

**ASPEN CHAMBER RESORT ASSOCIATION  
BOARD OF DIRECTORS MEETING MINUTES  
January 29th, 2019**

**Call to order:** Donnie Lee called the meeting to order at 8:36 a.m.

**Attendance:** Present: Cristal Logan, Debbie Braun, Charlie Bantis, Andrew Ernemann, John Rigney, Dave Ressler, Donnie Lee, Rose Abello, Sam Barney, Jeff Bay, Simon Chen, Patti Clapper, Linda Crockett, Jeanette Darnauer, Alan Fletcher, John Kinney, Heather Kemp, Cari Kuhlman, Lisa LeMay, Steve Skadron, Heather Steenge-Hart, Riley Tippet, Bill Tomcich, Warren Klug, and Tim Perry Absent: Nina Eisenstat, Rob Ittner, John Maloy, and Maria Morrow  
Staff Present: John Davies, Sarah Reynolds Lasser, Jack Orsi, Susan Bantis, Diana Morrissey, Kathryn Dziedzic, Claire Sacco, Jessica Hite, Bridget Crosby, Jennifer Albright, and Eliza Voss  
Guests Present: Adam Frisch and Ann Mullins

**Approval of prior meeting minutes:** Approved

**Nominating Committee Update**

**Warren Klug:** I would like to start by saying thank you to everyone who has served on this Board, I have thoroughly enjoyed the privilege of serving for so long. This is a great organization, and the envy of other Chambers. Congratulations to Debbie and the ACRA staff. Page two of the agenda goes over recommendations for officers and at-large seats. Unanimously approved the officers and the addition of John Kinney (Aspen Airport), Cari Kuhlman (Vectra Bank), and Sam Barney (Hansen Construction). The appointed and ex-officio seats do not need approval.

**Debbie Braun:** Due to the activities taking place at the airport, we thought it would be a great idea for John Kinney to join our Board. Cari Kuhlman of Vectra Bank is rejoining our Board, as we felt it was necessary to have an additional member from the finance industry. Sam Barney is joining us from Hansen Construction, as construction is such a large industry, and there is much discussion taking place with Pitkin County surrounding land use code. Finally, we are bringing Alan Fletcher on as the representative of the Aspen Music Festival and School (AMFS), and we hope to work closely with Alan on an arts and cultural study, as his expertise is vital. Welcome to all of our new members. We do have three outgoing members and would like to thank each of you for your years of service to the Board. We have plaques for each of you as a token of gratitude, and at our Wintersköl luncheon, we gifted locally made silver belt buckles to both our outgoing Chair Donnie Lee and Chair-Emeritus, Warren Klug. Warren has been with our organization for nearly twenty years now, and his service to the community and this Board is appreciated by all. Laura Smith is unable to attend today, but we hope that Alan Fletcher will send her our words of thanks for her representation of the Aspen Music Festival and School. Her years of representation for the AMFS are also greatly appreciated, as she has always made it a priority to appeal to all age groups and demographics for the arts and culture community. We are happy that she remains an active member of the Marketing Advisory Committee. Tim Perry has served in both an at-large and service seat, and was always among the first to RSVP to our events and luncheons. We thank each of you for all of your service and support over the years. Finally, thank you to Donnie for your years of service as the Chair of the Board. Donnie will become the Chair Emeritus in place of Warren, and Cristal Logan will step into the Chair position.

**Presentation**

**ACRA Staff - 2018 Goals and Objectives:** As mentioned by Debbie, the ACRA staff created a PowerPoint to highlight goals that each department achieved in 2018, as part of the strategic plan.

**Administration** presented three highlights. First, Reese Henry was brought in to complete a financial review of the 2017 budgets for the Chamber, Destination Marketing, and the Airport. It was found that overall, the review was a success, and the Chamber was fiscally sound. Second, ACRA collaborated with the Finance Committee to issue a Request for Proposal (RFP) for financial services to local member banking institutions. They have awarded Alpine Bank the operating accounts and are still finalizing a plan to spread the remainder of the ACRA funds. Finally, in collaboration with Mitchell and Company, an IT replacement schedule was developed to ensure the staff was well equipped with up to date technology, and replacement of computers has started across departments.

**Guest Services** presented three highlights. First, it was discussed that there was collaboration with the Aspen Historical Society and the City of Aspen to educate visitors of the unique history of the old power plant building that currently houses the ACRA offices. Second, the Junior Ambassador Summer program was a success. Five area high school students were brought in to work alongside the guest services staff in providing information to tourists. Finally, roughly 27 guest services staff members attended winter and summer trainings to catch up on changes in town and to brush up on customer experience skills. All of this is vital to the Chamber, as staff interfaced with 170k visitors in 2018.

**Membership** presented two highlights. They began with the coalition building that took place in 2018. The department collaborated with the City of Aspen on SHIFT and 7908 Reasons to Come to Town, to enhance downtown vitality. They also convened with partners to activate different industries, such as construction and outdoor guides to give voice to members and strengthen the ties to the community. They discussed their goal of enhancing business development, to help members excel. Attendance to events, such as the Wintersköl luncheon, are seeing highest participation numbers ever. Recently, a report that Andrew Ernemann referenced at was requested by a member after seeing him present at ACRA's spring community breakfast.

**Special Events** spoke next and presented two highlights. First, the new volunteer registration system was shared. The existing platform was 14 years old, inefficient, and ineffective. The process of registration and assignment could take months. On March 1, 2018, a new system was rolled out and showed immediate improvements. Within two weeks, there were 498 registered of the roughly 640 Food & Wine Classic volunteers. This new system improved communication and brought a 95% positive experience rating. Second, as part of the strategic plan, an RFP is being created for potential new events. Currently the department produces five annual events, and is constantly working to ensure the content is relevant. Through this RFP process, there will be a special events portal with information for parties interested in bringing an event to Aspen. Additionally, it is a goal to make available post-event surveys to generate feedback on ACRA produced events.

**Destination Marketing & Sales** presented five highlights. With Julia's departure in 2018, there was a restructuring of the department to ensure success. First, an RFP was issued for creative agency, and 4 agencies presented to the MAC. BCF retained the account to continue evolving our Defy Ordinary campaign. An outcome of the restructure of DM has been bringing social media in-house while retaining PROMO Communications as the agency of record for our public relations. With the unfortunate area backcountry tragedies in 2017, it was deemed important to create the "How To" campaign to educate our visitors on "How To" enjoy our beautiful natural resources responsibly. This won the DMA West Best Idea Award, and will continue to expand in the coming years. The sales team identified new city-wide events to collaborate with Marketing and Special Events departments with to bring to Aspen in need periods. These city-wide events have the potential for Membership and Visitor Services to also offer support. Finally, the expansion of the interactive tool kit for meeting and event planners was showcased. With this, planners can access valuable assets and tools needed to produce a successful program in Aspen and experience the value of working with Aspen Chamber. Overall, the Aspen Chamber Resort Association achieved much success in 2018, and will continue in 2019 to Defy Ordinary.

### **Chair's Comments**

**Donnie Lee (Outgoing Chair):** I'd like to echo what Warren said. Thank you Debbie, this is a wonderful organization and it has been a sheer pleasure to work with everyone on the Board and in our committees.

**Cristal Logan (Incoming Chair):** It is now my turn to thank all of the outgoing members and to welcome our new members. Thank you Donnie and Warren for your service as Chairs to this organization, and I'm excited to have Donnie as our Chair Emeritus. Very honored to take on this role. I have so much respect for Debbie and the ACRA staff. The ACRA is truly the backbone of this community. It's very easy to take for granted the success and prosperity, but it takes so much to make it all happen and we have to continue to give a voice to our local businesses. Congratulations to the ACRA staff for a successful Wintersköl, it is such a special event in Aspen. Eliza and Sarah from ACRA, along with Alan Fletcher from Aspen Music Festival, convened a meeting with the Arts and Cultural Non Profit representatives to update

them on what ACRA does to market their events. Bauhaus is celebrating its 100<sup>th</sup> year and it is great to see the non-profits come together to celebrate this milestone and its impact on Aspen. If you haven't had a chance to check out the exhibit at the Aspen Historical Society, be sure to.

**President's Comments:** We have had some organizational changes at the Chamber in the last few months. As you all know, when Julia left last summer, we promoted Eliza Voss and Sarah Reynolds Lasser to manage the destination marketing department and split her role. Since then, Liz Cluley has been promoted to Senior Sales Manager, and we have brought on Jack Orsi as Sales Coordinator. We also brought social media in house, which brought Bridget Crosby full time as our Marketing Manager and we welcomed back Jessica Hite as Senior Marketing Manager. Since bringing social in house, we have had record breaking posts and follower numbers. Everyone needs to follow us on Instagram @aspenco. In the membership department, we said farewell to Erik, but are so excited to bring Kathryn Dzedzic on as a Senior Manager of Membership Sales and to have promoted Claire Sacco to Senior Membership Manager. Claire remains involved in public affairs, and Kathryn will be over development of new member sales, partnerships and sponsorships. As a part of our strategic plan, we are moving towards Eliza becoming a Certified Destination Management Executive (CDME) and the certifying ACRA as a Destination Marketing Organization (DMO), to be one of very few in Colorado. We will need support from the Board and are hoping to speed through the process. I am also becoming more active in associations that have influence in the industry. I am the incoming President of DMA West and the chair of DMA West's Educational Foundation which takes the lead on research for the organization. Liz Cluley is currently in Breckinridge at a Board retreat for Wedding International Professionals Association. Sarah has continued her position on the board of Destination Colorado. Next week, Claire, Kathryn, and I will be heading to Anaheim for the Western Association of Chamber Executives (W.A.C.E.) Conference. I will be presenting a strategic planning workshop session and Claire will be graduating from the W.A.C.E. Academy, after three years of intense programming for certification. I've passed out our 2018 Annual Report, which surrounds our three year strategic plan. This is the third and final year of this plan, so I wanted the staff to give a presentation to the Board to showcase some of the highlights that have been accomplished. There are a few goals left that we will continue to update throughout 2019.

**Executive Committee Update:** We met in December and covered the nominating and finance committees. Focused on reconstituting and reappointing chairs for committees. There has been much discussion around Lift 1A, public affairs, and the business of the year award. A lot of this has come and gone during the time that we haven't met as a Board.

**Public Affairs Committee:** We had a productive meeting last week and went through the communications plan from Claire, which we can use when we have issues coming before the committee and ACRA showing us better ways of communication. ACRA has purchased a LISTSERV, which is similar to an online forum for communication. We need to have the principles from Lift 1 to come present at next month's Board meeting, and at that time we will decide whether or not we will formally support the issue. Claire met with representatives regarding construction and land use code changes. These are crucial meetings to continue. Debbie will be hosting GrassRoots TV for a spot on mayoral and council candidates. Please send her any questions you may have, so she can get specific answers from the candidates on local issues.

**Finance Committee Update:** We've been talking for a while about the RFP for financial services. Original plan was to consolidate and simplify the banking. After reviewing the submissions, we discussed things that are working, things that are not, and our relationships with each bank. We came to consensus that it would be best to have operating accounts at one bank and spread the remainder of funds throughout our member institutions. Alpine Bank has won the operating accounts. The committee will meet again in the coming weeks to finalize plan for the spreading of remaining funds. It has been a great exercise to go through and thank you Charlie for the support in the process. The Chamber ended 2018 by putting around \$50k into reserves, fiscally very sound.

**Old Business:** none.

**New Business:** none.

## **Director's Comments**

**Steve Skadron (Mayor, City of Aspen):** Welcome Cristal, as our new Chair. Warren, you will be missed. Tim, you've always been a very important voice on this Board. Welcome to all the new members and ACRA staff. We've had several unfortunate, but necessary, senior management changes at the City. We will be hiring a new city manager, a process that will take 4-8 months. Our current City Council will begin the process, but due to it being Council election season, the new Council will see the process out. It is Mayoral election season, and we have both Adam Frisch and Ann Mullins joining us here today. With the changes to the elections, they take place in March, but Council will serve until June. Things will slow down a bit at the City, but progress on the new City building is moving forward. We will be doing a ground breaking on February 8<sup>th</sup>. There has been an explosion in uphill at Buttermilk. Thank you to John Rigney for a great X-Games, it's wonderful that a new generation is getting to experience them. Tonight's work session is a discussion on affordable housing and we are meeting next week with the Board of County Commissioners. It's interesting that airlines are offering price cuts on fares and that we have deals on lift tickets and concerts, but it seems like there is still exclusive 5-star pricing in many industries here. How is that sustainable?

**Warren Klug (Former GM, Aspen Square Hotel):** Thank you to Aspen Skiing Company for a great X-Games. I actually watched them on TV from Florida. Thank you for allowing me to serve for so long on this Board.

**Charlie Bantis (President, First Western Trust):** To follow up on the Executive Committee update, the consumption report is a fuzzy revenue report that doesn't give a full picture. We met with the City's new finance director, Pete Strecker and Sara Ott on how it could be possible to look a bit deeper, which is a process the finance committee will go through to determine business health. ACRA will take the lead on this project, with some help from the City. The idea is to take a base index year and get businesses to anonymously share data to track in relation to that year. It will be a lengthy project, and we hope that Board members will assist within their industries.

**Heather Steenge-Hart (GM, St. Regis Aspen):** Thank you Warren for all of your service, not only on the Board. You were the first phone call I got when I moved here. We started a bit slow for December, but with last minute bookings, ended better than expected. Q1 looks solid and we are seeing a lot of groups looking at May bookings, due to the weather. We had a great Shake Shack pop-up during X-Games.

**John Rigney (Senior VP, Aspen Skiing Company):** Thank you Steve and Warren. It was a long weekend with the X-Games. We saw record crowds this year, 117k people attended over four days. The concerts were all sold out shows. We had 16 hours of live programming domestically and 10 hours of live social media. We had more branding than ever and it was a great success. We have renewed the contract for five more years. February 5<sup>th</sup> is midway through the ski season and occupancy is trending in the right direction. There are only about two weeks that are below last year's pace. We will be hosting the Après Festival at Buttermilk with the String Cheese Incident and Umphrey's McGee, April 5-7. Hoping that it is a regional call to get people in to fill the town, especially with last minute Ikon usage. We are pleased with the Ikon Pass usage, and most of them seem to be first time guests in Aspen.

**Bill Tomcich (Owner, Tomcich Travel Consulting):** Went to Mammoth Mountain in California over the weekend, which is also an Ikon Pass destination. They had 18.5k on the mountain, so the Ikon Pass seems to be driving business. "Use it or lose it" will bring people in before the end of season. My contract ended with Stay Aspen Snowmass and after the integration with Aspen Skiing Company. Lise Adams has taken over and is doing a great job as Director of Stay Aspen Snowmass and she and K2 will continue with the occupancy report. Will be focusing exclusively on working with airlines. We've seen some attitude adjustments from airlines, who are now working together more with ski destinations. Gave airport update, highlight growth of flights in shoulder season and retiming of flight banks to better optimize connections.

**Lisa LeMay (Regional Manager, Aspen T-Shirt Co.):** As one of the retail seats on this Board, I run 3 gift shops in Aspen and 2 in Snowmass. Every year we hear businesses in the core grumble about the X-Games crowd, but we can't stereotype the crowd it attracts. We need to be attracting a younger crowd as the older one is aging out. You really can't put a price on the coverage and marketing that 16 hours of live coverage does for us. In retail, you have to appeal to the masses and adjust for the market. Some businesses had poor Decembers, and some including us, ended with strong results. A lot of high end stores were pacing down and that goes to what Steve mentioned about 5-star pricing. We have everything from \$15 t-shirts to \$200 sweaters. Again, you have to adjust to the market.

**Heather Kemp (Owner, Sashae Floral Arts & Gifts):** Thank you to Warren for many years of service. To comment on the X-Games, I was stuck in Chicago on Wednesday. There were college students in the airport that were so excited to come for the X-Games, and that they could ski for two days with the X-Games ski pass. These people are our future. The X-Games can be seen as inconvenient, but we have to keep Aspen young and attract people that will one day bring kids and families. Thank you to everyone for the support on trying to dive deeper into the sales tax report. With the sales tax changes in Colorado, companies such as Amazon are having to pay local sales tax, so there is no real way of seeing how local businesses are doing on the report. Glad there could be soon.

**Patti Clapper (County Commissioner, Pitkin County):** There is an affordable housing report on the Northwest Colorado Council of Governments' website with corrections I made about housing in the Roaring Fork Valley. So everyone knows, the land use and energy code is not the City of Aspen, it is Pitkin County and we are working on changes. Looking to get ahead of the curve, and have approved the 2018 international energy code. Looking forward to working with ACRA on changes. Pitkin County is very involved in the X-Games with services and security. It truly is amazing at how many people are there. Very fortunate to partner with Aspen Skiing Company and looking forward to the five year extension of the X-Games. Pitkin County has an affordable housing project in Basalt, a net zero project. Appreciate the support and are glad to have ability to create affordable housing. The mid valley health centers are also going to be of tremendous assistance to the valley.

**Andrew Ernemann (Broker, Aspen Snowmass Sotheby's International Realty):** Thank you to Warren for his service. Gave real estate update. Highlights include 2018 ending 20% down compared to 2017. Highest sale was \$21.5 million and average price was \$4.1 million.

**Linda Crockett (VP & Campus Dean Aspen & Carbondale, Colorado Mountain College):** I'd like to invite you all to art show Modern Makers on February 5-7<sup>th</sup>. We are hiring faculty for hospitality and culinary programs, which are new for the Aspen campus. Will be doing a soft rollout in the fall and are looking to have full certificates and degrees. Aspen is expanding the campus, looking to double in academic size and become a residential campus. State has approved class in positive psychology, which relates to wellbeing and life skills that will be of use long term.

**Alan Fletcher (President & CEO, Aspen Music Festival and School):** Our winter series starts tonight, with the highest sales of last five years. The box office opens February 5<sup>th</sup> for our summer programs. The 2019 season explores the theme of "Being American," with works by Gershwin, Ives, Wynton Marsalis, and Copland, including Appalachian Spring; works by emmigré composers; and settings of the poetry of Whitman, Melville, Dickinson, and Poe. Season artist is Sanford Biggers, and galleries will be showing his work. We hope to work with the Aspen Institute. We are doing our first collaboration with Theater Aspen, featuring major Broadway stars. Non-profits used to have an "80/20 rule" meaning 80% of income came from 20% of donors, but we are now at 95/5. Major increase of households giving large donations, but an overall decrease in donors. This is due to the income inequality we have in this region.

**Tim Perry (Owner, Aspen Reprographics):** It has been a pleasure and an honor to serve on this Board. Sam Barney is a fantastic addition.

**Riley Tippet (Owner, Ski Butlers):** Thank you to our outgoing Board members, and to Warren for always keeping it lighthearted and fun while getting his point across. Check out our Rossignol pop-up, we are upstairs with ski demos that can't be rented anywhere else in North America.

**Cari Kuhlman (Senior VP RFV Market President, Vectra Bank):** It is wonderful to be back on the Board of Directors. Thank you for having me. Thank you to all of the members I have worked with, and to Warren for his service. Also on the Board for Aspen Education Foundation, and we raise money for schools beyond what we get from the state and grants. In the banking world, we are expecting a bit of a slowdown, but continued growth. Rates are expected to remain the same.

**Sam Barney (Project Manager, Hansen Construction):** Very thankful for the opportunity to serve on this Board. Looking forward to hearing everyone's different perspectives.

**Rose Abello (Director, Snowmass Tourism):** Welcome to our new Board members and thank you to our outgoing members. If you haven't yet been to the Limelight in Base Village, get over there! It really has been a game changer for Snowmass. We just got 2018 occupancy data, and it is the first time I've ever seen year round occupancy over 50%. It was 28% in 2009 for reference. We need to do something to help the visitors, as only we locals know what the "intercept lot" is. The name needs to be easy to understand, such as the Aspen Snowmass Park and Ride. In reference to Patti's comment about the mid valley health services, it would be a great idea if we as a community held open houses for mental health, so that people know what services we have available.

**Simon Chen (Managing Director, The Little Nell):** Thank you Adam Frisch and Steve Skadron for moving the valet parking, things are moving much smoother now. We will be closing the Nell early this year, on April 7<sup>th</sup> for renovations in and around the hotel. The front desk area, living room, Chair 9, and the Aspen Mountain locker room will be undergoing major renovations. We have sommelier Rajat Parr, of Sandhi Wines, hosting a dinner on February 8<sup>th</sup> and James Beard award winning chef Alex Seidel as a guest chef on February 12<sup>th</sup>.

**Jeff Bay (Managing Director, HayMax Hotels):** HayMax manages the Molly Gibson Lodge and the Hotel Aspen. Have been "at-large" seat, but now in lodging seat for two year term. Also the Chair of the Marketing Advisory Committee. It is a privilege serving with all of you. Thank you Warren and everyone that has contributed to the organization. Echo what everyone has said about occupancy. December ended great, it was a solid comeback. January started a bit low but will end strongly. We have to keep in mind that even with strong demand, guests are looking for value. We have to provide value, because there are other resorts wanting to win our guests. Excited to be on the airport's experience committee. I want everyone to get clear information regarding the Lift 1 project, I think it could be very positive, but be sure to get a clear understanding. Thank you to Aspen Skiing Company for embracing uphill at Buttermilk and for a fantastic X-Games. Took my 6 year old and they had a blast. We have to be aware that if we all get jaded about X-Games and the crowds it brings, those people are our future guests.

**Dave Ressler (CEO, Aspen Valley Hospital):** Healthcare and Aspen Valley Hospital have a lot going on right now, and I hope to be able to inform every one of upcoming projects and changes in the coming year. Thank you Warren and to all of our Board members for your service.

**Donnie Lee (GM, The Gant):** In the interest of savings time, I will just echo what everyone has said, thank you to everyone for all of your service.

**Adjournment:** Meeting was adjourned at 10:52 a.m.