

**ASPEN CHAMBER RESORT ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
August 30th, 2016**

Call to order: Donnie Lee called the meeting to order at 8:38 a.m.

Attendance: Present: Donnie Lee, Debbie Braun, Cristal Logan, Heather Steenge-Hart, Warren Klug, Riley Tippet, Michael Owsley, Rose Abello, Lisa LeMay, Charlie Bantis, Tim Perry, Andrew Ernemann, David Perry, Terry Collins, Janette Darnauer, Bill Tomcich, Maria Morrow and Nina Eisenstat. Absent: Beth Mobilian, Corey Enloe, Jeff Bay, John Maloy, Kenny Smith, Laura Smith, Simon Chen and Steve Skadron. Staff present: Nicole Heronemus, Erik Klanderud, Julia Theisen, Sarah Reynolds and Brittany Zanin.

Approval of prior meeting minutes: The board unanimously approved the July minutes.

Presentation: Allison Daily – Pathfinders:

Pathfinders is a local non-profit committed to serving our community – Aspen to Parachute. Pathfinder Valley Angels' goal is to enhance the quality of life of anyone who is permanently or temporarily debilitated by an illness, accident or advancing age by providing free services that assist with daily living. They provide services such as cooking and delivering meals, picking up prescriptions, companionship, light housework, running errands, shoveling snow, gardening, etc.

Warren: What's your role of faith when you're helping people with loss?

Allison: We work with most of the clergy in town so we try to work together with people who have the same faith as the person we are providing care for.

Chair's comments: It's been a great summer and fall is also looking great. International business is up for the winter season.

President's Comments: Introduced Brittany Zanin who took over Julie Hardman's position at ACRA in the Special Events department. There is an Executive Committee meeting next week to start our strategic planning. We will talk about what type of process we want to go through this year. There will also be small group meetings going into October for budgeting and strategic planning. The plan will be presented for approval in January of 2017.

Finance Committee: ACRA's budget for the 2nd quarter was on track. From a net cash position we are doing very well this year. Last year the City changed how we receive lodging sales tax resulting in Destination Marketing operating 2 months in the rear from that change. Because of this delay, we will have the lowest cash receipts in our highest expenditure months and the highest cash receipts in the lowest expenditure months. We will need to have a cash reserve to help us through the high expenditure months where we will have the lower cash receipts. Next year we will budget a 2% increase from this year. Halfway through the year, DM was trending down from what the City was giving us but we think it will even out eventually. We should see a strong June and July check which we will receive in September to help balance.

Erik: We are \$4,000 shy of the August target number as of right now for memberships but we are seeing a resurgence in the construction and architecture companies which is where the drop was in 2008. We have many new sole proprietor businesses looking at joining, I believe in conjunction with the spouse ski pass offerings. We did lose a few big members this year, but our budget is still on track.

Old Business: none.

New Business: none.

Director's Comments

Andrew Ernemann: Our sales are down about 50% compared to last year. I think we will chip away at that and maybe be at 40% down by the end of the year. However, prices are up about 10% in Aspen compared to last year. The high end of the market was definitely slower at the beginning of the year. There has been a slowdown in luxury real estate

this year due to uncertainty in the economy. It's natural to expect to have a slowdown every few years. I will be sending out our monthly newsletter a little early next month to provide facts on the real estate market in Aspen.

Beth Mobilian: absent.

Bill Tomcich: July paid occupancy was 83%. Total paid and unpaid occupancy reached 88%. This is the highest monthly occupancy we've seen for any month, winter or summer, since we started with Destimetrics. Industry comparisons: The growth of summer occupancy has increased overall for all of the western mountain resort Destimetrics participants. Summer occupancy is at 92% of the winter occupancy numbers. The rate disparity between the seasons is still pretty big. June's lodging tax exceeded last year by 17%. July increased by 8% which is about what was budgeted by the City. Both Aspen and Snowmass are looking incredibly strong for occupancy, however there are still rooms for the Tough Mudder weekend. Fall in Love with Aspen/Snowmass is working, we are seeing a great increase in reservations from that campaign. I visited the Teton/Yellowstone area, beautiful but a lot of wildfires in that area. Colorado is lush and green compared to other mountain areas.

Charlie Bantis: When will there be sponsorship information out for the World Cup?

David Perry: September.

Corey Enloe: absent.

Cristal Logan: Most of our events are now over, but we had a great summer. We are looking forward to the downtime of the fall.

David Perry: Thank you to the ACRA staff for the Afternoon Blend at Bumps. We are closing the Gondola after Labor Day which is why we didn't hold that event on Aspen Mountain. We will be running a fiber optic cable up the line and doing heavy maintenance on the gondola before the winter season. A list of opportunities on how people can help with the World Cup will be provided by Ski Co. The premier passes will also get you 50% off list tickets at all mountain collective resorts around the world. Telluride and Revelstoke, British Columbia are also included this year. We dropped college pass prices significantly last year and this year. The spouse lift ticket offering was very successful and will be offered again this year. We also offer a spouse pass that can be shared for couples with young children that can have both of your names on it. There is no chamber discount on the shared spouse pass. The High Alpine Lift Restaurant has been remodeled in Snowmass.

Heather Steenge-Hart: I really appreciated Allison's presentation and would love to get more involved with Pathfinders. The summer seemed to go by so fast, but it was a great season.

Jeanette Darnauer: The Music Festival is one of the best festivals we've had in years. They exposed us to a lot of new music that is traditional classical music but we haven't had it here before. Thank you to Snowmass and Ski Co for what you're doing at Elk Camp. Snowmass could become the mountain biking capital! Thank you to the Ski Co and ACRA for the Afternoon Blend which had a great panel of speakers. 2017 is going to be a big year for Aspen/Snowmass. September 27th will be cohosting the afterhours ACRA event at BB's.

Is there an update on the transportation study?

Debbie Braun: We just sent a letter of support for the study to the EOTC.

Jeff Bay: absent.

John Maloy: absent.

Kenny Smith: absent.

Laura Smith: absent.

Lisa LeMay: Stores that have more of the lower priced items saw an increase in business, higher retail saw the same numbers.

Maria Morrow: I went up Hunter Creek Trail and there are sections that look like it needs a lot of work. The Public Affairs Committee will be meeting the end of September to discuss transportation. We're really happy about the transportation study and we hope that we can improve mobility with the results. This fall the City is starting the process of rewriting the land use code. Please go onto their website and give your feedback. We'll be talking more about employee sustainability in which we do need some input from people in different categories of business. Please come weigh in to the PA Committee if you have anything to share. We need to make sure we have a mixed voice.

Michael Owsley: On the issue of security: I was met by one of the security guards at the hospital and asked if I could be helped which was nice. The best security is for individuals to be aware of their environments and people around them at all times. The transportation study is being conducted by RFTA and the EOTC. Part of that study will be from cell phone data whether it is on or not so they can tell where the phone originated from, how long it's staying in one place, where it goes, etc.

Pitkin County is remodeling the courthouse plaza and adding on behind it. Our offices will be spread out during the remodel. The bulk of the County staff is moving to Basalt for the interim.

The airport is coming close to the finish of the EA and will be moving onto the design soon.

Nina Eisenstat: There is an article that has been circulating about how the luxury real estate market is crashing.

Riley Tippet: We visited the Maroon Bells this last weekend and we ran into a couple that was visiting and looking to move here. We have so much to offer here that I really enjoy selling people on this area. This time of year is exciting but also daunting because we have spots to fill for the winter and we're also trying to keep the same people year after year. It's a struggle to help people put roots down and stay in this area year after year.

Rose Abello: The Labor Day festival is this weekend. Stevie Wonder on Sunday is sold out. The balloon festival is September 16th-18th this year. The car auction (100-800 thousand dollar cars) will be the same weekend as the balloon festival. You can visit www.thefinest.com to view the cars that will be present.

Simon Chen: absent.

Steve Skadron: absent.

Terry Collins: The AVH hospital board has approved Dave Ressler as the CEO of the hospital once again. Dave and I worked together previously so I'm excited to work with him again. I will be staying on as the CFO. I really enjoyed being in these meetings for the time I was, it's been very informative. The construction at the hospital is on time and budget, which will all open about the first week of November. September 10th we are celebrating our 125th anniversary with some events happening on campus.

There are two hospitals in the country that have had active shooters come in and we are thinking very hard in conjunction with the board to protect our patients and staff from that type of situation if it were to happen. Does this board have any recommendations for how we can protect our hospital from that type of situation?

Donnie Lee: The truth is that we're vulnerable to unstable people that could do those things. You're trying to prevent a random occurrence where if that person can't get in the hospital they could just go across the street and do the same elsewhere.

Charlie Bantis: Perhaps close the non-main entrances during non-business hours? Make people come through just the main entrance after business hours.

Warren Klug: Perhaps security staffing?

Heather Steenge-Hart: Maybe do some active shooter drills for your staff?

Debbie Braun: Perhaps make the doors so that you can exit but not go in?

Cristal Logan: When we increased our security at the Aspen Institute for the Ideas Festival we expected to hear backlash on it but didn't hear a word. The community understood the need to protect our visitors.

Tim Perry: Heard some great comments from visitors about the We-Cycle and Downtowner, they are excited to not have to use a car while they visit.

Warren Klug: It's been a perfect summer for the lodging business. It's fun to see the Downtowner zooming around town looking busy. The Downtowner are staying for the winter season! Visitors are having a great time this season. The parking rate increase in downtown has been working, we have more parking spaces available during the day around the Aspen Square. HOA Managers – there is an 8 hour per year requirement for continuing education. There is a two hour class coming up around the end of September. A company in Denver will arrange to bring an instructor for an 8 hour class here to Aspen for anyone that needs to attend.

Adjournment: Meeting was adjourned at 10:38 a.m.