

Colorado Association of Ski Towns

October 24, 2014

Ouray

Meeting Minutes

The following were in attendance:

Steve Skadron	Aspen	David Clayton	Mt. Crested Butte
Virginia Egger	Avon	Joe Fitzpatrick	Mt. Crested Butte
Tim Gagen	Breckenridge	Bette Maurer	Ouray
John Warner	Breckenridge	Carl Cockle	Ouray
Aaron Huckstep	Crested Butte	Dee Hilton	Ouray
Kevin Burns	Dillon	Pam Larson	Ouray
Tom Breslin	Dillon	Patrick Rondinelli	Ouray
Sweetie Marbury	Durango	Andy Beerman	Park City, UT
Dean Brookie	Durango	Sonja Macys	Steamboat Springs
Frank Lancaster	Estes Park	Deb Hinsvark	Steamboat Springs
Gary Wilkinson	Frisco	Malcolm MacDougall	Silverton
Jocelyn Mills	Frisco	Greg Clifton	Telluride
Matthew Birnie	Gunnison Co.	Stu Fraser	Telluride
Bob Lenz	Jackson, WY	Andy Daly	Vail
Anne Corrock	Ketchum, ID	Stan Zemler	Vail
John Howe	Mountain Village	Drew Nelson	Winter Park
Deanna Drew	Mountain Village	John Strandberg	Ouray
Gary Sears	Honorary Member	John Ferguson	Former member
March Achen	ICMA	Steve Foster	Former member
Katharina Papenbrock	Ouray Chamber		

The meeting was called to order by President Steve Skadron at 8:00 am.

Approval of Minutes

There was a motion and a second to approve the August 2014 meeting minutes, which was passed unanimously.

Ouray Welcome and Presentation

Ouray Mayor, Pam Larson, welcomed the group and gave us a brief update on the happenings in Ouray. Kat Papenbrock, executive director of the Ouray Chamber Resort Association talked about the issues and challenges of Ouray as a resort town and the help they've received from DestiMetrics, via CAST, on marketing and trends. We then watched a presentation on the Ouray Ice Park, which was acquired by the City of Ouray after eight years of consideration and negotiation, and is free to the public. The park is 100% donor funded and 75% from the Ouray Ice Festival. The park has become so popular that most businesses are now open year-round because of it. San Juan Guides is their official concessionaire and they help manage other guide services.

Ralf Garrison - DestiMetrics LLC

Ralf reviewed the Intelligence Pack and Mountain Market Briefing with the group. We are still digging our way out our all-time high of visitors pre 2007-08, but things are looking better. Average has been 57 million skier visits over last seven years. Econometrics - how consumers “feel” about economy is directly related to propensity to travel. Dependent on four factors; confidence, DOW, unemployment and housing equity. For summer 2014, industry occupancy up 5% overall. Rates were up 4%, and overall revenue was up 10%, which should translate into sales tax. It shows positive demand when both rates and occupancy go up. Summer has really rebounded and grown.

For the winter outlook, November to April, the data available through March 2015 shows a 7.4 percent gain in occupancy for the upcoming season, at 19.3 percent. At this point, occupancy is gaining in all five months of the season that data are available. Broken down by region, it is clear that positive and negative snow equity are in play, with the Rockies building on a good snow year last year and occupancy rates on-the-books up 8.9 percent compared to last year at this same time.

Allen Best - Mountain Town News

Allen Best talked to the group about the benefits of a revenue-neutral carbon tax. He told the story of his smoking habit and made the analogy that the negative affects of his habit of years ago didn't show up till later, much the way same way that what humans have been doing to our atmosphere over the years are starting to have major negative impacts. Atmospheric concentrations of carbon dioxide have accelerated dramatically since the mid-20th century. We're at 400 ppm now, and most climate scientists think the substantial risk of destabilized climate begins at 450 ppm. At our current rate, we'll be there in 15-25 years. Most economists agree that a carbon tax is the most cost-efficient and effective way of giving the market clear and strong price signals, along with spurring creativity. Allen would like CAST to get engaged because mountain town economies depend upon healthy regional, national and international economies. He recommends reaching out to our elected congressional representatives to encourage them to support a carbon tax or fee.

Clark Anderson - Sonoran Institute

Clark Anderson talked about the opportunities and challenges facing mountain communities in today's economy. For most, cultivating a diverse local economy is a top priority. The Sonoran Institute's Place Value Study examines the factors that attract entrepreneurs and an educated workforce to communities. Why would Altos Photonics be in Bozeman, MT and why would Backbone Media be in Carbondale? Answer = quality of life and lifestyle. The “mobility lifestyle” allows people and businesses broader choices than just cities, causing much broader economic shifts than just technology, i.e. shifts in developments and towns recolonizing their downtowns. Creating a business friendly climate and entrepreneurial culture will attract talent and businesses. What attracts you to a certain place? People move because they like the quality and character of a community, and jobs follow people. But can they afford to live there? Cost of living is a factor.

What makes a place great? There is a shift in the market, for example, old dinosaur malls no longer attract people. There is a shift in development and in real estate. Clark referred to their RESET and RESTORE studies. Who is the future market? Boomer represent 26.4% of the population, but Gen Y represents 27.7% and are gaining traction and represent the biggest segment in the housing market. There is also a decline in

households - smaller households and more single person households, as well as shrinking household incomes. Gen Y is predicted to make less than their parents. So what do people want? 90% of people surveyed would trade home size over quality and character of neighborhood, and sense of community. Walkability is driving the real estate market, as well as convenience and access to amenities, and access to open space and recreation.

How do we respond? Communities are faced with challenges such as development patterns, housing issues, auto-oriented designs, and the “up valley” commute. Plus the age old question, should we grow or not? Communities need to look at creating good jobs, investing in community amenities, diversity of housing, bringing housing downtown, pedestrian-friendly spaces, redevelopment in core areas, and expanding transportation and mobility options.

Eric Kuhn - Colorado River District

The 1,450-mile Colorado river drains an expansive, arid watershed that encompasses parts of seven U.S. and two Mexican states - encompasses about a 250,000 square mile drainage. Flows have steadily declined since the beginning of the 20th century, and in most years after 1960 the Colorado River has run dry before reaching the sea, every drop has been used since 1998 and he doesn't see that changing. Irrigation, industrial, and municipal diversions, evaporation from reservoirs, natural runoff, and likely climate change have all contributed to this substantial reduction in flow, threatening the future water supply. Lawns consume the most water.

The Colorado River is not just a basin resource, it's a regional resource. Other areas such as Cheyenne, Albuquerque and Salt Lake City, draw on it. Today about 35 million people depend on it, that number is expected to grow to 80 million people, a 91% increase. Currently, 10 tribes abut the river, with a total of 23 tribes involved. When the Colorado River Compact was drafted in the 1920s, it was based on barely 30 years of streamflow records, but there will be less flow in the future due to more growth and rising temperatures causing evaporation. We are “drawing down on our bank account.” Lake Powell is a major “bank account” and there is much concern over it levels and record drought conditions have caused Lake Mead to fall to unacceptable low levels. The future of the river is uncertain as the Compact could present obstacles to a water market solution to solve shortages. Current issues include the Colorado Water Plan, agricultural transfers, new transmountain diversions, recreation flows, enviromental flows and interstate obligations.

CAST Board Update

The CAST Board of Directors updated the group on what was discussed at their annual retreat which was held the day before on October 23.

Steve Skadron talked about suggested upcoming meeting topics.

- Summer economies
- Housing and transportation
- Resiliency planning
- Adapting to climate change

Tim Gagen talked about the Whistler meeting as CAST needs to get a sense of who can attend and if not, why not? If yes, who will be going? He also talked about restructuring the meeting into a peer visit. We will follow up with a questionnaire to members.

Stan Zemler discussed expertise panels and task force assistance. People with expertise would go into CAST communities that need assistance and give them help and feedback. This would be a potential CAST benefit to members and would be up to the community to do what they want with the information.

Stu Fraser brought up the topic of plastic bag bans and how successful it's been in Telluride. CAST conducted a survey in 2012 on behalf of one of its members and we feel it might be time to revisit the issue. CAST will look at re-doing the survey to gauge what's been done in the past couple of years.

Aaron Huckstep proposed tapping into our collective knowledge and developing "best practices" guides on relevant issues to CAST members. Examples would be best practices on handling VRBO and marijuana.

The meeting was adjourned at 12:05pm