



**Sioux Falls Convention & Visitors Bureau
BID Board of Directors
Minutes
September 21, 2011
Sioux Falls Convention & Visitors Bureau Board Room**

Presiding: Lee Howell, BID Board Vice-Chair

Voting Members Present: Sara Bogdanov Shailesh Patel
Jan Grunewaldt Chrissy Spoo
Karen Masterson Mark Wahlstrom

Voting Members Absent: Mike Miller

Non-Voting Members Present: Teri Ellis Schmidt

Non-Voting Members Absent: Jim Entenman

Others Present: Tom Bosch Jonathan Ellis
Mike Cooper Melany Serbousek

The meeting was called to order by Vice-Chair Lee Howell. Self introductions were made by all present.

Agenda

Mark Wahlstrom moved to approve the agenda. Chrissy Spoo seconded. Unanimous in favor.

Minutes

Chrissy Spoo moved to approve the minutes of the June 15, 2011 BID Board meeting. Sara Bogdanov seconded. Unanimous in favor.

Discussion and Action on Chair Position

Teri read a resignation letter from current BID Board Chair Kraig Pomrenke who is now working for the Sioux Falls Convention Center. Kraig stated that since he is no longer with the hotel industry, he felt "this is in the best interest for the City and myself". Chrissy Spoo moved acceptance of Kraig's resignation. Second by Sara Bogdanov. Unanimous in favor.

Lee Howell explained that he felt someone with a strong marketing side would be better for the Chair position and recommended Chrissy Spoo replace Kraig Pomrenke as BID Board Chair.

Mark Wahlstrom stated that it would give the board a good balance and moved Chrissy Spoo as BID Board Chair. Karen Masterson seconded. There being no other nominations, Mark Wahlstrom moved to cease nominations and cast a unanimous vote in favor of Chrissy Spoo. Jan Grunewaldt seconded. Unanimous in favor. Lee Howell will remain vice chair.

Financial Report

Teri Ellis Schmidt reviewed the Financial Statement dated 8-31-11, stating that accountant Joan Bartling noted that some changes may occur to this statement. YTD (since January 1, 2011) expenses are at \$564,106 with a net income of \$414,285. Teri reminded the board that the budget was originally written with an estimate of \$100,000/month income from the BID. Since income is running higher than originally budgeted it is quite certain there will be extra money at the end of the budget year. She also reviewed the fact that the extra money must be budgeted with a plan before it can be spent. Shailesh Patel asked if the plan and budget would then have to be approved by the City Council. Mike Cooper confirmed that it would have to be approved by the City Council.

Shailesh Patel stated that he felt a portion of the extra money should be placed in a reserve account for larger scale projects.

Tom Bosch asked if we had considered using some of the money to defray costs for the hotels paying for their pages in the Meeting Planners Guide and/or to defray the cost of a hotel having to pay for brochure space at the CVB visitor centers. Discussion followed on how this might work, ranging from discounts according to number of hotel rooms to discounts for only BID hotels. At the December board meeting, Teri will report the amount of money received from hotels for Meeting Planner Guide pages and the number of pages sold. Discussion will continue at the December meeting. Chrissy Spoo asked if anyone thought the attractions will push back on the idea of discounts for only hotels. Most felt that since the hotels were collecting the BID tax and the attractions are not, the attractions will understand.

Chrissy Spoo moved approval of the financial report. Mark Wahlstrom seconded. Unanimous in favor.

Teri Ellis Schmidt then explained the visitor guide delivery system used by the CVB staff: staff handles all delivery of all visitor guides to approximately 226 locations throughout the city and interstate rest areas. Staff use personal vehicles for all delivery. Each delivery takes from a half to a full day out of the office each time, with summer deliveries scheduled at minimum monthly. Teri explained concerns of staff time being used to deliver versus time being used on sales and that some staff are experiencing back issues. She then asked if the board feels it is acceptable to hire a delivery person. Everyone agreed that it is appropriate to hire a delivery person....part-time person as needed for deliveries.

Review 2011-2012 BID Activity

Teri Ellis Schmidt reported that, as directed at the June BID Board meeting, CVB now has their own check blanks and showed the board a copy. She also reported and showed photos of the new CVB building signage, as directed at the June BID Board meeting. She reviewed activity on the following projects: 1- All advertising, including ads placed during flooding this summer, trade and travel publications, billboards; 2-Minnesota Vikings Promotion; 3-new CVB website; 4- Travel Writers; 5- Target Market Luncheons; 6-Chicago Sales Blitz, Biz Bash, Smart Mart; 7 -Washington, DC Sales Blitz; 8-ASAE; 9-TMS; 10-Small Market Meetings; 11-TEAMS; 12-Bid

activity; 13-visitor guide and map deliveries; 14-reststop welcomes; 15-Hunter's Welcome; 16-Winter Wonderland. Teri also reported that the CVB sales team will be attending the DMAI Sales Academy in November and that the CVB has invested in the new DMAI Economic Impact Calculator.

Teri asked Mike Cooper to share information with the board on the project being worked on to update areas on Minnesota Avenue from the Airport to Russell, possibly Russell toward downtown as well as Russell to the Convention Center complex area. Teri and Mike have had preliminary discussions with Jon Jacobsen.

Teri then briefed the board on TMS, Travel Media Showcase, which is a trade show and conference with travel writers and CVB's. The purpose of the show is for the CVB to connect with travel writers to sell them on Sioux Falls and all the reasons they should write articles on the city. CVB attended the show for the first time in 2010 and 2 sales staff are currently at the 2011 show. An opportunity was presented to the CVB to bid to host the 2012 TMS show and conference. Cost to host is expected to run approximately \$44,000, however, CVB will pursue local sponsors to help offset some of the costs. CVB has committed to host the 2012 show. Next, Teri discussed the opportunity to bid for the 2013 Small Market Meetings Conference, a tradeshow and conference for approximately 100 meeting planners seeking cities in smaller markets to host conventions, meetings, and events. Cost to host SMM will be approximately \$138,500, minus any local sponsors the CVB could secure. Four CVB staff will be attending this show next week in Little Rock, Arkansas. If Teri feels the conference and show are a solid piece of new business for Sioux Falls, she believes Sioux Falls should pursue the bid. Mark Wahlstrom moved to authorize Teri to proceed with the bid at a cost of \$138,500. Shailesh Patel seconded. Unanimous in favor.

The meeting then moved to discussion on a financial request Teri received from Dick Brown, South Dakota Parks and Wildlife Foundation, regarding the Outdoor Campus East Remodeling Campaign. Teri will ask Dick to attend the next board meeting to present the request.

Jan Grunewaldt suggested we develop an application form similar to what she has seen in another community and all agreed we need to establish suggested guidelines to follow in processing such requests. Teri will review all requests and present them to the board as necessary.

Teri then reminded the board of their motion at the June meeting stating the CVB BID budget would allocate \$5000 toward the efforts of the Build It Now campaign for a new events center in Sioux Falls. After that meeting, Teri learned that it is illegal to invest city tax dollars in a campaign to build a city building so the \$5000 has not and will not be allocated to the Build It Now campaign.

Proposed Event Center Update

Mike Cooper updated the board on the on-going efforts to build a new events center in Sioux Falls. He reported that approximately 90 organizations have or will see the presentation on the facts of the events center. There will also be informational meetings at the community centers in the near future. The special election is scheduled for November 8, 2011 with absentee voting available September 27. Mike also stated that construction would begin in August 2012 with completion in the fall of 2014. Additionally, Mike informed the board of the trolley shuttle experiment which involves running a trolley from the convention center to downtown and potentially to other locations in the city. The goal is to create a permanent transportation system

to assist visitors in moving around the city while they are at the convention center for their convention, meeting or event.

Other Business

The next BID Board meeting is scheduled for December 21, 2011.

There being no further business, Mark Wahlstrom moved adjournment. Chrissy Spoo seconded. Unanimous in favor.

Respectfully submitted:

Teri Ellis Schmidt
Name

September 21, 2011
Date