



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, September 18, 2019

8:30am

The Agrarian Hotel

325 E. Branch St, Arroyo Grande, CA 93420

1. CALL TO ORDER: Mark Eads

PRESENT: Alma Ayon, Jed Bickel, Kathy Bonelli, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Toni LeGras, Sam Miller, Nipool Patel, Victor Popp, Amar Sohi

ABSENT: Hemant Patel, Clint Pearce

STAFF PRESENT: Chuck Davison, Brooke Burnham, Derek Kirk, Brendan Pringle

Call to Order at 8:32 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison announced the birth of Ariel Tatiana Pringle, daughter to Operations Manager Brendan Pringle, and noted that today is Pringle's first day back from paternity leave. He also announced that Pringle was awarded CalTravel's 30 and Under Emerging Leaders Award at the CalTravel Summit, and presented him with the award.

CONSENT AGENDA

3. Approval of July 17, 2019 Board Meeting Minutes
4. Approval of June/Year-End Financials
5. Approval of July and August Financials
6. Approval of Visit SLO CAL's FY2018/19 Annual Report
7. Approval of Visit SLO CAL's Employee Handbook Updates
8. Approval of Visit SLO CAL's Conflict of Interest Policy Updates
9. Ratification of Victor Popp's Appointed Seat
10. Ratification of Toni LeGras' Appointed Seat

Davison outlined the key changes to Visit SLO CAL's Employee Handbook and its Conflict of Interest Policy, and asked the Board to fill out the Annual Disclosure form and return it to Pringle at the end of the meeting.

Public Comment – None.

Board Discussion.

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

**Motion carried: 10:0:2
LeGras and Popp abstained.**

CEO REPORT

11. CEO Report

Davison noted that additional CEO Report items were included in the Agenda Packet in the interest of time. Davison reviewed U.S. Travel's Travel Trends Index for July 2019 vs. July 2018. He also reported that Beyonce filmed her new music video at Oceano Dunes on Tuesday, September 17, 2019, and recognized Brand & Marketing Manager Jordan Carson who ran point on this project. He provided an update on staffing, noting the recent/pending departure of three team members based on family changes and new opportunities. Open positions have been posted and interviews will be conducted as candidates become available. He also noted that these openings have provided opportunities for conversations with the team regarding organizational fit, future staffing and our need to continue to evolve as team members and an organization.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

12. Executive Committee Seat

With the appointment of Mark Eads to Vice Chair of the Executive Committee, the position of Secretary is now vacant, and Hemant Patel does not currently occupy one of the officer seats on the Committee. At their August 13, 2019 meeting, the Executive Committee recommended the appointment of Hemant Patel to the position of Secretary.

Public Comment – None.

Board Discussion.

ACTION: Moved by Jamison/Graves to appoint Hemant Patel as Secretary of the Executive Committee, as recommended by the Executive Committee.

Motion carried: 12:0

13. FY 2018-19 Audit

Davison noted that Visit SLO CAL is required to complete an audit every year as part of its contract with the County of San Luis Obispo to facilitate the Tourism Marketing District. The Audit and Management Report were included in the agenda packet. For the fourth year in a row, Visit SLO CAL received a clean audit from Burkart & Stevens with no material weaknesses. The Management Advisory Comments were consistent with past years and were expected based on the organization's size and structure. The auditor recommended that a separate individual receive the mail, open the checks and make a listing prior to processing (Segregation of Accounting Duties). This would only be possible in an organization with more staff. The auditor also pointed out that one bank exceeded the \$250k FDIC insured limits (Concentration Risk), a risk that Visit SLO CAL has minimized by investing contingency funds in laddered CDs.

Public Comment – None.

Board Discussion. Hamilton noted that this process is a heavy lift for any organization, and that this clean audit reflects well on the organization and staff. He added that the Management Advisory Comments are typical of any organization with a small staff. Popp noted that the clean audit immediately emphasized to him how organized Visit SLO CAL is.

ACTION: Moved by Hamilton/N. Patel to approve the FY2018-19 Audit as presented.

Motion carried: 12:0

14. TMD Renewal Update

Davison provided an update on the TMD renewal process, noting that since the County released the petition on August 1, 2019, Visit SLO CAL has collected petitions representing more than 500 properties. Countywide petitions received total 53.26 percent, but this number is likely closer to 60 percent as of today. Davison recognized the efforts of Graves, Eads, Jamison, H. Patel, N. Patel, Bonelli and others on the Board for their roles to date in collecting petitions, as well as Martin Resorts CEO Noreen Martin for her public support in the renewal process. He provided an overview of collected petitions and percentage represented by each jurisdiction. He reviewed the next steps in the process, and provided an update on meetings. He noted that the Arroyo Grande TBID voted unanimously to recommend approval to the City Council on August 26, 2019, the Grover Beach City Council voted unanimously to adopt the resolution on the TMD on September 16, 2019 and that the Travel Paso TBID voted 4:3 to recommend approval to the City Council on September 17, 2019. He reviewed the upcoming meeting schedule, and asked the Board to attend meetings in their city, or, at a minimum, to submit a letter in advance if they cannot attend. Davison also asked for support in making phone calls to lodging partners and collecting petitions in their communities, noting that Visit SLO CAL needs assistance specifically in Morro Bay and the Unincorporated Area. Visit SLO CAL will send an email to the Board today with the updated TMD Petition dashboard so that members can see exactly where assistance is needed. He also noted that Visit SLO CAL is having 1:1s and 2:1s with city council members in advance of the council meetings.

Public Comment – None.

Board Discussion. Bonelli and Popp described why the vote was split in Paso Robles, and noted that at the end of the business item, after a vote for approval, the TBID board called for a united front behind the TMD renewal.

15. Advocacy Plan

Kirk outlined the purpose of Visit SLO CAL's Advocacy Plan and how it ties back to Strategic Direction 2020 (SD 2020). Kirk outlined Visit SLO CAL's Public Policy Platform, the criteria on times when the organization will take action without first seeking Executive Committee approval, and what benchmarks need to be achieved in order to do that. He noted that for advocacy in support of, or in opposition to, specific legislative or regulatory measures not clearly articulated in the Public Policy Platform, staff will first bring the issue to the Executive Committee for a vote on a support, neutral with comments, oppose, or no action position. He added that if the timeline for taking action on the issue allows the item to be presented to the Executive Committee at a regularly scheduled meeting, the Visit SLO CAL staff will wait to allow for their vote. All action will subsequently be reported to the Board of Directors at their next regularly scheduled meeting. He noted that it will be important to determine what key influential groups or messengers are available and willing to help advance the advocacy initiatives, and which messages they are most prepared to advocate on. He also outlined the key success metrics. Davison added that a position of advocacy is not always "for" or "against"; in the case of the Oceano Dunes, the recommendation was to pause action and calm the waters so that the issue can be discussed. Kirk noted that the plan would be reviewed on an annual basis. At their August 13, 2019 meeting, the Executive Committee recommended the approval of the Advocacy Plan.

Public Comment – None.

Board Discussion. The Board recommended amending the Advocacy Plan to include language that Visit SLO CAL would conduct proactive outreach with stakeholders and would check in with members of the Executive Committee prior to taking a position.

ACTION: Moved by Sohi/N. Patel to approve the Advocacy Plan, as amended by the Board.

Motion carried: 12:0

16. Air Service Development

On September 4, in conjunction with the Airport, Visit SLO CAL announced new daily nonstop flight service from San Diego starting January 7, 2019 and from Portland starting June 18, 2019. Alaska Airlines will be the air service provider on both flights, and both will be included in the Wines Fly Free program upon launch. Davison thanked all of the Board members who attended the announcement event. He noted that these new flight markets will require additional advertising funds to be allocated. Through conversations and planning with Miles Partnership, our media agency, staff is recommending a total investment of \$400,000 during FY 2019-20. Total spend in San Diego is estimated at \$230,000 beginning October 1, 2019, while total spend in Portland is estimated at \$140,000 beginning March 1, 2020. An additional \$30,000 would be allocated in case need is demonstrated through Alaska Airlines' pace reports. Davison noted that funds would be allocated from the Reserve account, but not transferred until the end of the fiscal year, in the event that they are not needed. He added that Visit SLO CAL has never had to tap into reserves in the past, as the organization does not budget for new properties opening, and would likely also allocate unused funds from other projects.

Public Comment – None.

Board Discussion.

ACTION: Moved by Graves/Bickel to allocate \$400k in reserve funds toward advertising new air service from San Diego and Portland.

Motion carried: 12:0

17. Marketing Update

In the interest of time, item #17 was removed from the agenda. The Marketing Update slides will be sent to the Board via email.

ADJOURNMENT

ACTION: Adjourned at 10:31 am.