



MINUTES: Meeting of the Board of Directors

Thursday, October 31, 2024

CALL TO ORDER

The meeting was called to order at 1:05pm by Chair Dave Stevenson. The Catalina Island Tourism Authority (CITA) meeting was held in the Founders Room of US Bank with in-person and remote attendance for board; remote attendance locations and Brown Act link were posted on the agenda.

[Google Meet joining info/video call link was posted on the Agenda](#)

DIRECTORS PRESENT (15)

Stevenson, Cassidy, Villalobos, Alkibay, Allen, Beach, Bergman, Bradley, Flathers, Garcia, Glass, Maistros, Say, Upton, Vega

DIRECTORS ABSENT (4)

Bombard, Latorre, Paret, Wright

STAFF PRESENT (4) *Italics indicate remote attendance*

Luttjohann, *Miller*, Johnson, Warner

GUESTS (6) *Italics indicate remote attendance*

Bre Bussard, Heather Milburn, Tyler Wilson, Nicole Hohenstein, *Melissa Knudtson*, Jeff Skelton

BOARD CHAIR REMARKS

Stevenson spoke about the discussion with restaurant operators and Catalina Beverage Company to coordinate their closures and holiday hours. An ever-changing calendar will be created. This meeting was a base group of owners with multiple locations and the next meeting will branch out to all. The purpose is to help visitors be less frustrated with limited meal options, encourage restaurants to alternate open/close days during slow times, and avoid the only meal option being Vons. There was an ad hoc group in the past but the goal is to be more organized. Luttjohann said the calendar will be available online. Vega asked if this was only for December. Stevenson replied it should be November through Presidents/Valentine week. Cassidy would like restaurants to remain open for the days and times posted and not close early on slow days. Stevenson said they had a conversation on remaining open when posted. Luttjohann said Steve Hoefs will stick to hours even when slow. Stevenson added Hoefs is willing to be open if others close. Say encouraged management to be certain their establishment sticks to their hours. Stevenson said that some customer service groups came over and were told by servers they needed to be done by 8:30 as the restaurant was closing. Stevenson hopes attendance to be better at the next meeting. Beach expressed concern when divers are out of the water late, need to shower, dress, and get downtown that places will be open late enough to serve them. Warner added that Lynn Stevenson manages the on-line hours but can only post the information she has.

Stevenson moved on to funding and TOT. He showed a Visitation Stat slide and would like to look closer to determine what drives the numbers. The chart indicates that on average 50% of travelers are day trippers. He would like feedback on how to confront flat visitation stats when overall numbers are up but for day only. TOT through July is down and Luttjohann reminded rates have softened. Stevenson said the decline cannot continue and hotel rates are up. Cruise numbers are up, Luttjohann reported, due to coastal destination hotels with their high rates. Say said blame is always put on the hotels but transportation costs are up and continue to rise. Hotels discount but transportation does not. Villalobos reminded the two and three-night minimum at hotels makes it hard on visitors that wish to stay for only one night. Hohenstein said her hotels drop the two-night minimum a week or two before when they have rooms and

referenced staff shortages as another reason some hotels can't get their rooms cleaned. Glass said he can't get vacation rentals cleaned fast enough to turn over and added taxis are non-existent when needed. At 1:25pm, visitor Skelton entered the meeting.

Stevenson can see attendees on their phones from his vantage point and requests Board members not do so during meetings as well as to ask questions and speak up. Garcia shared an idea about the mainland parking cost for visitors. She thought maybe CITA could promote the Pike or other parking areas, or possibly free parking could be offered with boat fare. Stevenson said the Best of Winter packages could expand to other things including parking. Luttjohann added that Ride Circuit could be promoted to reach the boat terminal. Bussard said maybe a partnership between the Newport Flyer and hotel deals because Newport encourages Lyft or Uber to their boat.

Luttjohann shared that new Board member orientation was October 17; Bergman could not attend. She still needs the training and he reminded any Board member may attend.

APPROVAL OF MINUTES

Chair Stevenson asked for discussion and approval of Minutes from Sept 19, 2024 CITA Board meeting.

Motion to approve Cassidy, second Say; passed with abstention by Flathers

Chair Stevenson asked for discussion and approval of Minutes from Oct 17, 2024 CITA annual Marketing Conference. Bergman stepped out of the meeting at 1:31pm.

Motion to approve Say, second Garcia; passed with abstentions by Cassidy, Alkibay and Glass.

BOARD PROCESS

Luttjohann introduced the financials stating the audit is complete but he will not present the quarterly financials due to post audit edits in process. At 1:33, Bergman came back in and Beach stepped out of the meeting. Knudtson was on audio and shared her screen to report on the annual audit with financials as of June 30, 2024. Beach came back into the meeting at 1:35pm. Knudtson explained that management and the auditors have their responsibilities; this audit is a clean opinion on financials. She explained due to the new lease capitalization policy these are draft financials. This policy is new to all accountants and they are still learning and taking seminars. The lease capitalization should not change the financials too much. Instead of paying rent, payments are toward an asset CITA does not own instead. She explained notes on the financial statement. Footnotes added to leases must include things like risks, operations solely on an island, liquidity to operate if no revenue comes in, etc. Knudtson asked for questions. Luttjohann asked Maistros about submitting the draft financials copy to City of Avalon (COA) as the lease capitalization policy means a few changes must be made before the final financials are complete. Maistros advised to submit draft financials to COA.

Before moving on, Cassidy thanked Knudtson for her time. Luttjohann also thanked Knudtson stating with no further questions, she could leave the meeting. Knudtson said it's always a pleasure, wished all a Happy Halloween and left the meeting at 1:53pm.

3.3 Financial Condition and Activities

After presentation of the audited financials for 2023-24 by Melissa Knudtson and hearing no discussion, a motion was requested to accept the Fiscal Year End June 30, 2024, Audited Draft Financials.

Motion to approve Cassidy, second Garcia; passed unanimously.

CEO/ADMINISTRATIVE UPDATES

1.1 to 1.5 Broadest Ends Internal Monitoring

Luttjohann noted internal monitoring of events is tough with the lack of an event committee. Cassidy would like all organizations to get together to avoid cross-over events such as COA and Catalina Island Museum having similar events. Tonight, COA is sponsoring kid-friendly activities on South and Middle Beaches. Luttjohann would like to see more events drive overnight stays and will communicate with Mike Bone after he gets through the craziness of his upcoming race weekend.

Luttjohann is trying to make a recurring report on 1.2 Demographic Profiling. Placer changes daily and is rolling out an update. Business owners have seen more LGBTQIA visitors since the Pride celebrations.

Luttjohann sends letters of support as part of the Public Policy 1.3 for things like Edison, COA, etc. and engages with the governments when the island is impacted. Garcia feels a need to increase inclusivity but concerns are not defined. She would like to see specific guidelines to work toward a goal and measure if goals are met. Stevenson believes targets are hard but Garcia would like to see a few. Luttjohann stated Pride is a way to include more visitors, and JourneyAble is a way to get more accessible travelers, but he is not sure how to measure. Garcia suggested an optional questionnaire on Catalina Express. Bergman wondered how other cities measure. Beach had a discussion with the 62Above team about the difference between inclusive and adaptive which is a change of language. Garcia asked if there are any current visitor surveys being utilized. Luttjohann said they were last done during Covid adding some questions like orientation are not always answered. He said Placer data was intended to be helpful. Garcia suggested tracking Pride celebration but also cultural celebrations. Beach has two groups that bring people to dive and Villalobos would like to see a focus on things that bring them here, where do they like to go and what activities do they enjoy.

Say made a motion to approve Luttjohann's monitoring report on policies 1.1-1.5 Broadest Ends Internal Monitoring, second Beach; passed unanimously.

3.0 General Management Constraint

Luttjohann mentioned one State of California office that oversees raffles has repeatedly stated CITA is out of compliance and delinquent. CITA has answered with encyclopedic information on the subject including copies of checks cashed by the State. CITA continues to receive the same robotic reply. Care for Catalina had professional help from Harbor Compliance on similar matters and some hours are left. It is possible he will ask Harbor Compliance to intercede on this matter.

Motion to accept the monitoring report on 3.0 General Management Constraint by Glass, second Bradley; passed unanimously.

Visitor and Member Services Report—Stevenson stated new membership applications in the packet need approval but will be considered individually as some Board members might abstain on a few of the new memberships.

Approval of New Member Island Fire Extinguishers. Motion for approval Glass, second Garcia; passed with abstention by Cassidy.

Approval of New Member Catalina Island Health Med Spa. Motion for approval Say, second Bradley; passed unanimously.

Approval of New Member Catalina Island Fitness. Motion for approval Glass, second Upton; passed unanimously.

Approval of New Member Catalina Classic Cruises. Motion for approval Say, second Cassidy; passed unanimously.

Approval of New Member Catalina Compass Tours LLC. Motion for approval Say, second Glass; passed with abstention by Upton.

Approval of New Member Catalina Creation. Motion for approval Cassidy, second Garcia; passed with abstention by Say.

Approval of New Member Nickologic LLC. Motion for approval Beach, second Cassidy; passed unanimously.

Stevenson called attention to the non-renewal/non-payment member list included in the Packet. They will be made former members, unless the Board extends the courtesy of extra time while awaiting payments. Warner communicated with staff at Hermosa Hotel and they will renew. A Board member has four businesses with outstanding dues. Any member changed to former status can be reinstated if dues payment is received.

Garcia made a motion to change status to former member all businesses on the list, except the four belonging to Wright and Hermosa Hotel & Cottages, second Villalobos; passed unanimously.

FCCA Conference—Luttjohann reported on his attendance in St. Maarten along with Vega. They attended a panel discussion and had meetings with Virgin, Carnival Corp, Royal Caribbean, and Disney. Royal Caribbean intends to use a captain well versed in rough seas and tendering. When Virgin makes its first Avalon call, they will utilize their own tenders. Disney and Royal Caribbean are requesting more stops in Avalon and have similar schedules. COA has been asked to send a formal notice of the wharfage increase and it has not caused a lot of grief among the industry. Beach was contacted by The World and said they are looking for higher-end excursions. Luttjohann reminded that The World is a live-aboard ship with less people and the residents generally are on board six months of the year. Villalobos asked about management of The World wondering if they work with any business which garnered a yes reply from Luttjohann.

Care for Catalina—Luttjohann announced Care for Catalina is a legit non-profit with complete paperwork. The group will work with those interested like Kind Traveler. On the horizon is global training for GSTC with professionals at the University at Monterey Bay.

Events—Luttjohann read DeMyer's report of events.

Shop Catalina: Saturday, December 7, 2024, 12-8pm. Love Catalina is taking sign-ups now; those sheets are in this week's Thursday Update and will be emailed directly to businesses in town. Catalina Kid Ventures will perform on stage at 4:15pm. The Jingle Singers are returning, singing on stage at 4:30pm and strolling through the streets of Avalon, 4-8pm. Activities include arts and crafts for kids on Middle Beach, a "Winter Wonderland" on South Beach, local artisans on the west side of Wrigley Stage, and other festivities occurring only on Saturday, December 7. Once these are finalized, Love Catalina will inform the community. Luttjohann added that sign-up forms are on the table for any attendees to fill out today or take along.

New Years Eve: to date there are 119 Reservations and 400 guests attending the 51st annual NYE Gala. Last year at this time there were 113 reservations and 417 guests. A few more volunteers are needed to help decorate the ballroom and mezzanine on Monday, December 30, and to help seat guests for dinner on NYE. Please email janet@lovecatalina.com if interested.

Mixers: Next month's mixer on Thursday, November 21 is being hosted at Topside by NDMK, 6-8pm. More details forthcoming. The 2025 Mixer Calendar has been confirmed. All months are secure with hosts but Luttjohann added interested businesses could be placed on a wait list.

VICE PRESIDENT OF MARKETING AND SALES UPDATES

Miller provided a recap of the Marketing Conference and stated she is awaiting an edited video version and then will distribute it to all. The 2025 Visitor Guide has exceeded the sales goal by \$10K and is in the works. PR has upcoming media and influencer visits. The on-line Tis the Season campaign begins tomorrow. Ryan Longnecker and Bob Co will conduct a winter/holiday photo shoot November 16-17 and Longnecker will return Dec 7 to capture Shop Catalina images.

BOARD & MEMBER UPDATES

Villalobos announced Maverick Helicopters is doing daily heli-tours that will run through the winter. The Toy Drive will include Catalina Island and also Lahaina, Vegas, and Arizona. Toys can be dropped at their Queen Mary location or Pebbly Beach office. Santa will arrive in Avalon via helicopter, December 20 to distribute toys. He thanked Miller and her team for a successful Marketing Conference.

Cassidy asked about a potential meeting of the Governance Committee. Luttjohann said it replaces the Executive Committee and he can meet with the committee but his review is now done by the entire Board. Stevenson added the CEO review will be at the November 21 meeting and recommended the committee meet prior to that date. Beach left the meeting at 2:45pm. Cassidy asked if actions were needed for Cal the Bear included in the packet under correspondence. Johnson answered the letter, sending postcards and an Avalon Pocket Map to the class. Their letter was only added as information for the Board and no action was needed.

Garcia said Immersed is offering a Best of Winter special at \$20; they are closed Wednesday and Thursday. Her other business Catalina Island Mermaids has moved into the Plaza location formerly occupied by The Craft Corner. They are building an undersea grotto to make an immersive experience.

Bergman said the Catalina Island Museum plans several fall events. Day of the Dead, will have a puppet show at 1:30 and more. There is a maximum capacity but if anyone would like to attend, please contact her. The Round the Island cruise is next week, November 7, 11am-3:30pm. November 16 a new exhibit opens on fishing. Beach entered the meeting at 2:50. December 14 the Loyola Marymount Choir will return and perform Christmas songs. The 2025 season of activities will be announced in December. The Cabinet of Curiosity exhibit will come down with a Catalina Pottery exhibit taking that space; Ann Weber exhibit will change to Pop icons both opening in January.

Stevenson said the Pavilion Hotel is undergoing an extensive remodel beginning December 1, 2024 with renovations complete Memorial Day 2026. During this time the hotel will be closed.

BOARD MEETING EVALUATION

Luttjohann will send a follow-up feedback form to all Board members via email.

ADJOURNMENT

There being no further business to come before the Board, Chair Stevenson adjourned the Board meeting at 2:54pm.