



Visit Estes Park
The Destination
Marketing Organization
VisitEstesPark.com

Board of Directors Regular Meeting Minutes

**Tuesday, November 21, 2017, 1:00 p.m.
Town Hall Board Room, 170 MacGregor Ave**

Board Members Attending: Adam Shake, Sean Jurgens, Pat Murphy, Anne Morris, Stefano Tomasello, Lowell Richardson, Chris Amundson and Bob Holcomb (Town Trustee Liaison)

Also Attending: Kyle Patterson, Mark Holdt, Jon Nicholas, Carrie & Ken Arnold, Paula Scheil, Charley Dickey, Arthur Messal, Michelle Hiland, Tom Hannah, Teresa Widowski, Zach Clemens, Greg Rosner, Deborah Gibson, Shelley Powers, Wendye Sykes, Michael Fogarty, and Kirby Hazelton

Elizabeth Fogarty, President and CEO, Visit Estes Park
Michael Bodman, Finance & Administration Manager, Visit Estes Park (taking minutes, backup)
Wendi Bryson, Operations Manager, Visit Estes Park (taking minutes & coordinating recording)
Jonathan Chmil, Lyons Gaddis, Visit Estes Park Attorney
Kathy Asche, C.P.A., Visit Estes Park Accountant
Kimberly Disney, Notary, Town of Estes Park

The meeting was called to order by Adam Shake in the absence of a Chair at approximately 1:00 p.m. Shake stated that he would like to move the swearing in of new board members to before public comment, so that the forms could be notarized.

A. Action Items

1. Swearing In of Visit Estes Park Board Members

John Chmil, Visit Estes Park attorney, explained the Oath of Office to the new board members. Richardson, Amundson, Morris, Murphy and Tomasello all swore the oath of office verbally and signed the form. Kimberly Disney from the Town of Estes Park notarized each of the forms.

Public Comments - Please state your name & address. We allow 3 minutes for public comment.

Greg Rosner: Rosner welcomed the new board members and asked them to keep VEP's focus on marketing for the benefit of the community not individuals. Shelley Powers: Powers shared she is concerned that the funding is going to be diverted to other parts of the community, and that she does not know anyone who has worked harder for the community than Fogarty, Nicholas and Shake. Wendye Sykes: Sykes said there is a lot of confusion, has known Fogarty for 12 years, and has always seen her working toward making Estes Park better, and that VEP is not and should not be a political arena.

B. Action Items

1. Approval of Agenda

Richardson requested that the discussion items be moved to after the selection of the board officers.

Richardson moved to approve the amended agenda, Murphy seconded, and the board approved unanimously.

2. Election of Board Officers – Chair, Vice Chair, Treasurer/Secretary

Shake requested counsel from Chmil on the election of the officers. Chmil mentioned that the Treasurer/Secretary position could be separated and that it was up to the board's discretion. Chmil then mentioned that the board would need to decide if they would elect the new officers by open vote or secret ballot. Shake mentioned that historically the Treasurer/Secretary position has been combined. Amundson

questioned the amount of responsibility of the two positions, if it might be too much for one person, and if in the interest of transparency it wouldn't be better to have the positions split. Shake did not believe that historically the duties of the position required two people. Richardson mentioned that the duties of the secretary on top of the treasurer seemed like a lot to ask for a volunteer board member. Amundson mentioned that he thought everyone should have a job and a focus on the board. Morris mentioned that anyone that did not have an officer position would be doing research. Murphy thought that the board should split the two positions. Jurgens disagreed and thought the positions should be kept as one. Tomasello agreed with Jurgens.

Richardson moved to split the Treasurer and Secretary positions, Amundson seconded, and the board voted 4-3 to approve the motion, with Morris, Jurgens and Tomasello against.

Shake asked Chmil for clarification on what he meant by open vote or secret ballot. Chmil explained the open vote would be a call out or yea or nay or alternatively a roll call vote. Amundson asked if that would be for each position or a slate of candidates. Chmil confirmed it would be for each position. Richardson stated he thought it should be an open vote, and everyone agreed.

Shake requested nominations for the Chair. Morris nominated Jurgens. Amundson nominated Richardson.

Morris moved that Jurgens be made Chair, Tomasello seconded, the board voted 3-3, with Richardson, Amundson and Murphy against, Jurgens abstained.

Chmil stated since the board was split to go ahead and take a vote for Richardson. The board voted 3-4, with Morris, Jurgens, Tomasello and Shake against.

Chmil stated that since Richardson was not voted in, then Jurgens would be Chair.

Richardson requested that he and Jurgens speak to their background. Morris asked Jurgens how long his term was and then what happened after one year. Chmil confirmed there would be another election after a year. Amundson asked that Jurgens and Richardson provide more background for what makes them qualified. Jurgens stated he'd lived in Estes his entire life, had been serving on the board for 6-7 months already, was raising a family in Estes and would always put the town's best interest and his responsibilities to Visit Estes Park first over any sort of political agenda. Richardson mentioned he'd lived in Estes Park for 16 years and worked for the Town of Estes Park for 12 years. Richardson said his interest is about what the community is looking for from Visit Estes Park and he was involved in the transition from the old Convention and Visitor's Bureau. Richardson said he only wants to provide the best DMO for Estes Park and the entire community. Shake asked Chmil for input on how they should proceed. Chmil said that as it stands Richardson was voted down and the Jurgens vote was split. It was up to the board if they wanted to revote to resolve the split since Jurgens did not vote for himself.

The board re-voted on Jurgens 3-3 with Richardson, Amundson and Murphy opposed, and Jurgens abstaining. Chmil said that in an effort to resolve the split that possibly one could be made Chair and the other Vice Chair. Shake stated that he had given this a lot of thought and he was trying to vote for who he thought would be the best team. Shake stated that it was more important who the Chair and Vice Chair team was rather than which was which. Shake was voting for Jurgens based on his institutional knowledge of the organization. Shake stated that he thought that both Richardson and Jurgens would make a strong team as Chair and Vice Chair. Murphy commented that he agreed that Jurgens and Richardson would make a strong team. Murphy mentioned that Richardson has experience in a political position and that was why he was voting for him. Morris stated that she was also voting for Sean based on his institutional knowledge, because they were such a new board. Morris stated that she thought Richardson would make a strong Vice Chair. Richardson pointed out that in terms of institutional knowledge he was part of the creation of Visit Estes Park, he sat in the board meetings and was part of the direction that was first established. Richardson stated that he did understand all the components of how this is supposed to work. Richardson stated that he thought Jurgens would do a fine job, but he does not have the background in politics that Richardson has. Richardson stated that the organization had about 6 months to address the issues with the County Commissioners and the Town. Chmil stated he had touched base with a colleague and he suggested the best way to move forward would be to have each member vote and do

a roll call vote. The board voted 4 in favor of Jurgens (Jurgens, Shake, Tomasello, and Morris) and 3 in favor of Richardson (Richardson, Amundson, and Murphy). Jurgens was voted in as the new Chair.

Amundson nominated Richardson as Vice Chair, Murphy seconded, the board approved unanimously.

Jurgens moved to nominate Tomasello for Treasurer, Shake seconded. Richardson asked Tomasello what his background was in relation to the Treasurer position. Tomasello stated that he had experience handling finances in his own business. Richardson moved to nominate Amundson as Treasurer, Shake seconded. Richardson asked Amundson about his experience. Amundson said that he had some government experience from Nebraska where he did work with budgets. The board voted 5-2, with Jurgens and Tomasello against, in favor of Amundson as Treasurer.

Morris nominated Tomasello as Secretary, Murphy seconded, the board approved unanimously.

C. DISCUSSION ITEMS AND REPORTS

1. Future Meeting Schedule

Jurgens asked the board what meeting schedule will work for everyone. Amundson asked about going to two meetings a month. Richardson asked Fogarty what kind of impact that would have on staff and operations to go to two meetings a month until the board can get up to speed. Fogarty said that Visit Estes Park will support the will of the board and there would have to be two meetings in December for budget approval. Fogarty stated it was unusual for a DMO board to meet that often. Fogarty stated that when the board made the move to the monthly meetings they started to take more of a strategic focus. Shake agreed that the board made the move in an effort to be a more strategically focused board and less operational. Shake also stated that scheduling two meetings a month can be challenging with work schedules. Richardson thought that meeting more than once a month to address the current issues Visit Estes Park is facing would be important for a finite time. Richardson suggested that the board meet more often for four months. Shake agreed with Richardson, and said he was just trying to provide some of the background. Jurgens agreed as well and suggested they meet twice a month for four months. Jurgens asked Fogarty when she would be able to present the budget. After discussion, it was agreed that the board would meet December 4th and the 19th to discuss and approve the budget.

Jurgens suggested the 1st and 3rd Tuesdays going forward. Richardson suggested working the rest out next meeting.

Richardson stated that the public is used to being allowed to make public comment on action items before a vote with other boards. He would like to look at changing the board policy on public comment. Jurgens suggested putting that on the agenda for next time. Morris agreed that they already had a full agenda for today. Richardson questioned that they weren't going to take any public comment on action items today. Chmil said that there were restrictions based on the requirement to notify the public in advance of any changes of policy. Shake mentioned up that the board had previously voted on the current public comment policy and procedure, and a new vote would be needed to change it again.

2. Resolution Naming Bank Signatories

Jurgens asked for clarification on how many signatories were needed. Fogarty stated a total of four. Jurgens questioned if it should be the four board officers. Richardson asked who was on the signature cards currently. Bodman gave some background on who had been on the signatory cards in the past. Jurgens proposed that the signatories be the four officers and the board agreed.

3. Town Board Liaison Update – Trustee Cody Walker

Trustee Holcomb stood in Trustee Walker's place. The study session for the Town Board has been cancelled,

but there is a meeting at 7 p.m. There will be a public hearing on the 2018 budget. They are awarding the new audit contract, voting on a new ordinance on off-highway vehicles and there will be an executive session for legal advice.

4. RMNP Update – Kyle Patterson, RMNP Management Specialist/Public Affairs Officer

Patterson spoke about the possible impact of the proposed national park fee increase on RMNP. RMNP is the only national park with a day pass. For RMNP from June 1st to October 31st the proposal would change the day pass from \$20 to \$70. The RMNP annual pass would increase to \$75 and the America the beautiful pass would increase to \$80. The comment deadline has been pushed to December 22nd. In 2016, 80% of the revenue from RMNP was from the day passes. Shake asked for clarification on what Rocky keeps and what goes to Washington. Patterson explained that 80% of fees collected at Rocky was kept at Rocky and the other 20% was sent back to Washington DC to be distributed to all the other parks. Online pass purchases do not go directly to RMNP. The transportation service is funded from the fees gathered at RMNP for the daily, weekly and annual passes. RMNP as of Sept. 2016 had \$75,000,000 of deferred maintenance. Out of the entrance fees collected at RMNP, 55% goes to deferred maintenance at the park. Morris questioned what the estimated direct impact would be on RMNP. Patterson was not sure what the direct impact would be. Richardson questioned how much the deciding body takes public input into account. Amundson asked if there was an idea of what a decline in fees would do to the park funding, and what a change in length of stay might do to impact the finances of Estes Park. Patterson stated that they do not survey their visitors regularly and the last survey was 2010. Patterson then shared the visitation figures for October in RMNP. In October, visitation was down 16.6% from last year, and the park is now down 1.9% for the 10-month year-to-date period.

5. Policy Based Board Governance – Sage Consulting Mark Holdt

Holdt went through his presentation to explain policy based board governance and gave the board information on what the previous boards had already done and what still needed to be looked at. Amundson asked Holdt how long he had been working with the board. Holdt said about a year. Amundson asked who invited him to work with the board. Holdt said Scott Webermeier. Amundson asked how well it had been going. Holdt said that he thought it had been going well. The board had agreed that everything on his first slide were all things that they needed to improve upon. Holdt stated that the strategic plan took longer than expected, because the board was too focused on operations. Amundson asked how this process has helped the organization. Holdt stated he was not engaged to fix the board or solve internal politics. He was engaged to facilitate the building of the strategic plan and to establish board procedures so that future boards would have a play book. Amundson asked if he saw something on a financial report that he thought should be tweaked if that was not allowed. Holdt said that was more operational than strategic. Morris stated that if a substantive change needs to be made to something the CEO is responsible for then it should go through the entire board since she is evaluated on the organization. Richardson stated that Carver's book was geared to over management. Richardson thought that with the limited staff that the waters were muddy. Richardson has seen this model work well for larger organizations, but is curious how it will work for Visit Estes Park. Holdt stated that the two remaining actions for the board in policy based governance were to define outcomes, and he thinks those are perfect for this transition period. In addition, Holdt stated that policy based governance could work for a smaller organization like Visit Estes Park by defining things properly in the policy documents.

6. CEO Update – Financial Report & Update

Fogarty started with the September finance report including cash balance. Fogarty went on to share the total lodging tax received in the month of September, when adjusted for late and missing payments, the difference is estimated to be 18.83% higher than last year. The total received year-to-date (YTD) through September 2017, when adjusted for late and missing payments, the YTD change is estimated to be up about 9.76%. For the summer season, defined as June through August, adjusted lodging taxes were up 12.83%. Fogarty introduced Kathy Asche the Visit Estes Park accountant. Asche shared that she has been a practicing accountant for 30 years, and has lived in Estes Park since 1992. Asche explained that before checks are presented to the board for signatures they have been through a minimum of three people for review. Asche stated that sometimes the public loses focus on the fact that this is a governmental entity and is subject to additional reporting and processes. Asche explained that Visit Estes Park is reported as a discrete part of the Town of Estes Park. Asche

stated that Visit Estes Park in terms of financial controls has to meet or exceed the policies that the Town of Estes Park uses for their own financial controls. Otherwise, the Town would not be able to get a clean audit report. Richardson asked Asche to speak on the audit and the benefit of having it as part of the Town or separate. Asche said that in regard to the joint audit the statute that governs this states that VEP is not truly a separate entity from the Town. According to the audit/accounting rules, the auditors are looking at the controlling entity but VEP does go through the same audit procedures as the town with regard to checking processes and it is exhaustive. Since the VEP board is appointed and not elected according to the rules VEP is seen as a controlled component for financial purposes of the Town. Asche stated that VEP could do their own audit, but they would still have to do the Town's audit in addition to what would be required for an individual audit. Asche mentioned that part of the RFP for the Town's new auditor included the question about how best to audit VEP. Richardson suggested that possibly they need to look at different financial policies. Richardson wants clarification on who has what roles, what are the checks in place and the policies involved. Morris asked if VEP financial controls were in line with the town. Asche stated that if our controls were not in line with the town then the town would not be able to get a clean audit result. Asche stated that she was impressed with the VEP staff and board, and that they have the best financial interest of Visit Estes Park as their focus. Fogarty then moved on to the KPI reports, and pointed out the notes on the second page. Fogarty shared that a decline in some areas is expected and good in some cases. She shared that ending three years of centennials, will result in shifts in marketing, and a decline in some areas like PR is expected. Fogarty mentioned that VEP is partnering with Arrivalist and the KPI report will likely evolve as a result. Fogarty gave an update on conferences she had attended with CHLA and DI. Fogarty talked about the partner extranet training that was hosted by VEP and talked about the different partner vendors that were involved. She acknowledged the work Abi put in to make the training successful. Fogarty informed the board that VEP had just been awarded a second round of CTO Marketing grant funding for the national park loop project, and explained what was involved in that project. Fogarty talked about the Black Friday Visit Estes Park pop up event at Denver Union Station and welcomed board members and public to attend if interested. Fogarty talked about a mentorship program for DMOs offered by the Colorado Association of DMOs. Fogarty was asked to be a mentor for the program. Fogarty has a meeting with Visit CO Springs next week as a mentor. Fogarty attended the intergovernmental meeting in Estes Park to share updates, and talked about some of things discussed at the meeting. Fogarty shared information about the Visit Estes Park's monthly meetings with the town events committee. She shared that VEP is going through Sandy Hall's feedback on the operating plan, and VEP is looking at ways to incorporate those suggestions. Fogarty stated she should have a report for the board in January. She asked if there was any details the board wanted to focus on more than others to please let her know. Fogarty mentioned a refreshed creative campaign now that the centennials are ending. She touched on the highway 34 closure, and that we are seeing significantly less conversation online, print and social regarding the effects of the closure compared to last year and because of that, her suggestion was to increase the winter campaign strategy as a way to overcome the Hwy 34 challenge as opposed to specifically call out the closure. If VEP calls out the closure then we are marketing a negative instead of a positive. Fogarty welcomed board input on this strategy and stressed there would be no cut to the overall campaign but rather a shift in how the closure is talked about. VEP did receive another disaster recovery grant to help with the closure. Fogarty talked to the partnership with Eldora Ski Resort along with the Estes Park free shuttle. Fogarty talked about what the staff was up to and recognized accomplishments. She mentioned that, thanks to Josh's good work, VEP has recently surpassed Aspen on Facebook, and is now only second to Visit Denver. She mentioned that we will probably go back and forth with Aspen for a while, since they are headed into their busy season. Fogarty talked about how Abi surpassed visitor guide sales from last year, how Wendi had been working on the team's health insurance with the Town, how Michael was working on the DOLA budget, about Jean's work with the familiarization trips and how Elena works with groups that are looking to come to Estes Park and leads have increased. Richardson requested a comprehensive explanation of the budget at the next meeting. Fogarty stated that was part of the presentation of the DOLA budget.

D. Action Items

1. Approval of 9/6/2017 Board Meeting Minutes

Richardson questioned how they could approve minutes to a previous board. Richardson stated that normally the previous board would approve the minutes. Chmil stated that this was a pretty special circumstance since there wasn't a quorum, but that the 9/6 meeting minutes were a pretty accurate reflection of what he

remembered from that meeting. Chmil said that it was up to the board to decide if they were comfortable voting on the minutes now or waiting for further review. Richardson said that he would be more comfortable if the two remaining board members from those meetings would make the motion and second.

Shake moved to approve the meeting minutes, Jurgens seconded, the board approved unanimously.

2. Approval of 9/20/2017 Board Meeting Minutes

Jurgens and Shake both affirmed that the presented minutes were accurate.

Shake moved to approve the meeting minutes, Jurgens seconded, the board approved unanimously

3. VEP Board Public Emails

Shake moved to approve making VEP emails public.

Richardson questioned if this was for board and staff. Chmil stated this would be for email subject to CORA similar to the Town Board.

Shake amended his previous motion to approve making VEP board member emails available to the public, Richardson seconded.

Jurgens gave some background about why this had been voted down in the past. Richardson asked if everyone was going to get Visit Estes Park email address and asked Chmil if VEP business is conducted on their phones via text message, then are their phones subject to CORA. Chmil said that CORA for email is content reviewed no matter the server. Chmil then explained, in regards to text messages, that there is a privacy argument involved and it's still an open question if it's handled the same as email. Richardson asked if there had been problems that VEP's board emails needed to be made public. Jurgens stated it had been requested by the Town. Richardson asked if other organizations like light and power, town, fire district, staff, or Frank Lancaster's email was public. Jurgens said the Town's emails were public. Shake clarified that not all the employee's emails were public, but the Board or Trustees and Mayor's email were. Shake did point out that everybody's email was subject to CORA. Richardson asked if there were policies in place to address CORA. Chmil responded yes. Richardson stated he hadn't seen those, and said it was hard to vote on it if he hasn't seen the policy. Chmil explained that VEP follows the state's policies. Richardson verified that the emails would be open and searchable by the public. Amundson asked if this was the trend now. Shake mentioned that the Town had adopted the public email about a year and a half ago. Fogarty confirmed it was pretty common for municipalities, but to her knowledge no other DMO in the world had public email for board or otherwise. Amundson expressed concerned that making the emails public will be unhealthy for the organization. Shake mentioned this conversation has been going on for months and months. Shake feels that it won't hurt the organization, and that while we don't need to do it, the town and county are asking for it. Richardson asked if the matter could be tabled. Morris stated she would like to keep everything under a VEP email address rather than her personal email. Richardson asked how soon they could get their addresses. Fogarty said that she should have the board email addresses by the next meeting, and that VEP already has IT looking into a solution for the public email but IT was not sure when they would have that part ready.

Shake amended his motion to table this issue until the 12/4 meeting with the condition that staff work on getting VEP emails set up for the board, Richardson seconded, and board approved unanimously.

4. Sage Consulting Contract

Richardson moved to table this item until 12/4 to allow for more thought and questions, Shake seconded, the board approved unanimously.

5. National Park Proposed Increase

Jurgens asked if this was regarding VEP's official statement. Fogarty explained that it was for the board to provide her guidance on how they want her to respond. Fogarty offered to come up with a draft response to present to the board at the next meeting since the deadline was extended. Everyone agreed. Shake asked Chmil if they needed to vote on that, and Chmil said no.

6. Request to Enter Executive Session

An Executive Session for the purpose of discussion of a personnel matter related to the CEO, and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or elected official the appointment of any person to fill an office of this body or of an elected official; or personal policies that do not require the discussion of matters personal to particular employees under C.R.S. Section 24-6-402(2)(f).

Richardson asked Fogarty if she wants the session to be public or private. Fogarty requested the session be private. Richardson moved to go into executive session to discuss a personnel matter in regards to the CEO, Shake seconded, and the board approved unanimously. The board entered into Executive Session at approximately 5:15 p.m. and resumed regular session at approximately 5:54 p.m.

7. CEO Elizabeth Fogarty's Employment – N/A

Board Comments – None offered

ADJOURN: Richardson moved to adjourn, Shake seconded, the board approved unanimously at approximately 5:56 p.m



Sean Jurgens, Chair

DATE: ^{SJ} ~~12/4~~ 12/4/2017

ATTEST:


Wendi Bryson, Recording Secretary

DATE: 12/4/17
