



MINUTES: Meeting of the Board of Directors

Thursday, October 18, 2018

CALL TO ORDER

The meeting was called to order at 1:01 pm by Chair Gail Fornasiere

DIRECTORS PRESENT (17)

Fornasiere, Wilson, Howell-Awalt, Stevenson, Sanchez, Foley, Montano, Paret, Noll, Ponce, Kielpinski, Radde, Perico, Hohenstein, Hite, Alkibay, Hoefs

DIRECTORS ABSENT (2)

Bovay, Salinas

STAFF PRESENT (5)

Luttjohann, Miller, Warner, Johnson, Lincoln

GUESTS (2)

Cinde MacGugan-Cassidy and Ray McKewon

PRESENTATIONS

Ray McKewon of Xceptional Music gave a slide presentation on the summer concert series. McKewon reminded the Catalina Island Chamber of Commerce & Visitors Bureau (CICC&VB) Board that Xceptional Music produced 77 concerts on Wrigley Stage in the past nine years. He addressed the limited CICC&VB budget of the 2018 season which reduced the number of Xceptional concerts. Video clips were shown of those concerts: Mick Adams and the Stones, Santanaways, Tribute to Abba and Pato Banton, which was a late addition. He informed the Board on counts per concert: Beer Garden attendance generally 250; flow attendees 400-1200; static was 800-1000 for Abba; and estimated that 2/3 of the crowd are first-time visitors. He acknowledged support, stating \$30K was paid by CICC&VB and additional sponsors included: Catalina Island Vacation Rentals, Holiday Inn, Avalon Freight, Bluewater Avalon, Catalina Island Company (CIC), Lobster Trap, Catalina Express, Luau Larry's, IEX Helicopters, Ballast Point Beer and Cutwater Spirits, Yamaha Music and Hamilton Pacific.

CONSENT CALENDAR

Approval of Minutes from September 2018. Motion for approval by Hohenstein, second Ponce. Passed unanimously

REPORT FROM THE CHAIR

Fornasiere stated the October 17 Executive Committee meeting was held via phone. The call included discussion on the proposed budget to be reviewed in the CFO report later in this meeting. On the agenda was how to streamline Board meetings and changes were instituted in hopes of keeping more Board Members for the entire meeting. Reports will now be given by Board Members, with staff offering input where necessary. Fornasiere thanked Perico

and Noll for attending the early morning orientation and announced all new Board Members completed training. Fornasiere informed Board Members the SMG Sentiment Survey funds were approved via email vote sent out September 25, 2018. Luttjohann added the project is moving forward with the City of Avalon and is almost ready. All parties involved wish to iron out flaws prior to commencing the survey, insuring more accurate results. The Cruise Committee hoped preliminary results would be available for the Puerto Rico cruise industry conference in November but acknowledge the importance of correctness. Fornasiere attempted to open a discussion seeking input on the Board Retreat proposed for January 2019 at Two Harbors. Calling for a show of hands: 7 would attend and 2 would not. Questions trying to promote further discussion were asked about the location, date and how to encourage participation. Prior feedback received by Luttjohann directed him to plan a Board Retreat and acquire a facilitator that will recognize opportunities to broaden topics. Fornasiere explained that away from every-day life, a retreat would allow time to cover important issues more in depth. Using advertising as an example, she stated that reasons for an increase in that budget item could be discussed and debated. Retreat options include an overnight stay at Two Harbors, with the possibility of some participants attending one-day only.

REPORT FROM CHIEF FINANCIAL OFFICER

Howell-Awalt gave a brief account of the September 2018 Financials. He discussed the TOT revenue which included a \$33K true-up payment from the City of Avalon. Luttjohann explained the income was recorded in the previous fiscal year even though it was received this year. Fornasiere reminded Board Members this financial report had less detail as requested at a former meeting. Wilson moved to accept the September 2018 Financial Statements, second Noll. Passed unanimously

Howell-Awalt presented the proposed 2018-19 Budget stating the Executive Committee recommended approval. Hohenstein asked if it would be possible to move some of the TOT true-up payment to advertising. She went on to explain, groups advertising dollars were severely cut last year when the City readjusted the TOT payments to the CICC&VB. Montano would like off-season, overnight stays to target groups and corporate events and felt that marketing spending should increase in that category. Fornasiere reminded the Board that marketing is already aimed at the overnight, off-season visitor and Luttjohann confirmed the bulk of marketing dollars are spent with this focus. Hohenstein mentioned the Groups Marketing Committee would like to raise \$86K and their meeting discussion identified four or five members that will commit at the \$6K level and recognized 22 possible partners that may be interested to join the co-op at the \$1.5K level. Hoefs moved to approve the 2018-19 Budget, second Ponce. Passed unanimously

REPORT FROM MARKETING CHAIR

Stevenson reminded Board Members to sign up for the Annual Marketing Conference, held this year at Terranea in Rancho Palos Verdes on November 1-2. He noted that only two Board Members are currently signed up. Stevenson enforced his message saying, "this is where we craft our marketing strategies and the Chamber is a marketing organization." He then moved on to the Mering Carson proposal. Funds are accounted in the 2018-19 Budget and Mering Carson will conduct a workshop at the Annual Marketing Conference then present their key findings two weeks later. Miller stated, this service is often six figures, but Mering Carson is billing at a much lower price of \$15K.

Group Sales & Marketing Subcommittee met on Wednesday this month and the group decided Wednesday is a better fit, as time constraints come into play when the meetings are the same day as Board Meetings. Other details of this meeting were covered earlier in today's meeting. Hello Catalina Marketing Co-op held a meeting with Excel Media to plan for 2019. It was reported that Miller attended the Visit California event in the Bay area earlier this month.

The budget was approved earlier, but to insure the Mering Carson payment is authorized, Hohenstein moved to pay Mering Carson for their Brand Development Workshop, second Sanchez. Passed unanimously

Stevenson shared an article highlighted in the October 2018 Los Angeles magazine including Catalina Island in a feature on Small Town Adventures. He passed the copy around the room.

REPORT OF THE PRESIDENT

Luttjohann submitted his written report but added that he attended a Water Board meeting the previous day. This Water Consortium asked for its members to sign a joint letter to the State Water Division. Luttjohann asked for permission to sign a letter after Executive Committee reviews the document which will address water issues and concerns. Paret motioned to give consent for Luttjohann to sign the letter after the Executive Committee approves the content, second Hohenstein. Passed unanimously

Luttjohann reported the Hospital Consortium meeting moved along with good dialog. MacGugan -Cassidy stated there is good communication and there will be more to report at a later date. Luttjohann then addressed community image and emphasized areas of improvement. Clean-up days in cooperation with civil groups will improve the cleanliness of the city. The Advisor Committee and hospitality classes both at Avalon Schools have taken steps in the right direction. MacGugan -Cassidy announced teacher Paul Romo needs assistance with mock-interviews and pleaded with management-level Board Members to please volunteer and conduct one or more of the interviews. She further stated, current students are the future work force and it is important to build good customer service in this community. Fornasiere said that the hospitality students were at the museum recently for a tour and career information. Luttjohann also noted that film permits continue to be submitted with one approved for next week.

DISCUSSION AND POSSIBLE ACTION

Cruise Committee Report—Wilson communicated that this group met earlier today. Next month, three representatives, Wilson, Luttjohann and MacGugan -Cassidy will attend the FCCA conference in Puerto Rico. Nine appointments are set for 15 minutes each with cruise industry executives. With a 7% downturn in cruise calls, Wilson feels a focus on Carnival can make a positive difference. He discussed the SMG Sentiment Survey saying it will help to understand where local residents stand. He reported there are three types of visitors; overnight, day and cruise. He further explained that a breakdown could show how they affect services like water, etc. He cautioned the Board there is an additional concern among locals about overnight guests. Paret stated they are the ones drunk and noisy at night waking up residents in the early morning hours. Hohenstein mentioned, as she runs the Holiday Inn, the cruise ship guests are not necessarily a bonus for her, but she sees them as important and is always hopeful return visitors will stay at her hotel. Wilson informed the Board, cruise ship guests are 20% of the market. Stevenson announced NatGeo just increased their Avalon calls from two to four this year. Their ships carry less than 100 passengers, but the cruise cost is at the upper end and those visitors have the ability to spend much more while in port. Luttjohann mentioned that protocol is an issue; the ships are not communicating with the Harbor Department when there are changes or additions.

Canfield Article— Luttjohann wanted to discuss this article at a previous meeting, but it was postponed due to time constraints at the September meeting. A grad student in Rhode Island, Kaylee Canfield, has polled roughly 32 residents and published a few articles in The Catalina Islander that reflect a minority opinion written with a negative point of view. Luttjohann was proactive and invited her to attend Board Meetings or meet with him personally. A scheduled appointment was cancelled and she has made excuses about other meetings. It was noted that the Conservancy and CIC both reached out to Canfield after her articles appeared in the local newspaper. Kielpinski said she reported out of context on the Conservancy and Stevenson added she ignores communication from the CIC. MacGugan -Cassidy mentioned that Canfield would not talk with her either and suggested a letter be written to the editor. Paret added that a letter to her professor might be one way to convince her to investigate deeper. A possible Skype meeting was suggested so Canfield can listen to research and history of the island. Luttjohann will invite Canfield once again and work with local news to educate and encourage the community to participate in future discussions.

Wayne & Suzi Griffin Award for Outstanding Community Service— Luttjohann solicited nominations from CICC&VB Board Members, stating that only Catalina Laundry has been nominated. He urged the Board to email nominations to him.

Membership & Visitors Services Report— Luttjohann announced that membership was down over the past five years by 18%. Howell-Awalt stated that when he began on the Board he was on the Executive Committee as Membership Chair, but that position is not currently filled. He volunteered to compile a comparison list of City Business Licenses and CICC&VB members that could be used to solicit businesses to join. Montano offered to make phone calls. Luttjohann called attention to the fact that most dropped members are those that closed or lost their lease and mentioned, only one business stated they felt their membership was not affordable.

EVENTS REPORT

Concert Series—Lincoln stated the last concert this season will be a DJ on Oct 26. There will be no beer garden and the event will be family friendly with a Halloween theme. She added there are several upcoming Halloween events such as the City parade and the Conservancy's Halloween in the Garden. Luttjohann reminded the Board to please submit events 6-8 weeks in advance allowing the CICC&VB to add upcoming events to the website calendar. Potential visitors look at the events calendar, typically about 2 months out, to assist with their decision on if and when to plan a trip. Lincoln reinforced that events should be emailed to her.

Triathlon—Lincoln had a meeting Wednesday with Renegade about the November event. The course will remain the same as the previous year. Signups are ahead of last year, but behind the record numbers of two years ago.

Shop Catalina—Lincoln reminded the Board this annual event is scheduled for December 1.

New Year's Eve—Reservations are ahead of last year with 282 attendees.

Mixers— MacGugan -Cassidy stated the October 24 mixer is hosted by her company Catalina Backcountry with the help of Metropole Cafe. Transportation to this kid-friendly event will be provided to Haypress for those needing it and ride information is requested on the RSVP form. Warner reminded all that the early bird price of \$10 is only good through Monday.

Fixers—Lincoln explained the upcoming Fixer on plastics is close to being announced. This will be an informational session on the City plastic ban with vendors in attendance to describe alternative products. Lincoln also mentioned work is being done to set up another Serv-safe training as well as a yield management fixer.

BOARD MEMBER REPORTS

Sanchez passed out the latest Catalina Express schedule and a rack card announcing their current gift card promotion. She also passed out her new business card that shows her name and email address change.

Howell-Awalt asked about the TOT issue listed on a City Planning Commission agenda discussed at the last Board meeting. Radde stated those changes can't happen as there is a process and voters must make the decision.

Kielpinski reminded all that the annual Halloween in the Garden will be Saturday, October 27. There is a need for volunteers and he asked those available to please contact the Conservancy. He joked that the Trailhead construction might beat Vons and the Conservancy should be open in the new location later this year. He also advised that the airport project official start date will be announced shortly.

Ponce mentioned the Catalina Island Medical Center Foundation home tour on Saturday, October 20 is \$60 and will feature 6 homes.

Fornasiere announced 1st Friday at the Museum will be a Day of the Dead Family Festival. The museum will show Coco and feature special food and drinks. She also stated a recent auction celebrating 65 years of the Museum serving the community was successful and the 'round the island boat tour earlier this week was also well received.

REQUESTS FOR FUTURE AGENDA ITEMS

Fornasiere asked for future agenda items and none were brought before the Board.

ADJOURNMENT

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