

Colorado Association of Ski Towns

October 26, 2012
Glenwood Springs

Meeting Minutes

The following were in attendance:

Steve Barwick	Aspen	Bob Lenz	Jackson, WY
Jacque Whitsitt	Basalt	Bob McLaurin	Jackson, WY
John Warner	Breckenridge	Jim White	Minturn
Tim Gagen	Breckenridge	Joe Fitzpatrick	Mt. Crested Butte
Susan Parker	Crested Butte	William Buck	Mt. Crested Butte
Aaron Huckstep	Crested Butte	John Ferguson	Ouray
Kevin Burns	Dillon	Russ Forrest	Snowmass Village
Frank Lancaster	Estes Park	Sonja Macys	Steamboat Springs
Bill Pinkham	Estes Park	Walter Magill	Steamboat Springs
Bill Efting	Frisco	Stuart Fraser	Telluride
Gary Wilkinson	Frisco	Paul Perry	Teton County, WY
Dave Sturges	Glenwood Springs	Stan Zemler	Vail
Jeff Hecksel	Glenwood Springs	Andy Daly	Vail
Steve Skadron	Aspen	Jim Myers	Winter Park

The meeting was called to order by President Stuart Fraser at 8:10 am.

Approval of Minutes

There was a motion and a second to approve the August 2012 meeting minutes, which was passed unanimously.

Jeff Hecksel

Glenwood Springs City Manager Jeff Hecksel welcomed the group and gave an update on the latest happenings including their VRBO ordinance and their PERKS program which they hand out around town and is worth \$10 at participating businesses, which can be found on downtownparkingperks.com.

Ralf Garrison, MTRiP

Ralf reviewed the Intelligence Pack and Mountain Market Briefing with the group. Because of the poor snow year last year, guests are waiting to see what happens this year and are booking later, which he refers to as a “snow hangover” and has caused a divot in December. He then did a website overview, showing the group what data they can see and gather as subscribers, i.e. Newstalker, Consumer Confidence. He has sold his part in the Mountain Travel Symposium and is working on other things such a transient inventory study, special events ROI, school break calendar and retail/restaurant data. He is also working on mid-winter update/summer forum co-located with the SIA show but it is in the formative stage right now.

This coming winter December and January are down and February is way up, but why? Can't see April yet. Occupancy right now is flat (-1%). But with rates up, we're up +3% overall. Wild cars are economy and weather, as always. Winter 2011-2012 revenues up 2.2% overall. Rates went up and occupancy went down. If guests found a place they wanted to go, they would pay the rate. But winter 2011-2012 was an anomaly. It was hot and dry when year before was resplendent, an anomaly we hope doesn't happen again. The new normal? However, even though we lost business to locals, season pass holder and second homeowners, destination guests saved the day - the further away they were, the better; international the best turnout.

Summer 2012 was up 12% overall. May-July 2012 lodging tax up +13%. Overall, summer is good across the board and we can now call that a trend. Occupancy abounds, however, rates still slow growth. But, summer is just too short. Winners vs. losers = wide variance. Events should be fewer and bigger (Ralf's advice).

Liz Mullen - NWCCOG

Liz Mullen, the new executive director for the Northwest Colorado Council of Governments, addressed the group and gave an update of what's going on with NWCCOG. CAST and NWCCOG have 13 common members. They recently got their economic designation which is really important when it comes to access to funding. For 2013 they have formed a working group which will be focusing on the following: Coordinating their website with the State's; business incubators/entrepreneurial programs; surveying employees/training; broadband, applying for SET; joint purchasing consortium; one-click, one-call center for transportation. Economic development is at the forefront of their mission.

Kari Linker - OEDIT

Kari Linker, the regional development director of the Colorado Office of Economic Development and International Trade, gave a presentation on the Colorado Blueprint: A Bottom-up Approach to Economic Development. The strategy of their office is to align Colorado key industries across Colorado regions in order to create a stronger Colorado economy. Colorado is ranked high as one of the best states to do business in and in technology and science. Each key industry is creating a strategic plan for the growth of the industry within Colorado. The network launched in December 2011 and since then have engaged more than 150 CEOs and 200 tactical team members. There are 14 key industries- see Kari's presentation at http://www.coskitowns.com/cms_files/Presentations_Archives/Kari_Linker_Oct_2012_Presentation.pdf They're working with 14 regions across the state to create business plans designed to spur job creation within the region and identify policy issues.

How does tourism factor? Visitors can enjoy over 24,000 sq. miles of public land, 4 National Parks and 42 State Parks. Colorado also has a strong concentration of outdoor industry companies estimated to be about 12% of the national total. The Outdoor Industry Association found that the outdoor industry accounted for over 322,000 jobs and \$10 billion annual economic output in Colorado alone. Vision: Colorado will be the outdoor recreation capital of the country; the tourism and outdoor recreation industry will lead the economic recovery. Colorado Tourism & Outdoor Recreation industry will:

- Leverage central location and new international flights to Asia and Europe to establish Colorado as the new gateway to America for international tourists
- Collaborate between industry and government at all levels to lead the country in accessibility and connectivity of the outdoor recreation and tourism system to visitors and residents (trails, parks, etc)

- Increase affordability and participation in outdoor recreation
- Focus on youth demographic as potential workforce and customers
- Embrace cross-promotion between sectors and promote the diversity of opportunities in Colorado (wineries, breweries, festivals, races, etc)
- Recruit outdoor recreation companies nationally and internationally
- Bring Outdoor Retailer Summer/Winter Markets and Interbike to Colorado

Scott Fitzwilliams, USDA

Scott Fitzwilliams is the Forest Supervisor for the White River National Forest - 70% of all ski areas on forest land are in White River. It is a very productive forest with about 25,000 sheep and 50,000-60,000 cattle grazing on its land, and these numbers are staying steady. Colorado lamb is currently the top selling lamb at Whole Foods. Regarding forest health, most think the bark beetle is slowing due to the fact that it's running out of food. The forest service will concentrate on safety and mitigation, clearing roadside hazards and trails, and making sure power lines are cleared. But, most of the forest will remain the way it is until the trees fall down. Starting to transfer to resiliency and diversification. We're in for the threat of wildfires for decades. The state is drastically in arrears in "controlled fires" - there is too much fuel on the ground, and there's been very little forest management. There is decades of work to do! But there is good news in the forest products industry. Mills in Montrose and Wyoming are looking for logs. Gypsum has secured financing for a bio mass plant. There are now places to take wood that are going towards making clean energy.

Regarding ski areas, boundary expansions are probably now a thing of the past. Forest service is saying NO to new ski areas. It is very challenging to try and expand boundaries now. The replacement is diversification of footprint within existing boundaries, i.e. terrain parks and children's activities, and diversification of infrastructure, i.e. shops, restaurants, etc. Snow management has become more sophisticated, the amount of money spend is astronomical.

The new frontier is summer uses with the passage of the Ski Bill, which gave the forest services authority to authorize activities other than skiing. But it is very specific in its exclusions, i.e. tennis, golf, water parks. Activities such as zip lines, canopy tours, horses and mountain biking are okay, but will they be profitable? It is an opportunity to serve a different set of customers, to fill more beds in the summer, and to use land that just sits there. However the forest service has concerns - it is not appropriate for forest land to be turned into "Six Flags." The forest service will have guidelines that the activities are outdoor based, have an interpretative message (educational as well as adventurous), and that they avoid "kitchy." The economics have potential to be strong for towns and ski areas.

Updates

The next meeting will be held in Telluride on January 24-25, 2013.

The meeting was adjourned at 11:55am.