



MINUTES
October 27-28, 2016
Springs Resort & Spa
Pagosa Springs, Colorado

In Attendance:

Andy Beerman, Park City, UT
Anne Corrock, Ketchum, ID
Becca Gerber, Park City, UT
Bill Efting, Frisco
Dan Gibbs, Summit County
Dara MacDonald, Crested Butte
Dean Brookie, Durango
Erin Gigliello, Breckenridge
Gary Wilkinson, Frisco
Greg Clifton, Telluride
Greg Schulte, Pagosa Springs
Jennie Green, Pagosa Springs
Jim White, Grand Lake
Jim Schmidt, Crested Butte
Joe Fitzpatrick, Mt. Crested Butte
Matthew Birnie, Gunnison County

Ron LeBlanc, Durango
Sarah Smith Hymes, Avon
Scott Ford, Steamboat Springs
Stan Zemler, Vail
Steve Skadron, Aspen
Tom Acre, South Fork
Tom Breslin, Dillon
Todd Barnes, Mt. Crested Butte
Todd Brown, Telluride
Virginia Egger, Avon
Walter Magill, Steamboat Springs
Russell Forrest, Gunnison
Richard Hagan, Gunnison
Matt Schwartz, Gunnison
Rani Derasary, Moab UT
Margaret Bowes, CAST

I. Call to Order and Introductions, Dean Brookie, CAST President

II. Approval of August 2016 Meeting Minutes

III. Welcome to Pagosa Springs, Greg Schulte, Pagosa Springs Manager

Greg thanked CAST members for coming to Pagosa Springs. Pagosa Springs is the only municipality in Archuleta County. Their year round tourism is anchored by the hot springs. Summer is their peak season, but winter can be strong depending on snow. Their sales tax is strong and breaking records. The town is heavily dependent on sales tax, with property tax a very distant second. They recognize they need more and better hotel properties. The Lodger's Tax has been consistently strong. The county and town have recently committed to pool the lodgers tax dollars for joint marketing. The town owns the Visitors Center and installed electronic door counters. They are pleased with the increased school enrollment as that is a demographic they want. Their key challenges are workforce/attainable housing, early childhood development, availability of child care, broadband, parking, and challenges around short term rentals. A lack of housing and child care have resulted in jobs going unfilled. They hope to position themselves as a ski town through external marketing and partnering with Wolf Creek Ski Area and local ski clubs. Pagosa Springs supported the federal Chimney Rock designation. It had great support

and no opposition but got bottled up in committee in the Senate. The President made that designation and Pagosa Springs pleased.

IV. Colorado's Highest-Value Traveler: The Skier, Cathy Ritter, Director, Colorado Tourism Office

Colorado's ski industry is a \$44.8 B industry. The state spends \$2M per year on ski marketing with a very targeted audience. The state needs to do so to grab the out-of-state skier. America's Best Skiing is the tag line the state uses in its ski marketing. Colorado dominates with 20% of the U.S. skier market share. They wrap in other winter activity options into their marketing. By medium, they are spending more on targeted TV (50%), but 50% is in digital. The campaign focuses more on how a Colorado vacation will make you FEEL, not what there is to do. Gear, production, clothing, actors are ALL Colorado and the campaigns are adding diversity with Hispanic actors. Colorado has posted a 31% increase in Colorado visitation which is nearly twice the 16% growth rate of US travel since the recession. Visitor spending isn't shared equally across the state, and mountain resorts have a larger than average share.

The Colorado Tourism Office (CTO) has had community meetings/listening sessions to gather input. A plan will be created and presented to the CTO board in early 2017. The CTO heard that we need to reinforce sustainability and protecting what makes Colorado special. A resident backlash can take place when they feel their local places are overrun with people and impacts. Dispersion is being used to help spread out numbers of visitors. The CTO can help market "the lesser visited" sites. CTO believes that regional collaboration has great potential. For example, a tour of hot springs could be created through collaborations of several Colorado regions. The CTO budget will stay flat for next year. We are ranked 13th in terms of state tourism budgets. If Colorado was in parity, the CTO budget would be \$29,000,000 rather than the 19,800,000 that it is currently. CTO does consider workforce issues, as adequate staffing is critical to good service and satisfied visitors. The ratio of summer to winter spending is 40/60.

V. Wolf Creek Ski Area, Sarah Stephens

Wolf Creek Ski Area is the largest employer in area. They are known for deep snow and have a base elevation of 10,300 feet and the summit is over 11,000. Auto Meyers is known as the pathfinder of the San Juans and is related to the current owners, the Pitcher family who bought Wolf Creek in 1962. The owners have been involved with developing ski areas all over the country. It has become a family-run ski area since the kids were brought into the workforce, and even more family become involved in the Mid 80s. One of those individuals is now the CEO of Wolf Creek. They offer two unique family programs that they hope will build a love of skiing. 1) local schools receive \$20 lift tickets, including rentals and lessons. 2) Families of those school kids pay only \$60 for a lift ticket, rentals and a two hour lesson. The owners recognize the need to work together with neighboring communities, Pagosa (23 miles) and South Fork (18 miles). They don't have lodging so depend on these towns to serve as the ski towns. They participate with the tourism bureaus and list lodging options on their website. . They stand out as being family owned and operated, and offering an authentic, old-school ski experience.

VI. Climate Change & Local Government Action, Talya Tavor, I AM PRO SNOW, Program Manager, The Climate Reality Project

People are seeing changes in their communities but aren't really connecting what they are seeing with climate changes. I AM PRO SNOW recognizes the need to connect those dots. It started with a partnership with Warren Miller and professional athletes. The 100% committed campaign is all about working with local communities. Communities take the pledge that Aspen and Park City have already taken to transition to 100% renewable energy. We know climate change can be a detriment to tourist destinations. We know what we will be seeing into the future and what increased temps will mean to snowfall. The cost of renewables is declining. Mountain towns and the ski industry had a presence at COP21 in Paris and demonstrated that ski towns are taking action

to go to 100% renewables. Aspen Mayor, Steve Skadron attended as did industry reps, athletes and ski media. Paris is where they launched the 100% committed campaign. Their goals are ambitious as they are striving for commitment from 200 communities and 20 industries to highlight at COP 2020. I AM PRO SNOW is here to help every step of the way. She sees CAST as a group of change makers and encourages CAST members to engage with their work.

There are other groups working on the issue of climate change, and Talya explained that they work very well together. They each have different focuses (national, local, policy, action-focused, etc.) and I AM PRO SNOW is the only program doing this very local action-oriented work. They get funding from major donors and foundations. Park City encouraged CAST members not to be fearful of taking this to their councils. Park City had initial concern that citizens would push back but once they went down that road, they found overwhelming support throughout community. The town staff was daunted, but just a year later Park City has a clear road map and action plan. Park City has pledged to mentor other communities and is already working with Moab to explore taking similar action. Talya stated that they are trying to get the ball really rolling before utilities and industry start to push back. The biggest opposition has been when cities renegotiate with local utilities. Aspen made this commitment in 2005. They accomplished their goal of renewables by 2015. It was hard, but it is practical and profitable for them in the end.

Steve Skadron has been on international tour to share this climate change message. He stresses these efforts need to be scalable so it can be workable for all types and sizes of communities. As Mayor of Aspen, Steve Skadron signed on to an international compact of mayors at the Paris talks, and he is working to create a similar compact of Colorado mayors. That event will take place May 17-18 and CAST mayors will be invited.

VII. Health Insurance & Geographic Rating Area Study, Michael Muldoon, Chief Actuary, Colorado Division of Insurance

In 2014 Colorado was divided into 11 regions. A year later there was uproar from many mountain communities due to costs, so much of western slope was combined. This resulted in slightly lower rates for mountain resort areas, with higher rates elsewhere. HB 1336 charged the Colorado Division of Insurance to study if Colorado should move to a one geographic area for determining insurance premiums. Western Colorado has higher provider costs. The study looked at whether it was a utilization problem or a unit cost problem. The only other states that have a single geographic area are very small, homogeneous states.

From 2014 to 2017 the carriers have been and will be rapidly declining. 2014 was year #1 of Obamacare and at that time Kaiser had 47% of the market share. The Coop picked up a lot of members, but in 2016, year #3 of Obamacare, the Coop went belly up and the state had to step in. Currently, only one company is entering the market, and many providers have pulled out of the Colorado market. This leaves 30% of Coloradans searching for a new plan. Overall with Obamacare, 33% of the population is getting premium subsidies. The Div. of Insurance is the watch dog for providers and their rates. They regulate insurance companies, but have no control over hospital pricing.

Mountain communities are getting hammered on costs of insurance. There could be another piece of legislation that would mandate the one geographic area, and this could mean a reduction in costs to mountain areas, but could also mean a decrease in providers. The Dept. of Justice is analyzing the actions of providers being purchased by other providers which would result in only three national insurance companies. There is a group of people looking at these issues, including Dan Gibbs representing Summit County. They are looking at how upcoming changes would impact the consumer, and which policies can be brought forward to make the system work better and be more equitable for western Colorado. Unfortunately, there isn't much good news to bring back to our communities but hopefully there will be some creative solutions for the future.

VIII. Discussion: Transfer of Public Lands to States, Dan Gibbs, Summit County

There is a national push and conversation that wants public land management to be transferred to individual states. Many towns and counties have passed resolutions that state how important our public lands are to our local economies. If this transfer were to happen, it would be a huge financial burden to the state and/or counties. Fire management alone would bankrupt counties. Federal lands are critical to our economies and way of life. Both Democrat and Republican- dominated counties have passed such resolutions. Dan feels it is appropriate for CAST to oppose this effort. These are real conversations and legislation being proposed (HR2657) to make such transfers, so the need for action is serious. There is some urgency to this as councils are having conversations about selling off public lands to private development.

IX. Updates & Other Business

Several CAST members have signed on with The Mountain Pact to raise state concerns around impacts of U.S. Forest Service (USFS) dollars being transferred to fire management, taking dollars away from other critical land management efforts.

Dan Gibbs, Summit County asked if CAST would voice support for the continued federal management of public lands. There are discussions going on around transferring management of public lands to states and CAST is in a strong position to have an important voice in this discussion. The board will consider taking such a position, and will bring the issue back to the membership.

Meeting adjourned at Noon.