

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS MEETING
Bahia Resort Hotel: DEL MAR ROOM
998 West Mission Bay Drive, San Diego, CA 92109
Monday: November 18, 2013
9:00 a.m.

MINUTES

Call to Order / Introductions:

C. Terry Brown, Chairman, called the meeting to order at 9:04 a.m.

Board members present: Terry Brown, Thomas Voss, John Schafer, Jody Blackinton, Richard Bartell, Luis Barrios, Bill Evans, and Patrick Duffy.

Board members absent: Keri Robinson.

Also in attendance: Jere Batten, Batten Accountancy; John Lambeth, attorney; and Lorin Stewart, Executive Director.

CLOSED SESSION ITEMS

John Lambeth stated the items to be discussed in closed session.

The meeting was adjourned to closed session at 9:07 a.m.

CALL TO ORDER

Open session called to order at 10:07 a.m.

CLOSED SESSION REPORT

John Lambeth stated that there were no reportable items from the closed session.

INTRODUCTIONS

Terry Brown recognized Luis Barrios for his induction into the California Hotel & Lodging Association's (CH&LA) Hall of Fame. Mr. Brown also recognized Jody Blackinton for receiving the "General Manager of the Year" award from the CHLA.

John Lambeth reported that members of the audience are welcome to address the Board on items on the agenda and items not on the agenda. Mr. Lambeth stated that Board members are discouraged from speaking with applicants and must disclose any communications they have had with an applicant. Mr. Lambeth also informed the Board of the rules associated with recusal.

PUBLIC COMMENT

No public comment.

ACTION ITEMS

1) Approval of Minutes: A motion was made by Mr. Schafer to approve the meeting minutes for September 6, 2013 and September 27, 2013. There was a second from Mr. Bartell. Yes 8, No 0, Abstain 0.

2) Approval of the Settlement in the Case of *Brigette Browning v. City of San Diego*: Mr. Bartell made a motion to approve the Settlement Agreement. Mr. Barrios seconded the motion. Yes 8, No 0, Abstain 0.

3) FY2013—Part I (July 1, 2012–March 31, 2013) Performance Reports: Doug Clevenger from Robert R. Redwitz & Co. reported on performance findings and distributed the report.

Mr. Bartell noted that the California State Games has done a terrific job. Mr. Bartell asked Mr. Clevenger about the distribution of room nights from the San Diego Bay Wine & Food Festival. Mr. Clevenger stated he did not have that information.

4) SDTMD Corporation Cost Allocations: Jere Batten presented the cost allocation standards. Mr. Bartell asked about the rationale for standards.

Mr. Brown moved to create an ad hoc subcommittee to consider this issue and appoint Richard Bartell, Bill Evans, John Schafer, and Jody Blackinton to the subcommittee. Mr. Bartell seconded the motion. Yes 8, No 0, Abstain 0.

5) San Diego TMD Lodging Database Maintenance and Updates: Lorin Stewart provided background information regarding the San Diego TMD lodging database. Mr. Duffy made a motion to table the discussion until a future meeting. Mr. Brown seconded the motion. Yes 8, No 0, Abstain 0.

6) Tourism Economics Statistical Analysis Proposal: Mr. Brown gave background information regarding the Tourism Economics proposal. Mr. Duffy made a motion to approve the Tourism Economics proposal. Mr. Barrios seconded the motion. Yes 8, No 0, Abstain 0.

7) SDTMD Corporation Bylaws Amendment: John Lambeth gave background information on bylaws provisions regarding director representation. Mr. Brown suggested that an ad hoc committee be established to consider the Board make-up. Mr. Bartell agreed and suggested that the committee also review whether the existing Board is representative of assessees. Mr. Evans agreed and emphasized that the Board should be representative.

Mr. Brown made a motion to create an ad hoc committee to discuss representation on the Board and appoint Luis Barrios, Patrick Duffy, Thomas Voss, and Bill Evans to the committee. Mr. Barrios seconded the motion. Yes 8, No 0, Abstain 0.

8) Draft Agreement with City of San Diego for the Operation of the TMD: John Lambeth gave background information on the draft agreement with the City. Mr. Brown suggested to appoint an ad hoc committee of the Board comprised of officers to negotiate final terms of the Second Amendment.

Mr. Schafer made a motion to approve the agreement with two clarifications. Mr. Brown seconded the motion. Yes 8, No 0, Abstain 0.

Mr. Barrios made a motion to create an ad hoc committee of officers to finalize negotiations with the City of San Diego. Mr. Duffy seconded the motion. Yes 8, No 0, Abstain 0.

9) FY2014 Sales & Marketing Programs of Work: Mr. Brown gave background information on the potential cash flow of the TMD if the second agreement is approved.

Bill Evans stated that the Board wanted to gain information about the most effective expenditures for the TMD. Ms. Blackinton stated that the Board was interested in ensuring that the funds were spent effectively.

Joe Terzi and Kerri Kapich gave information about the San Diego Tourism Authority's (SDTA) options for a program of work. Mr. Bartell asked about which of SDTA's programs have been the most successful. There was discussion about advertising, public relations, sales activities, and online travel agencies.

The SDTA's TMD request equals \$16,751,927 (approximately \$12 million in new funding).

Mr. Brown thanked the Board members and others.

Mr. Brown made a motion to cancel the December 6, 2013 meeting and to schedule a special meeting on December 13, 2013. Ms. Blackinton seconded the motion. Yes 8, No 0, Abstain 0.

The meeting was adjourned without objection at 12:01 p.m.

Approved _____
John Schafer, Secretary

Date _____