



# ACRA DEFY ORDINARY

ASPEN CHAMBER RESORT ASSOCIATION

DESTINATION MANAGEMENT | MEMBER SERVICES | SPECIAL EVENTS | VISITOR SERVICES

## **Board of Directors Meeting**

**Date: September 26, 2023**

**Aspen Meadows Resort**

**Present:** Cristal Logan, Jeff Bay, Debbie Braun, Cari Kuhlman, John Rigney, Donnie Lee, Rose Abello, Dan Bartholomew, David Baugh, Patti Clapper, Matt Cook, Nina Eisenstat, Alan Fletcher, Michael Goldberg, Heather Kemp, Lisa LeMay, Justin Nyberg, Henning Rahm, Dave Ressler, Steve Skadron, Heather Steenge-Hart, Maria Ticsay, Justin Todd, Bill Tomcich, Torre, Kathleen Wanatowicz, and Pete Yang.

**Absent:** Andrew Ernemann.

**Staff:** Jennifer Albright Carney, Susan Bantis, Alycin Bektesh, John Davies, Savannah Grant, Julie Hardman, Sarah Reynolds Lasser, Eliza Voss, and Liz Watson.

**Guests:** Mark Kavasch, Carly McGowan, Maureen Poschman, Pete Rice, and Johnny Youngs.

**Call to order:** Cristal Logan called the meeting to order at 8:35 AM

**Approval of the August 29th Minutes:** Approved

**Disclosure of Conflict of Interest:** None

**ACRA 2022 Financial Review:** Mark Kavasch and Johnny Young present Reese Henry's financial review to the ACRA Board, expressing gratitude for the opportunity and acknowledging the board for their work. They confirm the completion of the review of the financial statement and inform the board about the ongoing process of finalizing annual tax returns and property tax filings, ensuring compliance in these areas. The organization is praised for their robust financial health, pointing out the building of reserves as a noteworthy trend among nonprofits. Mark also discusses an outstanding receivable of \$300,000, an employee retention credit from the IRS, which is assured despite potential delays.

**City of Aspen Parking Study:** Pete Rice and Carly McGowan presented on Aspen's entrance, focusing on the bridge's condition and transportation plans. They share details from a past public awareness campaign, highlighting the community's involvement in evaluating the aging bridge and discussing potential modifications, such as adding an outbound lane. Carly introduces a "Comprehensive Transportation and Parking Plan," aimed at improving mobility and managing increasing transportation demands, incorporating elements like technology and pricing improvements. There is also a discussion on parking permits, emphasizing the need to reconsider the existing system to ensure fairness and effectiveness. Concerns are raised regarding the challenges faced by the bus services, such as staffing issues and maintaining schedules. The idea of centralizing transportation, possibly connecting the airport more efficiently to reduce congestion, is also explored, emphasizing the need for practical and community-friendly solutions in transportation planning.

**Chair's Comments:** Cristal Logan speaks about hosting Walter Isaacson for a community event, expressing satisfaction at the large turnout. She mentions future planned events and a recent meeting between ACRA staff and arts and culture representatives. In the meeting, they discussed the significance of the airport to arts and culture, addressing prevailing misinformation. Representatives from arts and culture non-profits are composing a letter to the BOCC, advocating for the ongoing progress in modernizing the airport.

**President's Comments:** Debbie Braun expresses gratitude to John Rigney and the Aspen Skiing Company for hosting the Afternoon Blend, highlighting the positive experience and the chance to interact with SkiCo's new leadership. She mentions that she, along with Eliza Voss and Jessica Hite, will be attending the Colorado Governor's Tourism Conference in Fort Collins, proudly noting they are finalists for the "top tourism workplace" in the state. Debbie draws attention to an open house event on October 4th at the Armory, where three design proposals for the building will be presented, with two including ACRA offices and one without. She urges attendees to view the designs. It's Board election season, and she's collaborating with Donnie and Cristal on the nominating committee. She's presently focusing on year-end tasks like budgeting, strategic planning, and the annual report. Debbie announces the hiring of Taylor Smith as Special Events Manager and mentions ACRA is in the process of hiring a new Director of Guest Services, with Susan Bantis staying on for a transition period. Lastly, Debbie celebrates local restaurants that have been recognized by Michelin, praising the growing culinary scene in Aspen.



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**Finance Committee Update:** Cari Kuhlman provides an update from the recent Finance Committee meeting. The Chamber's finances are in good shape, showing positive trends. Expenses are on track, and membership renewals are progressing well. Projections indicate the Chamber should maintain or even grow its bank balances by year's end. Notably, the interest rate on the bank accounts has been increased to 4.75%, allowing for better use of banked funds. The committee has recognized some cost overruns in Destination Marketing, primarily due to rising staff-related expenses. Yet, revenues are up by about \$180,000 against budgets, with net income around 41% of projections. There's an upcoming unbudgeted capital expense of roughly \$120,000-\$130,000 for replacing the Pavilion structure. If this cost is pushed to the next year, it won't remain unbudgeted. A smaller expenditure of around \$14,000 for IT upgrades has been approved, and such upgrades will be budgeted for in the coming years. The staff receives commendation for their efficient handling of funds. Lastly, there's a note on a potential unbudgeted expense for a sister cities trip to Queenstown, now postponed to March and will be included in the upcoming budget.

**Public Affairs Committee Update:** Cristal Logan shares an update from the Public Affairs Committee, mentioning that they recently had a similar discussion with Pete Rice and Carly McGowan, much like the conversation that took place today. A highlight is the addition of the Lumberyard resource page on the ACRA website, courtesy of Alycin. This was in development when they last met and now provides further information about the Lumberyard decision.

**Directors' Remarks:**

**Donnie Lee** reports that there hasn't been much change since his update last month. He notes a reduction in traffic from Australia due to costs and other factors. However, he sees promising opportunities from South America and Mexico. He anticipates an increase in domestic travel as December approaches and believes that, provided there's snowfall, tourism numbers should be in a favorable position.

**Torre** reports that on the city side, the significant development has been the passing of entitlements for the Lumberyard last week, thanking ACRA and Alycin for their support. He mentions that despite transitioning into the offseason, September has seemed as busy as July and August. City Council is working on a potential reduction of speed in town, which has received mixed feedback from the community. This adjustment won't affect Main Street and some primary arteries where higher speeds will be maintained. Torre expresses his enthusiasm for October and mentions his plan to visit a sister city in Japan in mid-October.

**Patti Clapper** focuses her remarks primarily on two points. First, she discusses growth management, stating that the Board of County Commissioners is currently evaluating recommendations made by the Community Health Advisory Committee. They are considering accelerating certain recommendations, pushing for quicker implementations rather than following a two-year timeframe. Secondly, she highlights the efforts of the Hunter Creek Historical Foundation in preserving historic mining-era structures in the Hunter Creek Valley. She shares a feature story from the Aspen Daily News that details these preservation efforts, mentioning that the foundation seeks to involve the business community for increased funding, emphasizing the significance of this preservation work for both locals and visitors.

**Rose Abello** reports that they concluded a successful summer season in Snowmass with the 48th annual balloon festival. Despite not flying the balloons on Friday, both Saturday and Sunday saw ideal conditions, and the event experienced a record turnout. She mentions that they are looking to hire someone for an events role, as Taylor Smith has joined ACRA. Additionally, Rose announces her upcoming retirement in March and notes that they will be looking for a replacement for her position. They've already posted the job listing, and she hopes potential candidates may emerge from the upcoming Governor's Conference. On a personal note, Rose plans to stay in the valley and is looking forward to earning her 100-day pin post-retirement.

**Bill Tomcich** discusses the Aspen Airport's record passenger numbers for the past three consecutive months, attributing this to increased capacity, more reasonable fares, and potentially fewer people using private jets. Notably, Delta Airlines has made significant investments in the Aspen market, planning year-round flights from Atlanta and Los Angeles starting April. Despite these advancements, there are discrepancies between high passenger numbers and non-record lodging occupancies, suggesting more locals might be utilizing the Aspen Airport for outbound flights. Discussions also touch upon the challenges faced on the Chicago route due to weather and curfew restrictions, and the premium pricing in business class due to high demand and a shift in industry trends towards purchasing premium seats. Bill also anticipates improvement in Delta's operations once construction at Salt Lake City Airport is completed.

**Justin Nyberg** thanks Pete and Carly for taking the time to present both to the Public Affairs Committee and the Board. He thinks it will be important for ACRA to have active member and director participation in the process of drafting the new Comprehensive Transportation & Parking Plan.

**Henning Rahm** expresses gratitude to ACRA for facilitating Michelin's presence, highlighting the honor. The Little Nell receives an accolade for being the top hotel by Fine Wine Magazine. Despite the challenges faced during the summer, he is optimistic for the winter, noting potential challenges due to reduced business from Australia. The staffing situation is significantly improved, with 90% of the staff ready for winter, thanks to their human resources team. However, he mentions a slowdown in business with one more significant weekend approaching. The hotel plans to close from October 29 to November 20 and will reopen for the winter season right before Thanksgiving. He remains hopeful for a positive winter season to offset the summer's challenges.

**David Baugh** comments on the launch of the State of the District, sharing its developments. He notes a great opening this year with fantastic energy in the schools. Teachers and students are excited and happy to be back. The district has had a positive start, with many good things happening within a month.

**Heather Kemp** remarks that, in contrast to Henning, they focused on maximizing their summer transactions to compensate for what they lost in winter. The summer efforts have been successful. While they don't have immediate hiring needs due to the offseason, they're proactively investing in training to prepare for the upcoming winter. They're also setting up a Christmas tree shop, which will be ready by Halloween. She mentions the importance of maintaining a high-quality guest experience in relation to hotel bus services, emphasizing that luxury customers expect a certain level of service consistent with upscale brands. On the topic of other retailers, she notes mixed feedback but mentions that some retailers had a positive summer, with some even comparing it favorably to 2019.

**Steve Skadron** speaks about the progress at CMC. The kitchen they've been working on is on schedule and should be completed by January. They are collaborating with the culinary community to support their needs. Contrary to common perceptions, the student demographic at CMC isn't just young adults; many students are older, with many attending remotely. A significant value of the college is its collaboration with the high school, offering Concurrent Enrollment which lets high school students earn college credits. There's excitement about a faculty member teaching culinary courses at the high school. CMC has initiated a program focused on sustainable outdoor recreation gear, inspired by the "wear, repair, repeat" ethos of brands like Patagonia. This program, built from a past discussion on the uphill economy, has attracted interest from the private sector. Another program highlight is the pro-entrepreneurship course taught in Spanish, which has received overwhelming response. Steve then shifts to his role in Carbondale, discussing housing inaccessibility, hiring challenges, and traffic issues there. He notes a changing dynamic where the premium pay offered by Aspen businesses to attract down Valley employees isn't as effective anymore, with many opting to work in Carbondale to avoid commute challenges.

**Jeff Bay** discusses the construction on the Molly, noting a slight delay. Originally planned to open around Thanksgiving, it's now expected to soft open in early December with a hard opening in mid-December. He anticipates stress given the proximity of the opening to the holiday season. Jeff also addresses transportation concerns, emphasizing that the RFTA situation feels like a crisis. The offseason reduction in service affects businesses, and the further reduction planned for the winter is worrisome. He suggests that there might be a communication gap between RFTA and the community. Jeff proposes inviting the agency to engage with the board to foster open dialogue and to understand their thought process. He also mentions the potential of adjusting lesser-used routes to better accommodate the primary route. He stresses the importance of effective transportation for employees, especially considering challenges like those Steve mentioned. Jeff concludes by suggesting possible adjustments to local routes to potentially free up drivers for the more crucial BRT.

**Kathleen Wanatowicz** emphasizes the importance of the RFTA issue. She believes it's crucial and shouldn't be ignored. She references RFTA's recent announcement about raising the hourly wage as a sign of their struggles to attract employees. Kathleen expresses a desire to collaborate with Dan and explore community solutions to assist RFTA.

**John Rigney** thanks ACRA for the Afternoon Blend and suggests finding a way to get more people to attend from various business sectors. He believes Buttermilk's location made the event more successful as attendees stayed longer. John mentions that the past deadline went smoother than previous years with 90% of chamber business being completed in advance, a significant improvement. He attributes this to changes in credit card rules and automation. John announces the last open weekend for Aspen and Snowmass, praising the current conditions. Lastly, he congratulates Rose for the success of Snowmass over the summer, highlighting increased traffic and event attendance, and wishes her well in retirement.

**Dave Ressler** echoes others' sentiments of appreciation towards Rose, who is retiring. Ressler updates on an upcoming health fair at Aspen Valley Hospital (AVH) and urges people to register as slots are filling quickly. He announces the addition of new physicians to AVH, including specialists in primary care, ophthalmology, and ear, nose, and throat. He also shares updates on COVID-19, mentioning steady conditions and sharing that symptoms vary, sometimes resembling a cold or showing gastrointestinal signs. He suggests people use home tests and consult healthcare providers if symptoms occur, emphasizing the necessity of adapting and living with the presence of the virus by practicing common sense and precautionary measures.

**Justin Todd** apologizes for being late and expresses appreciation for in-person meetings over Zoom. He agrees with previous speakers about the busy summer they've had, especially with increased programs returning to the Aspen Meadows campus. He mentions they are in the midst of their second renovation phase, specifically mentioning Plato's restaurant, the arrival experience, and the front desk. They aim to complete this phase by December 15th in preparation for the winter season. Another renovation phase is set to start in mid-January.

**Heather Steenge-Hart** shares that the St. Regis is undergoing renovations from October 1 to December 1, aiming to complete all areas including the spa and fitness Center, guest rooms, and meeting space by the deadline. She invites those planning holiday parties to contact them for potential local discounts in the newly renovated hotel. She announces the community tree lighting event for December 6th, noting it attracts hundreds of locals and coincides with the Snow Polo weekend, anticipating a bustling weekend.

**Lisa LeMay** discusses the variance in retail performance in the core, with some experiencing decreases ranging from 10% to 40%. She points out that comparisons to the previous year, which was a record year for retail, might be misleading. Instead, a five-year average might provide a more realistic perspective, which still shows strength in retail. LeMay expresses concerns about the RFTA bus service, emphasizing that most of her employees, who are from down valley and work year-round, face challenges commuting during the shoulder season due to limited bus routes. She highlights the need for consistent and strong bus services, especially since it's no longer considered an offseason but a shoulder season.

**Matt Cook** discusses the exploration of alternative traffic and transportation solutions. He mentions the success of an alternative in maintaining traffic at 1990s levels and reducing pollution but questions the actual goal of this preferred alternative. Cook highlights the challenge of managing inbound and outbound traffic, questioning the refusal of an option involving two lanes in and one lane out. He also touches upon the possibility of reopening the environmental impact study, allowing more control to transportation agencies. He emphasizes the complexities and variables involved in managing traffic, suggesting that there isn't a straightforward solution, and implying that some might prefer limiting the influx of people into town to manage traffic effectively. Cook encourages considering the actual intentions behind preferring certain traffic alternatives, implying a need to consider the broader impacts on business and the town.

**Dan Bartholomew** discusses the 2024 Airport closure set for May 6th to the 23rd, emphasizing the importance of this information. The change in closure date aims to accommodate the Memorial Day weekend and temperature considerations affecting construction. He mentions the airport's increasing pavement expenses and notes that full reconstruction plans and a new terminal await FAA or ALP approval. There has been a delay in this process, with expected submission to the FAA in April and a potential 3-6 month waiting period for their approval. Once approved, they can seek federal funding and proceed with design. Dan also touches on the exploration of using airport property as an intermodal station for various transportation modes, although there are complexities regarding federal property use. He highlights the creation of a safety task force, which is a priority, aiming to improve airport safety measures. Other task force groups include environmental, noise, and internal subcommittees.



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**Nina Eisenstat** mentions that people in the services sector have experienced a successful summer and a promising start to the fall. However, they are still grappling with hiring challenges, wage adjustments, and the introduction of signing and referral bonuses to enhance employee retention. Regarding traffic concerns, she addresses Torre, suggesting that Park Avenue should be considered for the proposed 15 mph speed limit adjustment. Nina emphasizes that Park Avenue currently experiences excessive speeding, especially after specific sections, and stresses the need for speed control measures. She acknowledges that while there's a focus on the west end's speeding issues, the east side also faces challenges and might need more attention from the Council.

**Pete Yang** discusses issues with RFTA's service. He then addresses recent cyber concerns at Alpine Bank, noting that some individuals have received deceptive text messages from malicious actors. Pete emphasizes that the bank will never request personal or sensitive information via text and advises customers to call the bank directly with any concerns. Lastly, Pete celebrates Alpine Bank's 50th anniversary, founded in Carbondale in 1973. He mentions that Governor Polis declared August 1 as Alpine Bank Day in recognition of the bank's philanthropic contributions. Over the past 50 years, the bank has donated over \$55 million to nonprofits in Colorado and aims to give another \$2.5 million this year in honor of its anniversary.

**Michael Goldberg** expresses his congratulations to the recipients of the Michelin acknowledgment, echoing the honor and recognition they've received.

**Alan Fletcher** agrees with Cristal's comments regarding the arts and culture sector supporting the Airport Plan. He shares about a conversation with the CEO of Santa Fe Opera, a similar-sized organization, revealing that their lodging sector declined by 10% compared to 2022, significantly impacting them due to their 60% visitor-based audience.

**Adjournment:** Cristal Logan adjourned the meeting at 10:32 AM