



TAPP BOD Meeting Minutes
7:30 am, March 11th, 2021
Zoom/In-person Meeting

Staff in attendees: David Assad , John Norton, Andrew Sandstrom , Katy Mooney , Tanner Whiteford, Jeff Moffett .

Board Attendees: Bill Ronai, Jennifer Barvitski, Gary Pierson , Wynn Williams, Erica Rasmussen , Kelly Osness , Bill MacFarlane

Community Members: Dave Taylor, Roman, Jason Macmillian, Lauren Koelliker, Liz Smith

7:31 AM: Call to Order and Roll Call--Bill

We have a quorum, and we call to order the March 11th, 2021 Board of Directors Meeting. First a bit of housekeeping. We will have a public comment after the approval of our last meeting's minutes. This is a time for those to speak about topics that are not on the agenda.

Approval of February minutes--Bill

Is there a motion to approve the February minutes? Gary Pierson motioned to approve. Kelly Osness seconded. All approve.

Public Comment--Bill

No Public Comment

Finance report—Erica and David

Erica stated there are only 3 main points here. We are currently on budget. The only Changes are time dependent. We are currently awaiting the approval of our 350K additional ask from the LMD fund. We are also working on an updated financial policy. David added that the audit is underway. Thank you Katy for all of your hard work.

Story Telling--Bill

I wanted to get people's feedback on how we talk about all of our legs of TAPP. Tourism, economic development, STOR, and Western. It might be beneficial to convey to our community how all of our missions align and how our efforts benefit the valley as a whole. Since our mission is vast and complex I feel it is important to make our constituents aware of our work. Do we send out quarterly newsletters? Kelly Osness had an idea to use the large windows of Treads and Threads to promote TAPP messaging. She has used the windows for the promotion of other organizations in the valley. If we did it in July then there would be a lot of great foot traffic especially since Treads and Threads is in the first block of main. John Norton, that's great, let's do it. Andrew, we did have an older editorial series call "TAPP Who" which we could pick back up since we ended that before COVID. The question is if we start from scratch or pick up where we left off. Kelly, my vote is to start fresh. Erica, We can also do print and email campaigns.

[EmployeesCouncil.com--Bill](#)

We are taking a look at our HR policies since the new CO employment laws. Anything we find we will assess within TAPP itself and report back to the board. This is also important for many businesses within the valley to pay close attention to.

Criteria for choosing targets and strategy--John

We have done a significantly better job than our competitors through the past year. However, we believe there will be much stronger competition in the coming year as our competitors look to make up for losses during the pandemic year. John spoke about TAPP's process on how they choose markets. Is it a market worth having? Is that market growing or shrinking? Can we win? Do we have the product infrastructure, lodging infrastructure, and restaurant infrastructure? In the case of mountain biking and trail running, we have everything to be successful. Looking at other activities like festivals and music, we do not have as strong of competitive advantage. John referred to the accompanying bar chart which compares the tax percent change in 2020 in comparison to our other competitors. We had a 25 point gap ahead of everyone. We certainly have the potential to grow, however, I expect Aspen, Telluride, and Steamboat to grow significantly in the coming year. Other competitors are following our lead and putting more mountain bike trails in their communities. Bentonville Arkansas is also building 3-4 miles of trail per week, meaning they will soon surpass us on trail mileage. Other similar mountain communities are investing heavily into their trail systems. Sedona, Taos, Moab, and Snowmass just to name a few. As we look ahead we must remember that the future is not guaranteed. We need to continue to market our trails but also be vigilant about other potential markets. We all need to continue to think about these other destinations and other markets as we look towards our June strategy meeting. Bentonville's topic expanded by John and Andrew stating that there have been millions of dollars invested by the Walton Foundation which is leading their trail building. Jennifer asked if we have gravel grinding as one of our markets? John, we are working with a gravel race which has the potential to become our biggest event of the year after their 2nd year. Andrew added details of the success of other gravel events and how this could be a huge win for us. These gravel riders are more likely to stay in hotels and this event will be very Gunnison City-centric. The event will be held on September 11th. They are anticipating 500 participants this year but will cap at 1500. Bill added that this is a good framework looking forward.

Andrew on rates

Looking at Destimetrics, our average daily rate in February was \$192 per night, and the all destination average was \$428. So we are cheap in comparison to our competitor set. This is true for summer as well. In order to see larger growth, we will need to raise rates. John added that the \$10,000 incentives being offered by Bentonville, Tusla, and Oklahoma City to attract people to relocate, is more of a shiny fish hook to gain attention. I am not saying we do that but it is an effective tool. We are excited to see the outcome of the MOA again this year. Erica added that we should be more clear on our goals for business recruitment.

Bill suggested that we plan trips for the board and staff to visit other similar destinations to expand upon their successes and learn how we can stay competitive. Both for tourism and economic development. John, Kelly, and Jennifer all agreed on the benefits of their last trip to Bentonville. Bill recapped that everyone should prepare for the June meeting.

Air report—Jeff

To start with a recap of what flights are flying into Gunnison. We have a 10% decrease in the number of seats this winter which is not bad in comparison to the flight markets as a whole. Arriving passengers are down 5,662. If you compare our numbers to competitor's flight traffic then we are doing quite well. Year to date load factor is 55% vs 65%. The balance of winter is solid and the payouts are likely to near the caps. Andrew asked how much of our loss in load factor was lost from the increase in seats flying in from Denver? Jeff added that to be down at 55% compared to 65% is not that bad. We wanted to keep the twice-daily flights from Denver. In order to match capacity to demand would've meant having one flight instead of two but we do not revenue guarantee those flights. So United must have felt more confident in the Gunnison market rather than other places. John talked about adding more flights from Denver essentially since DIA is such a large hub for the US and international flights. Jeff continued that Jet Blue and Southwest services have been extended in Montrose and Steamboat. Bill asked if we know how many people that Alpine Express shuttles from Montrose? Jeff said that usually, 3% of our air market comes from Montrose. Jennifer asked a question about our year-round services with United. Jeff added that we are the smallest airport that United offers year-round services to. Looking to the coming summer, we will have the return of the Houston flight (June 24th - Sept 6th) Denver will also revert to the twice-daily flights. Ultimately we are looking forward to returning to normal after the COVID Pandemic. John added that we should talk to United to extend Houston summer flights further into September to accommodate the Gravel Racers. Jennifer and Andrew added that our success last September speaks to the benefit of extending Houston flights further into September.

ICELab/Moosejaw update—David

The teams who won the Moosejaw Outdoor Accelerator (MOA) are from Vermont, Crested Butte, California, and Pennsylvania. This program has gained a lot of national recognition and is helping to make a name for Gunnison as a future leader in the outdoor industry. Again to remind everyone why we run the MOA. This program will help to recruit businesses to the valley. Each team will be here in Gunnison for 5 weeks. This program has a great track record, Hustle Bike Labs were a product of another similar program. We are also gaining great press from the Outdoor Industry as a whole. Coworking has been much busier in recent months. We identified a problem which is that most people do not realize what the ICELab is and what it can be used for. Community members believe that is a space for students while students are aware that they are allowed to use it either. Tanner has worked hard to solve this dilemma and is running a campaign to help make everyone aware of what the ICELab is and that everyone is welcome. We are in week 5 of our local incubator. We are providing a great curriculum for our participants and are happy with the progress being made by each team. We look forward to seeing their success and hope this program can additionally add to our efforts of economic development.

TrailQuest/Carbon credits--Andrew

We wanted to find a way to increase the number of users of trail quest and increase tourism. We have done research that shows 75% of travelers care about their impact on the environment. We have developed a Carbon Offset Program with TrailQuest. This program will hit many legs of our stool. It will help to fill hotel rooms, and tourism while supporting STOR. Each user of the carbon offsets will be able to earn carbon credits for a certain number of miles that they bike while visiting here. We are investing 23K to develop this program in the APP and then we will invest 40K in carbon credits and we are asking Mt. Crested Butte to match that request with the grant application we submitted. All participants who start their mountain bike ride from the Mt. CB area will receive 2X the carbon credits compared to other parts of the valley. Added about the community goal of carbon offsets and the cap of carbon credits. John added that this program will give us a competitive advantage and bring a lot of great PR. Andrew noted that Aspen and Glenwood Springs are both carbon-neutral cities and they gloat about that fact every chance they get. We do not have the infrastructure to be carbon neutral nor does TAPP have the funding to support such infrastructure but this will be a strong competitive program. John believes this is the type of program which could land us in the New York Times or Wallstreet Journal. We are keeping this under wraps until our official launch date. This will be in addition to our summer marketing efforts. Gary added that he would also like to collaborate with Western students with this program. John reiterated that we will hold this news close until Andrew has had time to release it to the larger publications. John continued by emphasizing the value of free press in these large publications. The value of which is determined by the page area an article takes up in comparison to how much that would cost in ad space.

Retreat topics--Bill

First, welcome Bill MacFarlane to the Board, we are all very excited to have you. Bill MacFarlane and Erica have volunteered to do some brainstorming around the lodging situation and to start thinking about if TAPP should have more of an integrated approach to lodging in all of the valley. Andrew added that Bill MacFarlane is filling the CBMR role within the board. Bill MacFarlane thanked the

board and all staff for the warm welcome. He apologized for not being able to make the meeting in person since he recently received the COVID Vaccine and was not feeling well. Erica and I have some very great ideas to unify the valley to prosper as a whole entity. Bill expanded on his background, after graduating college where he studied resort management, Bill spent almost 30 years living and working in Vail. He had the opportunity to move to the Gunnison Valley and is very happy to be off the I-70 corridor.

Closing remarks/Additional Topics

Jennifer Barvitski added, in January we stayed at Westwall with some friends. The tourists we met were very vocal about how superior our valley is to other ski towns. Alpine express was the only complaint that I heard. Also tonight there is a public meeting about the North Village project. Gary asked Jennifer to keep him in the loop as he would still like for Western to have a presence in the North Village.

Kelly motioned to adjourn the meeting. Seconded by Bill.