



## **Costa Mesa Conference & Visitor Bureau Board Meeting Minutes June 6, 2013 at Anqi by Crustacean, 3333 Bristol Street, Costa Mesa**

**Attendees:** Rob Gauthier (GM of Hilton), Kandee Anderson (GM of Marriott), Charles Haber (Secretary and GM of Crowne Plaza), Sue Cooke (Treasurer and GM of Residence Inn by Marriott), Mike Hall (Chairman of the Board and GM of The Westin South Coast Plaza), Naj Ekhals (GM of Best Western Plus), Susan O'Brien Moore (VP and GM of Ayres Hotel and Suites), Paul Sanford (GM Avenue of the Arts, Wyndham), Peter Papagelis (GM of Mastro's Steakhouse), Werner Escher (Executive Director of Domestic and International Markets), Dan Joyce (Public Affairs Manager for City of Costa Mesa), Lisa Janulewicz (Operations Manager, CVB) and Paulette Lombardi-Fries (President, CVB)

**Absent:** Terry Dwyer (President, Segerstrom Center for the Art) Stephanie Escamilla (GM Holiday Inn Express), Gary Monahan (Councilmember, city of Costa Mesa), and Chris Ramirez (GM of Ramada).

**Public Comment-no comments or guests for this meeting were noted**

### **April Board and May 2013 Conference Call Meeting Minutes**

- Motion made to approve April Board and May conference call meeting minutes by Susan, Paul and Sue.

### **Financial Report-Paulette and Lisa**

- Review of March and April 2013 finance reports as well as fiscal year to date financials - handed out as well as emailed to all Board members on June 4. Motion to approve by Paul, Susan, and Sue.
- New fiscal budget presented as well as emailed on June 4<sup>th</sup>. An increase of 2% to BIA was made going off actuals and forecast for May & June 2013 as the Bureau is still waiting for these two BIA checks. Motion to approve made by Paul, Kandee and Sue. New budget line item is Mutual Advantage. The Bureau will cover the cost at the "friends and family rate" of these certificates that were issued 2000-2009. Lisa reviewed that hotels need to submit folios along with the original Mutual Advantage certificate for reimbursement (see handout attached). Motion to approve the fiscal year 2013- 2014 budget made by Paul, seconded by Kandee and Sue. No one opposed.

### **Marketing Update- Paulette**

#### **American Express Gift Certificate Allocation**

Paulette recapped the various ways of allocating the Bureau's 50 Reasons to Stay Amex Package for the summer promotion. She stated the 2012 Visa promo was on an "as needed" basis where hotels could pick up more cards when they had no more remaining. This year, Board members proposed a breakdown according to number of rooms they have as a percent of total rooms in the BIA (see handout). Paulette asked for a discussion on allocation of the cards as this promo will be supported by Myriad and begins on June 14<sup>th</sup>.

- Mike shared the program needs to be capped and allocated which is based on logic. It can't be first come first serve. It needs to be rationale and controlled. We can't take what we did last year and have that be the barometer. It has to be fair.
- Kandee's peak is July-August. Susan also mentioned it's hers. Kandee suggested if a property doesn't use theirs, maybe a checkpoint can be made and hotels not using theirs can give them back to the Bureau to reallocate.
- Paul stated last year they were in renovation mode and really didn't want the business until after they were done. He is open to whatever but feels a formula would be good as he doesn't want to be penalized for the lack of rooms he booked last year with the promotion due to his renovation.

- Mike agreed with what Rob stated in an earlier meeting about the allocation, which was, “whatever you give us, we will use it.”
- Susan stated we should be consistent with the marketing funds.
- Naj stated we are not shareholders. The Bureau’s job is to promote the city and not hotels. The CVB has to work for the city as a whole to promote everyone. He stated anyone can use/spend the gift cards. Last year was not a problem and the Bureau did not run out based on a “first come first serve basis.” Naj shared if he only sells 20 packages and Hilton sells 400 that is fine because Hilton needed the business. Also, he stated the Bureau should get a reservation system and make the reservations and hire a new person for all the hotels. Paulette shared this is not possible. Naj stated the president of the Bureau should also have full authority and responsibility and should be traveling to places like China, South Africa, Dubai and London to represent the city. He stated the proposed allocation is not good for the smaller hotels like the Holiday Inn Express, Ramada and his hotel.
- Susan asked Naj if he was in favor of capping it?
- Mike said 3% is BIA for promoting 10 hotels within Costa Mesa. If we wanted to make this fair, we would change marketing funds based on BIA contributions. We, the Bureau does branding and advertising.
- Paul stated other CVB’s he’s involved in charges and benefits are based on number of rooms.
- Werner stated isn’t this unique to our Bureau? Other Bureau’s don’t offer this money to the hotels.
- Kandee is concerned if no consensus is reached, the program will get scrapped and she believes this is a big benefit to her hotel.
- Charles stated we would need to scrap this program if an equitable decision can’t be reached.
- Susan stated if we couldn’t agree the money should roll into the general fund so the CVB can market our destination.
- Dan likes Kandee’s suggestion on the checkpoint at 30/60 day and reallocate if not used.
- Naj believes the funds should be used to support all hotels.
- Mike stated to be fair, it should be distributed fairly on a 3% allocation of what the hotels give. The \$150 per room is not fair. It should be based on a percentage.
- Kandee motioned to divide the gift cards according to the allocation spreadsheet.
- Susan, Sue, Dan, Paul, Mike, Charles and Rob voted yes
- Naj voted no.
- Dan also motioned to institute a review process at 30 and 60 days. Paulette stated 30 days is too soon and suggested 60 days and all Board members agreed the Bureau would evaluate and ask for room night production at the end of our 60-day period for this promotion. Lisa stated she would collect the room night production like she did last year for this package.

- **Marketing Funds-Lisa**

Lisa passed out the marketing fund spreadsheet with balances and available funds and reminded everyone the deadline to submit invoices is June 17<sup>th</sup>. Lisa also shared a new SOP for 2013-2014 for better internal controls moving into the next fiscal year. The change would be that marketing funds would be cut to the hotels and not directly to vendors as she has several vendors submitting invoices and contacting her directly not going through the sales leaders or GMs. She is unable to verify the approval, services or products received by each hotels and sees this as a concern. Moving forward the hotels will spend their funds, bill the CVB, and will cut checks payable to the hotels. Rob stated this might be a problem for his building and will discuss this further with Lisa.

- **Sales Leader Participation in Board meetings**

Mike shared he feels the sales leaders no longer need to come to the last half of our Board meeting as it is the responsibility of the GM to share all information from this meeting and they can read the minutes. Kandee asked if the sales leaders could be invited to our calendar year end meeting. Paulette shared we will include them in our Dec. meeting. Paul asked if the Bureau could host conference calls for the sales leaders. Mike thought the minutes from the Board meeting are good enough. Paulette shared that the Bureau’s team is happy to discuss brainstorming opportunities with each sales leader and answer any questions they may have. Lisa stated that she frequently speaks with all of the sales leaders and assists them with creative ways to use their marketing funds yielding the best results and is happy to continue to do so.

- **Restaurant Week Dates**

August 16-23<sup>rd</sup> kick off party scheduled on the 15<sup>th</sup> at Noguchi Gardens catered by Mastro's and Charlie Palmer. Pizzeria Ortica will be donating dessert at their cost. Alaska Airlines will be donating four round trip fares anywhere they fly. However, they would like to promote their Mexico locations. Need assistance from this Board with silent auction items. Weekend getaway trips outside Orange County would be most helpful. Each restaurant will receive two invites to the VIP event. Each invite is for a total of two people. Please forward your VIP list to Paulette or she can give you the actual invitation for you to mail.

- **OC Marathon, Recap**

As a city, we booked 550+room nights. Paulette is still waiting for two hotels to report their numbers. The Bureau experienced a lot of service issues with Her Majesty's Ride despite the effort the Bureau put into the shuttle transportation piece. Susan mentioned her driver did not speak English. Kandee shared her building had issues both years and maybe the hotels should individually book the shuttle for their own property. Paulette shared that both her and Lisa met with Her Majesty's Ride and shared all the feedback from each hotel. Paulette emailed all the comments to Ed, the owner. Her Majesty's Ride sub contracted our shuttles and told us the subcontractors subcontracted out as well. Mike mentioned they should know better and not have done that. Paulette also mentioned she would meet with the Costa Mesa PD as there were many issues with traffic.

- **POW WOW 2013 Las Vegas, June 8-12**

Kim and Paulette are attending. The Bureau's booth is by SCP and Anaheim OCCVB. A meeting was held on May 15<sup>th</sup> to review our agenda for POW WOW with those that are attending. Paulette stated an email was sent to recap the meeting and list of "to-dos" for those who were not able to attend.

- **Summer Campaign and 2<sup>nd</sup> fiscal year with Myriad-Paulette**

Paulette shared she will work with Myriad on our marketing budget since the Board just approved our fiscal year 2013-2014 in this meeting. Paulette attached results of what Myriad did in this current fiscal year and recommendations for 2013-2014 fiscal year in the packet of information that was passed out.

#### **60<sup>th</sup> Anniversary/City Update-Dan**

- Dan shared the 60<sup>th</sup> anniversary for the city is June 28-30<sup>th</sup>. There will be a three-day street fest with art, music, kid's zone and food fest. Gary from the OC Marathon will handle the food fest in which there will be 40 restaurants at the celebration. There will also be bands such as Berlin, The Foo Fighters, Wanda Jackson and others for this three-day event. The site for information is [costamesais60.com](http://costamesais60.com). There is a charge of \$25 per day for the concerts event. Media includes Time Warner, Bus Shelters around the city, LA Times, radio and 30 million impressions for three weeks. Looks into Ticketfly.com on 6/4 to purchase tickets.

#### **Additional comments made**

- Paul shared there are a few hotel projects going up in Anaheim, mostly select serve properties and two, four star properties in the Garden Walk area.

Meeting adjourned 2:20 p.m.