



Mammoth Lakes Tourism Monthly Board Meeting

Wednesday, March 7, 2018 - 1:00-3:00pm 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 – Brent Truax, Board Chairman**
2. **Roll Call – Brent Truax – *Chairman*** (Chamber no term), **John Morris – *Treasurer*** (Lodging June 2018 3-year term), **Kirk Schaubmayer – *Vice Chairman*** (Lodging June 2018 2-year term), **Michael Ledesma – *Secretary*** (Restaurant June 2020 3-year term), **Colin Fernie** (Town Council no term), **Sean Turner** (Retail June 2020 3-year term), **Eric Clark** (MMSA no term), **Paul Rudder** (At-Large June 2019 2-year term), **Scott McGuire** (At-Large June 2018 2-year term)
3. **Board Member Comments/Reports/Agenda Additions**
4. **Public Comment –** Please limit to three minutes or less
5. **Minutes –** Approval of past meeting minutes from February 7th
6. **Presentation –** Proposition 68 “The CA Clean Water & Safe Parks Act” - John Wentworth, MLTPA – **5 minutes**
 - a. <https://yes68ca.com/>
7. **New Business**
 1. Prop 68 discussion and vote for MLT to sign endorsement – **5 minutes**
 - a. Proposition 68 would authorize \$4 billion in general obligation bonds for state and local parks, environmental protection and restoration projects, water infrastructure projects, and flood protection projects. Assuming a 3.5 percent interest rate over a 30-year period, the bond issue would generate \$2.53 billion in interest, meaning the state would spend \$6.53 billion to pay off the bond issue.[1]
 - b. The measure would require that between 15 and 20 percent of the bond’s funds, depending on the type of project, be dedicated to projects in communities with median household incomes less than 60 percent of the statewide average; that 60 percent threshold amounted to about \$39,980 in 2016. The largest amount of bond revenue—\$725 million—would go toward neighborhood parks in park-poor neighborhoods in accordance with the Statewide Park Development and Community Revitalization Act of 2008's competitive grant program. The measure would also reallocate \$100 million in unissued bonds that voters approved via Proposition 1 (2014), Proposition 84 (2006), and Proposition 40 (2002). The measure would distribute bond revenue as follows:[1]
 2. Los Angeles Kings update, discussion and vote on Letter Agreement w/ Mammoth Resorts– **20 minutes**
 - a. MLT is recommending a Letter Agreement between our organization and Mammoth Mountain to join forces on a 6 year promotional deal with the Los Angeles Kings. The deal points include MLT paying one hundred thousand dollars towards the annual fee and receiving the final one-third of the home gam promotion. MLT has developed the assets needed and can be ready to promote Spring, Summer and Fall as soon as the March 10th home game. Assets include 30 second video, 15 second PA announcements and logo presence on scoreboard and arena “halo” LED display boards. Fund for this project would come from the MLT and Town Council Joint fund and we would set aside the \$600,000 for the length of the deal into a reserve account in this fiscal year. Through January this fund has \$566,000 accumulated from TOT collections above and beyond budget. Town Council will be looking to approve this arrangement at tonight’s meeting.
 3. TBID renewal update and discussion – **10 minutes**

- a. At the February 21st Town Council meeting it has been requested that MLT come back to the Town Council with a Resolution of Intent on or before the April 18th meeting which would begin the 60 day public hearing and approval process resulting in Resolution of Formation of the TBID at the June 20th Town Council meeting. Progress on the renewal is coming along well and it is anticipated that we should have all of the petitions needed for the Resolution of Intent to the Town Clerk by April 1st.
- 4. Airport update and discussion from recent meetings (report out Ledesma and Urdi) – **20 minutes**
 - a. This will be a brief update from the recent staff airports meeting that was attended by TOML staff, Inyo County Staff, MLT staff and board members and MMSA staff to discuss the future and direction for developing consistent, reliable and sustainable air service to the Eastern Sierra region. Attending for MLY was John Urdi, Michael Ledesma and Paul Rudder.
- 5. MLT contract committee – **10 minutes**
 - a. Mammoth Lakes Tourism’s agreement with the Town of Mammoth Lakes to provide marketing services is set to expire June 30, 2018. MLT would like to see the future agreement coincide with the 10 years of the new TBID so running July 1, 2018 through June 30, 2028. MLT board members who will be working with town staff to develop this agreement are Eric Clark and Paul Rudder.

8. MLT Team Presentation Schedule – 20 Minutes

March 7 th	Chamber update – Ken Brengle
April 4 th	TBD

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

- 1. Marketing Update – Whitney Lennon
- 2. Communications/PR –Lara Kaylor
- 3. Air Service Update – John Urdi

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

- 1. TOT & TBID – review previous months results
- 2. Cash Flow and CDARS info – discussion of current bank balances and reserve account activity
- 3. P&L Reports
- 4. Financial Audit – John Morris
- 5. Budget Timing

11. MMSA Update – Eric Clark – 5 minutes

12. Key Takeaways

- 1. January came in at \$2,469,758 down from the previous record (2016) by -\$186,752 which is 7% (January 2018 is the second highest TOT collection month EVER – behind January last year)
- 2. YTD TOT is +\$28,009 to the previous record (2016) and +\$3,135,720 to 2017-18 TOT budget YTD

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



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Meeting Agenda

1. **Call Meeting to Order** – called to order at 1:05pm by Vice Chair Kirk Schaubmayer
2. **Roll Call – Present:** Brent Truax (1:26 pm), John Morris, Kirk Schaubmayer, Michael Ledesma, Sean Turner, Eric Clark, Paul Rudder, Scott McGuire.
Absent: Colin Fernie
3. **Board Member Comments/Reports/Agenda Additions**
 - a. Sean Turner: If possible I would like to get staff memos and updates prior to going into the meeting. I would like to get some more background before discussion.
 - b. John Morris: Brought to my attention that Mono County has sent out an assessment letter to people who are nightly renting their properties, talking about assessing their interior furnishings in accordance with Proposition 13; came from County Assessor's office and the first we have ever seen. Will be reaching out on behalf of the Lodging Association and coming back to the next meeting with more information.
 - i. Kirk Schaubmayer: We received letter as well.
 - c. Michael Ledesma: Mammoth Film Festival starts tomorrow night with screenings all through the weekend, awards will be done at Canyon Lodge on Sunday night with an after party at Gomez's starting at 10pm.
 - d. John Morris: Last Lodging Association had a great session with Clint Ostler from Embark Aviation on air service marketing and the tool kit that is now available on the Industry site (industry.visitmammoth.com). There is a lot of easy cut and paste things to add to your current newsletters; a lot of stuff already done for the whole community to help market air service. Really nice to see that and to have that available to all of our partners in Town and Region.
4. **Public Comment** – none
5. **Minutes** – Approval of past meeting minutes from January 3rd
 - a. John Morris made a motion to approve; Paul Rudder gave a second. Unanimously approved.
 - b. **Scott McGuire requested that action items be put into bold font so that they are easier to see what the call to action was or what the next steps were.**
6. **Presentation** – Mammoth Track Club – Andrew Kastor
 - a. Thank you to Mammoth Lakes Tourism for support; going to give an overview of where Mammoth Track Club has come from and where we are going, what our goals are. (Brent arrived at 1:26pm) Non-Profit; 501c3 - get status from Roadrunners Club of America, umbrella of running clubs from all over America. Reviewed current Board members, past and present coaching staff and athletes. Annual sources of funding since 2013: MMSA donates 2 condos to athletes valued at \$94,000 a year (seven bedrooms); Mammoth Lakes Tourism donates \$30,000, as well as The Crib which has allowed us to bring in more athletes; Local races produce between \$5-10,000 in fundraising; LeFrak Family out of New York donates \$5,000 annually; Other sponsors and events produce donations of products and funding; Mammoth Hospital donates in kind testing and other medical services; Snowcreek Athletic Club donates 10 memberships to the team.
 - b. In the year, 2000 we sent one man and one woman to the Olympic qualifiers; recruited Bob Larsen who had experience bring athletes to elevation to train. In 2004, we then put one man and one woman on the podium in the Olympics. Big success in a short time. Ten athletes have made an Olympic Team while training with the Mammoth Track Club.
 - c. Vision moving forward is to develop athletes who will be competitive on a National and International level in Cross-Country, Track and Road Races; field a roster of 4-5 men and 4-5 women who have goals of competing at and excelling in U.S., World and Olympic championships; give back to the community of Mammoth Lakes, via public outreach and global promotion. Andrew reviewed how they pick athletes for the team. Andrew then reviewed contributions to the Community: Talks in the Park, running concierge

for elite runners from around the world, two local races – the Freedom mile, Mammoth Lakes Turkey Trot. See a real opportunity for Mammoth Lakes to be a global hub for High Altitude training going into the 2028 Olympics in Los Angeles. Positioned nicely because we also have a low elevation training ground in Bishop. Would like to bring in athletes from around the world and expose them to high and low altitude combined training. Need to develop a low elevation track to really be competitive with other training areas in the U.S.

7. New Business

3. TBID renewal update (includes LA Kings and Special Events Update) – John Urdi reviewed status of TBID and the next steps to the renewal process; still waiting on one rather large petition to get signed; once all petitions are signed they are brought to the town for review and acceptance, then we go before Town Council for the Resolution of Intent. Starts a 60 day public hearing and public meeting process. At the end of those 60 days, the Town Council would hear and pass a Resolution of Formation. The hope is for all of that to happen before the new Town Council and prior to expiration of current TBID, August 31. If is not renewed by August 31, there will be a lag time in collections for businesses and that may be very difficult to communicate and deal with. Reviewed updates from the LA Kings deal - Kings need to make a decision by the end of next month. At this time, we may not be far enough along with the TBID to make a financial commitment; I would recommend that we table the Kings decision on our end – still going to meet with the Mountain to discuss assets to see what we can do there in case a deal still goes forward on their end. Similarly, would like to table special events position until we know where the funding is coming from and the TBID is in place. Don't want to commit dollars past what we have coming in. Goal is to get the TBID renewal done and then revisit these commitments.
 - a. Sean Turner: Special events are rightly on hold; would love to see the Kings deal happen; my understanding is that the hold up is with the TBID is the Mammoth Resorts petition. What is going to take to get it signed?
 - b. John Urdi: Conversation still revolves around airports. Been some suggestions to the Town to using some of the TBID funding towards airports, which may or may not be in our best legal interest.
 - c. Sean Turner: Is it legal to use funds from TBID on airport?
 - d. John Urdi explained possible legal issues with using TBID dollars towards air service in Bishop; not illegal but there is risk regarding proposition 26 which states that TBID funds need to “provide specific benefit to those who pay into the fund”; had conversation with John Lambeth at Civitas about other district challenges associated with special benefit. Pretty sizable risk to spend dollars outside of the district, in other words at an airport in Bishop. Possible to use dollars to subsidize portions of flights were we know people are coming to Mammoth Lakes, and possible to subsidize the transportation to get people from Bishop to Mammoth Lakes. Other uses at the airport in Bishop aren't as clear what the benefit to Mammoth Lakes may be. A lot of moving parts and opens us up to risk.
 - e. Eric Clark: From the Mountain's perspective, looking at dollars we contribute to the TBID we really want that to go towards developing air service and feel there is a huge potential to develop our air service to destination air service, with long haul flights. With new company affiliation we know we have a lot of pass holders in these long range destinations, and we want to look at how we can bring more people to Mammoth Lakes, and air service is a way to do that. The reason the TBID is being held up is because Mammoth Mountain would really like to understand what the strategy with air service is. The FAA visit was very informative; very supportive of both airports. Our perspective is how do we develop the commercial air service at Bishop airport, and a funding mechanism to help in those efforts. Mountain thinks it will be very hard to further develop air service in Mammoth Lakes.
 - f. Scott McGuire: We have a TBID that is up for renewal now, and say the county is able to raise funds and FAA make the airport compliant in three years; we aren't going to have a strategy that is in place in the next six months, is the Mountain comfortable with holding up TBID and potentially bankrupting the TBID market for the Town of Mammoth Lakes in absences of that strategy?
 - g. Eric Clark: We would like to see us work towards that strategy and get something in place; can we re-write the TBID to working towards that two/three-year plan for Bishop?

- h. John Urdi reminded the Board that any changes to the management district plan, it has to go out to petition again.
 - i. Paul Rudder: Seems like there is an undercurrent that the Mountain understands what can be accomplished in the time period of the TBID now but is looking at this organization to give some sort of commitment that we are willing to move forward with incorporating Bishop into our transportation scheme. I think I understand where the Mountain is coming from in regards to make air service consistent. This organization needs to decide where it is going with air service and in my opinion that means taking a position on airports, because we are spending a whole lot of money subsidizing air service and if the plane has nowhere to land, then it's a waste. And that's the position we are in now. Bishop is a potential solution and I think if we gave the Mountain the impression that we would do everything we can through this organization to develop Bishop in concert with Mammoth, the mountain would take that.
 - j. Eric Clark: Mountain is saying that we believe FAA controlled, commercial air service is better served in Bishop. We aren't looking to gut Mammoth, just to transfer it, and start putting our resources to that.
 - k. Brent Truax: I took away a little different opinion from the FAA visit – I took it that we might have the best of both worlds with both airports. But what are the true costs of developing the airport in Bishop. We are being asked to make a financial commitment without all the facts and recommendations in place. The Mountain is looking to get a financial commitment from us at the end of the day, even if we don't know what that amount is.
 - l. Eric Clark: We aren't asking specifically for a check, but we are looking to see how we could develop a funding mechanism to help transfer that airport into a working commercial airport. It is an intent, without knowing how much it will cost. We go back to the original amount dedicated to the TBID through pass sales, 2% of season pass sales was originally dedicating to go to air service - so when we look at the renewal, what bucket of money could we create from our contributions and others that would go towards air infrastructure or air service.
 - m. Brent Truax: We are having a conversation based on hypothetical; basically we need regional air service. What does that look like? There is dialog that needs to continue to figure that out. I think lapsing the TBID would be very bad for our area; there is a direct tie between how we are doing with little snow and our marketing dollars spend. To me it's more about do we support air service or not, what does that look like, and what are going to be the increased costs to support it. Until that conversation is complete, there is nothing to bring to the Board as an answer, all we are doing is speculating.
 - n. John Morris: I would like to bring this back to the original conversation; I agree with John that because the LA Kings partnership and the special events position are future funded, and because we dont have the TBID inked at this point, those two things should be put on hold until that is solved.
 - o. Brent Truax: I would like to move to number 3 because that is a part of this but bringing this back to Special events and the LA Kings agreement, I'm not looking for a vote but we need at least consensus and staff direction as to how to move forward here.
 - p. Sean Turner: What is going to be the process for making the decision if we are able to do a deal with the Kings? John Urdi restated that without the TBID signed, he would not be recommending signing off on that deal based on funding alone. It is ultimately the Board's decision but he would not recommend it.
 - q. **Brent Truax asked for consensus on putting the LA Kings deal and special events on hold until the TBID issues are resolved. All agreed** and then he moved the conversation to New business item number 3.
3. Air representation regarding MMH and BIH discussion & appoint two board members –
- a. Brent Truax asked the Board for 2 people to represent the Board at these meetings and bring us more information; Eric Clark provided information to the Board on conversations between Inyo County and the FAA so far. John Urdi clarified that the Board is not being asked to join MIWAG but to have representatives with John Urdi when he meets with the Town or the Mountain on this topic. **Brent Truax and Michael Ledesma volunteered.** Eric Clark recused himself and Colin Fernie was recused due his inclusion on Town Council. **Paul Rudder also volunteered. Board**

agreed three people to represent Mammoth Lakes Tourism, with John Urdi, in meetings with the Town and Mammoth Mountain on air service.

- b. **Sean Turner reiterated that he would like to see memos from Staff with informational updates prior to Board meetings requiring discussion and/or a vote.**
2. Chamber of Commerce funding increase discussion and vote – (taken after #3) reviewed information provided at last meeting in regards to what the increase in funding will be used towards. **Paul Rudder motioned to approve the Chamber’s request for increased funding. John Morris gave a second - unanimous approval**
4. Vehicle partnership and purchase/lease discussion give staff direction (Board update only) – John Urdi reviewed issues with current vehicles and possible partnership with a southern California dealer. Brent Truax asked if there would be any option to open up this partnership to other business in town. John Urdi has begun to look into the fleet pricing options for Town, as well as possible other business. Unsure what the dealership would be able to do that; proposals almost done would include deliverables that we would give back. Hoping to sign someone on for a \$50-\$100,000 partnership.

8. MLT Team Presentation Schedule – International Update

- a. Michael Vanderhurst provided an update to the Board on where we are in International markets and with international agencies. Reviewed previous 2016 growth in spending by international guests. Data compiled based on Visa purchases. 2017 spending for international guests in Mammoth was up 10.6% over 2016, great year over year growth, when considering that in general for the US visitation from international guests is down about 4%. Michael then provided individual analysis of each international market, spend comparison, marketing/PR value. Nice bump in the french market: spend is up by almost 15%; Italian spend is up almost 13% - contract is only for \$15,000 and we get almost \$325,000 in ad placement value; German markets have declined due to current political situation in the US; Trump Slump; Australian/New Zealand has phenomenal growth – 72%, able to uniquely position visiting Mammoth along with other hot spots in California – other resorts can’t do that except Japan; China hard to track due to they don’t often use Visa, use UnionPay/Discover or Cash. Great lift in all other markets.
- b. Potential Future Markets: Mexico, Canada, Brazil, Spain, India. For this past year we saw 40% growth in spend from Mexico and Canada visitors. Visit California is going to go all in on India and so we are looking at what the traffic could be here.
- c. Michael Vanderhurst reviewed international messaging based on seasons, overview of the strategies for International sales, future opportunities and threats.

9. Department Updates –

1. Marketing Update – No marketing update as Whitney is out with a family emergency; Virtual Reality is debuting at Trade Shows; Looking at Strategy and Budget meeting in April; Summer marketing kicks off next week; website usability study ongoing.
 - a. Scott McGuire: **request for the strategy budget meeting, can you provide us with strategy and budget in advance so we can review and then use that session to ask questions.**
2. Communications/PR –Lara Kaylor: we are official in escrow for a new crib, have athletes lined up starting at the beginning of March; Will have a get together once Escrow closes; Also working with the Mountain on banners for Olympic athletes.
3. Chamber update – skipped, they will give a full presentation at next month’s meeting.
4. Air Service Update – John Urdi reported on air service; Blended cancellation rate for the year is 6.23%; SFO and San Diego are at 4.3%; LAX is at 6.7% and JetSuiteX has not cancelled and only had to divert to Bishop once so far. Through February 6th for the year, LAX is up 2,945 passengers; San Diego is up 1071 and SFO is up 188 and JetSuiteX is up 147; Up 4,351 total round-trip compared to last year. Subsidy for December came in a little higher due to cost structure and effective rate.

10. Financial Reports – An update regarding the financial health of the organization

1. TOT & TBID – review previous months results
 1. Year over Year for December TOT is down by only 1.1%; second best December ever. TBID was down 1.3% to budget for December; Year to date the TBID is down .14%
2. Cash Flow and CDARS info – discussion of current bank balances and reserve account activity

1. CDARS - For Measure A: \$1.25 million, \$500,000 will be cashed out tomorrow for The Crib; TBID has \$2.5 million, \$1 million will be taken out to support increases to budget for this next year; \$500,000 was savings from air service, the other \$500,000 was committed to budget this year above and beyond.
 2. Measure A checking balance = \$1.982 million; savings = \$5,010; may seem inflated but we are getting paid quarterly by the town now, where previously we were being paid monthly.
 3. TBID checking balance = \$411,000; savings \$5,000; Quarterly payment from the town was \$1.227 million.
3. P&L Reports: sent out yesterday; few things are timing but everything else is right on track.

11. MMSA Update – Eric Clark – Alterra Mountain Company is the new name, also new Pass: Ikon Pass. The whole concept about coming together was about being inclusive and coming out with this pass product; exciting and great to see come to fruition. Rusty Gregory is the new CEO of Alterra Mountain Company. Skier visits: even with less snow than we would like, through January we were only down 0.5% of skier visits compared to last year. Bear and Snow Summit do not have the same results.

12. Key Takeaways

1. December came in at \$2,339,993 down from the previous record (2016) by -\$30,985 which is 1.1%
2. YTD TOT is +\$197,929 to the previous record (2016) and +\$2,507,080 to 2017-18 TOT budget YTD

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

Brent Truax adjourned the meeting at 3:10pm



Town of Mammoth Lakes
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www.townofmammothlakes.ca.gov

February 22, 2018

John Urdi, Executive Director
Mammoth Lakes Tourism

Via – Email

John,

The Town Council received a brief update on the proposed renewal of the Tourism Improvement Business District at their meeting on February 21, 2018. The update provided a brief background on the TBID, formation process, and a review of the metrics used to gauge the success of the TBID. The metrics were taken from the report prepared by Tourism Economics for MLT.

The Town Council expressed support for the TBID and stressed the importance of the timing of its renewal. The renewal of the TBID has a significant influence on the Town's budget and an even greater impact on MLT's Budget. Therefore, knowing the status of the TBID renewal is a key factor as the Town proceeds to develop its FY18-19 budget.

The Council's request is to have an update on the status of the TBID and the resolution of intention prepared for Council consideration on or before April 18, 2018. If the renewal of the TBID has not received the support that is necessary by this date, we will begin to prepare a Town budget on the assumption that revenues from the TBID will not be available for FY18-19 after September 1, 2018.

I know that you, the MLT Board and the TBID committee are working on the renewal process. I need to stress the importance of the timing and the financial planning and budgeting effort that it affects.

Please let me know if you have any questions or if we can be of any assistance.

Sincerely,

Daniel C. Holler
Town Manager

cc: Town Council



Mammoth Lakes Tourism
PO Box 48
2520 Main Street
Mammoth Lakes, CA 93546
(760) 934-2712

March 8, 2018

Mark Brownlie
President and COO
Mammoth Resorts, LLC
PO Box 24
Mammoth Lakes, CA 93546

RE: LETTER AGREEMENT WITH MAMMOTH LAKES TOURISM AND MAMMOTH RESORTS, LLC

PARTIES: This letter shall be our agreement (“Letter Agreement”) regarding the financial contribution of Mammoth Lakes Tourism (MLT) to the Mammoth Resorts LLC (Mammoth Resorts) and Los Angeles Kings (Kings) Partnership Agreement..

RECITALS:

Mammoth Resorts and Mammoth Lakes Tourism enter into this agreement with the express intent of promoting Mammoth Lakes and Mammoth Resorts as a four season vacation destination. Consistent with the terms of this agreement, Mammoth Resorts has a season-long agreement with the Kings and will use approximately the first two-thirds of the season’s home games to promote the resort, winter and other related Mammoth Resort or area activities, this is roughly 27 home games. Mammoth Lakes Tourism will be a sub-contractor (approved by the Kings) and will use the remaining approximately one-third of the home games to promote summer and other seasonal activities, roughly 14 home games. Both Mammoth Resorts and Mammoth Lakes Tourism have the goal of increasing visitation to Mammoth Lakes on a year-round basis. The agreement does not preclude the cross marketing of the Mammoth Lakes destination, Mammoth Resorts by either party. The modification to the allocation of Kings games between the parties may be made subject to written mutual consent.

SERVICES; SCHEDULE OF PERFORMANCE:

Mammoth Resorts and Mammoth Lakes Tourism agree that Mammoth Lakes Tourism shall receive the following contracted benefits for approximately the final third) of the home game season as they pertain to the partnership with the Kings and do not include playoff games which would be negotiated separately with the Kings as applicable with Mammoth Resorts and/or MLT. For the 2018 Kings Season it recognized that the number of games provided to MLT for promotional activities will be less than one-third due to the timing of this agreement.

Marketing/Promotional Activation includes the following for the games provided to MLT:

Scoreboard Lower-Halo:

- Four minutes (4:00) of dedicated LED exposure during all Kings regular season home games at STAPLES Center on the lower halo of the center hung scoreboard. LED signage extends 360° around the scoreboard.
 - MLT to provide logo (KINGS to assist in animation)

LED ArenaMation:

- Two minutes (2:00) of dedicated LED ArenaMation exposure during all Kings regular season home games at STAPLES Center. LED ArenaMation signage extends nearly 270° around the arena bowl.
 - MLT to provide logo (KINGS to assist in animation)

In-Arena Scoreboard Spots:

- One (1) :30 in-arena scoreboard spot (with accompanying LED ArenaMation) during all Kings regular season home games at STAPLES Center.
 - MLT to provide commercial spot

PA Announcement/Logo:

- One (1) :15 PA announcement (content to be approved by Kings), including scoreboard logo and LED ArenaMation display during all LA Kings regular season home games at STAPLES Center.
 - MLT to provide logo and any applicable copy to be read

VIP eNews:

- Banner Ad at the bottom of ONE of four (1 or 4) VIP eNews blasts (size – 160 x 75)
 - MLT to provide production-ready artwork

By mutual consent, Mammoth Resorts can maintain the following benefits during the final third of the season, provided that MLT is not able to capitalize on the following:

Lucky Row:

- Opportunity to conduct five (5) lucky row or seat promotions during the Kings regular season home games at STAPLES Center. Prizes to be provided by Sponsor, subject to Kings' approval. Lucky row promotion includes PA announcement, logo on center hung scoreboard and LED ArenaMation exposure.

On-Ice Intermission Promotion:

- One (1) two minute (2:00) on-ice intermission promotion (approved by Kings) during three (3) Kings regular season home game at STAPLES Center determined by Kings. Date and exact promotion details to remain subject to the mutual agreement of the parties.

A copy the executed agreement between the L.A Kings and Mammoth Resorts, LLC will be provided to Mammoth Lakes to confirm the inclusion of the provided marketing/promotional activations as provided herein and to confirm other partnership commitments and/or agreements including but not limited to one with Mammoth Lakes Recreation.

COMPENSATION: Upon execution of the Mammoth Resorts and Los Angeles Kings Partnership Agreement, Mammoth Resorts will submit an invoice to Mammoth Lakes Tourism for the 2018 season in the amount of one hundred seventy five thousand \$175,000 and on July 15, 2018 or the following business day, and for the remaining term of the agreement in the amount of one hundred thousand dollars (\$100,000) annually. Invoices will be processed within 10 business days..

TERM: The term of this agreement is for six seasons commencing March 10, 2018 and running for five consecutive Kings' seasons after that terminating at the close of the 2023 Kings home season with Mammoth Lakes Tourism receiving the above benefits annually for approximately the last third of the home games each season. For Spring 2018 Mammoth Lakes Tourism will provide payment to Mammoth Resorts no later than March 15, 2018.

TERMINATION: This Letter Agreement shall not be terminated by either party during its term, excepting only that MLT shall have the right in the sole exercise of its discretion, except as provided herein, to unilaterally terminate this Letter Agreement upon the furnishing of thirty (30) days advance written notice to Mammoth Resorts in the event the Mammoth Lakes Tourism Business Improvement District ("TBID") for any reason ceases to exist. In the event of such a termination by MLT, Mammoth Resorts shall, within thirty (30) days of the notice of termination, refund to MLT the pro-rata amount of MLT's annual payment representing the advertising under this Letter Agreement not received by MLT. Such termination will be subject to review and approval by the Town of Mammoth Lakes.

INDEMNIFICATION: To the fullest extent permitted by law, Mammoth Resorts, LLC shall defend, indemnify and hold Mammoth Lakes Tourism, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Mammoth Resorts, LLC in connection with the performance of the stated Services or this Letter Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys fees and other related costs and expenses. Mammoth Resorts, LLC obligation to indemnify shall survive expiration or termination of this Letter Agreement, and shall not be restricted to insurance proceeds, if any, received by Mammoth Lakes Tourism, its directors, officials officers, employees, agents, or volunteers.

GOVERNING LAW; VENUE; GOVERNMENT CODE CLAIM COMPLIANCE; ATTORNEY'S FEES: This Letter Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Letter Agreement, the action shall be brought in a state or federal court situated in Mono County, California. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Letter Agreement, the prevailing party shall be entitled to recover all reasonable fees and costs incurred, including reasonable attorney's fees, as determined by the court.

ASSIGNMENT; AMENDMENT: This Letter Agreement may not be modified or altered except in writing signed by both parties. Except to the extent expressly provided for in the termination paragraph, there are no intended third party beneficiaries of any right or obligation of the Parties.

ENTIRE AGREEMENT; CONSTRUCTION & CAPTIONS: This is an integrated Letter Agreement representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Since the Parties or their agents have participated fully in the preparation of this Letter Agreement, the language of this Letter Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. The captions of the various paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Letter Agreement.

If you agree with the terms of this Letter Agreement, please indicate by signing and dating where indicated below. An original, executed copy is enclosed for your records.

MAMMOTH LAKES TOURISM

Approved by:

Attest:

Signature

Signature

Name:

Name

Title

Title

Date

MAMMOTH RESORTS, LLC

Reviewed and Accepted by Mammoth Resorts, LLC

Signature

Signature

Name

Signature

Title

Title

Date

Transient Occupancy Tax
Collection through January 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	1,050,067	612,714	600,970	2,356,669	2,469,758	-	-	-	-	-	10,414,025
YTD collection as % of Full Year	16.8%	31.9%	42.0%	47.9%	53.7%	76.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
% change from prior year	2.2%	2.3%	4.5%	8.0%	12.5%	-0.6%	-7.0%	10.6%	7.0%	92.6%	27.8%	-7.8%	15.0%
Average monthly collection prior 3 yrs	1,221,727	1,239,964	643,483	385,035	411,271	1,905,950	1,771,902	1,621,797	1,372,794	650,936	426,815	816,913	12,468,587
Average Monthly collection as % of Full Year	9.8%	9.9%	5.2%	3.1%	3.3%	15.3%	14.2%	13.0%	11.0%	5.2%	3.4%	6.6%	100.0%
Average YTD collection as % of Full Year	9.8%	19.7%	24.9%	28.0%	31.3%	46.6%	60.8%	73.8%	84.8%	90.0%	93.4%	100.0%	

2. TOT Budget and Estimates (FY 2017-18)

FY 17-18 BUDGETED full-year revenue	Rate	12,500,000	Estimated Reserves (*)
less Tourism	18.08%	2,260,000	\$ 566,842
less Housing	6.54%	817,308	\$ 205,028
less Transit	6.54%	817,308	\$ 205,028
Net to Town's General Fund		8,605,385	* Based on performance to budget YTD, final reserve account balances will be determined by actual performance to budget at completion of Fiscal Year

FY 17-18 BUDGETED monthly revenue	Quarter Total:	2,876,105	Quarter Total:	2,544,250	Quarter Total:	5,060,840	Quarter Total:	2,018,805	12,500,000				
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Full-Yr Total
	1,150,430	1,062,010	663,665	385,500	417,195	1,741,555	1,857,950	1,747,900	1,454,990	904,500	443,705	670,600	12,500,000

FY 1718 ACTUAL collection	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	1,753,735	1,570,110	1,050,067	612,714	600,970	2,356,669	2,469,758	-	-	-	-	-	10,414,025

FY 17-18 Differences: Budget vs Actuals YTD

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Percent over/(under) budget	603,305	508,100	386,402	227,214	183,775	615,114	611,808	(1,747,900)	(1,454,990)	(904,500)	(443,705)	(670,600)	(2,085,975)
	52%	48%	58%	59%	44%	35%	33%	-100%	-100%	-100%	-100%	-100%	-17%

Cumulative difference to date: **3,135,720** **43%**

Cumulative actual to last year actual difference to date: **28,009** **0%**

			Difference
Current YTD	\$ 10,414,025		
Previous Record YTD	\$ 10,386,016	\$ 28,009	0%
Budget YTD	\$ 7,278,305	\$ 3,135,720	43%