

**WHEELER OPERA HOUSE  
MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS**

**DATE:** Wednesday, February 11, 2009

**TIME:** Noon

**LOCATION:** Wheeler Lobby

**PRESENT:** Board Members: Ron Erickson, Chairperson  
Brian O'Neil, Vice Chairperson  
Cathy Markle, Secretary  
Matthew Loden  
Pamela Cunningham

Absent: Jane M. Battaglia  
Barbara Conviser

Staff: Gram Slaton, Wheeler Executive Director  
Randy Ready Asst. City Manager  
Heather Larson, Operations Manager  
Rose Bennett, Wheeler Senior Finance Manager

**RECORDED BY:** Jeanne Kayne, Senior Administrative Assistant

**I. CALL TO ORDER.**

Chairperson Erickson called the meeting to order at 12:10 pm.

**II. APPROVAL OF January 14, 2009 MINUTES.**

Chairperson Erickson called for the approval of minutes from January 14, 2009. Cunningham made the motion with O'Neil seconding the motion. The motion carried and the minutes were unanimously approved.

**III. FINANCIALS.**

Chairperson Erickson commented that the good news regarding the financial report is that sales from the Residences At The Little Nell have been reported to be at about \$45 million. A portion of those revenues will go to help support the RETT.

Slaton mentioned that the programming expense line is significantly higher than the ticket sales line because there were so many pre-paid expenses – i.e. deposits paid to artists, and costs associated with the Bernadette Peters performance which should have been recorded in 2008 but rolled into 2009 because of late billing.

**IV. EXECUTIVE DIRECTOR'S REPORT.**

**TRIP TO TELLURIDE**

Slaton talked about his trip to Telluride with Production Co-Manager Brad Spooner. They went to meet with the primaries of the mountainfilm festival and commented on the impressive set up the festival has. They met to nail down the possibility of presenting the festival in Aspen in August. Slaton stated that the affiliation and partnership with mountainfilm will step up the Wheeler's profile as a creative producer and give the Wheeler an ongoing summertime presence.

## PERFORMANCES

Performances are hit and miss as far as ticket sales are concerned. Comedy was off by 50% which is how it seems to be running for that event type. The more traditional performances like Robert Earl Keen sold 15% above expectations. The Abigail Washburn show ended up being sold out. People are waiting until the last minute to purchase tickets. Slaton asked Loden to comment on the Music Festival's Winter Series. The festival has been pushing half price tickets through different places and they are being very generous with getting people in seats through special offers. Slaton commented the first of the Oates series is selling strongly and the rest are wait-and-see.

## DRINKS IN THE THEATRE

Slaton stated that Front of House Manager Lauren Pierce, along with Operations Manager Heather Larson, convinced Slaton to allow drinks to be taken into the theatre during live performances. He admitted that it's been a good revenue producer and has also brought back people who stayed away from the venue because they couldn't take drinks in the theatre.

**V. ACTION ITEMS.** None.

## **VI. INFORMATION AND DISCUSSION ITEMS.**

### 21<sup>ST</sup> CENTURY MASTER PLAN

Slaton started by thanking Board members for participating in meetings with the FMG team while they were in town for three days in January. The team met with staff, board members, and user groups, and went away with a huge amount of information to digest and act upon. FMG will rewrite the timeline again, as it appears their time could be used more productively on roughing out the program rather than another trip to Aspen. They will return again the 25<sup>th</sup> and 26<sup>th</sup> of February.

### WHEELER ASSOCIATES

As we move forward with the 21<sup>st</sup> Century Master Plan, we look to the Wheeler Associates to be our public advocates, including press and campaign ads. We will go with a soft campaign in the spring built around the 25<sup>th</sup> Anniversary since the 1984 reopening. The actual anniversary date is May 24<sup>th</sup>. This will give the Wheeler Associates an advocacy role which they have been lacking for a while, and a new sense of ownership and identity. Erickson asked if a Board member could be included in this group as a citizen.

Ready stressed that we cannot spend City dollars to support the campaign. Loden asked for a brief description of who the Wheeler Associates are in relationship to the Wheeler Opera House. Erickson went on to explain that they are an independent non-profit group whose mission is to support the Wheeler Opera House as a citizens group. In the last few years the Associates have redefined themselves. Slaton said they were the group who in the mid-1980s took the risk of bringing talent into the Wheeler. As the RETT collections started to get to a point where it provided monies for the Wheeler to program talent, the Associates' role began to change. Slaton expressed he has asked the Associates to make and pay for ads or whatever media they chose to use to advocate passage of this ballot issue.

Markle stated for the record that if the presentation of the goals of the expansion is not clear, correct and unified, we could be setting ourselves up for another Mother Lode failure. There is a lot of weight resting on Slaton's shoulders as to what this campaign is, and if he would like to share that burden with the Board before anything gets printed or said, the Board would welcome that.

## NEW WHEELER HISTORIC BOOK

The full order for the new historic booklet will arrive within a week. Meanwhile, Slaton distributed some advance copies to the Board. He stated he thought Real Time Marketing did a great job on the piece. He also mentioned Heather Gibson was instrumental in helping him to put this book together. Slaton pointed out that the narrative helps to move the story of the Wheeler forward towards an inevitable conclusion, which is the development of the parcel next door. A video companion piece will be put together for distribution. Cunningham asked about the booklet's intended distribution. Slaton stated they would come up with a unified plan for this 25<sup>th</sup> Anniversary celebration of the Wheeler and as we get into the late summer and early fall, we will transition from celebration to campaign.

## WHEELER OPEN HOUSE

Monday, April 6<sup>th</sup> has been targeted for a pair of open house events that will feature FMG, and will tie in nicely with HPC and P&Z meetings. The public will be invited to attend to meet the team. There will be an open house at noon, brief and simple. There will also be one held after work which will include Michael Farewell's presentation that we received, so that the public gets the whole conceptual picture. Examples of FMG's previous work will be on display where people can see and experience how they took a project through from beginning to end with great respect to historical preservation, as well as the latest technology that they could put into a project. As this is a City Council meeting date, we are hoping to host City Council at the noon session.

## ORIGINAL ORDINANCE FOR THE RETT

Re-reading the original ordinance for the RETT, two items caught Slaton's attention: The historic venue had been condemned three times in the three years prior to the 1979 RETT;

- The "whereas" language very specifically mentions that the City had "adopted a renovation Master Plan, which is referenced in terms of the uses for the RETT. All master plans we have found include expansion of the historic venue onto the parcel.

Slaton roughed out financing projections based on four scenarios:

- #1: No expansion project and no extension of RETT;
- #2: Expansion paid solely from savings; no extension of RETT;
- #3: Expansion, \$10 million bond issue, no extension of RETT;
- #4: Expansion, \$10 million bond issue, plus extension of RETT.

Based on these scenarios, the following results seem evident:

- #1: Even without a construction project, in its present form and funding operations at approximately the current level, the endowment account begins to shrink steadily from about 2021 until it runs out of funds somewhere in the middle part of the century.
- #2: Funding purely from internal sources, the endowment account begins shrinking the year after the end of the current RETT term and is emptied by midyear in 2029.
- #3: Funding with aid from a bond issue, the endowment account is emptied by midyear 2029 (same as above).
- #4: Extending the RETT is the only way to properly secure the future of the Wheeler, with or without a construction project.

Erickson mention one scenario he did not see - paying out of existing funds and the reissuing of the RETT. Slaton agreed it was not included. Erickson stated that from a political point of view it

will probably be easier to get the RETT renewed as opposed to getting a ten million dollar bond issue. Erickson stressed that when the Board went to the Public for the endowment fund a promise was made to the people that the endowment fund was going to be used to continue to operate the Wheeler and support the non-profits at the same level as at the time when we asked them to pass that. The 2002 ordinance that set up the endowment makes it difficult to use that money for anything other than what was intended. Discussion followed. **Based on the points of the discussion that centered around what definitive legal opinion the City Attorney would provide, Ready stated that he would bring both documents to the City Attorney for review and opinion at the earliest opportunity.**

**VII. MEMBERS COMMENTS:**

**VIII. CITIZEN COMMENTS:** None.

**IX. OLD BUSINESS UPDATE:** Cunningham suggested that the Board revisit the mission statement, and verbally supplied a suggested draft. Motion was made to vote for acceptance of the new language; however, it was suggested that this language be reduced to writing and formally put on the agenda for adoption at the March meeting.

**X. NEW BUSINESS:** None

**XI. ADJOURNMENT.**

O'Neil called for a motion to adjourn, Erickson seconded. Meeting was adjourned at 1:38pm.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR WEDNESDAY, MARCH 11, 2009, IN THE WHEELER SECOND FLOOR LOBBY.**