



Mammoth Lakes Tourism Monthly Board Meeting

Wednesday, August 1, 2018 - 1:00-3:00pm in Suite Z

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

https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0

Meeting Agenda

1. **Call Meeting to Order – Scott McGuire, Board Chairman**, called meeting to order at 1:02 pm
2. **Roll Call – Present:** Scott McGuire, Brent Truax, John Morris, Sean Turner, Kirk Schaubmayer, Mayor Cleland Hoff, Eric Clark, Paul Rudder.
Absent: Michael Ledesma.
3. **Welcome Mayor Cleland Hoff to the MLT Board of Directors**
4. **Board Member Comments/Board External Committee Reports/Agenda Additions**
 - a. Mayor Cleland Hoff – Thank you for welcoming me to the Board, looking forward to working with everyone. Very excited about new relationship with United.
 - b. John Morris – very successful weekend with the kids fishing festival; 31st annual.
 - c. Brent Truax – rode in Disabled Sports Eastern Sierra fundraiser, Sierra Cycle challenge ride; raised \$105,000 with 19 riders. Long ride in the smoke but a great event for a great cause. Also attended the Forest Service community meeting regarding the Lions fire – Forest Service currently estimating another four to five weeks before it is out. Air quality continues to be an issue in the early morning hours. Great Basin Unified Air Pollution Control Districts is a great reference for planning activities and advice on the conditions. John Urdi stated that MLT has taken on calls for air quality from the Visitor Center for immediate and future guests. Helping people plan for their trips and showing when conditions are nice as well as the bad times, so they know what to expect and how to have best visit.
 - d. Kirk Schaubmayer – Thank you to all agencies both State and Local for efforts associated with fires and fire fighting.
 - e. Scott McGuire – Another thank you to all the local resource efforts that mobilized quickly last night to assist in the two local fires. Pretty incredible to see the mobilization happen so quickly; could have been a different outcome otherwise. Recent Chamber power lunch featuring Mark Brownlie was very well done and great information for the community. There will be a Town NGO alignment meeting from August 22 – August 24, all three days, most of the days, likely in Suite Z. All NGO's, Town Council and town staff will be present. Executive Directors must be present and would appreciate Board support as well. Scott McGuire stated he and John Urdi are both currently scheduled to be travelling but trying to get out of obligations to attend; any other Board members that can attend are encouraged to do so. John Urdi stated looking at the draft agenda, August 23rd would be the most important day to be present. Ethics training in Suite z on August 15 from 1:30 to 4pm; will include some Brown Act information. Out of MLR, Eastern Sierra Sustainable Recreation Partnership was signed two weeks ago; means the Town, the County, Inyo National Forest and Humboldt-Toiyabe have agreed to work together and fund a position that will sit with MLR – first in the state/nation to have that level of cooperation on that level.
5. **Public Comment –**
 - a. Sean Turner spoke as a member of the public about the 23rd annual Mammoth Festival of Beers and Bluesapalooza. 6 non-profits involved in this event – 5 local and 1 state wide; will make over \$50,000 strictly on their own. Infinite Music Foundation will donate \$5,000 earned at Bluesapalooza back into the local school music program and excited to say the Mammoth Husky Ukulele program will play on the main stage Thursday night. Ticket sales on track with same time last year. Expecting about 4,800 people on Saturday. LED wall is back this year; seven monitors through out the site so you can see what's happening on the main stage through out the rest of the venue. Added Wednesday night – just bars and some acoustic local bands. Also new, will go until 11:30 on Thursday, Friday and Saturday with acoustic music on the smaller minaret stage. RFID wristbands. Will make transactions at merchandise tent as well as bars, faster. Can load with credit card or cash. Reviewed

street closure and trolley map. ESTA and Mammoth Mountain Ski area assist in running trolleys. Mammoth Mountain stepped up at the last minute to provide additional drivers that ESTA would not be able to. Town and Measure U will be covering additional costs. Looking forward to a fun weekend ahead.

b. Paul Rudder brought up with the Board that MLT spent \$300,000 encouraging the facilitation of the event site for events. As Sean pointed out we haven't seen any new events; wondering if we can get an update on where the site is going and if we are moving forward with the direction we had when we invested. Scott McGuire stated that he and John have looked at the contract in anticipation of sitting down with Town Manager and Town Attorney and talking about when the contract stands. As written the contract had a 5 year investment time period. John Urdi clarified that we would like to review where we are at in the process and see what we need to encourage improvements on the property.

6. Minutes – Approve meeting minutes from July 3, 2018 BOD meeting

a. Brent Truax had a correction to item number 6: Andrew Kastor presented the Mammoth Lakes Tourism Board with a plaque of appreciation. Brent Truax then made a motion to approve the minutes as amended. Sean Turner seconded the motion. Unanimously approved.

7. New Business

4. Air Service update – John Urdi reviewed the below information on air service for the coming year. Don't need to go over individually, tried to give the Board as much detail as possible on agenda. Live with United for LAX, SF and Denver 7 days a week. Reviewed flight information listed below. Stated that still have the ability to move flights past March 30, for San Francisco and Denver, but right now airlines only load as far out as March 30 so still have some time to discuss if we want to extend due to later Easter. John Urdi sent out a list of perfect connections – flights where there is no more than a two-hour layover between flights. Doesn't mean that there aren't other connections available. Phenomenal connectivity and received some anecdotal feedback from locals about convenience this offers. JetSuiteX still working on – Burbank and Orange County are realistic with some details still to be worked out and Oakland is an opportunity but has not been finalized. We are still exploring Carlsbad and San Diego. No commercial opportunities out of San Diego but still looking at Carlsbad opportunities with JetSuiteX and California Pacific. Been working with Pat Foster at the airport to make sure we are not overwhelming the general aviation terminal. Looking at morning flights for Oakland and Carlsbad to make sure we aren't overloading the ramp. Last Year MLT took on the agreement for JetSuiteX, previously Mountain had signed. Option again this year, but keep in mind we upfront pay the subsidy with JetSuiteX. The Mountain has always done that with United as well, where they pay the subsidy in advance and if there is any remainder they get a rebate back. This year with additional flights from JetSuiteX we could be looking at upfront costs of \$300,000-\$400,000. Cashflow could be the issue there and may need to dip into CDARS, just a concern we should think about there. Question to the Board is with that in mind, are we willing to take on the MLT agreement with JetSuiteX directly? Scott McGuire asked if we are still within our cap for subsidy with the additional markets. John Urdi stated yes it would just be more money up front but still within the cap for subsidy. Scott McGuire asked is there additional air marketing costs due to the increase in markets we are advertising to. John Urdi stated that is an item 8 on the agenda. The Board had a conversation about pros and cons between a flight from Oakland versus a flight from San Diego market. John Urdi clarified that we did not have to make a decision between Oakland and Carlsbad right now but wanted the Board to start thinking about as they consider the totality of air service program for the next year. John Urdi clarified the Board needs to decide if it wants to continue to hold the contract with JetSuiteX versus MMSA, with the only caveat being that cash flow may be the only issue we have to address. Sean Turner asked why MLT took the contract on in the first place? John Urdi stated it was generally because MLT could. MLT could not take on Alaska or United because the upfront costs were too much, plus the insurance and lines of credit. John Urdi stated eventually the goal would be for MLT to be the contract holder but there is a lot more risk associated with it. Eric Clark stated this also gives MLT the autonomy of deciding where we fly. Brent Truax asked that we make sure we have the proper insurance in case there are issues with the contract and to make sure Board members don't have any personal liability but otherwise is supportive of MLT holding the contract. After further discussion about routes and opportunities Brent Truax made a motion that MLT be the contracting organization with JetSuiteX for the 2018-19 service and authorize the Chair to sign the agreement pending verification of insurance requirements and final recommendation of routes based on costs to come back before the Board for approval. Mayor Cleland Hoff gave a second to the motion.

Unanimously approved. Scott McGuire took a general poll of the Board on how they felt about exploring the use of CDARS in the case that upfront payment of subsidies causes cash flow issues.

- a. United Airlines - Los Angeles, CA
 - i. Once daily flights Los Angeles departing LAX at 2:40pm arriving MMH at 3:56pm then departing MMH at 4:40pm and arriving LAX at 6:10pm
 - ii. CRJ-700 – 70 passenger plane
 - iii. December 1, 2018 – November 30, 2019 – DAILY - no minimized 4-day per week) service
 - iv. Strong connecting flights in and outbound (connectivity by market – **attached**)
 - b. United Airlines - San Francisco, CA
 - i. Once daily flights San Francisco departing SFO at 9:20am arriving MMH at 10:29am then departing MMH at 11:05am and arriving SFO at 12:17pm
 - ii. CRJ-700 – 70 passenger plane
 - iii. December 19, 2018 – March 30, 2019
 - iv. VERY strong connecting flights in and outbound (connectivity by market – **attached**)
 - c. United Airlines - Denver, CO
 - i. Once daily flights Denver departing DEN at 11:30am arriving MMH at 12:50pm then departing MMH at 1:40pm and arriving DEN at 4:50pm (note 1 hour time difference)
 - ii. CRJ-700 – 70 passenger plane
 - iii. December 19, 2018 – March 30, 2019
 - iv. VERY strong connecting flights in and outbound (connectivity by market – **attached**)
 - d. JetSuiteX - Burbank, CA – still to be finalized
 - i. Four-day-per-week service (Thursday, Friday, Sunday and Monday) departing BUR at 3:30pm arriving MMH at 4:40pm departing MMH at 5:10pm and arriving BUR at 6:20pm
 - ii. ERJ135 – 30 passenger plane (reconfigured 50 passenger plane) – non-TSA
 - iii. Schedule TBD
 - iv. First class scheduled charter experience for not much more than commercial
 - e. JetSuiteX – Orange County, CA (John Wayne Airport) – still to be finalized
 - i. Four-day-per-week service (Thursday, Friday, Sunday and Monday) departing SNA at 2:40pm arriving MMH at 4:00pm departing MMH at 4:30pm and arriving SNA at 5:50pm
 - ii. ERJ135 – 30 passenger plane (reconfigured 50 passenger plane) – non-TSA
 - iii. Schedule TBD
 - iv. First class scheduled charter experience for not much more than commercial
 - f. JetSuiteX – Oakland, CA – still to be finalized
 - i. Potential for Four-day-per-week service (Thursday, Friday, Sunday and Monday)
 - ii. Schedule TBD
 - g. JetSuite X agreement
 - i. MLT to sign agreement with JetSuiteX
 - ii. MLT will be responsible for air subsidy for JetSuiteX routes (upfront payments)
 - iii. Discussion and **vote** on policy and direction to direction for MLT staff to contract and pay for JetSuite X service within our existing budgeted subsidy amounts.
 - h. Still exploring Carlsbad/San Diego area service for winter 2018-19
 - i. JetSuiteX
 - ii. California Pacific (commercial)
4. Wayfinding Signage update – Haislip Hayes from the Town was in the audience and this item was taken out of order to hear his presentation. John Urdi has been working with Haislip Hayes on a wayfinding program for a number of years. The Board has dedicated \$350,000 from Measure A reserves to assist the Town with a wayfinding program. Great tool for our new visitor of which we have a lot coming to Town. Haislip Hayes is going before Town Council tonight to reintroduce the program to the community and get support from Council to move forward. Haislip Hayes went over general presentation that will be given to Council. Been on the books since 2007 General Plan amendment; project been around since 2011 instigated by planning commission and Town Council. Developed over a couple of years; measure U committed funds in 2013 for first round of engineering; next year Measure U funds were committed to MLR; whole wayfinding program was based around Measure U funding initially so staff has been

searching for resources since. Used LTC funds recently to develop a new set of guidelines and institute a clutter program to eliminate old signage that doesn't fit in this program. Presentation to Council will show how MLT funds will be used to get the program off the ground, with focus on the pedestrian and vehicular signage components. Haislip Hayes went over images with examples of signage for both vehicular and pedestrian traffic. District monuments would be a part of a second phase to brand certain parts of town – part of long-term vision, not initial funding. Are looking at including improvements to banner location at Main Street and Old Mammoth in the first phase. Corner would be a costly piece due to needing to relocate utilities and drainage in the area – approximately \$60,000. Preliminary budget for the first phase of the program, which would include in Town, Lakes Basin and Inyo Craters, is approximately \$436,000. Have cut out Red's Meadow portion as the Town does not own the road and would have to go through significant process with Forest Service and National Park Service for signage; would add an additional \$93,000 to the project costs – staff would prefer to wait. Future phases for airport signage, district monuments and kiosks for visitor information. Next steps for phase one include closing the funding gap by working with some other partners who want to see this done; get Town Council consensus to finalize budget and scope; complete bid package and specifications; need to do a majority of the work during the winter time

- a. Working with TOML to get project off the ground
 - b. Design and order this fall – install spring 2019
 - c. MLT board to confirm \$\$\$ commitment to the program \$350,000 as of 6-7-18
 - d. Develop any deliverables or metrics tied to funding allocation
 - e. Discussion and **vote** on funding and deliverables.
 - i. Scott McGuire asked if the signs would be consistent with pre-existing signage so that the brand presentation is the same. Haislip Hayes confirmed that they would be complimentary. Scott also asked about the District Monument requirements and who would dictate with developers whether or not they do this and how they look. Haislip Hayes confirmed that the Town Council and planning commission has set forth guidelines for those that want to do this, but there is no mandatory at this time for monuments get built. But if developers did want to put a monument up there are mandatory guidelines for what they look like. Brent Truax stated how helpful the signage is, even in a technological age, also reminded the Board of the two CalTrans permitted sites by the airport where current aging signage exist and urged the Board to look at those sites in addition to this program. Sean Turner stated he would like to see the money spent and the program move forward. Eric Clark stated he would like to look at the joint bucket as an option for closing the funding gap. John Urdi clarified that the \$350,000 from Measure A reserves has already been earmarked by the Board for this program, we just need a motion to move forward now. Eric Clark made a motion that MLT commit the funds from Measure A reserves in the amount of \$350,000, to the wayfinding program being presented to Town Council. John Morris seconded the motion. Unanimously approved.
 - ii. Scott McGuire gave additional guidance to staff from the Board, that further dollars needed for future investment could be considered, if other funding sources do not work out.
2. TBID update – John Urdi gave a brief update on TBID. Starts on September 1, no changes to any remitters. Will have to start appeals starting September 1, will need an ad hoc committee to hear appeals. MLT is planning on going out to the businesses that appealed 2013-2018 TBID and make sure they know the process and that they have to appeal again. John Urdi reviewed various documentations that can be shown to appeal.
- a. New 5-year TBID begins September 1, 2018
 - b. Appeals will be accepted starting September 1st
 - c. Ad hoc committee of MLT board members
 - d. Outreach to appealed businesses from 2013-2018
3. Director of Special Events Position Update – John Urdi reviewed where the process is.
- a. First round of interviews completed with 12 candidates – narrowed down to four, possibly five, second interviews

- b. Second round of interviews with board members - first and second week of August; interview committee is Kirk Schaubmayer, Sean Turner and Michael Ledesma. Looking at having someone on board by mid-September.

8. MLT Team Presentation Schedule –This item was taken before closed session.

8. August 1st Air Service Marketing Strategy Discussions
 - i. Recap joint MLT and MMSA agency meeting July 30th
 - ii. Embark Aviation and Mering Carson Agencies
 - iii. Strategic Partnerships
 - iv. Ikon pass holder outreach
 - v. Discussion and **vote** on any additional funding request for 2018-19 air service marketing. Whitney Lennon gave a presentation to the Board about air service marketing strategy. Denver is the only place we currently don't advertise or have existing presence. We market to the rest of California, including the Bay Area and also a really strong relationship with JetSuiteX, which will allow for additional cooperative opportunities. Had a joint meeting between MLT and MMSA to lay the groundwork for communications plan to support new air service. Layer messaging through paid, owned, and earned channels. To approach new flight service, both organizations are going to work in tandem through all three channels to purchase advertising, and efficiently communicate message especially in Denver. Whitney Lennon reviewed specifics for initial messaging for each organization and specifically MLT's side of messaging. Whitney Lennon stated that this year will be a learning year for future messaging. Embark has reached out to United and JetSuiteX on behalf of MLT, to speak to future cooperative partnerships. Looking for dollar matching; JetSuiteX has shown some interest – also looking at tickets for promotions and sweepstakes, pricepoint advertising – both United and JetSuiteX have participated in the past. Next steps in planning, once we decided budget we are hoping to move forward today with media team meetings; both organizations will be meeting again on September 6 to launch final plan – start buying media for placement in October. Timing is a tight turnaround but we have the opportunity to get in early season messaging in the Denver market. Scott McGuire asked about reduction of \$500,000 and clarification on where the increase in air marketing dollars is being requested. There was general conversation about specific dollars dedicated to air service. Scott McGuire clarified his statement: originally the Board was told there would be a reduction of \$500,000 to air service marketing, where that was going to impact our air marketing was supposed to be communicated to the Board and it hasn't; To ask for more money, when we don't know where the original money went and the impact was, doesn't make sense – don't know where the foundation already is. There was a further conversation about marketing dollars and where it's being spent. Eric Clark suggested having staff come back with a specific air service marketing plan, showing the reduction of dollars from pass sales, then come back and ask for appropriate funding to ensure success with our new air service plan, in the range of \$400,000 - \$500,000. Whitney Lennon will come back to the next Board meeting with more details about 2018-19 air service marketing strategy.

9. Department Updates – team presentation were tabled for closed session items.

5. MLT and TOML Contract – 30 minutes
 - a. Closed Session
 - b. Discussion and **vote** on one-year extension of MLT contract as proposed by TOML
6. Executive Director contract – 20 minutes
 - a. Closed Session
 - b. Discussion and **vote** on contract extension

Paul Rudder left during closed session at 3:27 pm; Mayor Cleland Hoff left as the Board returned from closed session at 3:36pm.

7. Chairman report out on closed session items – Scott McGuire reported there was nothing to report from closed session.

10. Financial Reports – An update regarding the financial health of the organization –

1. TOT & TBID – review previous months results –

- a. TOT for June \$1,031,000 which is +\$358,000 and +53.5% to budget +\$104,000 and 11.1% to LY; biggest June number ever. Shy of last years record TOT collection year by 1.2% - \$17,867 million in TOT
 - b. TBID numbers for June \$258,000 – budget was \$186,000 ahead of plan; about 3% behind the year.
2. Cash Flow and CDARS info – discussion of current bank balances and reserve account activity
 - a. CDARS Balances Measure A \$1.15m & TBID \$2.5m (will likely need to cash out some TBID funds to pay winter air subsidy 2017-18 due to current cash flow) As of yesterday, John Urdi took out \$500,000 for final subsidy payment to airlines – awaiting final numbers from them. Probably be about \$1.3 million bill.
 - b. Measure A Checking = \$763,082.37
 - c. Measure A Savings = \$5011.20
 - d. TBID Checking = \$1,048,655.36
 - e. TBID Savings = \$5006.64
 3. Joint Bucket Funds – estimated balance in the MLT/ Town Council Joint Reserve Bucket
 1. \$967,602
 2. \$600,000 committed to the LA Kings program, so real total about \$370,000 for other requests to the joint bucket.
 4. P&L Reports – not available at the time agenda was sent. John Urdi sent to the Board on Monday. Don't be alarmed because we haven't paid last subsidy bill so it shows behind by \$1.8 million.

11. Mammoth Resorts Update – Eric Clark – Officially purchased Solitude – 13th resort. Via Ferratta will open officially on August 11th. Really cool experience – located on Roger's cliffs; three different courses of varying difficulty with a suspension bridge. Mountaineering experience.

12. Key Takeaways

1. June came in at \$1,029,525 which is a **new all-time record high for the month**
2. YTD TOT is +\$5,362,689 to 17-18 TOT budget YTD and -\$238,774 to the previous record (2017) -1%
3. YTD TOT is \$17,852,689 which is TOML's second best TOT year ever

Future Meeting Dates: Next scheduled Board Meeting for **Wednesday September 5, 2018** from 1-3:00pm Suite Z

Meeting adjourned at 3:50 pm