



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, September 19, 2018

8:30am

Inn at Morro Bay

60 State Park Rd, Morro Bay, CA 93442

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Kathy Bonelli, Aaron Graves, Jim Hamilton, Jay Jamison, Sarah Maggelet, Sam Miller, Hemant Patel, Nipool Patel, Amar Sohi

ABSENT: Mark Eads, Clint Pearce

STAFF PRESENT: Chuck Davison, Brooke Burnham, Christine Robertson, Brendan Pringle

Call to Order at 8:35 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

3. Presentation of Honorary Appreciation for Lori Keller's Board Service

Davison presented an award to Lori Keller and thanked her for her service to the VSC Board.

Davison announced the launch of the FY17/18 Year-End Satisfaction Survey, noting that the Board and Marketing Committee received separate links. He also noted that the email included verbiage that could be copied and pasted into an email to share with fellow lodging investors and tourism-related partners.

Cava Robles, a new RV resort in Paso Robles is hosting a VIP Ribbon Cutting and Reception on Tuesday, September 25, 2018 at 4:30-6:00pm. RSVP to cavarobles@suncommunities.com.

CONSENT AGENDA

4. Approval of July 18, 2018 Board Meeting Minutes
5. Approval of June/FY2017-18 Year-End Financials
6. Approval of July & August Financials
7. Ratification of Hemant Patel as Morro Bay's Appointed Board Member
8. Approval of FY2017-18 Annual Report

Davison introduced Visit SLO CAL's newest Board member, Hemant Patel. He noted that Val Seymour, the former appointed Morro Bay Board member has provided her letter of resignation, and clarified that this agenda item ratifies Morro Bay's decision to appoint Patel to the seat.

Public Comment – None.

Board Discussion.

ACTION: Moved by N. Patel/Graves to approve the Consent Agenda as presented.

**Motion carried: 9:0:1
H. Patel abstained.**

CEO REPORT

9. CEO Report

Davison reviewed the June/Year-End and July TOT Reports, as well as the July 2017 and 2018 Travel Trends Indexes from U.S. Travel. Davison noted that Visit SLO CAL's (VSC) \$250k line of credit renewal has been processed. He reminded the Board that this is maintained in case of an emergency or disaster, and noted that its next maturity date will be October of 2019. Visit California is scheduled to begin production soon on its new family television spot, and for the third consecutive year, SLO CAL is scheduled to be included, along with only a handful of other destinations. This ad is expected to run in six countries, and our inclusion speaks to the value and need for our continued partnership with Visit California. VSC's VP of Community Engagement & Advocacy, Christine Robertson, has been asked to join the California Influencers Program, sponsored by the Sacramento Bee and the McClatchy Washington, D.C. Bureau. As part of this program, Robertson will provide brief comments on issues to watch in the upcoming election, and will be the only influencer representing the tourism industry and the Central Coast. At the August 17, 2018 City Manager Meeting, VSC provided an update on key initiatives. Davison outlined the city managers' feedback on the TMD renewal. Davison also reported out on other recent local meetings. He reminded the Board that appointed VSC Board Members should be proactively reporting out to their communities on a monthly basis. He outlined his travel schedule for the months ahead. Since the November Board meeting falls the day before Thanksgiving, November 21, 2018, Davison asked the Board if they would like to move the date.

Public Comment – None.

Board Discussion. The Board agreed that November 15, 2018 would be the best date to reschedule the November meeting. Davison noted that VSC would send an updated invite.

BUSINESS ITEMS

10. FY2017-18 Audit

For the third year in a row, VSC received a clean audit from Burkart & Stevens. The Management Advisory Comments received were expected. With regards to "Segregation of Accounting Duties," they recommended that another individual open the checks received via mail and make a listing prior to processing. They also pointed out the "concentration risk" of having one bank exceed the \$250k FDIC insured limits—an issue we have mitigated by investing reserve funds in other banks; however, monthly assessment contributions often exceed \$250k, so without moving funds to multiple banks the ability to fully mitigate is limited. VSC will continue to monitor the concentration and use best efforts to strategically place the funds into action quickly. The Executive Committee approved the audit at their September 6, 2018 meeting. Once approved by the Board, the staff will forward the audit to the County to meet their September 28 submittal deadline, and Burkart & Stevens will file the annual tax return.

Public Comment – None.

Board Discussion.

ACTION: Moved by Graves/Hamilton to approve the FY2017/18 Audit presented by Burkart & Stevens and file with the County as recommended by the Executive Committee.

11. B&B Seat

Davison announced that this item would be tabled as the only applicant to the seat, Alma Ayon, was out sick, and the Board should have the opportunity to meet her before making a decision.

Public Comment – None.

Board Discussion.

12. Destination Management Strategy Update

Robertson provided a progress update on the Destination Management Strategy (DMS), noting that all reports referenced are available to view on the website at <http://SLOCAL.com/DMS>. The Community Survey, Stage 6 of the DMS, generated more than 5000 responses—the most ever received by Resonance Consultancy, and was promoted by Assemblyman Cunningham, Supervisors, Mayors, City Managers, Chambers of Commerce, TBIDs, Cal Poly, and through local news outlets. The next Steering Committee Meeting, on September 20, 2018, will include a review of current data collection to-date, and will be an opportunity to gain topline feedback from the group. The Steering Committee will also review next steps and direction. Robertson outlined the upcoming stages of the DMS process. She said that, as VSC and Resonance move toward recommendations, she will be sitting down with every TBID manager and chamber CEO to seek their input and partnership in the next phase of engagement.

Public Comment – None.

Board Discussion.

13. TMD Renewal Update

Davison met with TMD attorney John Lambeth on August 24, 2018 in advance of a meeting with the County Administration on August 29 to determine County requirements and the process for renewal. VSC has received and reviewed the Civitas contract. Davison reviewed some of the proposed changes to the Management District Plan (MDP), including some administrative changes; changes to the Marketing Committee size and the introduction of staggered 3-year terms; and some changes to the composition of the Board. VSC is recommending increasing the number of Board members from 15 to 19, adding at-large seats for regional strategic partners while maintaining a lodging majority. VSC would also like to require all lodging Board members to be the owner or general manager of an assessed lodging business. Davison noted that VSC will also need to consider how it will plan and account for the cost of additional work, including international marketing, PR and travel trade efforts, further air service development, implementation of DMS recommendations, and meeting and conference facility growth and marketing. Davison reviewed the scope of Civitas' contract, which calls for the completion of the Tourism Marketing District (TMD) renewal process in 10 months, at a cost of \$57,000. Davison also outlined the next steps in the TMD renewal process and noted a formal plan would come back to the Board in November after being reviewed at the October and November Executive Committee meetings.

Public Comment – None.

Board Discussion. N. Patel and Bonelli expressed their opposition to adding non-lodging seats to the VSC Board. Maggelet suggested including representatives from restaurants, wineries, Cuesta College and nonprofits that support the arts. Bonelli noted it could be tenuous to have a large Board and recommended that those representatives speak during Public Comment. Davison noted that business leaders would likely not turn out for Public Comment. Jamison shared the Executive Committee's thinking on this item and why they were in support of it. Arnold noted he was also on the fence with adding non-lodging seats.

ACTION: Moved by Graves/N. Patel to allow the President & CEO to enter into contract negotiations with Civitas to manage the legal process for the renewal of the Tourism Marketing District.

14. FY2018-19 Media Plan

Davison reminded the Board that they approved the initial media plan back in May, but after the Board approved the transition to Miles Partnership as VSC's media agency, Miles recommended a different approach. Burnham reviewed the proposed media plan, including the spend, targets, media channels, tactics and creative mix.

Public Comment – None.

Board Discussion.

ACTION: Moved by N. Patel/Jamison to approve the FY 2018/19 Updated Media Plan.

Motion carried: 10:0

15. Marketing Update

Davison provided an update on travel trade efforts, and Burnham reported out on earned, owned and paid media efforts. Burnham noted that VSC was a finalist for Best Digital Campaign at the 2018 ESTO Awards in August.

Public Comment – None.

Board Discussion.

ADJOURNMENT

Meeting adjourned at 10:06am.