

**Summary of URAAC Steering Committee Meeting-Steamboat Unbridled
10/08/09
Meeting held in Crawford Room, Centennial Hall**

Committee Members in Attendance	Ex-Officio	Staff, Consultants, and TAC Members	Other Interested Parties
Steve Frasier Chris Diamond Jim Schneider (Alt.) David Nagel Jon Wade David Baldinger Peter Patten Timm Harmon (Alt.)	Loui Antonnuci	Joe Kracum Nicole Horst Bob Keenan Janet Hruby John Roberts Bob Litzau Alan Matlosz (Phone)	Mark Mathews Shannon Dillard

Co-Chairman Baldinger called the meeting to order at approximately 1:00pm.

CONSENT AGENDA:

1. Administrative Items

- Review meeting notes from September 24, 2009 meeting
- Next SSRA Meeting & Open House – 20 October
- Next URAAC Meeting – October 22, 2009

Baldinger stated that the minutes would not have to be approved. No corrections were made.

There was concern with having a quorum on the 22nd and consensus was to have the meeting on Tuesday, October 20th at 1:00.

NON CONSENT AGENDA:

2. Financing Recommendation

- Two options are available for financing 2010-2011 construction: bond issue or a loan. The URAAC Finance Committee will discuss the issues. *URAAC will be asked for a recommendation on the direction.*

Nagel –

We will have Alan Matlosz joining us by phone. He gave handouts with financial information. Originally Wells Fargo was on board to give “Triple A” rating and to do all of the bond funding but now they are not going to do this. Matlosz solicited interest from different banks and US Bank has stepped up to do this. They can do bond funding or a term loan. He gave an explanation of the handout regarding issues and data as well as a document from Matlosz that breaks down the costs along with details of various options.

Matlosz –

Gave an explanation of the two options and they are not terribly different. The Letter of Credit would be for the bonds being issued with US Bank with an interest rate cap to keep the interest rate from going above 4%. The difference on the loan is that instead of the rate floating, it is fixed for 5 years. It was 3.59% but could change depending on when we close. The cost of the Letter of Credit is 1.7% which is an annual cost times the principal outstanding. The total fixed cost is 1.8% and on top of that there would be the interest rate charged by the market. Today, interest rates are really low so the all end cost today is just a little over 2%. Compare that to the loan option at 3.59% and it is 1.5% higher. What the loan gives us is a fixed rate for 5 years and the Letter of Credit gives us the opportunity to borrow at the lowest possible cost. He explained some other scenarios of what could change when the rates change. The Letter of Credit option is a long term financing, 20 year bonds, where the rates fluxuate and the Letter of Credit is committed for 5 years which could be extended. The loan option is a 5 year loan and after 5 years it could be extended or refinanced.

Discussion took place on pros and cons of both options.

Kracum –

Asked what kind of restrictions we have on the bond? If we want to continue with the program we have been detailing over the last couple of months, we need the \$6m to spend at least next year.

Harmon –

If the issue is that the assessed value maybe 41 instead of 46, we are talking about 10% less. Does that equate on the total cash release to 10% less as well?

Nagel –

This is an issue that we need to discuss further with the bank.

Matlosz –

They have come up with release points. This is the revenue that we see coming into SSRA and based on a certain interest rate assumption, it is really the same for the bonds and the loan. He explained more fully how they come up with the numbers. The bonds or loan can be closed, whichever one is chosen, the City could be paid back the \$2.6m that it is owed, additional funds from the bonds could be released to spend and as year goes on if there is not enough additional information to convince US BANK to release additional funds then with the final assessed value in December more money could be released. In the interim, maybe the City could loan \$1m, or whatever number it is, to the SSRA and get paid back. Loaning money over fiscal years is a little trickier than loaning money within a fiscal year. There are ways to try to negotiate higher release numbers but we haven't done that yet because no approval has been made on which direction we will go.

Kracum –

Do certified assessed values only happen every two years?

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Matlosz –

No, they do assessments every year. Every two years there is a new process, but every year there is an assessment. He explained how the money would be released and how they come up with the numbers.

Baldinger –

These are essentially two good options and we need to have a philosophical discussion and a recommendation that this body has consensus, then pass it on to SSRA for final decision.

Patten –

Asked what recommendation Matlosz has to us?

Matlosz –

He thinks in terms of the analysis, if the interest rate on the loan is at 3.59% or lower it provides some comfort that we know the interest rate is fixed for 5 years. There is a price for that. We don't know what the numbers will be in the future. If the two options are pretty comparable, the reason for that is they are somewhat equivalent.

Discussion took place on what the future could bring with the two different options. Matlosz stated that in terms of ultimate flexibility, the bonds are a better option.

Harmom –

Summarized that we will not have enough money in either option.

Matlosz –

It is a little more complicated than that. The assessed value for December will be the \$41m or \$42m. What he has convinced US Bank to do is to say if a building is completed we have a valuation from the County assessor of what that is going to be worth and because next year is not a reassessment year, the assessor will just say what it is worth and that will be the taxes for 2010 and 2011. We will get credit for that and if another project in the SSRA area was also completed in 2009, then we would get credit for that as well. Generally, there will be a slight shortfall which could be made up when the final assessed value comes in for 2010. In the interim, there might need to be some sharing within the City and the SSRA.

More discussion took place regarding when and how this money will come in and what options could be used. Matlosz is hoping to come up with a reasonable solution with US Bank.

MOTION:

Frasier moved to recommend option #1 to SSRA for their consideration – Move forward with a bond issue.

Diamond seconded the motion with a friendly amendment.

FRIENDLY AMENDMENT:

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The committee demonstrate the final bond solution provides the needed funds to the SSRA to do the scheduled work and repay the City. (The deal needs to be tweaked to assure this because we do not know what this is yet.)

Friendly summarized by Baldinger:

Adding “with renegotiation of timing of release dates and other details.”

DISCUSSION ON MOTION:

Litzau –

The release issue is the same on both the Letter of Credit and the loan, correct?

Matlosz –

Correct. That issue is there with both of the options on the table.

John Roberts -

The loan outstanding to the City needs to be repaid in this fiscal year and then, depending upon the numbers, could be a reconsider next year as to whether or not to mirror that arrangement on the potential loan and if there is a timing issue on the valuation?

Kracum –

Asked if this is something that could be moved into the surplus that they are talking about?

Roberts –

That would be the advantage to quickly building up the surplus.

Antonucci –

Where is the least risk to the City 5 years out?

Matlosz –

When we looked at this over the last several months and the projections were prepared, we were very conservative in terms of only considering the buildings under construction. We didn't assume any new construction, we didn't assume that there would ever be any sales tax increment revenue available. They made a whole bunch of assumptions that were very conservative. We aren't spending all the money at once so if things go bad in the next few years there is an ability to revisit how much money gets spent. Based on the information we have today, we have used that information to structure the best deal possible.

Baldinger –

In answer to the question from Loui, the risk model is similar with both scenarios out there 5 years, it is almost identical. He would say that between Option 1 and 2 that 2 is the certainty if the fixed interest rate is really important to the projects and the timing could be important to get a certain thing done. Whereas, the Letter of Credit option is a little bit better deal and has more flexibility.

VOTE:

Motion was approved unanimously

Agenda item #6 was moved up on the agenda.

2a. Additional Signing – Mt. Werner Circle & Ski Time Square Drive

- A plan for additional signing has been developed. *We will ask for a recommendation on whether to proceed with this additional signing this year.*

Baldinger –

Email history was passed out.

Kracum –

He met with some individual businesses and has had meetings regarding signs. The plan that came out of these meetings basically included three elements: 1) signing, 2) doing something with the banners, and 3) doing something with the roundabout. They are not there yet but have some designs to show the committee. This would be to replace every other banner on each light pole with a Ski Time Square item. They have some ideas for the centerpiece in the roundabout but now it is way out of scope and needs to be discussed. They do anticipate getting the signing up this year. There is one sign change at the corner of Mt. Werner Circle and Ski Time Square Drive, and that is to increase the lettering size. He showed on power point what the ideas are.

Horst –

Showed examples on different signs. They want to increase the size of the font to show Ski Time Square. The sign in front of the Grand would be moved to allow people to read Ski Time Square. Nobel Erickson did not want to change the larger signs because of the Master Sign plan. The type font on the existing signs will go from 4 ½ inches to 6 inches which will be easier to read. This will allow the signs to not be massive by increasing the size, but with larger font people will be able to read them easier. She showed where the changes would be affected.

Kracum –

By replacing the sign faces and adding two new signs the cost would be roughly \$32k. These are preliminary prices but are in line with what we were paying in 2007. There is a major sign by Torian Plum that we could deal with. Putting shopping and dining on the signs is resonating more and more. Putting business names on the signs was decided not to be appropriate. Areas, not specific businesses, are more important to be on the signs.

Horst –

The signs need to be more directional in nature. The light poles and banners should have a strong visual connection that would show people where they are going.

Kracum –

We are looking at a 6 to 8 week timeframe for these new signs. We would need to get approval on Oct. 20th at SSRA for the cost of the new signs.

Discussion took place regarding the cost of all the signs and which ones we really need.

Baldinger –

Is the V2V sign coming up Mt. Werner Circle too expensive? It doesn't serve as great a purpose for the money as some of the other ones proposed with its angle and cost. Is there consensus that we don't need that sign right now? It could be added at a later time.

The consensus was that it is not needed at this time.

Is the committee comfortable with the two proposed V2 signs? The consensus was yes.

Do we want to investigate the possibility of a third V2 sign on the north side of the intersection of Ski Time Square and Mt. Werner Circle?

Diamond –

This is an opportunity to make a welcome statement to draw people in. By just doing a major transportation sign to do that is going in the wrong direction. He would like it to be a welcoming statement.

Kracum –

Summarized what signs will be changed.

Patten –

Has spoken to different people and agrees it would be a good idea to place specifics on the signs such as shopping, parking, dining, etc.

Frasier –

Feels we are trying to identify areas of interest instead of specific components.

Horst –

The banners could specify shopping, dining, etc.

Baldinger –

One idea is to go with what is proposed as shown. The other is to open the idea to add specific components.

Shannon Dillard –

This is what the Torian wants to see. If you are turning in where the existing sign is where you are going to change the lettering, and the light post is going to say shopping, or whatever, and the other sign is going to say Steamboat Unbridled, and opposite that, you are going to put a big welcome sign saying Ski Time Square dining, shopping, etc. That should solve the problem.

Kracum –

Summary of URAAC

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As residents and property owners in Ski Time Square, you get to decide what goes in the corner. So all that URAAC is going to take care of is the sign faces and creating the banners. If you want the design team to continue on with ideas for the roundabout, they can certainly do that as well.

MOTION:

Baldinger moved to recommend to SSRA to approve a V3.02 sign installation in front of Steamboat Grand, replace the faces on the existing V3.03, and replace every other banner on the light poles on Ski Time Square Drive. Sign faces as shown in the sketches. The motion was seconded by Wade.

DISCUSSION:

Diamond –

When we go back to the original process that we were trying to achieve, it was to drive traffic into Torian Plum and the Ski Time Square area. If we believe that the sign on the north corner that Mountain Business Center will pay for and create, if that will make the difference and drive traffic in, that's what we are trying to accomplish. Why are we going to spend \$12k on refacing these signs and putting the other one in if we believe the sign on the north corner will do the job?

Baldinger –

The north sign is very important coming from the south but coming from the north or northwest, it is hard when you are driving on the other side of the median to orient yourself. If you have never been there you might not pick that up visually. The V302 will catch you if you don't know where it is. The other signs get you oriented. The entry sign is more attractive and will attract people to that area if they want to dine or shop in someplace different than they have been before.

Patten –

Asked if the cost we are looking at is about \$20k?

Kracum –

He has preliminary numbers but will have to get up to date figures. To do everything it would be about \$32k. We are probably looking at about \$3k for the faces and the new sign by the Steamboat V303 is approximately \$9k. If you want these signs up this year, he has to move on these right away.

Patten –

I assume this will be our vote on what we are doing with our signs. That, however, assumes we are doing what with the banners? Are they included with the motion?

Kracum –

The banners will be about \$2k.

Baldinger –

Last meeting we approved the banners pending we get to take a look at them. We also approved the signs pending cost and location. Today we are focusing on cost and location. So, yes the banners are included. If we are not happy with them, we

can always replace them later since the cost is not that great and they will probably only last a couple of years anyway.

VOTE:

Motion was approved 6-1
Tim Harmon was opposed.

Kracum –

We are running a little short of time so he requested about 10 minutes extra time for this meeting and he will cut short everything possible so we can get through all agenda items.

3. Construction Update

- A briefing will be made on the current construction effort.

Things are rolling pretty well. The rocks and fire pit are in. We started the concrete this week and are almost done and we will be bringing up the snowmelt this week. Final grade and the Diversion Structure are almost done. We are a few days out on our schedule because of Mt. Werner Water and Sanitation. The projected cost of complete was done last week and we seem to be getting some nice comments about the rock work.

We are discussing a possible dedication ceremony for this plaza. It will possibly be November 25th which is the first day of ski season, and we are hoping this will add some excitement to get people up to the Ski Time Square area.

A discussion took place regarding the dedication party and a consensus from the committee was to go forward with this.

Horst –

A little deviation has been made in regard to the fenced storage area where we were trying to make it blend into Torian Plum but not the Promenade. She showed what the design team feels will look better. The committee liked the change.

4. Promenade & Daylighting of Burgess Creek Design Update

- A briefing will be made on the progress of the design development. *A URAAC recommendation on the design development will be requested.*

Horst –

She gave information on the garage ventilation. They have to keep 732 square feet of a clear area opening by the window. She had slides that showed what options could be used. She also showed the summer and winter cross sections which are not yet finalized. In the plaza area, they are thinking about taking the stone and extending it out which would provide a little canyon where the water will come down. They are looking at putting the stone on the bottom of the pond with a stone seat wall. This would make the water have a different feel because it would run a little faster.

5. Promenade & Burgess Creek Easements

- We will present the anticipated needs for permanent public access easements and temporary construction easements on the Promenade and Burgess Creek. .
URAAC input is requested.

Kracum –

The intent is to have the easements to the SSRA by the 20th. There are different design criteria for different parts of the Promenade. He showed some of the different accesses. They are going to take all the different areas and put public access, easements, maintenance and locations on each of these with the design criteria. They will show all the improvements in each area by the end of next week. He will also show dates when they plan to do the work.

6. Miscellaneous Items

- We will provide a discussion of items raised between the development of this agenda and the URAAC meeting.

Kracum –

We need an application from the Development Community to replace Jane Blackstone. He handed out a list of the names and expiration dates for current members. He suggested to Mark Mathews that he apply.

Adjourn:

It was moved and seconded to adjourn the meeting at approximately 3:05pm.