

Colorado Association of Ski Towns

March 13, 2014

Denver

Meeting Minutes

The following were in attendance:

Steve Skadron - Aspen	Dan Jansen - Mountain Village
Virginia Egger - Avon	Joe Fitzpatrick - Mt. Crested Butte
John Warner - Breckenridge	William Buck - Mt. Crested Butte
Tim Gagen - Breckenridge	Joe Gierlach - Nederland
Aaron Huckstep - Crested Butte	John Ferguson - Ouray
Anthony Graves - Denver	Ryan Hyland - Silverthorne
Keith Montag - Eagle County	Walter Magill - Steamboat Springs
Bill Pinkham - Estes Park	Steve Jeffers - Stifel Nicolaus
Peggy Smith - Fraser	Dan Gibbs - Summit County
Jeff Durbin - Fraser	Gary Martinez - Summit County
Bill Efting - Frisco	Thomas Davidson - Summit County
Gary Wilkinson - Frisco	Stuart Fraser - Telluride
David Hook - Grand Lake	Greg Clifton - Telluride
Kathy Lewis - Grand Lake	Drew Nelson - Winter Park
Jim Peterson - Grand Lake	Stan Zemler - Vail
Judy Burke - Grand Lake	Mark Achen - ICMA

The meeting was called to order by President Steve Skadron at 11:50am.

Approval of Minutes

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

Group discussion - Effects of retail marijuana

We had a roundtable discussion among our members on the effects of retail marijuana on our member towns since its legalization on January 1, 2014. Most towns have seen very few problems when it came to law enforcement. Breckenridge saw \$96,000 in taxes in one month. Average age of buyers seems to be around 55. One universal issue is security around the handling of cash and potency of edibles. Some towns who have said “not yet” to marijuana are seeing how other towns are faring. Some people are leaving it in their hotel rooms, as they’re not allowed to take it out of state, leaving it up to law enforcement to deal with this. Nederland has issued its first club permit. Denver has seen a significant impact on the city when it come to regulatory issues and is watching it closely. In some towns, bigger stores have asked to bring it into their stores.

Al White, Director, Colorado Tourism Office

Al talked about how marijuana has affected tourism so far to the state. Every year they do on ROI on campaign effectiveness and ask a series of questions. Two-thirds of those who responded said the new marijuana laws would not influence their visitation. Overall, the impact has been positive. They've mostly heard from concerned fathers and those who are concerned about 4/20 day. They expect about 50,000 people in City Mark and Mayor Hancock is concerned as well, especially since 4/20 falls on Easter Sunday this year.

The "Come to Life" campaign is still in effect and the ROI on their summer piece showed an increase of \$338 per \$1 compared to \$200 per \$1 over last year, proving the campaign still has legs. Denver initiated its first direct flight from Tokyo last year and Al was on the inaugural flight. Thinks this will be a great thing for Colorado. Met a grandma from Japan in first class bringing two grandkids to a camp. Currently looking at COPA Airlines, using Panama City as a hub to Central and South America.

He doesn't have 2013 numbers yet, but thinks it should be a record breaker in terms of visitors. CTO has been involved in flood relief efforts, working to keep Rocky Mountain National Park open and helping flood towns with grants. People still have conception that Estes Park is still in bad condition because of flooding and they have been fighting that. 2105 will be the centennial for RMNP.

Colorado's Amendment 50 screwed up the budget for the CTO. They receive \$15 million from gaming and \$2 million from general for a total of \$17 million, but really need \$35 million to play with the big guns. Colorado usually ranks around 15th, 16th or 17th for the most visited state, but we could improve that with more money.

There been some reorganization within the CTO and PR and social networking has been brought in house as opposed to paying an agency. CTO continues to be involved with Pro Cycling Challenge and puts in a half million every year. Hard to see the value overall as it's intangible, but it gives a global perspective on Colorado and people see the iconic images and want to come here.

Governor John Hickenlooper

The Governor talked about job creation and said that Colorado is 4th in job creation, up from 40th, and has a shot at being 3rd. We are also in the top 50 for startups. Colorado had 4 of the top 10 startups. Our entrepreneurial hot house has taken hold with a focus on innovation and new things.

The governor wants Colorado to continue to be a magnet for entrepreneurs and in order to do so, he plans on Colorado to be the healthiest state. His plan will create a comprehensive and person-centered statewide system to address a broad range of health needs, deliver the best care at the best value and help Coloradans achieve the best health possible.

His model has always been non-partisanship and sees the possibility of bringing the RNC to Denver as a great opportunity, especially as the face of Colorado has changed. Regarding

education, he is pushing two initiatives in the legislature - full transparency and money follows the child. He also wants to push rules on methane and other gas leakages and wants the cleanest possible air at the lowest possible cost. He's received positive comments from both sides.

He would like to save the revenue from marijuana and see what happens to kids. Kids who have slipped off the tracks. But as there's a feeding frenzy regarding that revenue, his wishes may not hold sway. He is very concerned about the edibles and wants to educate kids on the dangers. Also need to figure out the banking issue as well, as there is corruption just waiting to happen.

Considers it one of the great social experiments of the 21st century, and was against it, but now it needs to be treated right. A good example of how this could all turn out is that there are now 232 federally licensed breweries in Colorado.

Denver Mayor Michael B. Hancock

Denver is doing well out of the recession. Have seen a tremendous increase in the building permits, and investments unleashed driven by the FastTracks projects. Since he took office in 2012 he's been working competing in the world and the global marketplace, i.e. more direct flights out of Denver bringing international investors to Denver. The direct flights from Tokyo have averaged 80% capacity since they started. They've added a second plane for the flights from Reykjavik, Iceland. They have seen a huge increase in traffic from Europe. Adding to that increase are McMurray, Canada and Mexico City. Next targets on getting more flights are Panama and Brazil. What's driving that is what we have to offer here.

Currently working on getting the RNC to come to Denver. Denver can handle it, as well as a Superbowl or Olympics. Denver became a top convention destination after the DNC. Pushing development - Aerotropolis and Union Station becoming hub of transit system. Now if we could just figure out trains into the mountains.

Addressed the concerns of CAST towns and water resources and how Front Range is draining water from the mountains. Every development that happens - is there enough water? Looking at it, but no one has an answer at this point. Also looking at other models to get cars off roads especially when it comes to DIA to I-70 to the mountain corridor.

According to the Mayor, the DIA hotel project is on budget and on time. There was an unfortunate article in the Denver Post regarding the debt, and he said don't believe everything you read and sources were ex-employees. He is also proud of the smooth rollout of the marijuana legalization and all the hard work put into it. He would like to see the revenue derived from it go to additional law enforcement, enforcement training, inspectors, equipment, health, and educating children on the dangers of marijuana.

Forest Financial Group Inc.

Leanna Sandner and Ted Konstantopoulos from Forest Financial Group, an employee benefits consulting firm, gave a presentation on health care reform. They discussed 5 trends that are helping their clients prepare for change. The five trends are: ACA compliance and employer mandate; communication and engagement; voluntary benefits; proactive wellness and alternative funding strategies. Their full presentation can be found at http://www.coskitowns.com/cms_files/Presentations_Archives/Employee_Benefit_Trends.pdf.

Kevin Bommer, CML Deputy Director

Kevin gave a State House update and ran through the bills that CML is supporting and those they oppose. Not a lot of bills right now. You'd think there would be a lot of fireworks with one party control, but no. One of the issues on the table right now is marijuana. The state did a good job last year in the areas of law enforcement, proper local control, shoring up statutes and regulating home grown. However, revenue part is tricky. There is more money than folks thought and more money than voters approved, which raises a TABOR issue. State may collect more than voters asked for. How to spend revenue? And how is it going to get distributed?

Other legislation involves cleaning up local background checks and affordable housing. HB-1017 puts more money in housing investment. CML is supporting this. Hours of operation for beer and liquor should be given to local control. Right now a dead bill, but he thinks it will come back but doesn't think it will go forward. As of this meeting, urban renewal is still not a bill. CML thinks there's still going to be one, but original concept from last year is gone. Regarding land use and water issues, there is an argument that western slope water should stay on the west slope - used as a foil to get into local land use planning. If state gets into local land use issues, we're all in trouble. CML withdrew opposition to SB-17 and SB-145 should be killed. If economy keeps growing, we may see TABOR cap in 2-3 years. Is there a strategy? No one is having that discussion yet.

The meeting was adjourned at 4:05 pm.