



Minutes

Visit Morro Bay Board of Directors

Visit Morro Bay Board of Directors Minutes

Thursday, March 28, 2024

9:00 am – 11:00 am

Virtual via Zoom

<https://us02web.zoom.us/j/84843611155?pwd=bzdTa1BYaTJMdVY3ck9zUFV2bFI0dz09>

Meeting ID: 848 4361 1155 Passcode: 972262

Call-In Phone Number: 1(669)900-6833

1. **CALL TO ORDER:** Board Chair Amish Patel called the meeting to order at 9:01 am

PRESENT: (VIA VIDEO CONFERENCE) Board members - Amish Patel, Amit Patel, Chris Kostecka, Robert Elzer, Yvonne Kimball

ABSENT: Dane Jacobs and Steven Allen

STAFF PRESENT: Michael Wambolt, Elizabeth Gilson, Marianna Garcia

PUBLIC PRESENT: Val Seymour Front Street Inn & Spa, ABBI Agency - Hayley Walters, Amanda Barham, Kerri Cecere Rachell Ramirez, Kendall Welch, Maritime Museum - Judy Salamacha and Paul Irving

2. **PUBLIC COMMENT (On Non-Agenda Items)**

Val Seymour of Front Street Inn spoke on getting the TOT audit and her challenges with the process.

The Board discussed and shared their challenges with the audit.

ANNOUNCEMENTS

M. Wambolt

Board member Yvonne Kimball stated that she appreciated the input on TOT. She explained that her intention has been education before the second audit and she apologized for that not happening. She stated that she will go back to her staff and will figure out next steps and that the decision to do the audit was before she came on and will work with Michael on next steps. Yvonne spoke on the Ironman race and the issue with the run course and asked Michael to speak on this.

Michael shared his work and challenges with this issue.

EXECUTIVE DIRECTOR REPORT

M. Wambolt

3. **Executive Director Report (20 min)**

Staff will provide an update on current projects, reporting and areas of focus for the months ahead.

Branding: Michael stated that the VW Bus was finished and ready for pick up. He will start scheduling it to be placed around town for instagramable moments. The project did come in under budget.

Events: Michael stated that the City-Wide Yard Sale was a great success. It seemed that Friday was busier than Saturday But that Saturday was still busy. The Kite Festival in April is looking good and the Car show and Ironman which was just discussed in coming in May. Coming out of summer we go into the Maritime Museum Event. Michael then gave an

update on the Avocado Margarita Festival which usually happens in September. He stated that the Chamber of Commerce does have a new Director and Michael will be working with them to see if they want to take it on again. Michael is in contact with the previous planners of the event.

Finances: Michael stated that we have One hundred and eighty-four thousand three hundred and ninety-five thousand dollars in the operating account and that he will talk a little later in the meeting about what that will look like in the future. He then stated that there is one million one hundred and sixty-five thousand dollars and change in the reserve account and that he would be discussing later what we will be doing to move those funds around to make sure they are FDIC insured.

Reports: Michael stated that we are seeing a lag in STR reports and that is primarily due weather on the weekends. He stated that we are doing more marketing that ever before with Expedia an Booking.com live We have launched the Sojurn co-op through Visit SLO CAL. We have more dollars going out but we are typically a weekend except for a few special cases heavy destination. When we get rain on the weekends it does hurt us. We do have some travel midweek. Michael then commented on the February numbers as an example. He stated that they were not as good as the last two years but still better than 18 -19 and that we are still trying to figure out our new reality after COVID.

Michael stated that for the monthly STR February is coming in for the first time with a budget shortfall. January budget was on par , December 2023 was not as strong as 2022. Right now, spring is not looking that strong and once again we are getting pummeled by rain on the weekends and it is really frustrating. Michael stated that HWY 1 may open in late June.

Marketing: Michael stated that the second round of the Expedia campaign is running, Booking. Com is running, as well as the Sojurn co-op. We have a lot of extended marketing that we are doing that we have not done in the past. This has been done with some of the reserve funds so that we are getting more direct bookings.

Sales: Michael stated that at the beginning of the month he had go to the Go West Summit the international trade show. Two years ago, the international marketplace felt like it was in shell shock. His year it feels like international travel is strong and is coming back. All the pieces are in place. He will talk more on international representation. Michael stated that we have been connecting a ton of our properties with wholesales and are still working off the list so, there will be more to come on this. He stated that we have been working through SMERF groups and Car Clubs and Tour and Travel.

Michael then gave a quick update on Chuck Davidson's resignation as CEO of Visit SLO CAL and stated that this does not change our relationship with Visit SLO CAL. He also stated that the new Visitor Guides would be delivered in the next couple of weeks. He then asked if there were any questions.

Board member Chris Kostecka asked if we were going to have a marketing update from our marketing people today Michael stated that there was none today for sake of time as we have a big website discussion. Michael stated that he will send the board the reports that he receives.

Board member Chris Kostecka asked that on a future agenda item we challenge the marketing people as he sees that we are trending down and after a five-year period we should be up. He state that when they talk he sees that our engagement is up our clicks are up. He feels that what they are doing looks good and feels right, but we need to challenge them as to how this can be turned into room nights. Do we have a product problem? Do we suck up our ego and ask what the product problem is. Something is amiss.

4. **Approval of January 25, 2024, Board Meeting Minutes**
5. **Approval of Visit Morro Bay Financials**

The Board discussed Items 4 and 5 on the agenda and voted for them together.

PUBLIC COMMENT: None

ACTION: Board Chair Amish Patel made a motion to approve the January 25, 2024, meeting minutes and January and February 2024 financials. Board member Yvonne Kimball Seconded the motion.

MOTION: Carried 4:0

Board member Robert Elzer was absent from Zoom call for this vote. He returned to meeting after vote at 10:06 am.

BUSINESS ITEMS & DISCUSSIONS**M. Wambolt**

6. **Visit Morro Bay Website Discussion (30min)**
Staff and Abbi Agency will present options for a future website.

Michael stated that Hayley, Amanda, and Carrie from ABBI Agency will be joining the discussion. Michael stated that the Website from Simpleview is now seven years old. He stated that the stats are lagging and feels that is because the site is not fresh and new although we did do new copy and images in the last 2 years. He then stated that the lifespan of a website is typically three to five years. Michael stated that the places in SLO county that have been using Simpleview have moved away from it. Michael stated that this gives us the ability to change our website faster and build out our own website. Michael would like to know what the Board's appetite is for us to move forward in planning and executing a new website. The buildout would take six to eight months and our Simpleview contract is done this upcoming January. He is looking to do a month to month contact with Simpleview if a new website is agreed upon. He stated that the cost of a new website would be forty to one hundred thousand dollars.

Hayley and Kerrie of the ABBI Agency spoke on what their approach to website building is and what that looks like and how they can bring to life a new website for Morro Bay, a timeline, and a range of costs.

The Board Discussed.

It was decided that ABBI would come to the May Board meeting with a proposal and then a sub committee would be formed to work on it.

7. **Visit Morro Bay International Representation (10min)**
Staff to provide insights into international representation in UK and Germany in FY2024-25.

Michael stated that international travel is a huge portion for SLO County and Morro Bay and that turned off during COVID. He stated that what he has experienced at Go West and is seeing leading up to IPW is that international travel is starting back up and with the opening of HWY 1 this year we should get ahead of the messaging. He feels that we are in a position for international representation for Visit Morro Bay to leverage the work that Visit SLO CAL is doing and also tell the story that HWY 1 is open. What representation would mean is that we would contract with companies in the UK and Germany. Michael is very familiar with the companies and the one in Germany does work for Visit California. The company in the UK used to work for Black Diamond who was contracted with Visit SLO CAL for a long time. What that means is that we would have boots on the ground representation in those two markets. The most important thing they will be doing is training travel agents about San Luis Obispo County. Most travel agents lost their jobs during COVID and the ones coming in most likely don't know about San Luis Obispo County. Michael stated that he and Marianna have been working hard connecting our hotels with international receptives and wholesale operators. Michael stated that he is a very competitive person and that this would be the first time Morro Bay has done this and we would be the only small-scale destination in San Luis Obispo county and possibly Ventura to Santa Cruz who would be doing this work . He stated that the UK cost would be twenty-five thousand from June to July. Germany would be twenty-two thousand

from June to July. This is something very new for us. We are primarily leisure. This business would help to bolster occupancy during Summer and also late Summer through Fall.

The Board discussed.

It was decided to make this an agenda item and Michael will present a draft budget.

8. Morro Bay Car Show Sponsorship -\$5,000 May 2024 (10min) *motion required*

Staff to present Morro Bay Car Show Sponsorship to board of directors. Board to approve funds.

Michael stated that this is an annual event that we sponsor that brings hundreds of cars into the area. They are asking for the usual amount of five thousand dollars.

The Board discussed.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka made a motion to approve the five-thousand-dollar sponsorship for the Morro Bay Car Show. Board member Amit Patel seconded the motion.

MOTION: Carried 5:0

9. Reserve Fund Follow Up (20min) *motion required*

Staff to provide update to the VMB's reserve funds. Board to discuss options and approve next steps.

Michael stated that our reserve account is above the FDIC insured amount. At the last Board meeting He had asked the Board for permission to look into moving funds into two different locations. He has met with the bank branches that are here in Morro Bay. He stated that our accountant made the recommendation to move two hundred and thirty-five thousand dollars into three different banks. Right now, all accounts are at Chase bank. He stated that our three options are Wells Fargo, Mechanics, and Pacific Premier banks. He would like to get the funds moved and then pencil out what we want to do with the reserve funds in the future and decide how much we want to hold on to. Typically, with a reserve fund we would have between two hundred and four hundred thousand dollars. Michael stated that in opening up the discussion he is looking for a recommendation on where to move the funds and then Michael will work with treasurer Amit Patel on this and the Board Chair would be a signee on the accounts as well.

The Board discussed.

PUBLIC COMMENT: None

ACTION: Board Chair Amish Patel made a motion to approve moving two hundred and thirty-five thousand of the reserve fund to Wells Fargo, Mechanics, and Pacific Premier banks with the coordination of treasurer Amit Patel to make sure that the funds are covered by FDIC. Board member Chris Kostecka seconded the motion.

MOTION: Carried 5:0

10. Approval to Move Reserve Funds for May and June 2024 (10mins) *motion required*

Due to 45-day lag in TMD fund remitted staff would like to move May and June 2024 budgeted funds from reserve account into operating account.

Michael stated that our budget is running where it should but that the TBID funds that we receive are on a forty-five-day lag. What that means is that we are spending on a zero budget. What he is looking to do is move reserve funds to cover this and when the monies come in it would be replacing the monies taken from the reserve fund.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka made a motion to approve the moving of May and June budgeted funds from the reserve account to the operating account and that the funds would be replaced when funds come in. Board member Amish Patel seconded the motion

MOTION: Carried 5:0

11. October Maritime Celebration Event Update

Staff to provide update to Maritime Event in October of 2024. Board to give staff next steps.

Michael gave history on the event. He stating that the Harbor Festival is long gone that was well loved and received and that we have been looking for an event that celebrates the maritime essence of Morro Bay. The Maritime Family Fun Event was started two years ago bringing the maritime excitement to a Saturday in October. He then went over the smaller events that were happening at the same time and bring them together. Thursday October 10th is Rock the Waterfront. his is a Yacht Club event but is open to the public. On Friday, the 11th would be a Zongo Cup race sailing event at Tidelands park with food trucks, wine & beer, and music, and then Saturday the 12th would be the Maritime Family Fun Day event. Some other things may be a Salty Dog drink contest. He would also like to make this a costume event such as pirates. Then on Saturday night there would be a large bonfire on the beach with food trucks and music. Sunday the 13th there would be the Chris Lockwood Regetta youth sailing race in the harbor. Michael opened it up to discussion and introduced Judy Salamacha.

Judy Salamacha stated that she was excited that the board wants to work with the Museum to make the event multi-day and thanked the Board for their previous years' sponsorships.

She then introduced Paul Irving of the Zongo Cup race.

Paul gave his history with and of the Zongo Cup Race.

Michael then asked for the Board for insights for the next steps with this and that the organizers will come back with sponsorship amounts in the future.

Michael thanked Judy, Paul, and Kendall for all their work with this. His next step will be getting sponsorship dollars and penciling them in for next fiscal years' budget.

12. Next Board of Directors meeting – May 23, 2024 – 9:00am – 11:00am – Via Zoom

Declaration of Future Agenda Items: Discussion of City TOT Audit

ADJOURN. Board Chair Amish Patel adjourned the meeting at 11:12 am

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the Board of Directors to discuss or take action on issues not on the agenda, except that members of the Board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the Board to follow-up on such items and/or place them on the next Board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board.

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