

**Minutes of the Executive Committee of the Humboldt Lodging Alliance, meeting
Wednesday, July 12, 2017 at the Red Lion Hotel, Eureka, California**

Present: Chris Ambrosini, John Porter, Gary Stone, Donna Hufford, Cari Shafer, Lowell Daniels, Mike Caldwell (by phone), Tony Smithers

The meeting was called to order at 12:05 by President Chris Ambrosini, and began with inspection and approval of the June meeting minutes (Shafer/Daniels/unanimous).

The agenda for the July meeting was approved (Ambrosini/Shofer/unanimous) with item #5 being moved to #1 on the agenda.

The meeting then proceeded with review of the Administration Agreement between the HLA and the Convention & Visitors Bureau. Tony Smithers reported that he had communicated with his Executive Committee about the HLA's June decision to limit the administration fee to \$50,000 rather than a set percentage of the assessment revenues, and that the bureau's committee, while committed to partnership with the HLA, does not want to be losing money through this agreement. Smithers provided a handout to the committee that detailed the hard costs of HLA administration, plus a conservative 15 percent of personnel costs and overhead. These costs totaled \$64,000 in FY 16-17.

Mike Caldwell began the discussion by suggesting that it could be time for the HLA to be administered by a full-time person. If the board is interested in this, he recommended drafting of a job description. Cari Shafer agreed with this suggestion.

Lowell Daniels stated that there is a lot of overhead involved with a direct employee. He said it would cost the HLA a lot more money and would be a mistake. "There is a history of successful collaboration with the Visitors Bureau," he stated. "It would be smart and frugal to continue with the present arrangement." He added that a year-to-year agreement would be acceptable.

"We need to figure out what is best for the industry," said John Porter. "There are advantages to a full-time versus a part-time administrator—the administrator could help with other needs such as special events. We need to determine what the HLA's needs are, then attach a dollar amount." Porter went on to praise the work performed by the Visitors Bureau.

Cari Shafer recommended that a minimal plan/agreement should be put in place for the coming year, while a committee works on the long-term solution to the HLA's staffing needs.

Mike Caldwell agreed in principle but felt that a year was too long. "I feel a sense of urgency," he said.

Cari Shafer made a motion to continue the Administrative Agreement with the Bureau for a period of one year and at \$65,000 in compensation, and including a 90-day cancellation notice by either party. Lowell Daniels seconded and the motion passed. The committee also directed staff to put HLA staffing

on the agenda for the September planning retreat. “We also need to include Tony’s input,” said Lowell Daniels.

Next, the committee revisited the presentation and funding request from the Humboldt Bay Trail Coalition. Chris Ambrosini reported that he had met with the HBT team on behalf of the Eureka HLA committee, and that they had also met with the Arcata HLA committee. He expressed some concerns about the project and the requested funds, specifically, about who was in charge and who would make sure the HLA funds were being spent as intended.

Cari Shafer said that she would not support giving them money at this time, there being “too many unknowns.”

John Porter remarked that funding this request could set a precedent for trail building projects throughout the county. “These should be handled by the communities where the trails are located,” he said.

In general, the committee agreed that a Humboldt Bay rail development would be a much greater attraction and more likely to garner HLA support. Staff was directed to ask the Humboldt Bay Trail Coalition to come back to a future meeting with more information. With that, the issue was tabled and set to be put under Old Business at a later date.

Next, Lowell Daniels and Cari Shafer reported that they had tabulated the ballots for the 2017 HLA board election, and that all current HLA board members who ran were reelected to their seats. The committee moved to certify the election (Hufford/Shafer/unanimous), and to notify candidates of the results.

The committee then considered the Executive Committee makeup which they would recommend to the board of directors. It was agreed that a representative from Eastern Humboldt was needed on the Executive Committee—and the only candidate is Marc Rowley. Tony Smithers then called Marc Rowley from the meeting and asked if he was willing to serve on the Executive Committee—he was, within the constraints of his busy schedule. Chris Ambrosini then said that he would like someone else to serve as board chairman for a change. Cari Shafer said that she would consider it, except for the fact that her contract with Red Lion was up in the Spring and she would very likely be transferring to another property. Cari Shafer then made the motion to change the HLA bylaws to increase the Executive Committee membership to nine board members. John Porter seconded the motion, which passed unanimously.

Lowell Daniels then made a motion to recommend Cari Shafer as board chair, Chris Ambrosini as Vice Chair, and Donna Hufford as Secretary/Treasurer. This motion passed unanimously. It was agreed that at the upcoming board meeting, the first order of business would be to gain approval of the committee slate, and then to approve who would be the various board officers.

Tony Smithers then presented the June, 2017 HLA financial report, which was accepted as presented (Porter/Shafer/unanimous).

The committee then discussed plans for a social media meeting and presentation with the Misfit Agency. Lowell Daniels suggested it take place in advance of the board planning retreat in September. The committee decided to do it at the August meeting provided the Misfit Agency is ready at that time to present its proposals.

The agenda for the July Board of Directors meeting was approved with minor changes (Daniels/Shafer/unanimous).

Under committee reports, Gary Stone said he had served on a City of Eureka committee to evaluate proposals received for operating a visitors center in Eureka, and that a successful applicant had been chosen.

John Porter gave a progress report on construction at the Benbow Inn, and its impact on their spring business. They were mostly closed for the first quarter, and then Highway 101 was closed for 10 days due to rockslides. However, he said that June was a good month, though July was looking soft. The target completion date for construction is October 27.

Lowell Daniels reported that Karen Pingitore is no longer president of the Ferndale Chamber of Commerce. New, young blood is taking over at the chamber. Meanwhile, the City of Ferndale is considering whether it should limit the number of permitted vacation rentals.

Donna Hufford reported that there had been a fire at Freshwater Lagoon, and that Fern Canyon was crowded.

With no further business, the meeting adjourned at 2:15 pm

Respectfully submitted by Tony Smithers