

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

**DATE:** Wednesday, May 13, 2009

**TIME:** Noon

**LOCATION:** Wheeler Lobby

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

Absent: Jane M. Battaglia

Wheeler Staff: Gram Slaton, Executive Director  
Heather Larson, Senior Operations Manager  
Rose Bennett, Senior Finance Manager

City Staff: Randy Ready, Assistant City Manager  
Scott Miller, City Capital Asset Director  
Steve Bossart, City Asset Project Manager

FMG Team: Michael Schnoering  
Michael Farewell

Architect: Sarah Broughton

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

**I. CALL TO ORDER**

Chairperson Erickson called the meeting to order at 12:05 pm.

**II. APPROVAL OF MARCH 11, 2009 MINUTES**

Chairperson Erickson called for the approval of minutes from March 11, 2009. O'Neil made the motion with Conviser seconding the motion. The minutes were unanimously approved.

**III. FINANCIALS**

Erickson commented that the RETT is ahead of budget. Cunningham asked Erickson if the Wheeler RETT was applied to foreclosures, share of sales, and public trustee sales. Erickson responded by asking Bennett to check with the City Finance Department on receiving revenues on those items.

**IV. EXECUTIVE DIRECTOR'S REPORT**

Slaton surrendered the floor to the FMG architectural team for its project report.

**Architects' Update on the 21<sup>st</sup> Century Master Plan**

Michael Farewell discussed where the Wheeler is in the approval process regarding the 21<sup>st</sup> Century Master Plan and the communication process with Community Development. He also included an update on budget issues and initial costs.

## **Overview and Strategy**

The initial concept design is strong in response to program and to urban conditions. The design is an initial look at the exterior. Farewell stressed that this is a time of listening, input, and dialogue with the community and with the City. FMG has not revised any drawings over the last three weeks. FMG is going into meetings starting tonight, and will be collecting feedback. Michael Schnoering met yesterday with the Planning and Zoning staff.

## **Schedule**

Com Dev has looked at FMG's schedule for obtaining City Council approval for the project and has enhanced it by adding meetings. Schnoering explained that if all goes extraordinary well they will be able to hit those dates that were originally proposed for late summer and early fall approvals. If the schedule needs to adjust to include the additional meetings recommended by Com Dev, he is concerned we could not get the 21CMP on the ballot this November. Going into those meetings FMG will be collecting comments. The most critical meeting will be the one slated for June 24<sup>th</sup>, which is the first meeting with both the Historic Preservation and P&Z Committees. Com Dev has decided there will be joint hearings, with full HPC and P&Z staff and commission members in attendance, headed by the HPC chairperson. FMG will be meeting in front of those two groups for all of the hearings for conceptual approval. Following FMG's initial presentation, Com Dev sent a letter outlining issues of major concern regarding the building height and the bulk of the building. They want to understand why the program requires a building of this area. At tonight's meeting FMG will establish the needs for all the components of the program. The discussions will include housing, why the lobby and ticket office need to be the size they are, and why certain alignments need to be made. At this point in the conceptual level it is more about the bulk of the building than the use of the building. Broughton mentioned that Slaton has put together a PowerPoint presentation to help both committees better understand how the current building is used and what our needs are – i.e. A Day in the Life of the Wheeler.

## **Second Work Session**

The second City Council work session will be this evening. Erickson asked board members for a show of hands of who would be there to participate. Three board members confirmed they could attend, two were undecided and one will be unable to attend.

## **Cost Estimates**

Schnoering explained that the cost estimates are very preliminary. He discussed two cost estimates – the first being the biggest scheme, and the second a smaller scheme which in effect shortens the length of the building. The initial numbers are coming in at 30 to 34 million dollars for the project, depending on which option is taken. He explained the estimates are loaded numbers which include soft-costs allowances, fees and permits. He said there would be a premium to be paid working and phasing around the existing building.

## **Telluride Trip**

Slaton, Broughton, Brad Spooner from the Wheeler tech department, and Michael Farewell took a research trip to Telluride to visit the Sheridan Opera House, which has the kind of flexible performance space that is envisioned for the new theater in the 21CMP.

## **Education Process**

Markle asked where the Wheeler is in regard to the process with the HPC and P&Z. Farewell answered that we are still in the feedback process. Slaton voiced that the project was still in the educational stages with the committees, because of the lack of understanding of how the building

operates and what the needs are. It needs to be explained that many options have been explored and the project keeps coming back to this design because the program is driving it.

The next meeting will be on June 24 for conceptual approval. From that meeting the Wheeler will have real documented comments of the design; this will be the start of the dialogue. Broughton explained the reason for combining the HPC and P&Z committees is that the commercial design review will be done at the same time since the processes overlap so much.

Sara Adams and Jen Phelan are the city planners assigned to the project. Markle asked how the Wheeler was going about disseminating information to the public and user groups. At that point Broughton asked for help from the Board to get information out to the community. It was explained that the user groups have been involved throughout the process.

Cunningham asked Ready where the City of Aspen was in regard to the outstanding housing loan and their repayment to the Wheeler. Ready explained that the timing depends on what happens in November. The new council will be seated on June 8<sup>th</sup>, and they will have a number of decisions to be made before the August 25<sup>th</sup> decision about putting the ballot question on for the September 4<sup>th</sup> deadline. It is quite likely there will be a majority council going forward on the housing law question. If it passes there will be a lump-sum repayment to the Wheeler by the end of the year. If it does not and the RETT continues on the downward trend, the cycle will be different. Cunningham expressed that the Wheeler is counting on the repayment in a lump-sum with interest included, along with the passage of a new housing bond. The only other scenario will be payments made over time along with continued interest payments.

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

Slaton stated the winter portion of the presenting year concluded with an overall average of 80% of target for box office receipts. He mentioned this is consistent with what other theatres are experiencing across the nation, according to information he received at a recent LHAT board meeting.

The second Rooftop Comedy Festival is on track, and presale on passes has garnered 12.5% of the total box office goal as well as helped to get the word on the street early. The line-up is strong and he expressed we will be able to operate more efficiently now that we have the initial festival under our belt.

The first MountainSummit Festival is on schedule for the end of August, even if it has been a difficult birth due to territorial issues with Aspen Film.

Rose Bennett, Senior Financial Manager has run sales profiles from the box office. Bennett explained that information can be used to show whatever it is we are interested in knowing, including how tickets are being purchased – i.e. by phone, walk up or by the web. The box office can query the information by client, day, and date-range. The two busiest months, which were December and February of 2008, have been broken out to show how people are purchasing their tickets. The trend shows people purchasing by the Web. April was a month where most of the activity was local, and still 29 percent of purchases were by the Web. The trend shows we are up 10% from last year. Slaton commented it looked like we are moving more towards online sales, which is where we want to go. Loden asked what our expectations are concerning box office and Bennett answered that we would like to see the phone de-emphasized and more ticket sales being

executed over the Web. Bennett went on to explain that the Wheeler is one of the few venues who charges a fee by order as opposed to a per-ticket charge.

Slaton noted that six weeks ago both he and the Board received a complaint letter from Larry Fredrick about the “Bijou of a Theatre” booklet we recently printed. Slaton commented that the Aspen Historical Society was very happy with the piece and has not in any way echoed Fredrick’s concerns about inaccuracies, even though Fredrick supposedly delivered a list of them to AHS.

The Wheeler has completed the interviews for the video piece and is currently preparing the rough edit. We hope to have this available by the start of the summer season, and also run it on Plum TV and on My Space.

Slaton expressed concern in regard to taking much in the way of bookings for next April, with the hope that the expansion project will stay on target with breaking ground as soon as conditions allow next spring. He warned that we may need to find another home for Aspen Country Day School and Aspen Community School for a year for their all-school plays.

The Wheeler will be interviewing finalist candidates for the Owners Rep position on the expansion project team on June 3 and 4. Slaton said we received 27 applicants and reduced the pile to five. A number of local architectural and construction firms submitted, but the scope of work for this position is really intended to specifically address the theatrical aspect of the construction elements and let the City’s Asset Management department lead the way as Project Manager. Board members are welcome to participate in interviewing the final five, which are

- Seamus Henchy (NYC)
- Pfocus (Phoenix)
- Landair (NYC)
- Catalyst (Englewood CO)
- The Projects Group (Fort Worth)

Erickson stressed that an independent Owners Rep is hired to get the things done that the Wheeler needs to get done. He stated it should to be a professional, someone beyond City government, who is not on the City Asset team. It needs to be someone who is an expert in the field and can be the public face of this project and financial director of this project. This will create credibility between the Wheeler and the public and avoid any changeovers or financial disasters.

Ready mentioned we will be following an integrated project management approach which brings a contractor at risk on board towards the end of the summer, much earlier in the process than during full design. This also comes with a guaranteed maximum price. Change orders ought to be extremely limited to absolutely unforeseen. We also have 100% of Steve Bossart’s time as an approved project manager.

Ready stated that a solid schematic design level budget is due to the Wheeler Board by the end of August from FMG and the project team. Ready suggested a three-prong approach to financing the project. He stated we will need to get the RETT extended, do some bond funding, and use a portion of the endowment or savings account. The Wheeler will need to get a recommendation to City Council no later than the middle of August. By August 25 we will have to tell the City Clerk that there will be a question in regard to the Wheeler on the November ballot, and that question needs to be submitted by September 4. It must happen this November or we will have to wait until the following November.

Erickson asked the Board to consider if they were supportive of spending the Wheeler endowment fund to construct this building or if the Board would be in support of Ready's proposed three-prong approach. Cunningham asked Ready what else was coming up in the way of bond issues in November. Ready responded that there is likely to be a housing bond issue.

**V. ACTION ITEMS.** None.

**VI. INFORMATION AND DISCUSSION ITEMS.** None.

**VII. MEMBERS COMMENTS:** None.

**VIII. CITIZEN COMMENTS:** None.

**IX. OLD BUSINESS UPDATE:** None.

**X. NEW BUSINESS:** None

**XI. ADJOURNMENT.**

Erickson called for a motion to adjourn. O'Neil made the motion to adjourn. Cunningham seconded the motion. The meeting was adjourned at 2:08pm.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR WEDNESDAY, JUNE 24, 2009, IN THE WHEELER SECOND FLOOR LOBBY.**