

GRAND JUNCTION VISITOR & CONVENTION BUREAU
MINUTES OF THE
BOARD OF DIRECTORS MEETING
FEBRUARY 18, 2003

PRESIDING: Alan Friedman, Chair

MEMBERS PRESENT: Peggy Page, Kevin Reimer, Linda Smith, Jill Eckardt, Michael Somma, Steve Meyer, Lynne Sorlye

MEMBERS ABSENT: Jane Fine Foster

STAFF PRESENT: Debbie Kovalik, Barbara Bowman, Irene Carlow, Kayla Arnesen

GUESTS: Rick Martindale, Richard Tally, Greg Tally, Anna Maria Ray, Linda Hill

The meeting was called to order at 3:00 pm.

MINUTES OF JANUARY 14, 2003: Jill Eckardt moved the minutes be approved as written, Steve Meyer seconded; approved unanimously.

HOST REMARKS: The Chair introduced Rick Martindale, who received the “Manager of the Year” award for all Days Inn properties. The Grand Junction Days Inn has also received its third “Chairman’s Award”, the highest honor for an individual property. Rick stated that business was good in 2002 but began slowing down after the holidays. Richard Tally, owner of the Days Inn, commended Rick for his excellent work. Richard also extended his thanks to the VCB Board members for their service to the community.

Richard Tally is the incoming president of the Horizon Drive Association (HDA). On February 19 he will present the membership with a plan that would make the HDA an entity similar to the DDA, funded by tax increment financing. If the current membership supports the concept, the HDA hopes to present the issue to Council within the next few months. A vote of the property owners within the boundaries of the HDA would be required to formalize the plan; the assessed value of the affected properties is approximately \$41 million. The Association has identified beautification of the I-70 interchange as the top priority.

BOARD BUSINESS: Events Center Update – The Chamber has retained CSL consulting firm to conduct the events center study. This is the same firm that prepared the study of the Two Rivers Convention Center renovation. It is hoped that CSL’s previous research, along with information and documentation the Chamber committee has gathered thus far, will decrease the amount of time and expense in preparing the current report. Representatives of CSL will be in Grand Junction in early March and have requested interviews with the Director and Director of Sales. Board members who expressed interest in participating in the interviews are Peggy Page, Steve Meyer and Michael Somma. The Director will advise the Board when the date and time are confirmed.

Proposed methods of funding an events center include a 2% increase in the lodging tax and an increase in the City sales tax. Richard Tally stated that Grand Junction is already in the top six Colorado cities in the total tax charged on a hotel room, currently 10.65%. Increasing the tax could price Grand Junction out of the market, especially for group business. Transient customers often comment on the amount of tax when presented with their bill at check-out. Increased taxes could result in business being lost to Fruita and Clifton.

Board Retreat – Staff presented cost estimates from five locations: The Chateau at Two Rivers Winery; Hotel Colorado (Glenwood Springs); Best Western Canyonlands (Moab); Keystone Resort; Vail Cascade. Each Board member voiced his/her preference. Michael Somma moved that the retreat be held at The Chateau at Two Rivers Winery, Alan Friedman seconded; motion defeated with 2 in favor, 6 opposed. Steve Meyer moved, Lynne Sorlye seconded, that the Board take AMTRAK to Glenwood Springs, with the retreat held at the Hotel Colorado; motion carried with 6 in favor, 2 opposed.

Special Events – The Chair, Vice Chair and Director met with Kathy Wright, Country Jam representative, on January 31. Kathy had requested additional information on why their new event, Rock Jam, was denied funding. The Chair reviewed the Special Events funding criteria, and then discussed other ways in which the VCB will provide support to this new event (promoting via the website; staff time assisting attendees, etc.). The discussion was positive and Kathy gained an understanding of the amount of support the VCB would provide in lieu of direct Special Event funding.

Board liaisons were appointed as follows:

- Fruita Fat Tire Festival – Linda Smith
- Colorado Mountain Winefest – Steve Meyer
- Kokopelli Adventure Race – Jill Eckardt
- Downtown Car Show – Kevin Reimer
- Rim Rock Run – Lynne Sorlye
- Art & Jazz Festival – Michael Somma
- Mesa State College Rodeo – Jill Eckardt
- Grand Valley Renaissance Faire – Peggy Page

The Chair received an inquiry from Katie Hill, organizer of the Rim Rock Run, regarding how the event might receive increased funding in the future and asking if the donation to a non-profit was considered. After discussion, the Chair was asked to respond on behalf of the Board, reiterating the primary criteria of (1) the number of room nights; (2) number of out-of-town participants; (3) economic impact.

Grand Valley Winery Association – On January 10, the Director, Director of Sales and Promotions Coordinator met with representatives of several local wineries. The wineries have decided to form the Grand Valley Winery Association; their first activity will be to sponsor a Spring event featuring barrel tasting and other unique events at participating wineries. A limited number of tickets will be sold to keep this a prestigious event.

HILL & COMPANY: The year-end Occupancy/Average Daily Rate Survey was distributed. Occupancy was up in the 1st, 2nd and 3rd quarters, but declined in the 4th quarter. The room rate increased by \$2 over 2001 for an annual average of \$62 per room.

The Marketing Plan is nearly final and will be mailed to members within the next 7-10 days. The I-70 billboards (near Dumont) are up, and the 3-series direct mail postcards have been printed. The meeting planner folder, the second part of the direct mail campaign, is in process. The Map Network feature for the website is nearing completion; files will be sent to Hill & Company when it is ready to launch. The *Conde Nast* ad buy has been extended to include the Arizona market.

STAFF REPORTS: Statistics - January lodging tax receipts were up 2.7%. Staff will monitor both revenues and expenditures closely as the travel industry faces a continued period of uncertainty. We hope it is not necessary to cut programs during the year, but we will be prepared to do so if revenues decline. The State Senate has approved an additional \$10 million in tourism marketing funds; the bill is awaiting action in the House and the Governor has indicated he will sign the bill if it reaches his desk. The \$10 million would represent one-time funding that would have to be spent in this fiscal year which ends June 30, 2003. Other tourism-related bills in the legislature include video lottery, which is opposed by the gaming industry, and a reduction in the State vendor's fee, which is opposed by business organizations.

Advertising inquiries are down, as are Visitor Center visits, but the January-February 2002 statistics were skewed by the Olympic Torch Relay activities. The website statistics reporting mechanism will change as we move to a database system. Hill & Company will train VCB staff on using the new reporting program.

Visitor Center – Displays are being updated and the brochure racks are being reorganized. These changes should be completed by late March.

Group Sales – Barb Bowman and Debbie Kovalik attended the Go West Summit (formerly Rocky Mountain Symposium) in Albuquerque earlier this month. This was the 11th year the VCB has participated in this trade show; we had 35 appointments, nearly 3 times the usual numbers. Barb Bowman and eight Grand Valley tourism partners will attend Meetings Industry Council in Denver late this month. In addition to exhibit at the show, team members will make individual sales calls and the group will host dinner for selected meeting planners. Barb Bowman will attend the ITB trade show in Berlin, Germany in early March. Other Colorado representatives include Denver, Colorado Springs and Mesa Verde.

The meeting was adjourned at 5:00 pm on motion of Michael Somma and second of Peggy Page