



MINUTES: Meeting of the Board of Directors

Thursday, March 17, 2022

CALL TO ORDER

The meeting was called to order at 1:04pm by Chair Tim Kielpinski. This meeting was held in the Founders Room of US Bank and via Zoom.

DIRECTORS PRESENT (14)

Kielpinski, Hohenstein, Noll, Stevenson, Villalobos, Alkibay, Bombard, Bradley, Foley, Fornasiere, Glass, Maistros, Perico, Ponce

DIRECTORS ABSENT (3)

Gorelczenko, Hoefs, Paret

STAFF PRESENT (5)

Luttjohann, Miller, Warner, Johnson, DeMyer

GUESTS (6)

Tyler Wilson, Mike Bone, Yoli Say, Cinde Cassidy, Ray McKewon, Jeff Burghardt

CONSENT ITEMS

Approval of Minutes from February 17, 2021

Motion for approval Noll, second Hohenstein. Fornasiere asked about the question marks appearing after listing of guests. Being informed these were removed prior to posting on Catalina Island Tourism Authority (CITA) website the motion passed unanimously.

Presentation and Approval of Final Financials January 2022

Villalobos explained budget comparisons and audit adjustments. He stated the 2022 Visitor Guide sales were up \$24K. Motion for approval Hohenstein, second Ponce; passed unanimously.

Presentation and Approval of Financials February 2022

Villalobos referred to the report saying previously delayed expenses were now clear and the map printing would hit the books late March. Motion for approval Ponce, second Stevenson; passed unanimously.

REPORT OF THE CHAIR

Kielpinski reported the TOT/TBID is currently delayed.

Kielpinski stated the nominating committee consists of Noll and Hohenstein. He requested there be at least one other on this committee; Glass and Ponce volunteered. Kielpinski deemed this committee now consists of four; no vote was necessary.

Kielpinski asked if there were any nominations for the two empty board seats. Hohenstein would like to see dining represented and plans to speak with two potential candidates and ask if they are willing to serve. The committee will meet and by next meeting a vote for the two seats should take place.

PRESENTATION

Mike Bone of Spectrum Sports gave a report on race events. He shared a screen with stats on the Marathon and Triathlon. The Marathon last weekend was well attended and 39% stated it was their first time running on the island.

Several participants requested information on the Trans Catalina Trail and were interested in future visits. Bone would like to boost the finish line experience as it is currently rated 7.9 out of 10. He wondered what can make it better, which items are unique to Catalina and added that runners ask about food specials. The goal is to have more opportunities for athletes and their families to boost overnight stays. Kielpinski noted the numbers last weekend were good. Bombard confirmed Catalina Express put on extra boats to transport participants. Bone appreciates the current partners, would like additional businesses to participate and is seeking to make these events better. The races generate funds for local charitable organizations in excess of \$40K each year. The Lion's Club is one example; the club receives funds that become a benefit to the island community and their members provide volunteer labor at events.

REPORT OF THE PRESIDENT

Luttjohann shared his written report included in the packet with his updates in red. He mentioned a membership incentive which is not in his final packet but will be discussed later in the meeting.

DISCUSSION AND POSSIBLE ACTION

Mid-year Allocation of \$200K Funds Based on True-Up—Luttjohann stated that some of these funds would be helpful if used for increasing spring break numbers. Kielpinski asked if the amount would be at least \$200K; Luttjohann answered, yes. Luttjohann explained SMARInsights which has worked with other DMOs and Chambers conducting surveys. For \$12K a survey lasting a few months could reach members and select groups such as former members and non-member businesses. Kielpinski wondered what information CITA was hoping to receive. Luttjohann said it could be how members feel about their membership, what they believe CITA is doing, why some are not members and what is needed. The last survey was done inhouse about five years ago. Glass wished for clarity on what would be gained. Luttjohann hopes to see answers on why members are not engaged, former members didn't renew and reasons businesses choose to not be a member. Ponce stressed it is important to get feedback from former members.

A presentation by Burghardt from 62Above was given on marketing options and objectives using a budget of \$135K. He spoke of a digital media option to reach a targeted audience increasing overnight stays and brand awareness among affluent and educated visitors. The advantage is the return, tracking of traffic and email conversion. A discussion ensued on tracking which is mainly through Book Direct and credit card use. The second option from 62Above is TV media which would use 30 second spots on NBC and KTLA5 along with hosted media visits for 'CA Live' and 'Unscripted,' shows on these networks. Burghardt explained that digital media is smarter and provides more info. Alkibay asked if TV time slots are a guarantee as he wouldn't want a spot appearing where it would be a waste of funds. Burghardt responded, a fixed time is set and that in some cases the late at night spots are freebies filling air time. Hohenstein believes showing Catalina Island on TV is big but proposed using some of each option. Glass agrees that digital is better but likes the idea of viewers seeing the TV spots and then put the two together for that 'I see' moment. Hohenstein said since Catalina Express uses KTLA5 possibly use NBC only. Bombard confirmed KTLA5 morning TV is the focus for the Catalina Express media campaign.

Noll suggested the SimpleView (SV) upgrade might be postponed and those funds used toward the combination TV and digital media push. Luttjohann stated the website has never had a comprehensive revamp; the Searle site was moved to SV with some visual changes and then one upgrade since. Warner stated the SV upgrade is needed but could be delayed a few months. Alkibay agrees a hybrid sounds good. Fornasiere would like to see a hybrid with the TV focus on NBC and wishes to see NBC more involved with the Island. Perico stated that a hybrid is ideal and believes ads on the TV will be beneficial.

Luttjohann reminded all of the Catalina Beverage trucks driving mainland roads with Catalina Island graphic GatorWraps. Alkibay has four trailers and agreed they need a refresh. Hohenstein motioned to approve new graphics not to exceed \$11,500 for GatorWraps on two trailers, second Stevenson; Alkibay abstained, motion passed.

McKewon spoke on the possibility of a June 18 Pride Celebration that would cost \$11K. The plan is for three DJs with large followings to provide a free concert on Wrigley Stage. Noll motioned to approve \$11K for Xceptional Music to move forward with booking talent for the June 18 concert, second Ponce; passed unanimously.

Hohenstein made a motion to approve a hybrid of digital and NBC TV advertising not to exceed \$163K, second Bombard; passed unanimously.

Noll motioned that \$12K be spent on the SMARInsights survey, second Ponce; passed unanimously.

US Bank Lease Agreement—Luttjohann explained the current admin office space lease and a possible proposal to reduce the square footage by giving up the smaller offices, keeping only the larger one but stated US Bank may not agree.

Another option is to rework the Visitor Center and make space there for admin work. Johnson confirmed the cost of the current lease is \$3041.67 per month for the space in US Bank. Luttjohann stated the office space is currently used by himself and Johnson. The smaller offices are empty most of the time as it was discovered during Covid that work can be done remotely and those employees work mainly from home. He mentioned a stipend could be given to employees working at home to offset utilities if the lease were reduced with the release of those spaces. Hohenstein believes it would not be wise to give up the space. Luttjohann mentioned that another proposal would be to include in the lease an option to sublet the smaller offices. Hohenstein did not agree with a stipend if office space is available. Fornasiere is hopeful that moving forward staff may be added and the office space will be needed. Luttjohann reminded the current situation is more staff are needed at the Visitor Center not in the admin office. He believes the renegotiation of the lease in September will likely include an increased rate. Kielpinski asked if this could wait for next meeting giving more time to think on the issue. Luttjohann will work on a proposal for the next meeting including the opportunity to sublet. Kielpinski believes bringing to the next meeting gives more time to consider as there are strong feelings and Luttjohann can then present his negotiation points.

Avalon City Council Candidates Forum—Luttjohann cautioned that last election brought labels of CITA being too influential in the election process. He asked if CITA should let go of the forum or move forward with planning. Cassidy stated she has run in the past three elections and was successful in all. However, the last two forums she was overly prepared for the event and was accused of impropriety with some saying she received the questions prior. She thinks CITA should not be involved as it brings a lot of negativities. She would prefer to not have drama pushed onto the Chamber and believes the organization should take a breather from politics. Ponce has no problem with CITA promoting the event as there are community members that are anti-chamber. He's lived on the Island for 26 years and all those years, CITA has provided the forum set-up with the community submitting their questions. He feels this forum is a great way for voters to see how candidates react to questions. Luttjohann said some years The Catalina Islander newspaper partnered with CITA. Last time, Friends of the Library assisted and chose which questions were duplicates and that some queries are muddled and must be deciphered. He said it is time consuming to de-duplicate the questions. Warner suggested that CITA only handle the logistics but another organization like Rotary could possibly do the rest. Noll made a motion for CITA to proceed with logistics but headline an outside organization to take credit and run the forum, second Hohenstein; Ponce abstained, motion passed.

Visitor & Member Services Reports—Hohenstein shared an idea for an incentive plan. Staff would receive 25% of membership for new members brought to the organization. Discussion included the idea of member businesses receiving the commission if they bring in new members. The incentive will only be paid for new members. Perico left the meeting at 3:04pm.

Report on Marketing—Miller reported on the committee meeting earlier in the day that was a recap of the last quarter, upcoming spring campaign and an events update.

Events Report—Kielpinski reminded attendees of the Mixer tonight at Eric's on the Pier beginning at 6pm. In the interest of time DeMyer mentioned the Lodging Open House is looking for participants.

Film Liaisons Report—Luttjohann stated plans are moving forward for the TV series 'Avalon' that will include on-location filming.

BOARD MEMBER UPDATES

Fornasiere revealed the Museum's First Friday April event will be a comedy show on April Fools Day. The new Norman Rockwell exhibit is open and coincides with the 80th anniversary of Catalina Island's involvement in WWII. She also stated the upstairs gallery holds Mexican photos and a new Museum director will be announced shortly. Catalina Express will partner with the Museum on April 19 with an Around the Island cruise.

Bombard noted that CARB will give a final ruling at their meeting on March 24. She thanked those that signed the petition and hopes that funding for ferries will be included in their ruling. She warned of possible weather on Sunday that could affect Catalina Express crossings and that the mask mandate is still in effect with lifting being considered at the end of April.

Kielpinski stated the Conservancy Ball is April 23 and tickets are on sale.

Villalobos announced Catalina Comedy Island is scheduled for September 9-11. This event will replace the Wine Mixer weekend and take be held in the Theatre. Tickets should be available in a few weeks.

Luttjohann advised that Spring Fest date was changed by the City of Avalon to April 28.

ADJOURNMENT

There being no further business to come before the Board, Chair Kielpinski adjourned the meeting at 3:14 pm.

ZOOM CHAT

13:03:12 From Tim Foley to Everyone:

Has the meeting started yet

13:03:24 From Tim Foley to Everyone:

I can't hear anyone

13:03:27 From Catalina Museum to Everyone:

Not yet

13:03:33 From Tim Foley to Everyone:

Thanks Michael

13:03:40 From Jim Luttjohann to Everyone:

starting soon

13:03:49 From Founders Room to Everyone:

can everyone hear Founders Room okay?

14:58:23 From Catalina Museum to Everyone:

Love it Michelle! Great idea

15:04:47 From rperico to Everyone:

I need to step away in a few moments.

15:13:48 From Catalina Museum to Everyone:

Wow!!!!!!!