



Mammoth Lakes Tourism Monthly Board Meeting

Wednesday October 3, 2018 - 1:00-3:30pm in Suite Z – PLEASE NOTE EXTENDED TIME

Board Member Call in # (310) 372-7549 - Participant Code 934985 - Host Code 3838

https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0

Vice Chairman Brent Truax will be calling in from The Log Cabin Motel 314 Second St. Ten Sleep, WY 82442

Meeting Agenda

- a. **Call Meeting to Order – Scott McGuire, Board Chairman (or Vice Chair if Scott is unable to attend)**
- b. **Roll Call – Scott McGuire - *Chairman*** (At-Large June 2020 2-year term) **Brent Truax – *Vice-Chairman*** (Chamber no term), **John Morris – *Treasurer*** (Lodging June 2021 3-year term), **Sean Turner - *Secretary*** (Retail June 2020 3-year term), **Kirk Schaubmayer –** (Lodging June 2020 2-year term), **Michael Ledesma –** (Restaurant June 2020 3-year term), **Mayor Cleland Hoff** (Town Council no term), **Eric Clark** (MMSA no term), **Paul Rudder** (At-Large June 2019 2-year term),
- c. **Board Member Comments/Board External Committee Reports/Agenda Additions**
- d. **Public Comment –** Please limit to three minutes or less
- e. **Minutes –** Approval of meeting minutes from September 11th (regular BOD meeting) and executive session on August 29th – **two attachments**
- f. **New Business**
 1. Air Service Incremental Budget Breakdown – **30 minutes – Amanda Moul, Mering Carson - attached**
 - a. Review of proposed incremental winter air service advertising as approved at the September Board of Directors meeting. This will outline the incremental marketing efforts that will be done to promote winter air service in new markets as well as reinforcement of existing markets.
 - b. Incremental budget spend amount was approved at the September board meeting so this is just a follow up presentation to show budget allocations – no vote needed but discussion welcome.
 2. 2018-19 Winter Air Service Schedule – **5 minutes – two attachments**
 - a. Chart of arrival and departure times from each market and airline serving MMH this winter. Please note that some markets have varying schedule times during the course of the winter.
 3. Contracts – **10 minutes**
 - a. LA Kings partnership - September BOD meeting request for Point of View from Mering Carson for discussion – **Handout at meeting – to be attached to online packet digitally when possible**
 - b. 2018 Mering Carson contract outlining marketing spending for the 2018-19 fiscal year for discussion and **vote** to accept – **attached**
 4. Special Event Policy Discussion – **10 minutes**
 - a. Board discussion regarding setting future policy and procedure for event support (event acquisition, funding and marketing)
 - b. Caroline Casey joining MLT October 15th and should take lead on this with research review of policies from other areas followed by a recommendation to the board.
 5. Executive Director Annual Performance Review – **5 minutes**
 - a. Assignment of board members to review Executive Director performance for fiscal 2017-18
 - b. Recommendation from Board Chair that this be done by Executive Committee
 - c. Discussion and **vote** on appointment of performance review committee.

6. **MLT By Laws for Review - attached**
 - a. By Laws were last reviewed and revised 12-23-13 to incorporate adjustments for the TBID but should be reviewed again to reflect current challenges and opportunities.
 - b. Should an ad hoc By Law review committee be formed by the MLT board?
 - c. If an ad hoc committee is not appointed, proposal is to bring back board member comments regarding suggested adjustments or clarifications to the By Laws to a future MLT Board meeting.
 - d. Particular focus should be on role of executive committee, board member code of conduct and other procedures for operation of the organization.

g. MLT Team Presentation – 20 minutes – Lara Kaylor - attached

High Altitude Training Crib Report – presentation about the progress and success of the new elite athlete training condo MLT purchase back in May 2018.

Department Updates – A brief recap of past, current and future efforts of each department - **5 minutes**

Lara Kaylor – Communications update

Ken Brengle – Chamber of Commerce update

John Urdi – Staffing update

Michael Vanderhurst – Traveling India and Korea on a Visit California Sales Mission

h. Financial Reports – An update regarding the financial health of the organization – **5 Minutes**

1. **TOT & TBID** – review previous months results – **TOT info attached**
 - a. TOT for August \$1,453,427 which is +\$319,342 and +37% to budget. -\$116,768 and -7.4% to LY
 - b. YTD TOT is \$971,768 and 43% ahead of budget and -115,077 and 3% to LY record pace
 - c. TBID for August not available at posting time – will report numbers at 10-3 meeting
2. **Cash Flow and CDARS info** – discussion of current bank balances and reserve account activity (as of 9-27)
 - a. CDARS Balances Measure A \$800,321.04 & TBID \$2,001,440.57m
 - b. Measure A Checking = \$1,179,820.99
 - c. Measure A Savings = \$5,011.46
 - d. TBID Checking = \$ 1,310,439.43
 - e. TBID Savings = \$5,006.90
3. **Joint Bucket Funds** – estimated balance in the MLT/ Town Council Joint Reserve Bucket
 - a. \$175,666 FY through August 2018 - total available in this account is roughly \$545,927 including rollover of \$370,261 uncommitted 2017-18 funds. (To date MLT/TOML have earmarked and committed \$600,000 to the ongoing LA Kings Marketing Partnership which is excluded from the \$545,927k)
4. **P&L Reports** – Questions from the board regarding MLT financials – not available at time of posting

i. Mammoth Resorts Update – Eric Clark – 5 minutes

j. Closed Session – 30 minutes – MLT Legal Counsel Tim Sanford to attend at 3:00pm

- e. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (One case)
- f. Chairman to report out on closed session

k. Key Takeaways

1. **August came in at \$1,453,342 which is ahead of budget 37% at +\$391,342 and -7.4% at -\$116,768 behind last year's record of \$1,570,110**
2. **YTD TOT is \$971,768 ahead of budget which is 43% and behind last year by \$115,007 which is 3%**

Future Meeting Dates: Next scheduled Board Meeting for **Wednesday November 7, 2018** from 1-3:00pm Suite Z



Mammoth Lakes Tourism Monthly Board Meeting

Wednesday, August 29, 2018 - 12:00-1:00pm in Mammoth Lakes Tourism Conference Room, 2520 Main Street, Mammoth Lakes, CA 93546

Board Member Call in # (310) 372-7549 - Participant Code 934985 - Host Code 3838

https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0

Meeting Agenda

- 1) **Call Meeting to Order** – Scott McGuire, Board Chairman, called to order at 12:06 pm
- 2) **Roll Call – Present:** Scott McGuire, Brent Truax, John Morris, Sean Turner.
- 3) **Board Member Comments/ Agenda Additions** – None.
- 4) **Public Comment** – None.
- 5) **Minutes** – Tabled until the regularly scheduled MLT September 5th board meeting
- 6) **New Business**
 - a) Policy discussion about board member roles, ethics and conflict of interest.
 - b) Scott McGuire began by stating the purpose for the days meeting which was to review four points concerning conduct of Brent Truax. Scott McGuire requested that if Brent Truax has a response or any evidence to provide in regards to todays questions that be provided in writing within 48 hours. Brent Truax stated that he can't agree to responding in 48 hours without seeing the questions, and that 48 hours may be a difficult deadline to agree to given business of the upcoming holiday weekend. Brent Truax then read a statement to the Board, " I am very concerned that you have not followed proper procedure to follow up on concerns that the Board may have. Mammoth Lakes Tourism is a 501c6 non-profit entity; it is not governed by the same rules that apply to Town officials and Town appointed Boards. My review and legal review of MLT bylaws and external governance documents, MLT has no conflict of interest policy therefore no Board member can currently have a conflict of interest, and I have no conflict of interest. I would like the questions today to be presented in writing so that I can review with counsel and respond appropriately." There was a discussion about whether or not to continue questions and whether or not there is a policy applicable to these questions. Scott McGuire asked if Brent Truax distributed a set of guidelines to the Board of Directors on April 6th that talked about a conflict of interest. Brent Truax stated he shared a number of guidelines to be followed up on at a future meeting; there was no motion taken, nor were those documents accepted. Scott McGuire then read aloud California code referencing non-profit Board conduct; asked Brent Truax why policies distributed were not implemented. Brent Truax stated that is not the function of the Chair of the Board. Scott McGuire then reviewed the four points of concern: the grand jury review, response and communication around an executive committee meeting that took place here on February 5th along with some follow up related to that meeting, air service meetings and the fourth is the Town Contract. Scoot McGuire stated other Executive Committee members are welcome to ask other questions they may have.
 - c) Grand Jury review – Scott McGuire reviewed details of a Grand Jury review received on September 20, 2017 by John Urdi, John Morris and Brent Truax. Scott McGuire asked to clarify if there was there a single grand jury request or two. Brent Truax stated that in particular with grand jury matters, per instructions from the grand jury, he is not able to respond and will need to seek clarification from the grand jury as to whether he can answer. Scoot McGuire stated the Grand Jury requested contract between Mammoth Lakes Tourism and JetSuiteX and asked if Brent Truax clarified with them that the contract does not exist with Mammoth Lakes Tourism, but Mammoth Mountain Ski Area. John Urdi reminded Scott McGuire that specifics of Grand Jury requests cannot be discussed. Scott McGuire stated his knowledge was all documents were turned over by Mammoth Lakes Tourism Executive Director in a timely manner and questioned why the Grand Jury then had to

issue a subpoena for documents. Brent Truax stated he looked forward to being able to answer after getting the ok from Grand Jury.

- d) Executive Committee meeting: On February 5th the Executive Committee met to discuss HR policies and providing a pathway for people within the organizations to file complaints or concerns about others in the organization. An HR handbook was shared in April, as well as a proposed code of conduct for the Board; further discussion was had on what the purpose of those documents were and additional follow up.
- e) Air Service – on February 7th Board set up an air service committee to meet with the other organizations. Colin Fernie and Eric Clark both recused themselves from participating because of conflicts; Scott asked if it was correct that Brent Truax volunteered along with Paul Rudder and Michael Ledesma; Brent Truax stated that had not been his recollection. There was discussion about multiple instances where Brent Truax indicated he was present at meetings, representing Mammoth Lakes Tourism but following public meeting on Old Mammoth Place development community perception questioned who he had been representing. Scott McGuire asked Brent Truax about a private meeting between him and Bill Tomcich, while Bill was in Mammoth Lakes on Mammoth Lakes Tourism business. Scott McGuire Requested Brent Truax provide confirmation those meetings were set up independent of his business with Mammoth Lakes Tourism.
- f) Town Contract- At the May 2 Board meeting, Brent Truax acknowledge that Town Manager had provided guidance and would share with the rest of the Board. At the June 6 Board meeting, Eric Clark, who is a member of the Town contract committee, asked Brent Truax if he had received direction from Town Manager, indicating information had never been shared with committee or larger Board. Brent Truax stated on June 6 he had received an original draft of deliverables but hadn't received anything since May 16. The Town Manager sent email on May 10 that stated there were some specific deliverables, including a five-year strategic plan. Scott McGuire stated his concern is that the Board voted on a budget, and approved a budget, without understanding that there were very specific deliverables and requests for spend, which would have influenced the Boards vote on the budget. Scott McGuire stated he would like Brent Truax to confirm items had since been shared with Town contract committee.
- g) John Morris stated his preference to give Brent Truax some time to respond to questions in writing. John Morris also stated that outside influences trying to rush a decision should be assured that Mammoth Lakes Tourism has a process for these things and the process will be followed and will not be rushed.
- h) Sean Turner stated the Board must have the appearance of ethics and removing all conflicts of interest whenever possible. Sean Turner acknowledged that we all want to see community grow and have a stake in growth. It's important that we work on how we define what a conflict of interest is and follow expectations and perceived codes of conduct.
- i) Brent Truax stated the Board has inherent conflict because of individual stake in community growth. Brent Truax then stated process had not been followed and that if there had been a meeting of the Executive Committee to form consensus without informing him, a member of that committee, that was a violation of Brown Act. Scott McGuire stated that given the fact that we have Executive Committee conversations that need to take place and given the fact that we have a Board meeting next week, suggest that Executive Committee recommend to the general Board that we remove Brent Truax as Vice Chair and ask for a replacement in his seat while this is being looked at, so that we don't have to delay any future meetings. Brent Truax asked for point of order, under what authority and bylaws can that request be made. Brent Truax stated there is nothing in bylaws about temporary suspension of the member; stated the Executive Committee can make a recommendation but question that the Executive Committee has the power to make a recommendation that is not in the bylaws; implies presumed guilt. There was then a discussion about process and perception of the Board and the organization. Scott McGuire then asked if Brent Truax would be able to supply a time frame for responses once he sees the questions in writing. Brent Truax stated that he would go over to try to get an answer from the grand jury foreman as soon as possible but other things might take him a little bit and he could not answer timing at this point. Sean Turner then stated that unfortunately he has just learned he cannot be in attendance for next week's meeting. John Urdi confirmed that the meeting would have to be postponed, as would not have a quorum; will figure out a new date and get back with the Board. The meeting was adjourned at 12:50pm

Future Meeting Dates: Next scheduled Board Meeting for **TBD** from 1-3:00pm Suite Z



Mammoth Lakes Tourism Monthly Board Meeting

NOTE NEW DATE - Tuesday, September 11, 2018 - 1:00-4:00pm in Suite Z

Board Member Call in # (310) 372-7549 - Participant Code 934985 - Host Code 3838

https://www.dropbox.com/sh/zxanpoyiv7mwd9t/AAB-aHpEDShkXC2UnH79_hRJa?dl=0

Meeting Agenda

1. **Call Meeting to Order – Scott McGuire, Board Chairman**
2. **Roll Call – Present:** Scott McGuire, Brent Truax, John Morris, Sean Turner, Kirk Schaubmayer, Michael Ledesma, Mayor Cleland Hoff, Eric Clark, Paul Rudder.
3. **Thank you to Whitney Lennon for 8 years of service to Mammoth Lakes Tourism**
4. **Welcome Caroline Casey to the MLT Team as Director of Special Events – will start October 15, 2018**
5. **Board Member Comments/Board External Committee Reports/Agenda Additions**
 - a. Michael Ledesma stated that he was surprised by an agenda item; New business number 1. Stated he wished it had been possible to share more information among the rest of the Board, before he was confronted by community questions related to articles in the newspaper. Scott McGuire stated that due to Brown Act requirements, there was no way to share more information to the Board.
6. **Public Comment –**
 - a. Ward Jones, lodging operator. Thanks for your service to the community; wanted to share general commentary on marketing; smaller businesses don't feel like they have a voice; get out of the airplane business; tot customer is gone totally from the airport; look at flights to Las Vegas; does Mammoth Mountain get more than their share.
 - b. Sean Turner made a comment as member of the public. Bluesapalooza has secured a verbal commitment from Dirk Winters to host the 2019 on the Woodsite August 1-4, 2019. Announced he would be recusing himself from all future conversations involving MLT, the Woodsite and Dirk Winters. Reached out to owners of other properties – have not heard back but anticipate being able to use them. Will be providing an update to Town Council on event performance.
 - c. Scott McGuire responded to Ward Jones and stated he would be happy to sit down to go over the numbers and the independent research that has been done with any member of the public who is interested. Scott McGuire also encouraged Mr. Jones to get together with the lodging association representative to discuss his representation.
7. **Minutes – Approve meeting minutes from June 25th (executive session), July 11th (air service special meeting) and August 1st (regular BOD meeting) – **three attachments****

 - a. Sean Turner made a motion to accept the minutes for July 11 and the minutes for August 1. Paul Rudder gave a second to the motion. Unanimously approved
 - b. John Morris made a motion to accept the minutes from the executive session on June 25th. Kirk Schaubmayer gave a second to the motion. The Executive Committee of Brent Truax, Kirk Schaubmayer, John Morris and Michael Ledesma voted to accept the minutes from the June 25th meeting.

8. **New Business**
 1. Executive Committee Member Evaluation –
 - a. Review of questions and answers regarding communications and conflict of interest - **attached**
 - b. Discussion and **vote** of appointment of vice-chairman position
 - c. The Board began with a discussion about how to best share this kind of information amongst Board without violating Brown Act and notice requirements related to a meeting. It was determined there really isn't a way and it is unfortunate that Board members had to learn about issues in the newspaper and other in the community before the Board meeting could bring them to light. Scott McGuire then asked the Board if they had read and/or had any questions regarding the questions and answers provided. Brent Truax then read a statement to the Board communicating he felt the action is being pursued unfairly, without evidence or cause. Brent

Truax also stated that the purpose of MLT's Board alone makes in inherently conflicted, as everyone is interested in seeing the success of the Town. Scott McGuire responded stating that there is no intent to remove Mr. Truax from the Board and the Mammoth Lakes Tourism Board has no right to remove him, as his seat is the Chamber Seat; the Chamber has the right to let whoever they choose fill that seat. Mr. McGuire then asked Michael Ledesma and Kirk Schaubmayer to confirm details and conversations they were privy to during an Executive Session in February. Mr. Ledesma stated that he was present but would have to consult his notes from that meeting to confirm action items. Mr. McGuire then reviewed the questions regarding Mr. Truax's conduct and behavior. Mr. McGuire also clarified his intention is to make This Board as transparent as possible. Cleland Hoff asked a clarifying question regarding the events and communication from Town Council member John Wentworth. Mr. McGuire clarified the facts regarding the Grand Jury had to do with the timing and process on MLT's side, not the Grand Jury content in general. The Board had a back and forth discussion about frustrations with communication and action items not completed or lack of information clarifying what happened. There was back and forth discussion between Mr. McGuire and Mr. Truax about details concerning issues with Mr. Truax's performance on the Board. Scott McGuire moved to have a discussion about removing Brent Truax from the Executive Committee. After further discussion of the Board it was determined that Brent Truax would be given an additional time period to answer questions from the Board – by next Friday, 9/21. **Sean Turner made a motion to table this conversation until responses are received from Brent Truax. Paul Rudder gave a second to the motion. The direction to the Board is that there will be no discussion on the responses until the October Board meeting or until a special meeting can be convened. Cleland Hoff left the meeting at 2:26pm. A vote was taken after Cleland left; vote was otherwise unanimously approved.**

2. 2018 Grand Jury Response –
 - a. MLT Staff drafted a response to the recommendations of the 2018 Grand Jury and has shared that with the town manager to include in the Town's response. – **draft response attached**
 - b. Scott McGuire clarified that it is MLT's policy contracts of \$25,000 or more, will be reviewed by the Board; that was a vote of the Board within the last year. The Grand Jury requested the policy be contracts of \$10,000 or more, be reviewed by the Board; Scott McGuire stated because of other policies in place this was not necessary and previous policy would stand. Mr. McGuire asked if there were any further questions from the Board. There were none.
3. Air Service Update – John Urdi reviewed the following update on air service. United routes have been finalized. Looking to solidify details of JetSuiteX service:
 - a. JetSuiteX - Burbank, CA – **Proposed/Recommended**
 - i. Four-day-per-week service (Thursday, Friday, Sunday and Monday)
 - b. JetSuiteX – Orange County, CA (John Wayne Airport) **Proposed/Recommended**
 - i. Four-day-per-week service (Thursday, Friday, Sunday and Monday)
 - c. JetSuiteX - Carlsbad, CA – **Proposed/ NOT Recommended due to budget constraints**
 - i. Four-day-per-week service (Thursday, Friday, Sunday and Monday)
 - ii. Proposed MMSA cost sharing agreement would put this flight outside of our \$1,510,000 winter cap on air service and is unbudgeted.
 - iii. Projection is that this flight subsidy could cost upwards of \$250,000 in year one; also would require significant dollars for educating that market on the route.
 - d. JetSuiteX – Oakland, CA – **No longer pursuing for winter 2018-19 due to funding constraints**
 - i. In Oakland, we don't have a ton of ground cover on marketing; most marketing done in that region is as it relates to the San Francisco flights. Funding would have to be taken away from the San Francisco campaign to educate people on this route and carrier and the benefit just isn't there.
 - e. Proposed JetSuiteX contracting for 2018-19 service
 - i. MLT and MMSA draft cost sharing agreement in process
 - ii. Propose MLT sign agreement with JetSuiteX – may be option for multi-year deal
 - iii. MLT will be responsible for all air subsidies for JetSuiteX routes (upfront payments); may require getting into reserve funds due to cash flow issues.

- iv. No additional insurance requirements for MLT (insurance in contract was for transit)
 - v. MMSA to continue to facilitate transportation from BIH with diverted flights – (this should be a separate contract with JetSuiteX)
 - vi. Discussion and **vote** on policy and direction to MLT staff to contract and pay for JetSuiteX service within our existing budgeted subsidy amounts – chairman to co-sign agreements. Scott McGuire asked if any of the Board members had questions about the recommendation presented. The Board had a discussion about not pursuing options in the San Diego region, over flight out of Orange County. Evaluation was based on season pass holders and second homeowners occupying the two regions. **John Morris made a motion to accept recommendations for JetSuiteX air service and contracting as presented by staff. Michael Ledesma gave a second to the motion. Eric Clark recused himself. Vote was otherwise unanimous.**
4. Contracts – John Urdi gave updates to the Board on a number of contracts.
- a. **LA Kings ongoing marketing partnership** - two year agreement with a third year option to sponsor the last 14 home hockey games at the Staples Center in Los Angeles to promote year round activities in Mammoth Lakes with a focus on Spring, Summer and Fall. \$100,000 to be used from the committed “joint fund” account as agreed to in the Letter Agreement between MLT and TOML dated April 19, 2018.
 - i. **Brent Truax requested a follow up from MeringCarson regarding the return on investment related to LA Kings marketing program.** John Urdi stated those number will be presented back to the Board.
 - b. **Mammoth Half Marathon** – request to extend a partnership to the Mammoth Half Marathon to cover up to \$15,000 in shortfall from their event. The event is not-for-profit and donates all proceeds from the event to local non-profits in Mammoth Lakes. The event occurs in an identified “need” time (June) and draws roughly 1250 runners and their families to the area. Ultimately this will fall to our new Director of Special Events.
 - i. Brent Truax left the room to avoid conflict associated with a specific contract between Sierra Nevada Resort and Mammoth Half Marathon. The Board then had a discussion about other possible conflicts with other Board members around this particular event.
 - ii. The Board then had a discussion about Mammoth Half Marathon and the assistance given to this event and others, including future policies as well as new opportunities related to the creation of a Special Events Director. **John Morris made a motion to move forward with funding request from Mammoth Half Marathon. Kirk Schaubmayer gave a second to the motion. Eric Clark recused himself after further review of contract language. Unanimous approval from Scott McGuire, Kirk Schaubmayer, Michael Ledesma, Sean Turner, John Morris and Paul Rudder.**
 - iii. Brent Truax returned to the room.
 - c. **Air Planners Contract** – this is our contract with Kent Myers to assist us in coordinating and negotiating air routes and contracts with current and future carriers. This contract is budgeted and consistent with past contracts we have held with Air Planners since 2012.
 - i. Scott McGuire stated that Kent’s support was instrumental in securing United air service into Mammoth This year. Eric Clark stated that MMSA has a contract with Kent Meyers as well – identical to the one here; has been signed and executed by MMSA. Paul Rudder made a motion to approve the contract pending legal review. **John Morris gave a second to the motion. Eric Clark recused himself; unanimously approved.**
 - d. Addendum to the ongoing contract outlining marketing spending for the 2018-19 fiscal year from Mering Carson being reviewed by Chairman McGuire with MLT staff.
 - i. John Urdi gave one correction: instead of MeringCarson completing an addendum to the contract, they went ahead and redid the full contract. It is within the budget for marketing, staff recommends it be signed. Scott McGuire clarified the change had to do with who owns the assets and in regards to content should we separate with MeringCarson. The request before the Board is to allow the Chair to approve and sign the contract on behalf of the Board. Brent Truax stated his opinion is the full Board review the contract before voting on it. Scott McGuire stated that in order to execute a

number on contracts in a timely manner and review with the Board in full, it is necessary to have a special meeting and asked if there were any issues in regards to an additional session. Mr. McGuire affirmed that John Urdi and him would work on scheduling a meeting to review contracts.

5. Closed Session –

- a. Discussion of matter involving MLT, Dirk Winter and the Wood Site, including potential or threatened litigation. Mr. McGuire stated the anticipated closed session would not take place until it is determined if litigation will move forward or not; awaiting some word back from the town attorney. John Morris left at 3:10 pm. Paul Rudder stated that if we are going to have a special session, he would request that this item be re-noticed for a closed session at that time.

6. Chairman to report out on closed session – no closed session, therefore no report.

9. **MLT Team Presentation** – Paul Rudder left the meeting just as the presentation started. Amanda from MeringCarson reviewed presentation.

a. Air Service - Incremental Marketing Budget Request

1. Mering Carson, Clint Ostler & Whitney Lennon – via phone
2. Air service support continues to grow in priority for Mammoth Lakes.
3. MLT supports air service awareness and consideration within its seasonal paid media budgets; the percentage of the budget used to support Air Service is determined by seasonal campaign budget and media placement rotation availability.
4. FY18/19 utilized this standard allocation process, however, post-board budget approval, additional winter service was secured to Denver and Orange County, and a new air carrier will serve Los Angeles.
5. In order to implement this new and optimized Air Service program, incremental funds are required to ensure proper support for FY18/19.
6. Discussion and **vote** on any additional funding request for 2018-19 air service marketing. Recommendation from MeringCarson is to re-evaluate marketing dollars for air service. Specifically, to look at air service holistically as a year round paid media program. Focus flight messaging programs on designated marketing areas, where we know we can convert to flights and convert as many as possible. Expand ability to work with partners, like air service providers and in-destination stakeholders. Brent Truax asked what is different from our current plan? Amanda stated that this is different because we have the opportunity to co-op with air service partners. Amanda stated that up until now the program has really been educational marketing that these flights exist; with a bigger air service partner we can co-op that and reach more people, and actually convert to booking flights. Amanda then reviewed how core marketing pieces for air service like social media, native displays and video content will continue to support the air service message. Amanda then talked about some new options for placements and search engine marketing to further encourage air travel. Amanda then reviewed new core opportunities across all marketing platforms for co-op messaging with air partners; then reviewed specific recommendations for budget. Total additional incremental request is for \$400,000 - \$337,500 dedicated to winter; remaining dedicated to summer/fall. The Board then began a discussion on the budget recommendations. Scott McGuire stated it was his opinion, due in part to negotiations over the TBID, that MMSA should carry the budget for the Denver flights since it means so much to them as well; supports the increases for Summer and fall but questions winter and specifically the increase for Denver. There was a discussion about the Mountain's commitment to air service and subsidy budget. Eric Clark then reviewed the Mountain's commitment to support the air service messaging via their marketing efforts. Sean Turner asked a clarifying question about the budget but it was clarified this budget request is only for this winter and not a year-over-year request. **After further discussion from the Board, Scott McGuire made a motion to approve the \$400,000 requested additional budget amount, with \$31,250 approved to spend and the \$337,500 tentatively approved pending the Board approving a media plan for the winter spend. Michael Ledesma gave a second to the motion. Brent Truax voted against because of the caveat in regards to winter; it was his feeling we should move forward now to not miss out on marketing opportunities. The motion passes 5-1.**

10. **Department Updates** – tabled until the next meeting.

- 11. Financial Reports** – John Urdi gave an update regarding the financial health of the organization.
1. TOT & TBID – review previous months results – **TOT & TBID info attached**
 - a. TOT for July \$1,743,493 which is +\$568,493 and +48% to budget. -\$10,243 and -.58% to LY
 - b. TBID for July \$348,859 which is +\$68,709 and +25% to LY and +\$63,859 and +22% to plan
 2. Cash Flow and CDARS info – discussion of current bank balances and reserve account activity
 - a. CDARS Balances Measure A \$1.15m & TBID \$2.0m - took \$500,000 7-31-18 still waiting for final Alaska Airlines invoicing to pay winter air subsidy – took \$350,000 from Measure A CDARS to assist TOML with Wayfinding Signage program pending MOU with TOML
 - b. Measure A Checking = \$1,348,079.29
 - c. Measure A Savings = \$5,011.46
 - d. TBID Checking = \$ 1,324,709.09
 - e. TBID Savings = \$5,006.90
 3. Joint Bucket Funds – estimated balance in the MLT/ Town Council Joint Reserve Bucket
 - a. \$102,766 (total available in this account is roughly \$473,027 including rollover of uncommitted 2017-18 funds. To date MLT/TOML have earmarked and committed \$600,000 to the ongoing LA Kings Marketing Partnership)
 4. P&L Reports – Questions from the board regarding MLT financials; thank you we have made note and corrections.
 - a. Scott McGuire asked what we are looking like at in terms of revenue year over year. John Urdi explained that we may still be behind in August putting us behind last year, due to smoke; still a very strong year and we won't miss last year by as much as we thought we might.

12. Mammoth Resorts Update – Eric Clark –

- a. Zip Line: Looks like it will have an inspection on October 8th; expecting an opening of October 13th. Looking at the possibility of operating the lower section into winter, at least maybe opening day.
- b. Canyon Lodge Improvements will finish on December 13th just before Night of Lights on December 15th

13. Key Takeaways

1. **July came in at \$1,743,493 which is less than 1% behind last year's record of \$1,753,735 (-\$10,243)**
2. Scott McGuire confirmed that the Board would look to hold a special session later this month. Date TBD.

Future Meeting Dates: Next scheduled Board Meeting for **Wednesday October 3, 2018** from 1-3:00pm Suite Z
Meeting adjourned at 4:19 pm



MEMO

memo

Date: October 3, 2018 | October Board Meeting
To: Mammoth Lakes Tourism Board of Directors
From: MeringCarson
Re: FY18/19 Air Service Program

OVERVIEW

Air Service support continues to grow in priority for the town of Mammoth Lakes. Flight availability during the Winter has expanded, while Fall and Summer service continue with one provider.

The seasonal breakdown by provider is as follows:

- Fall
 - Alaska: Los Angeles
- Winter
 - United: Los Angeles, San Francisco, Denver
 - JetSuiteX: Burbank, Orange County
- Summer
 - United: Los Angeles

Incremental funds are essential to ensure Air Service messaging is properly supported without hindering the support of Brand advertising.

PROGRAM OBJECTIVES

- Increase consideration to use Air Service through MLT site traffic that educates and encourages flight bookings
- Increase intent to use Air Service through direct booking paths with partner airlines
- Support Air Service awareness and intent to fly to Mammoth Lakes in Winter from new Denver market

BUDGET ALLOCATION

On the next page, you will find a detailed breakdown of the approved incremental budget by market and media partner.



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By Market

Total Budget: \$400,000

- Fall Total: \$31,250
 - Los Angeles: \$31,250
- Winter Total: \$337,500
 - By Market Total: \$235,000
 - Denver: \$110,000
 - Brand: \$78,750
 - Air Service: \$31,250
 - San Francisco: \$31,250
 - Los Angeles: \$31,250
 - Burbank: \$31,250
 - Orange County: \$31,250
 - Co-Op Contribution Total: \$102,500
 - United: \$74,825
 - JetSuiteX: \$27,675
- Summer Total: \$31,250
 - Los Angeles: \$31,250

By Media Partner

INCREMENTAL FUNDS ONLY				
Season	Partner	Targeting	Budget	Percentage
Fall	Sojern Display	LAX	\$23,529	75%
	SEM	LAX	\$7,721	25%
			\$31,250	100%
Winter	Video (Hulu/Amobee)	Denver	\$78,750	23%
	Facebook/GDN Responsive/Display	LAX/Denver/SFO/OC/Burbank	\$117,645	35%
	SEM	LAX/Denver/SFO/OC/Burbank	\$38,605	11%
	Co-Op Display Campaign (TBD By Air Service Partner)	United Co-Op - LA/SFO/Denver - Target users showing intent to visit or fly to Mammoth Lakes in markets and surrounding areas offering nonstop Air Service	\$74,825	22%
	Co-Op Display Campaign (TBD By Air Service Partner)	JetSuiteX Co-Op (Burbank/OC) - Target users showing intent to visit or fly to Mammoth Lakes in markets and surrounding areas offering nonstop Air Service	\$27,675	8%
			\$337,500	100%
Summer	Sojern Display	LAX	\$23,529	75%
	SEM	LAX	\$7,721	25%
			\$31,250	100%
			\$400,000	100%



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Market allocation is based on the total number of routes and the available incremental funds within MLT budget reserves. As Denver is a new market for Brand advertising, additional support has been allocated to push awareness of the destination to a qualified audience.

Media Partners have been selected based on past proven performance, efficiency to deliver impressions, and hyper-targeting capabilities to hit the most qualified Mammoth Lakes travel and flight contenders.

New Opportunities

In an effort to use funds to support direct booking paths, budget has also been set aside to cooperatively (Co-Op) advertise with United Airlines and JetSuiteX. This will allow MLT to track conversions and attribution of flight bookings. *Negotiations with both service providers are currently underway; the program is dependent on their participation.*

MLT will also be offering the opportunity for local hoteliers to retarget consumers through display advertising with package deals (hotel + air) as another way to drive flight bookings. *More details on this program will be emailed out to partners in October.*

MEDIA FLIGHTING

The Fall Air Service campaign is currently transitioning over to Winter messaging. As previously noted, the Air Service program is flighted to overlap season-to-season to ensure Always On support of service, as well as continuously seed for the upcoming season.

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Thank you,
MeringCarson

MMH Ramp Chart Winter 2018-19					
	Daily SFO*	Daily LAX**	Daily DEN***	4X Weekly BUR	4X Weekly SNA
10:00					
10:15					
10:30	10:29				
10:45					
11:00	11:05				
11:15					
11:30					
11:45					
12:00					
12:15					
12:30			12:36		
12:45					
13:00					
13:15			13:12		13:10
13:30					
13:45					13:40
14:00					
14:15					
14:30					
14:45					
15:00					
15:15					
15:30					
15:45					
16:00		15:56			
16:15					
16:30		16:40		16:20	
16:45					
17:00				16:55	
17:15					
17:30					
17:45					
18:00					

* SFO flight arrives at 9:39 and departs at 10:18 (2/14/19 to 3/9/19)

**LAX flight arrives at 17:51 and departs at 18:30 (1/7/19 to 2/13/19)

***DEN flight arrives at 13:05 and departs at 13:45 (1/7/19 to 2/14/19)

SNA arriving aircraft flies to BUR

BUR arriving aircraft flies to SNA

Schedule times may vary 5 minutes from to day to day

Times are subject to change without notice

2018 19 MMH Airport Airline Schedule

From : 12/15/2018		Airport : Mammoth Lakes Airport (MMH)												
To : 04/07/2019		SCHEDULED ARRIVALS												
Origin	Flight No	Date From	Date To	Dep Time	Arr Time	Sys Carrier	Aircraft	Mon	Tue	Wed	Thu	Fri	Sat	Sun
DEN														
	5759	12/19/2018	1/6/2019	11:15	12:36	UA	CR7	X	X	X	X	X	X	X
	5759	1/7/2019	2/13/2019	11:40	13:05	UA	CR7	X	X	X	X	X	X	X
	5759	2/14/2019	3/30/2019	11:15	12:40	UA	CR7	X	X	X	X	X	X	X
LAX														
	5598	12/1/2018	1/6/2019	14:45	16:02	UA	CR7	X	X	X	X	X	X	X
	5598	1/7/2019	2/13/2019	15:05	16:21	UA	CR7	X	X	X	X	X	X	X
	5598	2/14/2019	11/2/2019	14:40	15:56	UA	CR7	X	X	X	X	X	X	X
SFO														
	5905	12/19/2018	2/13/2019	9:10	10:23	UA	CR7	X	X	X	X	X	X	X
	5905	2/14/2019	3/9/2019	8:30	9:39	UA	CR7	X	X	X	X	X	X	X
	5905	3/10/2019	3/30/2019	9:20	10:29	UA	CR7	X	X	X	X	X	X	X
SNA														
	321	12/20/2018	3/30/2019	12:00	13:10	XE	ERJ145	X			X	X		X
BUR														
	323	12/20/2018	3/30/2019	15:20	16:30	XE	ERJ145	X			X	X		X

Times are subject to change without notice

From : 12/15/2018		Airport : Mammoth Lakes Airport (MMH)												
To : 04/07/2019		SCHEDULED DEPARTURES												
Destination	Flight No	Date From	Date To	Dep Time	Arr Time	Sys Carrier	Aircraft	Mon	Tue	Wed	Thu	Fri	Sat	Sun
DEN														
	5798	12/19/2018	1/6/2019	13:12	16:20	UA	CR7	X	X	X	X	X	X	X
	5798	1/7/2019	2/13/2019	13:45	16:57	UA	CR7	X	X	X	X	X	X	X
	5798	2/14/2019	3/30/2019	13:16	16:28	UA	CR7	X	X	X	X	X	X	X
LAX														
	5949	12/1/2018	1/6/2019	16:40	18:00	UA	CR7	X	X	X	X	X	X	X
	5949	1/7/2019	2/13/2019	17:00	18:30	UA	CR7	X	X	X	X	X	X	X
	5949	2/14/2019	11/2/2019	16:40	18:10	UA	CR7	X	X	X	X	X	X	X
SFO														
	5553	12/19/2018	2/13/2019	11:00	12:16	UA	CR7	X	X	X	X	X	X	X
	5553	2/14/2019	3/9/2019	10:18	11:30	UA	CR7	X	X	X	X	X	X	X
	5553	3/10/2019	3/30/2019	11:05	12:17	UA	CR7	X	X	X	X	X	X	X
SNA														
	324	12/20/2018	3/30/2019	16:55	18:05	XE	ERJ145	X			X	X		X
BUR														
	322	12/20/2018	3/30/2019	15:50	15:00	XE	ERJ145	X			X	X		X

Times are subject to change without notice

ADVERTISING AGREEMENT

This Advertising Agreement (“Agreement”), dated July 1, 2018 (“Effective Date”) is by and between Mammoth Lakes Tourism, hereinafter referred to as “Advertiser,” and MeringCarson Holdings, a California corporation, hereinafter referred to as “Agency.”

In consideration of the mutual promises and covenants made herein, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1. ADVERTISING REPRESENTATION AND SERVICES

Term of Agreement

Section 1.01. This Agreement shall become effective as of the Effective Date and shall continue in effect until terminated in accordance with the terms of this Agreement.

Appointment and Authorization of Agency

Section 1.02.(a) Advertiser agrees to retain and appoint Agency to represent it in carrying out its advertising program, subject to the terms and conditions of this Agreement. During the term of this Agreement, Advertiser agrees not to engage the service of any other advertising agency, person, firm, or entity to provide advertising, advertising consulting, media placement, or any other service being provided by or related to the services to be provided hereunder by Agency; provided that Agency may engage the services of MeringCarson, and Red Hydrant Productions Services, Inc., to perform the Services Agency is required to perform pursuant to this Agreement.

(b) The products or services that are to be advertised are: Tourism to the Mammoth Lakes Region

(c) Agency is authorized to enter into contracts with third parties to effectuate the purposes of this Agreement, but it shall not be liable to any such parties for any payments due thereunder. Advertiser shall indemnify, defend, and hold Agency (including its officers, directors, employees, subcontractors, agents, and representatives) harmless from any and all claims, actions, proceedings, damages, losses, liabilities, costs, expenses (including, without limitation, attorneys’ fees and costs, and all costs of investigation), settlements, interest, and penalties arising from any such contracts or from other action or inaction taken, or not taken, by Advertiser pursuant to any such contract or pursuant to this Agreement. Advertiser shall exert its best efforts to prevent any loss to Agency resulting from the failure or proper performance of the Advertiser or any third party pursuant to any of these contracts.

(d) Agency will maintain long-standing client relationships but will discuss any new potential conflicts with Client.

Agency Services

Section 1.03. Agency agrees to act as Advertiser's advertising representative and to perform, upon authorization by Advertiser, any or all of the following services to the extent necessary to meet Advertiser's needs:

(a) Study and analyze Advertiser's business and products or services using available primary and secondary data. (Agency participates in the research process and discussion, but deployment of the research is done by a 3rd party)

(b) Develop a paid advertising plan/program designed to meet Advertiser's needs

(c) Counsel Advertiser on its overall marketing program (earned & owned channels). Provide thoughts on potential updates to marketing plan; cadence to be determined by Advertiser through Agency strategic consultation.

(d) Determine and analyze the effectiveness of the advertising and use insights for on-going enhancement.

(e) Creative development including concepting, copywriting, art direction, production and traffic coordination of foundational brand campaign elements (seasonally based for Fall, Winter & Summer).

(f) Analyze all advertising media to determine those that are most suitable for use by Advertiser, and negotiate costs for paid placements.

(g) Make contracts with the advertising media for space or time and with others to effectuate the advertising program.

(h) Check and follow up on all contracts with the various media for proper performance in the best interests of the Advertiser, including the appearance, accuracy, date, time, position, size, extent, site, workmanship, and mechanical reproduction, as appropriate to the advertisement used.

(i) Negotiate, arrange, and contract for any special talent required and for all photography, models, special effects, layouts, and art work, and for all printing, including any required engravings, electrotypes, typography, and any other necessary technical material for use in the advertising program.

(j) Subject to receiving timely payment from the Advertiser, make timely payments to all persons or firms supplying goods or services in connection with the advertising program.

(k) Advise and bill Advertiser for remittances, if any, made by Agency for Advertiser's account and maintain complete and accurate books and records in this regard.

Services not included in the agency compensation include any subsidiary or third party hard costs including, but not limited to, costs for the following:

- Video/Photography/Illustration
- Color separation/film/mechanicals, digital development (Studio 2 Over 1)
- Website content
- Social media management
- Printing
- Data storage
- Quantitative & Qualitative research implementation (agency participates with guidance/input, but programs are managed and administered by 3rd party)
- Emcee Design services
- Event/Trade Show production/management

The Agency may periodically use an affiliate to perform some of the services listed above, Services provided by affiliates include:

- Red Hydrant Production Services, Inc. – video and/or broadcast production, video editing, video graphics/animation, illustration, audio recording, color correction, photography, electronic upload, international formatting
- Studio 2 Over 1 – mechanicals, Photoshop, image enhancement, programming, packaging and uploading files (to publishers, FTP sites or ad server), file retrieval, digital asset management
- Emcee 11d (Emcee Design) – graphic design services

Agency Duties

Section 1.04. Agency agrees that it shall:

(a) Exercise its commercially reasonable efforts in providing the services required under this Agreement;

(b) Abide by the instructions of Advertiser to the extent that those instructions are not unlawful, tortious, or in violation of self-regulative standards of the advertising industry;

(c) Cooperate with Advertiser in providing the services required under this Agreement; and

(d) Protect and preserve any confidential information and trade secrets disclosed by Advertiser to Agency in the course of the contractual relationship contemplated by this Agreement. All such confidential information and trade secrets shall be clearly marked as such by Advertiser.

Prior Approval by Advertiser

Section 1.05.(a) Agency shall not incur any obligations in excess of \$2,500 or provide any services for the Advertiser's account without first obtaining written approval therefor from Advertiser. Advertiser represents that the persons designated herein have authority to approve the advertising commitments contemplated by this Agreement. Advertiser agrees that by approving a budget, such approval shall constitute approval by the Advertiser for the expenditures within that budget.

(b) In order to obtain Advertiser's approval, Agency shall submit to Advertiser written estimates containing a general description of the proposed advertisements and estimates of the cost of the obligations or services involved, including media costs, cost of preparation of the advertisements, costs of production, and any additional costs, such as travel, mailing, postage, and similar items. The parties acknowledge and agree that the actual costs and expenses may vary from the estimates provided to Advertiser.

Missed Deadlines

Section 1.06. Agency shall not be responsible for missed deadlines, closing dates, or insertions caused by the delay of Advertiser including, without limitation, Advertiser's delay in approving the advertising to be used in connection therewith. Agency will provide Advertiser with a schedule in an effort to avoid missed deadlines.

Agency Obligation to Media and Other Third Parties

Section 1.07. Nothing in this Agreement shall be construed as committing Agency to violate any lawful contractual commitments to media or other third parties.

Failure of Suppliers to Perform

Section 1.08. Agency shall not be held responsible for any failure on the part of media, suppliers, subcontractors, or other third parties to properly execute their commitments.

ARTICLE 2. COST AND PAYMENTS

Advertising Costs and Expenditures

Section 2.01. (a) Advertiser shall reimburse Agency for all costs incurred and expenditures made on behalf of Advertiser for approved advertising, except as specifically provided herein. In addition to the costs, charges, and commissions referenced in this Section 2.01, Advertiser shall compensate Agency as provided in Section 2.02.

(b) Advertiser shall pay Agency for the direct costs of mailing, packaging, shipping, taxes, and duties, telephones, and telegrams incurred by Agency in connection with the performance of this Agreement.

(c) Advertiser shall pay all of Agency's costs for any traveling done on behalf of Advertiser.

(d) Media will be billed in the month prior to the month that the purchased schedule airs or runs. Magazines will be billed in the month prior to the month that the publication goes on sale, not the cover date. In the event media or other charges increase or decline after Agency has submitted an estimate, Advertiser shall pay for any increase or be given a credit for any reduction, as the case may be. If the amount of space or time or other advertising services actually used is less than that previously contracted for, Advertiser shall pay for any increased rate charged by the media due to loss of volume discount or because of higher scheduled rates. If additional space or time or services are so used, thereby resulting in a lower rate, Advertiser shall make payments at the lower rate.

Broadcast or video production costs will be estimated and billed prior to production. 50% percent of the total production estimate is to be paid one week prior to start of production and the remaining 50% percent of the production estimate is to be paid immediately upon approval.

(e) If Advertiser approves any planned advertising and thereafter cancels all or any part thereof, Advertiser shall pay for all costs incurred to the date a written notice of cancellation is delivered to Agency and any unavoidable costs incurred thereafter, including, without limitation, any non-cancelable commitments for production, time or space.

Agency's Compensation

Section 2.02. (a) Agency shall receive a commission of 15% percent of gross charges made by all digital advertising media outlets used by Advertiser.

(b) Agency shall receive a commission of 10% percent of gross charges made by all traditional advertising media outlets used by Advertiser.

(c) Advertiser shall also pay to Agency the sum of \$15,000 per month (\$180,000 annually) as a service fee for which Agency shall provide Advertiser with services identified in Section 1.03. Should the Gross Media Budget referenced above decrease from current projected allocations, Agency reserves right to renegotiate compensation and associated scope of work.

(d) Advertiser shall pay Agency a fee in an amount to be determined by the parties for services not otherwise provided for by this Agreement. These include website content, video production, event/installation, or other needs not tied to the paid advertising program. Prior to rendering or otherwise contracting for any such special services, Agency shall present Advertiser with a written estimate of the cost of the services and obtain the approval of Advertiser. Public relations or publicity work performed by Agency on behalf of the Advertiser shall not be considered within the usual scope of this Agreement.

Budget Allotment & Management

Agency agrees to assist with oversight and management of Advertiser's approved advertising budget for fiscal year 2018/2019, totaling \$2,135,000.

FY 18/19 PLANNED TOTAL BUDGET		
Paid Media <i>Always On SEM included in seasonal breakouts</i>	\$ 1,591,000.00	
Fall	\$ 511,000.00	32%
Winter	\$ 160,000.00	10%
Summer	\$ 565,000.00	36%
360 Degrees of Adventure (Winter & Summer)	\$ 355,000.00	22%
Production	\$ 150,000.00	
Fall Campaign Production	\$ 15,000.00	
Winter Campaign Production	\$ 5,000.00	
Summer Campaign Production	\$ 15,000.00	
Video Production	\$ 115,000.00	

Experiential (Trade Shows)	\$ 120,000.00	
Research	\$ 59,000.00	
FY17/18 ROI	\$ 35,000.00	
Seasonal Ad Effectiveness Studies	\$ 24,000.00	
Agency Fee <i>\$15,000/month</i>	\$ 180,000.00	
Billable Travel & Misc.	\$ 35,000.00	
Contingency (including Awards)	\$ 20,000.00	
Travel	\$ 15,000.00	
TOTAL	\$ 2,135,000.00	

Billing

Section 2.03. (a) Agency shall bill Advertiser on a monthly basis, or on a more frequent basis on the discretion of Agency.

Agency's bills shall indicate the amount of media commissions involved and any adjustments required by this Agreement.

(b) With the exception of Red Hydrant Production Services, Inc., Advertiser shall be entitled to proof of payment by Agency of all sums expended on behalf of Advertiser. Advertiser shall have the right to examine the books and records of Agency in regard to Advertiser's account at all reasonable times.

Payment

Section 2.04. Advertiser shall pay bills rendered by Agency no later than the due dates therein, which will be thirty (30) days after the date of invoice. Delinquencies of thirty (30) days or more will be subject to late charges which will accrue daily at a rate equal to the lower of (i) of ten percent (10%) per year or (ii) the highest rate otherwise permitted by applicable law.

Payment to Third Parties

Section 2.05. Agency may, but shall not be obligated to, enter into contracts and agreements for, or on behalf of, Advertiser. In all instances, Advertiser shall be liable to pay any and all amounts due and payable under these contracts and agreements. Agency may, but shall not be obligated to, make payments to third parties entitled thereto by the terms of this Agreement or the contracts or agreements. However,

Agency reserves the right to discontinue making such payments if Advertiser is in default in any payment to Agency required by the terms of this Agreement. Agency further reserves the right to terminate any arrangement for credit with Advertiser at any time. Agency may require Advertiser to sign any third party agreements or contracts for products or services which relate to, or are based upon, the services to be provided hereunder.

ARTICLE 3. INDEMNIFICATION AND INSURANCE

Indemnification of Agency by Advertiser

Section 3.01. Advertiser agrees to cooperate fully with Agency and provide it with information necessary to perform Services required under this Agreement, and to put forth its best efforts to avoid taking any action which may or could result in any claims, suits, investigation, or proceeding (collectively or individually, a "Claim") against Agency. Advertiser shall indemnify, defend, and hold harmless Agency, its affiliates, and their directors, officers, agents, subcontractors, representatives, customers, suppliers, vendors, and employees from and against any and all claims, proceedings, suits, actions, damages, costs, losses (including, without limitation, reasonable attorneys' fees), expenses, judgments, settlement costs, and other liabilities arising from or in connection with any of the following:

- (a) Assertions made for any of Advertiser's products (or services) or any of the products (or services) of any of its competitors in any advertising which Agency may prepare for Advertiser and which Advertiser approves before its publication or broadcast; or
- (b) An advertising element which is furnished by Advertiser to Agency and which allegedly violates the personal or property rights of anyone, or which otherwise serves as the basis for any libel, slander, defamation, false advertising, neglect, misrepresentation or any similar type of claim.
- (c) Any negligent or willful acts or omissions on the part of Advertiser; or
- (d) Any breach of this Agreement by Advertiser.

The terms, provisions, and obligations of this Section 3.01 shall survive the termination of this Agreement.

ARTICLE 4. TERMINATION OF AGREEMENT

Notice of Termination

Section 4.01. (a) Either party may terminate this Agreement by giving the other party written notice of termination at least sixty (60) days prior to the effective date of termination. Upon receipt of notice of termination, Agency shall not commence work on any new advertisements, but it shall, during this notice period, complete and place all advertisement previously approved by Advertiser. All other rights and duties of the parties shall continue during this notice period and Advertiser shall be responsible to Agency for the payment of any contract or other obligation incurred with third parties during the period.

(b) In the event of a material breach of this Agreement by either party, the non-breaching party may immediately terminate this Agreement upon delivery of a written notice of termination to the breaching party.

(c) In the event Advertiser or Agency desires to terminate all work in progress on advertisements commenced before receipt of notice of termination, such termination may be agreed to upon the parties' mutual consent and determination of the compensation to be received by Agency for partially completed work.

Assignment of Contracts

Section 4.02. In the event of termination, Agency shall assign to Advertiser all of its rights in contracts, agreements, arrangements, or other transactions made with third parties for Advertiser's account, effective on the date of termination or on such other date as may be agreed upon by the parties; and Advertiser shall assume all obligations and indemnify, defend, and hold Agency (including its officers, directors, employees, agents, subcontractors, and representatives) harmless from all liability, claims, losses, or damages arising out of or relating to these contracts or the assignment of these contracts. In the event any such contract is nonassignable (e.g. Screen Actors Guild contracts) and consent to assignment is refused, or Agency cannot obtain release from its obligations, Agency shall continue performance thereof and Advertiser shall meet its obligations to Agency with respect to any such contract as though this Agreement had not be terminated.

Billing Upon Termination

Section 4.03. As soon as possible after the date this Agreement is terminated (“Termination Date”), Agency shall bill Advertiser for all amounts not previously billed and due Agency at that time under the terms of this Agreement. Agency shall, be entitled to payment for services and commission for advertisements commenced and approved for placement in a specific media by Advertiser prior to receipt of such notice and for all work performed by Agency up to and including the Termination Date. The termination of this Agreement shall not relieve Advertiser of its obligation to make all payments to Agency and any third parties for services rendered up to and including the Termination Date.

Disposition of Property and Materials

Section 4.04. (a) All plans, preliminary outlines, sketches, copy, and all other property and materials which are produced by reason of, or pursuant to, this Agreement (collectively, the “Materials”) shall be the property of Advertiser once all payments to be made to Agency by Advertiser have been made pursuant to this Agreement. Upon termination of the Agreement, all Materials shall be the property of Agency unless Advertiser makes all payments in accordance with the terms of this Agreement, even if Advertiser or another party has physical possession of them. Notwithstanding the foregoing, if title to these Materials is transferred from Agency to Advertiser, Advertiser shall concurrently grant a non-exclusive, fully paid, perpetual license to Agency to use, copy, distribute, create derivative works from, and market these Materials.

(b) Upon the termination of this Agreement, Agency shall transfer, assign and make available to Advertiser or its representative, all property and materials in its possession or control belonging to and paid for by Advertiser, and all non-confidential information regarding Advertiser’s advertising. Agency also agrees to give all reasonable cooperation toward transferring with approval of third parties in interest, all reservations, contracts and arrangements with advertising media, or others, for advertising space, broadcasting time, or materials yet to be used (including uncancellable contracts) and all rights and claims thereto and therein, upon being duly released from the obligation thereof. In the event Advertiser refuses to accept delivery of this property or these materials, or Agency has retained this property and materials for a period of at least one year from the date it is created, developed, or otherwise received by Agency, Agency is hereby authorized to destroy all or any portion of the property or materials.

ARTICLE 5. GENERAL TERMS AND CONDITIONS

Arbitration

Section 5.01. Any controversies or disputes regarding the rights or obligations of the parties under this Agreement shall be conclusively determined by binding arbitration.

The parties agree that no party shall have the right to sue the other except as provided in this Article 5.

(a) The parties will use their best efforts to resolve any such controversy or dispute by agreement. If they fail to agree upon any matter within thirty (30) days after written notice by any party specifically identifying the controversy or dispute, the parties will use their best efforts to select a single arbitrator to resolve such dispute and shall provide joint instructions to such arbitrator as the manner in which to conduct the arbitration. The arbitrator shall be selected by the parties from a list of individuals affiliated with the Judicial Arbitration and Mediation Services, Inc., the Retired Judges Registry maintained by the California Judges Association, or the American Arbitration Association. The final decision of the arbitrator shall be binding, final and conclusive upon the parties, and shall be in such written form that a judgment may be entered in any court of the State of California having jurisdiction thereof.

(b) If the parties fail either to:

(i) select a single arbitrator and provide joint instructions for binding arbitration;
or

(ii) resolve the dispute within sixty (60) days after the written notice specified above, the matter shall be resolved in accordance with the following:

(w) within ten (10) days after notice by a party requesting arbitration under this paragraph, both Advertiser and Agency shall appoint one (1) arbitrator by written notice thereof to the other;

(x) the two (2) arbitrators shall select a third arbitrator and the arbitrators so selected shall determine the controversy or dispute in accordance with these provisions. If either party fails to appoint an arbitrator or if the two (2) arbitrators selected fail to appoint a third within twenty (20) days after the appointment of the second, either party may apply to have an arbitrator appointed, or the third arbitrator shall be promptly appointed by the presiding judge of the Superior Court, Sacramento, California;

(y) the arbitrators shall conduct hearings, if necessary, in Sacramento, California. The arbitrators shall proceed with due dispatch and shall render a decision within sixty (60) days after appointment of the third arbitrator. The decision of any two (2) of the three (3) arbitrators shall be binding, final, and conclusive. Such decision shall be in such written form that a judgment may be entered in any court of the State of California having jurisdiction thereof; and

(z) discovery shall be available to the parties as set forth under California law; provided, however, that all time periods shall be shortened, as determine by the arbitrator(s), to meet the shortened time schedule for a determination and decision.

Confidentiality

Section 5.02 Agency considers any information of any type that is secret, concerns Agency's business, or is not otherwise known outside of Agency or its affiliates, including, but not limited to, broadcast spot rates negotiated by Agency with stations and their representatives, and such information contained in marketing timetables, projections, information and operation methods, specifications, know-how, financial information, strategies, techniques, methodologies, manuals and the like, both written and unwritten, to be its Confidential Property. Advertiser agrees to hold such Confidential Property in confidence, to take all reasonable measure to avoid any wrongful disclosures, and to exercise no less than the standard of care Advertiser uses to safeguard its own trade secrets and other of its own Confidential Property. As a specific example, and without limitation, Advertiser agrees that it shall not divulge media rates Agency has negotiated on its behalf to any third party, including other advertising agencies or buying services. "Confidential Property," however, shall not include information previously known to Advertiser, information now in the public domain or which subsequently enters the public domain not as the result of Advertiser's action or inaction, or information subsequently made available to Advertiser by a third party under no duty to Agency to preserve its confidentiality. Advertiser shall advise each of its employees, consultants and contractors working on any matters relating to Agency as to this obligation and shall use reasonable efforts to have them agree to comply with the requirements set forth in this Section.

Advertiser acknowledges that a disclosure of Confidential Property may have a materially adverse effect upon Agency and that damages from such disclosure may be difficult to ascertain. Consequently, each party agrees that, without limiting any of the other party's other rights or remedies, Agency shall have the right to pursue an injunction enjoining such breach.

No Assignment

Section 5.03. Except as set forth in Section 1.02(a), neither party may assign any rights or delegate any duties hereunder without the express prior written consent of the other.

Entire Agreement

Section 5.04. This Agreement, along with any budgets or estimates which are delivered to either party pursuant to this Agreement, contains the entire agreement of the parties. No representations other than those expressly set forth in this Agreement were

made or relied upon by either party. No agent, employee, or other representative of either party is empowered to alter any of the terms of this Agreement, unless done in writing and signed by respective parties.

Controlling Law

Section 5.05. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, exclusive of its choice of law rules.

Failure to Object Not a Waiver

Section 5.06. The failure of either party to this Agreement to object to, or to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of that conduct or of any future breach of subsequent wrongful conduct.

Notices

Section 5.07. All notices pertaining to this Agreement shall be in writing and shall be transmitted either by personal hand delivery or through the facilities of the United States Postal Service. The addresses contained herein for the respective parties shall be the places where notices shall be sent, unless written notice of change of address is given.

Executed on _____ 2015, at _____, California.

ADVERTISER
Mammoth Lakes Tourism
Executive Director

MERINGCARSON HOLDINGS,
a California corporation

By: _____
Name _____
Title _____

By: _____
Name _____
Title _____

Mammoth Lakes Tourism
Chairman of the Board

By: _____
Name _____
Title _____

BY-LAWS OF

**MAMMOTH LAKES TOURISM
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**ARTICLE I
NAME; PRINCIPAL OFFICE**

1.01 Name. The name of this corporation is **Mammoth Lakes Tourism** (“the Corporation”).

1.02 Office. The principal office of the Corporation shall be at a place within the Town of Mammoth Lakes that is designated by the Board of Directors from time to time.

1.03 Definitions. Unless otherwise specified in context, the terms used in these By-Laws shall have the following definitions:

- a. **“Board”** means the Board of Directors of the Corporation;
- b. **“Chairperson”** means the Chairperson of the Board and President of the Corporation;
- c. **“Corporation”** means Mammoth Lakes Tourism, a California non-profit mutual benefit corporation;
- d. **“Director”** means a member of the Board of Directors unless otherwise specified in the context.
- e. **“Executive Director”** means the Executive Director of the Corporation appointed by the Board;
- f. **“Officer”** means an Officer of the Corporation and may refer to the Chairperson, Vice-Chairperson, Secretary or Treasurer, depending on the context;
- g. **“Open Meeting Law”** means the Ralph M. Brown Act (California Government Code Sections 54950, *et. seq.*);
- h. **“President”** means the Chairperson of the Board and the President of the Corporation;
- i. **“Secretary”** means the Secretary of the Board and the Corporation;

- j. **“Town”** means the Town of Mammoth Lakes, California;
- k. **“Treasurer”** means the Treasurer of the Board and the Chief Financial Officer of the Corporation;
- l. **“Vice-Chairperson”** means the Vice-Chairperson of the Board.

ARTICLE II **PURPOSES**

2.01 Mutual Benefit Corporation. The Corporation is a non-profit mutual benefit corporation organized under the Non-Profit Mutual Benefit Corporation Law (California Corporations Code Section 7110, *et. seq.*). In addition to the purposes and objectives, and subject to the limitations, set forth below, the purpose of the Corporation is to engage in any lawful act or activity, other than the credit union business, for which a corporation may be organized under that law.

2.02 Purpose. The principal purpose of the Corporation is to engage in such activities as are meant to improve the tourism industry in the Town. These may include activities that take place outside the Town that are in furtherance of this purpose.

2.03 Activities. The Board or the Executive Director may from time to time identify specific activities meant to carry out the foregoing purposes.

ARTICLE III **INCOME TAX STATUS; LIMITATIONS**

3.01 Income Tax Exemptions. The Corporation shall have the status of a corporation that is exempt from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(6) of such Code, and that is exempt from state income taxation pursuant to Section 23701e of the California Revenue and Taxation Code.

3.02 Construction. These By-Laws shall be construed in a manner consistent with these tax laws and their implementing rules and regulations, and all activities of the Corporation shall be limited accordingly.

3.03 Limitations. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers not in furtherance of the foregoing purposes of the Corporation. The Corporation shall not engage in or facilitate activities that violate federal or state laws.

ARTICLE V

BOARD OF DIRECTORS

5.01 Board Composition. The Board shall be composed of nine Directors. There are three appointed positions without terms as detailed below, and six termed positions. All termed position candidates are recommended by the designated association to the nominating committee (Sec 5.03). Individuals are able to submit interest solely through the same nominating committee process. The nominating committee will recommend to the MLT Board their recommendations for discussion and vote. All term positions to be filled by the MLT Board. The nine board seats will be composed as follows:

Appointed Positions (no terms)

- One Representative of the Mammoth Lakes Chamber of Commerce (appointed by the Chamber)
- One Representative of the Mammoth Mountain Ski Area (appointed by the business)
- One Mammoth Lakes Town Council designee (either a Council Member or Town Manager)

Termed Positions (either 2 or 3 year terms as noted)

- Two Lodging Representatives (one 2 year term, one 3 year term)
- One Restaurant Representative (3 year term)
- One Retail Representative (3 year term)
- One Cultural Arts/Special Events Representative or At Large representative (2 year term)
- One “at large” representative (2 year term) must hold a business license in the Town of Mammoth Lakes)

5.02 Qualifications. Each Director shall reside within the Mammoth Lakes area and shall have a substantial business interest in the Town and shall demonstrate a working knowledge of the tourism industry as it relates to the Town. All non-appointed Director Positions shall be (or represent businesses that are) in good standing with the Town of Mammoth Lakes with current business license, taxes and assessments.

5.03 Nominating Committee. The Board shall appoint a Nominating Committee composed of three of its members. The Nominating Committee may appoint two or more persons or tourism leaders who may participate or assist in the interview process. An existing Director may be re-nominated. All persons so nominated shall meet the qualifications specified in Section 5.02.

5.04 Vacancy. If a vacancy occurs on the Board due to resignation, death, end of term or other cause, the Nominating Committee shall 1) seek another appointment from the respective organization/company if it's a standing seat, or 2) or appoint a new Director by following the Nominating Committee process (sec 5.03) ADD: if an appointing company or organization has a change prior to the fiscal year election, a change needs to be submitted in writing to the Board stating the change, reason and time frame for the record. Based on projects or subcommittee involvement, the member being replaced may continue at Board discretion and approval of the standing

organization/company, however, voting rights would go to the newly appointed Board member. If a Board member change affects the Chair or Vice-chairperson positions, new officers must be elected for the remainder of the fiscal year and noted in the minutes to follow sections 6.01 and 6.02. If a member leaving the board for any reason stated above is not in good standing with the representing agency, a meeting would be held in executive session for discussion around immediate termination of a Board Member in regards to committee or project involvement. In the case of criminal action or legal issues, the representing agency has the right to approach the Board in executive session to recommend immediate termination. Final determinations to be made by the current Board of Directors.

5.06 Powers. In addition to the powers set forth in other sections of these By-Laws, the Board shall have the following powers:

- a. to select and remove Officers of the Board, who shall include a Chairman, Vice Chairman, Secretary, and Treasurer, and to prescribe the terms, powers and duties of the officers;
- b. to select the Executive Director and to prescribe his or her compensation, term, powers and duties; to hire employees and consultants to the extent the Executive Director is not authorized to do so; to enter into contracts for services of the Executive Director, consultants and employees;
- c. to conduct and control the business, financial, legal, personnel management and other affairs of the Corporation;
- d. to designate the times and places for the holding of meetings of the Board and of the members of the Corporation;
- e. to change the name of the Corporation;
- f. to borrow money, and to execute and deliver in the corporate name such promissory notes and security instruments as are necessary to facilitate the incurring of debt;
- g. to accept and provide grants;
- h. to appoint such committees as are deemed necessary to facilitate the purposes of the Corporation (the make-up of the committees may include, at the discretion of the Board, members of the Board, participating community members, and/or third parties);
- j. to compensate members of the Board and employees for expenses incurred in carrying out the business of the Corporation.

- k. to contract for such insurance coverage as it deems necessary, including, but not limited to, Director liability coverage.

5.07 Removal. A Director may be removed for cause upon failure by that Director to attend a third of the regular meetings held over the course of one year and/or three consecutive meetings of the Board, criminal action or legal issues in regards to their employment, as a community member, or with their representing agency. Removal shall be by a majority vote of the remaining Directors present and voting on a call for removal, provided a Quorum is present. If a Director is so removed, the Board shall then, or at its next meeting, appoint a Director to replace the removed Director, with the appointee to serve out the term of the removed Director. Vacancies shall be filled as determined in section 5.04.

5.08. Procedures. Meetings of the Board shall be governed by Roberts Rules of Order, as interpreted on any given question by the Chairperson.

5.09 Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business at regular or special meetings. A vote of a majority of the members of the quorum shall apply to any matter on which a vote is taken and shall constitute an action of the Board. In the event of a tie, the Chairman's vote will break the tie.

5.10 Meetings. Regular meetings of the Board shall be held not less than once each calendar month at a time and place specified by the Board. Special meetings of the Board or the Members may be held at such times and places as are specified by the Board. Meetings may be adjourned to such times and places as are designated by the Chairman.

5.11 Open Meeting Law. Provisions of the Open Meeting Law shall apply to the Board and the Corporation when applicable under the circumstances.

5.12 Agendas; Notices. The Board shall adopt agenda and notice requirements for meetings of the Board.

ARTICLE VI

REPONSIBILITIES OF OFFICERS

6.01 Chairperson. Subject to the control of the Board, the Chairperson shall generally supervise the business of the Corporation, preside at meetings of the Board, appoint committees and chairs, and carry out such other duties as are prescribed by the Board. The Chairperson must serve as a Director for one year on the board before becoming Chairperson. The term of the officer shall be for one (1) year. The Board may re-elect the Chairperson for not more than two (2) consecutive terms.

6.02 Vice-Chairperson. The Vice-Chairperson shall carry out the duties of the Chairperson in the absence of the latter, together with such others duties as are prescribed

by the Board or the Chairperson. The Vice- Chairperson must serve as a Director for one year on the Board before becoming Vice-Chairperson. The term of the officer shall be for one year. The Board may re-elect an officer for a consecutive term.

6.03 Secretary. The Secretary shall keep and maintain a record of minutes of all meetings of the Board called by the Board or prescribed by these By-Laws, be the custodian of corporate records other than financial records, and carry out such other duties as are prescribed by the Board or the Chairperson. The term of the officer shall be for one year. The board may re-elect an officer for a consecutive term(s). The Executive Director or Board may approve an appointed recorder for support of his position, not including any Executive Session meetings.

6.04 Treasurer. The Treasurer shall be the chief financial officer of the Corporation, review such financial reports as are required by the Board,, and carry out such other duties as are prescribed these By-Laws or by the Board or the Chairperson. The term of this officer shall be for one year. The board may re-elect an officer for a consecutive term(s). Treasurer to work with the Executive Director and Board appointed CPA firm who will prepare financial reports and will be the custodian of the financial records of the Corporation.

ARTICLE VII

EXECUTIVE DIRECTOR

7.01 Appointment. The Executive Director shall be appointed by the Board on such terms and conditions as are approved by the Board. The Executive Director may be a regular employee of the Corporation or may be hired as an at-will contract employee.

7.02 Authority. The Executive Director, operating under the control of the Board, shall have full administrative authority to direct the operations of the Corporation in a manner consistent with applicable state and federal laws, rules and regulations, these By-Laws, and such policies, programs, and procedures as are from time to time adopted and prescribed by the Board.

7.03 Qualifications. A job description for the position of Executive Director shall be adopted by the Board and reviewed as needed or deemed necessary by the Board. Final selection of the Executive Director shall be by the Board.

7.04 Absence. In the case of the absence of the Executive Director or any inability to carry out the duties of the office, such duties shall be carried out as directed by the Chairperson with the consent of the Board.

7.05 Personnel Management. The Executive Director shall hire, terminate where necessary, and supervise employees, contractors and agents of the Corporation in a manner consistent with personnel policies or directives adopted by the Board. Contracts for all such personnel shall be approved by the Board before taking effect. The Executive Director shall notify the Chairperson prior to termination of any employee.

7.06 Budget. The Executive Director shall be responsible for the preparation of the annual budget of the Corporation at such time and in such manner as is directed by the Board.

7.07 Compliance. In addition to such other duties as are prescribed by the Board, the Executive Director shall be familiar with and assure compliance by the Corporation with the California Non-profit Mutual Benefit Corporations law (Government Code Sections 7110, *et. seq.*), and in particular with the provisions of Government Code Sections 8320-24 relating to required records and reports.

ARTICLE VII **FISCAL MATTERS**

8.01 Fiscal Year. The fiscal year of the Corporation shall be the fiscal year unless otherwise designated by the Board, July 1 – June 30th.

8.02 Records. The Board, acting by and through the Treasurer, shall keep accurate records and accounts of the business of the Corporation in such manner as will allow the records to be delivered from time to time in printed form.

8.03 Reports. The Board shall direct the preparation of and shall adopt an annual report disclosing the fiscal affairs of the Corporation. The report shall be available to any other persons or entities approved by the Board.

8.04 Budget. On or before sixty days prior to the next fiscal year, the Board shall adopt an annual budget for that year. Any expenditure outside of the adopted budget needs to be approved by a majority vote of the Board.

ARTICLE IX **LIABILITY LIMITATIONS**

9.01 Liability. Nothing in these By-Laws or in any document related to the Corporation shall have the effect of causing Members, Officers, Directors, employees or agents of the Corporation to be partners as a matter of law. No Member, Officer, Director, employee or agent of the Corporation shall be liable for any acts or failures to act of the Corporation and/or its Members, Officers, Directors, employees or agents.

9.02 Director Liability. The liability of a Director for monetary damages shall be eliminated to the fullest extent allowed by law. No modification of the provisions of these By-Laws, and no action of the Board or Corporation, shall adversely affect any right or protection of a Director. The Board shall carry D&O liability coverage for the Board of Directors.

ARTICLE X
CONFLICTS OF INTEREST

10.01 Prohibition. No Director, Officer, contracting party, or employee of the Corporation (collectively an “interested person”) shall participate in any act which constitutes a conflict of interest as defined in this Article.

10.02 Definition. An interested person has a conflict of interest if the interested person, a business which he owns or operates, his spouse or any member of his family, may directly benefit from an action taken by the Corporation or the Board. A direct benefit means a benefit to the interested person which is different from or in addition to a benefit or benefits which would generally accrue to persons or entities involved in the tourism industry in the Town.

10.03 Further Definitions. In addition the foregoing and to any other conflicts of interest that may be described by the Board by resolution, the following constitute conflicts of interest. The interested person:

- a. is a party to, or owns (in whole or in part, excepting stock corporations) a business which is a party to, a contract or involved in a transaction with the Corporation;
- b. has a material financial interest in a transaction between the Corporation and entity in which he is a director, officer, agent or employee;
- c. has a material financial interest in or is a director, officer, agent or employee of any person or entity that competes with the Corporation.

10.04 Material Financial Interest. A material financial interest is a financial interest of any kind such that it would, or reasonably would be expected to, affect an interested person’s judgment with respect to an action related to the Corporation.

10.05 Gifts. No Director or Officer shall accept a gift or gratuity from any person or entity that is involved in the tourism industry in the Town unless that gift or gratuity is generally made available to other persons in the industry.

10.06 Form 700. All Board Members must sign, annually, a Form 700 to be kept on file by Secretary.

ARTICLE XI
MISCELLANEOUS

11.01 Dedication of Assets. The properties and assets of the Corporation are irrevocably dedicated to the purposes of the Corporation as set forth in these By-Laws. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person, or any Member or Director. On liquidation or dissolution, all properties and assets shall be distributed to one or more non-profit entities organized in whole or in part for the purpose or promoting tourism in the Town. Any such entity shall have established its tax exempt status under Section 501(c)(6) of the Internal Revenue Code. In the event no such entity exists, the assets and properties shall be distributed in a manner consistent with applicable provisions of the California Non-profit Mutual Benefit Corporations law.

11.02 Inspection of Records. The records of the Corporation shall be open for inspection for legitimate purposes by Directors during regular office hours.

11.03 Amendments. These By-Laws may be amended by a majority vote (four votes) of the Directors.

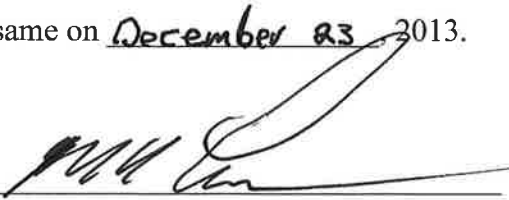
CERTIFICATION

The undersigned hereby certifies:

That I am the duly elected and acting Secretary of the Corporation;

That the foregoing By-Laws constitute the By-Laws of the Corporation duly adopted by the Board of Directors of the Corporation at its regular meeting of _____, 2013.

IN WITNESS WHEREOF, I certify the same on December 23, 2013.



SECRETARY OF THE CORPORATION

MAMMOTH LAKES CRIB UPDATE



2018 MAMMOTH LAKES ATHLETE SUCCESSES (SO FAR!)

DESIREE LINDEN: 1ST, BOSTON MARATHON

KATIE HALL: 1ST OVERALL, TOUR OF CALIFORNIA, TOUR
OF THE GILA & JOE MARTIN STAGE RACE

TOMS SKUJINS: TOUR DE FRANCE KOM, STAGES 5-9,
TOUR OF CALIFORNIA KOM AND STAGE 3 WINNER

KOEN NAERT: 1ST, EUROPEAN MARATHON
CHAMPIONSHIPS



ENDURANCE DESTINATION COVERAGE FROM:

**RUNNER'S
WORLD**

**Sports
Illustrated**

ESPN

UPROXX **WOMEN'S
Running**

competitor
RUNNING

bon appétit





ENDURANCE DESTINATION COVERAGE OVERVIEW

Media Coverage: 2018 (so far!)

13
Placements

62.9M
Impressions

ROI

Ad Equivalency:
\$188K (CPM: \$3)

BRAND CONNECTIONS

CLIF BAR

- In-crib product for athlete use
- Expanded partnership opportunities

SPECIALIZED

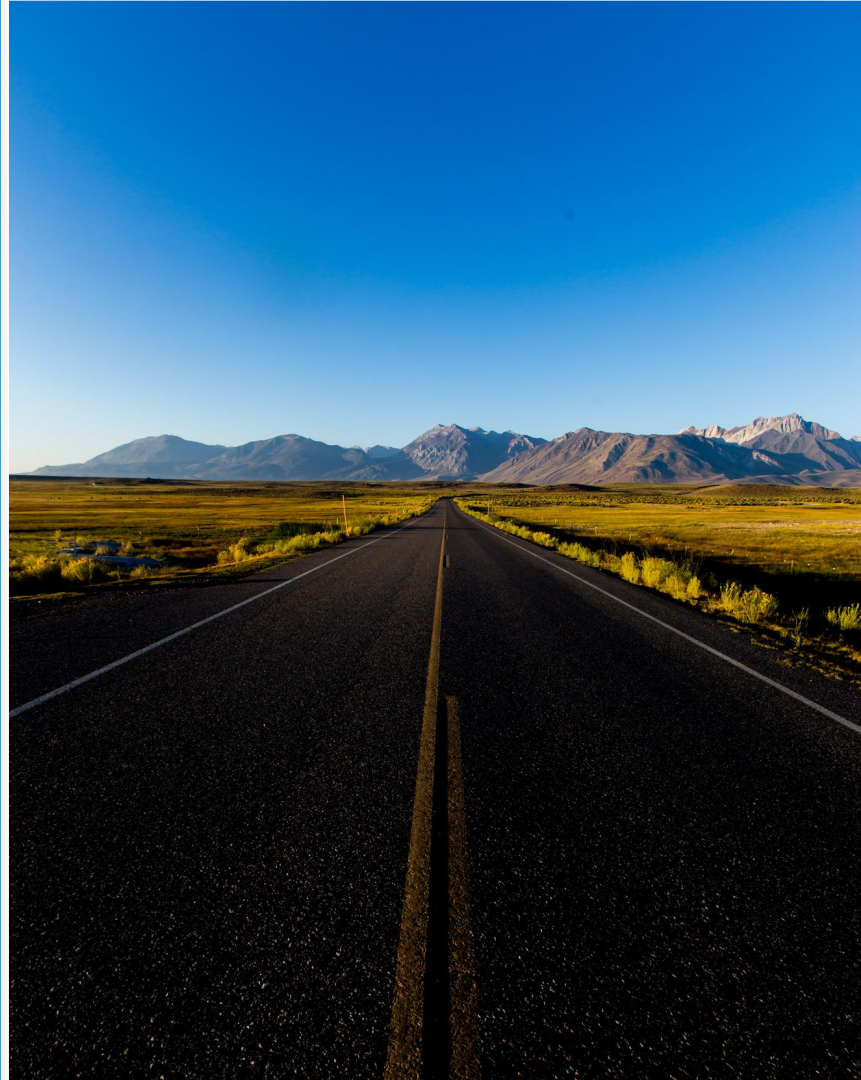
- Hosted engineering team testing new product
- Potential to host team athletes on both the road and MTB side

WOMEN'S RUNNING

- Video series
- Hosted retreat a possibility


VELOCIO

- Hosted team athletes
- Created co-Branded content




CRIB ATHLETE SOCIAL REACH - MARCH-SEPT

TOTAL NUMBER OF
TAKEOVERS: 12



Profile of **David Laney** (@davidlaney12). The profile shows a circular profile picture of a man in a dark jacket sitting outdoors. The name is **David Laney**, and the bio reads "Trails and Tarmac // Nike Trail // Spring Energy // Trail Butter" with the website trailsandtarmac.com. The account has 591 posts, 35.2k followers, and is following 352 accounts. The "Following" button is highlighted.

TOTAL NUMBER OF
POSTS: 55



Profile of **Ted King** (@iamtedking). The profile shows a circular profile picture of a man wearing a white cycling helmet and sunglasses. The name is **Ted King**, and the bio reads "I wear spandex and pedal a bicycle for a living / Represented by @corsosports. Come ride with me at @kingchallengeride this Oct 20!" with a link to itunes.apple.com/us/podcast/king-of-the-ride/id1390373151?mt=2&i=100042.... The account has 1,196 posts, 27.8k followers, and is following 991 accounts. The "Follow" button is highlighted.

TOTAL NUMBER OF
ATHLETE FOLLOWERS
REACHED: 109,449



Profile of **Mammoth Track Club** (@mammothtc). The profile shows a circular profile picture with a mammoth logo and the text "MAMMOTH TRACK CLUB" and "EST. 2001". The name is **Mammoth Track Club**, and the bio reads www.on-running.com/en-us/articles/andrew-kastor-on-the-tight-knit-mammo.... The account has 246 posts, 3,106 followers, and is following 0 accounts. The "Following" button is highlighted.

NEW FOR THIS WINTER:

TARGETING:

- NORDIC
- RUNNERS
- SKI-MO
- BRAND TEAMS & ATHLETES

USSA ATHLETE/ COACH OUTREACH:

- TY WALKER, 2014 & 18 OLYMPIAN
- NOAH HOFFMAN, 2014 & 18 OLYMPIAN
- RICKY BOWER, OLYMPIAN & CHLOE'S COACH

SALOMON NORDIC TEAM



Transient Occupancy Tax
Collection through July 2018

1. TOT REVENUE COLLECTIONS by FISCAL year

Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2006-2007	633,290	718,371	404,545	240,541	275,921	1,455,122	1,694,967	1,583,253	1,249,350	765,323	241,871	363,886	9,626,441
YTD collection as % of Full Year	6.6%	14.0%	18.2%	20.7%	23.6%	38.7%	56.3%	72.8%	85.8%	93.7%	96.2%	100.0%	
2007-2008	690,020	850,958	382,541	191,090	202,902	1,533,030	1,926,497	1,890,372	1,731,631	612,581	245,108	410,409	10,667,140
YTD collection as % of Full Year	6.5%	14.4%	18.0%	19.8%	21.7%	36.1%	54.2%	71.9%	88.1%	93.9%	96.2%	100.0%	
2008-2009	726,465	973,679	379,849	232,427	247,085	1,591,709	1,561,523	1,477,336	1,028,558	774,003	299,287	364,787	9,656,710
YTD collection as % of Full Year	7.5%	17.6%	21.5%	23.9%	26.5%	43.0%	59.2%	74.5%	85.1%	93.1%	96.2%	100.0%	
2009-2010	745,522	866,044	421,313	210,599	207,989	1,735,454	1,680,851	1,687,536	1,263,038	971,363	303,667	383,274	10,476,648
YTD collection as % of Full Year	7.1%	15.4%	19.4%	21.4%	23.4%	40.0%	56.0%	72.1%	84.2%	93.4%	96.3%	100.0%	
2010-2011	833,692	934,572	471,581	229,609	302,314	1,948,908	1,685,322	1,672,809	1,338,133	985,285	355,833	451,080	11,209,138
YTD collection as % of Full Year	7.4%	15.8%	20.0%	22.0%	24.7%	42.1%	57.1%	72.1%	84.0%	92.8%	96.0%	100.0%	
2011-2012	947,459	1,061,627	566,993	276,436	314,244	1,666,408	1,042,470	1,213,076	1,193,988	753,998	307,818	536,020	9,880,538
YTD collection as % of Full Year	9.6%	20.3%	26.1%	28.9%	32.1%	48.9%	59.5%	71.7%	83.8%	91.5%	94.6%	100.0%	
2012-2013	1,035,276	1,101,555	569,118	287,742	286,349	1,758,887	1,856,579	1,703,985	1,426,186	683,196	392,990	613,159	11,715,023
YTD collection as % of Full Year	8.8%	18.2%	23.1%	25.6%	28.0%	43.0%	58.9%	73.4%	85.6%	91.4%	94.8%	100.0%	
2013-2014	1,075,023	1,134,699	533,790	306,359	317,763	1,620,490	1,284,026	1,174,950	1,205,504	662,531	376,019	672,104	10,363,258
YTD collection as % of Full Year	10.4%	21.3%	26.5%	29.4%	32.5%	48.1%	60.5%	71.9%	83.5%	89.9%	93.5%	100.0%	
2014-2015	1,175,232	1,261,290	614,628	378,296	326,836	1,815,044	1,659,854	1,451,851	1,015,507	459,664	377,564	773,232	11,308,997
YTD collection as % of Full Year	10.4%	21.5%	27.0%	30.3%	33.2%	49.3%	63.9%	76.8%	85.8%	89.8%	93.2%	100.0%	
2015-2016	1,414,925	1,323,904	782,030	470,450	589,215	2,282,317	2,371,826	2,238,590	1,897,371	830,614	526,861	1,005,404	15,733,507
YTD collection as % of Full Year	9.0%	17.4%	22.4%	25.4%	29.1%	43.6%	58.7%	72.9%	85.0%	90.3%	93.6%	100.0%	
2016-2017	1,716,610	1,535,475	1,004,815	567,405	534,223	2,370,978	2,656,510	2,475,292	2,030,473	1,599,673	673,512	926,497	18,091,464
YTD collection as % of Full Year	9.5%	18.0%	23.5%	26.7%	29.6%	42.7%	57.4%	71.1%	82.3%	91.2%	94.9%	100.0%	
2017-2018	1,753,735	1,570,110	1,050,037	612,877	601,343	2,362,405	2,515,665	2,168,214	2,351,036	1,242,482	608,463	1,031,033	17,867,401
YTD collection as % of Full Year	9.8%	18.6%	24.5%	27.9%	31.3%	44.5%	58.6%	70.7%	83.9%	90.8%	94.2%	100.0%	
2018-2019	1,755,427	1,453,342	-	-	-	-	-	-	-	-	-	-	3,208,768
YTD collection as % of Full Year	54.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
% change from prior year	0.1%	-7.4%	4.5%	8.0%	12.6%	-0.4%	-5.3%	-12.4%	15.8%	-22.3%	-9.7%	11.3%	-1.2%
Average monthly collection prior 3 yrs	1,628,424	1,476,497	945,627	550,244	574,927	2,338,567	2,514,667	2,294,032	2,092,960	1,224,256	602,945	987,645	17,230,790
Average Monthly collection as % of Full Year	9.5%	8.6%	5.5%	3.2%	3.3%	13.6%	14.6%	13.3%	12.1%	7.1%	3.5%	5.7%	100.0%
Average YTD collection as % of Full Year	9.5%	18.0%	23.5%	26.7%	30.0%	43.6%	58.2%	71.5%	83.7%	90.8%	94.3%	100.0%	

2. TOT Budget and Estimates (FY 2018-19)

FY 18-19 BUDGETED full-year revenue	Rate	13,500,000	Estimated Reserves (*)
less Tourism	18.08%	2,440,000	\$ 175,666
less Housing	6.54%	882,692	\$ 63,539
less Transit	6.54%	882,692	\$ 63,539
Net to Town's General Fund		9,294,615	

* Based on performance to budget YTD, final reserve account balances will be determined by actual performance to budget at completion of Fiscal Year

FY 18-19 BUDGETED monthly revenue	Quarter Total: 2,978,000			Quarter Total: 2,781,000			Quarter Total: 5,539,000			Quarter Total: 2,202,000			13,500,000
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Full-Yr Total
	1,175,000	1,062,000	741,000	431,000	450,000	1,900,000	2,050,000	1,850,000	1,639,000	950,000	472,000	780,000	13,500,000

FY 18-19 ACTUAL collection	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	1,755,427	1,453,342	-	-	-	-	-	-	-	-	-	-	3,208,768

FY 18-19 Differences: Budget vs Actuals YTD	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	580,427	391,342	(741,000)	(431,000)	(450,000)	(1,900,000)	(2,050,000)	(1,850,000)	(1,639,000)	(950,000)	(472,000)	(780,000)	(10,291,232)
Percent over/(under) budget	49%	37%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-100%	-76%

Cumulative difference to date: **971,768** **43%**

Cumulative actual to last year actual difference to date: **(115,077)** **-3%**