

**Summary of URAAC Steering Committee Meeting-Steamboat Unbridled  
11/12/09  
Meeting held in Creekside Room, Torian Plum**

<b>Committee Members in Attendance</b>	<b>Ex-Officio</b>	<b>Staff, Consultants, and TAC Members</b>	<b>Other Interested Parties</b>
<b>Steve Frasier Chris Diamond Jim Schneider (Alt.) David Baldinger Peter Patten John Curnow</b>		<b>Joe Kracum Nicole Horst Bob Keenan Janet Hruby Jon Roberts Bob Litzau</b>	

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

**CONSENT AGENDA:**

**1. Administrative Items**

- *Review meeting notes from October 8<sup>th</sup> and 20<sup>th</sup>, 2009 meetings*
- *Next SSRA Meeting & Open House – November 17, 2009*
- *Next URAAC Meeting – December 10, 2009 (No meeting on Nov 26)*

Baldinger asked for corrections in the October 8<sup>th</sup> URAAC Meeting.

**MOTION:**

A motion was made and seconded to approve the minutes from the previous meetings.

**VOTE:**

The motion was approved unanimously.

Baldinger reviewed the dates for future meetings as shown above.

A discussion took place on applicants for URAAC for the applicants for members of the Mountain Business Association. *Interviews will take place at the SSRA meeting 11/17/09 at 4:00.*

**NON CONSENT AGENDA:**

**2. Financing Update**

- *A briefing on the bond issue will be provided.*

Litzau –

Previously received a recommendation from URAAC for a \$21,500,000 bond issue. A couple things have changed since that recommendation. One is that we were

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looking at the assessed valuation being \$46m within the URA increment. With all their challenges and changes the assessed valuation will be \$41,775,000. The other thing that has happened is that US Bank is requiring against the service coverage ratio on the new issue of \$1.3m to 1. What that means is that we have to have 130% of our debt service payments in revenue from the tax increments. One other thing changed, on the \$21m issue, they put a table of release for the amounts of the debt based on final certified assessed values. To get the full \$21,500,000 released, the assessed value would have to go back up to \$64m. At the time we were expecting the 2010 assessed value to be \$61,500,000 and projected a 20% reduction of assessed value for 2011 which brought the assessed value down to \$50m. Getting to the \$64m now does not look all that promising. Plus adding a \$21m bond issue needing the 1.31 debt coverage issue is very iffy. After speaking with the bank extensively, Jon Roberts, Alan Matlosz and myself, we have a letter of commitment from them for a \$17,500,000 issue which isn't tied to anything and would all be released at closing. It meets the debt coverage issues, it reduces the amount of what we have available for the project and pays back the City, refunds the 2007 issue and leaves \$4.8m for 2010 construction and nothing for the third year. There will be some reserves from 2009 that could be used for construction in 2010 as well. Possibly \$5.2 to \$5.5.

Kracum –

Asked about getting the other half of the job done. How is that going to be picked up?

Litzau –

If the assessed valuation goes up more than we think it will, and we get the coverage ratios that US Bank wants, then basically we refund this and do another issue at the end of 2010, first part of 2011.

Kracum –

We would assume, for a number of reasons to bid the entire job out in 2010 for a two year period. Does that get affected in any way or do we just say the second half is based on appropriation, or would we have to rebid this in 2011 which would be an awful thing to have to do?

A discussion took place on what we are going to do in 2010.

A handout was presented and Litzau explained the numbers on the bond issue and how this will be paid back.

Kracum –

Right now we have about \$11,250,000 for construction, design support and off-site construction administration. We have to make some choices here. One is to start cutting back on the level of improvements and the other is start asking property owners to donate more to this. This is a preliminary estimate on cost. The gap is \$4m.

Jon Roberts, City Manager –

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Explained what has changed by using the handout. He showed the worse case scenario. He thinks there is a 0% chance that the bank would release the \$4m. We are thinking that we should issue the extra \$4m and let the bank decide whether they will release it, or we could we do the \$17m and we figure out a way to get this issued through some other form of financing. Once it is issued, that \$21m debt goes on the URA and we would have this against us.

Kracum –

I need to know how much money we will have. Once I know that, then the Committee can come up with what everyone's preference is and I will come up with my recommendations. I have some ideas of what could be put off but I need to know how much money we will have and what number I am shooting at.

More discussion took place regarding assessed valuations, sales tax, etc.

Baldinger –

He feels that, obviously, you will be negotiating the best scenarios for the City. The key decision point is to either fund the whole amount and let them hold the entire amount or fund a smaller amount and go re-shop this time next year for the next phase.

Roberts –

The advice we received from Matlosz was, if we don't think the additional \$4m is going to be released, then don't bond for it. Do we have reason to believe that the numbers are going to get a lot better and that \$4m will get released, if we think there is a low probability that that will get released, then don't bond for it.

Baldinger -

Feels the only advantage to borrowing the \$4m now is that the interest rates are low now.

Kracum –

Will go back to the design consultants and try to figure what the costs will be by deleting some items.

Roberts –

From a financial standpoint it looks like the \$17.5m would be best. He realizes that would have an impact on the timing of the project. He wants to go to City Council with them knowing that URAAC has an understanding of the implications to the project design and construction.

Kracum –

If we extend this project to a third year, the cost goes up considerably. It would be best to do as much as possible in the next two years.

Litzau –

We would probably close mid December if we take this to City Council next Tuesday. His recommendation would be to do the \$17.5m. He doesn't see the

release of the \$4m. He knows going back and refinancing next year increases our costs but he doesn't see borrowing the \$21.5m and not being able to use the additional \$4m.

**MOTION:**

A motion was made by Schneider to recommend to SSRA to go with the \$17.5m bond issue and address the commitment letter for reserve issue and get it funded. Diamond seconded the motion.

**VOTE:**

Approved unanimously.

**3. URAAC Membership Update**

- *City Council made some appointments to the URAAC with interviews for the remaining position to be held on 17 Nov. An update will be provided.*

Baldinger –

Appointments have been made so we should be able to achieve quorum for future meetings. Chris Diamond, Jim Schneider, David Baldinger, John Curnow and Mark Mathews have all been appointed. The additional member and alternate will be appointed next Tuesday.

Kracum –

There has been another issue that has come up and that is if BARC is still in existence and is the Mountain Base Association still in existence?

Diamond –

A new association is being formed that has a different mission than the Mountain Business Association.

Baldinger –

Feels BARC still exists. SSRA wanted seats on URAAC according to boundaries.

Discussion took place regarding how to define the areas. Possibly the Clerks office needs to redefine these. At least we have enough people now to consider our issues.

**4. Base Area Business Association**

- *A new base area business association is being formed and an update will be provided to URAAC.*

Diamond –

There will be a new organization which may be called Mountain Village Partnership instead of the now defunct Mountain Business Association. The purpose will be commercial not political. They hope to re-energize the Base Area, do programming, marketing and merchandizing similar to how Main Street works. They hope to work more with the Chamber who will be the administrative agent keeping tract of minutes

and managing funds, etc. Once it is formed they may have specific project related initiatives. There is nothing to absorb from the MBA because they can't find any paper work for that business. This new group will have a different mission and there is great consensus for the need of this new organization. This should partner well with URAAC.

## **5. Promenade & Daylighting of Burgess Creek Design Update**

- *A briefing will be made on the progress of the design development. A preliminary opinion of the construction costs will be presented. A schedule for the remaining design and construction proposal process will be presented. URAAC input will be requested.*

Kracum –

The days of colorful graphics have come to an end. He showed renderings of what has been completed and what they hope to expand on with the shuttle drop-offs. To reduce some costs they may not extend the Promenade. He showed where they have completed the Promenade. The Torian's design team and our design team are working together with the efforts of the Torian regarding water proofing their garage. One of the concerns is the timing because of two different entities working on this. There could be some delays also because of the Torian ventilation problems.

The creek is beautiful. He showed where the pool starts on the renderings as well as the fire terrace. He explained the diversions, water rock areas, lawn area, etc. This should be spectacular. They are still toying with the stairs and ramp regarding the materials to be used. The Sheraton and Gondola Square areas were shown. The fire pit by the Gondola will be similar to what has already been built. This is something he does not want to take out as it is something that activates the area. There is a major area in front of the Gondola that has been a technical challenge that we hope to proceed with. He gave examples of each type of feature and explained that we will tour these areas shortly.

The preliminary opinion of construction costs are not yet public because of bidding which will be taking place. We are at \$11,250,000 at this time but he will have a better idea at the next meeting. He feels the schedule for the remaining design and construction proposal process as presented needs a little more time in design other than construction, so he has put off the bidding date to the 9<sup>th</sup> of February. This will still allow us to start from the beginning to mid April. The maps will be put up in the Kiosks once we have them finalized. He asked for updates on the Promenade from members to be emailed to him by tomorrow. The business map is going to the printers and the event calendar is done. These should be put up hopefully by Thanksgiving.

Baldinger –

Explained that they had the Sign Sub-committee Charrette. The banners/signs could change some now because of the costs but what was decided at the Charrette, was to have four major signage features throughout the Promenade. Probably not numbers only, but icons with a name of a place such as Gondola Square, Torian Plum, with every other one being a smaller standard. They would

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like eight if they had unlimited money but decided on four big ones and six smaller ones which could be brought down and redone later if necessary. Joe will send the email out from JC Culwell that explained what was discussed at the meeting.

Baldinger -

A suggestion was made to relocate the Clock Tower Kiosk to the Torian Plum area because more people walk there. They can look at this on the tour.

Kracum –

Explained they may move all the Kiosks to more visible places.

## 6. Ski Time Square Banners

- *Options for the new Ski Time Square Banner will be presented. URAAC will be asked for a recommendation on which to get fabricated.*

Kracum –

He sent out info to all members regarding the banners. The graphic designer feels it will be confusing having different things on each side. They recommend taking one pole showing “Unbridled” on both sides and the next pole would say Ski Time Square, and so forth. These would really stand out better. He explained the different options.

Baldinger –

Stated that Harmon & Mathews are not here but they prefer the “C” option. He also poled some people who went for “C”. Some members feel this option is boring.

Discussion took place regarding the different options.

Baldinger –

Asked for a consensus of what option everyone prefers. Most members liked A but C received votes also. The recommendation was “A”.

Kracum –

He previously sent out solar compactor information to the committee members. He would like to have everyone think about these even though a recommendation is not needed today. They are normal size and can be dressed up with logos. He will put these in the budget.

They received two submittals for prequalified mechanical snowmelt contractors and both look pretty reasonable.

## 7. Miscellaneous Items

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

Kracum –

The possibility of putting wireless internet up along the Promenade has been brought up. It is possible but would need to know where the server is and who

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would take care of it and who would pay for it? This was brought up at a Chamber meeting. Baldinger stated that he heard a local provider may provide this if they can advertise.

He will put a draft together for the next meeting and we can toss around some ideas for a basic policy or guidelines for art for memorials, etc.

Diamond –

A letter was sent by Eric Dargevics, a property owner in Torian Plum, and Diamond feels some points need direction. The letter stated that he was stymied for his quest for the parking garage and Torian easement . Diamond clarified that the only conversations he had was on a couple occasions when Dargevics arrived with a partner and wanted to buy their easement. This board never discussed this issue.

Baldinger –

Will circulate a response that he received yesterday that was from Wildhorse Development Group and Resort Ventures West that they want to make it clear that no SSRA dollars will be invested in the Wildhorse project.

Kracum –

He asked about a response from URAAC?

Patten –

Should we provide a specific response and if so how would it be delivered?

Kracum –

This has already gone to City Council.

Frasier –

Doesn't feel a response from this group is necessary. This is an isolated letter containing questionable statements that really doesn't ask any questions requiring an answer. He is also worried about setting a precedent to equally address any future correspondence regardless of merit.

Schneider –

Suggested we should create a positive editorial in the paper after the financing is complete explaining the facts behind the project.

## **ADJOURN:**

The meeting was declared adjourned at approximately 2:30 to have a tour of the project.

## **8. Construction Update**

- *A briefing will be made on the current construction effort. A tour of the project will start at 2:30*