



BOARD MEETING MINUTES
Wednesday, May 5, 2010 – 8:30 a.m.
Tahoe City Public Utility District

FINAL MINUTES

ATTENDANCE: Phil GilanFarr, Tom Murphy, Ron McIntyre, Alex Mourelatos, Deanna Gescheider, Ron Parson, Deb Dudley, Julie Regan, Jennifer Merchant and Roger Beck (8:40 a.m.)

STAFF IN ATTENDANCE: Kym Fabel, Andy Chapman, Sally Lyon, Ron Treabess, and Sarah Holster

OTHERS IN ATTENDANCE: Steve Kastan, Justin Broglio, and Jan Colyer

1.0 CALL TO ORDER – ESTABLISH A QUORUM

1.1 The meeting was called to order at 8:30 a.m. by Board Chair Alex Mourelatos and a quorum was established. Alex read the meeting ground rules.

2.0 PUBLIC FORUM

2.1 There were no public comments.

3.0 AGENDA AMENDMENTS AND APPROVAL

3.1 **M/S/C (Parson/McIntyre) (8/0) to approve the agenda as presented.**

4.0 CONSENT CALENDAR

4.1 Alex Mourelatos requested that action items be separated out in the minutes at the bottom of each section.

4.2 **M/S/C (Parson/Murphy) (7/0/1 Abstention – Gescheider) to approve the consent calendar with the exception of the April 7, 2010 Board minutes for further discussion and completion for approval next month.**

5.0 DISCUSSION AND POSSIBLE ACTION TO ENDORSE THE PLACER COUNTY BOARD OF SUPERVISORS ALCOHOL BAN

5.1 Staff presented a draft resolution for consideration by the NLTRA Board of Directors in support of the Placer County Board of Supervisors alcohol ban on the Truckee River during dates stated in the resolution. Every two years, Placer County asks the Board to endorse the alcohol ban. Jennifer Merchant clarified that the resolution is the vehicle for setting dates for the ban. Ron Treabess said the resolution is not intended to create a ban on the river for the entire summer. Ron McIntyre asked about data collected to-date. Jennifer reported that the resolution is supported by the Rafting Companies. Numbers

show that in comparison to years prior to the ban, rafting rentals increased and arrests and trash accumulation decreased during the ban.

- 5.2 M/S/C (Beck/Murphy) (6/1 No – Parson/1 Abstention – Merchant) to direct staff to send a letter of support to endorse the Placer County Board of Supervisors alcohol ban on the Truckee River on July 2, 3, 4, and 5, 2010 and July 2, 3, and 4, 2011.**

Action: Staff will prepare a letter to the Placer County Board of Supervisors in support of the alcohol ban on the Truckee River during dates stated in the Resolution.

6.0 DISCUSSION AND POSSIBLE ACTION ON CONTRACT AMENDMENT – SCOPE OF WORK AND BUDGET REVISIONS

- 6.1 Staff presented the proposed contract amendment and scope of work to receive \$680,890 in fund balance carryover from FY-2008/09. This requires a contract amendment, a second supplemental scope of work, a revised budget, a recommendation for approval by the NLTRA Board and the approval by the Placer County Board of Supervisors. The amount for Marketing is \$193,134, \$109,304 for Transportation and the balance of \$378,452 is for Infrastructure. Jennifer will submit the list of transportation projects (A4) to the Board of Directors for informational purposes.

- 6.2 M/S/C (Parson/GilanFarr) (8/0/1 Abstention – Merchant) to recommend to the Placer County Board of Supervisors the approval of the contract amendment – Scope of Work and Budget revision as presented.**

Action: Jennifer Merchant will submit the list of transportation projects (A4) to the Board of Directors for informational purposes.

7.0 PRESENTATION, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND APPROVAL OF DRAFT INFRASTRUCTURE/TRANSPORTATION PROJECT BUDGET FY-2010/11

- 7.1 Ron Treabess reported that staff has prepared an Infrastructure/Transportation Project Budget for FY-2010/11 based on the updated Integrated Work Plan and Long Range Funding Plan. Infrastructure projects in the budget are consistent with the Master Plan and Transportation projects continue to move toward the goals of the Master Plan and TART's Five Year Plan. The total amount requested for Transportation is approximately \$1.3 million up \$102,000 from previous year. The Transportation request includes the \$504,800 for TART baseline services. The total amount being requested for Infrastructure is \$1.8 million which includes the \$587,000 from prior year projects that were not allocated. This project budget will be used in the development of the NLTRA budget for FY-2010/11.

- 7.2 Discussion followed in regards to the draft Infrastructure/Transportation project budget for FY-2010/11.

7.2.1 Roger Beck recommended staff request a written confirmation from Northstar that the Performing Arts Center project is moving forward, otherwise we should advocate for other locations.

7.2.2 Alex Mourelatos expressed concern related to the subsidy for TART baseline services and said the Board needs to discuss alternative funding sources. He

doesn't feel that the State Transit Assistance (STA) funding will be restored in the near future. Jennifer Merchant said Transportation is consistent with the Master Plan. She confirmed that there are no other funding sources available for Transportation at this time; otherwise, the County would not be requesting TOT.

- 7.2.3 Ron Parson expressed concern with the "shotgun" approach to the current Infrastructure project approval process and questioned the validity of some proposed projects. He suggested a further review and evaluation of projects and whether they are consistent with the Master Plan. Jennifer suggested the NLTRA take a more active role in project completion. Ron McIntyre reported that the NLTRA has been successful in leveraging funds to complete projects. He cautioned that a more active role could increase our funding for specific projects. Alex directed staff to take Board concerns including the location for the Performing Arts Center, transportation funding, and the method used to approve Infrastructure projects to the Joint Infrastructure/Transportation Committee for review, discussion and recommendation on how to address concerns.

- 7.3 M/S/C (GilanFarr/McIntyre) (8/0/1 Abstention-Merchant) to approve the draft Infrastructure/Transportation Project Budget for FY-2010/11 for inclusion into the overall NLTRA Budget development process for FY-2010/11.**

Action: Staff to request a written confirmation from Northstar that the Performing Arts Center project is moving forward.

Action: Alex directed staff to take Board concerns including the location for the Performing Arts Center, transportation funding, and the method used to approve Infrastructure projects to the Joint Infrastructure/Transportation Committee for review, discussion and recommendation.

8.0 DISCUSSION AND POSSIBLE ACTION TO APPROVE THE MARCH 31, 2010 FINANCIAL STATEMENTS

- 8.1 Ron Parson reported that company-wide, we are forecasting a shortfall of \$56,000 compared to the original budget. He also reported that the Finance Committee and staff will develop a policy that any leftover Transportation funds go back to Infrastructure, rather than equity. Alex Mourelatos said this policy will come before the Board for approval. Sally Lyon said she would review the proposed policy with the auditors to determine the most appropriate way to address leftover funding. Jennifer Merchant requested staff provide the contractual requirements, related to Transportation funding, to the Board for review as part of the policy discussion. Sally reported that the committee recommended approval of the March 31, 2010 financial statements.

- 8.2 M/S/C (McIntyre/Parson) (9/0) to approve the March 31, 2010 Financial Statements.**

Action: Finance Committee and staff will develop a policy for Board approval as to the resolution of unused budgeted Transportation funds at the conclusion of each fiscal year.

9.0 DISCUSSION AND POSSIBLE ACTION TO APPROVE PROPOSED FY-2010/11 TOT BUDGET FOR SUBMITTAL TO PLACER COUNTY

- 9.1 Ron Treabess reported that staff has prepared a draft Placer County Tahoe TOT Budget for FY-2010/11 based on collections of \$8.1 million. The County will report on the CPI increase for County Services once the amount is determined. Sally Lyon reported that the amount for NLTRA is 60% of targeted collections which is \$4.8 million. The Marketing allocation is slightly over \$2 million (42%), Transportation at \$534,600 (11%) and Infrastructure at \$2.2 million (47%). Transportation has factored in flexible funding from Infrastructure in the amount of \$1.1 million.
- 9.2 Tom Murphy noted that last year there was flexible funding from Infrastructure for Marketing. He suggested we plan for flexible funding again for next year's budget in case we do not receive carryover. Andy Chapman said he does not anticipate a need for the flexible funding with an \$8.1 million budget. Jennifer Merchant noted that Marketing is higher than last year based on a 60/40 funding split, which does not currently exist. She clarified that preliminary discussions with the Placer County CEO suggest that the NLTRA budget will be flat at \$3.6 million for FY-2010/11. Ron McIntyre reminded the Board that flexible funds from Infrastructure are available, if needed. Andy added that there is an existing contingency fund in Marketing in the amount of \$240,000. Deb Dudley expressed concern that if the budget is flat, then we may need the flexible funding for Marketing.
- 9.3 **M/S/C (Parson/McIntyre) (8/0/1 Abstention-Merchant) to accept the proposed FY-2010/11 TOT budget for submittal to Placer County.**

10.0 DISCUSSION AND POSSIBLE ACTION TO RECOMMEND FOR BOARD APPROVAL EXTENDING CURRENT AGENCY CONTRACT THROUGH JUNE 30, 2011 TO COINCIDE WITH ORGANIZATION'S FISCAL YEARS

- 10.1 Andy Chapman reported that the three year marketing and advertising contract with Smith and Jones/EXL Media is set to expire on December 31, 2010. At that time, a new RFP process must be completed. The timing of the termination date creates conflicts for the ongoing operation of the cooperative. The end of the contract falls during the winter season effort, the fiscal year, and creates issues for summer planning and execution. Staff requests the committee approve an extension of the current contract from December 31, 2010 to June 30, 2011 to coincide with the end of our fiscal year. This would allow time to properly execute the winter campaign and establish a summer strategy prior to any new agency relationship.
- 10.2 Roger Beck requested information related to Smith and Jones pay structure. Andy said he would present that information to the Board at a future meeting. Alex Mourelatos expressed concern with the commission structure for media buy and whether rates are consistent with market standards. Deb Dudley clarified that billings show a consistent rate at 15%, which is consistent with industry standards. Tom Murphy suggested that prior to the next contract expiration, the RFP process start in a timely manner for winter advertising. Andy confirmed that the next RFP process would be completed in January 2011 for a three year contract beginning July 2011.

- 10.3 M/S/C (Parson/Dudley) (8/0/1-No Merchant) to approve the contract extension with the current agency through June 30, 2011 to coincide with organization's fiscal year.**

Action: Staff will present the pay structure for Smith and Jones to the Board at a future meeting.

11.0 DISCUSSION AND POSSIBLE ACTION TO APPROVE UPDATED CHAMBER OF COMMERCE BUSINESS PLAN FOR FY-2010/11

- 11.1 Kym Fabel reported on the process for updating the North Lake Tahoe Chamber of Commerce Business Plan for FY-2010/11. The Chamber of Commerce Advisory Committee and the Board have reviewed the plan and provided feedback. Kym reported that all changes have been incorporated into the plan and are highlighted in italics. Kym noted changes to the Ambassador Program on page 9. She said the intent is to grow and expand the duties of the Chamber Ambassador Program. In addition, page 12 includes a coordinated membership structure between the Chamber and business associations. Alex Mourelatos expressed concern related to Objective 3 in the plan. He said the role of the Chamber in advocacy efforts may change.

- 11.2 M/S/C (GilanFarr/Parson) (8/0/1 Abstention-Mourelatos) to approve the updated Chamber of Commerce Business Plan for FY-2010/11 as presented.**

12.0 CHAMBER OF COMMERCE REPORT

- 12.1 Kym Fabel reported on past and upcoming Chamber events. On May 3rd, the Chamber co-sponsored the IVGID candidate forum with the Bonanza newspaper. The forum was well attended. On May 6th, a mixer will be held at Granlibakken with the Wedding and Honeymoon Association featuring vendors in the wedding industry. The 24th Annual Business Expo is scheduled to be held at the North Tahoe Events Center on June 2nd. Kym reported that the Chamber is hosting a mixer at the Tahoe Yacht Club on June 4th. The Summer Recreation Luncheon is planned to be held on June 9th at Sunnyside Resort. A chamberEDucation seminar focusing on Customer Service is planned in June for frontline employees. The date and location for the seminar is yet to be determined. Alex Mourelatos encouraged the Board to attend mixers. Roger Beck suggested the NLTRA have a table at the Business Expo for public outreach purposes. Kym said she would recruit Board member volunteers for the Business Expo.

- 12.2 Kym reported that the Chamber received a thank you letter from Incline Parks and Recreation for our donation and work at the 2010 Spring Extravaganza event in Incline. She said the Chamber also received a plaque from the Sierra State Parks Foundation for our efforts to protect State Parks.

Action: Kym will recruit Board member volunteers for the Business Expo on June 2nd.

13.0 MARKETING REPORT

- 13.1 Andy Chapman presented updates to the GoTahoeNorth (GTN) Web site. He said the content update is underway along with incorporating video into the site. The Cool Deals navigation tab has been moved to the far left (first tab) in the navigation field. In addition, a ski and ride tab has been included with specific information related to resorts, ski

tickets, transportation and roads. The N icon now functions as a “back” portal to the homepage. Based on Board direction from the last meeting, the Homepage now opens up to the event window and includes links to weather and road conditions. It also includes social networking icons and the “i” for visitor information. Lodging images have been enlarged and will eventually include a photo gallery of each property and video, if available. Cool Deals is now accessible from the property page. The site will include event video where appropriate. The agency is working on a plan to separate the site between winter and summer.

- 13.2 Discussion followed in regards to the GTN Web site updates. Roger Beck asked about live chat. Andy reported that live chat goes directly to the Incline Visitors Bureau for information during regular business hours seven days a week. Phil GilanFarr suggested that we encourage reciprocal links from properties. Andy will take that suggestion to the Marketing Committee for further discussion. Phil suggested the event page include a linkage to Cool Deals. Ron Parson requested an automatic click through report back to the properties. Andy confirmed he would submit an outgoing click through report to the properties at the end of each month that includes Cool Deals. Alex Mourelatos suggested that as part of the monthly reports to the properties, staff include a reminder to update profiles and encourage them to link back to the GTN Web site.
- 13.3 Andy reported that Lake Tahoe is planning to submit a bid to host the start of the Amgen Tour next year. Staff has been attending meetings with event producers who intend to start the race in Lake Tahoe in May 2011. The start attracts approximately 30,000 people. The next meeting is scheduled for Friday. Andy reported that the free music meeting with the business associations is scheduled to be held this Friday to discuss an umbrella campaign to promote free music in North Lake Tahoe.

Action: Staff will agendize Marketing Committee discussion related to reciprocal links between GTN and lodging properties and other members.

14.0 ACTIVITY REPORT

- 14.1 Ron Treabess reported that the NLTRA received an honorable mention award in response to our application for the North Lake Tahoe-Truckee Resort Triangle to be designated a “Bicycle Friendly Community”. He said the application was submitted to the League of American Bicyclists located in Washington D.C. They will provide suggestions on improvement to the area to encourage more biking/cycling.
- 14.2 The next series of cluster meetings related to the Lake Tahoe Basin Prosperity Plan are scheduled to be held at North Tahoe Events Center on Wednesday, May 19th and Thursday, May 20th.

15.0 DISCUSSION AND POSSIBLE ACTION ON TRANSITIONAL PERIOD ROLES, RESPONSIBILITIES, AND PRIORITIES

- 15.1 Alex Mourelatos led Board discussion related to the NLTRA’s roles and responsibilities throughout North Lake Tahoe during this transitional period of the organization. The Executive Committee and staff have met to begin mapping out a transitional strategy to hire a new Chief Executive Officer for the organization. The purpose of today’s discussion is to review the mission and vision for the organization, reassess the priorities of the Master Plan, review roles and responsibilities of the organization, and agree to

steps to begin a formal search for a new CEO. The Board reviewed the vision and mission statements of the 1995 and 2004 Master Plans.

- 15.2 Roger Beck said the 1995 Master Plan focuses on three areas; the promotion of tourism, Infrastructure and Transportation. He noted it does not focus on community advocacy. The 2004 Master Plan begins to focus more on community advocacy roles. He suggested we hire a CEO to focus on the three main areas. Deb Dudley said there is a disconnect from the Board on priorities between infrastructure, transportation and tourism promotion. She said that needs to be addressed before we can hire a CEO. Tom Murphy does not think they are exclusive. He said our job is to drive heads in beds. Ron McIntyre said we need to be involved in advising Placer County on the best way to invest redevelopment in our area. Phil GilanFarr agreed and said the only way to get visitors to return to North Lake Tahoe is through improvements in infrastructure and transportation. He said we to coordinate our projects with the Redevelopment Agency. Jennifer Merchant noted that Placer County CEO Tom Miller has requested an integrated list of capital improvement needs.
- 15.3 To Deb's earlier concern related to prioritization, Ron McIntyre said that all three areas of focus are equal. Jennifer agreed and said improving our product (infrastructure/transportation) is a marketing plan. Roger Beck suggested we promote recreation and tourism related infrastructure, not development. Alex agreed and said the NLTRA needs to guide Redevelopment on tourist related infrastructure projects. He said the organizational structure is set up to make recommendations to the Redevelopment Agency on how to expend funds to support tourism related infrastructure.
- 15.4 Roger reiterated his earlier comment that we need to hire a CEO that will focus on the three main areas of tourism promotion, infrastructure and transportation. Deb said we need to address how much time is spent on each area including advocacy to determine the skill set needed for a CEO. Julie Regan agreed and said as it relates to community affairs; the Regional Plan is part of process and needs North Shore representation. Alex said there has been a misalignment in the past as it relates to time spent on legislative advocacy/community affairs versus the areas of focus of the organization. Board consensus is that the CEO should focus majority of time on the three main areas of the organization. Phil feels that 10% of time should be spent on tourism related community advocacy. Julie suggested we update the vision of the organization with the driving principle being tourism and address the community affairs piece. Another Board meeting will be scheduled in the next two weeks to continue discussions related to organizational priorities, roles and responsibilities, and strategy. Julie recommended we utilize a meeting facilitator at the next meeting.

16.0 DIRECTORS' COMMENTS

- 16.1 Deanna Gescheider asked the Board to establish protocol as it relates to calling in to meetings. She expressed concern that she did not participate in the Closed Session item at last meeting. Alex said that it is important to attend meetings in person; however, the Board will allow a conference call option, if necessary.
- 16.2 Tom Murphy thanked Alex Mourelatos for his work during this transitional period and Ron Treabess for stepping in as interim CEO.

17.0 MEETING REVIEW AND STAFF DIRECTION

- 17.1 The Board Chair will report on action items from the Closed Session of the April 7th Board meeting. Staff will include the completed minutes as part of the Consent Calendar on the June 1st Board meeting agenda for approval.
- 17.2 Staff will prepare a letter to the Placer County Board of Supervisors in support of the alcohol ban on the Truckee River during dates stated in the Resolution.
- 17.3 Jennifer Merchant will submit the list of transportation projects (A4) to the Board of Directors for informational purposes.
- 17.4 Staff will request a written confirmation from Northstar that the Performing Arts Center project is moving forward.
- 17.5 The Board directed staff to take Board concerns including the location for the Performing Arts Center, transportation funding, and the method used to approve Infrastructure projects to the Joint Infrastructure/Transportation Committee for review, discussion and recommendation.
- 17.6 Finance Committee and staff will develop a policy for Board approval as to the resolution of unused budgeted Transportation funds at the conclusion of each fiscal year.
- 17.7 Staff will present the Smith and Jones pay structure to the Board at a future meeting.
- 17.8 Kym will recruit Board member volunteers for the Business Expo on June 2nd.
- 17.9 Staff will agendize Marketing Committee discussion related to reciprocal links between GTN Web site and lodging properties and other members.

18.0 ADJOURNMENT

- 18.1 The meeting adjourned at 12:00 p.m.

Submitted by,
Sarah Holster
Executive Assistant