

MINUTES DECEMBER 15, 2010 - SITKA CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS MEETING
WESTMARK SITKA BANQUET ROOM 1:30 P.M.

PRESENT: Pat Fager, Tonia Rioux, Mary Stensvold, John Dunlap, Ron Hauck, Karen Dhillon
ABSENT: Brian Gundaker
Staff: Sandy Lorrigan, Phillip Rupell, and Dave Nevins. **Absent:** Rene Tuttle

PUBLIC IN ATTENDANCE: Bruce Conine, Angela McGraw, Evy Kinnear, Phyllis Hackett, Becky Latanich, Jerry & Karen Christner, Bob Medinger, Fred Reeder

I. CALL TO ORDER

Chair Tonia Rioux called the meeting to order at 1:32 pm.

II. AGENDA

Pat Fager / John Dunlap moved to accept the December 15, 2010 Agenda. **Approved with all in favor.**

III. MINUTES

John Dunlap / Pat Fager moved to accept the December 15, 2010 Minutes. **Approved with all in favor.**

IV. TREASURER'S REPORT – As Submitted

V. INVITED GUESTS/PERSONS TO BE HEARD – Fred Reeder

Cruise Line Agencies of Alaska Port Manager, Fred Reeder, noted he feels there are issues with the taxi companies having different fees for the same route. He mentioned that Ketchikan and Juneau have meters in their taxis and it is not a surprise to the visitor what their cost will be for the ride. Discussion followed that the SCVB isn't involved in licensing, but the city of Sitka regulates this area and if this area would be best handled under the Tourism Commission. Tonia will send an email to Tourism Commission and see what their response is.

VI. OLD BUSINESS - none

VII. NEW BUSINESS

• **A. Discussion on Alaska Backroads Marketing Concept**

John Dunlap shared that the cruise ship traffic has gone down in the last couple of years, especially in 2nd tiered ports. A drop of 10-15% in the busier ports, but there has been a 30-40% drop in cruise traffic in Sitka. 2011 will see the trend continue. While at the ATIA conference, there was discussion between Haines, Hoonah and Sitka about the development of an Alaska Backroads Marketing Concept to help encourage a cruise line to create a cruise that will visit these three communities.

Many of the larger ports are scaling down to the point where it is difficult to accommodate increases in traffic. John shared that cruise lines do not like to take risks so the small ports may need to provide some extra incentives. This is a good time to make this presentation since the economy is some what on the rebound and that many cruise passengers have been on regular Alaska cruises may consider returning on this alternative route. For Sitka, a couple incentives could help to entice a cruise line by a waived port fee and a downtown pedestrian mall. The community will need to get involved and work together. There will need to be a small amount of money required to make the presentation to a cruise line.

The Alaska Backroads Cruise would include Sitka, Haines and Hoonah (Icy Point Strait). The cruise would begin and end in Vancouver. Wrangell is a weak possibility as a stop on the cruise itinerary because they are not very well equipped to handle cruise ships and it would be tough to include them on a week's length cruise. Holland America Line may be a candidate, but John shared that they would make the pitch to all the major cruise companies at Seatrade, March 14-17, as a good platform to share with the cruise companies.

The core group working on this plan is 10-12 people in Sitka and Haines. They will need to have a good idea for their presentation by the end of January. They will create an attractive document to share with the cruise companies.

Phyllis Hackett inquired to why we wouldn't take the concept to a smaller cruise line. John Dunlap responded that a larger ship has more economic impact for our city. Further, he also noted that Alaska Dream Cruises felt this concept proposal would not interfere with their marketing or operations. Another fear he mentioned is that large ships are being reduced to a point that we run the risk of not being able to handle a single cruise ship because of cutting capacity, so the small lines wouldn't really help that scenario. Tonia Rioux commented that a problem with the smaller cruise lines is that they do not have the passengers to sustain a wide base of tour operators and though a few tour operators may see a modest benefit, the rest will be left without any positive economic impact.

Other public and board general comments and discussion took place on the route, concept, tours, participants and on how to proceed forward. John Dunlap shared that he will first discuss it with business owners and tour operators. Then suggested the SCVB make a presentation to the city and get the idea on the Assembly agenda. John Dunlap made a **Motion** that the SCVB Board support the Alaska Backroads Marketing Concept and request it be placed on the assembly agenda. Mary Stensvold seconded. **Approved with All in favor.**

- **B. Funding Discussion**

A lengthy discussion centered on the allocation of funds from the city. The SCVB funding from bed tax comes from the general fund and each year it is unclear what the funding will be. Last year, and other years, the SCVB asked for the budget to be based on the bed taxes from the previously collected full fiscal year, less the 8% audit fee and not the projected amount. Phyllis Hackett mentioned that the SCVB situation is unique. It was shared that the current ordinance has never gotten updated and that it the agency should look at the way the code is written and follow the procedure. Discussion centered on making the ordinance reflect that way the agency operates, if a non profit status could be an option, or a way to make the agency work efficiently. Director Lorrigan will research other agencies.

- **C. Commercial Passenger Excise Tax Projects (CPET)**

The city of Sitka is expecting bids on the CPET projects. The project lists are due December 31. Fred Reeder shared that when the Commercial Passenger Excise Tax Projects are considered, that we should be thinking long term for ourselves and the visitors and that the tax is collected each year. There is currently about \$5 million available for these projects. Discussion centered on using the city library as a good location for the visitor center and also to serve as a transportation hub. This would be convenient location next to Centennial Hall for groups and activities and located downtown. A **Motion** was made by Tonia Rioux to send an email to the city of Sitka for the CPET to have a multi-agency visitor's center that would include the Sitka History Museum in the current Kettleson Library and would also be a future transportation hub. Ron Hauck seconded the motion. Approved **with All in Favor.**

VII. STAFF REPORTS

- **Executive Director Report: As submitted.** Executive Director, Sandy Lorrigan, also shared that our website designer, Simpleview, Inc. is using our website (www.sitka.org) to submit for a Webby Award. The Webby Award is the leading international award honoring excellence on the internet.

- **Director of Visitor Services Report: As submitted.** Director of Visitor Services, Dave Nevins also shared that he recently returned from a travel agent show, called The Luxury Travel Expo, in Las Vegas. The show went well and was well attended. He has attended two recent Travel agent shows that can produce good results as a travel agent assist many people wanting to visit Sitka. He brought home a large stack of travel agent business cards and he will send out packets to each agent.

- **Director of Convention Sales Report: As submitted.** Director of Convention Services, Philip Rupell also shared that he is marketing more in publications with an outdoor angle. He was able to get a great rate for a full page ad recently. Philip also stated that the convention calendar for the 2011 is looking ok at year's end. 2012 calendar already has a few things on the schedule with ANB having their 100 year anniversary, the Southeast Conference and also Harbormasters conference also all choosing Sitka!

IX. Bureau Discussion: None

X. ADJOURNMENT

Meeting adjourned at 4:09 pm.