



Gunnison-Crested Butte Tourism Association
Board of directors meeting
Thursday, Aug. 15, 2024, 7:30 a.m.
Zoom and in-person at the ICELab

Board attendees: Kendal Rota, Jennifer Barvitski, Gary Pierson, Bill Ronai, Chris Miller, Erica Rasmussen, Bill MacFarlane

Other attendees: Andrew Sandstrom, TJ Taylor, Katy Mooney, John Norton, Jeff Moffett, Wynn Williams

Call to order, roll call – Bill R

- Bill R. calls the meeting to order at 7:31 a.m. There is a quorum of board members.

Approval of 5/16/24 Regular BOD meeting minutes – Bill R

- Chris moved, Jennifer seconded to approve the May 16, 2024 meeting minutes. All ayes.

Public comment period – Bill R

- No comments.

Financial report – Chris

- Audit was delayed due to auditor recovering from a ski injury. Usually it's done by spring. No material findings.
- Through the end of July, we are slightly over budget for income due to interest being accrued on accounts now. \$180k under budget for expenses YTD due to dwindling Blister Labs costs, which is being shifted to Atmospherics program. We are also saving on David's pay, since he left in spring.
- We have a special budget meeting Sept. 5. Will present budget to commissioners on Sept. 24.
- Bill added an atta boy to staff for completing the audit with no red flags.

Air update – Jeff

- Summer is doing really well, 71% load factor, almost 100% completion rate.
- Same schedule as last year.
- July came in flat YOY with United service. They have been running a third flight on Saturdays this summer, so a slightly increased capacity this summer.
- JSX increased capacity 68% and flew a 78% load factor, so that's really strong.
- Overall more passengers arriving at the airport.
- Altitude density has caused weight restrictions to be levied on aircraft this summer, but they're testing new aircraft that could help.
- Two Denver flights per day this fall, which is new. Bookings are up 58%.
- As we get more and better service, it'll be interesting to research if people are booking for business, leisure, etc.
- Capacity will always follow demand, regardless of reason for travel.
- We'll know how the FAA grant plays out by March.
- Next summer the progression could be 3x daily Denver flights.
- The RTA is skittish with the half-million dollar payout on Houston.
- Jeff outlined winter projections based on his winter chart in the slide deck.
- Southwest is cutting capacity to ski markets due to issues with 737s. Aspen will have ballot measures about runway expansion. Bozeman might be adding even more.
- Airfare Club anecdotes: We're getting weekly requests for local fares. One passenger was able to get to Lisbon more cheaply by flying through Gunnison rather than Denver.
- John commented that Liz Smith found the same international flight savings. John wants to reinforce that the second fall flight to/from Denver has been a multi-year effort, and we finally got it! The once-daily flight was inconvenient because if anything went wrong, it messes up travel plans significantly. If you're flying, please think about flying out of Gunnison. It's way more reliable and cheaper than it used to be.
- Jeff added that the revenue management is much more rational than it used to be, causing smaller swings.
- John noted that we are running a local campaign to try to get locals and second homeowners to book flights this fall, and let them know about increased reliability.
- Bill asked about transportation to and from the airport.
- Jeff responded that he hasn't heard anything.
- Andrew mentioned that there have been rumblings about letting people ride the RTA with luggage. It's only about \$40 to get from the airport to get to Mt. CB, and he hasn't heard of people having major issues with that.
- John added that drivers have been impacted by the broken bridge. They live on the other side and sometimes can't get to work on time.
- Andrew added that the shuttle company is based out of Montrose.
- Jeff told a story about taking the RTA bus to pick up his car from the airport, and that the driver went above and beyond to get him there safely.
- Chris asked about new JSX service to Houston. Jeff confirmed.

- Jennifer asked if JSX has given up on Austin. Jeff said he didn't know, but never say never.
- John brought up that there is federal legislation proposed that would regulate JSX-style flights more tightly.
- Jennifer asked about Jermaine's food service in the airport and how well he might be doing. John said he thinks so. Everyone agreed that if anyone can do it, Jermaine can.
- Katy added that there is a small ad campaign on two fronts, to both visitors and locals, to try to fill the new fall flights. Bill R asked if we promoted fall events. Andrew and Katy said that yes, our fall event guide was sent out in this morning's tourism newsletter.

Marketing update – Andrew

Andrew provided an overview of his slides.

- This summer, 20% of marketing spend was directed towards gravel biking. So far, good results.
- Blue Mesa bridge info page has been performing well in ads and organically. It's more engaging than the CDOT page.
- Reiterated the importance of locals and second homeowners in the fall flight push. A second fall flight would allow people doing business here to travel in and out more easily and thus help economic development.
- Organic web traffic is up 31% YOY for the summer. Basically free web traffic. An outlier in the industry according to our SEO consultants.
 - o Chris said this is great and asked how it happened. Andrew said it's a multi-year effort, and people find what they need. We're also going after state-wide keywords rather than just local ones.
- Generally occupancy is down, but rate is up. An interesting trend is that number of visitors in the north valley remains about the same, but they're staying for shorter lengths of time. Not sure what is causing this. Perhaps the reason is that travel has become more expensive.
 - o Bill R asked if shorter stays in the north valley is a result of more Front Range weekend visitors. Andrew said possibly. Jeff said there could also be a decline in out-of-state drive visitors. He added that the shorter stay is noticeable but not significant.
- In the south valley, we see the effects of the bridge construction. Pretty much everything is down, but visitors who do come tend to stay a little longer in Gunnison.
 - o Kendal mentioned that bridge workers might be impacting this. Andrew said the data tries to correct for this.
 - o Jennifer mentioned that her family comes out Saturday morning because the Friday night traffic from Boulder is so bad, especially through Fairplay. Several others mentioned they have seen this as well.

- Bill R asked Bill M about CBMR lodging. Bill M said people are booking shorter stays and have less money to spend.
- Bill R. asked about the mix of people coming. Andrew said people might feel like visitors these days are more affluent than they used to be. He said this is true, but also that we are more depended on Front Range visitors than we used to. Folks who fly are the more affluent group. He said the Front Range visitors are much more fickle and last-minute. For example, they won't come if there's no snow. It's tough for lodges to anticipate their behavior. Bill M confirmed the last-minute Front Range visitor bookings based on weather at CBMR.
- Andrew brought up increased group business due to more flights. There is an increased collaboration between Elevation and CBMR, which is new and very positive. There's opportunity there to increase group business.
- John said the Dept. of Revenue computer system is broken and we don't have summer numbers yet. We will soon and will share when we get the numbers.
- Jennifer asked about the impact of the bridge construction. Andrew repeated that south valley visitors are down. Pass-through travelers are going other routes.
- TJ added anecdotally that the manager of Treads 'n' Threads said their sales were down YOY for summer. She reported that customers generally were spending less.
- Andrew added another anecdote. Gunnison restaurants revenue is flat YOY, but average transaction amounts are down because people have less to spend.]
- Bill M said their room revenue at CBMR is about flat YOY.
- Andrew said we're deep in winter marketing planning. Same strategy as last year.

Outside "10 Best Bike Towns in the U.S." ranking – John

- <https://www.outsideonline.com/adventure-travel/destinations/north-america/best-bike-towns-us/?scope=anon>
- John sent this article to the board earlier this week.
- John reiterated the multi-year efforts that many of our campaigns take, whether it's for marketing or flights. When we started focusing on mountain biking in 2016-17, we were not a leader in mountain biking and didn't tend to make it on these types of lists. Not only have we established our place as the best MTB destination in the state, but also in the U.S. Our trail system has not significantly grown in the last five years, but our marketing efforts have.
- Bill R asked how we sustain this.
- John said same old, same old. CBMBA has a few new trails in the works, and there will be more trails that Gunnison Trails is adding at Signal and Hartmans, according to Gary.
- Our biggest challenge in mountain biking continues to be to convince the Gunnison lodging/business community that people do travel for mountain biking and that Gunnison has an excellent MTB trail product. Gunnison lodgers don't seem to care about mountain biking, and they are missing a big opportunity. We have failed to get the Gunnison community excited about biking. Jonathan Houck

reports many more gravel bikers in the roads around Gunnison. Crested Butte embraces biking; Gunnison does not.

- Bill R asked Andrew and Katy to talk about gravel biking campaign.
- Andrew described the campaign as starting with organic content and awareness last year and has expanded to paid ads this summer. For next summer, we're applying for a gravel biking marketing campaign grant from the state. This is an area of focus for Gunnison specifically because Gunnison has the best product and needs the most help. We will continue to increase the gravel marketing next summer.
- Jennifer asked if there's something we should be doing with the Gunnison businesses to give them an incentive to invest in making their businesses more bike-friendly.
- Andrew said there is opportunity there for placemaking.
- Jeff observed that Hartman's was empty on Sunday. Why aren't people there? Are they back at school already?
- Kendal noted that in south valley lodging meetings, lodgers say they don't see the mountain bikers staying in their lodges.
- Andrew added that there's a stigma around mountain bikers being campers, but MTBs are expensive, and he thinks lodges would see more mountain biking visitors if they embraced the MTB culture.

Durango retreat update – John

- John outlined the schedule of the board of directors retreat in Durango this September. We will meet with the Purgatory president. We'll meet with Mike French at the city, who oversees tourism, housing and economic development. We're also meeting with the people who put on the accelerators in Durango. We will also check out the massive new bike park in Durango. We've been invited as Ken Stone's guest to the new Durango thermal hot springs. It's important for us to see the new capital development happening in Durango. There are not capital improvements happening in the Gunnison Valley.
- Andrew noted that we chose Durango because it also has a university and an economic development program, like us. Durango used to be a big MTB destination and has fallen in that in the last few years. They're back in the conversation as they add more capital improvements. There has been upheaval in their tourism marketing. They're similar to us in many ways and we have a lot to learn there.
- Bill R. noted that John needs to figure out carpooling by end of August.

ICELab update – TJ

- TJ also gave an overview of the slide deck

- For 2024, the coworking space has increased revenue and full offices. Community events are popular and create connections between local businesses.
- The next Outdoor Industry Funding Summit is in September. Seven companies confirmed from all over the country, and 12 investors. Getting good feedback so far—how can we get more support from the state, other than just verbal praise? David Assad is working at ICELab this August and has been working with TJ on strategy for the rest of the year and how we might hire for an ICELab project manager. Looking for someone with project management skills.
- Bill asked if we have enough finance skills on the team. TJ said on the ICELab side we have consultants for businesses and programming. Katy said that together, Andrew, TJ and she are somewhat able to fill the finance expertise gap that David left in his wake.
- Bill R asked for an update on Blister Labs and RMBL/Rady partnership.
 - o Andrew said Blister Labs projects are wrapping up. We're looking on how to communicate the results and the good work the students have done. On RMBL, there are two post-baccalaureate students working with RMBL on atmospheric/aerospace projects. We will re-evaluate those towards the end of the year. For next year's budget, we hope to be able to support those students for the full year if they do a good job and if work is needed. RMBL is after grants to continue their new programs. The goal of RMBL support is to try to get students real-world experience at RMBL. Having students gives the program more value so it can hopefully get more grants to grow more opportunities. We're trying to get Western students to stay in the valley. Ideally, we get outside funding to create new jobs in the county.
 - o John stressed that the Rady students want to stay in the valley, but there aren't a ton of job opportunities. We are trying to get them to stay in the valley, which will aid our economic development goals.
 - o John gave an update that Jeni Blacklock is no longer the dean of the Rady program, though she's staying on as faculty. The new dean decided to keep John and David's entrepreneurship and finance classes. We're trying to get students trained in entrepreneurship so they're more likely to stay in the valley and start their own businesses here after they graduate.
 - o TJ confirmed that he works with students directly through the ICELab to try to help them with these efforts.
- TJ gave 2025 ICELab updates next. Warehouse space project is moving forward with a new potential space. There is overwhelming interest from local businesses in an ICELab-sponsored warehouse and distribution space. This is also an attraction for businesses to potentially move to the valley.
 - o Chris asked about subsidies for businesses, or how we might save money on a space.
 - o TJ responded that there could be benefit to having a space in a visible location for events, etc. Andrew agreed that visibility could help from an awareness standpoint.

- Gary brought up that the ICELab is on the third year of the lease of the Western space. We need to start talking with Western about whether ICELab wants to stay. There is other interest in the space. TJ, John and Gary agreed to meet about this soon.
- Jennifer asked about the old Dollar Tree building. TJ confirmed it's being considered.
- TJ stressed importance of Funding Summit and how it has been a benefit to ICELab efforts. Looking to grow program into two events, focusing on age/development of businesses. The summit has built a strong network of investors, which addresses a problem that many Gunnison Valley businesses need—funding.
 - Andrew stressed that the importance of the funding summit is networking.
 - TJ agreed and added that the funding summit is more effective than the accelerator at helping ICELab goals, specifically getting funding for local companies. It also exposes the community to founders as a potential location.
- TJ said OREC and OEDIT reached out to us with an opportunity to fund our accelerators. There's a three-year grant that could be a good fit for us (\$50k per year). TJ said he had given the OREC/OEDIT staff tons of ideas for potential ICELab programs they could fund. Bill R. cautioned that any program should have a direct result on Gunnison County, rather than statewide focus.

Other business – Board

- Gary wanted to respond to an email thread from earlier in the week. Colorado Mesa offered funding to offset student scholarships that were affected by the recent FAFSA delays. It was successful and resulted in a huge new freshman class. He wanted to update us on what new things Western is doing. He said they're implementing Workday across Western's student and admin accounts, which makes many processes, including financial aid disbursement, easier. While Mesa was running their FAFSA scholarship program, Western was deep in the Workday implementation and that's why they couldn't run a similar program.
- John said we're presenting to the county commissioners in September to present the plan for 2025. We have an idea of our revenue but not of how much the commissioners will take for housing. The Whetstone housing project is getting increasingly more expensive and could affect how much the commissioners choose to take from our budget. John stressed to the commissioners that we really need to know what our budget will be so we can make a plan for 2025. John said he proposed a \$1 million take for housing, which would allow us to operate normally next year and offer flexibility for 2026. Hopefully on Tuesday we'll have June results and idea of the LMD budget.

Close – Bill R

Bill R. moved to adjourn. Chris seconded.