



**Scottsdale Cultural Council  
Board of Trustees Meeting  
October 27, 2009**

**MINUTES**

**CALL TO ORDER**

Chair Linda Milhaven called the meeting to order at 4:00 p.m.

**ROLL CALL**

**Trustees**

Milhaven, Linda, Chair	Present
Don Cogman, Vice Chair	Present
Miller, Mike, Secretary	Absent
Voris, John, Treasurer	Absent
Andres-Schneider, Ellen	Present
Chippindall, Andrew	Present
Giancola, Paul, SMOCA Chair	Present
Hayslip, Richard, Public Art Designee	Absent
Hiegel, Mark	Present
Horne, Audrey, Public Art Chair	Absent
Howard, Ed, SCPA Designee	Present
Irvin, Carol	Present
Kidder, Rick	Present
Medici, Mike, SMOCA Designee	Present
Meyer, Mike	Present
Schweiker, Dan	Present
Smith, Diana	Present
Wills, Robert, SCPA Chair	Present
Wittmer, Karen	Absent

**Staff:**

Babcock, Jeffrey, SCPA Artistic Director	Present
Banchs, Bill, President and CEO	Present
Green, Jim, VP and CFO	Present
Meyerson, Barbara, SMOCA Interim Director	Present
Nydahl, Jack, Controller	Present
Oliver, Lesley, SMOCA Marketing and PR	Present
Parker-Moquay, Alex, SMOCA Director of Development	Present
Vadala-Homer, Valerie, Public Art Director	Present
Williams, Marilyn, SCC Executive Assistant	Present
Wilson, Eileen, SCPA Director of Development	Present

**Guests:**

John Little, Scottsdale City Manager  
Paul Ulan, Manager of Primary Consultants, LLC  
Kathy O'Connor, City of Scottsdale  
Collette Kamps, CPA, Audit Sr. Manager, Henry & Horne, LLP

Chair Linda Milhaven opened the meeting by introducing guests Scottsdale City Manager, John Little, and Manager of Primary Consultants, LLC, Paul Ulan, who would discuss bond issues. She explained that Facilities Master Plan, agenda item 7., would be moved to the beginning of the meeting to accommodate the City Manager's time constraints.

## **7. Facilities Master Plan**

City Manager John Little addressed the group by stating that he would be discussing the City of Scottsdale's November 2010 Bond Election and stated that the City is on a bond cycle of seven to ten years. The first step in the process was described as identifying projects beneficial to the community. Little explained that, from the City's standpoint, the amount of funding put up for election must have some geographical component.

Other points addressed by Mr. Little:

- In the year 2000 the City passed a \$360M bond; in 2010 they are looking for approximately \$250M - \$260M.
- Projects that are too ambitious, with not enough documentation or too high a price tag, put the project at risk.
- The order in which the projects are listed on the ballot is critical. When prioritizing projects, all must work together; it can't be a wish list, but instead must be a highly refined, well prioritized list in order to succeed.
- This year's project should include a feasibility study, market analysis, architectural plan, structural plan, and considerable detail. "Islands of Readiness" like these are most likely to be successful because it allows more questions of voters to be answered. The conceptual planning process should already have been completed. Unless you are well down the road with these kinds of questions answered, it will be almost impossible to meet the 2010 deadline; otherwise, it may be wise to wait until 2012.
- The Water Campus cost \$191M.
- In other communities, bond programs have been packaged with issues that are popular, such as police, firefighters, etc.
- The process has just begun at the City; for the last year or more they have been compiling a list, which has not been defined or distributed. When released in mid-November it will become public and will show a prioritized list of programs recommended to go forward. The Budget Commission and City Council can re-prioritize the list, but there are many more projects than there will be funding.
- Some communities have been successful presenting "Quality of Life" packages, and timing is very important. Mesa did a "Quality of Life" bond with lots of arts and cultural projects included.
- There is a potential to do an "off-2010" bond election; perhaps a different kind of packaging in a subsequent year.

City Manager Little entertained the following questions:

- What is on the preliminary long list?
  - I can't say until the City Council knows first.
- What is the cost of holding a bond election?
  - Approximately \$250,000.
- What is the maximum we could bond for?
  - That is a political question, and you would need polling for an answer. It is not a case of legal restrictions, but practical ones.
- Was the Mesa "Quality of Life" bond attached to a sales tax?
  - No, it was stand-alone.
- Would packaging with the Desert Discovery Center and Museum of the West be helpful?
  - I feel that it would. There is a compelling argument in the community to be made; we need new attractions. There is a relationship between the arts and economic vitality, and the citizens of Scottsdale understand that.
- Is there a City connection, or do we do this independently?
  - It should show up in a Strategic Plan, the funding request should be determined, it should be brought to the City to get authorization from the City Council to fund projects to complete that work.
- Is the Community Arts Trust a possibility?
  - I don't believe the Community Arts Trust is set aside for that. You need to submit the funding request to the City Council. October is the month staff starts putting that together, and in January the Council begins to look at requests.
- It looks like we missed the window to hire a consultant to do the feasibility study.
  - Be very judicious in asking for the right thing at the right time. You don't want to not have spent your last bond funds when you ask for a new bond.
- What opportunities are there for going back and amending the placeholder?
  - If no consulting has been done to date, that opportunity is gone. If you take a bond forward without true costs identified, it will not succeed.
- Is there more appetite for some arts projects than others?
  - More product is needed. There is no greater need than the Museum of the West, Performing Arts Amphitheater, and the Desert Discovery Center as destination projects. The comment has been made, "Before we build something new, why don't we fix up what we've got."
- Who decides bundled as opposed to separate projects?
  - Sit down together and ask what the community needs are today.

At this juncture the City Manager excused himself from the meeting.

Paul Ulan, Manager of Primary Consultants, LLC, addressed the group, distributed literature from the bond campaigns of the Wickenburg Unified School District #9 and the Scottsdale Unified School District No. 48, and gave a brief review of his background. With a near-perfect win record, Mr. Ulan has assisted over 50 organizations in passing the necessary bonds or overrides to support their schools, children and communities, including the Scottsdale Unified and Tolleson Union High school districts for their override elections, as well as all of the McDowell campaigns.

Mr. Ulan conducted a PowerPoint presentation titled "November 2010 City of Scottsdale Bond Campaign 101, which included the bonding timeline, City's role, committee's role, campaign mechanics, fundraising, and political factors. At the completion of the presentation, Mr. Ulan invited questions, which elicited the following comments from him:

- The voter list is available.
- The sponsoring organization is either the sole funding source or the primary funding source for the committee.
- A community icon is preferable to lead the effort.
- It may not be best to be on the 2010 ballot.
- Competing issues, such as the statewide arts sales tax campaign, can be confusing.

Chair Milhaven thanked Mr. Ulan for his presentation and addressed the Board. She announced that the RFP has been created and mailed, and that we are moving forward with the consultant and other aspects of the Facilities Master Plan, but questioned next steps. It was agreed that there is much work to be done and that we should move forward so that when the appropriate time comes we are prepared.

Discussion included considering 2012 as the target in order to better organize, keeping in mind that the downside of this decision would be the distraction of the presidential election. It was agreed that it would take a full year to get organized, get support, and build the infrastructure. Some felt it was best to consider a stand-alone election.

Chair Milhaven solicited members of a committee to examine the RFP and define the scope of work. The members are:

Linda Milhaven  
Rick Kidder  
Mike Medici  
Diana Smith  
Dan Schweiker  
Staff to be determined

It was agreed that the first meeting of the group would be scheduled quickly.

**Moved by Ellen Andres-Schneider and seconded by Mike Medici**, the Board of Trustees unanimously authorized CEO Bill Banchs to enter into a contract up to \$60,000 with a consultant for the purpose of creating a Scottsdale Cultural Facilities Master Plan.

Chair Milhaven proceeded to agenda item 9. Audit.

**9.** Collette M. Kamps, CPA, Senior Manager of Henry & Horne, LLP, reviewed the audited

financial statements for years ended June 30, 2009 and 2008. She then read the Scottsdale Cultural Council Audit Form 990, highlighting changes made in the form.

**Moved by Rick Kidder and seconded by Ellen Andres-Schneider**, the Board of Trustees unanimously accepted the audit report as presented.

### **Executive Session**

Following the review of the audit, Vice Chair Milhaven excused staff and board meeting guests in order to convene an Executive Session of the board for the purpose of a private discussion of the audit.

### **Regular Agenda**

Chair Milhaven reconvened the regular agenda by calling for a vote on the Consent Agenda.

### **CONSENT AGENDA ITEMS**

1. Approve September 22, 2009 Board of Trustees Meeting Minutes
2. Approve updates to SCC Board of Trustees Roles and Responsibilities
3. Approve September Financial Report
4. Report from Scottsdale Center for the Performing Arts
5. Report from Scottsdale Museum of Contemporary Art
6. Report from Scottsdale Public Art

**By a single motion made by Diana Smith and seconded by Carol Irvin**, the Scottsdale Cultural Council unanimously approved Consent Agenda items 1. through 6. as presented.

### **8. Election of New Trustee Keith Baum**

Governance Committee Chair Ellen Andres-Schneider announced that Keith Baum has been recommended by the Governance Committee to serve as an At-Large Trustee on the SCC Board of Trustees. She directed attention to his CV, which was included in the Board Packet.

**Moved Don Cogman and seconded by Rick Kidder**, the Board of Trustees unanimously elected Keith Baum to his first full three year term as At-Large Trustee.

Andres-Schneider announced that members of the Finance Committee have been selected and listed them as:

John Voris, Chair  
Linda Milhaven  
Ed Howard  
Karen Wittmer  
Mike Medici

Bill Heckman

Governance Committee Chair Andres-Schneider also announced that Rich Felder has agreed to serve on the Investment Committee.

**Moved by Carol Fehring Irvin and seconded by Rick Kidder**, the Board of Trustees unanimously approved the above additions to the Finance and Investment Committees.

Ms. Andres-Schneider encouraged the Board to continue to provide names of potential board members, pointing out that this should be a continual process and that the names will be maintained by the Governance Committee not only for Trustee prospects but for assistance should operating division boards request it when populating their own boards.

#### **10. SCPA Board Update**

SCPA Board Chair Bob Wills had two items to discuss:

- Regarding the Gala on October 24<sup>th</sup> and the Dedication on the 25<sup>th</sup>, Wills complimented the skill of the professional staff of all three divisions and gave a vote of thanks to all who contributed.
- Wills commended SCPA Artistic Director Jeffrey Babcock and his senior team on having nearly completed the 2010/2011 season and on moving forward with the 2011/2012 season. Wills anticipates the brochure announcement in early March.

#### **11. SMOCA Board Update**

SMoCA Board Chair Paul Giancola stated that attendance has been strong at the museum and commended all involved in the following activities listed in the SMOCA report in the Board Packet:

- SMOCA staff involved in the unique Nick Cave exhibit ,
- Everyone involved in the search for the new SMOCA Director and in the strenuous schedule of interviews. He hopes the new Director will be in place by January 1<sup>st</sup>, 2010.
- Barbara Meyerson for all of her efforts; she came for three months and stayed for over a year here.

#### **12. Public Art Board Update**

Because neither of the Designated Trustees from Public Art were present to present their board report, their report was deferred to the next meeting.

#### **13. Chair's Report**

Chair Milhaven directed Trustees' attention to their previously distributed copies of CEO Bill Banchs' Goals and Objectives.

The Annual Sterling Awards Luncheon will be held on November 12<sup>th</sup> from 11:30 to 1:30, and Rick Kidder said that the costs of tickets have been lowered this year. Chair Milhaven directed all to contact Marilyn Williams if they are interested in attending.

#### **14. President's Report**

CEO Banchs informed the group of a conversation he had with Councilman Ron McCullagh, who told him the Gala was the most pleasant evening he had spent since being a member of the City Council. Banchs gave kudo's to SCPA Artistic Director

Jeffrey Babcock and his staff, to Director of Development Eileen Wilson and Special Events and Projects Coordinator Michelle Kaps, and to the hall itself. A highlight of the evening included the unveiling of an exciting new artwork by San Francisco based artist Kana Tanaka installed in our atrium. Banchs reported having received volumes of emails of congratulations after the Gala, and said that we are building on the past with the future open before us; we should take pride in our accomplishments. CEO Banchs reported that SCC netted around \$70,000 from the Gala.

CEO Banchs said that the Scottsdale Center for the Performing Arts' beautiful new atrium was dedicated as the **Dayton Fowler Grafman Atrium** before the performance on Sunday, October 25<sup>th</sup> and was a great success. The 2009-10 VGP Concert Series was dedicated to Dayton and the first piano performance was in the theater that night. Banchs announced that every member of the board from the Virginia G. Piper Trust was there for the dedication, as were around thirty Rotarians.

The Latin Jazz Festival was discussed by CEO Banchs, who reported that Mike Meyer, Jeffrey Babcock, Eileen Wilson and himself made a proposal to BlueCross BlueShield for funding and that the full amount requested was granted, making BlueCross BlueShield the sponsor for the event.

Banchs reported that the same presentation was made to Cox Communications, who has agreed to provide in-kind including 300 30-second spots on television, filming of the festival, and documenting the event for promotional spots next year.

CEO Banchs reported that Eileen Wilson and he attended the Piper Academy, where he was especially struck by a comment of one of the presenters; "Fundraising is about networking; fundraising is about the cause." Banchs believes that our experience is an example of that and said that it's about trust and about product.

Banchs announced that the SMOCA Director search is in its very last stages and that the candidate has agreed to all conditions. He believes that the announcement may be made as early as Wednesday, October 28<sup>th</sup>. CEO Banchs said that the Director of Marketing and Audience Engagement is also in its last stages.

## **15. Announcements from Committees**

There were no announcements from committees.

The next meeting of the Board of Trustees will be at the All-Board Retreat at 3:00, December 1<sup>st</sup>.

There being no further business, the meeting was adjourned at 6:10 p.m.

Respectfully submitted,  
Marilyn Williams, Recording Secretary