September 26, 2024

Dear Mayor Hall,

Thank you for your request that the Visit Estes Park Board respond in writing to comments received at the recent Joint Study Session held on Monday, September 9, 2024. We appreciate the opportunity to respond to comments made about recent VEP Board activity.

We also want to thank you, the Estes Park Trustees and the Larimer County Commissioners for your time and consideration of the Visit Estes Park Operating Plan for 2025. The feedback and suggestions for improving our plan are already being incorporated into the final draft of the plan as comments are received.

The former VEP CEO and all staff worked very hard on the plan, and the staff was delighted to receive so many positive comments. This was the fourth consecutive Operating Plan created under the leadership of former CEO Franker in coordination with the VEP Board. Our Interim CEO Mike Zumbaugh, Heidi Barfels and Cindy Mackin showed great leadership in carrying the plan for 2025 forward to the joint presentation.

We took the comments received relative to Board activity very seriously. Following the joint session, Vice Chair Gibson and I thoroughly discussed the comments and recent Board activity with our VEP legal counsel and could identify no issues of legal concern. We followed this with a special meeting called last week in part to address the comments, receive additional Board direction from legal counsel and allow for a full airing of the comments by the Board.

As a Board we resolved that, as we move forward, all Board members would assume a common goal of furthering the success of VEP working together in service to the shared vision for our community. Extensive discussion took place on responding to stakeholder ideas and concerns. The VEP Board and the staff take stakeholder issues very seriously and try to address ideas and concerns as they come to our attention. It’s hard to respond to an unknown number of people that are unhappy for unknown reasons. Direct conversation, as found in our policies and bylaws, is the most effective way to communicate and improve. All directors encourage stakeholder and director concerns be brought directly to the CEO and Board for constructive engagement.

The VEP Board of Directors are appointed jointly by the Town Trustees and County Commissioners based on work experience and education from applicants who live and work in our community and express interest in working in the furtherance of the marketing district. The current Board has decades of experience in leadership in lodging, food and beverage and retail. All have experience in marketing and the

management and recruitment of staff in their own businesses and occupations. Some have prior board experience.

The Directors serve under the terms of multiple documents outlined in the enabling legislation, the IGA between the Town and County and the IGA between the Town and VEP. We are all responsible for the effective operations of the Local Marketing District to support its mission on behalf of our shared communities. Since 2016, sales tax receipts to the Town of Estes Park have increased by nearly 75%, with growing receipts in our winter and shoulder seasons. The biggest jump in sustained receipts started in 2021. In 2023, approximately 83% of the Town’s sales tax receipts came from Tourism activities. With the advent of 6E funding, an additional $8.4 million dollars from lodging customers have been contributed towards worker housing and childcare needs.

The duties and obligations of the VEP Board of Directors are outlined in the state statutes and within VEP policies and bylaws. As a Board, we believe that we are performing our duties as expected and required. The Board is engaged, responsive and is attentive to our community and organization.

Per the governing style outlined in the VEP Board Process Policy, we have established multiple strategies for working with the organization’s CEO to help support our mission on behalf of the district. The only directly reporting employee of the Board is the CEO. Staff is specifically directed by the CEO under all organizational and governing policies. Generally, the Board provides vision and high-level guidance for the organization. The Board employs the CEO, who hires and manages the organization's staff. Together, the CEO and staff recommend strategies and tactics, and execute those tactics, based on the Board's input and guidance.

As a Board, our most significant annual obligation on behalf of the district is the creation of the annual Operating Plan. It is then presented to the Town Trustees and County Commissioners for comment, input and ultimately approval per the timeline required under state statutes. Our Annual Operating Plan is the integral document that provides direction for the organization, its CEO and staff for the coming year. Over the last several years, the Board has helped create the structure in which the Operating Plan is created, taking into consideration yearly (and past) Board, Trustee, and Commissioner input. In the early years of any CEOs involvement, more extensive strategic conversation with the Board is usually required. Once that conversation is internalized, it builds on itself over time.

In the case of CEO Franker, over four consecutive Operating Plan processes, she had established a significant history of incorporating input from the Board, the Trustees and the Commissioners in each year’s plan. Her multitalented staff became increasingly adept in developing the yearly proposed plan and executing it. Over time, as we have

incorporated many of the Board’s inputs and concerns, there was a reduction in conversation as issues had already been raised and addressed.

Once the Operating Plan is approved, there is significant and regular reporting that has been created over multiple years with input from current and past Board members, Trustees and Commissioners. Each year, the reporting requirements imposed on the CEO and Staff by the Board has increased. It is a robust reporting strategy that has evolved over time.

VEP has undergone significant work on Board development. In 2018 we undertook a significant review and revision of Board policy and procedures. In 2021, we took part in a Board development review and evaluation to identify individual Board members’ personality and leadership styles to best coordinate strategic thinking and policy governance. This allowed the Board and our past CEO to embark on a positive working relationship that was highly successful in the advancement of the organization over the past few years. Our Board has asked legal counsel for the organization to take part in regular legal direction as needed and to instruct new directors (non-Trustees) of the Board on best practices in Board activity. Existing Board Members are included in these sessions as a refresher.

To the best of our belief, no communications by and between Board members are in any way a violation of legal board communication. While there are on occasion one on one discussions about pressing issues that present themselves to the Board, these are minimal in occurrence and not intended to be deliberative.

What we believe Trustee Hazelton has been observing since she was appointed to the Board this spring is an experienced board that is accustomed to working together over the years, within the existent Board policy and process. There is a depth of multifaceted experience and trust developed over time that often leads to strong, decisive action that comes from previous experience in our own businesses. Each has been willing to contribute their time generously to the furtherance of the community they love.

On behalf of the Board of the Estes Park Local Marketing District, Visit Estes Park.

Sean Jurgens, Chair

cc: Mayor Pro Tem Cenac, Trustee Igel, Trustee Younglund, Trustee Brown, Trustee Lancaster, Commissioner Kefalas, Commissioner Stephens, Commissioner Shadduck-McNally