



Mammoth Lakes Tourism  
Monthly Board Meeting

**Tuesday, April 3, 2018 - 12:30-3:00pm in Suite Z – NOTE new day and earlier time**

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**

1. **Call Meeting to Order** – Brent Truax, Board Chairman 12:35pm
2. **Roll Call** – Brent Truax, John Morris, Kirk Schaubmayer, Michael Ledesma, Colin Fernie, Sean Turner, Eric Clark, Paul Rudder, Scott McGuire.
3. **Board Member Comments/Reports/Agenda Additions -**
  - a. Brent Truax added an item to New Business - item 6, to discuss Board seats that are up for re-election and the process for renewing them. Also, additional information about strategy that Brent will distribute for discussion at a future Board meeting.
  - b. John Morris - Snowcreek Season passes are on sale; As mentioned before we are doing a co-operative effort with Sierra Star for discounted rounds if you are a pass holder. Everything should be open by Memorial Day, and if Mother Nature behaves, may have Driving Range open sooner.
  - c. Sean Turner – coming out of Recreation commission this morning, was reminded how many people come here as a part of youth sports tournaments and look forward to continuing that conversation as we discuss event strategy.
4. **Public Comment – None**
5. **Minutes** – Approval of past meeting minutes from March 7, 2018 - **attached**
  - a. Colin Fernie and Paul Rudder abstained from voting on minutes due to being absent for the meeting.
  - b. Eric Clark motioned to approve the minutes; John Morris seconded; Unanimously approved.
6. **New Business**
  1. Reconfirm MLT’s Organizational Objectives – Brent Truax reviewed the purpose of discussion; to give strategic direction to staff, goal today is to reaffirm our directions to staff so that on May 1 they can present a strategy for the year coming that meets the Boards direction and goals.
    - a. Review BOD created MLT Business Objectives. Business Objectives drive all planning and decisions made by staff.

**Intent is to have board members review the documents listed below prior to the April board meeting.**

  - i. 10 Months of viability – documents comparing 2015 to 2018
    1. Brent Truax started the discussion by reviewing previous direction from Board to staff about getting to 10-months of economic stability, which mean \$1 million minimum in TOT collections for 10 out of 12 months of the year. Brent then reviewed the four major components of the marketing plan, as well as other documents related to previous TOT and TBID collections.
    2. The Board had a conversation about strategy with goals as related to town economic stability. Reviewed comparison one-sheet showing growth since 2015 and showing previous records compared to records now. Consensus was that some months are stronger than the goal at this point, but some months are just barely over. Changed goal to get 5 months to a \$2 million goal; 5 months at \$1 million goal. Focus on May, October, and November. Board agreed that 5 years to reach these new goals is achievable. Board then discussed a possible percentage for growth for each month, instead of a flat dollar amount, which could be difficult in tough snow years or if ADR changes. Sean Turner suggested maybe revisiting the goals after getting through some of the strategic planning. John Morris suggested a gross overall goal in growth to \$20 million would only

be a 10-12% increase and may be a better way to look for achievement. Scott McGuire made a motion to set a goal for \$20 million annual total goal with 5 months being at \$2 million, and 5 months being at \$1 million, and a deadline for this goal being 5 years. Seconded by Eric Clark. Unanimously approved.

- ii. Marketing Plan - <http://mltindustryinsider.com/wp-content/uploads/2018/01/2018-01-09-173a18-Marketing-Plan.pdf> **also attached**
  1. Brent Truax reviewed other goals of the marketing strategy with the Board. Asked for modifications from the Board. Scott McGuire stated that he would like to see some metric for measurement for the other goals, as they currently do not have them like the economic stability goal has with dollar figures; would like to see set metrics to measure success more clearly. There was discussion about the best way to track and measure the other strategic goals. Length of stay was mentioned as one metric to measure visitation goals. (47 minutes).
  2. Colin Fernie suggested a reworking of overarching goals to be clearer on exactly what the goals are and then develop KPI's from there. The overarching goal would be reworded as: Leave business objectives as "Make Mammoth Lakes a strong Year Round destination;" provide stable and consistent annual visitation in order to attract investment and development opportunities in the market, sustain occupancy levels, and provide year round employment, as the overall goal. Then underneath that would be bullets. The first to generate a minimum of \$20 million in overall gross TOT collections; the second to support air service and drive utilization and then we establish what success looks like in five years; and then the third bullet is the visitation piece – length of stay and average spend. Scott McGuire stated that maybe an appropriate measure for air service would be enplanements or a reduction in subsidy. Kirk Schaubmayer suggested that measuring the increase in dollars through TBID funds might be another appropriate way to measure some success here and suggested simplifying the goals to be monetary measures. The Board agreed that metrics for employment and investment were not critical to measuring success. The Board then had a discussion about appropriate metrics for successful air service. Colin Fernie suggested that the Board be cognizant that so far a solid baseline has not been established for air service and suggested that as the Board looks at metrics, we need to recognize that we have a very well established drive market, and therefore may need to look at lower metrics at first to establish the bar for air service. Eric Clark stated that when working with the FAA, give them a forecasts of enplanements; thinks enplanements may be the metric to establish the best baseline measurement. Scott McGuire suggested enplanements and costs per passenger as combined metrics to measure success. Paul Rudder stated there might need to be a better effort to educate the local community on how air service fits into the plan for the community and marketing the community. John Urdi clarified that the more successful we are at bringing people from farther destinations, the more it costs us. We get less revenue when they originate from further away and have to make connections, rather than direct from Los Angeles where we get 100% of the revenue on the cost of the flight. Brent Truax summarized the Board's discussion: looking at metrics of enplanements, cost per passenger, dollar spent by passengers. Brent confirmed with the Board that it is directing MLT staff will come back with strategy on how to have success in those areas. Brent reconfirmed with the Board the reworking of goals and added bullets for metrics. Michael Ledesma asked for a metric to measure sales outside of lodging, to get a more accurate measure of visitation through all dollars spent in the community, and asked if TBID might be a metric to measure that. ( 1:10) After discussion the Board reached an agreement on a topline goal for TBID revenues, with the increase being 6.5 million for a goal.

Brent Asked MLT staff to review this metric and come back with feedback at the May 1 strategy meeting.

2. TBID renewal update and discussion and vote – **20 minutes**

- a. Update on current status of the TBID renewal: John Urdi updated Board on renewal process and recommendations to the Board.
- b. Current plan is to go to Town Council for a Resolution of Intent on April 18<sup>th</sup>
  - i. Agenda Bill and Resolution due to Town Clerk by April 9<sup>th</sup>
  - ii. 50.1% petitions required from assessed businesses due to Town Clerk by April 17<sup>th</sup>
- c. With public hearings happening within 60 days of ROI, this would have Town Council approving the renewal through the Resolution of Formation at their June 20<sup>th</sup> meeting.
  - i. Public hearing #1 would be during the May 2, 2018 Town Council Meeting – Suite Z
  - ii. Public hearing #2 would be during the June 6, 2018 Town Council Meeting – Suite Z
- d. The renewed TBID would go into place on September 1, 2018 and run through August 31, 2028 as a secured marketing fund supporting the Mammoth Lakes business community.
  - i. This was the original recommendation to the Board, but in speaking with businesses in the community MLT has received feedback and questions about why renewing for ten, instead of five-year term again. Changes down the road in Bishop with the airport, could affect plans and infrastructure with the airport here. Due to restrictions with the use of TBID we would only be looking to fund subsidy and marketing for air service through the new term of the TBID. If Bishop becomes viable in five years, we can use the dollars to market in various locations to bring people to Mammoth Lakes, and for portions of the subsidy where we can show people are coming to Mammoth Lakes. There are still a lot of question marks with Bishop, so we won't need to make a decision on what we do there until there are actual flights to market. The way the Management District Plan is written, the Board can reallocate 20% of the budget on an annual basis as necessary. For the time being we will continue to focus on air service in Mammoth Lakes through new markets, expanding current markets, etc.
  - ii. John Urdi updated the Board on a request from Mammoth Resorts. Mammoth Resorts has previously paid TBID on season passes. Due to the new sales structure with the Ikon Pass, they will not be charging any taxes and have therefore requested to no longer pay TBID on Ikon Pass sales. Season Passes were not actually required as part of TBID assessment, but Mammoth Resorts contributed 2% voluntarily. TBID budget would be reduced and in turn, air service dollars would be reduced. Eric Clark stated that Alterra/Mammoth Mountain support TBID and as it supports solving regional air service; if the TBID commitment from Season pass sales is removed and comes back to Mammoth Mountain, Mammoth Mountain can look to support air service in Bishop in other ways.
- e. Board vote to approve any change to the MLTBID Management District Plan
  - i. Attorney is going to review changes to Management District Plan and assess whether or not it is necessary to go back out to petition. Changes do not increase assessments and according to the attorney, as long as there is no increase, there may not be reason to re-petition. Scott McGuire motioned to move forward with TBID renewal with the suggestion of renewing for five-year term and removing Mammoth Mountain's contribution from Season pass sales. John Morris seconded the motion; Eric Clark abstained from voting - unanimously approved.

3. Strategy discussion regarding budget commitments - board votes where needed— **75 minutes**
  - a. This discussion will focus on possible changes and additions to the MLT budget for the 2018-19
    - i. Prior year review (+\$1,000,000 invested from air subsidy savings and TBID reserve)
      1. We are not anticipating air subsidy savings this year and reserve use is TBD
      2. Revenue estimate for 2018-19 fiscal is roughly \$7,000,000 (without any reserve)
        - a. Capped \$2,260,000 in Measure A from TOML
        - b. Conservative estimate of \$4,750,000 in TBID revenue
    - ii. Adjustments to 2018-19 marketing responsibilities
    - iii. Increased support of Mammoth Lakes Chamber of Commerce \$37,800
      1. Support for website redevelopment, service training, mobile app etc.
      2. Scott McGuire stated that he would like to see more support for our Chamber, and stated that prior to discussion on the topic, questioned why the community engagement role doesn't sit under Chamber.
      3. Ken Brengle clarified where the additional funds requested would go: additional customer service training for members and community, website redevelopment, technical assistance to Chamber members (various consultants to help the business community), additional virtual job fair in the spring.
      4. John Morris motioned to increase support in funding to The Chamber as written; Colin Fernie gave a second to the motion. Paul Rudder left the room and was not present for the vote. Unanimously approved otherwise.
    - iv. Discussion on special events and MLT's role, staffing and expected budget – **attached**
      1. Developed by steering committee to help facilitate existing events and ultimately draw new events with focus on need times (midweek, shoulders)
      2. Proposed two positions – director and coordinator
      3. Salaries and benefits for both positions roughly estimated at \$150,000
      4. \$24,000 operating & \$50,000 proposed to additional grant funding
      5. Positions to live within MLT both budgetary and physically.
      6. Brent Truax reviewed options with the Board; approve both positions, approve one position, or put everything on hold until funding source from the Town is vetted. Paul Rudder returned to the room. MLT would possibly have to fund additional \$125,000 after first year, fiscal year 18-19. John Urdi reviewed previously proposed budget and information regarding the Town's contributions. John Urdi recommended going back to Town Council to clarify and request further funding commitment moving past fiscal year 18-19. Reviewed possible funding streams within current revenue streams. Scott McGuire stated that he would be a proponent of cutting in other places to make sure this position gets fully funded to drive visitation further and provide further resiliency. The Board has a conversation about going back to the Town on funding before making a final decision. Scott McGuire motioned to approve the hiring of one of the position, with the hiring of the second position plus additional \$50,000 funding from MLT contingent upon funding from the Town. Sean Turner stated he wants to be careful about tying decisions related to this initiative, to Town Council decisions especially with a changing make up of the Council, but would support both positions generally. Eric Clark stated that for the budget discussions everything should be included, meaning both positions, so the Board can have a full budget discussion. Through Board conversation it was determined that the director level role is the one to hire first. The Board directed staff to put both positions into the budget so that the Board can get an idea of what the reductions may be to the general marketing budget. Scott McGuire restated his motion: to fully budget for the entire events department/program, including both positions; approval to hire Director level position and additional \$50,000 in funding contingent on contribution of funding from Town. The Board can choose to reallocate funds depending on the

Towns decision to contribute funding. Colin Fernie abstained from voting. Sean Turner seconded. Unanimously approved.

- v. Discussion of *community engagement manager* role and expected budget – **attached**
  - 1. One position focused on local marketing and business support
  - 2. Reports to Lara Kaylor but has ties to all directors to assist in local efforts
  - 3. Salary and benefits roughly estimated between \$75,000 to \$100,000
  - 4. Lara Kaylor reviewed documents supplied to the Board including a proposal from Heart and Mind Strategies, as well as a job description for a community engagement manager to work with the local community on local marketing initiative. Heart and Mind would provide a survey to the community to determine local opinion on MLT; Heart and Mind would determine a baseline and then craft a strategy to help educate the local community in the best way possible, implemented by the Community Engagement manager. Community engagement manager would work with both the marketing department, as well as the Public relations department on engaging the community locally on advertising and showcasing the community. The Board had a discussion about the best way to survey and gauge the community opinion of Mammoth Lakes Tourism. General consensus with the Board was that gauging community opinion is very important, and may be necessary to bring in a third party to get honest feedback. The Board had discussion about the best way to address public opinion. Eric Clark clarified with Brent Truax that the Board is just going to be giving direction to staff for budgetary persons and to come back with a budget at the May 1 strategy meeting; Brent confirmed that the Board is not voting indefinitely on each position, and just providing direction for the budget to come back to the Board on May 1 for final discussion. Sean Turner made a motion to incorporate the position into the budget, not the Heart and Mind Study; Eric Clark seconded that motion. The Board voted to not incorporate either into the budget. Paul Rudder clarified that he would like to come back to this position and research in the future for discussion again. Scott McGuire requested that the Board themselves get job descriptions as he feels this job description encompasses a lot of what is expected from the Board. Colin Fernie stated that he is supportive of fulfilling the needs but needed more clarity on where this role is intended to fit.
- vi. Reserve management and allocation (\$1.25m in A and \$2.5m in TBID reserves) **attached**
  - 1. Annual look at allocations of remaining reserve funds in A and TBID
  - 2. Board may choose to refocus funds as needed
  - 3. Board may also choose to reinvest funds towards enhanced marketing efforts
  - 4. Brent Truax reviewed (Colin Fernie left the meeting at 3pm) the Board's previous allocation for reserves: special events venue, airport, conference center, and way finding signage. Requested the Board to reaffirm earmarks for Measure A. John Urdi recommended that staff comeback with suggestions for the TBID reserves at the next meeting. Also, clarified that these are the last of the reserves; all future surpluses for Measure A are being directed at the joint bucket with Town Council. Brent Truax clarified looking for Board to reaffirm earmarks previously determined. Board generally agreed to leave allocation as currently earmarked.
- vii. Shared MLT/TOML Town Council funds
  - 1. \$600,000 have been committed YTD toward 6-year LA Kings partnership
  - 2. Consideration of future funds – i.e. next \$750,000 to support events positions for three years
  - 3. Use of these funds must be agreed upon by both MLT and Town Council
  - 4. Scott McGuire stated he would like to see the Town hold to their commitment of \$125,000 a year in event funding (not from the reserve bucket), and then take the remaining \$43,000 in the joint bucket and commit that to event

funding to match the additional \$50,000 MLT is willing to contribute. John Urdi recommended the Board make no commitments or earmarks for the remaining amount in the joint bucket. The Board all agreed to not commit remaining funds in joint bucket and ask Town to hold to their original commitment of \$125,000 to assist with event program.

- b. BOD vote to approve or disapprove and give direction on each of these agenda items
- c. Goal - approval of final 2018-19 budgets at our May 2nd or June 6<sup>th</sup> MLT Board Meeting
4. Upcoming Board elections: 2 seats representing Lodging community, and at-large seat up for re-election in June.
  - a. John Morris issued announcement at most recent Lodging Association meeting, looking for anyone interested in serving on the Board. John Morris', three year seat is up; and Kirk Schaubmayer's two year seat is up. Both are interested in serving still, but if there is anyone else from the Lodging community interested in serving, they will need to submit a letter of interest to [info@visitmammoth.com](mailto:info@visitmammoth.com) no later than May 15<sup>th</sup>. There will then be a vote within the lodging community from May 15<sup>th</sup> to May 28<sup>th</sup>, one vote per entity; the results will be revealed at Lodging Association meeting on May 29<sup>th</sup> and then presented to the MLT Board at the June Board meeting.
  - b. Brent Truax stated that for the at-large seat, the position will be promoted and then an ad hoc committee will be formed to review those interested in serving. The ad hoc committee will then provide a recommendation to the Board following review of those interested.
5. Review of Employee handbook and Board of Directors code of conduct.
  - a. Brent Truax passed out the current employee handbook plus an additional document, suggested code of conduct policy for the Board. Brent stated that he is not looking for a vote today but wanted to put it in front of the Board to think about, to bring back for modification and discussion at the May 2nd Board meeting. It was suggested that the Board review to make sure in terms of recruitment that MLT's policies are such that they give an edge to recruiting the best individuals possible to fill staff positions in MLT. Also, stated he wanted to look at code of conduct for Board members so everyone knows what is expected being a Board member of MLT.

#### **7. Planning and Budget Workshop – May 1<sup>st</sup> Location TBD – Suite Z not available – 15 minutes**

- 6-8 hour meeting to cover all items and get understating and buy-in from the board on direction as well as address any questions or concerns anyone may have. Plan is for the meeting to run 8am-4pm.
- MLT staff role is to define and set the strategy and corresponding budget for the coming fiscal year 2018-19 and to work collaboratively with agency teams.
- MLT staff role is to define and set the strategy and corresponding budget for the coming fiscal year 2018-19 to then present to the MLT board
- MLT team and agencies will walk through each segment of our plan including corresponding budget
  - Mering Carson
  - Miles Partnership
  - Lyman Public Relations
  - Embark Aviation
- Any revisions or adjustments requested by the board can be addressed and brought back to the board at the June 6<sup>th</sup> board meeting for final approval of both plan and budget.

#### **8. MLT Team Presentation Schedule**

April 4<sup>th</sup> No presentation this month

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

1. Departmental updates tabled this month due to strategy discussions.

#### **10. Financial Reports – An update regarding the financial health of the organization – 5 Minutes**

1. TOT & TBID – review previous months results – **attached**
  1. TOT for February \$2,140,058 which is +\$392,158, +22% to budget -\$335,234, -13% to LY
  2. TBID for February \$653,000 which is -\$150,000 behind budget YTD we are -\$250,000 behind budget.
  3. March numbers should be stronger.
2. Cash Flow and CDARS info – discussion of current bank balances and reserve account activity

1. Measure A \$1.25m & TBID \$2.5m in CDARS; renewing every 13 weeks and in accounts that are FDIC protected.
2. Measure A checking account = \$1.7 million; TBID checking= \$522,000; Measure A savings = \$5,010; TBID savings= \$5,006.
3. P&L Reports went out to the Board today for review.

**11. Mammoth Resorts Update – Eric Clark – 5 minutes**

- a. Canyon and Eagle Lodge will remain open through April 16<sup>th</sup>; Main Lodge will remain open until at least Memorial Day. June Mountain closes this Sunday, April 8th.

**12. Key Takeaways**

1. February came in at \$2,140,058 down from the previous record (2016) by -\$335,234 which is -13.5%
2. YTD TOT is \$12,566,627 to the previous record (2016) and +\$3,560,422 to 2017-18 TOT budget YTD

**Future Meeting Dates:**

Planning and Budget Workshop for **Tuesday May 1, 2018** from 8am – 4pm location TBD

Next scheduled Board Meeting for **Wednesday May 2, 2018** from 1-3:00pm Suite Z

Meeting adjourned at 3:10pm