

Butte – Silver Bow Tourism Business Improvement District
Board of Trustees Meeting
February 11, 2019 – 3pm
Butte Chamber of Commerce Large Conference Room

Call Meeting to Order by President Steve Luebeck

TBID Board of Trustees: Steve Luebeck, Bob Leipheimer, Rex Leipheimer, Dorea Wilmoth, Kami Johnson, Mike Johnson. Absent: JJ Adams

Staff: Maria Pochervina, Stephanie Sorini

Guests: Dave Palmer, Bill Melvin, JR Hansen, Karen Byrnes, Joe Willauer, Annie Pentilla, Jay Doyle, Jim Bennett, Dan Callahan, Dan Olson

Chief Executive Dave Palmer's Letter

Steve introduced Chief Executive Dave Palmer's letter and ask Dave to speak to the issue contained in the letter.

Dave understands and appreciates the previously earmarked money. He would like to see more money set aside to support the proposed United flight to Denver, thus his letter to consider an increase.

JR Hansen shared the following:

-2020 airlines schedules will be done over the next few months

-\$386,000 is the Revenue Guarantee (RG) for 6 months, if it goes to 9 months the amount would increase. The RG would be for 2 years, Butte would need to plan accordingly. Funds are only paid at the end of the contract. Need to have actual funds held and available. If revenue is achieved during the contract, no payment is made. Any monies not used could be put toward gaining another flight.

Mead & Hunt will do a presentation in Phoenix at a national conference in March 5 & 6. United and SkyWest wants to meet with the Butte group. Other airlines did not want to meet with Butte, i.e. Allegiant. After the conference numbers will be crunched to come up with actual financial need for the RG. One scenario would be; the Essential Air Grant would go to Denver then use the RG for the Salt Lake City (SLC) flight. Butte to SLC is a shorter distance, thus the RG would be less. Possible final decisions are due in May. The additional flight to Denver would be seasonal or possibly 9 months.

Steve shared his concern that the TBID cannot fund the entire RG. Even with the \$1 increase in TBID there will not be enough money, as the dollar increase would raise only approximately \$250,000 annually compared to the estimated revenue guarantee of \$386,000 annually. Steve questioned where the fund raising is at. JR is willing to assist; however, it is not a good idea to have the airport do the fundraising as it seems self-serving. The BLDC and Chamber representatives indicated they are willing to assist as did Karen Byrnes, when final numbers are in. Dave Palmer committed his office as well.

When a firm commitment on the RG amount, Steve will call a special meeting of the TBID to solely discuss increasing the TBID. If the community gets behind the RG it is possible the TBID would increase the assessment.

M&H study showed 65% leakage to other airports. Karen Brynes shared her research, Missoula TBID started in 2014 with a RG of \$150,000 for a Frontier flight to Denver. Every year since they earmark \$50,000 to put toward RG.

Dave thanked the group for the support.

Minutes from Previous Meeting

Motion by Bob, second by Rex, motion passes to approve minutes as presented

Financials

Financials were presented as informational only. Mike asked for clarification on the new column and amount of \$97,602.08 versus the original amount of \$85,000. Maria explained she created the column to keep track of the RG. The additional \$17,602.08 was after taking the remaining amounts in each bucket, except for Events/Tournament the overage was more than originally thought. Also, a refund check from KXLFF \$4,900 for an overpayment from November 2016 Leisure Campaign was placed in the Events/Tournament column for simplicity and to shore up the shortage.

ITRR Reports – FYI

These reports were given as informational only.

2017 All Quarters	Spent At least One Night in Butte Drove Through Butte
2018 1 st , 2 nd , 3 rd	Spent At Least One Night in Butte Drove Through Butte

Review of TBID Applications:

MOTION - Information Needed for Future Grant Applicants

Motion by Bob; to require all festivals to submit previous year financials, including Profit & Loss statements, with grant applications when requesting TBID funding. Second by Rex, motion passes

FESTIVAL BUCKET FUNDING

An Ri Ra

Motion by Mike to fund at a \$2,500 level; Kami seconds, motion passes.

Covellite International Film Festival

Motion by Mike to fund at \$1,500 level; second by Rex, motion passes.

Montana Folk Festival

Motion by Mike to fund at \$10,000 level; second by Bob, motion passes

EVENTS/TOURNAMENT BUCKET FUNDING

Discussion by the board on the possibility of handing off the Events/Tournament Bucket to Advantage Butte (AB) to administer, this would help to centralize funding. A meeting needs to take place with the AB board. Dorea shared AB's funding comes from a membership fee of \$500 from about 30 members and then a portion of the Butte-Silver Bow Economic Mill. Kami clarified AB will give more money to an event to ensure it does not lose money.

Butte Civic Center - MHSA 2021 Basketball Tournaments

Motion by Mike to fund at \$25,874; second by Kami, motion passes.

Butte Civic Center - District C Volleyball

Motion by Rex to fund with the remaining \$844 in the Events/Tournament Bucket, motion amended to fund at a \$5,000 level; second by Mike, motion passes.

Special Olympics - Basketball Tournament

Motion by Mike to fund at the Bronze level of \$5000; second by Rex, motion passes.

MOTION – Transfer of Funds Between Buckets

Motion by Bob, second by Dorea to take \$9,156 from Reserve Bucket to Events/Tournaments Bucket.

GROUP/MEETING BUCKET FUNDING:

BLDC – Select USA Conference

Motion by Bob to fund at a \$4,500 level; second by Rex. Take \$4,000 out of the Group/Meeting Coop Fund Category the remaining \$500 out of Group/Meeting Grant Application Category. Motion passes.

Kiel’s Konnection – Conference – CKHotel

Motion by Dorea to fund at \$2,500 level; second by Bob, motion passes.

Maria - Governor’s Conference on Tourism & Recreation Welcome Reception

Motion by Rex to fund at \$2,500 level; second by Kami, motion passes.

GROUP/MEETING BUCKET FUNDING - Continued

Maria-Montana Aviation Convention

Letter from May 2017 from Maria to the Montana Aviation Association stating \$1,500 would be given to sponsor the conference if in Butte. No action was taken. \$1,500 out of Group/Meeting Bucket.

LEISURE BUCKET FUNDING

BLDC – Video & Wayfinding

Butte Center for the Performing Arts – Website Re-Design and Marketing

Butte-Silver Bow Parks and Recreation - Butte Park & Recreation Guide

Friends of Stodden – Play & Stay Promotion

Highlands Cycling Club – Thompson Park Brochure Update & Winter Recreation Grooming

Mainstreet Uptown – Winter Blast

Music on Main

Motion by Mike to fund the following events, second by Rex, motion passes.

Center for the Performing Arts -Mother Lode:	\$5,000 for website
BLDC Wayfinding & Video:	\$10,000
Friends of Stodden:	\$6,000 marketing efforts
Highland Cycling – Thompson Park:	\$2,500 for brochure and gas

Open positions on the TBID Board

Maria briefly explained the process of sending letters of interest directly to Chief Executive Dave Palmer.

For the Good of the Order

Adjournment