



**2017-2018
BID BOARD of DIRECTORS MEETING MINUTES**

Date: April 12, 2108
Location: Legends Surf City
301 Main Street
Huntington Beach, CA 92648

Day: Thursday
Time: 9:00 AM

Call to Order 9:02am

Roll Call

Board Members present: Matt Peterson, Bob Bolen, Mike Williams, Dick Thorpe, Susie Smith, Lizzie Raudenbush, Dave Shenkman, Kate Leigh, Max Schultz and past President Steve Daniel. BID Staff: Marianne Tonjes, BID Manager and Darci Henderson, administrative assistant. City Staff: Kellee Fritzal, Robert Ramirez Economic Development and Mike Vigliotta, Assistant City Attorney. City Council: Erik Peterson, and Patrick Brenden.

Public Comments

Before beginning public comments, President Matt Peterson stated he wanted to clarify the need to cancel the existing contracts. The goal is to take the existing contract for services and rewrite and negotiate the contract with the provisions and protocols to make it run smoother. The perception is two different organizations and we want Surf City Nights to continue as a reoccurring event under BID supervision. We want to sever the existing contract and write and negotiate a new contract. Mary Ann Senske will be part of the negotiations. We are doing the exact same thing for the BID manager contract. It is also a recommendation from both the City and the IDA report to tighten up operations.

Susie Smith asked if the minutes from the Executive Meeting were available. Marianne Tonjes said they will be available tomorrow.

Dick Thorpe said the agenda says we are going to terminate Mary Ann Senske, not renegotiate. Dave Shenkman said this is about a contract not the person. Matt Peterson said there have been rumors and misunderstandings. Dick Thorpe added the Board wants her to become an employee but the city doesn't want that.

Mike Vigliotta said there has been discussion of having employee's vs contractors. The City strongly suggests using contract.

Bob Bolen asked if we should renegotiate before terminating, Mike Viglotta stated this approach makes sense and can be extended if necessary.

Open Public comments:

Jem Williams stated since Pacific City is on the agenda she has several of her tenants present today.



Toby (Ola Mexican Kitchen– Pacific City) stated he would like to discuss the BID assessments and doesn't think it applies to Pacific City. In looking at the mission statement of the BID doesn't do things for Pacific City. Toby added Pacific City doesn't get cleaning services and have their own parking.

Street vendor with Rockin Fig stated he remembers Mary Ann's first day. She has taken the market to the next level and he hopes the BID can work something out.

Scott Kelly – (Pacific City) presented a signed petition with Pacific City businesses that no longer want to be part of the membership.

Vincenzo (Vendor) stated he is a long time vendor and supports Mary Ann Senske. He understands there may be some misunderstanding about the agenda item but thinks leaving Mary Ann on a hook for 30 days is unfair. He stated the contract should remain and just be renegotiated and amend the current contract. That would be in good faith and fair for everyone.

Kevin Ashford (BID & SCN volunteer & vendor) shared he has been here for 7 years and watched Mary Ann Senske as well as previous BID managers pour their hearts into events we are trying to grow with very little support. Mary Ann makes things happen and it's nice to be a part of that team.

Henry Carey (previous Board Member, Bomburger owner, and vendor) doesn't have anything bad to say about Mary Ann Senske and hopes the Board can get a contract with her. He'd like to see the event grow and participate again with hemp products.

Lindsey (West of Camden – Pacific City) stated she has put blood sweat and tears into her business and feels Pacific City pays a lot of money for Main St.

Bud (Cruisers) on 5th St said it does feel very Main St driven and he can relate to how Pacific City feels.

Nicole Thompson (pervious Board member) stated someone came to her in confidence in June who had found an envelope of cash in the office from Ann's Bakery. Nicole said it was her understanding that cash was not accepted and looked at the financials to see how the money was being recorded. Nicole said she then went to the SCN chair to see how the checks and balances worked for the market. She then pulled June, July, and August financials and didn't find entries for this vendor. The Surf City Nights Chair then did an audit with Mary Ann and had recommendations but didn't find cash missing. Nicole said she then looked at September financials and there was an entry for Ann;s Bakery on September 26th. Then on October 10th there was an entry for \$264.00 and again on October 24th an entry for \$264.00 for Ann's Bakery.

Susie Smith (Board Member) presented a packet of 30 letters in support of keeping Mary Ann Senske as the SCN manager from both BID members and vendors.

Approve Minutes

Adopt the Minutes of the March 8, 2018, Board Meeting. Lizzie Raudenbush motioned to approve, Dave Shenkman seconded. Vote 9-0.



Approve Agenda

President Matt Peterson asked for a motion to move the agenda item re: contracts from the Executive committee report to the top. Kate Leigh motioned to move and approve agenda with this change, Dave Shenkman Seconded. Vote 9-0.

President Report

- **Procedures and Protocol**

Information: President Matt Peterson will report on the continuing effort to review procedures and protocols of the BID.

Matt Peterson stated that we are moving forward with the perception report that was submitted to the City. We are moving through it systematically. We continue to meet with City staff and police to address concerns and improve downtown. The report includes all districts downtown: Main St, 5th St, and Pacific City. To goal is to change perception and promote, market and grow all downtown districts.

Treasurer Report

- **CPA Financials**

Information: Treasurer Mike Williams will report on the current financial information provided by the CPA. Susie Smith requested that the Bank Statements be included also each month.

Recommendation: Approve the March financial report for the HBDBID and Surf City Nights CPA.

Mike Williams reported there were no March financials prepared as it is tax season for our CPA. Bank statements were provided and will be part of the financials moving forward.

Mike also reported per the reserve fund policy he just transferred \$1,000.00 to open up the account. He will have another meeting and agenda item to discuss moving the final amount over.

Information: The BID office conducted a Malco contract audit.

Mike Williams reported the BID is conducting an audit for Malco and has a credit due to being overcharged in off peak months.

After Treasurers Report Matt Peterson asked for a motion to move the Pacific City item under New Business up. Susie made the motion, Mike seconded. Ayes 9-0

Staff Reports:

- **BID Manager Contractor**

Information: Marianne Tonjes will report on BID activities.

Marianne wanted to clear up a rumor and stated her contract doesn't supervise SCN. The committees will work on budgets making it more detailed as asked by the City. Have had more public records request. Marianne said is working on the annual report and policies for the employee handbook. Marianne shared she is working with the surf museum on ideas to bring more families downtown. She has been in communication with the city about trash pick-up times due to some issues of trash overflowing. Starting July 1st contracts will be standard along with business license



and insurance for everyone we do business with. Marianne is looking at codes to track financials moving forward. Chili at the Beach is coming up. (Dick Thorpe left at 10:18) She is working with the Ambassadors and police as security is a top issue. We moved personnel files and account information out of the garage. We will be taking an inventory of the garage. (Lizzie Raudenbush left at 10:25)

- **Surf City Nights Manager Contractor**

Information: Mary Ann Senske will report on Surf City Night activities.

Nothing to report – Mary Ann Senske is out sick

Standing Committee Reports

- **Executive**

Information: Matt Peterson will provide a committee update and report on the meeting held April 6, 2018 regarding the BID and Surf City Night Manager's Contracts.

Recommendation: Give notice to terminate the existing BID Manager contract April 12, 2018, effective May 12, 2018, per the Term and Termination clause of the contract. Then write and negotiate a new contract.

Board discussion.

Dave Shenkman motioned to approve recommendation, Kate Leigh seconded. Ayes 6, Noes 2, Abstain 1.

Recommendation: Give notice to terminate the existing Surf City Night's Manager contract April 12, 2018, effective May 12, 2018, per Section 12 of the contract. Then write and negotiate a new contract.

Board discussion.

Dave Shenkman motioned to approve recommendation, Kate Leigh seconded. Ayes 7, Noes 2.

- **Finance, Budget and Governance**

Information: Mike Williams will provide a committee update and introduce new committee members and co-chair.

Mike Williams announced Kate Leigh is co-chair and Jen Williams is on the committee as well.

Information: Mike Williams will provide an update on the move to a July 1 fiscal year per City of HB requirements.

Mike reported the committee will present the budget at the next meeting. There are not major changes, mainly reducing three months.

Information: Kate Leigh will report on the proposal for a HBDBID Internal Control Policy.



Kate Leigh reported the committee is trying to create professionalism and handbook for workplace procedures and conduct.

Recommendation: Approve the HBDBID Internal Control Policy.

Dave Shenkman motioned to approve the HBDBID Internal Control Policy, Bob Bolen seconded.
Ayes: 6, Abstain: 1.

Information: Kate Leigh will report on the proposal for a HBDBID Office Protocol Policy.

Recommendation: Approve the HBDBID Office Protocol Policy.

Dave Shenkman motioned to approve the HBDBID Office Protocol Policy, Max Schlutz seconded.
Ayes: 6, Abstain: 1.

Information: The Marketing Committee submitted their expected costs for a new website. The project is expected to commence in late April, or early May, 2018.

Recommendation: Give the BID Manager, under direction of the Marketing committee, the authority to oversee the redesign and building of a new BID website on a new platform with a maximum budget for the redesign not to exceed \$8,500.

Information: Dave Shenkman will report on the Finance, Budget and Governance committee's audit of vendor contracts. The BID staff is working through the list of past vendors to determine if each vendor has a contract, business license, insurance, etc.

Information: Dave Shenkman will report on the Finance, Budget and Governance committee's review of the SCN and BID Manager's contracts.

Recommendation: Give the Finance, Budget and Governance committee authority to open and revise the terms, conditions and scope of work for the BID Manager contract.

Dave Shenkman reported the committee is working through contracts, businesses etc. The committee needs to review the BID Manager contract and look at scope of work.

Kate Leigh motioned to approve committee recommendation, Bob Bolen seconded. Vote 7-0

Other Committees

- **Marketing**

Information: The Marketing Committee will discuss the consolidation of the two websites.

Recommendation: Discontinue Surf City Nights separate website and move all Surf City Nights event information to the new BID Website.

Pat Rogers reporting for Lizzie Raudenbush: the new website design company is down to two after five companies submitted. The committee recommends discontinuing the Surf City Nights website and bringing it under the BID website as a reoccurring event.



Kate Leigh motioned to approve recommendation to consolidate websites, Dave Shenkman seconded. Vote 7-0.

Information: The Marketing Committee will discuss the consolidation of social media accounts.
Recommendation: Discontinue the Surf City Nights Facebook, Instagram and other social media accounts and channel all marketing for BID Events (Surf City Nights included) through the HB Downtown social media platforms.

Pat Rogers stated the committee would like to do the same with social media

Kate Leigh motioned to approve, Dave Shenkman seconded. Vote 7-0

Information: The Marketing Committee will discuss the consolidation of video services.

Recommendation: Consolidate the two monthly video development services for Surf City Nights and the BID, under the direction of the Marketing Committee and the BID Manager. Approve a budget amount for up to \$1,500/month effective July 1, 2018.

Pat Rogers reported the committee would like to consolidate the monthly video services.

Susie Smith asked what the ROI was for this.

Kate Leigh motioned to approve committee recommendation, Bob Bolen seconded. Vote 7-0

- **Events**

Information: Susie Smith will provide a committee update.
Susie Smith stated the committee is working on Chili at the Beach and Art Walk.

- **Surf City Nights**

Information: Susie Smith will provide a committee update and would like to discuss the garage door opener for the storage garage.

Susie Smith stated the garage has been discussed and resolved.

Susie Smith shared that George, a performer at SNC, had his tip jar stolen and isn't coming back. Susie asked the board if we could compensate him so he'll return. Matt Peterson said the problem is lack of security on Tuesday nights. Marianne Tonjes added the ambassador is alone. Matt asked Susie if she could convey a message to George that we will be working on security.

- **Beautification**

Information: Bob Bolen will provide a committee update and discuss possible solar lighting for the trees. He will also discuss the proposed Corn-Hole charity event.

Bob Bolen announced the tree shaving turned out great. We could do more and clean some taller trees. He spoke with a lighting company about solar lights on trees. Bob also spoke to the City about adjusting the benches so they can't be slept on. Bob stated he is planning a cornhole



tournament charity event. He would like it to support children's cancer and involve police and fire. It would begin on Main Street, then have the final sixteen on 5th & PCH, and then the final four at Pacific City.

- **New Business**

Information: Jen Williams of Pacific City will discuss renegotiating the assessment for BID zone A.

Jen Williams stated she is on two BID committees. She attended her first Board meeting last fall after several merchants came to her will assessment bills. Jen stated Pacific City is involuntarily included in the BID. She added that some corporate stores at Pacific City might not mind paying the fees but the small mom and pop shops don't want to pay the membership fees but have to in order to get their business license. Jen said she is here representing Pacific City as a whole and 90% of her tenants don't feel this is beneficial to them. Pacific City pays \$33,000 of the membership fees and doesn't get that in return in marketing, cleaning, etc. This is something that is brought to my desk at least twice a month. We paid for Santa Claus to skydive to the beach and brought six thousand people to Huntington Beach. Jen added this doesn't make sense for us.

Matt Peterson replied that this will take further discussion and time but hears the message loud and clear. Part of the complication of this is the zoning and the fees are tied to the business license. Matt suggested taking a look at the fee schedule. Mike Vigliotta stated to do that soon as the City and BID are preparing their new budgets.

Jen requested a meeting with the Board. Matt agreed to have stakeholders of Pacific City and members of the board meet and continue the discussion.

City of HB Business Development Update

Information: A representative from the City of Huntington Beach will report on important issues regarding businesses and new development in the downtown business improvement district.
Update from Business Development: the new bathroom's in the parking garage are under construction.

City Council Comments Councilpersons Brenden, Peterson and Posey.

Erik Peterson stated that these are BID meetings and they are here as liaisons for support and to help bring things to City Council but not to interject in the meetings.

Announcements

Adjournment: Matt Peterson motioned to adjourn the meeting, Kate Leigh seconded. Meeting adjourned at 10:48am.

The next HBDBID Board Meeting is May 10, 2018