

**ASPEN CHAMBER RESORT ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JANUARY 28, 2020**

Call to order: Cristal Logan called the meeting to order at 8:36 a.m.

Attendance: Present: Cristal Logan, Charlie Bantis, Debbie Braun, Andrew Ernemann, John Rigney, Dave Ressler, Sam Barney, Jeff Bay, Patti Clapper, Jeanette Darnauer, Nina Eisenstat, Rob Ittner, John Kinney, Heather Kemp, Cari Kuhlman, Lisa LeMay, Tom Heald, Maria Morrow, Torre, Heather Steenge-Hart, and Bill Tomcich Absent: Donnie Lee, Rose Abello, Alinio Azevedo, Alan Fletcher, and Riley Tippet Staff Present: John Davies, Kathryn Dziedzic, Eliza Voss, Sarah Lasser, Lindsey Fay, and Jack Orsi

Approval of prior meeting minutes: Approved

Nominating Committee Update: The nominating committee met after the election to discuss slating of officers for the 2020 Board of Directors. Charlie Bantis has retained the finance seat and will chair the finance committee. Jeff Bay has been appointed to the executive committee and will remain chair of the marketing advisory committee. Bill Tomcich has been appointed to replace John Kinney's at-large seat, with John representing the airport in an ex-officio seat. Maria Morrow is stepping down as chair of the public affairs committee, with Donnie Lee stepping up. All appointments unanimously approved by voting members. If anyone has interest in participating on a committee, please reach out.

ACRA Annual Report Review and Strategic Plan Values: Debbie Braun presented a recap of the October board retreat, facilitated by Candra Canning, of Live Bright Now. The goal is board approval of the core values that were created during the retreat, after a morning of brainstorming and discussions. These core values will be worked into the new strategic plan, which is going to be reworked into a 5-year plan, as there will be many changes such as moving the ACRA office and potentially a new airport terminal. We will continue to work on the core values to tie them into the mission and vision, as we move towards a destination stewardship concept, while still representing member businesses. Very excited to bring the 5-year strategic plan to the board in the next 2 months. Additionally, Debbie presented to the group the ACRA 2019 Annual Report, which gives an overview of the organization's successes and highlights for 2019. There were many staff and departmental accomplishments to be celebrated. We have been building a new website over the last year using analytics to provide a better user experience in an editorial style. Overall, we are looking to create a strong culture in our organization to work together to best represent Aspen, as a business community and a tourism destination.

Chair's Comments: Congratulations to the ACRA staff for an amazing Wintersköl. Maria, thank you for your years of service as chair of the public affairs committee, and thank you to Donnie for stepping into the role as chair. Eliza, Sarah, and I met yesterday for the quarterly check in with the arts organizations. Discussion included the arts and culture economic impact study and a big takeaway was hotel rate issues. JAS looked at rates for their Labor Day event when they announced this year's lineup and hotel rates were nearly double 2019. We have received over three thousand responses to surveys and will continue to work towards our goal of five thousand. Winter events are smaller scale, so we see softer participation. Overall, our arts and culture nonprofits seem to be doing well.

President's Comments: Dates for the 2021 Wintersköl event were discussed. The historical weekend pattern seems to be too close to 2020/2021 holiday events and will prove difficult for special events team. We delivered the three hundred thousand dollars to the City of Aspen on December 31st, holding up our end of the agreement for a five hundred-thousand-dollar reserve fund for destination marketing.

Old Business: None

New Business: None

Director's Comments:

Patti Clapper: Will be attending economic symposium in May. For X Games 2021 will see about getting an invitation extended to see everything going on at the incident command center at Mountain Rescue headquarters.

Jeff Bay: Occupancy is looking soft for March and advance bookings. We are seeing last minute bookings. There is competitiveness with lower rates but overall, we've seen major increases in rates at high end properties.

Charlie Bantis: Would like to thank everyone for the support over the last few months with surgeries. Also appreciate the confidence as I retained the finance seat and chair. Looking forward to reconstituting the committee. We will be looking at additions to our financial policies based on issues with vendors. Financially healthy organization. Reese Henry will be conducting a review this year along with tax return. Seeing lowest mortgage rates in the market.

John Kinney: Terminal improvements at the airport started behind the scenes a few months ago and continue to progress. The visioning process continues, and we are hoping to conclude here soon before we begin to miss out on funding opportunities. We experienced an aircraft accident yesterday that required Mountain Rescue involvement.

Heather Steenge-Hart: Coming off busy weekend for both hotels (W Aspen and St. Regis). Seeing increase in last minute bookings.

John Rigney: We've had great snow and momentum so far this winter. The last occupancy report showed overall positive occupancy. Appreciate all of the support for the X-Games, as it's a community wide event that's become very smooth operating. For those that come here, their experience is about the entire time here. I think it would be helpful to push out board presentations and minutes within a week of the meetings, as there is a lot of useful content to be shared with leadership.

Dave Ressler: Legislative session is in process and healthcare is the number one topic on people's minds. We've made some good efforts but there is more that we can do better as a local community to address healthcare costs. We are partnering with Valley View and Grand River hospitals to develop, in cooperation with Debbie and other chambers, a local health plan. We have some tight timeframes and are looking to have the plan in place by 2021. Re: Coronavirus – practice the same preventative measures as you would for cold and flu. We're in a somewhat vulnerable position due to the airport and international position.

Tom Heald: Through the lens of the school district, I appreciate all the opportunities and communication on the visioning process. The kids' perception of this community is to defy everything (Defy Ordinary). Thank you, John Rigney, for providing opportunities for aspiring athletes (X-Games). Gave an update on school district. In midst of strategic planning. The board will introduce several bonds that are sunseting in the coming years. We have an opportunity to improve facilities without increasing tax burden. This is a conversation you will begin to hear more about.

Andrew Ernemann: The 2019 real estate year ended flat to 2018, but sales dollar volume was up 10%. This is due to price increases and sales of high value properties. We have seen an average 3% annual price increase over the last 10 years. Local market continues to be robust, yet fragile. We are seeing impacts of turbulence in the markets. Things are good, but more uneven than we've seen in the past.

Cari Kuhlman: We are expecting to see increases in interest rates, but there is market volatility with the election coming this year. Great job to the Debbie, John and finance committee for analyzing and improving the financial procedures and services. Kudos to Debbie and staff for strategic planning.

Lisa LeMay: Glad to serve on this board for another 2 years. I don't know if everyone realizes the impact these seats have. In retail, I've heard a lot of people are flat to 2018, but that's comparing to a great winter last year, everyone is hiring, and the biggest issues remain to be housing, healthcare, and simply finding people. How can we tackle these major issues?

Nina Eisenstat: Working with the Aspen School District board to help with communications for the superintendent search. There will be a slate of 8 candidates in the Aspen Daily News. They are coming to Aspen for interviews and have been culled down from 24 applicants. This has been a very thoughtful process, with a lot of outreach and surveying. The feedback received was used to develop the leadership profile (job description). Starting tomorrow, there is an advisory group being formed. The meeting takes place at 4:00 p.m. in the Aspen School District board room.

Torre: In December there was a new group formed called Hospitality Matters Aspen. It's a support group for mental health issues in the hospitality industry. Thank you to Eliza and ACRA for assisting in getting messaging out. Wintersköl was fantastic. The City has a retreat coming up next week for a visioning process, as the City does not have a mission, vision, or long-range planning. These are crucial to move an organization forward.

Heather Kemp: Have heard many great comments about Wintersköl and Soupsköl. It was great to see ACRA's staff giving it their all during 12 Days of Aspen.

Maria Morrow: Would like to give financial kudos to Debbie and the finance committee. This is a very fiscally responsible organization and to have money set aside (City of Aspen) is great. As the strategic plan and the airport visioning process is coming to an end, it's probably a good idea for the public affairs committee to convene and discuss ACRA's role with education and advocacy. Would like for the committee to come to the board with discussion. Love the ideas for new visioning and core values. Really a testament to Debbie's leadership.

Bill Tomcich: Would love to be a part of the public affairs meeting due to the airport topics. Gave airline update, with the most significant changes being Delta reinstating their second daily SLC trip year-round, while American has removed PHX-ASE from their summer schedules. However, they added a third daily trip from DFW. Winter fare sale now continued through Feb 5: This has been described as the winter fare sale that never seems to end! Very attractive fares continue to impact nearly all markets into ASE, most of which are now showing a ticketing deadline of February 5. ASE December Results: With each airline cutting one flight daily from their peak schedules over the holidays for a total of up to 38 daily flights this year versus 41 last year, there were 31 net fewer flights scheduled into or out of ASE this December versus the prior December. Delta also operated just one daily flight from SLC through Dec 20 this year versus two last year, while United started SFO nearly three weeks earlier than last year. Overall December passenger traffic was just a fraction off from last December while load factors continue to improve. A quick update on the ASE Vision Process: Following last month's report-out on December 5 followed by a break in activity through the holidays, the Airport Vision Committee (AVC) has been meeting weekly since January 9, with are next meeting scheduled later this afternoon. Future meetings have been scheduled every Thursday from 4:00 – 6:00 in the BOCC meeting room until at least March 5 or until final recommendations are agreed to. These are all public meetings, which I have been personally attending whenever my schedule allows. I might add that I have observed these discussions to be very informative and cordial. There will likely come a time when public comment is welcomed, and when this time comes it will be important that we have solid business community support.

Rob Ittner: I've spent time doing consulting and catering, but actively seeking work in the food and beverage industry. In the interviewing process for a couple of very exciting positions. Met with Jennifer Albright Carney about potential updates to the restaurant list and working to get in touch with restaurants for advocacy. Also discussing a potential restaurant week event. For the consumption report, it's important to have years' worth of data, as comparing year to year doesn't give a clear view. Would like to see a statement with the core values directly tying them back to the mission and vision.

Sam Barney: Permitting update 2019 vs 2018 year over year. Pitkin County number of permits down 5% and stated valuation of work down 6%. The City of Aspen number of permits are up 37% and stated valuation of work was up 58%. The number of permits in Aspen were higher in 2019 than in the last ten years. Overall both Pitkin County and Aspen had stated work valuation of \$360,000,000 for 2019. I like that the vision and core value work is being perceived as socially responsible, as business and people I admire have a strong sense of social responsibility.

Jeanette Darnauer: Maria reflected my feelings about our core values. This was a wonderful board retreat and though challenging, we were able to make a lot of progress in very little time. Looking forward to the next steps. I was not here for 12 Days of Aspen, but very impressed with community activities and offerings. Thankful for the airport customer service, as I was caught up in post-holiday cancellations. Impressed with the airport interior, as I have not seen it since changes were made to the boarding spaces.

Adjournment: Meeting was adjourned at 10:46 a.m.