

GRAND JUNCTION VISITOR & CONVENTION BUREAU  
MINUTES OF THE BOARD OF DIRECTORS MEETING

AUGUST 9, 2011

PRESIDING: Per Nilsson, Chair

MEMBERS PRESENT: John Williams, Paul Petersen, Renae Phillips, Glen Gallegos, Lynne Sorlye, Ron Beach

MEMBERS ABSENT: Nathan Knoll, Jessica Stimmel

STAFF PRESENT: Barbara Bowman, Debbie Kovalik, Jennifer Grossheim-Harris, Irene Carlow

The meeting was called to order at 3:10 pm.

MINUTES OF JULY 12, 2011: Renae Phillips noted a correction in Host Remarks: The name change from Mesa State College to Colorado Mesa University will be effective August 10. Lynne Sorlye moved to approve the minutes as corrected, Ron Beach seconded, approved unanimously.

BOARD DISCUSSION ITEMS: Barbara Bowman reviewed the history of the Expand the Tent program. The program was last authorized by Council on September 20, 2006 for a period of five years (Resolution 118-06). A formal recommendation needs to be made to Council if the Board wishes to continue Expand the Tent.

Renae Phillips moved to recommend to Council that the Expand the Tent program be re-authorized, Lynne Sorlye seconded.

Discussion: The Board asked about the new relationship between Gateway Canyons and Noble House Hospitality. Staff will meet with representatives of Noble House later this month; staff anticipates that Noble House will execute future expand the tent agreements. Glen Gallegos asked for a status update on the existing agreement with Gateway Canyons, which was modified last fall. Staff responded that the agreement was modified to clearly incorporate the lodging tax ordinance which specifies that 30-day stays are not subject to the lodging tax. The modification provides clarification that participating properties likewise do not have to pay the 3% fee on stays of 30 days or longer. Gateway Canyons has successfully partnered with the VCB on site inspections, fairs and other sales efforts.

A vote was called and the motion passed unanimously.

Budget Barbara Bowman presented staff's recommendation for revenue projections and operating expenses. Lodging tax projections are based on numerous discussions with local properties as well as surveys of other DMOs and are as follows:

- 2011 Amended – even with 2010
- 2012 – 2% over 2011

The 2011 total operating budget remains unchanged, with a 2% (\$21,000) increase for 2012. Recommendations include:

- No increase in advertising and website contracts
- Add 1 meeting planner trade show
- Significant increase in research line item
- Support large events
  - Air Show (confirmed)
  - Western Zone swim meet (confirmed)
  - Pro cycling tour (potential)

Debbie Kovalik discussed the recommendation to increase research expenditures from the current \$8,500 to \$20,000 next year. The last major research project undertaken was in 2004 when Dr. Tucker Hart Adams updated her 1997 report "The Economic Impact of Tourism in the Grand Valley". In recent years, the VCB's research has been limited to the online conversion study which, while very helpful, provides a narrow snapshot of our visitors. Staff has discussed various potential research topics such as testing campaign effectiveness; identifying target markets; economic impact/return on investment. Staff will also consult with CCT Advertising and Miles Media. The Board supports the additional expenditures on research. Glen Gallegos agrees with the need to identify what types of information/research projects would best serve the organization, then move forward with collecting data. John Williams said that, while he is a strong proponent of marketing biking/outdoor adventure, he would want research to confirm what percent of the market is biking/outdoor and how significant that market is. He would not suggest changing the VCB's marketing programs without data to support those changes.

For the current year, staff is investigating a new product launched by American Express in partnership with US Travel Association (available only to members of USTA). AMEX provides timely transaction data that tracks visitors' actual spending and the report will be specific to the Grand Junction MSA. A transaction at a lodging property is the trigger to begin tracking a cardholder's expenditures. Data is broken down by industry (lodging, dining, fast food, retail, performing arts, sports, etc.,) as well as by business or leisure (determined by type of AMEX card used). Feeder markets as well as peer destination markets are also identified. This report would provide current, accurate data that the VCB has never had. A 1-year subscription is \$5,000. A condition of this service, however, is that the VCB cannot share the information. The Board supports subscribing to the AMEX research and understands that the data cannot be shared. Staff is directed to get more information from other bureaus who are subscribers.

Barb Bowman pointed out that Grand Junction will be hosting several large events next year (Air Show, Western Zone Swim Meet and potentially the Pro Cycling Tour). The budget includes funds to support those types of large events, just as the 2009 budget included funds to assist Ride the Rockies.

Rena Phillips moved to approve the budget as presented, Lynne Sorlye seconded, passed unanimously.

STAFF REPORTS: July lodging tax collections were down 2.2%. Barb Bowman recently surveyed 7 properties and received the following information:

- July business was weak
- Market is still extremely competitive, rate is suffering
- High volume of walk-ins
- Group business is key
- Hopeful that total year revenue will be even with 2010, with a best case scenario of +1 – 2%

Unique visitors to the website increased 20%. Nine percent of those visits are tied directly to campaigns; visits are tracked through the landing pages that are designed to a specific campaign.

Erin Chapman received high praise from a tour operator whose group of 25 was caught in the Amtrak delays caused by flooding in the Midwest. The group was touring in Moab when they were advised there would be a 1-day delay in departing from Grand Junction. With less than 24 hours' notice, Erin designed an itinerary that included a tour of downtown; lunch and dinner on Main Street; a winery tour; and an overnight stay (13 rooms) at a Grand Junction hotel. Additionally, Erin met the group when they arrived and was the step-on guide for the downtown tour.

OTHER BUSINESS:

Laura Grey, Locations Coordinator for the Colorado Film Commission, has been taking photos throughout the Grand Valley to begin building a database of potential film locations. The Commission typically goes after \$2million-\$15million budget films; the inexpensive airfare from Los Angeles-Grand Junction is a big plus and could help establish this area as a good market. Colorado is a popular location for filming commercials (autos, granola, "green" products) and the Commission will continue to tap into that market. Donald Zuckerman, Film Commissioner, plans to visit Grand Junction September 19-20.

Lynne Sorlye reported that the Econo Lodge has opened in the former "annex" building of the Clarion Inn. The lodge has 49 rooms and provides guests a continental breakfast.

There being no further business, the meeting was adjourned at 4:50 pm on motion of John Williams and second of Ron Beach.