

STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT

Friday, August 28, 2020
10:00 a.m. via Zoom
Meeting ID: 836 3402 0605
Passcode: 317630

Agenda

1. Call to Order – Bob Milne
2. Roll Call – Kara Stoller
3. Approval of Agenda – Milne
4. Approval of meeting minutes - Milne
 - a. July 17, 2020 meeting minutes
5. Public Comment – Limit to three minutes on any item not on the agenda
6. Treasurer’s Report – Jane Blackstone, Kim Weber
7. Director’s Update/Reports – Milne, Rod Hanna, Steve Muntean, Ryan VanNess, Blackstone
8. General Counsel Report – Tom Sharp
9. Administrative Report – Stoller
 - a. 2021 Operating Plan and Budget preparations
10. General Business
 - a. Air Service Updates – Janet Fischer
 - b. YVRA Update – Kevin Booth
11. Executive Session

The LMD Board of Directors may go into executive session 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.
12. Adjournment – Milne

STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT

Friday, July 17, 2020

9:30 a.m. via Zoom

Meeting Minutes

1. Executive Session

MOTION: VanNess moved at 10:06AM to enter executive session 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.

Muntean seconded. All in favor. Motion passed.

Milne exited Executive Session at 10:12AM. Hanna seconded. None opposed. Motion passed.

2. Call to Order – Bob Milne

Milne called the meeting to order at 10:05AM.

3. Roll Call – Kara Stoller

Stoller conducted roll call. All board members were present.

4. Approval of Agenda – Milne

Milne moved Call to Order and Roll Call prior to first Executive Session.

5. Approval of meeting minutes - Milne

a. May 15, 2020 meeting minutes

MOTION: VanNess moved to approve the May 15 meeting minutes. Hanna seconded. All in favor. Motion passed.

6. Public Comment – Limit to three minutes on any item not on the agenda

No public comment.

7. Treasurer's Report – Jane Blackstone, Kim Weber

No report from Blackstone other than the LMD is current on paying seasonal invoices.

Weber's financial reports in the packet included accommodations tax collected through end of May.

\$1.2 million of accommodations tax had been collected. Weber is using \$1.6 million as a reforecast for end of year total collections though it will need to be monitored closely.

8. Director's Update/Reports – Milne, Rod Hanna, Steve Muntean, Ryan VanNess, Blackstone

No updates.

9. General Counsel Report – Tom Sharp

No report.

10. Administrative Report – Stoller

a. 2021 Operating Plan and Budget preparations

Stoller noted it is time to start work on the 2021 Operating Plan and Budget. A subcommittee needs to draft the plan and budget. In August the full board will review the draft. In September,

the LMD Board needs to present the annual operating plan and budget to City Council. The subcommittee will include Blackstone, Fischer, Weber, Stoller, and Milne.

- b. Stoller noted that the LMD received a note from Marianne Sasak asking for more local messaging of winter flight schedules and mentioned the info is not easily accessible.

11. General Business

- a. Air Service Updates – Janet Fischer

Regarding winter air service:

- Will have 6 major airlines this winter
- American and Alaska have had full schedule loaded since March
- United loaded in April; nearly the same as last winter though the expectation is for adjustments to happen
- Delta flights have been loaded since March; the Minneapolis flight is currently TBD
- JetBlue's Boston and Ft. Lauderdale flights are not loaded but expected to be available soon
- SouthWest Denver service is expected to be loaded later this summer

Note, Steamboat/ HDN is the only ski resort in Colorado to have six major airlines servicing the destination.

Milne asked about JetBlue announcement. Fischer shared that American announced they are partnering with Alaska and JetBlue which is expected to take effect in 4-6 months. Code shares and mileage will be interchangeable with all three airlines.

Summer and fall service:

- Remainder of July, August and Sept. there are 2 flights/ day on United Express
- October – one flight/ day, comes in late and leaves early
- November – loaded at two flights/ day up to ski season opening

CARES funding for airlines ends on September 30. Airlines are planning major layoffs following that date; plus or minus 20% of employment.

Muntean inquired about airline cancellation policies. Perlman noted no change fees and credits are being offered by many.

- b. YVRA Update – Kevin Booth

- Enplanements are up for July by 6% over July 2019
- Calendar year enplanements are down 15%
- June was up 20% YOY for Atlantic Aviation
- YVRA is scaling up for sanitation requirements including increasing staff to implement cleaning/ disinfection requirements.
- Booth had a good meeting with SouthWest in June regarding logistics and the flight ops team will be bank later this month.
- \$15.5million CARES funds for operations and maintenance costs are being put into action including paying off debt to Routt County of \$1million.
- Grant application has been submitted for \$3million for development projects.
- County is on hiring freeze but hired replacement firefighter and security coordinator.
- Moving forward with DOLA as partner on solar project. \$110,000 from DOLA and no out-of-pocket expense for YVRA as it will be paid for via cost-savings.
- FAA is struggling; canceled mandatory annual inspection.

- FAA owns and operates weather system at YVRA. Weather system went down and YVRA had to cancel flights on those four days. Booth is training team members to be weather observers so that doesn't happen again. Industry standard backup is to have a weather observer.
- TSA and Booth agree that the current baggage scanning capacity is not adequate. YVRA requested fourth baggage scanner and TSA has validated the requirement. Meeting next week to discuss further. The additional scanner would increase capacity by 33%.
- YVRA is working on numerous upgrades such as public address system, roof replacement, AV system for conference rooms, and carpet replacement.

Fischer noted that American and United are allowing full capacity on flights. Alaska has limited capacity through July 31. Delta, Southwest and JetBlue have limited capacity in place as well.

12. Executive Session

MOTION: VanNess moved at 10:55AM to enter executive session 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.

Hanna seconded. All in favor. Motion passed.

Milne exited the Executive Session at 11:46AM. Muntean seconded. None opposed. Motion passed.

General session continued conversation

Hanna believes it is important for a joint press release regarding plans for winter, possibly tied to when the other airlines load seats. Hanna thinks the community is looking for more information than they currently have regarding what winter may look like this year. Milne agreed and noted that he, Perlman, Brown, Fischer and Stoller would work on that messaging.

MOTION: Muntean moved to give the operating plan committee a CAP budget not to exceed \$5million to allocate for the 2020-2021 season and come back to the LMD board with a plan which reflects that maximum amount which is down from over \$6million last year.

Blackstone seconded. All in favor. Motion passed.

13. Adjournment – Milne

Milne adjourned the meeting at 11:56AM.