

BAL HARBOUR VILLAGE RESORT TAX COMMITTEE
REGULAR MEETING MINUTES – JULY 15, 2010

A Regular Meeting of the Bal Harbour Village Resort Tax Committee was held on Thursday, July 15, 2010, in the Conference Room at Bal Harbour Village Hall (655 – 96th Street, Bal Harbour, Florida).

1. CALL TO ORDER/ROLL CALL: The meeting was called to order at 9:02 a.m. by Mayor Rosenfield. The following members were present:

Mayor Jean Rosenfield
 Florent Gateau
 Richard Lodes
 John Manrique¹
 Paul Pruess

Others Present:

Alfred J. Treppeda, Village Manager
 Ellisa L. Horvath, MMC, Village Clerk
 Andrea Greenblatt, Administrative Assistant
 Matthew Pearl, Village Attorney
 Christopher Wallace, Finance Director
 Carolyn Travis, Director of Tourism Marketing
 Heidi Barfels, Special Event Production &
 Promotion Services Consultant
 Councilwoman Patricia Cohen
 Councilman Martin Packer

Absent:

Bruce Gelb
 Sandra Lansing

As a quorum was determined to be present, the meeting commenced.

2. PLEDGE OF ALLEGIANCE: The Pledge was led by Mr. Pruess.

3. APPROVAL OF MINUTES: *A motion was offered by Mr. Lodes and seconded by Mr. Pruess to approve the June 10, 2010 Regular Meeting Minutes. The motion carried (4-0).*

4. RESORT TAX FINANCIAL UPDATE: Mr. Wallace reviewed the Financial Report. He reported that the revenues and expenditures were as expected. Ms. Travis discussed the five-year synopsis. She anticipated an increase in revenues for the remainder of the year.

5. DIRECTOR OF TOURISM MARKETING REPORT – CAROLYN TRAVIS: Ms. Travis reviewed the following items:

¹ Mr. Manrique arrived during discussion of the Internal Reports.

1. OVERVIEW OF REPORTS:

LDPR – National Public Relations: The report was included in the agenda. Ms. Travis discussed the focus on big feature stories in national publications. She discussed media placements, outreach, tracking, and clips shown in the report. She reported the total advertising value to be close to \$1/2 million and the public relations value to be \$1.2 million.

Local PR – Robyn Ross and Christine Procel: The report was included in the agenda. Ms. Travis reported that they were hired to drive group business into restaurants and local media hits to drive business to the restaurants. She reported that the public relations hits were more successful, due to the new cultural events. Ms. Travis explained that they had done a good job, but discussed the lack of need for them, since Ms. Barfels was now working on those items. She suggested that they could be used for a big event if needed, but she didn't feel that they were necessary other than for that. Mr. Gateau agreed.

Ms. Barfels discussed her experience. She discussed the support from LDPR, so that the Village could pitch the small stories itself and get the information out.

Ms. Travis reported there to be a 30-day cancellation clause and suggested providing them with 45-60 days notice. Mayor Rosenfield suggested letting them go and seeing how the Village did. Mr. Gateau agreed and suggested that it be managed internally, since Ms. Barfels was now employed. Mayor Rosenfield spoke in favor of doing more items in-house.

A motion was offered by Mr. Gateau and seconded by Mr. Lodes to provide Robyn Ross and Christine Procel with a 30-day termination notice. The motion carried (4-0).

Suzanne Corbo – Director of Leisure and Corporate Sales: The report was provided in the agenda. Ms. Travis explained that Ms. Corbo provided representation in the northeast. She discussed Ms. Corbo's trip to Canada and the list of sales calls included in the report. She reported that Ms. Corbo visited 60-80 travel agencies a month, signed major contracts, and would participate with her in Travel Mart (the largest luxury fair for U.S. travel agencies in Las Vegas).

Laura Schmidt – Director of European Sales: The report was provided in the agenda. Ms. Travis reported that Ms. Schmidt was the representative for Europe (Spain, France, Italy, and UK). She explained that a lot of the international business was driven through receptive tour operators and Ms. Schmidt had set up specific contracts, to get rid of the middle man. She expected business to start to evolve now (the process was 70% complete).

2. LATIN AMERICA – STATUS:

TLG Mexico: Ms. Travis reported that they started June 1st and had produced great results. The action plan was included in the report in the agenda. She explained that they were translating all of the press materials, collecting hotel information, building a media plan, etc. and had direct access to the press in Mexico. She reported that both of the Village's hotels had already seen an increase in their business from Mexico. Ms. Travis reported that they would handle sales and media in Mexico.

DLX Argentina: Ms. Travis explained that the report was not included, since they had just started to handle sales and media in Argentina.

3. **INTERNAL REPORT:** Ms. Travis reported that most of the internal report items would be handled by Ms. Barfels. She discussed business from the locals and doing grass roots work in the community.

Bal Harbour Tourism Shuttle: Ms. Barfels reported that the tourism shuttle started in June. She discussed the schedule and working with the hotel concierges. She reported approximately 20 riders a day.

Email Campaign: Ms. Barfels distributed a copy of the emails that were sent out. She reported a database of 13,000 emails addresses (over 7,200 consumer emails and 5,000 travel agent emails). Ms. Travis explained that the purpose of the emails was to drive people to the events and to keep Bal Harbour in the forefront.

Mr. Manrique arrived.

Mailers: Ms. Barfels distributed the mailers that were sent out. Councilwoman Cohen questioned what the consumer email list was comprised of. Ms. Travis reported the list to be made up of Village residents and other contacts that requested information through the web site, etc. She reported that the mailers were only sent to Village residents. She discussed the difficulty in receiving email addresses. Mr. Treppeda reported that there was a link on the web site for people to provide their email addresses.

Social Media: Ms. Barfels reported that she used Facebook (more personal based) to post information and photos online for people that search either Bal Harbour or Bal Harbour Village.

Ms. Barfels reported that she used Twitter (more business to business) to post specials and packages. She discussed the goal for people to distribute what she posted, the ability to have personal dialogue with people, and the use of contests, giveaways, etc.

Mayor Rosenfield explained that the discounts were not automatic and that people had to ask for the discounts at the restaurants that were shown. Ms. Travis offered to place something in the brochures showing that people must ask for discounts, because they may think that the restaurants would automatically provide it. Councilwoman Cohen suggested that a small card be placed in the brochure. Ms. Travis reported that nobody wanted to do that. Mr. Pruess agreed that it would become burdensome.

Dina Cellini, 211 Bal Cross Drive, questioned the amount of local business. Ms. Travis explained that the restaurants had reported that more than 50% of their business was from locals. Ms. Cellini questioned if Village residents could be offered priority seating. Ms. Travis explained that it would be difficult to provide something like that. She agreed that all of the activities and events needed the locals, but explained that they were also needed to drive tourism. Mr. Pruess didn't think that it was the Committee's job to provide priority seating, etc. Mr. Lodes agreed.

Ms. Barfels discussed working with the web site company and reported that views of the events calendar jumped 45% in June. Ms. Travis explained that they were investing more

money in words that worked. She wasn't sure if it was affecting the pathway of someone when they go online, because they may have already been looking for that hotel or the Shops. She will look at the return on investment. Mr. Manrique suggested seeing if the Village was paying for clicks that it may have already received.

4. ILTM – INTERNATIONAL LUXURY TRAVEL MART: Ms. Travis reviewed the ILTM synopsis that was provided in the agenda. She reported that the GMCVB participated last year and would also participate this year. She explained that the Village would have a booth next to the GMCVB and spoke in favor of attending the show. She distributed information on the show and reported that the level of buyers were the ones that the Village was interested in.

Ms. Travis distributed and reviewed the plan for the following shows:

ILTM (December) - \$29,410

(a percentage of the booth would be paid from the current fiscal year, with the remainder in next year's budget)

Virtuoso Travel Mart (August) - \$10,000

Argentina Sales Trip (September) - \$14,000

Total: \$53,410 (some would be paid from the current year)

Ms. Travis reported that the majority of the cost for the ILTM would be in the next fiscal year.

Mr. Gateau spoke in favor of ILTM as one of the great shows that would put Bal Harbour on the map. Ms. Travis strongly recommended the show. Mr. Manrique questioned how the success would be judged. Ms. Travis reported that it would be measured by the global numbers and a combination of other things. Mr. Manrique would like to know how to judge the success, so the Committee would know whether or not to participate again in the future. Ms. Travis reported that it was not an exact science, but was a cohesive plan. She will provide the contacts and track their bookings. She explained that the networking was also important. Ms. Travis reported that Virtuoso was the largest producer of cruise based business. She will think how to show the success of ILTM. Mayor Rosenfield questioned the expense of ILTM, compared to other shows. Ms. Travis explained that it was a completely different type of show. Mr. Lodes questioned if the amount was available in the budget. Ms. Travis reported that it was. Mr. Treppeda agreed that there were adequate funds to cover it.

A motion was offered by Mr. Manrique and seconded by Mr. Lodes to approve \$53,410 for the ILTM (International Luxury Travel Mart - \$29,410), Virtuoso Travel Mart (\$10,000), and Argentina Sales Trip (\$14,000).

Mr. Pruess understood that there were some shows that the Village needed to be at, but agreed that there needed to be an evaluation process.

The motion carried (5-0).

5. ADVERTISING PLAN – FALL: Ms. Travis distributed and reviewed the Fall Advertising Plan. Mr. Manrique questioned if the Committee would be approving the total cost and program. Ms. Travis requested approval for that. Mr. Manrique questioned why

the ad was only running once in Conde Nast Traveler. Ms. Travis reported that the ad was for the Florida section and the other months didn't produce.

Dina Cellini, 211 Bal Cross Drive, discussed the article in Departures on the ONE Bal Harbour that made reference that Bal Harbour had a private beach, which wasn't true. Ms. Travis explained that it was an editorial and that there were a couple things that were wrong. She clarified that advertising could be controlled, but that it was difficult to control editorial.

Mr. Gateau questioned the creative and size that would be used. Ms. Travis explained that the current creative would be used and discussed the sizes that would be used. She explained that they would work with the advertising arms to buy the remaining strip if the Village was buying a 2/3 page, etc. She explained that there would be a "call to action" in the ads.

Mr. Manrique questioned if it was customary for the advertising to be 88% of the budget. Ms. Travis explained that it was. She reported that new creative would be done for the local ads, to drive food/beverage revenue. She explained that the local plan would be consistent with the prior year. She reported that Ocean drive was more tourism driven, Miami was more local driven, and Art Nexus would be for Internet buys. She explained that the local ads were all one page.

A motion was offered by Mr. Lodes and seconded by Mr. Gateau to approve \$711,966 for the Advertising Plan for Fiscal Year 2011. The motion carried (5-0).

6. **BAL HARBOUR CITY GUIDE:** Ms. Travis distributed and reviewed the Bal Harbour City Guide (16 pages about what's happening in the Village). She explained that it would be translated to Spanish and Portuguese, sent to the email database, sent to the Village's salespeople, and Miami Magazine would send it to their circulation. She reported that advertising would be sold, so the guide would be funded by the partners, to mostly Village sponsors (other hotels and shopping areas would not be used).

7. **PROJECT NEW BORN:** Ms. Travis distributed and reviewed information on Project Newborn (dinner and fashion show), scheduled for November 6, 2010 (the event is co-chaired by Ms. Travis). She discussed plans for a FAM trip to the Village, to include the event, and requested \$7,000 (for two run-way tables for press and FAM trip expenses for 20 people). Mr. Manrique clarified that the tables would be reserved for press by the Village. Ms. Travis agreed that it would be used for the press and the Village Council.

A motion was offered by Mr. Manrique and seconded by Mr. Pruess to approve \$7,000 for two run-way tables for the Project New Born Event for press for the Village and the Village Council to attend. The motion carried (5-0).

Ms. Travis distributed and reviewed an Action Plan for the Gulf of Mexico Oil Spill should it be needed. Mr. Treppeda discussed the possibility that it may not be needed. Mayor Rosenfield and Mr. Treppeda will meet with Ms. Travis to discuss the issue.

Ms. Travis distributed and reviewed the blog extension proposal for balharbourflorida.com, to link to other social medias, etc. for promotion of the Village. Ms. Barfels explained the interaction, education, etc. Ms. Travis explained that the plan was to drive more people to the Village's web site. Ms. Barfels would manage the blog. Mr. Manrique requested

clarification that it was not an open format and would be submitted to the Village. He discussed concern, but spoke in favor of doing it as long as there was a control mechanism so that the site wasn't exploited. Ms. Travis agreed. She requested \$5,500 for the blog extension.

Mr. Treppeda explained that since the tourism bus did not comply with ADA requirements, it could not have a fixed schedule and an on-demand service would need to be provided requiring concierges to call a number for service. He reported that the bus could be traded in for a handicap-accessible one at a cost of \$4,845 (with the number of seats reduced from 24 to 20 and switching the gas from diesel to regular). Ms. Travis spoke against the limitation of an on-demand service and didn't think that the loss of seats would be a problem. Mr. Treppeda reported that the total cost to switch to a handicap-accessible bus would be \$8,500 (including documents and tag transfer, wrapping, etc.).

Mayor Rosenfield questioned why a handicap-accessible was not ordered originally. Mr. Treppeda explained that they didn't realize that a non-handicap bus would be limited to on-demand service. Mayor Rosenfield made it clear that a mistake was made. Mr. Treppeda reported that the cost would be \$23,500 for another handicap-accessible 24-seat bus that used diesel fuel. Councilman Packer questioned the savings of diesel fuel versus regular gasoline. Mr. Wallace reported that a diesel engine had a longer life, but gas was cheaper than diesel. Mr. Treppeda reported that Atlantic Bus Sales felt that diesel ran longer. He reported that the Village's bus ran for five years and is diesel. Mr. Wallace reported that in the long run the diesel was cheaper to operate and maintain. Mayor Rosenfield discussed the Committee's original philosophy to try the bus for a couple of years. Ms. Travis reported that the number of riders had increased within a month.

Dina Cellini, 211 Bal Cross Drive, thought that the additional seats would be necessary during season. She questioned the additional cost to the bus, if the error had not been made. Ms. Travis didn't know. Mr. Treppeda reported that the bus would have cost more originally. Ms. Cellini noted that if the ADA compliant bus had been purchased originally then it would have been with 24 seats and with a diesel engine, which would have cost more. Mr. Manrique agreed that the only thing that was being paid for, as a result of the error, was \$2500 to wrap another bus.

Mr. Manrique suggested that the blog item be delayed until the following year. Ms. Travis reported that funds were available to do both the bus and the blog by reallocating some of the money. Mr. Pruess was more in favor of the bus than the blogging.

A motion was offered by Mr. Pruess and seconded by Mr. Lodes to approve up to \$25,000 to exchange the current Tourism Bus for an ADA approved bus with 24 seats, a diesel engine, and to wrap the bus with the tourism logo. The motion carried (5-0).

A motion was offered by Mr. Pruess and seconded by Mr. Manrique to approve \$5,500 for the blog extension of balharbourflorida.com. The motion carried (5-0).

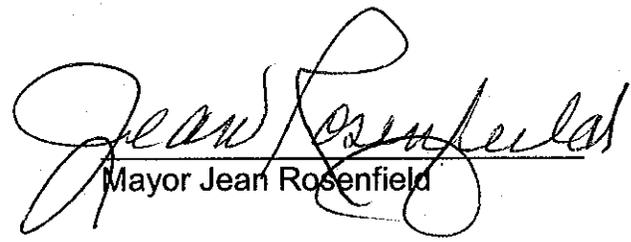
6. OTHER BUSINESS:

The Committee discussed whether or not to meet in August. Mr. Treppeda discussed the budget process.

It was the consensus of the Committee to meet on Thursday, August 12, 2010, at 9:00 a.m.

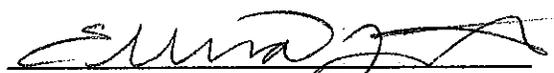
Dina Cellini, 211 Bal Cross Drive, suggested that the Council be provided with the difference in cost, if the bus was ordered ADA compliant the first time.

7. ADJOURN: There being no further business, the meeting was adjourned by consensus of the Committee at 11:09 a.m.



Mayor Jean Rosenfield

Attest:



Ellisa L. Horvath, MMC, Village Clerk