



## Mammoth Lakes Tourism Monthly Board Meeting

**Thursday - December 13, 2018 - 1:00-3:00pm in Suite Z – NOTE NEW DAY AND DATE**

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

[https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79\\_hRJa?dl=0](https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0)

### Meeting Agenda

- a. **Call Meeting to Order – Scott McGuire, Board Chairman**
- b. **Roll Call – Scott McGuire - *Chairman*** (At-Large June 2020 2-year term) **Brent Truax – *Vice-Chairman*** (Chamber no term), **John Morris – *Treasurer*** (Lodging June 2021 3-year term), **Sean Turner - *Secretary*** (Retail June 2020 3-year term), **Kirk Schaubmayer –** (Lodging June 2020 2-year term), **Michael Ledesma –** (Restaurant June 2020 3-year term), **Mayor Cleland Hoff** (Town Council no term), **Eric Clark** (MMSA no term), **Paul Rudder** (At-Large June 2019 2-year term)
- c. **Board Member Comments/Board External Committee Reports/Agenda Additions**
- d. **Public Comment –** Please limit to three minutes or less
- e. **1:15pm Closed Session – 30 minutes – MLT Legal Counsel Tim Sanford to attend**
  - a. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (One case)
  - b. Chairman to report out on closed session
- f. **Minutes –** Approval of meeting minutes from November 7<sup>th</sup> (Regular Meeting) - **attached**
- g. **New Business**
  1. Introduction of new Director of Marketing – Matt Gebo
  2. Updates from Internal ad hoc committee meetings:
    - a. MLT By Laws – Paul (lead) Scott, Brent and Cleland
    - b. MLT & TOML Contract - Scott (lead) Paul & Eric
    - c. Executive Director 2017-18 Performance Review – John (lead) Sean, Eric & Paul
    - d. Executive Director Contract Renewal – John (lead) Sean, Eric & Paul (input from Brent and Michael)
    - e. TBID Appeals Panel #3 (Need three MLT board members to meet week of December 17<sup>th</sup>)
    - f. TBID Survey – Sean (lead), Michael & Kirk
  3. Operation Snow Blitz
    - a. \$250,000 approved from Joint Reserve by 5-0 vote of Town Council – November 19<sup>th</sup>
    - b. Funds used for Social media network advertising and Google Display Network (GDN)
    - c. Target Los Angeles, San Diego, Orange County and San Francisco
    - d. Drive awareness of snow in Mammoth Lakes & engagement to website specific storm landing pages
    - e. 16.7 million impressions from first 10 days of the blitz
    - f. Time on site exceeded goal by 20% showing we connected with highly qualified travelers
    - g. Mering Carson charging just 4% (normal is 15%) fee on this effort to maximize exposure
    - h. Update copy as needed with each storm “up to 6 FEET of snow forecasted and more on the way!”
    - i. Paid efforts started Thanksgiving Day
    - j. Owned and earned DAILY updates – Social, PR, Website, Emails

- k. Should we keep the blitz going or return \$61,000 to the joint reserve for future consideration?
      - i. Discussion and **vote** on use of remaining funds
- 4. JetSuiteX agreement for approval - **attached**
  - a. One-year agreement 12/19/2018 -
  - b. Burbank (BUR) and Orange County (SNA)
  - c. Thursday, Friday, Sunday and Monday Service
  - d. \$200,000 advance subsidy payment – additional funds provided as needed
  - e. Discussion and **vote** to approve JetSuiteX contract
- h. **Department Updates** – A brief recap of past, current and future efforts of each department - **5 minutes**
  - Lara Kaylor – Communications update
  - Ken Brengle – Chamber of Commerce update
  - Caroline Casey – Special Events update
  - Michael Vanderhurst – Traveling World Travel Market in London
- i. **Financial Reports** – An update regarding the financial health of the organization – **5 Minutes**
  - 1. 2017-18 Fiscal Year Audit is complete and will be distributed when we have the final copies
  - 2. TOT & TBID – review previous months results – **TOT and TBID info attached**
    - a. TOT for October \$616,612 which is +\$185,612 and +43% to budget. +\$3,735 and +.6% to LY
    - b. YTD TOT is \$1,454,569 and 43% ahead of budget and -\$123,191 and 2% to LY YTD
    - c. TBID for October \$151,274 which is -\$8,725 and -5% to budget
    - d. YTD TBID is \$1,065,416 on a budget of \$998,000 so we are +\$67,416 and +6.8% ahead
  - 3. Cash Flow and CDARS info – discussion of current bank balances & reserve account activity (as of 10-29)
    - a. CDARS Balances Measure A \$800,321.04 & TBID \$2,001,440.57m
    - b. Measure A Checking = \$985,585.82
    - c. Measure A Savings = \$5,011.83
    - d. TBID Checking = \$370,635.68
    - e. TBID Savings = \$5,007.27
  - 4. Joint Bucket Funds – estimated balance in the MLT/ Town Council Joint Reserve Bucket
    - a. \$262,941 FY through October 2018 - total available in this account is roughly \$315,941 including rollover of \$53,000 uncommitted 2017-18 funds.
    - b. To date MLT/TOML have earmarked and committed
      - a. \$600,000 to the ongoing LA Kings Marketing Partnership 2018-2023 seasons
      - b. \$250,000 to the Operation Snow Blitz effort December 2018
  - 5. P&L Reports – Questions from the board regarding MLT financials
- j. **Mammoth Resorts Update** – Eric Clark – **5 minutes**
- k. **Key Takeaways**
  - TOT for October \$616,612 which is +\$185,612 and +43% to budget. +\$3,735 and +.6% to LY
  - YTD TOT is \$1,454,569 and 43% ahead of budget and -\$123,191 and 2% to LY YTD
  - TBID for October \$151,274 which is -\$8,725 and -5% to budget
  - YTD TBID is \$1,065,416 on a budget of \$998,000 so we are +\$67,416 and +6.8% ahead

**Future Meeting Dates:**

Next scheduled Board Meeting for **Wednesday January 2, 2018** may need to set a new date for this meeting



**Mammoth Lakes Tourism Monthly Board Meeting  
Wednesday November 7, 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](https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0)

**Meeting Agenda**

- a. **Call Meeting to Order** – Scott McGuire, Board Chairman, called the meeting to order at 1:03pm
- b. **Roll Call** –Chairman Scott McGuire, Secretary Sean Turner, and Board members Michael Ledesma, Mayor Cleland Hoff, Eric Clark and Paul Rudder were in attendance.  
Vice Chair Brent Truax, Treasurer John Morris and Board member Kirk Schaubmayer were absent.
- c. **Board Member Comments/Board External Committee Reports/Agenda Additions** –
  - a. Secretary Turner stated again that he wanted an annual survey to be given to TBID contributing businesses regarding their opinion about how the TBID is serving them.
- d. **Public Comment** – None
- e. **Minutes** – Approval of meeting minutes from September 26<sup>th</sup> (Special Meeting), October 3<sup>rd</sup> (Regular Meeting) and October 18<sup>th</sup> (Closed Session)

**ACTION: It was moved by Mayor Cleland Hoff, seconded by Paul Rudder, and carried by a 6-0 voice vote with Vice Chair Brent Truax, Treasurer John Morris and Kirk Schaubmayer absent, to approve the minutes of September 26<sup>th</sup>, 2018 special meeting.**

**ACTION: It was moved by Paul Rudder, seconded by Michael Ledesma, and carried by a 5-0 voice vote with Mayor Cleland Hoff abstaining and Vice Chair Brent Truax, Treasurer John Morris and Kirk Schaubmayer absent, to approve the minutes of October 3rd, 2018 regular meeting.**

**ACTION: It was moved by Eric Clark, seconded by Michael Ledesma, and carried by a 6-0 voice vote with Vice Chair Brent Truax, Treasurer John Morris and Kirk Schaubmayer absent, to approve the minutes of October 18th, 2018 closed session.**
- f. **New Business**
  1. Assign leadership, board reps and scheduling for AdHoc committee meetings:
    - a. MLT By Laws (Chair Scott McGuire, Vice Chair Brent Truax, Mayor Cleland Hoff and Paul Rudder)
    - b. MLT & TOML Contract (Chair Scott McGuire, Paul Rudder and Eric Clark)
    - c. TBID Appeals Panel #2 (Need three MLT board members to meet week of November 12<sup>th</sup>)
    - d. Executive Director 2017-18 Performance Review (Treasurer John Morris, Secretary Sean Turner, Eric Clark & Paul Rudder)
    - e. Executive Director Contract Renewal (Vice Chair Brent Truax and Michael Ledesma)

Chair Scott McGuire reviewed the current ad-hoc committees and who is on them.

Chair McGuire stated that on TBID appeals, three new volunteers were needed to hear the appeals that have come since the last meeting. Secretary Sean Turner, Michael Ledesma and Paul Rudder heard the

last set of appeals. John Urdi clarified that they could serve again. Chair Scott McGuire, Eric Clark, and Paul Rudder volunteered to hear this round of appeals.

Chair McGuire proposed combining the committees for Executive Director 2017-18 performance review with Executive Director contract renewal, for efficiency purposes. There was agreement among the Board. The Board had a discussion about how many members were needed and who would take the lead on scheduling meetings for these committees. It was agreed that Treasurer John Morris, Secretary Sean Turner, Eric Clark and Paul Rudder would take over the Executive Director contract renewal, with Treasurer Morris spearheading the coordination of meetings for this particular committee.

John Urdi will take the lead of coordinating meetings for the TBID appeals committee. Chair McGuire stated he would take the lead in coordinating the Town Contract committee. Paul Rudder will take the lead in coordinating the Bylaw committee.

John Urdi stated that the Chamber contract expired June 30<sup>th</sup>; has not been renewed due to the fact that the Town contract has not been renewed. Vice Chair Brent Truax, as the Chamber representative to the Board, will be reviewing with the Chamber at their next Board meeting, with anticipated presentation to the Mammoth Lakes Tourism Board at the December meeting.

## 2. TBID Appeals

- a. Ad hoc group met to finalize TBID appeal process and reviewed 12 appealing businesses. Some were asked to provide more information; others were approved for Tiers 2 and 3.
  - i. Exempt business from 2013-18 TBID will again be exempt (non-profits, service etc.)
  - ii. P&L reports will be admissible for Tier 2 and 3 appealing based on gross revenues
  - iii. "Service" businesses with minimal retail (hair salons) will be considered service not retail
  - iv. Those businesses who collected data to show majority from 93546 will need to collect data in January and May of 2019 and again in 2021 to appeal.

John Urdi reviewed decisions made by TBID appeals committee during first round of TBID appeals. Those are listed above. There was discussion among members of the Board.

### g. **Mering Carson Presentation** – John Urdi introduced Andrea from Smari Insights, Amanda Moul and Dave Mering from MeringCarson.

Andrea from Smari Insights started the presentation by reviewing the visitor profile information with the Board. The presentation can be viewed in full at:

[http://mammothlakes.granicus.com/ViewPublisher.php?view\\_id=4](http://mammothlakes.granicus.com/ViewPublisher.php?view_id=4)

The visitor profile looks at the entire group of visitors, instead of ad-aware versus ad unaware. There was discussion among the Board members and the presenter.

Dave Mering and Amanda Moul for MeringCarson reviewed with the Board a presentation on Brand Program accomplishments. The presentation can be viewed in full at:

[http://mammothlakes.granicus.com/ViewPublisher.php?view\\_id=4](http://mammothlakes.granicus.com/ViewPublisher.php?view_id=4)

There was discussion among the Board members and the presenters.

### h. **Department Updates** –

Department updates were skipped due to time; Executive Director of the Chamber of Commerce, Ken Brengle introduced Emily Woods to the Board, the new Marketing and Membership manager for the Chamber of Commerce.

At 2:57pm the Chair announced that the Board would be entering into closed session for the purposes as stated in the agenda.

Secretary Sean Turner announced that he would be recused from closed session and waited in Suite Z as the Board went into closed session.

The Board returned from closed session at 3:25 pm and the Chair announced that there was no reportable action taken.

The Board then heard financial information updates from John Urdi. Paul Rudder left the meeting at 3:35pm.

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

1. TOT & TBID – review previous months results – **TOT info attached**
  - a. TOT for September \$977,424 which is +236,424 and +32% to budget. -\$72,613 and -6.9% to LY
  - b. YTD TOT is \$1,253,896 and 42% ahead of budget and -\$141,987 and 3% to LY YTD
  - c. TBID for September not available at posting time – will report numbers at 11-7 meeting
2. Cash Flow and CDARS info – discussion of current bank balances & reserve account activity (as of 10-29)
  - a. CDARS Balances Measure A \$800,321.04 & TBID \$2,001,440.57m
  - b. Measure A Checking = \$749,217.90
  - c. Measure A Savings = \$5,011.58
  - d. TBID Checking = \$810,457.08
  - e. TBID Savings = \$5,007.02
3. Joint Bucket Funds – estimated balance in the MLT/ Town Council Joint Reserve Bucket
  - a. \$226,666 FY through September 2018 - total available in this account is roughly \$596,927 including rollover of \$370,261 uncommitted 2017-18 funds. (To date MLT/TOML have earmarked and committed \$600,000 to the ongoing LA Kings Marketing Partnership which is excluded from the \$596,927)
4. P&L Reports – Questions from the board regarding MLT financials – not available at time of posting

John Urdi outlined TOT and TBID year to date numbers, the joint bucket funds, and the cash flow. John Urdi also stated that a draft of annual audit should be available next week. It will go to the Chair and Treasurer for review, and then will be presented at either the December or January Board meeting. There was discussion among members of the Board. Chair directed staff to look at a strategy in the case that we do not receive snow soon, and approved staff to ask for up to \$250,000 in funding from the joint bucket with Town.

**ACTION: It was moved by Chair Scott McGuire, seconded by Michael Ledesma, to approve staff to allocate \$250,000 out of the joint bucket for emergency marketing around snow and to go request those funds from Town Council in a special session. The motion carried a 5-0 voice vote with Vice Chair Brent Truax, Treasurer John Morris, Paul Rudder and Kirk Schaubmayer absent,**

- j. **Mammoth Resorts Update** – Eric Clark gave an update regarding Mammoth Resorts. There was discussion among members of the Board.
- k. **Closed Session – 30 minutes – MLT Legal Counsel Tim Sanford to attend at 2:30pm**
  - a. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (One case)
  - b. Chairman to report out on closed session
- l. **Key Takeaways**
  1. **September \$977,424 which is +236,424 and +32% to budget. -\$72,613 and -6.9% to LY**
  2. **YTD TOT is \$1,253,896 and 42% ahead of budget and -\$141,987 and 3% to LY YTD**

John Urdi reviewed key takeaways and upcoming meeting dates. There was discussion among members of the Board. An email will be sent to the Board to reschedule December's Board meeting.

The Board adjourned the meeting at 3:45 pm.

**Future Meeting Dates:** Next scheduled Board Meeting for **Wednesday December 5, 2018** but Executive Director is out of town that week so we need to set a new date for the December meeting -

**Mammoth Lakes Tourism and JetSuiteX  
Air Service Agreement  
(2018-2019)**

**THIS AIR SERVICE AGREEMENT** (this “Agreement”) made and entered into as of September 1, 2018 (the “Effective Date”) by and between JetSuiteX Inc., (“JetSuiteX”); and Mammoth Lakes Tourism a non-profit organization in the Town of Mammoth Lakes California (“Mammoth Lakes Tourism”).

**W I T N E S E T H**

**WHEREAS**, Mammoth Lakes Tourism is a four-season resort in the State of California, and

**WHEREAS**, JetSuiteX is a charter operator of and owner of Deluxe Public Charter, which operates aircraft in the United States and has commuter authority from Department of Transportation; and

**WHEREAS**, JetSuiteX is willing to provide public scheduled charter air service for the following routes: Mammoth Lakes/Yosemite, California (MMH) to/from Burbank, California (BUR) and Orange County, CA (SNA) to/from MMH on the terms and conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Scheduled Charter Service and Fares.** JetSuiteX shall provide public scheduled charter air service on the routes and schedules and during service period specified in **Exhibit A**, as may be amended from time to time, using Embraer 135 (30 seat) or similar equipment, each flight with MMH as its origin or destination on a single day is hereinafter referred to as a “Scheduled Charter Flight” and all such flights are hereinafter referred to collectively as “Scheduled Charter Flights”. All flights under this Agreement are operated by JetSuiteX Air or another FAR Part135 air carrier who shall have exclusive direction, control and authority over initiating, conducting or terminating flights

Flight schedules to/from MMH, as posted in Exhibit A will be mutually agreed upon between JetSuiteX and Mammoth Lakes Tourism based upon aircraft, staff, crew, and gate availability and weather and other operational factors. JetSuiteX does not guarantee and shall not be held in default under this Agreement for failure to actually operate the number of frequencies set forth on Exhibit A. However, JetSuiteX use best effort business practices to operate a safe, reliable on-time operation.

If weather/winds at MMH Airport flight do not allow for safe air service operations, JetSuiteX is encouraged to use the Bishop Airport (BIH) as an alternate airport. Mammoth Mountain Ski Area and JetSuiteX will be committed to accommodating inbound and outbound passengers with transfers to their final destination. Both parties agree to mutually develop a transfer program including a communication protocol for all passengers. The associated cost for the transfers will be at the expense of Mammoth Mountain Ski Area; however, the service only allows passengers arriving at Bishop to be dropped off at the MMH Airport, not at other locations.

Mammoth acknowledges that JetSuiteX may be required to cancel flights, due to mechanical problems, weather conditions, or other circumstances beyond the reasonable control of JetSuiteX. If circumstances or conditions result in a canceled MMH flight, Guarantor will not be charged for any cancelled flight cost nor will any revenue be credited to the Guarantor's account.

Fares for the MMH-BUR and MMH-SNA service will be in a range from (this was \$99 last year) \$79 to \$399 per one-way segment, with the revenue management operation staffed and managed by JetSuiteX at their sole discretion in consultation with Mammoth resort. JetSuiteX will offer Mammoth Lakes Tourism Reservations competitive wholesale fares for packaging with limited available inventory (TBD). JetSuiteX reserves the right to charge \$20 call center charge per leg for phone reservations if the portal is readily available and other fees such as change fees as listed from time to time on the website. Upon cancellation of the Agreement pursuant to the terms herein, any tickets already issued but not flown will be honored in accordance with the then existing terms of conditions of JetSuiteX.

JetSuiteX agrees that the yurt will be the primary facility for JetSuiteX flight arrivals and departures for the 2018-2019 season.

2. Revenue Guarantee. Mammoth Lakes Tourism hereby guarantees to compensate JetSuiteX up to the guarantee cap (as defined on Exhibit A) if JetSuiteX does not realize at least a certain level of revenue (the “Minimum Revenue Threshold”) for operating the Scheduled Charter Flights during the service period. For purposes of this Agreement, “Revenue” is defined as the actual passenger revenue JetSuiteX receives for a Scheduled Charter Flight. If the revenue exceeds the guarantee cap in the monthly reconciliation, the excess revenue will be split 20% to Mammoth Lakes Tourism and 80% to JetSuiteX.

3. Bi-Monthly Reconciliations. On each 1<sup>st</sup> and 15<sup>th</sup> day of the month during the service period, there will be reconciliation for the revenues and cost of the operation. Revenues are defined as total passenger ticket (without taxes) and all ancillary generated by the MMH flights. The cost of operation is defined as the total segments flown times the cost per flight completed as outlined in **Exhibit A**. If the revenue exceeds the costs the funds are returned to the “flight service reserved account” and if the costs exceeds the revenues the shortfall amount will be paid within five business days to JetSuiteX. Mammoth Lakes Tourism’s total payments under this Agreement for service period will be limited to the Maximum Guarantee Amount shown in **Exhibit A** (the “Guarantee Cap”).

JetSuiteX calculation of its costs and the Guarantee Amount due under the formula set forth in this section shall be binding and conclusive, provided that Mammoth Lakes Tourism shall have the right, upon reasonable notice, to examine the business records of JetSuiteX relating to such calculation, and to dispute the amount within thirty (30) days if this examination reveals errors or irregularities in JetSuiteX accounting practices. Such right to examine JetSuiteX records and dispute the amount payable shall be waived if not exercised within thirty (30) days.

4. Flight Service Reserve Account. Mammoth Lakes Tourism will deposit \$200,000 into a flight service reserve account which will be used for JetSuiteX to draw from or add to depending on the every two-week reconciliations. If the account drops below \$100,000 Mammoth Lakes Tourism will deposit funds to increase the amount to \$200,000. Passengers shall be required to accept all of JetSuiteX standard Terms and Conditions, including its Contract of Carriage and Operator Participant Agreement.

5. Operational Responsibility. Except for the obligation to pay JetSuiteX the Guarantee Amount, Mammoth Lakes Tourism and all affiliated entities hereby disclaim any and all liability to passengers or other third parties associated with the Scheduled Charter Flights. JetSuiteX bears sole responsibility for the operation of the Scheduled Charter Flights, including the decision whether or not to operate a Scheduled Charter Flight, and any liability resulting therefrom.

6. Fuel Adjustments. JetSuiteX has determined the segment cost based upon jet fuel costs of US \$3.50 per gallon (“Average Fuel Price”). If the actual average price per gallon that JetSuiteX pays for jet fuel to operate the MMH service (“Actual Average Fuel Price”) for any calendar month during the service period (each an “Air Service Month”) changes, JetSuiteX will adjust the amount payable by Mammoth



Lakes Tourism for such operation month and will provide to Mammoth Lakes Tourism a summary for such service month indicating the adjustment as follows (each a "Fuel Adjustment"):

If the Actual Average Fuel Price for an air service month is greater than US \$ \$3.75 ("Upper Fuel Price") Guarantors will be charged an amount equal to the difference between the Upper Fuel Price and the Actual Average Fuel Price per gallon for the Air Service Month as determined by JetSuiteX in its sole discretion.

If the Actual Average Fuel Price is less than US \$ \$3.25 ("Lower Fuel Price") during the air service month Guarantors will be credited an amount equal to the difference between the Lower Fuel Price and the Actual Average Fuel Price per gallon for the Air Service month as determined by JetSuiteX in its sole discretion.

7. Non-Disclosure. The parties agree to preserve as confidential the terms of this Agreement except for such disclosures that are required in connection with the party's performance of this Agreement or by law.

8. Assignment. This Agreement and the rights and obligations created hereunder shall not be assigned by any party without the prior written consent of the other parties.

9. Promotional Activities, Reservations System and Call to Action. The parties agree that they will use their best efforts, at their own expense and collectively, to promote the Scheduled Charter Flights in such a way as to maximize the public awareness of the availability of the Scheduled Charter Flights. JetSuiteX will maintain and manage a reservation system for bookings and customers will be directed to book on the JetSuiteX website.

10. Governing Law. This Agreement shall at all times be subject to federal, state, and local laws and to all applicable rules and regulations of any governmental agencies or other entity with oversight authority. No party shall be liable to any other party if it is prevented from fulfilling its obligation under this Agreement by reason of any such law, rule or regulation. This Agreement shall, in all respects, and unless otherwise provided for herein, be governed by and construed in accordance with the laws of the State of California. In the event of any dispute, the parties consent to the jurisdiction of the State or Federal Courts in Orange County, California. Each Party hereto agrees to comply with all applicable rules, regulations and laws of any governmental body relating to the performance of its obligations under this Agreement, including but not limited to all applicable rules, regulations and laws of any federal, state, local agency or authority

11. Insurance.

(i) JetSuiteX. At all times during the term of this Agreement, JetSuiteX shall carry and maintain, at its sole cost and expense, airline liability insurance with aggregate limits of at least \$10,000,000 USD for personal injury (including without limitation bodily injury and death) and property damage, including a waiver of subrogation in favor of Mammoth Mountain will be provided thirty (30) days advance written notice in the event of cancellation, termination or adverse material modification of the required insurance coverages contained herein, and shall name Mammoth Mountain, its officers, directors, employees and agents hereunder as additional insureds;

(ii) Mammoth Mountain. At all times during the term of this Agreement, Mammoth Mountain shall carry and maintain, at its sole cost and expense, commercial general liability insurance in an amount not less than \$10,000,000 USD covering all liability arising out of any bodily injury (including death of any person) and property damage including a waiver of subrogation in favor

of JetSuiteX. JetSuiteX will be provided thirty (30) days advance written notice in the event of cancellation, termination or adverse material modification of the required insurance coverages contained herein, and shall name JetSuiteX, its officers, directors, employees and agents hereunder as additional insureds.

12. Indemnification. JetSuiteX and Mammoth Mountain will each indemnify, defend and hold harmless the other party and their respective officers, directors, employees, agents and representatives from and against any and all third party claims or causes of actions arising out of, under or in connection with (i) bodily or other personal injury to, or death of, any person, or (ii) damage to or destruction of any tangible property, in each case resulting from, or arising out of, under or in connection with the negligence or willful misconduct of the indemnitor

13. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by writing signed by the party(ies) against which enforcement of the modification or amendment is sought. However, the parties acknowledge that the Agreement is also subject at all times to JetSuiteX then existing Contract of Carriage.

14. Force Majeure. Except as otherwise expressly provided in this Agreement, neither party shall be liable for performance hereunder to the extent such performance is prevented or delayed as a result of acts of God, severe weather, natural disaster, earthquake, fire, war, military action, terrorist action, labor disputes, or any court order or action of any governmental, administrative or judicial entity or by any other reason or circumstance, similar or dissimilar, beyond the reasonable control of such party; provided, however, such party shall (a) provide the other party with prompt written notice thereof, (b) use its best reasonable efforts to avoid or remove such causes of non-performance, and (c) continue performance to the extent such causes are removed or avoided.

15. Non-Disclosure. The parties agree to preserve as confidential the terms of this Agreement except for such disclosures that are required in connection with the party's performance of this Agreement or by law. The parties mutually acknowledge that in performing under this Agreement, information may be received from the other party which is confidential, trade secret information of that party Confidential information also includes information that a party expressly designates as "Confidential" and information which, in the circumstances of its disclosure, a party should reasonably recognize as being confidential. However, Mammoth Lakes Tourism agrees and understands that passenger information is required to be disclosed by JetSuiteX to regulatory authorities, its agents, employees and others by JetSuiteX in the normal course of business and that Mammoth Lakes Tourism employees may already be customers of JetSuiteX and its affiliates or may become customers through JetSuiteX marketing channels.

16. Communications. Neither party shall make any disparaging or negative statements nor any public or private criticism of or concerning the other or its employees, agents, subsidiaries or affiliates JetSuiteX shall have the right to list Mammoth Lakes Tourism as a customer on marketing materials, websites, public relations materials and other internal and external documents.

*Signature Page Follows*

**IN WITNESS WHEREOF**, the parties hereto have caused their undersigned, duly authorized representatives to execute this Agreement as of the Effective Date.

**JETSUITEX, INC**

**By:** \_\_\_\_\_

**Alex Wilcox**  
**CEO**

**MAMMOTH LAKES TOURISM**

**By:** \_\_\_\_\_

**John Urdi**  
**CEO**

**Transient Occupancy Tax**  
Collection through November 2018

**1. TOT REVENUE COLLECTIONS by FISCAL year**

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2006-2007	633,290	718,371	404,545	240,541	275,921	1,455,122	1,694,967	1,583,253	1,249,350	765,323	241,871	363,886	9,626,441
YTD collection as % of Full Year	6.8%	14.0%	18.2%	20.7%	23.6%	38.7%	56.3%	72.8%	85.6%	93.7%	96.2%	100.0%	
2007-2008	690,020	850,958	382,541	191,050	202,902	1,533,030	1,926,497	1,890,372	1,731,631	612,561	245,108	410,409	10,667,140
YTD collection as % of Full Year	6.5%	14.4%	18.0%	19.8%	21.7%	36.1%	54.2%	71.9%	88.1%	93.9%	96.2%	100.0%	
2008-2009	726,465	973,679	379,849	232,427	247,085	1,591,709	1,561,523	1,477,336	1,028,558	774,003	299,287	364,787	9,656,710
YTD collection as % of Full Year	7.5%	17.6%	21.5%	23.9%	26.5%	43.0%	59.2%	74.5%	85.1%	93.1%	96.2%	100.0%	
2009-2010	745,522	866,044	421,313	210,599	207,989	1,735,454	1,680,851	1,687,536	1,263,038	971,363	303,667	383,274	10,476,648
YTD collection as % of Full Year	7.1%	15.4%	21.4%	21.4%	23.4%	40.0%	56.0%	72.1%	84.2%	93.4%	96.3%	100.0%	
2010-2011	833,692	934,572	471,581	229,609	302,314	1,948,908	1,685,322	1,672,809	1,338,133	985,285	355,833	451,080	11,209,138
YTD collection as % of Full Year	7.4%	15.8%	22.0%	22.0%	24.7%	42.1%	57.1%	72.1%	84.0%	92.8%	96.0%	100.0%	
2011-2012	947,459	1,061,627	566,993	276,436	314,244	1,666,408	1,042,470	1,213,076	1,193,988	753,998	307,818	536,020	9,880,538
YTD collection as % of Full Year	9.6%	20.3%	26.1%	28.9%	32.1%	48.9%	59.5%	71.7%	83.8%	91.5%	94.6%	100.0%	
2012-2013	1,035,276	1,101,555	569,118	287,742	286,349	1,758,887	1,856,579	1,703,985	1,426,186	683,196	392,990	613,159	11,715,023
YTD collection as % of Full Year	8.8%	18.2%	23.1%	25.6%	28.0%	43.0%	58.9%	73.4%	85.6%	91.4%	94.8%	100.0%	
2013-2014	1,075,023	1,134,699	533,790	306,359	317,763	1,620,490	1,284,026	1,174,950	1,205,504	662,531	376,019	672,104	10,363,258
YTD collection as % of Full Year	10.4%	21.3%	26.5%	29.4%	32.5%	48.1%	60.5%	71.9%	83.5%	89.9%	93.5%	100.0%	
2014-2015	1,175,232	1,261,290	614,628	378,296	326,836	1,815,044	1,659,854	1,451,851	1,015,507	459,664	377,564	773,232	11,308,997
YTD collection as % of Full Year	10.4%	21.5%	27.0%	30.3%	33.2%	49.3%	63.9%	76.8%	85.8%	89.8%	93.2%	100.0%	
2015-2016	1,414,925	1,323,904	782,030	470,450	589,215	2,282,317	2,371,826	2,238,590	1,897,371	830,614	526,861	1,005,404	15,733,507
YTD collection as % of Full Year	9.0%	17.4%	22.4%	25.4%	29.1%	43.6%	58.7%	72.9%	85.0%	90.3%	93.6%	100.0%	
2016-2017	1,716,810	1,535,475	1,004,815	567,405	534,223	2,370,978	2,656,510	2,475,292	2,030,473	1,599,673	673,512	926,497	18,091,464
YTD collection as % of Full Year	9.5%	18.0%	23.5%	26.7%	29.6%	42.7%	57.4%	71.1%	82.3%	91.2%	94.9%	100.0%	
2017-2018	1,753,735	1,570,110	1,050,037	612,877	601,343	2,362,405	2,515,665	2,168,214	2,331,036	1,242,482	608,463	1,031,033	17,867,401
YTD collection as % of Full Year	9.8%	18.6%	24.5%	27.9%	31.3%	44.5%	58.6%	70.7%	83.9%	90.8%	94.2%	100.0%	
2018-2019	1,758,181	1,499,816	988,960	616,612	-	-	-	-	-	-	-	-	4,863,569
YTD collection as % of Full Year	36.2%	67.0%	87.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
<b>% change from prior year</b>	<b>0.3%</b>	<b>-4.5%</b>	<b>-5.8%</b>	<b>0.6%</b>	<b>12.6%</b>	<b>-0.4%</b>	<b>-5.3%</b>	<b>-12.4%</b>	<b>15.8%</b>	<b>-22.3%</b>	<b>-9.7%</b>	<b>11.3%</b>	<b>-1.2%</b>
Average monthly collection prior 3 yrs	1,628,424	1,476,497	945,627	550,244	574,927	2,338,567	2,514,667	2,294,032	2,092,960	1,224,256	602,945	987,645	17,230,790
Average Monthly collection as % of Full Year	9.5%	8.6%	5.5%	3.2%	3.3%	13.6%	14.6%	13.3%	12.1%	7.1%	3.5%	5.7%	100.0%
Average YTD collection as % of Full Year	9.5%	18.0%	23.5%	26.7%	30.0%	43.6%	58.2%	71.5%	83.7%	90.8%	94.3%	100.0%	

**2. TOT Budget and Estimates (FY 2018-19)**

<b>FY 18-19 BUDGETED full-year revenue</b>	Rate	<b>13,500,000</b>	Estimated Reserves (*)										
less Tourism	18.08%	2,440,000	\$ 262,941										
less Housing	6.54%	882,692	\$ 95,106										
less Transit	6.54%	882,692	\$ 95,106										
Net to Town's General Fund		<b>9,294,615</b>											
			* Based on performance to budget YTD, final reserve account balances will be determined by actual performance to budget at completion of Fiscal Year										
<b>FY 18-19 BUDGETED monthly revenue</b>	Quarter Total:	<b>2,978,000</b>	Quarter Total:	<b>2,781,000</b>	Quarter Total:	<b>5,539,000</b>	Quarter Total:	<b>2,202,000</b>	<b>13,500,000</b>				
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Full-Yr Total
	1,175,000	1,062,000	741,000	431,000	450,000	1,900,000	2,050,000	1,850,000	1,639,000	950,000	472,000	780,000	13,500,000
<b>FY 18-19 ACTUAL collection</b>	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	1,758,181	1,499,816	988,960	616,612	-	-	-	-	-	-	-	-	4,863,569
<b>FY 18-19 Differences: Budget vs Actuals YTD</b>	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Percent over/(under) budget	50%	41%	33%	43%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-64%
Cumulative difference to date:							<b>1,454,569</b>	<b>43%</b>					
Cumulative actual to last year actual difference to date:							<b>(123,191)</b>	<b>-2%</b>					

**Estimated TBID Revenue Fiscal 2018-19**

<b>LOGGING ALL</b>	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL	% of Total
Est. TOT Revenue	\$ 1,500,000.00	\$ 1,100,000.00	\$ 570,000.00	\$ 285,000.00	\$ 300,000.00	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,350,000.00	\$ 750,000.00	\$ 300,000.00	\$ 525,000.00	\$ 11,830,000.00	
Est. Total Revenue	\$ 11,538,461.54	\$ 8,461,538.46	\$ 4,384,615.38	\$ 2,192,307.69	\$ 2,307,692.31	\$ 13,076,923.08	\$ 13,461,538.46	\$ 13,076,923.08	\$ 10,384,615.38	\$ 5,769,230.77	\$ 2,307,692.31	\$ 4,038,461.54	\$ 91,000,000.00	
Est. TBID Revenue @1%	\$ 100,000.00	\$ 110,000.00	\$ 75,000.00	\$ 45,000.00	\$ 45,000.00	\$ 155,000.00	\$ 190,000.00	\$ 165,000.00	\$ 115,000.00	\$ 50,000.00	\$ 30,000.00	\$ 60,000.00	\$ 1,140,000.00	
Actual Revenue	\$ 134,926.94	\$ 109,401.02	\$ 76,448.84	\$ 51,110.89									\$ 372,087.49	33%
<b>Retail</b>	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL	
Est. Total Revenue	\$ 5,220,051.00	\$ 6,051,785.00	\$ 2,972,738.00	\$ 1,554,737.00	\$ 1,717,295.00	\$ 10,876,042.00	\$ 10,641,943.00	\$ 10,441,578.00	\$ 8,588,405.00	\$ 5,156,821.00	\$ 1,997,993.00	\$ 2,908,113.00	\$ 68,127,501.00	
Est. TBID Revenue @ 1.5%	\$ 80,000.00	\$ 100,000.00	\$ 65,000.00	\$ 40,000.00	\$ 70,000.00	\$ 165,000.00	\$ 150,000.00	\$ 145,000.00	\$ 100,000.00	\$ 50,000.00	\$ 40,000.00	\$ 65,000.00	\$ 1,070,000.00	
Actual Revenue	\$ 106,722.40	\$ 106,135.18	\$ 77,853.71	\$ 50,596.39									\$ 340,501.68	32%
<b>Restaurant</b>	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL	
Est. Total Revenue	\$ 3,619,981.00	\$ 4,196,769.00	\$ 2,061,522.00	\$ 1,078,173.00	\$ 1,190,903.00	\$ 7,542,277.00	\$ 7,279,934.00	\$ 7,240,986.00	\$ 5,955,855.00	\$ 3,576,122.00	\$ 1,385,560.00	\$ 2,016,707.00	\$ 47,244,800.00	
Est. TBID Revenue @1.5%	\$ 80,000.00	\$ 95,000.00	\$ 70,000.00	\$ 45,000.00	\$ 55,000.00	\$ 125,000.00	\$ 130,000.00	\$ 150,000.00	\$ 125,000.00	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00	\$ 1,015,000.00	
Actual Revenue	\$ 98,671.94	\$ 89,779.84	\$ 71,862.95	\$ 49,472.18									\$ 309,786.71	29%
<b>MMSA LJE &amp; SJL School</b>	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL	
Est. Total Revenue	\$ 500,000.00	\$ 500,000.00	\$ 700,000.00	\$ 500,000.00	\$ 5,000,000.00	\$ 13,000,000.00	\$ 13,000,000.00	\$ 13,500,000.00	\$ 13,800,000.00	\$ 7,300,000.00	\$ 1,800,000.00	\$ 200,000.00	\$ 69,800,000.00	
Est. TBID Revenue @2%	\$ 25,000.00	\$ 18,000.00	\$ 20,000.00	\$ 30,000.00	\$ 100,000.00	\$ 250,000.00	\$ 250,000.00	\$ 225,000.00	\$ 200,000.00	\$ 150,000.00	\$ 30,000.00	\$ 5,000.00	\$ 1,303,000.00	
Actual Revenue	\$ 21,896.70	\$ 18,232.89	\$ 3,618.98	\$ 100.62									\$ 43,840.99	4%
Est. Monthly TBID Revenue	\$ 285,000.00	\$ 323,000.00	\$ 230,000.00	\$ 160,000.00	\$ 270,000.00	\$ 695,000.00	\$ 720,000.00	\$ 685,000.00	\$ 540,000.00	\$ 300,000.00	\$ 140,000.00	\$ 180,000.00	\$ 4,328,000.00	
ACTUALS by Month	\$ 361,417.98	\$ 323,747.93	\$ 228,976.28	\$ 151,274.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,085,416.27	
Forecast vs. Actual	\$ 76,417.98	\$ 747.93	\$ (6,023.72)	\$ (8,725.92)	\$ (270,000.00)	\$ (695,000.00)	\$ (720,000.00)	\$ (685,000.00)	\$ (540,000.00)	\$ (300,000.00)	\$ (140,000.00)	\$ (180,000.00)	\$ (3,462,583.73)	
Cumulative est TBID Revenue	\$ 285,000.00	\$ 608,000.00	\$ 838,000.00	\$ 998,000.00	\$ 1,268,000.00	\$ 1,963,000.00	\$ 2,683,000.00	\$ 3,368,000.00	\$ 3,908,000.00	\$ 4,208,000.00	\$ 4,348,000.00	\$ 4,528,000.00	\$ 1,085,416.27	
YTD Actual Cumulative	\$ 361,417.98	\$ 685,165.91	\$ 914,142.19	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	\$ 1,065,416.27	
Difference Projected to Actual	\$ 76,417.98	\$ 77,165.91	\$ 76,142.19	\$ 67,416.27	\$ (202,583.73)	\$ (897,583.73)	\$ (1,617,583.73)	\$ (2,302,583.73)	\$ (2,842,583.73)	\$ (3,142,583.73)	\$ (3,282,583.73)	\$ (3,462,583.73)	\$ (3,462,583.73)	
% Difference to Actual	26.81%	12.69%	9.09%	6.76%	-15.98%	-45.73%	-60.29%	-68.37%	-72.74%	-74.68%	-75.50%	-76.47%		
Actual 2017-18	\$ 280,150.34	\$ 329,200.01	\$ 243,966.07	\$ 175,496.95	\$ 306,971.60	\$ 730,347.86	\$ 733,204.45	\$ 675,642.95	\$ 768,730.60	\$ 403,124.85	\$ 174,381.08	\$ 258,554.67	\$ 5,079,771.43	
S Difference YOY	\$ 81,267.64	\$ (5,452.08)	\$ (14,989.79)	\$ (24,222.87)	\$ (5306,971.60)	\$ (730,347.86)	\$ (733,204.45)	\$ (675,642.95)	\$ (768,730.60)	\$ (403,124.85)	\$ (174,381.08)	\$ (258,554.67)	\$ (5,079,771.43)	
% Difference YOY	29%	-2%	-6%	-14%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	
Cumulative YOY Change	\$ 76,417.98	\$ 77,165.91	\$ 76,142.19	\$ 67,416.27	\$ (202,583.73)	\$ (897,583.73)	\$ (1,617,583.73)	\$ (2,302,583.73)	\$ (2,842,583.73)	\$ (3,142,583.73)	\$ (3,282,583.73)	\$ (3,462,583.73)	\$ (3,462,583.73)	