

MINUTES OF THE VISITOR & CONVENTION BUREAU
BOARD OF DIRECTORS MEETING
OCTOBER 18, 1994

PRESIDING: Paul W. Nelson

MEMBERS PRESENT: Tom Kleinschnitz, Bill Bessinger, Fay Timmerman, Lon Carpenter, Steve Hilliard, Karen Berryman, Barney Barnett

MEMBERS ABSENT: Cindy George, Jay Trent

STAFF PRESENT: Debbie Kovalik, Irene Carlow, Barbara Bowman, Judy Manning

GUESTS: Dave Fishell

MINUTES OF SEPTEMBER 13, 1994: Lon Carpenter moved the minutes be approved, Bill Bessinger seconded; approved unanimously.

Steve Hilliard announced he will be moving to Telluride soon, and presented a letter of resignation. The Chairman accepted Steve's resignation with regret and acknowledged the many contributions he has made to the VCB.

Staff is directed to notify the City Clerk of the Board vacancy created by this resignation, as well as the expiration of Cindy George's term December 31. The City Clerk will advertise these vacancies and request applications from interested individuals. While there is no designated seat for a lodging property, it is helpful to the VCB if the lodging association is represented.

BOARD BUSINESS: Dave Fishell made a presentation to the Board in support of County Referendum 1A, the Museum tax. 35% of the museums in the United States operate without a tax, but none in cities the size of Grand Junction. Those facilities operating without a tax also charge a substantially higher admission fee than our Museum. One-half of the local operating budget comes from sales, admission fees, membership and program registrations. The Museum has increased outside funding sources over the years, but needs increased operating funds; grants are not made for operating expenses. The Gates Foundation has awarded the Museum a \$400,000 grant, contingent upon passage of the referendum. These monies are for very specific uses -- building renovation -- and may not be used for salaries or operating expenses. If the tax does not pass, all three Museum facilities will close at the end of 1995; this is not a ploy.

Airport Issues: The Chairman reported on meetings held with CEO's of both Delta Skywest and Mesa Airlines. Also included in the meetings were Club 20, Chamber of Commerce, MCEDC, Airport Authority and Bernie Buescher, who is a member of the State Transportation Board.

Skywest officials were very open, honest and are receptive to working as partners. They did state, however, that Grand Junction must stop "trashing" small plane service. Skywest would go back to jet service if the load factors warranted. Skywest wants to work with the VCB to set up a fam for Grand Junction travel industry representatives to go to Salt Lake City airport and see Skywest's new wing.

Mesa Airlines was very clear that the Beech 19 service will not change; jet service is not provided on routes of less than 350 miles. Mesa relies strictly on computerized schedules and views service from an operations standpoint only, not marketing.

GP-Express has said they will put on extra flights if necessary, but Beech 19's are all they have right now.

The local market is equipment-driven: the right equipment will get passengers. However, airlines will run what is most efficient and, for this market, jets are not efficient/cost effective. The lack of cargo space on the small planes is having a big impact on many local businesses. The Chamber is trying to identify how much air cargo business/demand there is in the area. It was clear from these meetings that the airlines are not interested in subsidies.

External Relationships: The Chairman, Mayor and Director met with the Mayor, Chamber representative and Town Manager of Fruita. Fruita would like to have an ex-officio seat on the VCB Board; much stronger representation of Fruita in the VCB's visitor guide and other promotional material; copy of all correspondence that is sent to Devils Canyon regarding VCB programs, promotions, etc.

When the VCB was formed, the County Commissioners were approached by the City to consider collecting a county-wide lodging tax and make the VCB a valley-wide agency. The County declined and the VCB was formed by City Council after passage of the lodging tax referendum. All Board meetings are open to the public and the agenda is sent to media outlets in the area in advance of each meeting. The VCB will continue to promote all Grand Valley area attractions, including those in Fruita, as the current marketing programs do. It is the Board's unanimous recommendation that the composition of the Board should not be changed. Staff is directed to send a semi-annual schedule of the monthly Board meetings to all municipalities in Mesa County.

DIRECTOR'S REPORT: Lodging tax receipts were down for September; this is the first decrease since the tax was instituted. The vendors fee is up for both the quarter and the year. The decline in group bookings for the month is attributable to the large amount of staff time spent on planning and hosting two fams. We have been doing an assessment of our visitors -- international vs out-of-state vs in-state. Out-of-state visits for 1994 are down 48% from 1993; this is attributed to the loss of the CTB. In-state visits are up 22 1/2% and international is up 16%.

Revisions and updates for the 1995 Visitor Guide are in progress; changes in current listings will be minimal. Devils Canyon will be added and Fun Junction will be deleted. We have two new properties to include: Comfort Inn and The House on Ouray.

The Visitor Center project came in 5% over budget, but 1994 operating savings will offset most of that overage. Valley Grown will replace the trees in front of the building after they are dormant. Next spring, any plants that didn't survive the winter will be replaced.

Work on the traffic signals continues and is on schedule. Additional Visitor Center signage will be mounted on the signal support arms.

Colorado Travel and Tourism Authority (CTTA) update: The organizing committee is beginning the process to elect and seat a Board by February 1995; the election will cost over \$50,000). The Board will be made up of payors to the fund (businesses). Nominations will be taken in November; the Governor will appoint 15 members from industry and 6 at-large members. Assessments will be voluntary for the first two years, during which time each business category will vote on the assessments. If a majority in any category favors the assessments, it will become mandatory for that category.

Special Events: A press release was mailed to all local media in September. A second mailing was done last week to previous applicants and a display ad will run twice in the Sentinel.

The post-season wrap up has been scheduled for November 17 at the Best Value Inn. This session will serve as a year-end review and situation analysis, and is the VCB's opportunity to get input from our local partners on what is working. Staff will try to get a spokesperson from CTTA to speak at the wrap up.

Lon moved the meeting adjourn; Fay seconded. There being no further business, the meeting was adjourned.