

**CALIFORNIA TRAVEL AND TOURISM COMMISSION  
EXECUTIVE COMMITTEE MEETING MINUTES**

January 27, 2009

Location: Board Room  
55 Music Concourse Drive  
Golden Gate Park  
San Francisco, CA 94118

**PUBLIC NOTICE:** *No RSVP, notice or registration is required to attend this meeting. Members of the public may attend or speak at the Meeting. Any RSVP is voluntary and is not a requirement for attendance at any Commission Meeting. All persons may attend the Meeting regardless of whether he or she signs in, registers or RSVPs.*

Commissioners present: Chair Dale E. Bonner, Vice Chair Louis Meunier; Vice Chair John Wagnon; Chief Financial Officer (CFO) Andrew P. Fichthorn; Rusty Gregory, John Handlery, Bob Muhs, Terry L. Westrope.

Commissioners absent: Jim Burba, Cormac O'Modhrain.

Staff present: Caroline Beteta, President and Chief Executive Officer  
Ann Barsotti, Vice President of Operations  
Mike Kvarme, Legal Counsel  
Matt Sabbatini, Director of Finance and Human Resources  
Susan Wilcox, Vice President of Communications

Also present: Damon Eberhart, Eberhart & Associates  
Brian McGowan, State of California

**1. CALL TO ORDER**

Vice Chair Meunier called the meeting to order at 4:20 p.m.

**2. APPROVAL OF AGENDA**

**Upon motion by Vice Chair Wagnon, seconded by CFO Fichthorn, the Agenda was unanimously approved.**

**3. APPROVAL OF MINUTES - October 8, 2008**

**Upon motion by Vice Chair Wagnon, seconded by CFO Fichthorn, the October 8, 2008, Minutes were unanimously approved.**

#### **4. ROLL CALL**

After reading the Public Notice (above), Matt Sabbatini called the roll.

#### **5. OPENING REMARKS**

Vice Chair Meunier discussed the priorities of the Committee.

#### **6. REPORT OF THE CHIEF EXECUTIVE OFFICER**

Chief Executive Officer (CEO) Beteta noted that the American Express deal that was recently signed has already started to see results. She anticipates a savings upwards of \$300,000 in the CTTC travel budget for next year.

The Commission is being highly sensitive to the current recessionary environment, and some course corrections to the marketing plan have been made.

#### **7. NOMINATING COMMITTEE REPORT**

CEO Beteta gave the report. She began by stating that there are still some unresolved interpretive issues relating to what exactly constitutes a term of service and term limits.

Legal Counsel Kvarme noted that the Commission has struggled with a section of the statute that reads, "*no Commissioner other than the Secretary shall serve more than two consecutive terms.*" He called BTH's counsel and the Governor's office to clarify the meaning and arrive at a consistent position; no one is willing to offer a definite opinion as of yet.

He recommended that, at this point, the Commission operate on the assumption that there needs to be a one-term gap (i.e. a four-year period) before someone can be reappointed after serving two consecutive terms (i.e. a Commissioner may serve two consecutive terms, then wait four years, then serve two additional consecutive terms, etc.).

Executive Committee members discussed the pros and cons associated with a four-year gap between service and decided to postpone any formal decision.

CEO Beteta named the three prospective Commissioners approved by the Nominating Committee: Lynn Mohrfeld, Mike Gallagher and Roy Ritenour. After discussion, Vice Chair Meunier asked for a motion of approval.

**Upon motion by Commissioner Handlery, seconded by Commissioner Wagnon, the Executive Committee unanimously approved the forwarding of the nomination of Lynn Mohrfeld as a new Commissioner to the full Commission for a vote.**

**Upon motion by Commissioner Wagon, seconded by Commissioner Handlery, the Executive Committee unanimously approved the forwarding of the nomination of Mike Gallagher as a new Commissioner to the full Commission for a vote.**

**Upon motion by Commissioner Muhs, seconded by Commissioner Wagon, the Executive Committee unanimously approved the forwarding of the nomination of Roy Ritenour as a new Commissioner to the full Commission for a vote.**

## **8. GOVERNMENT AFFAIRS UPDATE**

The Executive Committee unanimously approved CEO Beteta's continued service, for an additional year, as National Chair of the U.S. Travel Association.

Chair Bonner discussed the current realities that are facing the city, the nation and the world. Everyone knows that the state is stuck in a budget crisis in Sacramento. Annually, there is a budget deficit of a few billion dollars in the state budget, which most people think of as a structural part of the budget process. However, if you count this year and next, the current deficit is about \$42 billion.

Members discussed how to deal with the current budget situation and expressed their observations about what is occurring in their particular industries and at the local level.

Chair Bonner expressed the notion of promoting the idea of California as a good place to be.

The Committee decided that a meeting will be arranged in the near future for further discussion of the current economic situation and its ramifications.

## **9. MARKETING COMMITTEE REPORT**

Vice Chair Wagon gave the report. There is a unanimous desire by the Committee to continue moving forward with marketing efforts as currently planned in order to "build the brand." The Marketing Committee is working on a planning and timeline process of determining the best times of year for developing and gathering output, outreach and tactical planning.

A China contractor was selected, and a China office will be opening in April.

Promotions on various BBC programs will begin airing in January.

The first round of the 2009-2010 budget is prepared and will be reported on, in general categories, during the full Commission meeting on January 28.

A new Communications Symposium has been created that is designed to provide industry communications and public relations input and support for staff.

## **10. LEGAL ISSUES**

[Pursuant to the Bagley-Keene Open Meeting Act, Section 11126(a)(1) the Committee went into Closed Session to discuss Shames, et al., v. Hertz Corporation, et al., filed November 14, 2007 and re-filed May 1, 2008; and In Re Tourism Assessment, Filed December 14, 2007.]

## **11. FINANCIAL REPORT**

Commissioner Westrope notified the Executive Committee that she has termed out as Chief Financial Officer, and that Andy Fichthorn has taken over. She thanked CTTC staff for all their help.

New CFO Fichthorn then briefly discussed the Financial Report.

**Upon motion by Commissioner Meunier, seconded by Commissioner Muhs, the Executive Committee unanimously approved the forwarding of the Financial Report to the full Commission for a vote.**

## **10. ADJOURNMENT**

Future CTTC meeting dates are being finalized and will be announced soon.

There were no Public Comments.

**Upon motion by Commissioner Westrope, seconded by Chair Bonner, the Executive Committee Meeting adjourned at 6:15 p.m.**