

STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT

Friday, March 25, 2022

10:00a.m.

Centennial Hall – Carver Conference Room and Zoom

1. **Call to Order** – Bob Milne
Milne called the meeting to order at 10:01AM.
2. **Roll Call** – Alexis Herman
Bob Milne, Rod Hanna, Steve Muntean, Jane Blackstone, and Ryan Van Ness were present. No one was absent.
3. **Approval of Agenda** – Milne
Milne approved the agenda with one addition under Administrative Report.
4. **Approval of Meeting Minutes** – Milne
 - a. February 25, 2022
MOTION: Blackstone moved to approve the February 25, 2022, meeting minutes. Muntean seconded. All in favor. Motion passed.
5. **Public Comment** – Limit to three minutes on any item not on the agenda
No public comment.
6. **Treasurer's Report** – Jane Blackstone, Kim Weber
Blackstone shared that everything is within budget and as expected. The Treasurer's Report from Weber is in the March packet and shows that everything is consistent with 2021 actual reserves balance. The marketing and advertising for the Air Line Program totaled \$410,000 and the management fee totaled \$100,000, both are consistent with prior year costs. MRGs billing will come in May/June. 2022 January Accommodations Tax is part of the forecast in the Report. Weber to address the forecast at the May 27 meeting. Janet Fischer added that LMD costs will come in below CAP.
7. **Director's Update/Reports** – Milne, Rod Hanna, Steve Muntean, Ryan Van Ness, Blackstone
No Director's update.
8. **General Counsel Report** – Tom Sharp
No General Counsel Report.
9. **Administrative Report** – Kara Stoller
 - a. Review of 2021 LMD Annual Report
 - Forecast for 2022 will not be included in the report, focused on financials as of 12/31/21
 - Distribution plan will be all digital, goal to send out in April
 - Chamber Monday Minute
 - City press release and post on website
 - County press release and post on website
 - Steamboat Pilot email blast
 - Steamboat Pilot ad with QR code
 - SSRC email to locals – need to see if that's possible
 - **MOTION:** Blackstone moved to approve removing the 2022 column in the Reserves Balance chart on page 10 of the LMD Annual Report. Muntean seconded. All in favor. None opposed.
 - b. Discuss Blackstone's Replacement Process
 - Process for replacing a board member, work with City's Clerk Office and notify the community.
 - Those sitting on the LMD Board must reside within the LMD district
 - Look to past applicants and make outreach
 - All applications at the end of the deadline will be presented to the Board

- Board will decide who they want to interview
- Board would take a recommendation to City Council for approval.
- Post notice for 6 weeks. Should live in the consent agenda.
- Distribute applicants prior to the May 27 meeting to review at the meeting
- Steamboat Springs Local Marketing District [Map](#)
- Alexis Herman to generate an attendance report for Friday, May 27

10. General Business

a. Air Service Updates – Janet Fischer

Winter 2021/22:

- Numbers will change weekly
 - 200,176 available arriving seats, 24% increase YoY, 85% increase over two years
 - Passengers estimated for just Winter 143,000, ~66% increase YoY, 81% over two years (prior highest was 111,000 in 2007/08)
- New bookings arriving Monday-Sunday continues to be stronger than the past five years
 - CAP is \$3.6M and it has been 10 years since the CAP was below \$4M
 - Estimating to come in slightly below CAP
- 72% load factor
- Forecasting MRG payment to come in at double digits under CAP

Spring/Summer/Fall 2022

- United expanded to three flights per day for entirety of the year
- Southwest has Denver to Hayden loaded:
 - Daily flights running from April 12 – June 4
 - Two flights per day June 5 – Sept. 5; improving connectivity to certain markets in both directions
 - Fall is not yet loaded into the system
- Potential to attract other airlines

Winter 2022/23

- Alaska Airlines – Seattle and San Diego pre-loaded for December
- American Airlines – Dallas and Chicago pre-loaded for December
- United Airlines – three flights/day from Denver pre-loaded for December
- Delta, JetBlue, Southwest, and six other United hubs do not have any flights pre-loaded
- Looking at planning for next winter and looking at a lower CAP
- Expecting MRG costs to go up, mainly due to fuel costs

i. Airport Research

- Percent using the airport very similar to five-six years ago: 89% - visitors, 6% - full-time residents, and 5% - part-time residents or second homeowners
- Full-time residents/locals usage: 4,900 in 2015/16, now it is 8,600
- Do not have survey research set up for the summer – Fisher to look into setting up (~\$20,000 to do in summer)
- Transportation concerns through research shows it is impacting the NPS score

b. YVRA Update – Kevin Booth

- Rental cars – cannot source enough to meet the demand
- Last flight with American is April 4, first project to begin on April 4
- Ground transportation issue
 - Booth sent a letter to PUC saying there was an emergency
 - Shuttle bus companies (2) unable to keep up with demand – GO Alpine and Storm Mountain
 - Ski Town Transportation new company begins service on 3/25/22

- Lyft, Uber, and Turo are all under contract with the airport
 - There is a lack of interested drivers
- Need a common carrier license to accept walk-up passengers (GO Alpine and Ski Town Transportation)
- Public transportation – not currently an option
- Opportunity for property shuttles to pick up, must run as a courtesy
- 44 passenger bus operated by the airport, put into service to get passengers to Craig
- i. **Project Update**
 - 2022 Projects:
 - Expand de-icing pad by almost 100%
 - TSA is bringing in new carry-on luggage scanners
 - Adding automation to oversized baggage scanners
 - Building a carwash for rental car companies – airport overseeing construction and design
 - Paving the road to the carwash
 - Building a new employee lot which will free up 200 paid parking spots
 - Beginning a year-long terminal area plan, setting the stage for the next expansion
 - Working on a general aviation development plan and the infrastructure to support ~35 acres on the east end of the runway
 - Replacing Highway 40 sign

11. Executive Session

MOTION: Van Ness moved for the LMD Board of Directors to go into Executive Session at 11:06AM pursuant to CRS Sections 24-6-402(e) and (g) for the purpose of NEGOTIATIONS AND DEVELOPING STRATEGY FOR NEGOTIATIONS regarding existing and future contracts with Air Carriers, AND for the purpose of CONSIDERING DOCUMENTS TO BE SUPPLIED BY STEAMBOAT SKI AND RESORT CORPORATION TO THE BOARD WHICH ARE PROTECTED BY THE MANDATORY NONDISCLOSURE PROVISIONS OF THE COLORADO OPEN RECORDS ACT, being documents related to existing and future contracts with Air Carriers. Blackstone seconded. All in favor. Motion passed.

MOTION: Blackstone moved to exit Executive Session at 11:21AM. Van Ness seconded. All in favor. Motion passed.

12. Adjournment – Milne

Milne adjourned the meeting at 11:26AM.