



MINUTES: Meeting of the Board of Directors

Thursday, January 11, 2018

CALL TO ORDER

The meeting was called to order at 1:01pm by Chair Julie Bovay

DIRECTORS PRESENT (12)

Bovay, Fornasiere, Wilson, Puchala, Costello, Montano, Hite, Hoefs, Paret, Ponce, Salinas, Radde

DIRECTORS ABSENT (7)

Howell, Stevenson, Foley, Alkibay, Leyva, Kielpinski, Wade

STAFF PRESENT (3)

Luttjohann, Miller, Johnson

GUESTS (1)

Cinde MacGugan-Cassidy

PRESENTATIONS

Jason Paret explained the ballot measure proposed by the Catalina Island Medical Center (CIMC). CIMC must be updated by 2030 or it will be forced to close. Paret led the group through his slide program (on file) and also handed out a flyer (on file) with highlights of his talk. To raise funds, the proposal adds a \$1.00 transit fee per person/direction on passengers of cross channel carriers and cruise passengers with monies used for rebuilding and debt service related to same for CIMC. The current hospital was built in 1960 and the aging structure now services 4500 residents and about 1 million visitors annually. California has mandated earthquake safety standards and medical facilities not in compliance will be closed by the State. The cost for a new building is estimated at \$50-60 million which includes equipment updates, system redundancies, a fitness center, construction fees and more. Most of the attending Board Members participated in the discussion. Topics ranged from the importance of keeping the hospital open, cost to cruise ship industry and the need to give them ample notice, insurance not currently honored at CIMC and the fact that this is a perpetual fee that can only be overturned by another vote of the public. A decision to vote on the support and official stance of the CCoC&VB was postponed until a future meeting after determination of which election will include the initiative on its ballot.

CONSENT ITEMS

Approval of Minutes from November 2017

Motion for approval by Fornasiere, second Ponce. Passed unanimously

Approval of Financials November 2017

Motion for approval by Hoefs, second Wilson. Passed unanimously

Approval of Financials December 2017

Motion for approval by Montano second Costello. Passed unanimously

REPORT FROM THE CHAIR

Bovay reported on the December meeting of the Executive Committee. The meeting focused on an annual review of CEO Luttjohann. Approval was given for a 3% salary increase and a 10% end-of-year bonus. Staff review being the only item on that agenda, the meeting was closed. The written report is on file.

ACTION ITEMS

Accept SMG Capacity vs. Needs Study

Written report received from SMG is on file and also available on catalinachamber.com website. Luttjohann called attention to highlights and encouraged Members to read the entire document. Each day visitor taxes local services without the financial benefits to the community of an overnight stay. The study suggests a reduction of travel at peak times and encouragement off-season travel. This is achieved by lowering spending on summer marketing and increased marketing, targeting the shoulder and off seasons. Wilson said shifting marketing dollars is okay, but this is a complex problem with water, employee and housing issues. Topics of discussion included: workers taking time off to refresh and ultimately serve visitors in optimum fashion; off-season travelers' complaints about activity limitations and business closures; and how deteriorating infrastructure could discourage future visits. Bovay reminded all, this will be an on-going discussion with conversation most likely at every meeting.

DISCUSSION AND POSSIBLE ACTION

Cruise Industry Update—Wilson had no report.

Marketing Report

GoToCatalina Marketing Co-op—Miller explained the co-op operated for the past eight years between Catalina Express, Catalina Island Company and the Catalina Island Chamber of Commerce & Visitors Bureau (CICoC&VB) was contest based. The former GoToCatalina is now a consumer co-op that will no longer participate in summer promotions. The objective has been revised to target visitors living further away, translating to longer stays. Currently, the San Francisco Bay Area is the focus--flights are frequent, timing is favorable and San Francisco residents regularly travel for vacation. The "Bye Bay ... Hello Catalina" campaign began January 1 and HelloCatalina.com is a new domain associated with this campaign. The group is working to create a new image for visitors, encouraging overnight stays during

the off season. She also noted the CCoC&VB Stand Alone Marketing Campaign runs through January 2018 cyber targeting Southern California.

Group Sales & Marketing Report—Miller provided insight into the possible options including a rolling scale for members that participate in this program. The Gold Member currently pays \$6,500 to reach prospective visitors, but when RFPs come in, all members benefit equally. The paying partners are looking into distribution options to optimize their marketing dollars.

Events Report

Mixers & Fixers— Miller reported for Warner on the progress of the 2018 Visitors Guide as Warner has meetings on the mainland this week for final proofing of the Guide which is available early February. Warner will also represent Catalina Island at a trade show in San Diego over the weekend. The Thursday Update includes an open call for Mixer hosts. It was announced that the Conservancy expressed interest to host a Mixer once the Trailhead opens.

New Year's Eve—Miller declared the New Year's Eve gala successful with 645 attending. No one had to be reseated and there were no major security issues. She reported the list of 2018 events is up on the CCoC&VB website. Miller also requested promotions for Spring Break, Kidalina, February's Island of Romance be sent to Lincoln and that Hot Deals must include an expiration date.

President's Report

Luttjohann deferred to his written report (on file).

Board Member Reports

Board Member Fornasiero reminded all attendees of the new exhibit at the Catalina Island Museum, "100 Years of Catalina." She also mentioned the Posada show opened prior to Christmas and is well-received. February's 1st Friday event will celebrate the Lunar New Year and is scheduled to include dragon dancing.

ADJOURNMENT

There being no further business to come before the Board, Chair Bovay adjourned the meeting at 3:00 pm