



THE NORTH LAKE TAHOE RESORT ASSOCIATION BOARD OF DIRECTORS
Wednesday January 8, 2014 – 8:30 am – 11 am
Tahoe City Public Utility District
Preliminary Minutes

ATTENDANCE: Phil GilanFarr, Wally Auerbach, Alex Mourelatos, Valli Murnane, Kali Kopley, Jennifer Merchant, Brendan Madigan, Joseph Mattioli, Ron Parson, Eric Brandt and Kristi Boosman (TRPA Representative)

NOT PRESENT: Bill Rock

STAFF IN ATTENDANCE: Sandy Evans Hall, Ron Treabess, Andy Chapman, Marc Sabella, Judy Laverty, Ginger Karl, Jessica Walker

OTHERS IN ATTENDANCE: Bill Matte, Bob McClintock, Kendall Galka

A. CALL TO ORDER – ESTABLISH QUORUM

The meeting was called to order at 8:32 am by Chair Phil GilanFarr and a quorum was established.

B. AGENDA AMENDMENTS AND APPROVAL -

1. Agenda Additions and/or Deletions
 1. There are two items to add under agenda item 9
 - i. NLTE discussion item
 - ii. Requesting Staff direction regarding Eastern Placer County special ordinance.
 2. Approval of Agenda

M/S/C (Auerbach/Parson) (9-0-0) to approve the agenda as amended, with items taken out of order if necessary.

C. PUBLIC FORUM

There was no public forum.

D. REPORTS & ACTION ITEMS

Organization (40 minutes)

1. Board Officer Ballot – **MOTION** Sandy Evans Hall (10 minutes)
 - The votes were tallied by Jessica Walker and Sandy announced the results of the 2014 Executive Committee.
 - Board Chair, Wally Auerbach
 - Vice Chair, Kali Kopley
 - Treasurer, Ron Parson
 - Secretary, Valli Murnane
 - Sandy thanked Phil GilanFarr for his service as Board Chair in 2014

M/S/C (X/X) (0-0-0) to approve the Board Officer Ballot as voted by the Board if Directors

2. Committee Membership Appointments – **MOTION** Sandy Evans Hall (10 minutes)

- The proposed Board Committee appointments and Committee appointments are included in the packet.
- There was a brief discussion about alternate positions on Infrastructure.
- A few questions about the role as a Board alternate on committees. It was clarified that the alternate only needs to attend the meeting if the main Board member for that committee is unable to attend.

M/S/C (Kopley/Parson) (10-0-0) to approve the committee membership appointments as presented

3. Financial Audit Report – **MOTION** Marc Sabella/Bob McClintock (20 minutes)
 - Financial Report is included in the packet. The audit was a clean report.
 - There are a few suggestions recommended by the auditors.
 - Bob McClintock, McClintock Accountancy gave a brief report on the Audit. The Auditors have an unqualified or clean opinion on financial statements. He recapped a couple of the main points. There were a few suggestions.
 - Jennifer Merchant had a question about the unrestricted net assets and designated net assets. For last fiscal year a separate analysis was provided by staff. It will be done as part of the audit moving forward.
 - McClintock was not asked to look into departmental audits

M/S/C (Kopley/Parson) (10-0-0) to approve the 2012/13 Financial Audit as presented

4. State of the Organization – A brief historical recap to set the stage for the future – Sandy Evans Hall
 - Executive Committee asked for this in order to prepare the Board for the Board Development retreat on February 5th. Sandy has asked everyone to be available that day from 8-12:30. Location TBD.
 - Sandy reviewed the NLTRA historical timeline. The full timeline is in the packet.
 - Jennifer Merchant had a couple corrections which Sandy has noted and will update in the timeline.
 - It would be interesting exercise to explore TOT growth over the past.
 - Eric Brandt thinks it would be helpful to take a look at the strategic goals for Board and Committees on a semi-annual or even quarterly basis.
 - It was recommended that this timeline be posted somewhere, perhaps on the website.
 - Question about funding of the Marketing Co-op. There was clarification about how the funding is comprised and that IV/CB also contributes funding.

Direction – Post history on NLTRA.org under documents

Marketing (40 minutes)

5. Destimetrics Report – Andy Chapman (10 minutes)
 - Last month (November) performance reports
 - OCC up .3%, ADR up 7.8%, and RevPar up 7.8%
 - Next month (December) performance reports
 - OCC up 1.2%, ADR up 14.8%, and RevPar up 16.2%
 - Historical 6 month performance
 - OCC up 8.8%, ADR up 11.7%, and RevPar up 21.6%
 - Future 6 month performance
 - OCC up 21%, ADR up 6.7%, and RevPar up 29.1%
 - There was a brief discussion about how some of the lodging properties are doing. The consensus was that the holidays were good, but business has quickly flattened out.
 - Valli asked about an emergency marketing plan for the lack of natural snow. Andy Chapman gave an overview of the efforts Marketing is putting out. There are some

emergency fund reserves, but have not dipped into those yet. Andy is working with the agency to put out some messaging in the Bay Area.

- Board feels it is very important to continue with the positive message.
- Kristi Boosman asked if there is a long range plan in the Strategic Goals to deal with Climate Change. This has not yet been addressed in our Strategic Goals.

6. Touch the Lake Campaign with BACC – Andy Chapman/Eric Brandt (15 minutes)

- Andy gave an overview of the Touch the Lake Campaign which was designed to encourage visitors who may usually stay at the Ski resorts to come into the basin and “touch the lake”
- Included in the packet is a breakdown of the marketing plan.
- Eric Brandt gave an overview of the BACC. He also gave an outline of the campaign.
- The program is well underway. On Dec 11 it was agreed to move forward. By Dec 20 the program was in place.
- Jennifer had a couple questions. Is this part of Co-op? No.
- Jennifer would like less emphasis on Incline Village.
- A modification can be implemented on digital.
- Phil commented that he likes the “Touch the Lake” tagline and campaign as a whole. Also mentioned that there are a lot of photographers out there taking current photos. Perhaps we can look beyond the current stock, and invest in some current photographs.
- We should come up with a campaign to solicit photographs from our own committees.
- It is crucial that we get out the message that there is a product out there. It may not be the best skiing ever but there is a sellable product out there.
- The message needs to be that it is a great time to come to Tahoe, clear skies, clear roads etc.

7. Update on USA Cycling National Championships – Andy Chapman (10 minutes)

- We have acquired the USA Cycling National Championships for Amateur and Para-Cycling divisions. Andy gave a brief overview. June 24-28, 2015. There are four different events races and it is a five day event. We will have a two year contract for this event.

8. Ironman Wrap-up – Andy Chapman (15 minutes)

- The Ironman numbers have been finalized and presented to Finance in November. Andy gave an overview of the budget. There were \$319,300 in revenue and \$392,365 in expenses which put us at a loss of \$73,000. However there are several areas that are able to be adjusted. There are some special event funds and misc. Marketing budget funds that can be used towards the deficit as well as some salary savings.
- Marc also gave some additional examples of where the funds can be found.
- Andy discussed some of the changes for this year that will reduce expenses moving forward.
- Phil GilanFarr felt that CHP did a horrible job on traffic management and would like to see if the traffic management can be contracted out.
- Andy discussed some of the next steps for this years Ironman Race. We will monitor over the next few months and come back to the board with more information as available.

Capital Improvement/Transportation (10 minutes)

Ron acknowledged Steve Hoch for his work in the holiday lighting project in Tahoe City.

9. Skier Shuttle Report – Ron Treabess (10 minutes)

- Ron gave an update on the Free Skier Shuttle. The analysis was distributed to the board and the highlights are as follows:
 - Total ridership to Jan 5th is 891 as compared to 1777 for the first 14 days in 21012/13. Staff is anticipating more current information for presentation at the Board Meeting.
 - Total ridership for the first eight days was 460 skiers as compared to 395 for the first seven days in 12/13. The average daily was 57.5 which is 14/4 per run
 - Through Jan 5, a total of 43 Vouchers have been redeemed and used for 72 boarding's. To date, 11 lodging partners have taken part in the program.

9.a North Lake Tahoe Express

- Staff requests that the BOD add a discussion of the current status of NLTE with possible provision of direction on alternatives for continuation of service. This airport shuttle service, which is contracted by the TTD and managed by TNT/TMA, potentially will run out of subsidy funding as a result of fewer skiers utilizing the service. The situation will require a recommendation by the TNT/TMA to TTD this week. As the primary funder of the service, NLTRA and Placer County must be prepared to weigh in on the recommendation. No decision is necessary today, but advice to help staff move forward would be appreciated.
- Ron has provided the suggested alternatives for discussion. The three general approaches are:
 1. Terminate the NLTE
 2. Further reduce service levels and continue
 3. Consider approval of additional funding to get through the current situation
- Discussion points on the three alternatives was provided to the BOD.
- Kali Kopley began the discussion with the statement that she would not be in favor of terminating the service. At first glance, the second alternative is most appealing to her.
- The Board concurs with Kali's comments.
- Ron Parson would like to see staff solicit properties which are big users of the service, and see if they can help with forecasting based on upcoming groups.
- Eric Brandt feels that it is more damaging to run the service inconsistently.
- Jennifer Merchant, review previous schedule modifications and make sure those were appropriate changes. Also, the threat of terminating service could put us in a good place to renegotiate with the operator.
- Important to see how we can improve ridership.
- Problem could stem from the operator, as it is not user friendly to make reservations.

9.b Placer County came forward with an emergency land use ordinance because of the proposed sale and use of Ferrari Crown Resort. The proposed buyer of the property would be Tahoe Expedition Academy. At Placer Counties meeting Tuesday it was decided to table the discussion until the Jan. 21 BOD meeting in the Tahoe region.

- Jennifer gave a more detailed report of the situation to the Board. Placer County does not feel that this is appropriate use for the property.
- BOS was not convinced of the urgency of request. Will be brought back to BOS Jan 21st. Action will then be taken, or not, on the interim ordinance.
- Phil, our job as a board to be supportive of main commercial cores.
- The Board should probably not take a position at that time.
- Should not take side on school, but can say that it would be an economic hindrance for the community.
- Message to come out of this, that County and TRPA make some adjustments to allow for a viable project. There were at least two resort developers who were

interested in the properties' but found it was too difficult to proceed with a resort because of all of the hurdles.

Direction - Look at dollars spent in the area and get some general information on what the economic impact of the use of that property changing. Also, to move the Executive Committee up to before the BOS meeting.

Membership (15 minutes)

10. Membership Manager Report – Ginger Karl (5 minutes)
 - Ginger reviewed some of the upcoming events by the Chamber
 - Mentioned that there is a great upcoming ChamberEd event about intergenerational communication
 - Mixer at Hyatt in March
 - Community Awards Dinner will be March 27th.
 - Bridal Faire – February 1 (10 minutes)
 - Moved up from last year to February 1st.
 - Will be at the Olympic Village Inn in Squaw Valley.

Golf Course Oversight Committee

11. Proposed Change in MOU – Ron Parson (5 minutes)
 - Three Board members are on the GC oversight committee.
 - TCPUD has requested that Capital Investments that improve the property value for all parties be considered in the equity share of each partner
 - A task force of the GC Oversight will be formed to identify criteria and process for equity adjustments
 - Our board will need to approve the process and criteria before adjustments are made.

E. DIRECTORS' COMMENTS (5 minutes)

- Kristi Boosman passed out newest issue of Tahoe InDepth. Page 18 highlights lake friendly businesses. Also, added an advertiser to make this a sustainable publication
- Kristi mentioned Lake Spirit Award winners, great candidates and awards. Lake Tahoe outreach has selected marketing team to brand Tahoe as a geotourism destination.
- Phil GilanFarr said that the shift in direction by TRPA is very refreshing. Great publication.
- Wally Auerbach thanked Phil for his leadership last year. Also thanked the Executive Committee who have decided to stay on as well as Dave Tirman for joining the Board.

F. CONSENT CALENDAR – MOTIONS (5 min)

12. **Board Meeting Minutes –December 4, 2013**
13. Joint Infrastructure/Transportation Committee – No Meeting in December
14. Marketing Committee – No Meeting in December
15. **Business Association and Chamber Collaborative – December 11, 2013**
16. Lodging Committee – No Meeting in December
17. Conference Sales Directors Committee – No Meeting in December
18. **Finance Committee – December 19, 2013**
19. **Executive Committee Report – December 17, 2013**
20. Financial Reports (November Financials)
 1. **Net Asset Analysis**
 2. **Dashboard and project reports**

The following reports are provided on a monthly basis by staff and can be pulled for discussion by any board member

21. Conference Sales Reports
22. **Infrastructure/Transportation Activity Report – December**

M/S/C (GilanFarr/Parson) (8-0-0) to approve the consent calendar as presented

G. MEETING REVIEW AND STAFF DIRECTION

- Look at historic TOT ballot wording – Jennifer will provide.
- Post history on NLTRA.org under documents
- Look at Strategic Goals and do some review and accountability back to the Board at earliest convenience
- Look into climate change as it relates to our strategic goals at the June Board retreat
- Take a look at ads for Touch the Lake and replace Incline Village wording with Kings Beach.
- Get forecasts from lodging on revenue potential, renegotiate runs, look at fare-box
- Valli brought to Sandy's attention that a lot of employees have been laid off due to lack of snow. Is there something we can do to assist those employees? Project MANA contacted. Board feels that it is a great thought. Would be nice to help.
- Possibly getting an Olympic Banner to recognize our North Lake Tahoe Olympians
- Broadband is moving forward in the basin. Need support of a grant of \$150,000, Sandy has the letter if you would like to put on your letter head and send in.
- Annual NLTRA schedule distributed.
- Sandy reminded the Board to read their books about Board Development. Also, all Board Members will be receiving a questionnaire from author Bill Giest, please fill out and return as soon as possible.
- Executive committee to meet on 20th and will look into what will be done with Placer County Emergency ordinance

H. CLOSED SESSION (If necessary)

I. RECONVENE TO OPEN SESSION

J. ADJOURNMENT

The meeting adjourned at 11:38 am.

Submitted by
Jessica Walker
Executive Assistant
NLT Chamber/CVB/Resort Association