

Minutes of the Board of Directors of the Humboldt Lodging Alliance, meeting Wednesday May 23 at the Victorian Inn, Ferndale, California.

Present: Lowell Daniels, Chris Ambrosini, John Porter, Jeff Durham, Pritesh Patel, Donna Hufford, Gary Stone, Mike Caldwell, Raul Ainardi, Jesse Waldon, Bob Gafford and Mike Morgan.

Staff: Tony Smithers

The meeting was called to order at 2:00 pm, and began with each board member present introducing himself or herself and briefly describing their business and role.

1. The first order of business was the nomination and selection of board officers according to following agenda item:
“The HLA bylaws state that the board shall elect the following officers: Chair, Chair-elect, Vice-chair, and Secretary-Treasurer. Board members may nominate themselves or others to fill these offices, and may also propose an entire slate of officers for the board’s approval. Upon election the board chair, if present, will preside over the board meeting.”

Subsequently, the following nominations were made:

Lowell Daniels nominated Gary Stone as Chair of the Board

Chris Ambrosini nominated Lowell Daniels as Vice Chair and Jeff Durham as Secretary-Treasurer

John Porter nominated Chris Ambrosini as Chair-Elect

With no further nominations offered, John Porter made the motion to accept the above nominations as the HLA board officers. The motion was seconded by Mike Morgan and the vote was unanimous in favor. The chair was assumed by Gary Stone who thereafter chaired the meeting.

2. Staff asked the board’s pleasure regarding the creation of minutes for HLA board meetings and whether the meetings should be electronically recorded. After a brief discussion, the board directed staff to not record the meetings, but stated that an additional staff member could be present to take notes if desired.
3. Next, the HLA Executive Committee was appointed, which according to bylaws automatically included the board officers plus additional members-at-large. Four additional board members were nominated to the Executive Committee: John Porter, Donna Hufford, Marc Rowley and Mike Caldwell. Lowell Daniels made the motion to accept these nominees as members of the Executive Committee; John Porter seconded the motion and it was approved unanimously.
4. The board next considered the scheduling of HLA board meetings, first hearing staff recommendations and then discussing alternative scheduling. Pritesh Patel suggested a board meeting schedule of January, April, June and October, and Jeff Durham moved to adopt this schedule with the further refinements of holding the meeting on the first Wednesday, and of moving the meeting location around the county (north, south, east and central Humboldt County). The motion was seconded by John Porter and approved unanimously.

5. Lowell Daniels made the motion that the current meeting (May 23) takes the place of the June board meeting. Bob Gafford seconded the motion and it was approved unanimously.
6. Jeff Durham brought up the question of attending Executive Committee and Board meetings by electronic means. This is specifically provided for in the HLA bylaws; the board confirmed that electronic attendance is acceptable and is treated the same as physical attendance regarding quorum, voting, etc., with Jeff Durham making the motion, Raul Ainardi seconding and the board approving unanimously.
7. The board next accepted the staff recommendation of using Redwood Capital Bank for the HLA accounts. Motion by Jeff Durham, second by John Porter, unanimously approved.
8. The board next accepted the staff recommendation of using George Peterson & Associates for HLA insurance brokerage. Motion by Lowell Daniels, second by Raul Ainardi, unanimously approved.
9. The proposed HLA chart of accounts was next presented by staff. John Porter suggested that the County (unincorporated) revenues and expenses be broken down into the county regions used by the Humboldt tax collector. Staff agreed to add this to the chart of accounts.
10. The board next accepted the staff recommendation of using Cunningham, Malone & Morton, enrolled agents, as the accounting firm for the Humboldt Lodging Alliance. The motion was made by John Porter, seconded by Jesse Waldon, and approved unanimously.
11. Next the board discussed financial controls over HLA funds, specifically check signing authority. Staff explained the "arm's length" arrangement used by the HCCVB (staff can initiate payments but cannot issue checks except through the outside accounting firm). The board chose to require two extra signatures on all HLA checks, and directed that the four board officers (Chair, Chair-Elect, Vice-Chair and Secretary-Treasurer) would be added to the accounts at Redwood Capital Bank as authorized signers. The motion was made by Donna Hufford, seconded by Jeff Durham and approved unanimously.
12. The Operating Agreement between the Humboldt Lodging Alliance and the County of Humboldt, for management of the Humboldt County Tourism Business Improvement District, was next reviewed and discussed. Staff explained that section 5:1 dealing with unilateral cancellation of the Agreement by the County without cause, had already been objected to and removed from the Agreement. Staff was also concerned about a remaining clause which obligated HLA to reimburse the County for district formation costs, because the extent of these costs was unknown and not specified in the Agreement. The board directed staff to either have this clause struck out from the Agreement, or at least to ascertain what these costs to reimburse would be. With this caveat, and given the need to have the Agreement approved by the board prior to the June 12 meeting of the Board of Supervisors, the board gave its provisional approval to the Operating Agreement. Motion by Lowell Daniels, second by John Porter, unanimous vote.
13. Next the board considered the Memorandum of Agreement between the Humboldt Lodging Alliance and the Humboldt County Convention & Visitors Bureau, for the provision of administrative and marketing services. The Agreement, in concordance with the HCTBID

Management District Plan, compensates the bureau with five percent of HCTBID revenues for providing these services. Staff explained that under this Agreement the bureau would be covering administrative costs including accounting fees and insurance premiums, and that there would be no “nickel and diming” of the HLA for management expenses. John Porter suggested that the wording be updated to identify the HCCVB as the official destination marketing organization for Humboldt County. With this change, the motion to approve the Agreement was made by Lowell Daniels, seconded by John Porter, and approved unanimously.

14. A discussion then ensued about holding a strategic planning retreat for the HLA board. A goal that was identified early on by the steering committee was to hold a board retreat soon after the approval of the HCTBID to establish priorities and provide direction to developing the marketing plan. This retreat would be a full-day meeting in an environment conducive to creativity and teamwork. Staff recommended the use of a professional facilitator and had identified Strategic Marketing Group’s Carl Ribaudo as a potential facilitator. In discussion, the board agreed that the retreat should be held mid-week during June 2012; that it should include an overnight option; and that John Porter’s offer of using the Benbow Inn for the event be accepted. The motion to approve was made by Lowell Daniels, seconded by Chris Ambrosini and unanimously accepted.
15. Staff presented a market research and planning proposal received by Strategic Marketing Group. Discussion ensued, and while it was agreed that formal research needs to be part of the planning process, the board was unwilling to commit to an unknown company. Jesse Waldon observed that the research has to be fruitful or one may as well not do it. The board directed staff to work with SMG on facilitation of the board retreat only, with an eye toward sizing Mr. Ribaudo up before committing to further services from his company.
16. Finally, the need for the HLA board to comply with the Ralph M. Brown Act (The California Open Meetings Law) was discussed. Several board members who have been involved with public and quasi-public agencies (Mike Caldwell, Donna Hufford) shared some of their experiences. The possibility of taking an online course was raised and staff was directed to look into this. Staff also mentioned the possibility of having an expert from County or City government made available to educate the board, and it was suggested this could be part of the next board meeting. There was no board vote taken on this item.

With no further business, the meeting was adjourned at 4:25 pm.

Respectfully submitted by Tony Smithers.