

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

DATE: Wednesday, February 10, 2010
TIME: Noon
LOCATION: Wheeler Lobby
PRESENT: Board Members: Brian O'Neil, Vice Chairperson
Matthew Loden, Ex-Officio
Bruce Fretz
Richard Cohen
Nickolas Erickson, Student Rep.

Absent Ron Erickson, Chairperson
Cathy Markle, Secretary
Pamela Cunningham

Staff: Gram Slaton, Executive Director
Rose Bennett, Sr. Manager - Finance
Heather Gibson, former Box Office Manager
Scott Wilson, Building Manager

RECORDED BY: Jeanne Kayne, Administrative Assistant

I. CALL TO ORDER

Vice Chairperson O'Neil called the meeting to order at 12:11 pm.

II. APPROVAL OF JANUARY 13, 2010 MINUTES

Vice Chairperson O'Neil called for the motion to approve the minutes of January 13, 2010. Fretz made the motion to approve the minutes, and Nickolas Erickson seconded the motion. The vote to approve the minutes was carried with the amendment of the year entered being corrected.

III. FINANCIALS

Slaton stated the financial report was preliminary because it did not include the investment interest. Without the investment interest included he said there is a big hole in the revenue line for January. The expenses and the rest of the revenue items are in line and the Wheeler is still ahead by \$15,000 even without the investment interest included.

IV. EXECUTIVE DIRECTOR'S REPORT

Wheeler ticket sales: In a town where sales have always been described as "last minute," sales now are almost literally last minute. The box office is starting to see as much as two-thirds of an event's sales come in during the final 36 hours before show time, leaving the Wheeler with significant uncertainty over what promotional media is working and which is not. This is true not only for the Wheeler but also other ticket-driven events in Aspen. We do not believe that this situation will change in the foreseeable future, which means that we will continue shooting in the dark as clearly as we can to determine what is working.

Fretz asked if Slaton was aware that Aspen Santa Fe is using their email list to offer substantially reduced tickets within 48 hours of a performance. Slaton commented that Jean Philippe Malaty of the Aspen Santa Fe Ballet stands by the ticket sellers and re-prices tickets to suit their clients; and by contract the Wheeler cannot do this. Former Box Office Manager Heather Gibson went on to explain that Malaty is doing demand based pricing, whereby the more seats sold in the house the more the prices go up. The emails sent out are for a targeted market. Both Fretz and Cohen agreed this business tactic does work and fills the house. Loden commented if you make this a practice you denigrate your brand. He added the Music Festival sometimes does a targeting release of less expensive tickets but this is done on a very selective basis.

Slaton thanked the Board members who attended the January 25th City Council meeting for their support. The Wheeler accomplished jumping a major hurdle for advancing the expansion at a future date. Slaton explained removing the bar of the endowment account and returning the RETT to its 1979 roots should clear the Wheeler of any arguments about inability to use these funds for whatever the City and the voting constituency will allow. Loden asked if there was any public opposition to this during the meeting. Both O'Neil and Slaton attested that there was opposition. Loden then added that despite what Council said, they voted on what the Wheeler Board had recommended.

Slaton said the first performance of the Met Opera series seemed to run well, and asked to hear comments from Matthew Loden. Loden expressed it ran extremely well, and said the Wheeler staff was terrific to work with. Loden stated the Music Festival and School appreciate the opportunity to be at the Wheeler for this Met Opera series.

Slaton announced receipt of RFPs from the needs assessment; he said the Wheeler is in receipt of approximately ten RFPs. He went on to explain the review committee would be made up of Randy Ready, Scott Miller, Steve Bossart, and himself. The committee requested a volunteer from the Wheeler Board and Richie Cohen stepped up to volunteer for this position. Fretz asked if Slaton could comment on the origin of the RFPs. Slaton responded that there were a few which were local, some from in-state, and several that are national. Slaton explained City Council has requested that a group from outside of the area perform the needs assessment. He stated that this would be a consideration when making a final decision on who will perform the needs assessment.

The Wheeler will be producing a singer/songwriter festival, which will be done with John Oates and possibly the Belly Up. The targeted weekend for this event is September 16 through 19, which is during Ruggerfest.

Bennett and Slaton will be attending the Concert Industry Consortium Convention (now called Pollstar Live) in Los Angeles next week. The Wheeler's reputation has grown over the past four years from a troubled presenting house to an innovative industry leader. Attending this conference should help advance the Wheeler's standing to the next level of a gold standard in the business. As part of this conference Slaton will be sitting on a panel about redefining performing arts centers.

Slaton said it is his understanding that City Council has set aside \$50,000 for the arts groups to use in 2011 for their Encore Week festival. Slaton explained that unless the arts groups are choosing to proceed without City assistance, the Wheeler would have no arts competition for MountainSummit in 2010. Loden confirmed that the Encore group would not be doing an event in 2010.

Heather Gibson gave a brief demonstration of AudienceView, the new ticketing system for the box office; the system is from Toronto, Canada. The box office committee looked at approximately 20 different ticketing systems. RFPs were sent out, and six companies applied; of those six companies, four made the final cut. AudienceView was the unanimous choice for the committee. Gibson explained some of the advantages of the new system. She said there would be better security for customers and clients, faster and easier access for staff, and the system would improve the online experience for the buyers.

Cohen asked if the information collected by the system could be instantly accessed. Gibson responded that due to an extensive reporting module, it would be able to provide any queried information instantly. Fretz asked if people could print their own passes and Gibson said no, but they will be able to print a receipt and then pick up their passes at will call. She explained that patrons would be able to print their own tickets. Fretz voiced concern that this could potentially slow the ticket taker down due to the different sizes of paper and scanning. Gibson responded that scanning in general has slowed the ticket taking process down, but countered that it does provide good information. Gibson explained it is more important to have good information and accuracy than speed. Patrons have also requested that they be able to print their own tickets. Loden asked what the time line for going live with the system was. Gibson responded that it will be up and running mid-April which will allow for training and set up of the system. Loden asked if the MAA would still have the same access to the Internet as it has in the past. Gibson explained the Wheeler would be using City access to the Internet and Loden asked if the City would allow for the MAA to do e-commerce. Gibson said it should not make a difference and added the Wheeler would be using the same equipment as in the past as well.

V. ACTION ITEMS None

VI. INFORMATION ITEMS AND DISCUSSION ITEMS

Slaton announced to the Board that the owner of Bentley's, Leroy Merritt, has died. Slaton went on to express that this may escalate future plans for the lease spaces. Slaton explained that Merritt had an emotional attachment to Bentley's as opposed to making it strictly a business decision; he added without that attachment it is uncertain how long the operation would continue. Slaton also explained that \$30,000 was lost to the non profit grants program due to giving the lease spaces a break on their rent for both April and May 2009. Slaton stressed the Wheeler needs to have a discussion with the owners of Bentley's or the manager to see what their intentions are. Slaton stated he was bringing this information forward for the Wheeler Board's input and for discussion.

Discussion ensued that covered a variety of approaches to the question of remodeling the two lease spaces and possibly incorporating changes to the basement as part of this process. Timing of bringing the project forward to City Council was questioned, based on Slaton's suggested schedule that included a tear-out of the spaces starting immediately after Labor Day 2010, the concern being that it was an aggressive schedule that required all milestones happening in tight sequence. Slaton remarked that the timing is tight, but that the tear-out and remodeling period of the fall off-season is the most effective and should result in a new vendor being open in time for the important winter holidays period. Sensitivity was expressed by several board members regarding the public perception that the Wheeler be seen as throwing Bentley's out, rather than this being a logical response to a vendor exiting. Members of the board felt that it may be more desirable to have a single, contiguous lease space that is more of a family restaurant that also has a bar, rather than what Bentley's has been, which is a bar that also has a small restaurant. No support was given for the idea of continuing a gallery space in some way, shape, or form.

VII. MEMBERS COMMENT None.

VIII. CITIZEN COMMENTS None.

IX. OLD BUSINESS UPDATE None

X. NEW BUSINESS None.

XI. ADJOURNMENT

O'Neil called for a motion to adjourn. Cohen made the motion to adjourn and everyone unanimously seconded. The meeting was adjourned at 1:30 pm.

THE NEXT REGULAR MEETING IS SCHEDULED FOR WEDNESDAY, MARCH 10, 2009, IN THE WHEELER SECOND FLOOR LOBBY AT NOON