City Attorney

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**CITY COUNCIL
AGENDA BILL**

**AB 2236
June 13, 2017
Regular Business**

Agenda Item: 8a

Proposed Action & Subject: Discussion/possible action regarding the Chamber of Commerce and Tourism Bureau’s contract documents for Fiscal Year 2018 including the FY18 Marketing and Development Plan and Budget Document and a Memorandum of Understanding between the City of Sedona and the Chamber of Commerce and Tourism Bureau for the purchase of real property located at 401 Jordan Road.

Department City Manager

Time to Present 20 minutes

Total Time for Item 60 minutes

Other Council Meetings January 11, 2017; March 1, 2017; April 11, 2017

Exhibits

- A. FY17/18 Marketing & Development Plan, and Tourism Promotion Budget
- B. SCC&TB Quarterly Report to City
- C. MOU for the purchase of Real Property at 401 Jordan Rd

City Attorney Approval	Reviewed 6/5/17 RLP	Expenditure Required
		\$ \$2,336,700
		Amount Budgeted
		\$ \$2,386,700
City Manager’s Recommendation	Approve the Marketing and Development Plan and MOU for purchase of Jordan Rd.	Account No. FY18 Tourism (Description) Management and Development Budget 10-5220-72-6722 10-5220-72-6731 And FY17 10-5245-01-6731 for true-up portion
		Finance <input checked="" type="checkbox"/> Approval

SUMMARY STATEMENT

Background: On April 11, 2017, the City Council approved a new service contact with the Sedona Chamber of Commerce and Tourism Bureau (SCC&TB) for destination marketing, product development, and operation of the Visitor’s Center. Although the contract itself is approved, the agreement still requires SCC&TB to obtain City Council approval of the new marketing plan & product development plan and new fiscal year budget each year.

The purpose of this agenda item is to request City Council's approval of the FY17-18 destination marketing and development plan and FY17-18 budget (Exhibit A), and the approval of a Memorandum of Understanding (MOU) between the City and the SCC&TB for the purchase of property located at 401 Jordan Road (Exhibit C). The MOU is necessary to memorialize the relationship between the Chamber and the City as it relates to the acquisition and possible eventual conveyance of the property.

The budget submitted by the SCC&TB for FY18 is \$2,386,700. This includes 55% of the projected bed tax collections for FY18, which is \$2,141,700, plus an additional \$245,000 from the anticipated FY16-17 collections that will be paid in FY18. New in FY18, the City and SCC&TB will exercise the "hold-back" clause, which will set aside \$50,000 for the City to execute parking improvements at 401 Jordan Road. Thus, the payment to the SCC&TB will be \$50,000 less in order for the City to execute this project. The total amount of bed tax revenue to the SCC&TB in FY18 will be approximately \$2,336,700.

The SCC&TB Quarterly Report to the City is also included for additional information (Exhibit B).

Community Plan Consistent: Yes - No - Not Applicable

Section 7 (page 89) of the Community Plan addresses Economic Development. One of the key goals is to preserve and enhance Sedona's tourist based economic sector. The section of the Community Plan acknowledges that economic development in Sedona has been largely shaped and defined by tourism. In 2012, the Nichols Tourism Group prepared a market research study for the Sedona Lodging Council and identified that the tourism industry employed 8,900 jobs and tourism spending contributed approximately \$439 million to the local economy. Since the City of Sedona does not assess a property tax, its primary revenue sources are sales and bed tax.


While the Plan encourages diversification into other economic sectors, it also recognizes that Sedona has been and will continue to be a visitor-driven economy.

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Adjust overall budget allocations between the three service areas.

MOTION

I move to: approve the Chamber of Commerce and Tourism Bureau Fiscal Year 2018 Marketing and Development Plan and Tourism Promotion Budget, and the Memorandum of Understanding (MOU) between the City of Sedona and the Sedona Chamber of Commerce and Tourism Bureau for the purchase of real property located at 401 Jordan Road.



SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU

DESTINATION MARKETING PLAN

FY18



The SCC&TB is an accredited organization with the Destination Marketing Association International. This positions Sedona Chamber of Commerce & Tourism Bureau in the top 10% of elite DMOs to achieve this highest honor in best practices.

SEDONA CHAMBER OF COMMERCE & TOURISM BUREAU

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FY17 BOARD OF DIRECTORS

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EXECUTIVE SUMMARY

The Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) takes great pride in our role as the official Destination Marketing & Management Organization (DMMO) leading the worldwide efforts of branding and marketing the greater Sedona area as a tourism and small meetings destination. The SCC&TB is also charged with ensuring the economic vibrancy of Sedona and therefore positions Sedona as a premiere destination to live, work, play and start a business.

As a non-profit agency, we differ from other agencies by generating revenue for other public agencies and the destination as a whole. The SCC&TB operates distinctive business units, including the Sedona Chamber of Commerce, the Tourism Bureau, the Film Office and the Sedona Marathon Event.

In Fiscal Year 2017 (July 2016 – June 2017), our destination services focus was to continue to communicate a dynamic brand strategy for Sedona. With our award-winning photography and videos, Sedona was represented overall in a sophisticated way that mirrored its depth, majesty and extraordinary scenic beauty.

Sedona continued to improve in all key tourism indicators, as illustrated below, which represents lodging metrics FY17 YTD (July 2016 - April 2017). Our programs impact lodging metrics which are key in evaluating the performance of Sedona's tourism industry. These lodging metrics are important because we know that, on average, for every \$1 spent on lodging, \$4 is spent in the community.

- 3.3% increase in Occupancy YTD over FY14 (Benchmark Year)*
- 25.2% increase in Average Daily Rate YTD over FY14 (Benchmark Year)*
- 24% increase in bed tax revenues **
- \$770,000 more collected in sales tax compared to the previous fiscal year **

** FY14 is considered the Benchmark Year before the commencement of the increase in total bed tax (3% to 3.5%) and the contractual agreement to allocate 55% bed tax to the SCC&TB.*

*** Data provided by City of Sedona Finance Department and based on most recent June 2016 monthly report.*

Research continues to be the foundation for the SCC&TB's strategies. Recent research efforts indicated the following, which appropriately mirrors our marketing strategies:

- Sedona continues to be the primary destination for out-of-state visitors.
- Trip spending by overnight visitors has increased from \$500 (in 2015) to \$552 (in 2016) indicating that we are successfully attracting a more affluent audience.
- 98% of visitors believe that Sedona is an excellent (68%) or good (30%) place to visit compared to other options.
- The average annual household income and education level for our visitors has increased over the last year.

Armed with this research and learnings from FY17, in Fiscal Year 2018 (July 2017 – June 2018), the SCC&TB will:

- Continue to market Sedona only during need seasons (summer and winter).
- Focus on quality over quantity, by promoting Sedona to new markets (Tucson and Chicago who will be inclined to overnight) and targeted demographics (higher income households).
- Increase sales efforts to bring in mid-week and need-season business.

Most importantly, we continue to refine the destination management strategy, as we add even more product development initiatives to our program of work. Once again, we are allocating approximately 25% of the total bed tax funds to tourism product development. With this allocation, we will be poised to reach the critical balance of maintaining the economic vibrancy of our core industry (through marketing/communications/sales) while mitigating this same industry’s impacts on our community (through product development).

This plan details the Destination Services strategies for the next fiscal year (FY18), and provides a springboard to prosperity for years to come.

THE SEDONA CHAMBER OF COMMERCE & TOURISM BUREAU

The SCC&TB is a non-profit organization that is made up of businesses who wish to directly benefit from the products and services available to partners. The City of Sedona and the Sedona lodging industry are critical funding partners. Based on a city ordinance implemented in January 2014, 55% of the bed tax (3.5%) collected is allocated to the contracted destination marketing and management organization.

The SCC&TB's mission centers on creating and maintaining economic vibrancy through business retention, attraction and diversification, while attracting leisure and business visitors to fill nearly 4,000 rooms that exist in the Sedona area (including timeshares).

The SCC&TB acts as a catalyst in the development of tourism promotional programs designed to increase positive awareness of Sedona, increase the number of visitors who overnight, increase their average length of stay, and increase their spending, thereby increasing revenues.

In addition, the SCC&TB plays an important role in advocacy, business retention and development. The programs offered by the SCC&TB focus on the needs of our partners, and range from local, statewide and regional advocacy, business exposure and education.

VISION

Sedona, with its legendary red rock beauty, is a world-class, year-round destination providing inspiring arts and culture, exhilarating outdoor adventure and wellness in a friendly and sustainable environment.

MISSION

To serve the community by enhancing economic vitality and to stimulate economic growth by promoting Sedona and providing an exceptional visitor experience.

CORE VALUES

- Professionalism
- Partnership-oriented
- Effectiveness
- Accountability
- Innovation
- Exceptional customer service
- Community-minded
- Dedication
- Sustainability

STAKEHOLDER PROMISE

We promise to provide our stakeholders opportunities to build and grow their business.

COMMUNITY PROMISE

We promise to be good stewards of Sedona and to sustain a reasonable balance between economic interests and quality of life.

VISITOR PROMISE

We commit to providing memorable visitor experiences.

BRAND PROMISE

Sedona will change you.

DESTINATION MANAGEMENT

Destination Marketing & Management Organizations (DMMOs) today are involved in more than just destination marketing, sales and communications. Destination management involves coordinated and integrated management of the destination mix (attractions and events, facilities, transportation, infrastructure, and hospitality resources).

Destination management marks a new era for DMMOs in which they perform a more holistic set of roles in all parts of tourism in the destination. They are not merely “promotion or sales agencies” but leaders and coordinators in every aspect of tourism.

Effective destination management requires a long-term approach based upon a platform of destination visioning and tourism planning. The planning should be guided by goals, objectives, and specific projects that promote the sustainability of tourism and align with residential concerns and desires.

TOP TRAVEL TRENDS

The goal of any destination in today’s travel climate should be to focus on differentiating themselves by adapting to the most popular trends in travel. Following are a few trends that provided insight to the plan.

FOOD TOURISM

There is a growing sector of travelers known as “food tourists.” When deciding where to go for their next trip, travelers are increasingly factoring in a potential destination’s food and drink scene — whether it’s the local restaurants, food trucks and bars, or the nearby farms and markets, food artisans, vineyards, breweries and distilleries.

Hard-core food and vino lovers are often more interested in exploring a city or region’s gastronomic offerings than they are in the area’s natural or non-food-based cultural attractions. According to the Ontario Culinary Tourism Alliance (OCTA) and Skift, a travel news site, “it is estimated that tourism expenditures on food services in the U.S. topped \$201 billion, nearly a quarter of all travel income.”

Oyster.com



WELLNESS TRAVEL REMAINS TOP TREND

Wellness tourism is a nearly \$500-billion-a-year industry, and it’s estimated to grow to \$680 billion next year. “Wellness travel is one of the fastest growing — if not the fastest growing — tourism categories today,” says Beth McGroarty, research director at the Global Wellness Institute. GWI defines wellness tourism as “all travel associated with the pursuit of maintaining or enhancing one’s personal well-being, whether physical, mental, environmental or spiritual.” It’s a definition that McGroarty says is “willfully broad, because it spans many kinds of travel: destination spas, health and wellness resorts, fitness- or adventure-focused travel (like hiking, water sports and cycling), hot springs and

wellness cruises. Even mainstream hotels — almost all the big brands— are adding more health and fitness programming.” *Oyster.com*

“BLEISURE BOOM” TREND

“Bleisure” Boom: Mixing business with pleasure is a definite travel trend, with a number of companies including incentive trips into employee benefit packages. More employees than ever have the freedom to extend stays for personal trips or bring family members along for business trips to immerse themselves in the local culture with a loved one when not on the job. The popularity of Airbnb has helped this trend along. *Forbes.com*

LOCAL TRAVEL TREND

Millennials seem to value experiences over things, but often don’t have the means to book extravagant vacations at world-class locations. Young people will enthusiastically travel to destinations within their own budget. Some will take advantage of a strong dollar and travel abroad, but whether it’s within their country, state or even their own backyards, enriching experiences in local culture is highly valued. *Forbes.com*

SOLO TRAVEL

With a surge in women-only retreats and women-only travel companies, we’re seeing an uptick in solo travel, especially with women. This emerging trend falls in step with independent travel booking as travelers continue to look for more personal, enriching experiences. *Forbes.com*



AMERICA’S VACATION DEFICIT DISORDER

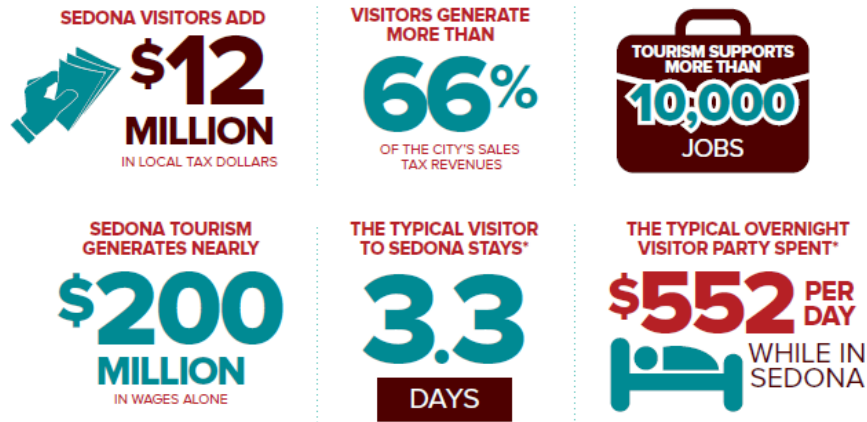


Workers are starting to comprehend the strong relationship between wellness and taking time off with enlightened employers leading the charge. Vacation shaming is so 2015. Wellness travel is growing 50% faster than regular travel, with travelers recognizing that recharging, refreshing and rejuvenating themselves regularly is part of a healthy work-life balance. Smart value-minded employers are investing in their employees’ time-off knowing

that a happy, creative and fresh employee—is a motivated and profitable employee. *Huffingtonpost.com*

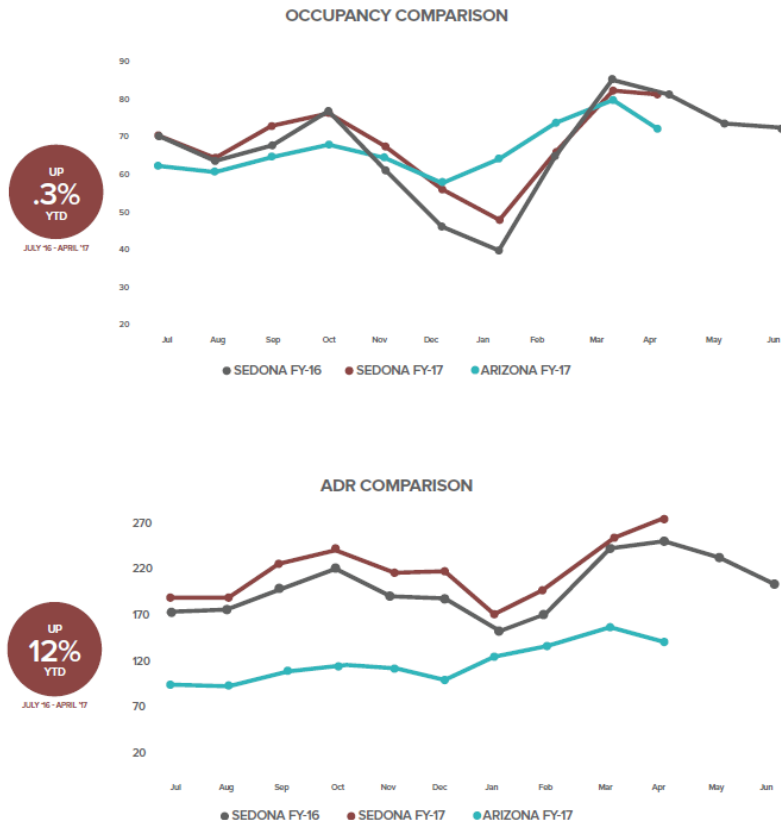
IMPACT OF SEDONA TOURISM

Today, much of the Verde Valley economy is heavily dependent on the hotel, tourism and small meetings industry. The area's economic vitality depends upon a robust volume of visitation and quality visitors to the region. Because of the importance tourism plays in the overall economic health of the region, the SCC&TB provides a vital public service. Tourism is the primary economic generator in Sedona. In fact:



* BRC Sedona Visitor Survey 2016. Additional statistics provided by the City of Sedona 2017.

SEDONA TOURISM INDUSTRY MEASUREMENTS



Smith Travel Research

DESTINATION SERVICES

Positioning Sedona as a premiere destination is a balancing act, distinguished by built-in opportunities, challenges and the constant need for innovation. At the SCC&TB, we have a track record of working with our industry partners to build upon past successes, while simultaneously embracing change.

Marketing, sales, public relations efforts and product development are at the core of the SCC&TB's mission - "To serve the community by enhancing economic vitality and to stimulate economic growth by promoting Sedona and providing an exceptional visitor experience."



We seek to ensure that the sales and marketing platform strikes the right balance between communications that engage, inspire and educate. We will continue to strive for breakthrough communications, and utilize all available resources to enhance and energize messages about Sedona, especially through videos and images.

With our future in mind, we will strategically balance between maintaining Sedona's brand awareness which has taken years to build, while also developing the products that will assist in managing tourism impacts on our community.

LONG-TERM GOALS

1. To attract, manage and monitor tourism for the benefit of residents, industry and visitors.
2. To make visiting Sedona a positive and seamless process.
3. To sustain a reasonable balance between tourism and the quality of life in Sedona.

SHORT-TERM GOALS

Marketing and Public Relations

1. Increase visitor spending in Sedona with a focus on mid-week, off-peak seasons.
2. Reinforce Sedona's Unique Selling Propositions: Arts/Culture, Wellness, and Outdoor Adventure.
3. Utilize audience and industry research to inform decision-making.
4. Continue to investigate new and emerging markets and strategies.
5. Actively engage in product development efforts to link, enhance and create amenities that enrich the tourism experience, mitigate visitor impacts and contribute to quality of life for residents.

Group/Meeting and Travel Trade Industry Sales

1. Position Sedona as the premiere destination for small meetings in Arizona.
2. Position Sedona as one of the world's top leisure destinations for national and international travelers through travel trade tour programs.

Visitor Services

1. Provide the highest level of customer service at Visitor Center and Call Center.
2. Maintain trained, engaged and vibrant volunteer core.
3. Develop new training activities for volunteers and staff to be well informed.

PERFORMANCE STANDARDS

Marketing

1. Generate no less than a total of 90,000 inquiries from targeted customers in domestic and international markets.
2. Generate a minimum of 1,300,000 unique visitors to VisitSedona.com.
3. Generate 70 million overall paid impressions for Sedona.
4. Generate \$200,000 in partnership cooperative revenue.

Public Relations

1. Generate 3,000 travel articles about Sedona.
2. Reach a minimum of 300 million impressions through editorial placement and social media.
3. Generate publicity with an equivalent advertising value of at least \$10 million.
4. Assist 500 media professionals.
5. Grow overall social media fan base by 10%.

Group/Meeting Sales

1. Generate leads for 20,000 room nights (generating potential for \$3.5 million in room bookings, \$14 million in total economic impact, and \$400,000 in taxes).
2. Conduct customized Familiarization (FAM) tours for 35 pre-qualified meeting planners.
3. Meet with a minimum of 300 professional meeting planners with a demonstrated propensity for mid-week, off-season business.
4. Generate 15,000 page views for Meetings and Sales web pages on VisitSedona.com.

Travel Trade Industry Sales

1. Generate 50 domestic and international hotel and service request leads.
2. Produce 850 service request referrals for Sedona tourism partners.
3. Conduct 20 customized Familiarization (FAM) tours for pre-qualified national and international travel trade industry professionals.
4. Meet with a minimum of 400 travel trade industry professionals at tradeshow and sales missions.
5. Generate 6,000 page views for Travel Trade web pages on VisitSedona.com.

Visitor Services

1. Manage the Uptown Visitor Center seven days a week, 59.5 hours per week (excluding two holidays) with professional staff and trained volunteers.
2. Manage and assist 300,000 walk-in visitors annually.
3. Manage and assist 9,400 visitor inquiries via phone and electronically.
4. Produce and distribute 275,000 Experience Sedona Visitor Guides.

MARKETING PLAN DEVELOPMENT

The SCC&TB goes through a very extensive development process as it relates to our annual marketing and strategic planning process.

1. Review immediate and past programs and results – what worked, what didn't, and what was the cost effectiveness as it relates to measurement goals and outcomes.
2. Evaluate overall marketing trends, and trends specific in the travel and tourism industry. Meet and speak with peers from other DMOs and marketing vendors and learn best practices.
3. Meet with affinity groups who represent Sedona's leading tourism sectors to see how they're promoting themselves, what they view as opportunities, and what they see as areas for improvement. Brainstorm ways to work together and promote Sedona in a way that's relevant.
4. Meet with the SCC&TB's Tourism Product Development Committee to review, assess and prioritize the coming year's products. New product ideas must meet the criteria set forth to be deemed viable (refer to page 20).
5. Analyze travel industry research including but not limited to Smith Travel Reports (STR), Sedona Visitor Surveys, AOT research, statewide research and trend reports, PRIZM studies and the Long-Range Tourism Development Plan.
6. Meet with representatives from the Arizona Office of Tourism and other Arizona DMOs to investigate partnership opportunities.
7. The plan development moves on to the Situation Analysis, which looks at the definition of our tourism product; a SWOT analysis which requires us to identify our Strengths, Weaknesses, Opportunities and Threats; and, critical factors for success as it relates to Sedona tourism.
8. With the long-range goals in mind (from the SCC&TB's long range strategic plan), assess and refine annual goals. Define the Performance Standards which assist in gauging progress throughout the year.
9. The plan continues with an analysis and definition of the SCC&TB's Brand Strategy, and moves onto identifying its target audience demographics and psychographics.
10. Develop strategies and specific tactics of execution to reach annual goals.

SITUATION ANALYSIS

Tourism Product

Sedona's overarching "reason to visit" is its stunning scenic beauty, which draws travelers from around the world. Additional attractions fall under the following three Unique Selling Propositions (USPs):

Arts & Culture

- City's vision is to be a City Animated by The Arts
- Galleries: 80+ galleries and shops
- Artistic Community: Resident and visiting artists
- Events: Large variety of weekly, monthly and ongoing annual events
- Culinary: Variety of dining options and unique regional fare
- Area Wineries: Wine tastings and tours
- Native American culture and heritage
- Live entertainment
- Performing Arts
- Film and Western history
- Art in Public Places
- Nearby heritage sites and national monuments

Wellness

- Volume of quality resorts, spas and luxury offerings
- Metaphysical & Spiritual: World-renowned offerings including products, services, treatments and education
- Personal Enrichment: Exploration and education
- Yoga Classes
- Meditation Retreats
- Eco-Tourism
- Vortexes
- A feeling of connectedness

Outdoor Adventure

- Hiking: A system of more than 300 miles of accessible, interconnecting trails
- Biking: 200 miles of single track available; Sedona and surrounding areas are very bicycle-friendly for road bikes
- Air Tours: Hot air balloons, helicopters
- Land Activities: Jeep, ATV, Segway, Hummer, OHVs
- Water: River tours, fishing, swimming
- Golf: Public courses
- Birding: Opportunity to deepen engagement
- State Parks and nearby National Parks
- Scenic Drives: Oak Creek Canyon, Red Rock Scenic Byway, Dry Creek Scenic Rd
- Stargazing

SWOT ANALYSIS

Strengths

- Renowned haven for outdoor adventure lovers
- Recognition as an esteemed art destination
- Recognition as health, wellness, alternative medicine destination
- Diversity (geographic, businesses)
- Great weather, four mild seasons
- Red rocks, scenery, photo opportunities
- Sedona name recognition
- Location (geographic proximity)
- Friendly community
- Small town feel
- Knowledgeable staff and volunteers at the Visitor Center
- Above average lodging performance (occupancy and ADRs) and growth
- Increased market share of Northern Arizona overnight visitation
- Strong attraction to high income visitors
- High level of repeat visitation to destination – 40%
- Strong SCC&TB generation of private sector revenues for tourism-related purposes
- Very strong visitor center connection – almost 300,000 visitors serviced annually
- Significant additional commitment from City to build/expand visitor industry
- Variety of tourism products
- Love for the destination by residents and visitors (“Red Rock Fever”)

SWOT ANALYSIS

Weaknesses

- High labor demand with limited workforce supply
- Access and proximity to major airports
- Lack of public transportation (including access to USFS trailheads)
- Relationship with USFS – recreational use versus land stewardship
- Limited regional integration of products and experiences
- City bed tax rate at upper end of competitive destinations
- Limited locations and parking for motor coach and commercial tour groups that are allowed to visit
- Distinct high/low seasons for year-round tour series to book Sedona
- Limited knowledge of travel distribution system by local businesses
- Viewed by travel industry professionals as “too expensive”, “no room availability” or “too many regulations to bring visitors”
- Limited air services in and out of Flagstaff
- Minimal meeting space
- Tax discrepancy with lodging outside of city limits and timeshares
- High cost of living due to home prices
- Infrastructure capacity

SWOT ANALYSIS

Opportunities

- Expand range of events, focusing on those that can be enhanced or have extended duration
- Development of a festival/event venue
- Capitalize on Phoenix convention market – pre/post event connection and meeting planners in Phoenix
- Exchange rates/world economy
- Population growth in Southwest/AZ
- Sustainable tourism and connection to Sedona
- Sedona’s product correlation with National/International trends in travel
- Expanded range of public transportation
- Deepen attraction of meetings niche segments
- Product development in newer areas of tourism – arts, wellness, culinary
- Create or establish visitor/motorcoach-friendly parking areas
- Expanding visitor origin markets into emerging markets
- Maintenance of trails and trail amenities
- Multi-modal/walkability
- Enhanced parking availability
- Legislative changes to short-term rentals

SWOT ANALYSIS

Threats

- Reductions in Arizona Office of Tourism funding, limiting international representation in mature markets
- Traffic congestion negatively impacting visitor/resident experience
- Competition from other destinations – significant expansion in their destination marketing budgets
- Arizona destinations positioning Sedona as a day trip destination
- Immigration reform – negative perceptions directed to Arizona
- Traffic, ADOT road changes (i.e. – closing of 89A)
- Internet: Managing user-generated content
- USFS: Permitting process and minimal commercial permits
- USFS: Potential closures of recreational sites due to fire/flooding
- Perceptions of the U.S. and Arizona as a destination by foreign markets
- Air Services (cancelations/changes) to gateway cities
- Legislative changes to short-term rentals

RESEARCH

Cutting-edge research programs enable Sedona to remain ahead of current and future market conditions. Through surveys of stakeholders, travel consumers, and visitor intercepts to Sedona and the region, the SCC&TB will continue to monitor various trends and changes, in Yavapai and Coconino Counties, and within the state travel industry.

FY18 Studies

1. Smith Travel Research – Monthly hospitality trend reports
2. Smith Travel Research – Annual hospitality daily trend reports
3. Sedona Visitor Survey - Monthly online surveys; bi-annual reports
4. Conversion & ROI Study – Visitor guide conversion study
5. Travel Pro Tour Tracker– Annual Tour and Travel Product Inventory
6. RKMA Travel & Tourism Market Research

TOURISM PRODUCT DEVELOPMENT

Tourism product development has become a stronger focus for the SCC&TB over recent years. The shift towards product development has allowed us to move from the traditional approach of: This is our product. How do we sell it? To a more strategic approach of: This is our target customer. What product do they want?

As we complete another successful year of Sedona tourism, we continue to see the need for product solutions that mitigate the impacts on our community. Therefore, in FY18 we will allocate nearly 25% of all contracted public funds (or 34% of tourism allocated funds) solely to product development.

The Sedona Tourism Product Development Committee (TPDC) will continue to investigate a range of potential initiatives that could help enhance and expand the destination's appeal. They can be categorized into one of three broad approaches:

Create: This is typically the first approach that destinations look to when thinking of proactive product development and can be very powerful. Whether new attractions, museums, central convening areas or compelling events, these efforts can introduce a whole new experience for the destination. The challenge with the "create" approach is that it can be quite expensive. An example includes new events like Sedona's VegFest.

Link: In many instances this is an approach that holds the greatest potential as it focuses on existing products and typically requires limited resources to implement. Too often existing products operate in silos, not linking and integrating experiences that could resonate with visitors. Concepts that can build greater integration among heritage, outdoor recreation, culinary and other powerful segments will likely evolve. Examples of this include the Public Art Brochure, the Walk Sedona/Gallery Art Walk program, and Holiday Central Sedona.

Enhance: When destinations think about product development they often overlook existing products that could play a greater role but have been allowed to lose much of their appeal through lack of reinvention and enhancements that speak to today's visitors. This approach would look for ways to enhance existing products, allowing them to be synergistic with targeted Sedona customer segments. Examples include the Sedona Trail Keepers program.

The TPDC will consider Sedona's current product mix, as well as future targeted customer segments, and consider how these Create, Link and Enhance approaches can be utilized within Sedona and the broader region.

Interest in Tourism Product Development continues to grow, and subsequently, new initiatives must be able to address each of the following four pillars of criteria in order to be executed upon:



Secondarily, initiatives must be able to address our current Focus Areas of Sustainability, Transportation, the Arts, and Wellness. While sustainability is its' own category, it's also threaded through everything we do, as we recognize the importance of preserving our single most prized possession – our land and scenic beauty – while also sustaining Sedona's #1 industry – tourism. Since our small city of only 10,000 residents is visited by nearly 3 million people a year, it's no wonder that transportation is a "hot button" issue and continues to stay at the top of our focus. We will also look to elevate the Sedona art community and our wellness niche – two significant reasons why people visit our great destination.



In the coming year, the TPDC will continue to review, evaluate and assist prospective product concepts being pursued by other development entities. The committee will seek to collaborate further with the City of Sedona as an initiating point for future product development and work to help complement the Community Plan.

Following are the product development initiatives that are currently in-the-works and that will continue into FY18 as long-range programs. The TPDC typically assists new product development in one of four ways:

1. **Development** - They serve as the lead developer of the program.
2. **Advocacy** - They can be a voice of advocacy for projects that address the committee’s mission and pillars, speaking with Sedona political and business leaders, as well as area residents. Often this type of support can be critical in moving a project forward.
3. **Technical Assistance** - Technical assistance (may or may not be funded) can be provided for products looking to more extensively evaluate market or financial feasibility, or to better evaluate potential alignments with other products and services already positioned in Sedona. Technical expertise is provided by the members of the committee.
4. **Funding Assistance** - Projects could receive funding assistance through the TPDC.

FY18 Tourism Product Development Initiatives					
Transportation					
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status
401 Jordan Road Acquisition & Parking Improvements	X	X	X	X	In progress
Pedestrian ADA Walkway at Forest Road		X		X	In progress
Roundabout 101 Video	X	X	X	X	Concept
Wayfinding Plan			X		In progress
Saturday Hike Bus		X	X	X	In progress
Walk Sedona Program	X	X	X	X	Launched/ Ongoing
Sustainability					
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status
USFS Trail Funding: Sedona Trail Keepers	X	X		X	Launched/ Ongoing
Long Range Destination Management Plan		X		X	In progress
Sedona’s Secret 7	X	X	X	X	Launched/ Ongoing
SVV Geotourism & Nat Geo Mapguide	X	X	X	X	Launched/ Ongoing
Elevate the Arts					
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status
Red Rock Fantasy (art projection)	X	X	X	X	Concept
Art History Video	X	X	X	X	Concept
Art Collector Story	X	X	X	X	Concept
Arts Events Quarterly Brochure				X	In progress
Art + Dine in the Evenings Program	X	X	X	X	In progress
Elevate Wellness					
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status
Sedona Wellness Story	X	X	X	X	Concept

TOURISM PRODUCT FY18

TRANSPORTATION:

401 JORDAN ROAD ACQUISITION

The SCC&TB is in the process of purchasing the property located at 401 Jordan Road. This solution will immediately provide free parking spaces with good ADA accessibility, in addition to more motorcoach parking in the congested area of Uptown Sedona. This solution also responds to concerns regarding the transition to 100+ paid parking spaces being implemented along SR 89A. Potential ideas for future use of the property include:

1. **Transit Hub & Staging Area:** As a Transit Hub, this site could deflect a portion of visitor traffic off the main SR 89A corridor. The Hub could serve as the central location for the trailhead transit service and a site for potential future public transit services. This new staging facility could provide a central location for pick-up and drop-off station for local tour operators. This location allows for a central access point off the main street, but nearby enough for convenience and accessibility. This location could offer public restrooms and picnic areas for visitors waiting for transit/tour pick up and serve to revitalize the Jordan Road business district.
2. **Employee Parking and/or Bus Parking:** With a maximum of up to 93 spaces available, the property could provide parking for Uptown employees. As a potential revenue generator, the private sector could rent spaces for their employees. The site could also be used as additional parking for motorcoach tours.
3. **Geo Tourism Center:** As both a parking and staging location, the center has the opportunity to reach and educate visitors on how they can be “Responsible Sedona Adventurers.” The Center will bring the fragile nature of Sedona and easy applications of sustainable practices to the top of visitors’ minds with informative exhibits, sustainability stories, and ideas that could be applied to visitors’ time in the area, as well as back home.
4. **Business Incubator:** The building’s 5,200 square feet could include spaces for small, new businesses to rent as start-up office space. Another concept would be to have a co-op working space for area start-ups and entrepreneurs.
5. **Demolition of the building for Additional Parking and/or Parking Structure:** The building could be demolished to accommodate additional parking and/or parking structure.
6. **City Land Trade for another property TBD:** The property could be traded for another property of equal or greater value to the City at a later date.

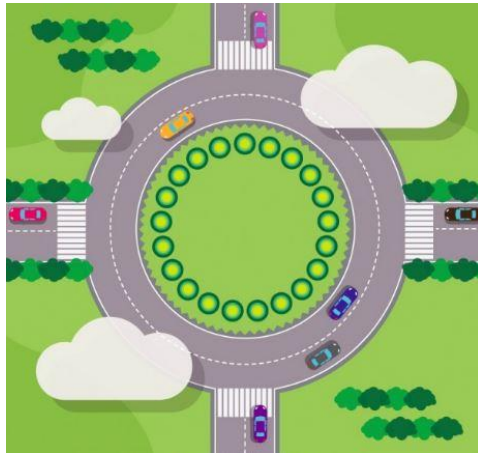
The City of Sedona’s Community Focus Area (CFA) process will assist in determining the best utilization of the property.

PEDESTRIAN ADA WALKWAY AT FOREST ROAD & VISITOR CENTER

A private/public partnership between the City of Sedona, the SCC&TB and Forest Plaza is being considered to help fund the development of a Handicapped Accessible Walkway from the corner of Forest Road and through the Sedona Chamber of Commerce Official Visitor Center property. This ADA Walkway will assist in creating a pleasant destination environment by enhancing the pedestrian experience.



ROUNDABOUT 101



Traffic in the roundabouts throughout the Sedona area is often a source of concern for the visiting population and the local residents. The SCC&TB continually educates and communicates how to navigate the roundabouts through its 275,000 printed annual Experience Sedona Visitor Guides, but more can be done. The use of video will assist in describing the simple steps needed to successfully maneuver through Sedona's traffic roundabouts. The Roundabout 101 video will air in all hotel rooms, on visitor websites, and shared with the lodging partners to include in pre-planning communications.

WAYFINDING PLAN

The City of Sedona is undergoing an exercise in developing a wayfinding plan that will enhance the visitor experience and will assist with traffic congestion particularly in the Uptown Sedona region.

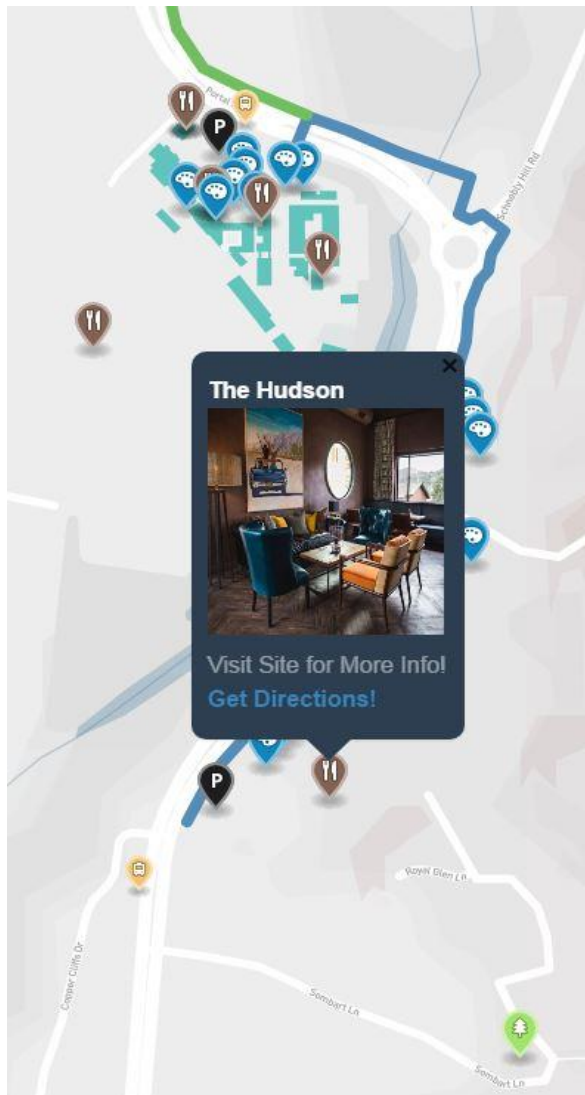
Wayfinding is the science and art of moving people through an environment to a desired location through use of visual clues such as guide signage, place identification and visual landmarks.

Branded wayfinding programs help build destination brands. They connect the physical environment with the emotions and needs of visitors and residents who want to be educated, stimulated and entertained. A branded wayfinding system helps people recall communications that they were previously exposed to. This four-step process includes assessment and research, concept generation and design development, documentation, and production oversight. It will be completed in early FY18.

SATURDAY HIKE BUS

The Sedona Saturday Hike Bus concept is intended to provide a unique, eco-friendly attraction for visitors and locals, and most importantly would provide a transportation option that would lessen the city traffic and trailhead parking issues. During a specified peak season, a transportation system would run at several designated times on every Saturday. Pick up locations are strategically chosen to address key areas of town and specified trailheads.

WALK SEDONA PROGRAM



The Walk Sedona program focuses on positioning Sedona as a walk-friendly destination in effort to mitigate the effects of vehicle traffic. By gallery and lodging stakeholder recommendation, the SCC&TB focused the first phase of this program on luring those visitors already in-market into the galleries via a “Sedona Gallery Art Walk” program intended to drive business through the doors of the numerous galleries in Sedona. This program is promoted via hotel lobby map signage and postcards, in-room TV spots, the Experience Sedona Visitor Guide, public relations, and social media.

Plus, the map is mobile at WalkSedona.com! This GPS-enabled web map has several filters including restaurants, recycling drop-off locations, bus stops, public art locations, and most recently, parks and trailheads. The map is becoming more and more robust, and allows the user to navigate Sedona via their smart phone.

Additional “Walk Sedona” applications will surely be developed, as this program is anticipated to have a long life and significant relevancy to visitors and locals alike.

SUSTAINABILITY:

USFS TRAIL FUNDING: SEDONA TRAIL KEEPERS



This program launched in FY17 and will continue for several years to come. The program is managed by the SCC&TB in partnership with the United States Forest Service and the private sector. The program will aid in maintaining existing trails as well as assisting in the development of new trails in the USFS Red Rock Ranger District.

The program allows the private sector to sponsor a trail and financially commit \$1,000 per year with a 5-year commitment per sponsor. The SCC&TB matches the private sector investment (up to \$25,000 per year). The goal of this program was met with 25 private sponsors at \$1,000 each for a total private sector investment of \$25,000/year, plus a match from the SCC&TB, generating \$250,000 for the USFS Red Rock Ranger District over the next 5 years.

LONG RANGE SUSTAINABLE DESTINATION PLAN



The SCC&TB underwent a comprehensive assessment of its tourism sector to inform strategic initiatives for its sustainable destination management. To conduct the assessment, the SCC&TB engaged the Global Sustainable Tourism Council (“GSTC”), the world’s leading standard-setting body for sustainability of tourism operations and destination development.

The GSTC is sponsored by the United Nations World Tourism Organization. Central to the GSTC’s work are the two current sets of GSTC Criteria—the global standards for (1) sustainability of destinations (GSTC Criteria for Destinations) and (2) sustainability of tourism businesses (GSTC Criteria for Hotels & Tour Operators). These global standards are the world’s authoritative guiding principles and the minimum requirements that any tourism business or destination should aspire to reach in order to protect and sustain the world’s natural and cultural resources, while ensuring that tourism meets its potential as a tool for conservation and economic development.

The GSTC Assessor conducted an onsite evaluation of Sedona in June 2016. Sedona is only the second destination in the country to have conducted this evaluation. The SCC&TB coordinated the GSTC assessment and identified stakeholders for consultation, arranged stakeholder meetings and site visits, and collected policy documents in the areas covered by the GSTC Criteria for analysis. The GSTC then produced a report outlining the final results of the assessment and recommendations for improvements to bring Sedona tourism development into

**2nd City
in
USA**

compliance with best international practice as set forth in the GSTC Criteria and Indicators. See Appendix C for the executive summary.

Based on this assessment, it is recommended that the SCC&TB focus on the following four criteria in order to enhance the sustainable destination management of their tourism sector going forward:

Long Range Sustainable Destination Plan — The destination establishes and implements a multi-year destination strategy that is publicly available, is suited to its scale, that considers environmental, economic, social, cultural, quality, health, and safety, and aesthetic issues, and is developed with public participation.

Sustainability Standards — The destination has a system to promote sustainability standards for enterprises consistent with the GSTC Criteria. The destination makes publicly available a list of sustainability certified or verified enterprises.

Local Community Opinion — Local communities' aspirations, concerns, and satisfaction with destination management are regularly monitored, recorded and publicly reported in a timely manner.

Low Impact Transportation — The destination has a system to increase the use of low-impact transportation, including public transportation and active transportation (e.g., walking and cycling).

With the above recommendations in mind, the SCC&TB will develop the Long Range Sustainable Destination Plan, which will include a residential survey to address community and resident sentiments.

SEDONA'S SECRET 7



Sedona's Secret 7 is a marketing program that will help to disperse visitor traffic to certain areas by creating a guide to "secret" gems. But don't worry dear Sedona residents: We are not divulging your super-secret favorite spots. The Secret 7 sites are areas that are well developed and have always been intended for our visitors. They're just not as well known to them at this point in time.

The program will consist of seven categories of attractions: Hiking trails, biking trails, vistas, picnics, spiritual, arts and culture, and stargazing.

Working closely with the Forest Service, the aim is to:

1. Redirect visitors to lesser known areas for land preservation.
2. Expand the number of visitor experiences which will encourage repeat visitation to Sedona.
3. Engage local residents with the intent to embrace tourism.

Tactics:

Web: The Sedona Secret 7 website will act as the content hub for the campaign. The website will have the following main functions:

1. To provide visitors with information regarding Secret 7 sites, like directions, trail difficulty, best time to visit, etc.
2. To act as a hub for user-generated content. This portion of the site will be a curated collection of social media content from Sedona visitors using the hashtag #sedonasecret7, pulling from Instagram, Facebook, Twitter, etc.

Video: The Sedona Secret 7 website will feature short video overviews of each list category, as well as a 2-3 minute video overview highlighting the breadth.

Social Media: Visitors will be encouraged to share their photos and videos showcasing their visits to Sedona Secret 7 sites under the hashtag #SedonaSecret7.

SEDONA VERDE VALLEY GEOTOURISM & NATIONAL GEOGRAPHIC MAPGUIDE

One of most exciting product development initiatives continues to be the joint venture



with National Geographic. National Geographic has undertaken this type of assignment in only a limited number of locations around the U.S. and the world.

Sedona and the broader Verde Valley benefit significantly as this cooperative project brings increased attention to unique regional visitor products, and helps shape future development efforts in ways that will help ensure the long-term sustainability of the visitor industry.



The Sedona Verde Valley Geotourism Program seeks to capture and promote the culture, heritage and ecological diversity of the people and places within Sedona and the Verde Valley through the voices and stories of the people that live in the area. The ongoing Geotourism program helps local people express, in their own words, what's unique about their place through a National Geographic Society co-branded online interactive website.

The annual "Toast to Tourism" event will take place again in FY18 with tourism industry partners, city dignitaries and National Geographic representatives. Nominations from locals continue to expand the site's content, and further FY18 initiatives will be taken to further promote the site and commemorate geotourism:

- Sidebar inclusion in the annual Experience Sedona Guide (275,000 quantity).
- National Geographic logo on participants' sites driving to the Geotourism site.
- Finalization of the Destination Marketing and Branding Strategy – Centered on sustainable tourism, river and land conservation, and the unique culture and nature of the region, in close collaboration with the Sedona Verde Valley Tourism Council (SVVTC).
- Develop and help implement an SVVTC Organizational Strategy, Business Plan, and Funding Strategy for ongoing marketing and promotion.
- National Geographic geotourism site content embedded on VisitSedona.com.

ELEVATE THE ARTS:

RED ROCK FANTASY ART PROJECTION



Winter is a historically slow tourism season in Sedona. In an effort to mitigate this slump, an extraordinary art show will be projected onto the red rocks December 14-17, 2017. SCC&TB will work with the City of Sedona and the Sedona Arts Center to create a spectacular art show sure to elevate the arts using Sedona's natural landscape as the canvas. The community will have a chance to participate by submitting their children's artwork, projected for all to see.

ART HISTORY VIDEO

The history of Sedona's art community is fascinating. In the mid-1950s, Sedona inspired surrealist icons Max Ernst and Dorothea Tanning (*at right*), along with famed Egyptian sculptor Nassan Gobran. The 1960s saw the formation of the Cowboy Artists of America over beers at the old Oak Creek Tavern. Today's art scene in Sedona is complete with every possible genre and chock full of internationally renowned, established and emerging artists. The SCC&TB sees an opportunity in telling this story through today's most popular medium: video.



ART COLLECTOR STORY



There is a certain cachet in being an art collector. They see things differently. And they certainly view art differently. Art is sometimes an investment, and sometimes a connection to the heart. Each person's reason for collecting art is different. The SCC&TB would like to tell that story through photography, that will then be utilized to illustrate Sedona's illustrious art scene.

ARTS EVENT QUARTERLY BROCHURE

A rack card will promote signature arts and culture-related events, starting with fall 2017: Fall Open Studios, Wine Festival, Oktoberfest, Hummingbird Festival, Sedona Arts Festival and Plein Air Festival.

The brochures will be placed at Sedona hotels, the Official Sedona Chamber of Commerce Visitor Center, the Sedona Arts Center Sedona and in relevant Phoenix locations. The brochures will also be inserted into the Experience Sedona Guide, and a digital version of the brochure will be created and distributed via email.

ART + DINE IN THE EVENINGS PROGRAM

With the Walk Sedona program garnering much success, a version of the printed map is being developed to provide visitors with ideas for how to spend their evenings. This map showcases Sedona galleries and restaurants, highlighting select galleries that are staying open until 8pm on Thursdays, Fridays and Saturdays during peak seasons. These galleries will be highlighted on WalkSedona.com. Art + Dine will be promoted to local concierge, through social media, PR and VisitSedona.com.



ELEVATE WELLNESS:

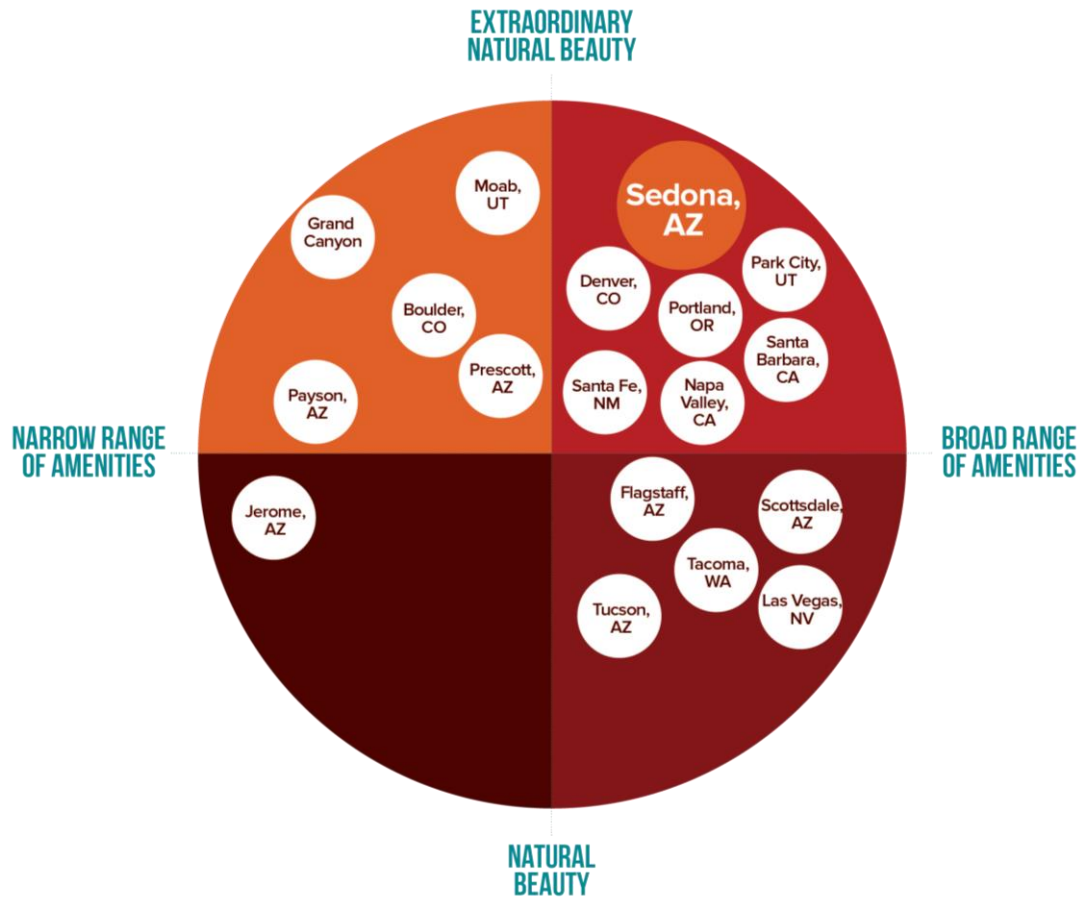
SEDONA WELLNESS STORY

Wellness travel is hotter than ever, and Sedona has owned this position since ancient Native American rituals first took place here. Wellness is one of our brand pillars, and is embraced also by our state office of tourism as illustrated below. With video, we will further tell the story of the Wellness mecca that is Sedona.



COMPETITIVE SET

To determine Sedona’s position, it is important to first identify its uniqueness and differentiation from the competition and its value to the customer. In doing this, Sedona is set apart from other destinations that are vying for the business of the same traveler/target audience. The perceptual map below ranks competitors by “Unique Natural Beauty” and “Broad Range of Amenities.” Following is a visual representation of each destination’s offerings as established by their reputation and public knowledge.



The Competitive Destinations noted above fall into two categories:

- Those destinations that have unique natural beauty that appeals to the outdoor enthusiast, such as Moab and the Grand Canyon.
- Those destinations that have a broad range of amenities and activities, from luxury to rustic, such as Napa Valley/Sonoma and Santa Barbara.

TARGET AUDIENCES

GEOGRAPHIC

Traditionally, most of the SCC&TB's marketing dollars have been allocated to Phoenix, which is the largest feeder market for Sedona. Tucson and Pima County have a population of over one million residents. Given the size of this population base, the alignment with our target visitor profiles, and the distance between Tucson and Sedona, Tucson is also a prime target. New to Sedona in FY18 is the addition of Chicago as a designated geo-market which will ensure more overnight business.

Geo Targets for Marketing

1. Residents of:
 - a. Phoenix/Maricopa county, AZ
 - b. Tucson, AZ
 - c. Chicago, IL
2. Visitors to Arizona
3. Visitors to the Grand Canyon



Geo Targets for Sales and Public Relations

Domestic – Arizona, California, Texas, New York, Illinois, Florida

International – Canada, United Kingdom, Japan, Germany, and other markets identified by the Arizona Office of Tourism

DEMOGRAPHIC

Age 35-54 (Generation X) as primary;
Age 55+ (Baby Boomers) as secondary

Annual Household Incomes \$150,000+

Families, couples, and groups of friends

College-educated



INCOME: Upscale
(FULL LEAD SET: UPPER-MIDDLE CLASS)



EDUCATION: College Graduate +



EMPLOYMENT: Management
(FULL LEAD SET: WHITE COLLAR MIX)

PRIZM Database Analysis 2016

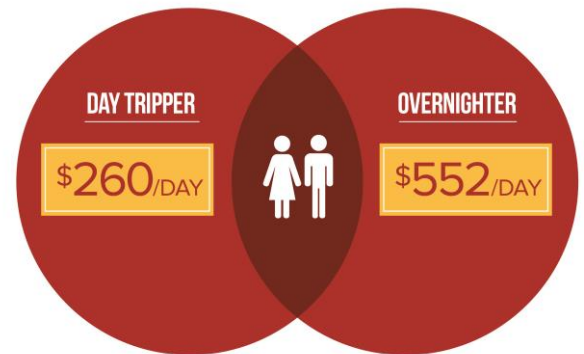
PSYCHOGRAPHIC

Psychographics is defined as the study of consumer personalities, values, opinions, attitudes, interests and lifestyles. The SCC&TB will target consumers with the following psychographic traits:


- Inclination to take 3+ overnight leisure trips per year
- Values arts and enjoys cultural activities - art collecting, shopping, dining
- Wellness interests – growth in personal, cultural, creativity
- Nature lovers – appreciation of scenic and outdoor destinations
- Active – hikers, bikers, runners
- Travelers looking for unique experiences and “down-time”

VISITOR SPENDING BEHAVIOR

Research indicates that overnight guest spending has increased - from \$500/day in 2015 to \$552/day in 2016 - indicating that the SCC&TB’s intent to attract a more affluent audience is working. We will continue to concentrate our attention on inviting those consumers who are more prone to overnight stays while also encouraging day-trippers to stay longer. *2016 Sedona Online Visitor Survey, BRC*



VISITOR PERCEPTION

98% of visitors believe that Sedona is an excellent (68%) or good (30%) place to visit compared to other options 

2016 Sedona Intercept Study, BRC

THE BRAND

It is important to call upon the beauty of Sedona to act as the leading star of the brand. The brand aesthetic, feel, and voice will have a consistent application across all touch points. We will also continue to promote our three brand pillars – arts & culture, wellness and outdoor adventure – where we have the opportunity to elaborate on those offerings (VisitSedona.com, eNewsletters, the Experience Sedona Visitor Guide) and where we have chosen to use hyper-targeted advertising channels.



We will continue to live, breathe and communicate the brand across all departments. All assets the SCC&TB uses will continue to align under our unique position, along with the Sedona essence, promise and tagline as noted below.

Position: Sedona offers unique beauty combined with broad amenities that cannot be found anywhere else in the world.

Brand Essence: Peace, Love, Life

Brand Promise: Sedona will change you.

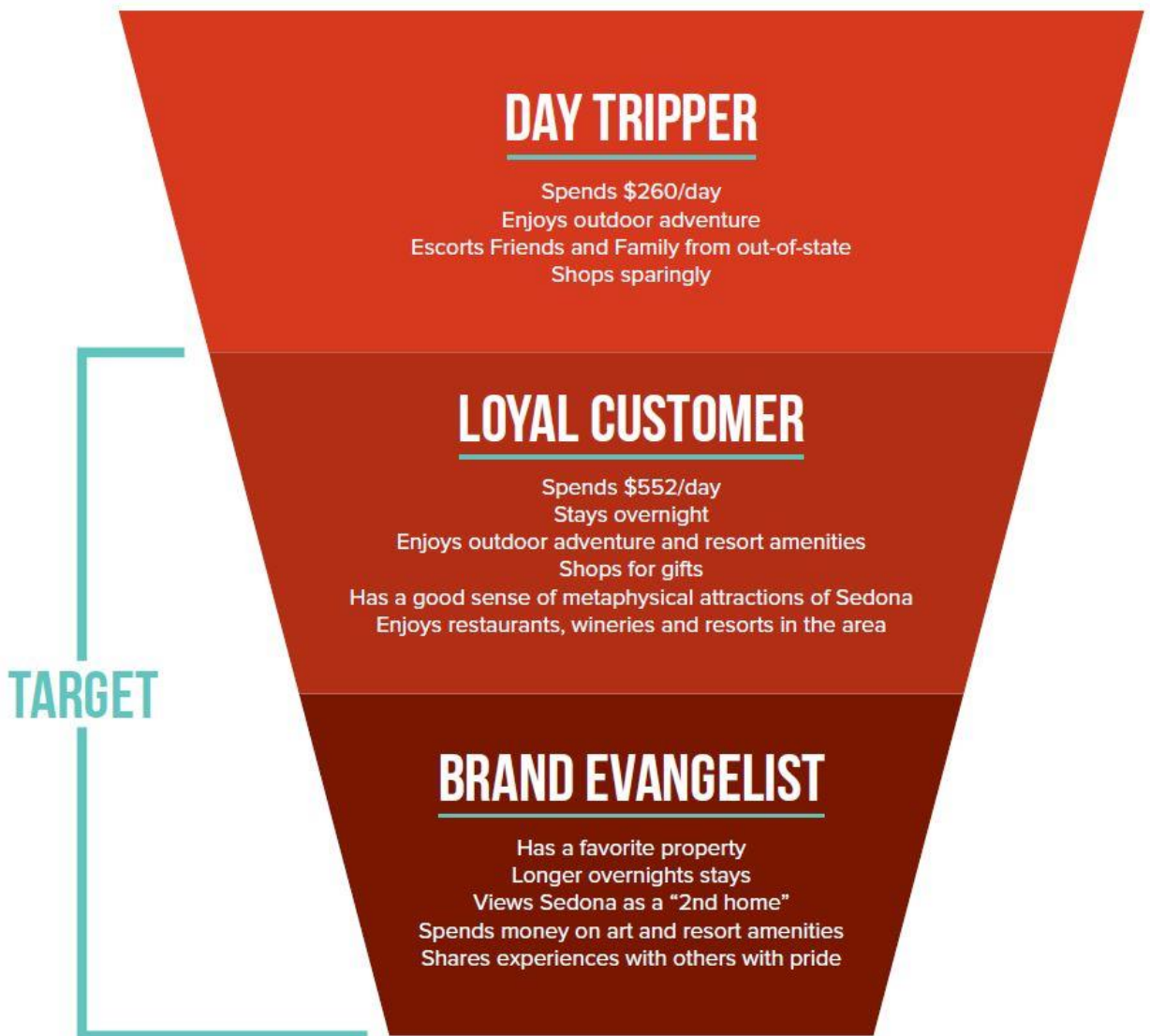
Tagline: “The Most Beautiful Place on Earth”

CREATING BRAND EVANGELISTS

Consumers want to buy products from businesses they can trust, and often turn to their friends for recommendations. When someone recommends a product they like, they are acting as a “brand evangelist”.

Loyal Customers and Brand Evangelists create word-of-mouth referrals, and it is the SCC&TB’s job to be a catalyst for that conversation by way of marketing, sales and communications.

We aim to move visitors through the consumer loyalty journey - from Day Tripper, to Loyal Customer, to Brand Evangelist - in order to increase our repeat visitation rate (currently 40%) and to attract a quality visitor who will endorse Sedona and act as another extension of our marketing efforts.



MARKETING

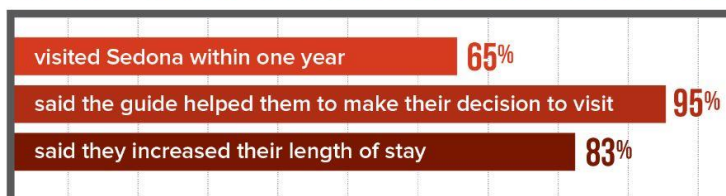
ONLINE CHANNELS

We will continue to focus on digital platforms over the next year, particularly given the significant website enhancements currently being made to VisitSedona.com, which plays a key role in consumer education and acquisition. We regularly strive to drive highly qualified referrals to hotel partners and to work closely with properties to understand conversion and optimization.

To most effectively engage, educate, inspire and elevate customers, online channels will be aligned to seamlessly move customers through the travel decision-making process. The goal is to increase engagement levels and create measurable interaction by providing an energizing experience. This will reinforce the attributes of the Sedona brand and build long-term relationships with our customers.

VISITOR INQUIRIES

VISITORS WHO RECEIVED AN EXPERIENCE SEDONA VISITOR GUIDE



All marketing and promotion drives to our official tourism website – VisitSedona.com. On this site, we heavily promote our annual Experience Sedona Visitor Guide, which we produce 275,000 of each year.

This is a 25,000 increase in quantity from the previous year due to popular demand. Research indicates that the annual guide positively impacts travelers.

WACVB Conversion Study 2014, Destination Analysts

This valuable visitor guide can be ordered on VisitSedona.com or by phone. It is distributed throughout the state of Arizona to visitor centers, concierge desks, and the Phoenix, Mesa and Tucson airports. The guide is downloadable online and is also utilized by tour

operators, the media and travel agents. A new conversion study is in progress. This study will inform us of the effectiveness of the guide in bringing visitors to Sedona (conversion) and in increasing length of stay. *Virtual Paper 2016, Madden Media*

ONLINE VISITOR GUIDE

NEARLY **3.1 million** page views

FY18 MARKETING FOCUS AREAS

ELEVATING THE ARTS & WELLNESS

The SCC&TB regularly promotes Arts & Culture and Wellness as two of the three Sedona brand pillars. Our renowned arts community and wellness destination is celebrated and regularly marketed via:

- Monthly eNewsletters to 80,000+ opted-in active subscribers
- Feature-length articles in the Experience Sedona Visitors Guide (275,000 printed and over 3 million page views of online version per year)
- Targeted content on the VisitSedona.com website (over 1.3 million users/year)
- Arts-branded signage throughout the official Visitor Center in Uptown (over 300,000 walk-in visitors per year)
- Arizona Office of Tourism eNewsletters
- Targeted content marketing
- Dedicated arts and wellness digital advertising campaigns **new in FY18**
- In-room TV commercial for the Sedona Gallery Association **new in FY18**
- Wellness-specific integrated advertising campaign in January and February
- Support of Illuminate Film Festival, Yoga Festival, VegFest
- Weekly arts-related social media posts
- Public relations, which helps build Sedona’s reputation and encourages word-of-mouth referrals to the destination
- Tourism product development efforts, such as the Walk Sedona/Gallery Art Walk Program; Red Rock Fantasy Art Projection; Art History Video; the Art Collector Story photoshoot; the Arts Events Quarterly Brochure; the Art + Dine in the Evenings Program; and, the Sedona Wellness Story photoshoot (see Tourism Product Development section, pages 28 - 29). **new in FY18**



SEASONAL MARKETING

SUMMER CAMPAIGN: JUNE - AUGUST

Objective: Increase visitation during the summer need season by targeting households from Sedona's primary geographic markets.

Strategy: Drive summer business by implementing a campaign that communicates Sedona's stunning natural attributes and cool climate in markets that need to escape the heat (Phoenix and Tucson). Supporting content will convey all there is to do during a Sedona summer excursion, thus encouraging the need to stay multiple days.

Tactics:

1. Utilize the following types of mediums to develop fully-integrated campaigns that provide multiple touchpoints, ensuring top-of-mind brand awareness: Digital, print, TV, Out of Home, content marketing, and social media (video and static creative) including a social media influencer component.
2. Target Phoenix metro area residents, with an additional focus on staying overnight. Retargeted display ads will connect the consumer to the newly-launched Sedona's Secret 7 campaign. Unique URL: CoolSedona.com
3. Create greater brand presence in Tucson, where residents will stay longer and spend more (due to distance). Unique URL: CoolOffInSedona.com
4. A distinction of target market demos will assist in impacting August business when schools are back in session. Mid-June - July 31: Ages 35-54, Family Travel.
August 1 - August 31: Ages 35-54 couples only; Ages 55+ couples only.



GRAND CANYON CAMPAIGN: JUNE - AUGUST

Objective: Increase visitation during summer need season by garnering share of Grand Canyon visitors.

Strategy: Enhance summer business by employing a “Basecamp” approach for Grand Canyon visitors - Stay in Sedona, and day-trip to the Grand Canyon.

Tactics: Target visitors (and potential visitors) to the Grand Canyon via digital display advertising, email blasts, targeted Grand Canyon/National parks publications, public relations and social media, and a pay-per-click campaign which allows us to serve Sedona ads to those who are searching for Grand Canyon terms online.



WINTER CAMPAIGN: NOVEMBER – FEBRUARY

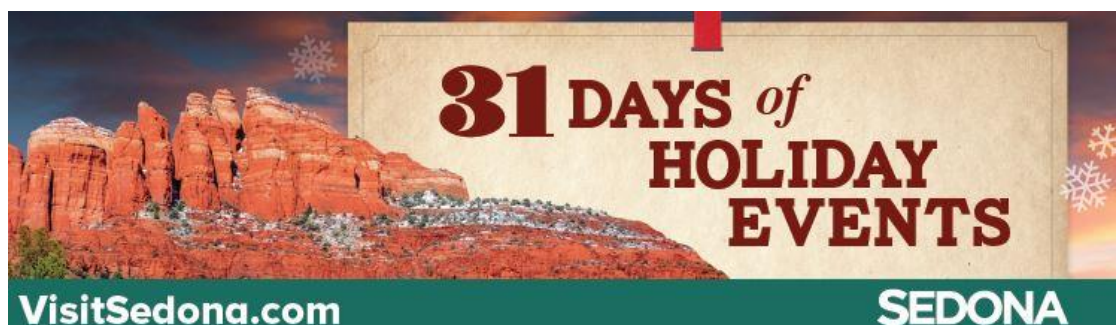
Objective: Enhance visitation during the winter need season by targeting households from Sedona’s primary geographic markets. Through this seasonal marketing, we will also reach attendees of major events in the Phoenix area such as the Fiesta Bowl, Barrett Jackson and the Scottsdale Arabian Horse Show.

Strategy: Enhance winter business by marketing Sedona as a getaway that features

1. Extraordinary seasonal events and activities in November and December that will create memories to last a lifetime.
2. Unique, world-renowned wellness offerings (art as healing/inspiration, personal enrichment, spiritual and metaphysical) in January and February that will inspire visitors for the New Year.

Tactics:

1. Utilize the following types of mediums to develop fully-integrated campaigns that provide multiple touchpoints, ensuring top-of-mind brand awareness: Digital, print, TV, Out of Home, content marketing, and social media (video and static creative) including a social media influencer component.
2. Target Phoenix metro area residents, with an additional focus on staying overnight. Unique URL: TBD
3. Introduce Sedona to Chicago residents with the Most Beautiful Place on Earth brand message, leveraging advertising tactics and messaging that will piggy-back on AOT’s efforts in this market.



FY18 PERFORMANCE STANDARDS: MARKETING

Generate no less than a total of
 **90,000**
inquiries
from targeted customers

Generate **\$200,000**
 in partnership
cooperative
revenue

Generate
70 million
paid impressions
  for Sedona  

Generate a minimum of
1,300,000
unique visitors to



PUBLIC RELATIONS

SOCIAL MEDIA

The growing form of digital communication plays an increasingly important role in communicating to the local market and for marketing a destination. The SCC&TB has made great strides in incorporating social media into our communications efforts. We recognize room for further growth over the next three years in the areas of extending social channel awareness and increasing customer engagement. Social media allows us to engage in order to create more brand evangelists.

We will utilize messaging to support campaign efforts and will continue to measure and optimize through best practices. We are prepared to meet the challenges of this medium through our work with key outlets such as Facebook, TripAdvisor, Twitter and Instagram with strategies developed by medium to address each unique audience of that medium.

Destination partners also play an enormous role in our overall ability to engage and deliver value to our consumers. For this reason, emphasis will be to further integrate social media efforts with our partners. Additionally, posts that are relevant to Sedona's various industries will be continue to be scheduled on a regular basis:

Monday:	Arts/Culture
Tuesday:	Call to action / Live streaming
Wednesday:	Wellness
Thursday:	Events / Live streaming
Friday:	Adventure

The SCC&TB will aggressively utilize social media and video to enhance brand awareness and integrate into all communications efforts. Following are our primary outlets and their fan base to date:



*As of April 2017

COMMUNICATIONS

Compelling media reports build Sedona’s reputation as a lively destination. That allows us to provide more in-depth information to educate our audiences, which, in turn, helps to convert interest into action, inspiring them to live, work and travel to the destination. This important work is overseen by a fully integrated public relations program, which targets regional, national and international markets. The SCC&TB then works closely with its partners and to highlight Sedona amenities and attractions.

Through local publicity efforts, experiential event marketing and in-market activity, public relations efforts garner immediate attention, illustrating and supporting Sedona as the world’s most desirable destination for leisure and business travel. Making customers aware of a special promotions and events drives them to the Sedona website for more information.

Public relations initiatives also rely on the tourism community, special event producers and strategic partners in order to generate additional content, product and interest.

Monthly Press Releases

Using our Public Relations Program of Work, we use monthly themes to create an informational press release full of unique story ideas. We distribute the press release at the first of the month using Meltwater, a software that allows us to find influencers, build awareness, share brand news through press releases, and track coverage through traditional and social media outlets. We distribute the press release to an average of 500 targeted, hand-selected media professionals.

Monthly Media Round-Up

Using our Public Relations Program of Work, we use monthly themes to create an informational e-newsletter, promoting our key niches, events, story ideas, “new news”, story ideas and important newsworthy items. We distribute the e-newsletter through Constant Contact the first week of every month to a growing email list of over 3,000 domestic and international media in which a relationship has been established, either by a press or FAM trip, a media event or through on-going communications. The average open rate is 23%.

Monthly Individual Pitches

Using a layered approach that includes the monthly news releases and media round-ups, we will also begin to initiate specific one-on-one story outreach by pitching targeted high-value media.

MEDIA MARKETPLACES

The SCC&TB will continue to pitch Sedona to highly targeted publications and travel outlets. The themed approach is identified in the FY18 Public Relations Program of Work (See Appendix F).

We will continue to develop our media relations efforts through one-on-one direct sales efforts to qualified travel journalists, editors, guidebook authors, influencers, and radio and TV producers by participating in the following Arizona Office of Tourism and Phoenix media marketplaces:

- Arizona Media Marketplace Tucson (November with Travel Classics West)
- Chicago Media Events (December with Phoenix CVB)
- New York City Media Marketplace (January with AOT)
- U.S. Travel Association’s IPW, Media Marketplace (June)

EVENT PROMOTION

Sedona is home to many world-class special events and festivals and they will continue to play a significant role in the marketing of our destination over the next year. These events drive incremental visitors to the destination and help brand Sedona as a unique and premier destination.



The SCC&TB and the Sedona Event Alliance (SEA) have teamed together to identify the needs of the event community and to identify opportunities to promote and facilitate events in Sedona. These entities work closely together to identify and support events that enhance the brand, generate significant economic impact, drive incremental room nights and garner millions of dollars in earned media directed at our target consumers. The SCC&TB will also utilize sponsorship elements such as additional marketing, social media promotion, public relations, and business-to-business sales tools to assist these event promoters.

Event Sponsorships

The SCC&TB will offer annual or “signature” events additional exposure and coverage before their event date on our websites, social media, e-newsletters, visitor center signage and more. In return, the SCC&TB will be an event sponsor coming in the form of in-kind products and services offered. We plan to sponsor a minimum of 12 annual events annually, garnering a better partnership with event producers and the Sedona Events Alliance. One of the many benefits of a sponsorship is a calendar listing on TripAdvisor.

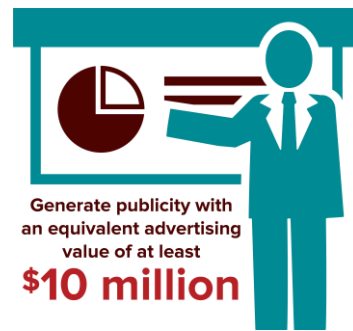
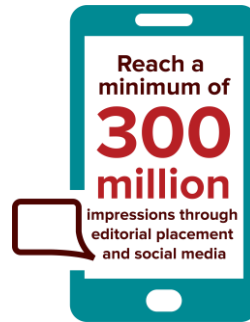
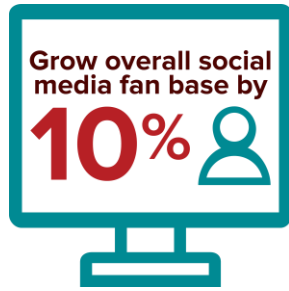
FY18 Sponsorships will go to well-established annual events such as:

- The Great Sedona Chili Cook-off
- 1st Fridays in the Galleries
- Sedona Mountain Bike Festival
- Sedona Yoga Festival
- International Film Festival
- Red Rocks Oktoberfest
- Sedona WineFest
- Illuminate Film Festival
- PALET Plein Air Legacy Event
- 12x12 Project
- Winter Music Festival
- Sedona Stumble 5 Mile Run
- A Taste of Provence Voila Tour
- Community Campout
- Dogs Day Out
- Celebration of Spring
- 4th of July at the Pool
- Sedona Arts Festival
- Fiesta del Tlaquepaque
- Dia de los Muertos
- Cinco de Mayo
- Sedona Open Studios Tour
- Red Rocks Music Festival
- VegFest
- Sedona Marathon Event
- Food Truck Festival
- Hummingbird Festival

Event Calendar

The SCC&TB will continue to provide a robust, one-stop Sedona Event portal that is used by residents and visitors alike. We will maintain and assist event producers in submitting to the online calendar to provide state-of-the-art responsive calendar technology that allows users to sort and find events easily. This calendar will continue to captivate users with photos and videos.

FY 18 PERFORMANCE STANDARDS: PUBLIC RELATIONS



GROUP/MEETING SALES

The economic impact of group events, such as incentive programs, business meetings, retreats, non-business conferences and the weddings market are extremely important for Sedona. The SCC&TB has built a strong foundation to proactively promote Sedona and to position it as a premier destination for small meetings.

The SCC&TB Sales Department is the one-stop destination expert that connects meeting & event planners with Sedona businesses. It provides professional local expertise to meeting industry professionals and assists them in finding the right fit for any size meeting.

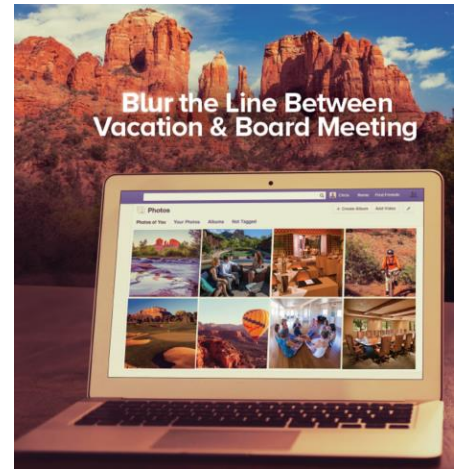
According to the 2017 American Express Meetings & Events Forecast, meeting planners are increasingly looking beyond the traditional property choices in large cities to more unique hotels that can offer a new experience to attendees. A growing trend towards properties in smaller cities will continue to increase due to the rise in adding activities. Unique location and property choices are part of achieving meeting goals. Healthy lifestyle and wellness are hot trends in the hospitality industry. Business travelers are increasingly concerned with staying healthy and fit while traveling. The luxury meetings market is another great source of growth for incentive programs. Many of these forecasted trends are parallel with Sedona's Unique Selling Propositions (page 14), which indicate that Sedona has strong potential in growth of market share in the meetings and events market.

Growth during Sedona's need periods is critical for future meeting, incentive and group sales activities. This includes: lead generation growth, conversion growth, groups' attendance growth and an increase in occupancy for Sedona's lodging partners. The SCC&TB will pursue markets that have yielded consistent results along with new opportunities to increase group bookings with a specific focus on increasing business in the summer and winter months and mid-week.

The SCC&TB continues to develop strong relationships with meeting and event planning professionals through various outreach programs that will result in increased group business when Sedona businesses need business. There will be an emphasis in key geographical markets such as Phoenix and Southern California.

In an increasingly competitive market to attract group business, the-SCC&TB will introduce new and creative programs to motivate meeting industry professionals to book their events in Sedona.

SCC&TB's meeting sales efforts will focus on the following markets:



CORPORATE MEETINGS

Corporate Meeting Planners working at large organizations and plan meetings, training seminars, sales events, executive board meetings, teambuilding activities and incentive trips for their employees. From start to finish, they manage every aspect of the meeting. Typically, this market segment has some flexibility with their timing and hold their events mid-week.

ASSOCIATION MEETINGS

Associations focus their events on the interests of their members. In addition to major conventions, they often plan board meetings, training/educational seminars, and local chapter meetings. Their events are best attended when held Tuesdays through Thursdays and during off-peak season for value rates.

THIRD-PARTY PLANNERS

Although the services offered by third-party planners can vary greatly, third parties work with meeting and event planners at all types of organizations to help them implement and manage their events. Services from third-party providers range from site selection to full service meeting management. Their core competency is to source lodging properties for their clients.

DIRECT SALES: TRADE SHOWS & SALES MISSIONS

Industry trade shows give the SCC&TB the opportunity to make new connections, maintain relationships with existing clients, and promote Sedona in either an appointment setting or trade show setting.

The Sales Department staff plans to attend the following trade shows and conduct sales missions.

- IMEX America – Target international & domestic markets for corporate & incentive programs
- Destination Arizona – Target Arizona based meeting professionals
- Luxury Meetings Summit – Target Corporate, Independent or Association planners with a booking history and desire to bring group meeting business to luxury hotels
- Sales Missions to Phoenix and Southern California – Target meeting industry professionals, associations and corporate businesses

The SCC&TB will utilize the following meeting industry resources to effectively prospect and reach out to qualified meeting professionals.

- HelmsBriscoe Partner Program – HelmsBriscoe is one of the largest third party organizations that had its banner year in 2016 with \$1.2 billion in room revenue and 6 million room-night bookings. Associates and Senior Leaders are influencers for their clients and will be targeted through HelmsBriscoe’s marketing programs - on their website and newsletters, in-person presentations to regional teams, and at educational events
- empowerMINT database– Developed by Destination Marketing Association International, empowerMINT database acts as an essential online catalogue used by

DMOs to connect with quality planners by matching their past meeting locations, meeting preferences, etc with our destination. Access to this data allows the SCC&TB to identify meeting planners who might be interested in holding their future events in Sedona.

- Visit Phoenix Convention Calendar – The SCC&TB will reach out to meeting planners who booked meetings and events in the Greater Phoenix area including the Phoenix Convention Center to bring Sedona to the top of their minds for their future small meetings, or to include Sedona as part of a pre/post activity for their attendees.

CLIENT SERVICES

Client services are an essential component of our sales efforts. As destination experts, we assist decision makers in making informed decisions when booking group business in Sedona, helping them to create the best itinerary to suit their client’s and attendee’s needs.

FAMILIARIZATION (FAM) TOURS & SITE INSPECTIONS

One of the key programs for SCC&TB will be to conduct FAM tours and site visits for meeting industry professionals and clients. These tours are excellent ways to showcase Sedona as an exciting destination and to help increase the planner’s destination knowledge. Because nothing sells the destination better than experiencing Sedona, SCC&TB will conduct invitation-only FAM tours to bring key clients to meet with our partners and to view Sedona’s amenities.

SEDONA DESTINATION EVENT PLANNER GUIDE

The Destination Event Planner Guide is a comprehensive reference guide written especially for meeting professionals. This guide contains information about SCC&TB services, hotel meeting facilities, accommodations, dining, transportation and event services. The online version is available on MySedonaMeetings.com.

COMMUNICATIONS

The sales team will produce and distribute a quarterly e-Newsletter to more than 2,500 meeting & event planners. Each issue covers updates on Sedona and features local businesses to help planners stay informed.

Ongoing enhancements will be made to pages that are specifically designed for meeting industry professionals on MySedonaMeeting.com located on SCC&TB’s official website – VisitSedona.com.

MEETING PROFESSIONAL INCENTIVE PROGRAM

To attract new group business, new incentive programs will be designed in the form of a rebate, providing financial assistance to off-set meeting/group costs, or value added services. In promoting this program and to meet eligibility requirements, clear and measurable guidelines will be defined such as group size and number of room nights.

FY 18 PERFORMANCE STANDARDS: GROUP/MEETING SALES

Generate leads for 20,000 Room Nights = **\$3.5 million** in room bookings
\$14 million in Total Economic Impact and
\$400,000 in Taxes



Identify & Meet with a Minimum of **300 Professional Meeting Planners** w/ demonstrated propensity for mid week, off-season business



Generate **15,000 page views** for Meetings & Sales web pages on VisitSedona.com

Conduct customized FAM Tours for

 **35** pre-qualified meeting planners

TRAVEL TRADE INDUSTRY SALES

The SCC&TB travel trade industry sales efforts focus on a direct economic impact to the community through programs offered by national and international tour operators.

The SCC&TB Sales Department provides destination sales and marketing services to travel trade industry professionals. The department reaches out to travel trade professionals of various segments including wholesale tour operators, receptive tour operators, travel agents, and online travel agents in the travel distribution system to gain inclusion in their travel itineraries/programs. Working with partners and other travel industry stakeholders is critical for marketing the Sedona area as a premier leisure travel destination, both domestically and internationally.

The United States welcomed 77.5 million international visitors in 2015, a three percent increase over 2014. In 2015, the top inbound markets continued to be Canada (-10% vs 2014) and Mexico (+8%). The United Kingdom (+18%), Japan (+4%), and China (+18%) rounded out the top five in-bound markets. The international markets are important to Sedona's tourism industry as these visitors tend to travel during Sedona's slower tourism seasons (summer and winter). Exchange rates also affect international markets and favorable exchange rates can make traveling to the U.S. a bargain for foreigners during Sedona's need periods. It is with this in mind, that the SCC&TB targets international F.I.T. (foreign/free independent travelers), group tours, and incentive groups through travel trade sales and marketing efforts.

As SCC&TB's consumer marketing efforts are heavily focused on domestic markets, it is also important for SCC&TB to work with domestic tour operators and travel agents so that they can deliver tour products to those who are responding to SCC&TB's marketing efforts.

The SCC&TB travel trade outreach programs include trade shows, sales missions, familiarization tours, and other awareness programs for travel trade industry professionals to capture individual travel and group tour business to Sedona from its targeted markets. Through these programs, the SCC&TB is able to connect directly with international and domestic travel buyers and provide an in-depth look at Sedona experiences. At the same time, by providing destination education to tour operators, travel agents, and other travel buyers, they will continue to acquire the knowledge and information needed to better promote Sedona as a travel destination to their respective clients.



During FY18, the SCC&TB travel trade sales efforts will focus on the following markets:

EUROPEAN MARKET WITH FOCUS ON U.K. AND GERMAN SPEAKING EUROPE

Since 2012, Germany has been the number one European market to bring overnight visits to Arizona with 4.9% growth in 2015 compared to 2014. Germany began to recover strongly in 2014 according to the number of passengers arriving from international markets and Visa data (number of unique VISA cards used by international visitors by market). Switzerland also posted growth of 6.4% in 2014 although there was a slight decline of -0.1% in 2015. The key traveling months from these markets are June through September.

The U.K. continues to be the number one overseas market to the U.S. Industry data of visitors to Arizona present a picture of a moderate recovery in 2015, increasing 0.9% over the prior year for the U.K. market. British Airways offers one daily year-round flight between Phoenix Sky Harbor International and London's Heathrow Airport. Although it is uncertain about 2018, the carrier has announced to offer a second flight three times a week in May and June 2017 to accommodate the summer travel rush, which indicates a stronger recovery.

MOTORCOACH INDUSTRY

The motor coach industry is also an important segment of our tourism industry. According to the American Bus Association Economic Impact Study of 2015 by John Dunham and Associates, Inc., the direct economic impact of the motor coach industry was more than \$1.6 billion to the state of Arizona. It is important that Sedona capture a fair share of this business. United Motorcoach Association states that today's motorcoach has become both fuel efficient and environmentally-sound. On a per passenger basis, a modern motorcoach is among the cleanest modes of transportation in the world. Motorcoaches also reduce the number of cars on the road.



The sustainable aspect of motorcoach travel is especially important for destinations like Sedona and while Sedona tends to be a day trip destination for buses, it is a key component to sales generation for Uptown merchants. At the same time, as most of their passengers are first-time visitors to Sedona, it provides opportunities to funnel motorcoach tour participants through the consumer loyalty journey as described on page 34.

ASIA WITH FOCUS ON JAPAN



Sedona Leads in Japanese Visitor Growth in AZ

Japan has posted five consecutive years of growth in overnight visits to Arizona with a 6.2% increase in 2015. Sedona has been the leading force to bring Japanese visitors to Arizona. Japanese travelers tend to travel in Sedona's need months, July to August and December to January. The SCC&TB will focus on F.I.T. (Foreign/Free Independent/Individual Travelers) including Fly & Drive and package programs, group tour series and incentive programs.

INDUSTRY TRADE SHOWS

Industry trade shows give the SCC&TB the opportunity to make new contacts, strengthen relationships with existing clients, and promote Sedona to a large number of people in one place at one time. At these industry trade shows, we have appointments with our targeted markets of Canada, United Kingdom, Japan, Germany, and other markets identified by the Arizona Office of Tourism.

The Travel Industry Sales Department plans to attend the following trade shows. It is important to note that this list may change as market conditions dictate.

- NTA Travel Exchange: Target - domestic motor coach operators
- Go West Summit: Target - international, receptive & domestic operators
- World Travel Market: Target - international operators
- ITB: Target - international operators
- U.S. Travel Association's IPW: Target - international, receptive & domestic operators

SALES MISSIONS/PRODUCT TRAINING & SEMINARS

Sales missions allow the SCC&TB to directly contact travel trade industry professionals. Sales missions may include product trainings and seminars. They can also be conducted in partnership with other destination marketing organizations in Arizona to take a regional approach to encourage clients to utilize Arizona and regional facilities, including Phoenix Sky Harbor International Airport and Flagstaff Pulliam Airport. The Travel Industry Sales Department plans to conduct following sales trips/missions. It is important to note that this list may change as market conditions dictate.

- Los Angeles: Target – receptive tour operators, travel agents
- Japan: Target – wholesale tour operators (in partnership with Regional DMOs)

FAMILIARIZATION (FAM) TOURS

FAM tours are an excellent way to showcase products in the destination. The SCC&TB will coordinate site inspections for motor coach, travel agent and group tour clients, receptive operators and international tour operators. SCC&TB will also participate in cooperative FAM tours with statewide partners, as opportunities arise.

COOPERATIVE SALES & MARKETING EFFORTS

SCC&TB travel trade sales may participate in cooperative sales and marketing opportunities provided by national and international tour operators. Opportunities will be evaluated with SCC&TB marketing department to maximize bookings during Sedona's need periods.

ITINERARY SUPPORT & CLIENT SERVICES

The SCC&TB will assist travel trade professionals to develop itineraries, featuring detailed information regarding attractions, timing of travel, dining and accommodation options. These itineraries will sell the many attributes of Sedona in order to best present the destination to their clients. This will also allow us to showcase Sedona's Unique Selling Propositions previously identified in the plan (page 14) and integrate branding and sales efforts. Quality customer service is critical to our success. The SCC&TB ensures repeat business by providing planning support, sales support materials and other services to clients who are designing tours and packages that include Sedona.

COMMUNICATIONS

The SCC&TB will produce quarterly e-Newsletters which include recent Sedona accolades, new lodging properties and attractions, renovations, upcoming events, and promotions of interest to tour operators, travel agents and motor coach operators. The e-Newsletter is distributed to more than 3,000 travel trade professionals with an average open rate of 30%. The SCC&TB will also participate in quarterly Canadian Travel Trade e-Newsletter distribution opportunities provided by the Arizona Office of Tourism.

The sales team will continually enhance webpages that are specifically designed for travel trade industry professionals on SCC&TB's official website - VisitSedona.com.

TOURISM PARTNER RELATIONSHIPS

SCC&TB works closely with its tourism partners to better promote their business to travel trade industry professionals. Its strong partnership with local tourism businesses will allow the SCC&TB to reach its goals.

FY18 PERFORMANCE STANDARDS: TRAVEL INDUSTRY SALES

Generate 50
domestic and
international
hotel and service request leads



Produce 850
service request
referrals
for Sedona tourism partners



Conduct 20
customized
FAM Tours
for pre-qualified national & international
travel trade industry professionals



Generate 6,000
page views
for travel trade web pages
on VisitSedona.com



Meet with a minimum of
400 travel trade
industry professionals
at tradeshow and sales missions

VISITOR SERVICES

The SCC&TB serves potential visitors, in-market visitors and residents. The Visitor Center staff and volunteers serve as destination experts – greeting guests and offering insights into Sedona’s depth and breadth of amenities to ensure a memorable visit – and to encourage increased spending and length of stay. The role of the Visitor Center is vital to helping manage the footprint of Sedona’s 2.8 million visitors per year, and strives to provide the best visitor experience to ensure that visitors spend more time and dollars in our destination while leaving minimal environmental impacts.

The strength of any product or service is only as strong as its brand. In the case of Sedona, we grow the Sedona brand through our marketing, sales and public relations efforts, live the brand through our people and partners, and house the brand at our Visitor Center. Step through the doors of our Visitor Center, and each person you encounter embraces the fact that Sedona is The Most Beautiful Place on Earth. In FY18, we will develop additional ways to bring the brand to life as illustrated by the following examples:



- New 3D multi-colored Sedona & Verde Valley visitor maps that will be utilized to assist visitors in the areas of Sedona & the Verde Valley.
- New digital memo board which will display weather forecasts; increase brand recognition with images and videos; and, promote partner businesses and services.
- New Sedona map signage to be installed on the side window at the Visitor Center.

Trained Volunteer Core

The Visitor Center is successful in large part because of the volunteers who are continually trained and educated to best serve Sedona’s visitors. Our partners educate our volunteers and staff by conducting Familiarization (FAM) tours to help our team become more aware of the business services available in the area.

Volunteer Newsletters

A volunteer newsletter is emailed weekly to inform the volunteers of information they need to properly assist visitors. Newsletter topics include road construction updates; prescribed burns being conducted in the area; local events; ribbon cuttings and volunteer FAM tours; chamber events; partner news; and, a list of new and dropped partners.

New this year, the SCC&TB will be implementing three Front-liner Tradeshows for all volunteers at the Visitor Center and all front-line associates in Sedona who interact with visitors. Each tradeshow will be themed according to one of our three brand pillars - Wellness, Outdoor Adventure and Arts & Culture. Businesses will be invited who fit into each one of those themes.

Sustainability

The visitor center staff and volunteers will be trained to incorporate sustainability efforts in their interactions. This will include efforts to decrease trailhead conflicts by recognizing trails that are most suitable for hikers, bikers, equestrians and motorized vehicles. We will utilize tools from the Sedona Secret 7 Campaign to disperse visitors to lesser known areas of Sedona in effort to lessen impacts on already highly trafficked trails. We'll work closely with the USFS to design promotional materials that reinforce the Leave No Trace message and educate visitors on trail etiquette and trail safety.



WalkSedona.com



The visitor center staff and volunteers will be trained to incorporate the self-guided walking stroll through art, history, geology and nature amongst many restaurants, shops and galleries. Brochures are currently available at the Visitor Center and are also accessible on cell phones. The new "Walk Sedona" program encourages visitors who are already in Sedona to experience the city by walking several easy, designated paths. The goal with this program is to help keep visitors

out of their cars in order to mitigate traffic levels and increase exposure to numerous businesses.

Sedona Events

Sedona hosts numerous events year-round that are enjoyed by visitors and residents alike. The visitor center staff and volunteers are trained to utilize the Sedona Events Calendar. Visitors can go to SedonaEvents.com which is a calendar of events that lives on VisitSedona.com, or use the mobile version on their phone or iPad, or we can print off a copy of the calendar for the visitor. The calendar is updated daily with the most current information on upcoming events in the area. We also deliver monthly event flyers to the area concierge to ensure that they are aware of the upcoming activities. Submitting to the online calendar is free and open to all Sedona businesses, residents and organizations.

FY 18 PERFORMANCE STANDARDS: VISITOR SERVICES

Manage the Uptown Visitor Center

7 days &  **59.5** hours

PER WEEK

with professional staff and trained volunteers

Manage and assist
 **9,400**
visitor inquiries
via phone and email

Manage and assist
300,000
walk-in visitors
annually 

Produce and distribute
 **275,000**
Experience Sedona Visitor Guides

CONCLUSIONS & SUMMARY

The Sedona Chamber of Commerce & Tourism Bureau and its partners will continue to play a vital role in Sedona's economy and in the lives of its citizens. We are proud of our partnership with the community and remain committed to achieving sustainable growth that will benefit our entire region and state. Marketing and selling Sedona as the world's most desirable destination for residents, businesses and leisure and business travel is one proven way we can prosper, coupled with the knowledge and know-how to create tourism products that help to balance the potential impacts of our city's industry.

We must continue to cultivate our existing relationships and build new relationships into the future. It is with this in mind that we conduct research in order to understand what our stakeholders need in order to continue to keep our organization relevant; and to determine what consumers and business clients want in order to put Sedona on the top of their list when choosing a destination for relocation or leisure and business travel.

With the knowledge we are able to gain from our stakeholders, residents, customers and potential customers, we will aggressively seek out new and innovative channels to continue to maintain business retention and diversity, and help drive incremental visitation across all audiences. This information will also help us to provide insight to our tourism industry partners for future product and amenity development so that they too may continue to deliver the excellent experience that keeps bringing clients back time and time again.

Ultimately, these efforts will increase overall visitor spending and positively contribute to our city through sales and bed tax collection, thus enhancing the quality of life for residents. These efforts act as a tool for economic development and support the City of Sedona's Community Plan.

The strategies and tactics put in place for FY18 are designed to increase awareness of Sedona as a destination; to build visits at times when tourism business is needed; to balance the needs of our local businesses, residents and visitors; and, to continue the sense of pride in Sedona being one of world's most beautiful destinations.



APPENDIX

- A. Long-Term & Short-Term Goals
- B. Performance Standards
- C. GSTC Destination Sustainability Assessment of Sedona, Executive Summary
- D. Contractual Budget
- E. Product Development FY18
- F. Program of Work

Mission

To serve the community by enhancing economic vitality and to stimulate economic growth by promoting Sedona and providing an exceptional visitor experience.

LONG-TERM TOURISM GOALS

DESTINATION SERVICES

1. To attract, manage and monitor tourism for the benefit of residents, industry and visitors
2. To make visiting Sedona a positive and seamless process
3. To sustain a reasonable balance between tourism and the quality of life in Sedona

SHORT-TERM GOALS FY18

DESTINATION SERVICES

Marketing and Public Relations

1. Increase visitor spending in Sedona with a focus on mid-week, off-peak seasons
2. Reinforce Sedona’s Brand Pillars of Arts/Culture, Wellness, and Outdoor Adventure
3. Utilize audience and industry research to inform decision-making
4. Continue to investigate new and emerging markets and strategies
5. Actively engage in product development efforts to link, enhance and create amenities that enrich the tourism experience, mitigate visitor impacts and contribute to quality of life for residents

Group/Meeting and Travel Trade Industry Sales

1. Position Sedona as the premier destination for small meetings in Arizona
2. Position Sedona as one of the world’s top leisure destinations for national and international travelers through travel trade tour programs

Visitor Services

1. Provide the highest level of customer service at Visitor Center and Call Center
2. Maintain trained, engaged and vibrant volunteer core
3. Develop new training activities for volunteers and staff to be well informed

PERFORMANCE STANDARDS - FY18

DESTINATION SERVICES

Marketing

1. Generate no less than a total of 90,000 inquiries from targeted customers in domestic and international markets
2. Generate a minimum of 1,300,000 unique visitors to VisitSedona.com
3. Generate 70 million overall paid impressions for Sedona
4. Generate \$200,000 in partnership cooperative revenue

Public Relations

1. Generate 3,000 travel articles about Sedona
2. Reach a minimum of 300 million impressions through editorial placement and social media
3. Generate publicity with an equivalent advertising value of at least \$10 million
4. Assist 500 media professionals
5. Grow overall social media fan base by 10%

Group/Meeting Sales

1. Generate leads for 20,000 room nights (generating potential for \$3.5 million in room bookings, \$14 million in total economic impact, and \$400,000 in taxes)
2. Conduct customized Familiarization (FAM) tours for 35 pre-qualified meeting planners
3. Meet with a minimum of 300 professional meeting planners with a demonstrated propensity for mid-week, off-season business
4. Generate 15,000 page views for Meetings and Sales web pages on VisitSedona.com

Travel Trade Industry Sales

1. Generate 50 domestic and international hotel and service request leads
2. Produce 850 service request referrals for Sedona tourism partners
3. Conduct 20 customized Familiarization (FAM) tours for pre-qualified national and international travel trade industry professionals
4. Meet with a minimum of 400 travel trade industry professionals at tradeshow and sales missions
5. Generate 6,000 page views for Travel Trade web pages on VisitSedona.com

Visitor Services

1. Manage the Uptown Visitor Center seven days a week, 59.5 hours per week (excluding two holidays) with professional staff and trained volunteers
2. Manage and assist 300,000 walk-in visitors annually
3. Manage and assist 9,400 visitor inquiries via phone and electronically
4. Produce and distribute 275,000 Experience Sedona Visitor Guides

The GSTC Destinations Program

Executive Summary: Comprehensive Destination Sustainability Assessment of Sedona

The Sedona Chamber of Commerce & Tourism Bureau (“SCC&TB”) recently underwent a comprehensive assessment of its tourism sector to inform strategic initiatives for its sustainable destination management. To conduct the assessment, the SCC&TB engaged the Global Sustainable Tourism Council (“GSTC”), the world’s leading standard-setting body for sustainability of tourism operations and destination development.

The GSTC Assessor conducted an onsite evaluation of Sedona from June 6-10, 2016. The SCC&TB coordinated the GSTC assessment with guidance from the GSTC Assessor. The SCC&TB identified stakeholders for consultation, arranged stakeholder meetings and site visits, and collected policy documents in the areas covered by the GSTC Criteria for analysis. Jennifer Wesselhoff, President/CEO, and Michelle Conway, Director of Marketing served as Destination Liaisons throughout this assessment.

The Assessment included a GSTC Destination Program Introduction Meeting with diverse public and private sector stakeholders responsible for the policy areas covered by the GSTC Criteria. This opening meeting introduced stakeholders to the GSTC, the Criteria for Destinations, and the process and goals of the assessment. The GSTC Assessor, in consultation with the Destination Liaisons, then conducted a review of the policy documents addressing the GSTC Criteria to understand the current policy landscape and identify gaps in the areas of overall governance, economic and investment climate, cultural and heritage protection, and energy and environment. The GSTC Assessor also conducted site visits to ascertain evidence of policy implementation. The GSTC then produced a report outlining the final results of the assessment and recommendations for improvements to bring Sedona tourism development into compliance with best international practice as set forth in the GSTC Criteria and Indicators.

Based on this assessment, it is evident that destination sustainability and balancing tourism growth with conservation of the natural and cultural resources is a priority for both the public and private sectors of the community of Sedona. The assessment identified the following 33 of the 41 criteria being implemented with documentation and evidence of management systems and efforts in place:

- **A2: Destination Management Organization:** The destination has an effective organization, department, group or committee responsible for a coordinated approach to sustainable tourism, with involvement by the private sector and public sector. This group is suited to the size and scale of the destination, and has defined responsibilities, oversight, and implementation capability for the management of environmental, economic, social, and cultural issues. This group’s activities are appropriately funded.

- **A3: Monitoring:** The destination has a system to monitor, publicly report, and respond to environmental, economic, social, cultural, tourism, and human rights issues. The monitoring system is reviewed and evaluated periodically.
- **A4: Tourism Seasonality Management:** The destination dedicates resources to mitigate seasonal variability of tourism where appropriate, working to balance the needs of the local economy, community, cultures and environment, to identify year-round tourism opportunities.
- **A5: Climate Change Adaptation:** The destination has a system to identify risks and opportunities associated with climate change. This system encourages climate change adaptation strategies for development, siting, design, and management of facilities. The system contributes to the sustainability and resilience of the destination and to public education on climate for both residents and tourists.
- **A6: Inventory of tourism assets and attractions:** The destination has an up- to-date, publicly available inventory and assessment of its tourism assets and attractions, including natural and cultural sites.
- **A7: Planning Regulations:** The destination has planning regulations and/or policies that require environmental, economic, and social impact assessment and integrate sustainable land use, design, construction, and demolition. The guidelines, regulations and/or policies are designed to protect natural and cultural resources, were created with local inputs from the public and a thorough review process, and are publicly communicated.
- **A8: Access for All:** Where appropriate, sites and facilities, including those of natural and cultural importance, are accessible to all, including persons with disabilities and others who have specific access requirements. Where such sites and facilities are not immediately accessible, access is afforded through the design and implementation of solutions that take into account both the integrity of the site and such reasonable accommodations for persons with access requirements as can be achieved.
- **A9: Property Acquisitions:** Laws and regulations regarding property acquisitions exist, are enforced, comply with communal and indigenous rights, ensure public consultation, and do not authorize resettlement without prior informed consent and/or reasonable compensation.
- **A10: Visitor Satisfaction:** The destination has a system to monitor and publicly report visitor satisfaction, and, if necessary, to take action to improve visitor satisfaction.
- **A12: Safety and Security:** The destination has a system to monitor, prevent, publicly report, and respond to crime, safety, and health hazards.
- **A13: Crisis and Emergency Management:** The destination has a crisis and emergency response plan that is appropriate to the destination. Key elements are communicated to residents, visitors, and enterprises. The plan establishes procedures and provides resources and training for staff, visitors, and residents, and is updated on a regular basis.
- **A14: Promotion:** Promotion is accurate with regard to the destination and its products, services, and sustainability claims. The promotional messages treat local communities and tourists authentically and respectfully.
- **B1: Economic Monitoring:** The direct and indirect economic contribution of tourism to the destination's economy is monitored and publicly reported at least annually. To the extent feasible, this should include visitor expenditure, revenue per available room, employment and investment data.
- **B2: Local Career Opportunities:** The destination's enterprises provide equal employment, training opportunities, occupational safety, and fair wages for all.

- **B3: Public Participation:** The destination has a system that encourages public participation in destination planning and decision making on an ongoing basis.
- **B5: Local Access:** The destination monitors, protects, and when necessary rehabilitates or restores local community access to natural and cultural sites.
- **B6: Tourism Awareness and Education:** The destination provides regular programs to affected communities to enhance their understanding of the opportunities and challenges of tourism, and the importance of sustainability.
- **B7: Preventing Exploitation:** The destination has laws and established practices to prevent commercial, sexual, or any other form of exploitation and harassment of anyone, particularly of children, adolescents, women, and minorities. The laws and established practices are publicly communicated.
- **B8: Support for Community:** The destination has a system to enable and encourage enterprises, visitors, and the public to contribute to community and sustainability initiatives.
- **B9: Supporting local entrepreneurs and fair trade:** The destination has a system that supports local and small- and medium-sized enterprises, and promotes and develops local sustainable products and fair trade principles that are based on the area's nature and culture. These may include food and beverages, crafts, performance arts, agricultural products, etc.
- **C1: Attraction Protection:** The destination has a policy and system to evaluate, rehabilitate, and conserve natural and cultural sites, including built heritage (historic and archaeological) and rural and urban scenic views.
- **C2: Visitor Management:** The destination has a visitor management system for attraction sites that includes measures to preserve, protect, and enhance natural and cultural assets
- **C3: Visitor Behavior:** The destination has published and provided guidelines for proper visitor behavior at sensitive sites. Such guidelines are designed to minimize adverse impacts on sensitive sites and strengthen positive visitor behaviors.
- **C4: Cultural Heritage Protection:** The destination has laws governing the proper sale, trade, display, or gifting of historical and archaeological artifacts.
- **C5: Site Interpretation:** Accurate interpretive information is provided at natural and cultural sites. The information is culturally appropriate, developed with community collaboration, and communicated in languages pertinent to visitors.
- **C6: Intellectual Property:** The destination has a system to contribute to the protection and preservation of intellectual property rights of communities and individuals.
- **D1: Environmental Risks:** The destination has identified environmental risks and has a system in place to address them.
- **D2: Protection of Sensitive Environments:** The destination has a system to monitor the environmental impact of tourism, conserve habitats, species, and ecosystems, and prevent the introduction of invasive species.
- **D3: Wildlife Protection:** The destination has a system to ensure compliance with local, national, and international laws and standards for the harvest or capture, display, and sale of wildlife (including plants and animals).
- **D8: Water Quality:** The destination has a system to monitor drinking and recreational water quality using quality standards. The monitoring results are publicly available, and the destination has a system to respond in a timely manner to water quality issues.

- **D9: Wastewater:** The destination has clear and enforced guidelines in place for the siting, maintenance and testing of discharge from septic tanks and wastewater treatment systems, and ensures wastes are properly treated and reused or released safely with minimal adverse effects to the local population and the environment.
- **D10: Solid Waste Reduction:** The destination has a system to encourage enterprises to reduce, reuse, and recycle solid waste. Any residual solid waste that is not reused
- or recycled is disposed of safely and sustainably.
- **D11: Light and Noise Pollution:** The destination has guidelines and regulations to minimize light and noise pollution. The destination encourages enterprises to follow
- these guidelines and regulations.

8 of the 41 criteria (as listed below) scored low on the assessment because while policies or initiatives may be in place, there was little evidence of implementation.

- **A1: Sustainable destination strategy:** The destination has established and is implementing a multi-year destination strategy that is publicly available, is suited to its scale, that considers environmental, cultural, quality, health, and safety, and aesthetic issues, and was developed with public participation.
- **A11: Sustainability Standards:** The destination has a system to promote sustainability standards for enterprises consistent with the GSTC Criteria. The destination makes publicly available a list of sustainability certified or verified enterprises.
- **B4: Local Community Opinion:** Local communities' aspirations, concerns, and satisfaction with destination management are regularly monitored, recorded and publicly reported in a timely manner.
- **D4: Greenhouse Gas Emissions:** The destination has a system to encourage enterprises to measure, monitor, minimize, publicly report, and mitigate their greenhouse gas emissions from all aspects of their operation (including emissions from service providers).
- **D5: Energy Conservation:** The destination has a system to encourage enterprises to measure, monitor, reduce, and publicly report energy consumption, and reduce reliance on fossil fuels.
- **D6: Water Management:** The destination has a system to encourage enterprises to measure, monitor, reduce, and publicly report water usage.
- **D7: Water Security:** The destination has a system to monitor its water resources to ensure that use by enterprises is compatible with the water requirements of the destination community.
- **D12: Low-impact Transportation:** The destination has a system to increase the use of low-impact transportation, including public transportation and active transportation (e.g., walking and cycling).

An example is the low participation of the tourism enterprises in either of the two available sustainable certification programs for businesses. If the Sedona Chamber embraced one or both of these programs and promoted it to businesses, residents, and travelers more businesses would have the incentive for participation and thus increase implementation of these criteria.

The main recommendation from the GSTC assessment is for the Sedona Chamber to better coordinate the various organizations involved in destination management to work more collaboratively and ensure the sustainable development, management, and promotion of tourism in Sedona. Currently the destination is one of the world's leaders in implementing sustainable tourism within the destination, however this is for the most part being done with minimal coordination between the various parties involved. By formalizing a partnership around the development and implementation of a sustainable destination strategy, greater coordination and impacts can be achieved with shared efforts and shared responsibilities.

Based on this assessment, it is recommended that the Sedona Chamber focus on the following four criteria in order to enhance the sustainable destination management of their tourism sector going forward:

- **A1: Sustainable Destination Strategy**—The destination has established and is implementing a multi-year destination strategy that is publicly available, is suited to its scale, that considers environmental, economic, social, cultural, quality, health, and safety, and aesthetic issues, and was developed with public participation.
- **A11. Sustainability Standards**—The destination has a system to promote sustainability standards for enterprises consistent with the GSTC Criteria. The destination makes publicly available a list of sustainability certified or verified enterprises.
- **B4: Local Community Opinion**—Local communities' aspirations, concerns, and satisfaction with destination management are regularly monitored, recorded and publicly reported in a timely manner.
- **D.12. Low Impact Transportation**—The destination has a system to increase the use of low-impact transportation, including public transportation and active transportation (e.g., walking and cycling).

For more information on the Global Sustainable Tourism Criteria, please visit <https://www.gstcouncil.org>.

**Fiscal Year 2017 - 2018
Proposed Budget Goals and Assumptions**

The Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) budget is broken down into four departments:

1. Administrative / Operations
2. Chamber of Commerce
3. Tourism (includes Product Development)
4. Visitor Services

Per the contract between the City of Sedona and the SCC&TB, the SCC&TB receives 55% of the bed tax to operate the official Destination Marketing & Management Organization for the City. In FY18, it is estimated that \$3,894,000 will be collected in total bed taxes. 55% equals \$2,141,700, plus the true-up from FY17 (expected to be about \$245,000), equates to a total of \$2,386,700 of the bed tax to be allocated to the SCC&TB in FY18. New in FY18, the City and SCC&TB will exercise the “hold-back” clause which will set aside \$50,000 for the City to execute the parking improvements at 401 Jordan Road. Thus, the payment to the SCC&TB will be \$50,000 less in order for the city to execute this project. Therefore, the total amount of bed tax revenue to the SCC&TB in FY18 will be approximately \$2,336,700.

The breakdown of \$2,336,700 is as follows:

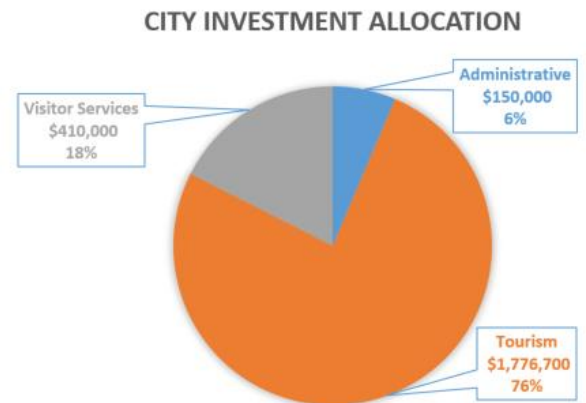
This revenue is split across two departments:

- \$1,776,700 or 76% is allocated to the Tourism Department
- \$410,000 or 18% is allocated to Visitor Services (no increase from FY17)

The breakdown of \$2,336,700 is as follows:

This revenue is split across two departments:

- \$1,776,700 or 76% is allocated to the Tourism Department
- \$410,000 or 18% is allocated to Visitor Services (no increase from FY17)



An additional \$150,000 or 6% is allocated to administration of the programs associated with Tourism, product development and visitor services (no increase from FY17). The administrative fee helps cover costs associated with implementing tourism related programs such as general clerical tasks, administrative tasks, concept development and execution, and specific project management.

85%

In the Tourism department, \$1,506,171 or 85% of the bed tax money is used for programs including marketing, public relations, social media, travel industry sales, group/incentive sales, website maintenance and development, and product development initiatives.

The FY18 budget was developed with the following goals in mind:

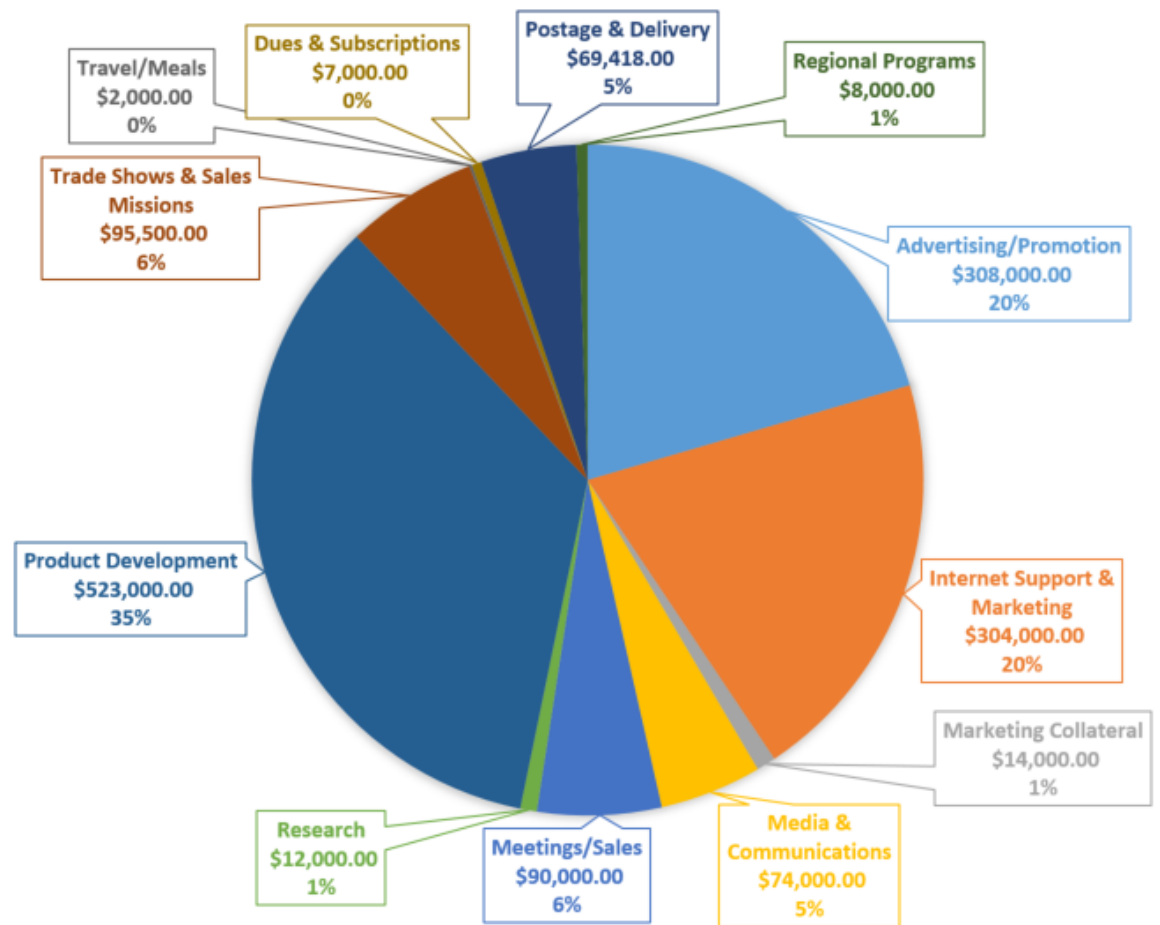
1. Quality over Quantity
 - a. Continuing with a strategic “tap-the-brake” approach with consumer marketing.
 - b. Minor increases in marketing/promotions due to increased costs and increased cost of entering a new geographical market and targeting a higher demographic.
 - c. See full FY18 Marketing & Development Plan for details.
2. Increased sales efforts in travel distribution system: including wholesale tour operators and receptive tour operators to drive longer-stay international visitors who tend to travel during need-periods.
3. Elevated efforts in meeting/corporate sales to increase mid-week corporate and incentive groups.
4. Slight increases in salaries/benefits line item due to several items including:
 - a. Increased health care costs, slight increases in competitive wages, and new regulations in sick pay.
 - i. The SCC&TB also discontinued out-sourcing accounting services (previously budgeted under professional services) and changed this to a full-time employee. Thus, decreasing the professional services (line 42) by 70%, but increased salaries/benefits (line 44) compared to FY17.
 - b. The city pays only a portion of salaries in both the Tourism department and the Visitor Services department (lines 58, 59)
 - i. Approximately \$186,000 is spent on Tourism department salaries and benefits (44% of total)
 - ii. Approximately \$245,000 is spent on Visitor Services department salaries and benefits (75% of total)
 - iii. Public funds do not cover any costs associated with the Chamber of Commerce department.
5. Increased focus on Product Development initiatives
 - a. The product development breakdown is provided on page 5 of this document.
 - b. The FY18 Marketing & Development Plan provides more details on specific projects and goals.
 - c. Priorities for product development initiatives include: Transportation; Sustainability; Arts; Wellness
 - d. In FY18 including all the above projects and payments, the SCC&TB estimates that \$573,000 will be spent in the product development area, approximately 25% of the total bed tax investment.

In the budget below, the highlighted items in yellow illustrate how the city funds are allocated. All the highlighted items on the budget are funded by the investment of bed tax dollars, \$2,336,700.

			<u>Tourism Dept</u>	<u>Visitor Services Dept</u>
1	Ordinary Revenue/Expense			
2	Revenue:			
3	City of Sedona	\$ 1,776,700.00	\$ 410,000.00	
4	Website Advertising/Sponsorships	\$ 125,000.00	\$ -	
5	Co-op Ads/Promotion/Tradeshaw	\$ 60,000.00		
6	Total Membership Revenue			
7	Tourism Bureau Revenue	\$ 70,500.00	\$ 70,500.00	
8	Total Event Revenue		\$ 2,000.00	
9	Total Royalty Revenue	\$ 37,500.00		
10	Total Sales Revenue		\$ 159,000.00	
11	Total Other Revenue	\$ -	\$ 9,000.00	
12	Total Revenue	\$ 2,069,700.00	\$ 650,500.00	
13	Total Cost of Goods Sold	\$ 2,000.00	\$ 126,200.00	
14	Gross Revenue	\$ 2,067,700.00	\$ 524,300.00	
15	Expenses:			
16	Advertising/Marketing:			
17	Advertising/Promotion	\$ 308,000.00	\$ 16,000.00	
18	Internet Support & Marketing	\$ 304,000.00	\$ 30,000.00	
19	Marketing Collateral	\$ 14,000.00	\$ 15,000.00	
20	Media & Communications	\$ 74,000.00	\$ 29,000.00	
21	Meetings/Sales	\$ 90,000.00		
22	Research	\$ 12,000.00	\$ 8,000.00	
23	Product Development	\$ 523,000.00		
24	Trade Shows & Sales Missions	\$ 95,500.00		
25	Travel/Meals	\$ 2,000.00	\$ 1,500.00	
26	Dues & Subscriptions	\$ 7,000.00	\$ 2,200.00	
27	Postage & Delivery	\$ 69,418.00	\$ 9,416.00	
28	Regional Programs	\$ 8,000.00		
29	Storage & Handling	\$ 1,253.00	\$ 4,893.00	
30	Total Advertising/Marketing	\$ 1,508,171.00	\$ 116,009.00	
31	Total Board Expenses	\$ 850.00	\$ 850.00	
32	Building & Grounds Maintenance	\$ 9,000.00	\$ 15,000.00	
33	Commercial Liability Insurance	\$ 1,500.00	\$ 2,000.00	
34	Community Relations	\$ 16,000.00	\$ 2,500.00	
35	Computer/Technology	\$ 9,250.00	\$ 9,250.00	
36	Credit Card/Bank Charges	\$ 3,766.00	\$ 3,966.00	
37	Education & Training	\$ 9,500.00	\$ 6,000.00	
38	Total Equipment Repair & Lease	\$ 3,450.00	\$ 3,600.00	
39	Furniture /Fixtures	\$ 2,000.00	\$ 1,000.00	
40	Business Services	\$ 4,000.00		
41	Interest Payments - Sunset & VC mortgage		\$ 10,433.00	
42	Total Professional Fees	\$ 6,799.00	\$ 6,299.00	
43	Property Tax	\$ 1,625.00	\$ 1,625.00	
44	Total Salaries & Employee Benefits	\$ 419,739.00	\$ 346,782.00	
45	Staff Development	\$ 5,000.00	\$ 5,000.00	
46	Supplies	\$ 10,000.00	\$ 3,000.00	
47	Phone, Internet	\$ 7,000.00	\$ 7,000.00	
48	Utilities - Gas, Elec., Water, Sewer, Trash	\$ 6,000.00	\$ 6,000.00	
49	Volunteer Training & Recognition		\$ 30,000.00	
50	Total Expense	\$ 2,023,650.00	\$ 576,314.00	
51	Net Increase (decrease) in unrestricted assets from ops	\$ 44,050.00	\$ (52,014.00)	
52	Cash Flow - Expenditures			
53	Capital Acquisitions	\$ 5,000.00	\$ 5,000.00	
54	Principal Payments Admin & Sunset		\$ 12,446.00	
55	Reserve Contribution/Contingency			
56	Total Cash Flow - Expenditures	\$ 5,000.00	\$ 17,446.00	
57	Net Increase (decrease) in unrestricted assets	\$ 39,050.00	\$ (69,460.00)	
58	Share of tourism salaries and benefits (44% of line 44-T)	\$ 187,170.00		
59	Share of visitor services salaries and benefits (77% of line 44-VS)		\$ 269,470.00	
60	Administrative Fee	\$ 105,000.00	\$ 45,000.00	
61	Total City Investment		\$2,336,700	

+ \$150,000
admin fee =
\$2,336,700

\$1,776,700 OR 76% OF BED TAX FUNDS ARE ALLOCATED TO THE TOURISM DEPARTMENT, OF THAT \$1,506,171 (85%) IS ALLOCATED TO PROMOTIONAL / PRODUCT DEVELOPMENT PROGRAMS



FY18 Tourism Product Development Initiatives						
Transportation						
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status	FY18 Prod Dev Budget
401 Jordan Road Acquisition (annual principal payment)	X	X	X	X	In progress	\$ 150,000.00
401 Jordan Road Acquisition (interest)						\$ 23,000.00
401 Jordan Road Maintenance	X			X	In progress	\$ 12,000.00
401 Jordan Road Property Tax	X			X	In progress	\$ 13,000.00
Pedestrian ADA Walkway at Forest Road		X		X	In progress	\$ 36,000.00
Roundabout 101 Video	X	X	X	X	Concept	\$ 6,000.00
Wayfinding Plan			X		In progress	\$ 60,000.00
Saturday Hike Bus		X	X	X	In progress	\$ 8,000.00
Walk Sedona Program	X	X	X	X	Launched/ Ongoing	\$ 20,000.00
Total Amount allocated for Transportation initiatives						\$ 328,000.00
Sustainability						
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status	FY18 Prod Dev Budget
USFS Trail Funding: Sedona Trail Keepers	X	X		X	Launched/ Ongoing	\$ 25,000.00
Long Range Destination Management Plan		X		X	In progress	\$ 60,000.00
Sedona's Secret 7	X	X	X	X	Launched/ Ongoing	\$ 20,000.00
SVV Geotourism & Nat Geo Mapguide	X	X	X	X	Launched/ Ongoing	\$ 10,000.00
Total Amount allocated for Sustainability initiatives						\$ 115,000.00
Elevate the Arts						
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status	FY18 Prod Dev Budget
Red Rock Fantasy (art projection)	X	X	X	X	Concept	\$ 40,000.00
Art History Video	X	X	X	X	Concept	\$ 5,000.00
Art Collector Story	X	X	X	X	Concept	\$ 5,000.00
Arts Events Quarterly Brochure				X	In progress	\$ 2,500.00
Art + Dine in the Evenings Program	X	X	X	X	In progress	\$ 2,500.00
Total Amount allocated for Arts initiatives						\$ 55,000.00
Elevate Wellness						
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status	FY18 Prod Dev Budget
Sedona Wellness Story	X	X	X	X	Concept	\$ 5,000.00
Total Amount allocated for Wellness initiatives						\$ 5,000.00
Other Ideas Outside of Themes						
	Developer	Advocacy	Technical Assistance	Funding Allocated	Status	FY18 Prod Dev Budget
Speakers Bureau & Topic Lists for Groups	X				In progress	\$ -
Projects TBD						\$ 20,000.00
Total Amount allocated for Other initiatives						\$ 20,000.00
TOTAL FUNDING ALLOCATED TO THE SCC&TB FOR PRODUCT DEVELOPMENT INITIATIVES IN FY18						\$ 523,000.00
HOLD BACK - CITY PROJECTS FUNDED THROUGH 55% BED TAX ALLOCATION						
PLUS HOLD BACK to stay with City for Parking improvements at 401 Jordan Road						\$ 50,000.00
TOTAL FUNDING ALLOCATED TO PRODUCT DEVELOPMENT INITIATIVES IN FY18						Total = \$573,000.00

SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU
FY18 Program of Work: Marketing

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018	
Print	Arizona State Visitor Guide												
	Phoenix Visitor Guide												
	Scottsdale Visitor Guide												
	Tucson Visitor Guide												
	AZ Pride Guide												
Digital	AOT Canada Integrated Program (Oct - Feb)												
	AZ Wine Lifestyles												
	Red Rock Country Visitors Guide	Red Rock Country Visitors Guide											
Television, Out-of-Home, Photography & Video	National Park Trips Integrated Program (Grand Canyon Campaign)												
	TripAdvisor Destination Page												
	TripAdvisor Display Advertising												
	VisitSedona.com Site Refresh												
	Wellness Digital Niche Campaign												
	Arts Digital Niche Campaign												
	Search Engine Optimization												
	Monthly e-Newsletter												
	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)	Search Engine Marketing (PPC)
	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising	Facebook Advertising
	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	AZ Key 360	
AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	AOT e-Newsletter	
Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	Phoenix & Tucson Digital Advertising	
In-Market Advertising via In-Room TV Channels													
Sedona Arts & Art History Video Marketing													
Art Collector Story													
Wellness Story													
Phoenix & Tucson Seasonal Advertising	Chicago Seasonal Advertising												
Phoenix Seasonal Advertising													
Experience Sedona Guide - Production & Distribution (Airports, AAA offices, PHX Concierge)													
International & Domestic Lure Brochures													
Domestic & International Show Brochure Submission													
Art + Dine Tonight Map													
Arts Events Quarterly Brochure													
Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	
Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	Sedona Events Promotion	
PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	PHX Concierge Presentation	
Regional Branding & Marketing													
Sedona Verde Valley Tourism Council & Marketing Program													

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FY18 Program of Work: Product Development

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018
Transportation	401 Jordan Road Acquisition & Parking Improvements						Roundabout 101 Video			Saturday Hike Bus		
	Pedestrian ADA Walkway at Forest Road				Wayfinding Plan							
Sustainability												
Elevate the Arts												
	Art + Dine in the Evenings				Art + Dine in the Evenings			Art History Video			Art + Dine in the Evenings	
	Arts Events Quarterly Brochure - Summer				Arts Events Quarterly Brochure - Fall			Art Collector Story			Arts Events Quarterly Brochure - Winter	
Elevate Wellness												

SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU

FY18 Program of Work: Visitor Services

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018
Customer & Volunteer Services												
	Front-liner Tradeshow (Arts & Culture)							Front-liner Tradeshow (Wellness)				Front-liner Tradeshow (Outdoor Adventure)
	Volunteer Refresher Training Breakfast	New Volunteer Training		New Volunteer Training	Volunteer Refresher Training Breakfast		New Volunteer Training	Volunteer Refresher Training Breakfast		New Volunteer Training		New Volunteer Training
Business Exposure												
Advocacy												



FY18 Program of Work: Sales

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018	
Travel Industry Sales	Japanese e-News		Travel Trade e-News	Japanese e-News	World Travel Market London, UK 11/6-8 (Intl focus)	NYA San Antonio, TX 12/14-18 (Domestic focus)	Go West Summit Salt Lake City, UT 1/16-19 (Intl Receptive focus)		ITB Berlin, Germany 3/7-11 (Intl focus)	Japanese e-News	US Travel Assn's IPW Tradeshow Denver, CO (Intl focus)	Travel Trade e-News	
	Los Angeles Sales Mission TBD (Receptive focus)		Japan Sales Mission (Intl wholesale focus)										
Group Sales	Prospecting & Sales (HelmsBriscoe Focus)	Prospecting & Sales (EmpowerMint)	Prospecting & Sales (PHX Convention Calendar)		Prospecting & Sales (EmpowerMint)	Prospecting & Sales (PHX Convention Calendar)	Prospecting & Sales (EmpowerMint)	Prospecting & Sales (HelmsBriscoe Focus)	Prospecting & Sales (PHX Convention Calendar)	Prospecting & Sales (EmpowerMint)	Prospecting & Sales (HelmsBriscoe Focus)	Prospecting & Sales (PHX Convention Calendar)	
		Incentive Program Development & Promotion			FAM Promotion		Incentive Promotion		FAM Tour Promotion				
	Promotional Material Development												
	Meeting Planners e-News			Meeting Planners e-News				Invitational FAM Tour		Meeting Planners e-News		Invitational FAM Tour	
		PHX Sales Mission incl. HelmsBriscoe Training		JMEX America Las Vegas, NV 10/20-22		PHX Sales Mission	PHX Bridal Show Swag Bag Program			PHX Sales Mission			
				Destination Arizona Phoenix, AZ (Hosted Mtg Planners)									Luxury Meetings Summit & Sales Mission San Diego/Orange City/Los Angeles Dates: TBD
Research & Training	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	
	Smith Travel Research Annual Report (Daily)	ESTO Annual Conference		Sedona Visitor Survey	Tour Trader Outreach Inventory Report		RKMA Travel & Tourism Market Research		DMA West Tech Summit	Sedona Visitor Survey			
	Governance Conference on Tourism												



FY18 Program of Work: Research

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018
	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports	Smith Travel Research Reports
	Smith Travel Research Annual Report (Daily)	ESTO Annual Conference		Sedona Visitor Survey	Tour Trader Outreach Inventory Report		RKMA Travel & Tourism Market Research		DMA West Tech Summit	Sedona Visitor Survey		
	Governance Conference on Tourism											

FY18 Program of Work: Public Relations and Communications - Short Lead

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018
Themes	Summer Travel	Arts & Culture	Making Memories in Sedona	Romance	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure
Sedona Events	4th of July Laser Light Show, Hummingbird Fest	Plain Air Festival, Red Rocks Oktoberfest, Sedona Winefest, Red Rocks Music Fest	Alport Family Fun Day, Sedona Winefest, Red Rocks Music Fest	Plains Air Festival, Red Rocks Oktoberfest, Sedona Winefest, Red Rocks Music Fest	Veteran's Day Tribute, Turkey Trot	Red Rock Fantasy, Tree Lighting & Santa Visit, Nutcracker	Winter MusicFest, VegFest	Film Festival, Sedona Marathon Event	Sedona Yoga Fest, Sedona Mountain Bike Festival, Sedona Stumble 5-hike Trail Run	Open Studios Tour, Spring Music Fest, Taste of Sedona, Spring Brain Con	Great Sedona Chili Cook-Off, Cinco de Mayo, 12x12	Illuminate Film Fest, Sedona Film Fest, Air Legacy Event, Global Wellness Day
Promotional Outlets	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog	e-Newsletters, media Round-Up, Social Media, Blog
Key Words / Phrases	NatGeo, Geotourism, sustainability, travel	State/National Parks, poncha, Sedona as the Hub	Arts, culture, wine, beer, chef spotlight	Arts, galleries, plain air, art fest, painting	Winter, holidays, scenery, adventure, travel, vacation, tradition	Winter, holidays, scenery, adventure, travel, vacation, tradition	Spas, health, rejuvenation, spirituality, resolutions	Wedding, romance, love, couple activities	Outdoors, hiking, biking, trails, running, adventure, Spring Break	Offroad tours, archaeology sites, Native American exploratory/culture	Celebrate tourism	Wellness
Social Media Ideas	National Ice Cream Day, Summer Treats and cold beverages, swimming holes	Back to School, National Day of the Teacher, Admission Day, Tour Spotlight, Verde Valley travel	Self-improvement Month, Labor Day, Gallery Spotlight	National Vegetarian Month, Oktoberfest, National Golf Day, Halloween	Native American Heritage Month, All Saints Day, Take a Hike Saturday, Small Business Saturday, Cyber Monday	Christmas, New Year's Eve	New Year's Day, MLK Day, 7 Natural/Wonder Made Wonder	Valentine's Day, President's Day	St. Patrick's Day, National Pie Day	National Beer Day, Earth Day	National Bike Month, National Train Day, National Wine Day, Memorial Day	Gay Pride Month, National Teacher's Day, World Environment Day, International Yoga Day
Media Events			Arizona Media Marketplace with AOT	Chicago Media Events with Phoenix CVB				New York Media Marketplace with AOT				JPW

FY18 Program of Work: Public Relations and Communications - Long Lead

	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018
Themes	Arts & Culture	Making Memories in Sedona	Making Memories in Sedona	Making Memories in Sedona	Romance	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Outdoor Adventure	Arts & Culture
Story Ideas	Creating your own Art in Sedona	Shopping, Collectors, Galleries	Holiday Experiences, New Traditions	Girlfriend Getaways, spirituality, wellness, renewal	Luxury Romance, Couple Experiences	Outdoor Spiritual Adventures	Secret Watering Holes in the Verde Valley	Cowboy Experience	Wildlife, Geotourism	Astronomy, Stargazing	Native American Ruins, culture and healing	
Target Markets	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan	AZ, CA, FL, NY, IL, TX, Europe, Canada, Australia, Japan
Targeted Niche Publications	InStyle, Elle, Marie Claire, Traveler, Sunset, AARP, Condé Nast Traveler, Budget, AARP	Martha Stewart Living, Sunset, Country Living, Better Homes & Gardens, Hemispheres, Style, Traveler, Woman's Day	Real Simple, Redbook, Sunset, Country Living, Better Homes & Gardens, Hemispheres, Style, Traveler, Woman's Day	Elle, Cosmopolitan, Marie Claire, Glamour, Yoga Journal, Spirituality & Health, Four Seasons, Traveler	New York, The Atlantic, Bazaar, W. JMW, AFAR, Departures, Luxury Travel	Backpacker, Yoga Journal, Health, Women's Health, Competitor, Shape, Well+Good, Outside	Backpacker, Golf Digest, Men's Health, Golf, Outside, Bike, Outdoor Life	NatGeo, Red Bull, Travel + Leisure, AFAR, Departures	Condé Nast Traveler, Passport, Travel 50 & Beyond, Wild West Vacations	NatGeo, Outdoor Life, Climbing, Women's Adventure, Birds & Blooms	AAA, Time & Country, Budget Travel, Travel Weekly, AARP	Sunset, Smithsonian, NatGeo Traveler, Endless Vacations, Natural Awakenings

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Quarterly Report to City of Sedona

May 2017

Representing January - March 2017 Results



The Sedona Chamber of Commerce & Tourism Bureau has been awarded accreditation from the Destination Marketing Accreditation Program (DMAP). The DMAP accreditation requires Destination Marketing Associations to demonstrate compliance composed of 58 mandatory standards, and is globally recognized by the destination marketing industry as the highest achievement in destination excellence.

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Executive Summary

This report communicates the efforts of the Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) as it relates to Marketing, Communications, Sales, Visitor Services and Product Development for the third quarter of the fiscal year (Q3) which is the period of January – March 2017. In some cases where it makes sense, the report will reflect the full period of the fiscal year-to-date (July 2016 – March 2017), or a timeframe otherwise stated.

When we market Sedona, we do so only during need seasons (summer and winter), and with a focus on quality over quantity by promoting Sedona to overnight markets and higher-income households. During Q3, we focused on the wellness-oriented portion of our winter campaign that drove visitation to Sedona. This integrated winter campaign resulted in over 16 million paid impressions through television, outdoor billboards, social media advertising and digital marketing.

We also generated over 520 million impressions through editorial placement and social media; we met with 315 meeting professionals and 469 travel trade industry professionals; and, we serviced 221,557 visitors via phone, email and in-person (YTD July – March 2017). See page 17 for Contractual Performance Standards that reflect the status of annual goals per division.

In the bigger picture, during the time period of July 2016 – March 2017, Sedona tourism generated:

- A 26% increase in bed tax revenue year-over-year
- An 8% increase in sales tax revenue year-over-year

Data provided by City of Sedona Finance Department and based on most recent June 2016 monthly report.

Sedona continued to improve in other key tourism indicators, as illustrated below, which represents lodging metrics FY17 YTD (July 2016 - March 2017). Our programs impact lodging metrics which are key in evaluating the performance of Sedona's tourism industry. These lodging metrics are important because we know that, on average, for every \$1 spent on lodging, \$4 is spent in the community.

- 3.1% increase in Occupancy YTD over FY14 (Benchmark Year)
- 23.8% increase in Average Daily Rate YTD over FY14 (Benchmark Year)

FY14 is considered the Benchmark Year before the commencement of the increase in total bed tax (3% to 3.5%) and the contractual agreement to allocate 55% bed tax to the SCC&TB.

The SCC&TB continues to balance the positive impacts of tourism with quality-of-life expectations of our residents. With more than 30% of our FY17 marketing budget dedicated to product development, we have shifted our efforts and focus less on how we market our existing product, to an emphasis on what products we need to attract the visitors we want and when we want them.

It is with this mindset that the SCC&TB proceeds with several tourism product development initiatives. In Q3, the SCC&TB and the Tourism Product Development Committee focused on the following:

- Red Rock Fantasy Returns
- US Trail Funding efforts via the "Nine Easy Hikes in Sedona" guidebook and the Sedona Trail Keepers program
- Walk Sedona Program & Web Map
- 401 Jordan Road Acquisition

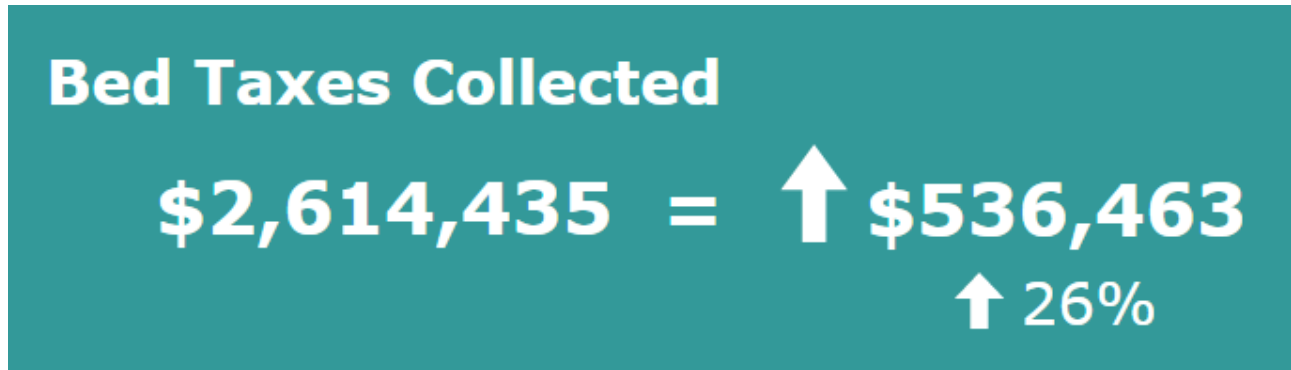
Overview

Tourism is the lifeblood of Sedona. This dynamic industry generates \$12 million in local tax dollars, 10,000 jobs, \$200 million in wages alone, and constitutes more than 66% of the City’s sales tax revenues which fund city operations and departments such as Parks & Recreation, our police force and road upgrades, to name a few.



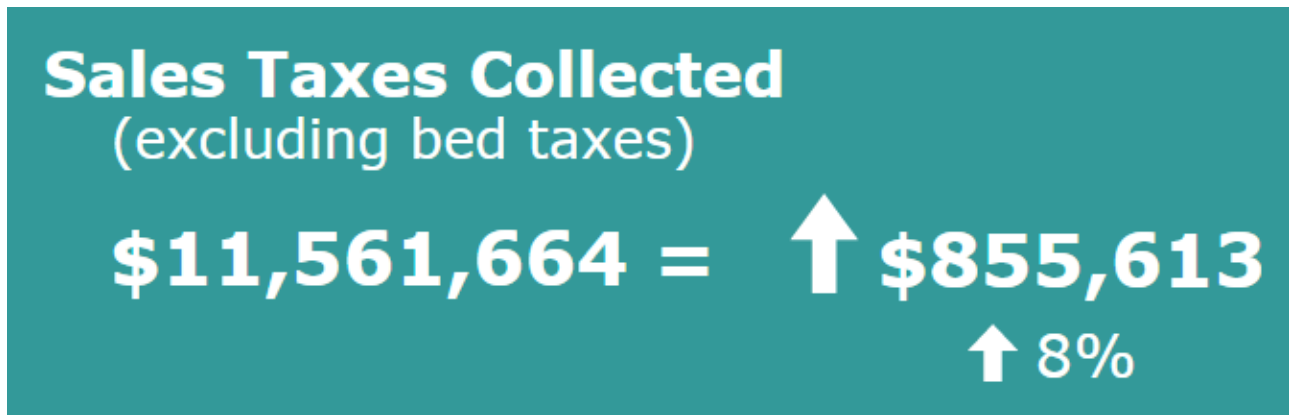
Bed Tax Economic Impact

\$2,614,435 in bed tax was collected on lodging rooms during the period of July 2016 – March 2017, resulting in a 26% increase (\$536,463) over the previous year’s actuals.



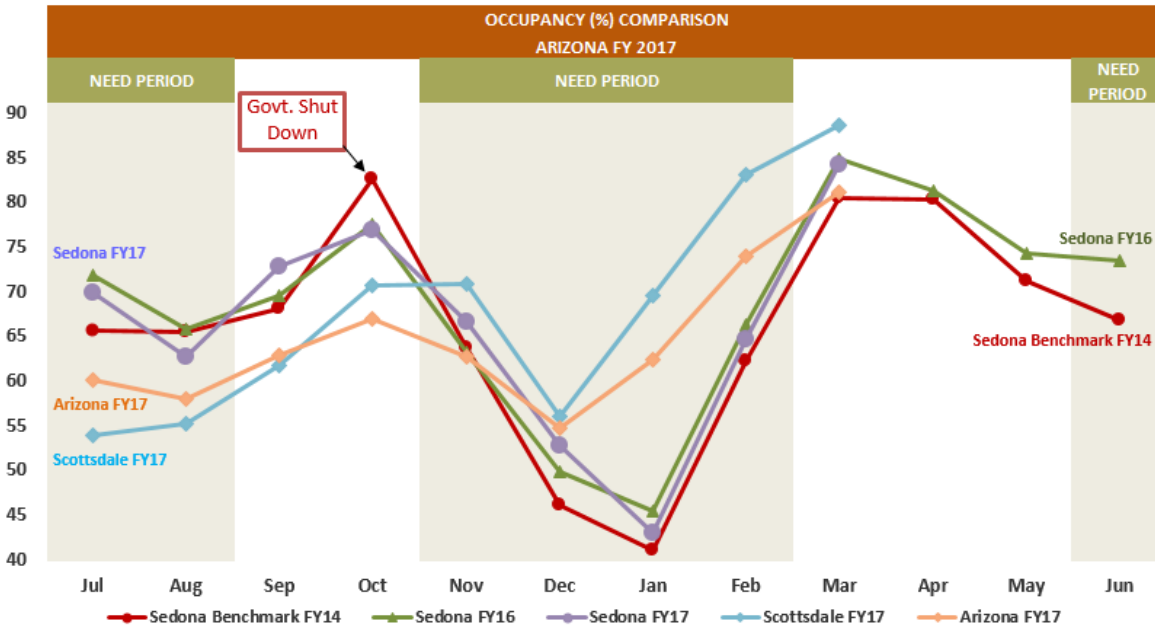
Sales Tax Economic Impact

Sales tax collections for this same period were up 8% (\$855,613) compared to the previous year. Those extra dollars flow through Sedona’s economy to help pay higher wages, trickle through Sedona’s professional services and into the pockets of our builders, contractors, bankers, bakers, residents and non-profit organizations. These sales tax dollars are also the main source of the city’s operating budget.



Data provided by City of Sedona Finance Department. Previous year’s sales and bed tax revenue based on most recent June 2016 monthly report provided by the City of Sedona.

Industry Measurements, Occupancy July 2016 – March 2017



Occupancy %

FY17	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	70.0	62.7	72.9	76.9	66.6	52.8	43	64.7	84.2				66.0

% Occupancy Changed

FY17 v FY14	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016 v 2013	6.5%	-4.3%	7.0%	-6.9%	4.6%	14.5%	4.6%	4%	4%				3.1%

FY17 v FY16	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016 v 2015	-2.5%	-4.9%	4.7%	-0.9%	5.2%	6.0%	-5.5%	-2.6%	-0.8%				-0.2%

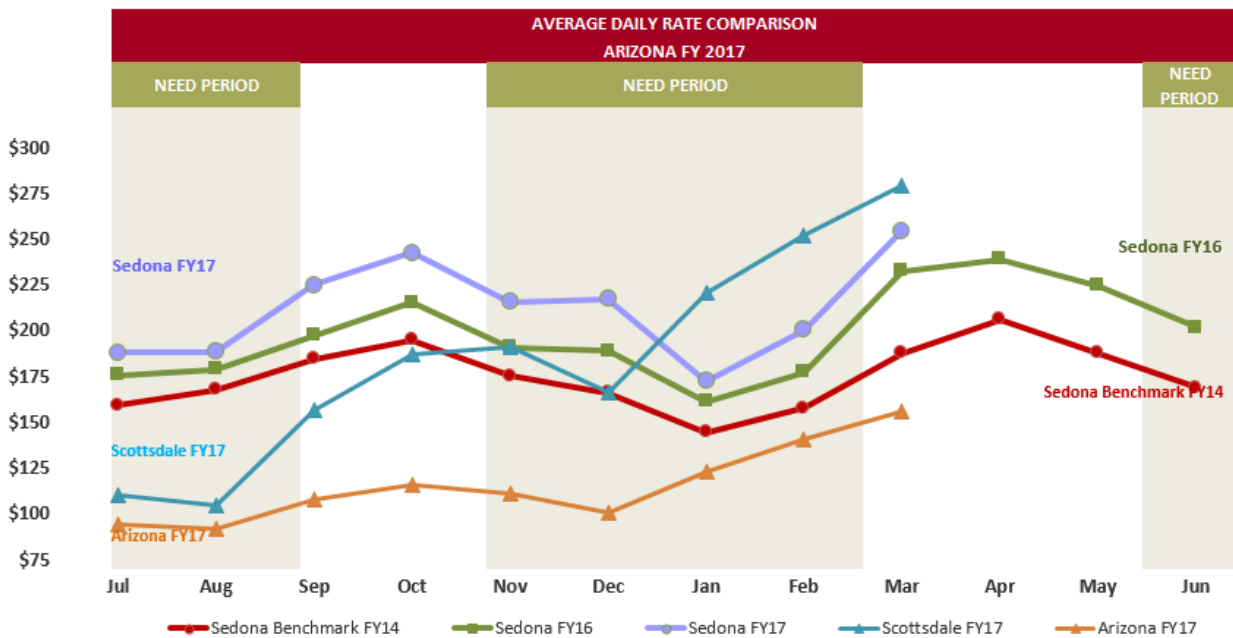
FY17 INDEX	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016	116%	108%	116%	115%	106%	96%	69%	87%	104%				105%

Analysis: March closed with a 4% increase in occupancy compared to Benchmark FY14, and a 3.1% YTD growth over FY14.

In analyzing the data compared to last year, FY16, we find:

- Occupancy levels are flat (down .2%) compared to FY16.
- November/December efforts appear to have been impactful as occupancy levels were up 5% and 6% respectively.
- January/February efforts did not appear to be as impacted by our efforts; we believe our efforts were thwarted by wet cold weather compared to FY16.
- March is down slightly compared to last year (FY16) due to the timing of the spring breaks and Easter. We should see an increase in occupancy levels in April.
- ADR continues to rise significantly above previous years, illustrating that we are not simply bringing more people here (as indicated by occupancy levels) but rather, focusing on bringing a more affluent customer here (as indicated by ADR).

Notes: The above graph compares the average occupancy rates of Arizona, Scottsdale and Sedona FY17 (July 2016 – June 2017) against Fiscal Years 2014 and 2016. FY14 is considered the benchmark year before the commencement of the 55% bed tax allocation destination marketing contract. Index refers to Sedona’s market penetration compared to Sedona’s competitive set that includes Santa Fe, Scottsdale, Napa/Sonoma, Park City and other similar destinations.



ADR

FY17	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	188.52	188.87	225.20	242.70	216.18	217.43	172.77	200.75	254.94				211.93

% ADR Changed

FY17 v FY14	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016 v 2013	18.1%	12.5%	21.9%	24.4%	23.1%	30.6%	19.4%	27.1%	35.5%				23.8%

FY17 v FY16	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016 v 2015	7.2%	5.3%	13.9%	12.5%	13.2%	14.8%	7.0%	13.1%	9.5%				10.8%

FY17 INDEX	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2016	199.5	204.0	208.1	209.3	193.7	215.3	139.9	142.6	163.2	2017	2017	2017	FY17
													187.0

Analysis: March ended strong with a staggering 35.5% increase in ADR over March 2015 (benchmark year FY14) and 9.5% increase in ADR compared to FY16.

YTD ADR’s continue to outpace the state averages year-round and Scottsdale rates (from July – mid-December). We see opportunity for growth in ADR in mid-December – March in line with Scottsdale increases during that timeframe. YTD rates compared to FY14 illustrate a nearly 24% increase and YTD rates compared to last fiscal year, FY16, show an increase of almost 11%.

Sedona’s ADR continues to drive growth in the lodging sector. These metrics continue to be in line with the goal of attracting a more influential visitor with a higher spending ratio.

Notes: The above graph compares the average daily rates of Arizona, Scottsdale and Sedona FY17 (July 2016 – June 2017) against Fiscal Years 2014 and 2016. FY14 is considered the benchmark year before the commencement of the 55% bed tax allocation destination marketing contract. Index refers to Sedona’s market penetration compared to Sedona’s competitive set that includes Santa Fe, Scottsdale, Napa/Sonoma, Park City and other similar destinations.

Source: Smith Travel Research. This report reflects 2,374 hotel and B&B room nights which represents Sedona area properties with 16 or more rooms excluding timeshare. Non-reporting hotels represent 27% of total room nights and STR assigns an estimated occupancy and ADR based on their chain scale classification and tract tier or tract scale. Non-reporting independent hotels (most non-reporting hotels are independents) are assigned occupancy and ADR based on their tract tier classification and area performance.

Marketing Highlights

Winter Campaign Phase II - YouTopia

We designate our marketing budget towards the summer and winter months in effort to improve these historically low tourism periods. Our strategy this winter was to drive business by marketing Sedona in a two-pronged approach -- As an extraordinary getaway that features:

- 1) An abundance of seasonal events and activities to create memories that last a lifetime via Holiday Central Sedona. This holiday message ran in November and December 2016.
- 2) Unique, world-renowned wellness offerings that inspire visitors for the New Year. The highlights below address the YouTopia portion of our winter campaign, which targeted the Phoenix and Tucson markets during January and February 2017 and resulted in over 16 million paid impressions.



Out of Home billboard advertising in Phoenix and Tucson (*above*).

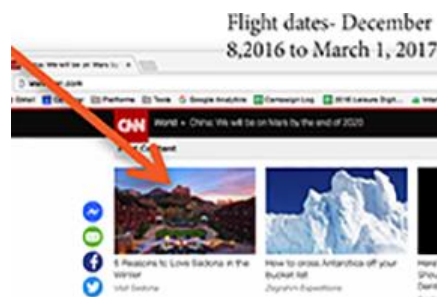
TV targeted our primary age demographic of 35-54 years with news and early morning segments.

Digital Marketing included Facebook Advertising, Pay Per Click, and Programmatic Advertising which helps the decision-making process of digital media buying by targeting specific audiences and demographics and delivering highly-targeted ads in milliseconds.

Monthly Consumer & Valley Concierge eNewsletter: Over 150,124 subscribers received our monthly eNewsletter as part of our ongoing relationship marketing to nurture our visitors/potential visitors. The January theme was "Renewal & Wellness" which had an open rate of 16.7% or 24,887 unique opens. We coordinated this newsletter with our overall marketing theme and landing page for YouTopia. We continue to grow our subscribership, **up 8.4% Year over Year**.

Content Marketing efforts spotlighted "5 Reasons to Visit Sedona in the Winter" (*right*) and targeted Southern California and Phoenix. Over the whole campaign December 8 to March 1, 2017, we drove more than 9,186 visits to our website with more than 90% of the traffic from new users.

VisitSedona.com Website saw 142,689 sessions (visits) for February. That is **up 17.4%** over the same month last year. This illustrates the success of the winter campaign's call-to-action: To drive the visitor to VisitSedona.com site for trip research and planning.



Additional Marketing Efforts

National Park Trips eNewsletter: Included Sedona banner advertising in their themed edition "Winter Bucket Lists: How Many Have You Done?" sent to 154,387 subscribers.

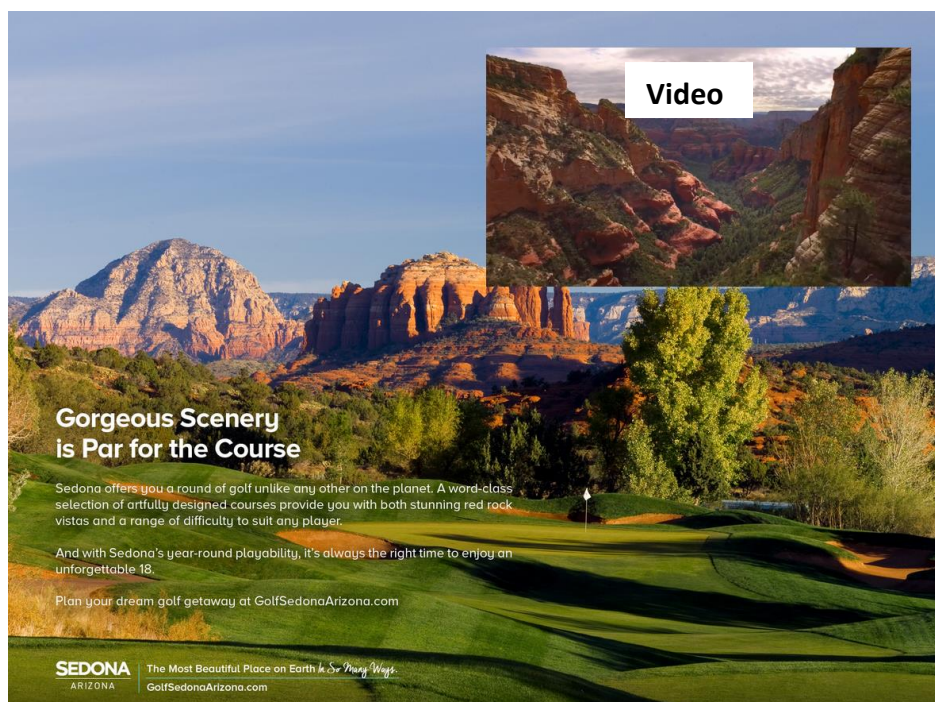
AOT Canadian Program: The Arizona Office of Tourism's consumer Canadian program print portion wrapped in December, but digital efforts continue through February. This integrated program targets the Canadian market through specific newspapers (Ottawa Citizen, Toronto Star, Calgary Herald, Vancouver Sun, Vancouver Province, Montreal Gazette), Air Canada's En Route magazine (2.7 million in total readership), and digital content marketing. This program has garnered over 8,600 Sedona consumer leads to date which is the highest lead-generating program that we've implemented in FY17. These leads are sent communications regarding the Experience Sedona Guide which has a 65% visitor conversion rate.

Trip Advisor: Our Sedona Destination Page received 107,884 page views in February. **Up 86.4%** over last year due to our participation in the newly-implemented articles, forums and enhanced event listings. We have created and launched new marketing opportunities to our partners through this enhanced platform.

VisitSedona Videos reached 13,056 views on YouTube alone - that is **27.3% higher** than the same time last year.

The SCC&TB submitted brochures to the Grand Circle Association and had presence at the **Chicago Travel Adventure Show** held January 21-22, 2017. This is the largest Travel Adventure Show in the Northeastern part of the nation. The attendance for this show was considerable - an estimated 24,000+ people over the weekend of the Chicago, Illinois area!

Golf Campaign: *"I would just like to commend the Staff at the Sedona Chamber of Commerce. Not only did they recently send out this email blast to a large number of people on their database they also created a Landing Page with all of the Golf Members listed (golfsedonaarizona.com) and they will be promoting it through a Digital Ad Campaign (see image) on Golf Digest.com at an approximate value of \$10,000. Thanks for helping make Sedona a Premier Golf Destination!"*
Jeremy Hayman, PGA, Sedona Golf Resort



Communications Highlights

Top Secured Coverage:

Outlet	Title	Reporter	Topic	Circulation/ VPM	Result of Coverage
Forbes	"Mountain Biking: Fun, Excitement For All Levels In Sedona, Arizona"	Lea Lane	Mountain Biking	VPM: 43,151,587	\$399,152
Yahoo! Finance	"Diamond Resorts Reviews - Relaxing Resorts of Sedona"	N/A	Resorts in Sedona	VPM: 22,443,941	\$207,606
Bloomberg	"Five-Star Hiking Trips Around the Globe, From Australia to Amalfi"	Abbie Kozolchyk	Hiking	VPM: 23,288,450	\$215,418
AOL.com	"McDonald's in Sedona, Arizona is the only one in the world with turquoise arches"	Emily Rella	Sedona	VPM: 17,379,718	\$160,762
Daily Mail Online	"Spontaneous road trip!: Charlie's Angels vet Jaclyn Smith, 71, looks youthful as she takes husband of 20 years 'vortex hiking' in Arizona"	Heidi Parker	Sedona	VPM: 53,843,916	\$498,056

Top Accolades:

- Men's Fitness "The 10 best fitness-friendly destinations for spring"
- US Travel News "The 8 Most Romantic Hotels Around the World"
- Travel+Leisure "15 U.S. Resorts Where Nature Will Recharge You" featuring L'Auberge
- US News "10 Spring Break Spots for Grown-Ups"
- Self Magazine "11 Spring Break Wellness Trips That Can Help You Hit the Refresh Button" featuring Hilton Sedona Resort at Bell Rock
- Style Caster "Best Road Trips in America" featuring Enchantment Resort and Pink Jeep Tours
- Trip Advisor "Top 25 Destinations in the US"
- Trips To Discover "Best Places in the World for Stargazing"

Upcoming Press Trips:

Paste Mag receives over 5 million UVP print and online 254,700+ social fans April 4-7 Maggie Parker
Daily Mom Influencer/blogger 310,000 UMV 50,000+ social fans April 11-13 Elena Ollick
Luna Mag bi-monthly circulation 55,000 Fashion & Lifestyle April 12-13 Ulrike Morant
AOT co-op w/Telsa and Mexico's Life & Style Mag printed monthly circulation 60,000 Lifestyle focused on males April 22
AOT International Media FAM Tour 8 journalists April 24
Travel See Write Influencer/blogger 30,000 UMV 20,000+ social fans April 21-22 Archana Singh
Wander the West Instagram Meetup May 6 Brand Winnie
Cover Mag Luxury Travel focus printed quarterly circulation 150,000 May 25-27 Renato Zappella

Social Media:

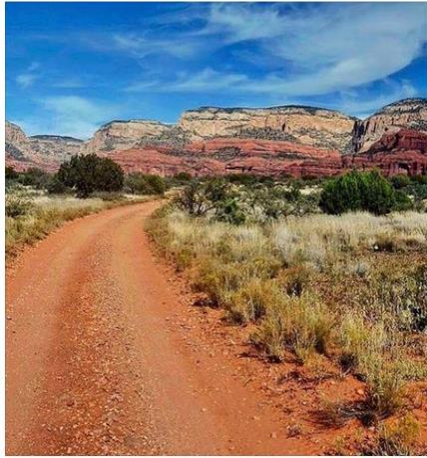
@SedonaAZ Twitter: Followers 10,400 - up over 200 fans: all organic, not paid

@visitsedona Instagram: Followers 28,500 - up over 1,500 fans: all organic, not paid

@VisitSedona Facebook: Followers 112,276 – up over 3,389 fans

The road less traveled.

<http://visitsedona.com/green-travel/> | Image by @rick.chase_



26,577 people reached

Boost Post

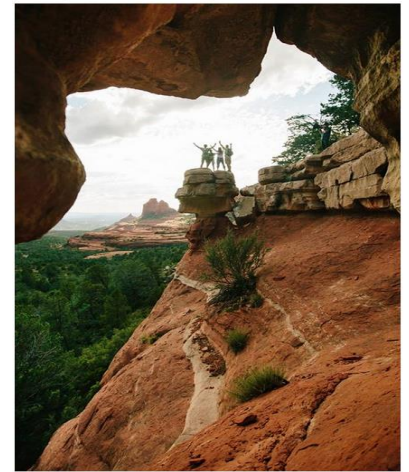
Discover hidden gems in Sedona. www.VisitSedona.com



45,960 people reached

Boost Post

Order a FREE 2017-18 Experience Sedona Visitors Guide hot off the press! <http://visitsedona.com/visitors-guide/>



53,849 people reached

Boost Post

Examples of Visit Sedona Facebook posts

Media and Film Recap:

Prepared and distributed the following:

January

- January's press release highlighting Sedona's pristine and unique golf courses received high-impact publication interest across both press release and e-blast verticals. The release was sent to more than 450 reporters.
- January's monthly "Round Up" was distributed to local Sedona and Arizona media contacts (2,934 individuals). The e-blast received a 21.9% open rate, and a 4.9% click-through rate.

February

- February's press release highlighting Sedona's unique and adventurous mountain biking trails received high-impact publication interest across both press release and e-blast verticals. The release was sent to 555 reporters. It had an open rate of 33.1%.
- February's monthly "Round Up" through Constant Contact was distributed to 2,930 domestic and international media contacts. The e-blast received a 22.2% open rate, and a 4.6% click-through rate (.4 percent up from previous month).

March

- March's press release highlighting cowboy adventures in Sedona received high-impact publication interest across both press release and e-blast verticals. The release was sent to 500 reporters. It had an open rate of 28.4%.
- March's monthly "Round Up" through Constant Contact was distributed to local Sedona and Arizona media contacts (2,964 individuals). The e-blast received a 25.3% open rate (more than previous month) and a 3.1% click-through rate.

Sales Highlights – Group/Meeting

Meeting Sales FAMs

A site visit was made to determine the location for The Chopra Center’s Wellbeing Conference, a 3-day retreat to be held in 2018. Anticipated attendance is 300, which will generate an estimated 675 room nights when the lead is awarded.



The invitation to our professional education FAM Tour in May was sent to over 1,200 meeting planners and organizations serving clients considering Sedona for their meetings.

Meetings/Events Leads and Bookings

Our lodging partners received 15 new group leads during the month of March representing 1,352 room night opportunities. We assisted 7 additional requests (did not include rooms) for both small and larger groups (up to 200 people) to visit Sedona.

	Jan-17	Feb-17	Mar-17	YTD	FY17 Goal	% Goal
Generate 20,000 room night opportunities from group sales RFPs	715	1,150	1,352	8,462	20,000	42%
Conduct Familiarization (FAM) tours for 30 pre-qualified meeting planners	1	3	2	14	30	47%
Identify and meet a minimum of 300 professional meeting planners	27	5	25	315	300	105%
Generate 10,000 page views for Meeting & Sales web pages on VisitSedona.com	1,798	1,922	2,845	14,491	10,000	145%

Trade Shows/Sales Missions



CONNECT California was held in March at the Dolce Hayes Hotel in San Jose. Met with California-based professional planners at this regional trade show and had 19 pre-scheduled appointments, many with high-profile programs ideal for destinations like Sedona. Appointment follow ups are ongoing.

Met with the Director of Speaking of Meetings. Also met with the Team Play USA owner who brings groups to Sedona. They create team building challenges as a group activity and are developing a program called "*Urban Fun in Sedona*". The opportunity to meet the Enchantment Resort team in Scottsdale proved to be time well-spent in learning more about their sales strategies.

Sales Actions Completed

Followed up on existing Meeting/FAM leads, prospects and assists. Contacted meeting professionals who previously expressed an interest in booking a meeting in Sedona. Contacts included e-mails, calls and distribution of meeting and sales collateral.

Sales Highlights - Travel Trade Industry

ITB - International Tourism Exchange (March 8-10)

- Target: international wholesale tour operators
- Show stats: ITB is known as the leading trade fair for the global tourism industry. This year, 109,000 trade visitors attended to obtain information about all sectors of the international travel industry from more than 10,000 exhibitors representing 184 countries. About 60,000 consumers came to ITB over the weekend to find out about new holiday destinations and travel offers.
- Arizona Office of Tourism along with 5 Destination Marketing Organizations (DMOs) from Arizona participated in the show and conducted over 40 business appointments, reaching out to 44 travel trade professionals.
- The official publication by Brand USA, "Travel USA" German edition encouraging visitation to the USA featured Sedona as the cover. Brand USA publishes 575,000 "Travel USA" in 10 languages/13 versions for distribution in over 20 countries with additional 30 million digital impressions.



Arizona Booth Partners at ITB



Sedona featured as the cover of Travel USA



Destination Training at KUONI Zurich

Travel Trade FAMs

- Kimberly Kinkaid with GTA to meet with Sedona hotels. GTA has produced 1,186 room nights YTD in 2017. Seeing great increase in bookings for Sedona.
- David Rosborg-Larsen, Team Leader/Sales Executive with Nyhavn Rejser for site inspections

U.S. & International Travel Trade Industry Sales & Marketing Support

	Jan-17	Feb-17	Mar-17	YTD	FY17 Goal	% Goal
Leads (including hotel room rate requests) generated	0	1	2	16	50	66%
Service Request Leads (non-hotel requests) generated	2	0	6	17		
Service Request Referrals made to Sedona businesses	123	45	90	640	850	75%
# of Travel Trade Professionals reached at tradeshow/sales missions	52	52	67	469	350	134%

e-Newsletter Outreach & Web Stats

- English travel trade e-News on overnight closure of SR 89A was sent to 931 travel trade professionals (open rate: 33.6%)
- AOT's Canadian Travel Trade E-Blast sent to 23,040 industry professionals (open rate: 25.15%, 65 clicks - Sedona offers: 19 clicks, 70 page views)

VisitSedona.com Page Views	Jan-17	Feb-17	Mar-17	YTD Total	FY17 Goal	% Goal
Travel Trade Pages	631	532	614	3,432	6,000	57%



Other Travel Trade Sales & Marketing Efforts and Projects

- Preparing for IPW trade show to be held in June.
- Submitted co-op marketing content for Arizona microsite for AmericanTours International website.
- Organizing various group FAM tours (AOT Chinese Golf Tour Operator FAM, TUI Germany Travel Agency Owners FAM, Filipino Travel Agency FAM) in addition to customized individual FAM tours.

Visitor Services Highlights

Volunteer Breakfast Focuses on Personal & Spiritual Enrichment



The SCC&TB Volunteer Training Breakfast was held on February 22, at Olde Sedona Bar & Grill. Thank you to Mike Smith and his fantastic staff for hosting the event. Forty volunteers attended the breakfast.

The theme was "Personal & Spiritual Enrichment". Thank you to all of the chamber partners that attended and educated the volunteers and staff on their business services and familiarity who assist hundreds of visitors daily at the Official Visitor Center: Sedona Health & Healing, Meaningful Things, Sedona Spirit Journeys, Rachel Star of Sedona Soul Guiding Astrologer & Psychic, Healing from the Heart, Insightful Energy Readings & Healings, Master Hypnotist, Alchemy Healing Arts, Sedona Medium and Sedona Soul Sisters Metaphysical Center.

Sedona Chamber Volunteer FAM Tour



Thank you to Robin Russell of the Secret Garden Cafe at Tlaquepaque for a truly outstanding volunteer FAM on Tuesday, February 28. Thirty one volunteers and four staff members attended the FAM.

Robin treated our volunteers like royalty with simply delicious food and wine samplings.

The newly renovated SGC is open for breakfast, lunch and dinner and they have a beautiful new wine bar.

	March-17	March-16	% of Variance by Month	YTD FY-17	YTD FY-16	% of Variance by Year
Visitor Center Walk-ins	38,217	40,578	-6%	214,330	220,450	-3%
Phone Inquiries	942	576	64%	6,743	5,100	32%
Email Inquiries	52	273	-81%	484	1,468	-67%
ESG Distribution						
Mail Fulfillments (ESGs sent via mail)	4,163	4,495	-7%	27,793	30,014	-7%
Online ESG	5,915	7,984	-26%	43,668	51,186	-15%
ESGs distributed at various locations	34,100	20,600	66%	134,200	141,400	-5%

TOP FIVE DOMESTIC VISITORS BY STATE		TOP FIVE INTERNATIONAL VISITORS BY COUNTRY	
Mar-17	Mar-16	Mar-17	Mar-16
California	California	Canada	Canada
Arizona	Arizona	Germany	Japan
Texas	Minnesota	Brazil	Germany
Oregon	Illinois	Korea	Mexico

Tourism Product Development

Tourism product development has become a stronger focus for the SCC&TB over recent years. The shift towards product development has allowed us to move from the traditional approach of: This is our product. How do we sell it? To a more strategic approach of: This is our target customer. What product do they want?

This type of development requires proactive efforts that either create, link or enhance products or experiences that make Sedona even more attractive to Sedona’s target audience. Interest in Tourism Product Development continues to grow, and subsequently, new initiatives must be able to address each of the following four pillars of criteria in order to be executed upon:



While there are upwards of 15 product development projects in-the-works at any given time, following are highlights of the specific focus between January – March 2017:

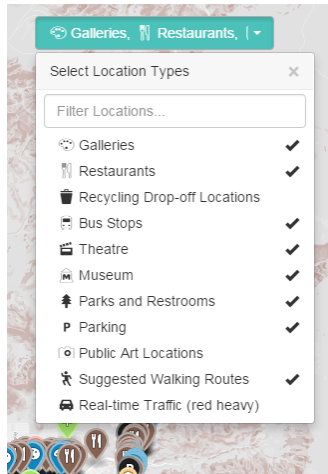
Red Rock Fantasy Returned!



New lights and a new location, but the same great community event returned to Tlaquepaque December 1 – January 1. Visitors and residents alike enjoyed walking through TINSEL TOWN made up of community installations throughout the property.

The City of Sedona Parks and Recreation and the Sedona Chamber of Commerce & Tourism Bureau partnered with Tlaquepaque to make this festive event bigger and better than ever.

Walk Sedona Program & Web Map



The Walk Sedona program postcards and poster maps were updated and reprinted as businesses moved, closed, or were added.

Our Google-based webmap (walksedona.com) received more layering of features such as public art locations and real-time traffic.

WalkSedona.com is primarily used by Sedona visitors with smart phones to give nearby art gallery and restaurant locations along with "step-by-step" directions and parking suggestions.

The Walk Sedona program was created to fulfill the City of Sedona's Community Plan to position the city as a walk-friendly destination. The program was developed to mitigate the effects of vehicle traffic by luring in-market visitors out of their cars to explore Sedona on foot.

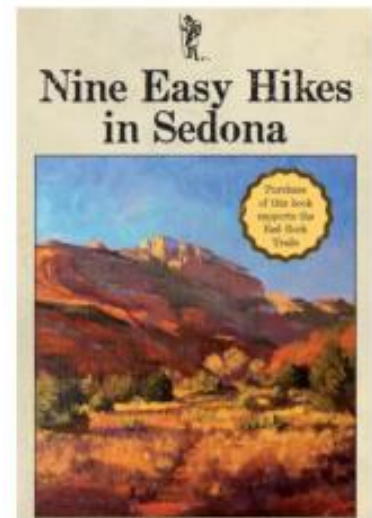
"Nine Easy Hikes in Sedona" Guidebook

The Nine Easy Hikes guidebook was created and printed. The guidebook features nine easier new trails and less populated trails, as well as some background on the geology and flora of Sedona.

It is currently being distributed and sold at various lodging properties and interested retailers including Ace Hardware.

The book retails for \$8.00 with proceeds donated to the USFS for the maintenance of existing trails and development of new ones. 100% of proceeds go to the Red Rock Trail Fund. Proceeds have totaled \$7,037 to-date.

The SCC&TB has produced another 2,500 quantity.



USFS Trail Funding: Sedona Trail Keepers



This program launched in FY17 and will continue for several years to come. The program is managed by the SCC&TB in partnership with the United States Forest Service and the private sector. The program will aid in maintaining existing trails as well as assisting in the development of new trails in the USFS Red Rock Ranger District.

The program allows the private sector to sponsor a trail and financially commit \$1,000 per year with a 5-year commitment per sponsor. The SCC&TB matches the private sector investment (up to \$25,000 per year). The goal of this program was met with 25 private sponsors at \$1,000 each for a total private sector investment of \$25,000/year, plus a match from the SCC&TB, generating \$250,000 for the USFS Red Rock Ranger District over the next 5 years.

401 Jordan Road Acquisition

The SCC&TB is in the process of purchasing the property located at 401 Jordan Road. This solution will immediately provide free parking spaces with good ADA accessibility, in addition to more motorcoach parking in the congested area of Uptown Sedona. This solution also responds to concerns regarding the transition to 100+ paid parking spaces being implemented along SR 89A. Potential ideas for future use of the property include:

1. **Transit Hub & Staging Area:** As a Transit Hub, this site could deflect a portion of visitor traffic off the main SR 89A corridor. The Hub could serve as the central location for the trailhead transit service and a site for potential future public transit services. This new staging facility could provide a central location for pick-up and drop-off station for local tour operators. This location allows for a central access point off the main street, but nearby enough for convenience and accessibility. This location could offer public restrooms and picnic areas for visitors waiting for transit/tour pick up and serve to revitalize the Jordan Road business district.
2. **Employee Parking and/or Bus Parking:** With a maximum of up to 93 spaces available, the property could provide parking for Uptown employees. As a potential revenue generator, the private sector could rent spaces for their employees. The site could also be used as additional parking for motorcoach tours.
3. **Geo Tourism Center:** As both a parking and staging location, the center has the opportunity to reach and educate visitors on how they can be "Responsible Sedona Adventurers." The Center will bring the fragile nature of Sedona and easy applications of sustainable practices to the top of visitors' minds with informative exhibits, sustainability stories, and ideas that could be applied to visitors' time in the area, as well as back home.
4. **Business Incubator:** The building's 5,200 square feet could include spaces for small, new businesses to rent as start-up office space. Another concept would be to have a co-op working space for area start-ups and entrepreneurs.
5. **Demolition of the building for Additional Parking and/or Parking Structure:** The building could be demolished to accommodate additional parking and/or parking structure.
6. **City Land Trade for another property TBD:** The property could be traded for another property of equal or greater value to the City at a later date.

The City of Sedona's Community Focus Area (CFA) process will assist in determining the best utilization of the property.

Contractual Performance Standards			
July 2016 - March 2017			
Marketing			
	<i>July - March</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate no less than 90,000 inquiries from targeted customers in domestic and international markets	71,468	90,000	79%
Generate a minimum of 1,200,000 unique visitors to VisitSedona.com	1,124,130	1,200,000	94%
Generate 60,000,000 overall paid impressions for Sedona	97,247,199	60,000,000	162%
Generate \$250,000 in partnership cooperative revenue	\$208,809	\$250,000	84%
Reach 1,000,000 views on Sedona destination videos	2,996,020	1,000,000	300%
Public Relations			
	<i>July - March</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 1,000 travel articles about Sedona	3,141	1,000	314%
Reach a minimum of 200 million impressions through editorial placement and social media	521,448,795	200,000,000	261%
Generate publicity with an equivalent advertising value of at least \$10 million	9,410,968	10,000,000	94%
Assist 500 media professionals	415	500	83%
Grow overall social media fan base by 15%	35,029	150,000	23%
Group / Meeting Sales			
	<i>July - March</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 20,000 room night opportunities from group sales RFPs	8,462	20,000	42%
Conduct Familiarization (FAM) tours for 30 pre-qualified meeting planners	14	30	47%
Identify and meet a minimum of 300 professional meeting planners	315	300	105%
Generate 10,000 page views for Meeting & Sales web pages on VisitSedona.com	14,491	10,000	145%
Travel Trade Industry Sales			
	<i>July - March</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 50 Domestic and International hotel leads and service request leads	33	50	66%
Produce 850 service request referrals for Sedona businesses	640	850	75%
Conduct 20 travel trade professionals FAM tours	11	20	55%
Identify and meet with 350 travel trade professionals at tradeshow and sales missions	469	350	134%
Generate 6,000 page views for Travel Trade web pages on VisitSedona.com	4,578	6,000	76%
Visitor Services			
	<i>July - March</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Manage the Uptown Visitor Center 7 days a week, 59.5 hours per week (excluding two holidays) with professional staff and trained volunteers (# of hours open)	2,306	2,940	78%
Manage and assist 300,000 walk-in visitors	214,330	300,000	71%
Manage and assist 7,500 visitor inquiries via phone and email	7,227	7,500	96%
Produce and distribute 250,000 Sedona Visitor Guides	205,661	250,000	82%

Financial Report

				TOURISM DEPARTMENT			VISITOR SERVICES DEPARTMENT		
				FY17 Budget Tourism	Actuals July 2016 - March 2017	% of Total Tourism Budget	FY17 Budget Visitor Services	Actuals July 2016 - March 2017	% of Total Visitor Services Budget
1	Ordinary Revenue/Expense								
2	Revenue:								
3	City of Sedona	\$ 1,449,828	\$ 1,324,400	91%	\$ 410,000	\$ 395,600	96%		
4	Website Advertising/Sponsorship	\$ 117,000	\$ 58,543	50%					
5	Co-op Ads/Promotion/Tradeshaw	\$ 63,000	\$ 29,638	47%	\$ -	\$ 13			
6	Total Membership Revenue	\$ -			\$ -				
7	Tourism Bureau Revenue	\$ 128,000	\$ 112,848	88%	\$ -				
8	Total Event Revenue				\$ 700	\$ -	0%		
9	Total Royalty Revenue	\$ 36,520	\$ 18,881	52%	\$ -				
10	Total Sales Revenue	\$ -	\$ 2,712		\$ 155,000	\$ 137,281	89%		
11	Total Other Revenue	\$ -			\$ 7,000	\$ 5,121	73%		
12	Total Revenue	\$ 1,794,348	\$ 1,547,022	86%	\$ 572,700	\$ 538,002	94%		
13	Total Cost of Goods Sold	\$ 1,500	\$ 2,733	182%	\$ 121,175	\$ 107,456	89%		
14	Gross Revenue	\$ 1,792,848	\$ 1,544,289	86%	\$ 451,525	\$ 430,546	95%		
15	Expenses:								
16	Advertising/Marketing:								
17	Advertising/Promotion/Marketing	\$ 297,000	\$ 183,371	62%	\$ 16,000	\$ 3,518	22%		
18	Internet Support & Marketing	\$ 268,650	\$ 263,363	98%	\$ 29,100	\$ 7,110	24%		
19	Marketing Collateral	\$ 20,000	\$ 8,905	45%	\$ 10,000	\$ 3,300	33%		
20	Media & Communications	\$ 70,000	\$ 60,943	87%	\$ 27,000	\$ 1,033	4%		
21	Research	\$ 18,000	\$ 22,507	125%	\$ 12,000	\$ -	0%		
22	Trade Shows & Sales Missions	\$ 80,000	\$ 46,242	58%					
23	Product Development	\$ 389,828	\$ 156,881	40%					
24	Meetings/Sales	\$ 80,000	\$ 55,592	69%					
25	Regional Programs	\$ 15,000	\$ 20,022	133%					
26	Travel, Lodging & Meals	\$ 1,000	\$ 911	91%	\$ 2,000	\$ 2,223	111%		
27	Postage & Delivery	\$ 68,950	\$ 56,076	81%	\$ 8,750	\$ 977	11%		
28	Dues & Subscriptions	\$ 7,480	\$ 3,050	41%	\$ 1,760	\$ 297	17%		
29	Total Advertising/Marketing	\$ 1,314,908	\$ 876,952	67%	\$ 65,610	\$ 15,202	23%		
30	Total Board Expenses	\$ 850	\$ 644	76%	\$ 850	\$ 644	76%		
31	Building & Grounds Maintenance	\$ 9,000	\$ 2,201	24%	\$ 15,000	\$ 11,059	74%		
32	Commercial Liability Insurance	\$ 1,000	\$ 1,327	133%	\$ 1,000	\$ 1,327	133%		
33	Community Relations	\$ 3,300	\$ 3,128	95%	\$ 1,500	\$ 1,676	112%		
34	Computer/Technology	\$ 8,000	\$ 3,077	38%	\$ 8,000	\$ 1,449	18%		
35	Credit Card/Bank Charges	\$ 3,396	\$ 2,021	60%	\$ 3,596	\$ 3,552	99%		
36	Education & Training	\$ 8,200	\$ 3,284	40%	\$ 3,500	\$ 1,186	34%		
37	Total Equipment Repair & Lease	\$ 3,200	\$ 1,693	53%	\$ 4,100	\$ 2,884	70%		
38	Furniture /Fixtures	\$ 1,250	\$ 342	27%	\$ 1,250	\$ -	0%		
39	Business Services	\$ 4,000	\$ 1,428	36%					
40	Mortgage Payments - Adm. Bldg Interest								
41	Mortgage Payments - Adm. Bldg Principle								
42	Mortgage Payments - VC Bldg Interest				\$ 17,000	\$ 10,207	60%		
43	Mortgage Payments - VC Bldg Principle				\$ 18,000	\$ 808	4%		
44	Total Professional Fees	\$ 18,750	\$ 13,141	70%	\$ 18,750	\$ 13,763	73%		
45	Property Tax				\$ 1,625	\$ 1,050	65%		
46	Total Salaries & Employee Benefits	\$ 260,760	\$ 191,203	73%	\$ 313,100	\$ 201,218	64%		
47	Staff Development	\$ 4,000	\$ 1,333	33%	\$ 3,000	\$ 1,474	49%		
48	Storage & Handling	\$ 1,168	\$ 1,238	106%	\$ 3,796	\$ 2,733	72%		
49	Supplies	\$ 6,000	\$ 5,646	94%	\$ 6,000	\$ 5,766	96%		
50	Phone, DSL, T1, Internet, Long distance	\$ 6,500	\$ 5,202	80%	\$ 6,500	\$ 4,631	71%		
51	Utilities - Gas, Elec., Water, Sewer, Trash	\$ 6,500	\$ 2,872	44%	\$ 6,500	\$ 11,458	176%		
52	Volunteer Recognition & Dev.	\$ -	\$ -		\$ 28,000	\$ 20,661	74%		
53	Total Expense	\$ 1,629,182	\$ 1,103,045	68%	\$ 517,952	\$ 295,409	57%		
54	Net Increase (decrease) in unrestricted assets from ops	\$ 163,666	\$ 441,244	270%	\$ (66,427)	\$ 135,137	-203%		
55	Cash Flow - Expenditures								
56	Capital Acquisitions				\$ 5,000	\$ 5,147	103%		
57	Principal Payments-Admin								
58	Principal Payments-VC				\$ 18,000	\$ 10,185	57%		
59	Reserve Contribution/Contingency								
60	Total Cash Flow - Expenditures	\$ -			\$ 23,000	\$ 15,332	67%		
61	Net Increase (decrease) in unrestricted assets	\$ 163,666	\$ 441,244		\$ (66,427)	\$ 135,137			
62	57% Salaries & benefits in Tourism Dept	\$ 81,406	\$ 61,055	75%	\$ 259,572	\$ 194,679	75%		
63	Contracted amount of City Funding allocated to Tourism & Visitor Services (55% of the bed tax collections in FY15)	\$ 1,449,828	\$ 974,224	67%	\$ 410,000	\$ 289,164	71%		
64	+ Administrative fee	\$ 150,000.0							
65	Total city investment				\$2,009,828.00				
66	Total Spent YTD	\$ 1,413,388	70%						

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("Agreement") is hereby made by and between the CITY OF SEDONA, a municipal corporation, ("City"), and the Sedona Chamber of Commerce and Tourism Bureau ("SCC&TB").

WITNESSETH

WHEREAS, City and SCC&TB have entered into a Tourism Promotion & Visitor Services Agreement to partner in destination marketing and tourism product development activities; and

WHEREAS, SCC&TB annually develops a Destination Marketing and Development Plan for approval by the Sedona City Council; and

WHEREAS, the Destination Marketing and Development Plan considers initiatives to enhance existing products, identify new areas of development focus that would address future opportunities, identify a range of potential options for product development, and recommend product development programs; and

WHEREAS, SCC&TB works cooperatively and in partnership with City staff in reviewing and preparing a final list of product development recommendations for each fiscal year; and

WHEREAS, SCC&TB has identified an opportunity for the acquisition of a certain parcel of real property within the City of Sedona at 401 Jordan Road that has various potential uses related to product development; and

WHEREAS, SCC&TB and the City desire to jointly identify, through the annual preparation of product development recommendations, the best and most efficient use of the 401 Jordan Road property; and

WHEREAS, the City desires to have the option of acquiring the 401 Jordan Road property by donation from SCC&TB at such time as SCC&TB possesses fee simple title to said property; and

WHEREAS, SCC&TB desires to convey by donation the 401 Jordan Road property in fee simple to the City if SCC&TB, in partnership with the City, determines that it is in the mutual interest of each party to execute said conveyance; and

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the parties agree as follows:

1. Scope of Agreement

- A. SCC&TB shall be responsible for acquiring the real property located at 401 Jordan Road and, upon acquisition, shall hold said real property for the mutual benefit of SCC&TB and the City.
 - B. Upon notice by the City to SCC&TB of the City's intent to receive conveyance of the real property located at 401 Jordan Road, regardless of whether said real property remains encumbered by the security interest of any mortgagor, SCC&TB shall convey its then current interest in the property to the City, conditioned upon the City's satisfaction of any outstanding indebtedness or security interest owing to any mortgagor or other interested party in the property.
 - C. At such time as SCC&TB realizes ownership of the property free and clear of any mortgage or other security interest encumbering the property, SCC&TB shall notify the City of SCC&TB's intent to transfer ownership in fee simple of the property to the City. The City shall have the option to accept conveyance of the property or to reject ownership in favor of continued ownership and possession of the property by SCC&TB.
 - D. While the property is in the exclusive possession and control of SCC&TB, and until the property is properly conveyed to City pursuant to City's notice as provided in this Agreement, SCC&TB shall have the right and authority, to make any and all use of the property that SCC&TB deems appropriate so long as said use is consistent with the Destination Marketing and Development Plan approved by the Sedona City Council.
 - E. Any and all revenues generated by SCC&TB by virtue of the use of the property shall be used exclusively for the reduction of indebtedness on any mortgage or other lending instrument encumbering the property until such time as said encumbrance is satisfied.
 - F. SCC&TB shall at all times during the term of this Agreement assume sole responsibility for the cost of routine maintenance and upkeep of the property, subject to coordination and scheduling by mutual agreement of the parties.
2. Hold Harmless. Neither the City nor any officer or employee thereof is responsible for any damage or liability occurring by reason of any negligent act or omission committed by the employees of SCC&TB acting within the scope of their employment under or in connection with any work, authority or jurisdiction delegated to SCC&TB under this Agreement. Neither SCC&TB nor any officer or employee thereof is responsible for any damage or liability occurring by reason of any negligent act or omission committed by the employees of the City acting

within the scope of their employment under or in connection with any work, authority or jurisdiction delegated to the City under this Agreement.

3. Term. This Agreement shall remain in full force and effect until such time as the financial obligations created as a result of the financing for the benefit of SCC&TB have been fully and finally satisfied.
4. Governing Laws. This Agreement shall be deemed to be made under, shall be construed in accordance with and shall be governed by the internal, substantive laws of the State of Arizona.
5. Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be deemed severed from this Agreement, and this Agreement shall otherwise remain in full force and effect.
6. Termination. This Agreement may be terminated at any time by City's receipt of a conveyance in fee simple of the property by SCC&TB. If at any time prior to the conveyance of the property in fee simple from SCC&TB to City the property ceases to be used by SCC&TB for the purposes described herein and in the Destination Marketing and Development Plans approved by the Sedona City Council, City shall have the right to cancel this Agreement upon notice to SCC&TB and the failure of SCC&TB to timely cure.
7. Notices. All notices or demand upon any party to this Agreement shall be in writing and all shall be delivered in person or sent by mail addressed as follows:

SCC&TB
Jennifer Wesselhoff
331 Forrest Rd.
Sedona, Arizona 86336

City of Sedona
Karen Osburn
102 Roadrunner Dr.
Sedona, Arizona 86336

8. Entire Agreement. This Agreement contains the entire agreement between the parties, and no oral or written statements, promises, or inducements made by either Party or its agents not contained or specifically referred to in this Agreement are valid or binding. All modifications to this Agreement must be in writing, signed, and endorsed by the parties.
9. Attorney's Fees. If either party brings an action or proceeding for failure to observe any of the terms or provisions of this Agreement, the prevailing party is entitled to reasonable attorney fees and costs pursuant to A.R.S. § 12-341.01.
10. Miscellaneous. The captions and paragraph headings used in this Agreement are for convenience and reference only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement. When used herein, the terms "include" or "including" shall mean without limitation by reason of the enumeration. All grammatical usage herein shall be deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require. The term "person" shall include an individual, corporation, partnership, trust, estate, or

any other entity. If the last day of any time period stated herein shall fall on a Saturday, Sunday, or legal holiday in the State of Arizona, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday, or legal holiday in the State of Arizona.

IN WITNESS WHEREOF, the governing body of each Party hereto has approved and executed this Agreement in accordance with governing law.

CITY OF SEDONA

By: _____
Sandra J. Moriarty, Mayor

Date _____, 2017

ATTEST:

Susan L. Irvine, CMC, City Clerk

SEDONA CHAMBER OF COMMERCE AND TOURISM BUREAU

By: _____
Jennifer Wesselhoff, President

Date _____, 2017



**CITY COUNCIL
AGENDA BILL**

**AB 2238
June 13, 2017
Regular Business**

Agenda Item: 8b
Proposed Action & Subject: Discussion/possible action regarding the donation of a bronze sculpture from Friends of Jack Jamesen Memorial Park, Jill Galea, Chairman, to be placed within Jack Jamesen Memorial Park.

Department	Parks and Recreation
Time to Present	10 minutes
Total Time for Item	20 minutes
Other Council Meetings	December 8, 2015
Exhibits	A. Agreement for donation B. Artist biography C. Map of location

City Attorney Approval	Reviewed 6/5/17 RLP	Expenditure Required
		\$ 0
City Manager's Recommendation	Approve the donation of a new bronze sculpture from Friends of Jack Jamesen Memorial Park.	Amount Budgeted
		\$ 0
		Account No. N/A (Description)
		Finance <input checked="" type="checkbox"/> Approval

SUMMARY STATEMENT

The Friends of Jack Jamesen Memorial Park are interested in improving the park with the addition of a third bronze sculpture.

Background: The Friends are interested in donating one bronze sculpture to be located within Jack Jamesen Memorial Park. According to the Friends of Jack Jamesen Memorial Park (Friends), it was the initial intent of this pocket park to create a sculpture garden and was designed with “separate featured themed areas to highlight our dedicated citizens.” The Friends are proposing the donation of a 72” bronze Newton’s Ladder created by artist Henry Fox. A biography of the artist can be found in Exhibit B. According to the original design of the park, there is still room for four more sculptures. The artwork in question will be located according to the map as shown on Exhibit C. The Friends are responsible for the installation of each sculpture. There is no anticipated cost to the City. The estimated value of this piece of art is \$9,000.

It is the goal of the Friends to donate a total of six pieces of art to this park. This piece will be the third if it is approved.

Community Plan Consistent: Yes - No - Not Applicable

Arts, Key Issues: Need to enhance Sedona's role as an important arts community. There are two primary components of arts in Sedona: visual arts and performing arts. Both are key ingredients in defining and sustaining Sedona's regional, national and international appeal.

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Approve a different location within Jack Jamesen Memorial Park.

MOTION

I move to: approve the acceptance of the donation of one sculpture to be located at Jack Jamesen Memorial Park.



**Agreement Between
City of Sedona
and
Friends of Jack Jamesen Memorial Park
for donation**

THIS AGREEMENT, entered into this 13th day of June, 2017, is by and between the City of Sedona (the "City"), a municipal corporation, and Friends of Jack Jamesen Memorial Park, Jill Galea, Chairman, (the "Donor") 44 Stutz Bearcat, Sedona, AZ 86336.

WHEREAS the Donor and the City recognize the importance of park facilities and amenities;
and

WHEREAS the Donor has offered to donate up to six bronze sculptures.

NOW, THEREFORE, the City and the Donor, for the consideration and under the described conditions and obligations, hereinafter set forth and agree as follows:

Section 1. The donation, known as *Newton's Ladder*, as described below, is donated in its entirety to the citizens of Sedona to be hereafter owned by the City of Sedona and managed on behalf of the citizens by the Department of Parks and Recreation.

Section 2. Description: Newton's Ladder. This item is a 72" high by 18" wide bronze statue. The appearance is that of cubes stacked on each other and decreasing in size as you go from ground to peak. The artist is Henry (Skip) Fox.
Park or Facility: Jack Jamesen Memorial Park
Location: Beside the existing walkway that leads from Bank of America parking lot into the park.
Additional information: The bronze will be placed on a concrete base that is 24" round by 24" high.
Contributed by Linda and Alan Brecher of Sedona.

Section 3. The City reserves the right to move/remove and/or retire the said donations following cessation of a five-year period. The five-year period shall commence upon the date entered into and indicated above.

Section 4. Maintenance
The City shall be responsible for maintenance of the item, including any reasonable repairs, and will have the discretion to not replace and/or repair the donation, if it is deemed damaged beyond reasonable repair and/or replacement, suffers repeated vandalism, and/or expires prior to cessation of the five year period. Maintenance or replacement of the item will be at the City's sole discretion.

Section 5. Term

The initial term of this agreement shall be five years. Following cessation of the five year period, the City may treat the donation, as it would any other City property similar in nature.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officials on the date set forth above.

Sandra J. Moriarty, Mayor
City of Sedona
102 Roadrunner Drive
Sedona, Arizona 86336

Jill Galea, Chairman
Friends of Jack Jamesen Memorial Park
44 Stutz Bearcat
Sedona, AZ 86336

ATTEST:

Susan L. Irvine, CMC, City Clerk

Approved as to form:

Robert L. Pickels, Jr., City Attorney

Artist Biography

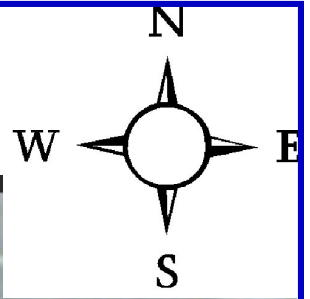
Henry (Skip) Fox was born in Brooklyn NY and attended Lincoln High School where he met his wife of 54 years, Elaine Schwartz. They both went on to attend Brooklyn College and then Skip attended and graduated as a Dentist from New York University Dental School. He enlisted in the Air force during the Vietnam War and spent two years as a Captain in the Dental Corps, stationed in Duluth Minn.

After returning from service to his country he started a Dental Practice in Parsippany New Jersey where he practiced until his tremors forced him to retire in 1986. He always had a passion for art. He began collecting when he was just 17 years old. He and Elaine pooled all their money to buy a painting for \$17 at the Greenwich Village Art Show in NY. He painted, created jewelry, both cast and fabricated, he fashioned ceramics, produced installations with social themes and large monumental metal sculptures. He studied art at George Mason University, the Torpedo Factory and with many different artists. He and his wife fell in love with Sedona and moved here in 1990. He was active in the art community until his death in 2015.



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Map of Location



Proposed location of
Jacob's Ladder

Northview Road

737,773.874 1,405,548.980 Feet