



Mammoth Lakes Tourism Monthly Board Meeting

Wednesday, June 8, 2016

Call in # (310) 372-7549 - Participant Code 934985 - Host Code 3838

1:00 – 3:00pm MLT Conference Room

Meeting Agenda

1. Call Meeting to Order at 1:03pm – John Morris, Board Chair

2. Roll Call – Present: Erik Forsell (phone), John Morris, Michael Raimondo (phone), Sean Turner, Brent Truax, Kirk Schaubmayer, Michael Ledesma, Paul Rudder

Absent: Matthew Lehman

3. Board Member Comments/Reports/Agenda Additions

- Sean Turner - Bluesapalooza update - Festivals are the gateway activity to camping for Gen Y and Gen X. Bluesapalooza is 8 weeks out, in previous years tickets have sold out two weeks before the event, but now people are waiting to buy until later and there may be inventory left to sell in the last two weeks before the festival.
 - Erik Forsell - People don't want to commit as early as they used to - same with MMSA numbers.
- Sean Turner - Gate at Lakes Basin Road to Horseshoe Lake is still closed, why? How can local businesses communicate better to visitors that roads are closed vs. open so they're not frustrated?
 - John Urdi - USFS does not communicate road openings well with MLT.
 - John Morris - The visitors are taxpayers and want to use USFS for visitation. Push more via town/Town Council/MLT to make this a priority? Visitors expect these roads to be open.
 - Michael Raimondo – The town is trying to take over some maintenance and parts of it to get it open earlier in future years. There's good conversation going on and it sounds promising. Hopefully this is the last year there will be an issue.
 - John Urdi - We don't want to take on their responsibility just because USFS doesn't have time/staff/money etc. to make it happen.
- Michael Ledesma - 100th anniversary of the national parks is a big deal - national awareness has been created to get people outside. Might result in higher occupancy/visitation for Mammoth Lakes this year.
 - John Morris - June numbers for Snowcreek are much higher than last year, June is really growing.

4. Public Comment

- Rich Boccia - Town Council approved priority phase projects including the Outdoor Performing Arts Center venue. Goal for OPAC is to identify a venue to seat 7,500 to 10,000 to grow over the next 10 years. We have identified 7 sites and met with staff of many of them. We'd rather spend money on infrastructure than land.

5. Minutes – Approval of past meeting minutes

- Motion to approve minutes from April 6 and May 4 board meetings and May 20 special meeting with MeringCarson – Michael Ledesma motions, Paul Rudder seconds, passes unanimously
- Review of TBID appeal from Cyndi McGonagal – Mary Kay Cosmetics Rep
 - Total business sales for the year \$7,000 with 100% documented all sold within ML, can apply to be exempt completely
 - TBID review panel recommends exempting completely. Sean Turner moves to approve, Paul Rudder seconds, passes unanimously.

6. MLT Team Presentation Schedule – 30 minutes including Q&A time

Air Service – John Urdi

- Similar report to what John gave to joint meeting with county supervisors
- Summer flights cost more to reserve than winter flights (planes aren't flying as much in winter elsewhere)
- Without minimum revenue guarantee, airlines wouldn't fly here. MMH load factor averages 68%. To break even, MLT needs 70-75% load factor. LA is at 73% load factor, San Diego 71%, San Francisco improving but not great yet.
- Before opening a new market, MLT needs to go in with marketing efforts to promote flight service. Alaska and American Airlines are co-share partners who promote each other.
- 75% of our traffic from LA originated in LA. Only 50% of traffic from San Francisco originated there.
- Balancing act: pay for half-full flights but get those people in town to spend money, or save money on subsidy and miss out on those people.
- Sean Turner – MLT's mission is to grow enplanements – don't cut the budget.
- Kirk Schaubmeyer – Look to Utah/Colorado resorts to see what they're doing.
- John Urdi – Goal is to minimize risk and maximize exposure. Savings from 2015-2016 can help develop new air programs for next year (two for one deals, etc.) Debating whether ML is better off with twice daily service to LA or adding a flight from another metro area.
- Erik Forsell – MLT should come up with goals so it's easier to see progress. Instead of just looking at subsidy as a total, make benchmarks for each market to help tell the story.
- Weather cancellations were an issue this winter – using Bishop airport could help
- Possible new relationships
 - SurfAir – membership service for \$1700/month, points for flying mid-week
 - JetSmarter – scheduled charter service, here last year in February but didn't know until the last minute, hoping for a better start with them in the future
 - JetSuite – newest membership-based company, based in Burbank, fly to San Jose, Burbank, Monterey, Vegas, etc. with a 50 seat plane with only 30 seats, all first class; looking at a partnership with Burbank and Santa Barbara; wouldn't count toward enplanements but could be a revenue opportunity; we could market each other
 - All three would be through Hot Creek instead of MMH, need to discuss with people there
- Working on pushing flying through LA to MMH in Seattle and Phoenix markets – first steps to investigating a new market opportunity
- Paul Rudder – Have we done customer satisfaction surveys of people flying here from far away?
- John Urdi – Surveys have been done but we don't know the location people come from.
- Sean Turner – Idea to put together a super VIP package with tickets to events, flights, etc. with new charter air services or current services.
- Summer visitation: growing visitor numbers but not growing flight numbers – how to get people to fly in the summer? Summer cancellation rate is low
- John Morris – Pitch flying to ML as 'we have everything you need here' (no need to bring fishing poles, skis, etc.)
- Local impact
 - 11% of people said they wouldn't come to ML without air service
 - 16% said they'd travel here less without air service
 - \$11.8 million of potential lost revenue without air service in town
 - 20% of total flight traffic is Mono County residents
 - 27% of visitors are here to visit their friends and family
 - Real estate developers would be much less likely to consider building in this area without air service
 - Working on Friends of Flight program to reward businesses in town for promoting air service to ML

7. Department Updates – A brief recap of past, current and future efforts of each department

1. International – John Urdi in Michael Vanderhurst’s absence

- Recent FAM trips: Didier Rossier from France, group from Japan, group from China
- Michael was in Australia for two weeks for sales mission with Mammoth Mountain and The Westin attending consumer/ski shows and agency trainings about who we are

2. Marketing – Whitney Lennon

- Fine tuning data listings
- Will have report on first full month of data from new VisitMammoth.com at July board meeting
- Time on site is up 97%
- Phase three goals for website: incorporate Mammoth Lakes Crib, create international pages (Spanish, German, French, Italian, Mandarin), integrate MLT Industry Insider and TBID websites
- New event poster for 2016 is in (large); event brochures coming soon, mostly out-of-market piece

3. Communications – John Urdi in Lara Kaylor’s absence

- Five journalists were in ML last week as part of a US 395 road trip from Visit California
- Two mountain bike journalists visited a couple weeks ago
- MLT was invited by MMSA to participate in the Oakley Performance Lab – 26 media people, only two had been to ML before, not related to the ski industry
- Brought back daily service to MMH for Lara’s Society of American Travel Writers conference in town for the week
 - Out of 33 writers, 19 flew in
 - Writers did a variety of activities in Mammoth Lakes and surrounding areas
- Three press trips lined up this summer, already hosted three Olympic hopefuls in the crib, Alexi Pappas is a repeat visitor and in the news, UNR basketball team coming this summer

4. Air Service – John Urdi

- Spent \$608k on winter air subsidy

8. Financial Reports – An update regarding the financial health of the organization – John Urdi

1. TOT & TBID – review previous months results
 - TOT is ahead of budget by 37% (\$3.8 million), ahead roughly \$760k for MLT
 - TBID is just over \$1 million, ahead of forecast by 27.5%
2. Cash Flow – discussion of current bank balances
 - \$986,000 in Measure A Checking, \$300,000 in Measure A savings
 - \$3,180,000 in TBID checking, \$5,000 in TBID savings
 - Reviewing CDARS – very liquid program to insure money in Eastern Sierra Community Bank, need to figure out how much money to put in and when
3. P&L Reports – Tabled
4. 2016-17 Budget – discussion and approval
 - YTD TBID is \$1,015,000 ahead of budget, projected \$1,250,000 to Town Council with budget
 - Plan is to re-invest a lot of it into marketing and still put \$500k into reserve
 - John Morris – Where do you project end of year total revenue for MLT between TBID and TOT?
 - John Urdi - \$7.5 million if not more
 - Budget sheet notes
 - First two years on sheet had no TBID

- Added positions – Lara Kaylor (communications/PR) and Craig Schmidt (Chamber)
- Retained staff rather than replacing people with a lower priced option
- MeringCarson shows that internet/digital marketing has the strongest reach, fall targeting a bit more newspapers/magazines to reach the older crowd, difficulty is that traditional media is not measurable like digital media
- Local marketing meeting on Monday will discuss programs on top of current operating budget – above and beyond spending would come out of reserve (most of these ideas are not measurable)
 - Erik Forsell – For the board and the town, tangible benefits from the TBID (tote bags, billboard, etc.) would go a long way.
- John Morris – Board should talk more about budgetary discussion that happened in executive session meeting.
- Brent Truax – The budget is a working document and can be edited as time goes.
- Brent Truax motions to approve the budget, Paul Rudder seconds, passes unanimously.

9. MMSA Update – Erik Forsell

- Mountain Bike Park pass sales are exceeding last year's, all signs pointing a strong summer, last skiing day Monday, July 4

10. New Business

1. Thanks to outgoing board members – Thank you to Michael Raimondo!
2. Board elections
 - Kirk Schaubmeyer – Lodging seat – ran unopposed, committee unanimously recommends him
 - Brent Truax motions to elect, Michael Ledesma seconds, elected unanimously.
 - Michael Ledesma – Restaurant seat – ran unopposed, committee unanimously recommends him
 - Paul Rudder motions to elect, Brent Truax seconds, elected unanimously.
 - Sean Turner – Retail seat – one other applicant; based on Sean's service and what he brings to the board, the committee recommends that he retain the retail position
 - Brent Truax motions to accept, Paul Rudder seconds, elected unanimously.
 - Matthew Lehman – At-Large seat – three applicants; committee decided having four lodging members on the board would make it unbalanced; based on Scott McGuire's unique insight and different direction, past work experience and current work as a branding development consultant, the committee recommends him for the seat
 - Michael Ledesma motions to approve, Paul Rudder seconds, elected unanimously.
3. Adjust MLT Capitalization policy from \$1,000 to \$2,500 per IRS Small Business Guidelines
- Paul Rudder motions to accept, Brent Truax seconds, passes unanimously

11. Key Takeaways

1. YTD TOT at \$14.1 Million – TOT should easily finish the fiscal year above \$15 million
2. YTD TOT is over budget by \$3.8 Million which is 37%
3. MLT expanding efforts to include Fall Colors paid marketing campaign

Future Meeting Dates

Next scheduled Board of Directors Meeting Wednesday, July 6th 1-3pm @ MLT Conference Room