

Thomaston Opera House Commission
Monthly Meeting of December 8, 2011

Present: L. Killiany, Chairwoman; J. Torrence, J. Pasquella, B. Piscopo, M. Kamens, M. Galbraith
Also present: State Representative John Piscopo, members of the public, press

1. Call to Order

Chairwoman Killiany called the meeting to order at 7:33pm.

2. Approval of the minutes of the meeting of November 17, 2011

On a motion by M. Galbraith, seconded by J. Pasquella, the minutes of the meeting of November 17, 2011 were approved with the following corrections: change "Tuesday" to "Thursday" in the sentence: "Becky reminded the Commission that the December meeting is on the 2nd Tuesday, December 8."

Vote: Unanimous

3. Treasurer's Report: no report

4. Building Committee:

L. Killiany announced that the Building Committee will meet on the following dates in 2012: January 11, March 14, June 13, September 12, December 12.

5. Regional Board: No Report

6. Scholarship Committee

L. Killiany reported that the balance in the scholarship account is \$ 265.13.

7. Transition Committee: no report

8. Negotiations Committee:

J. Pasquella, chairman of the Negotiations Committee, described the process of the negotiations with Landmark Community Theater (LCT) for the operation of the Opera House. He noted that the committee set the following goals before entering negotiations:

1. To open the Thomaston Opera House with the anticipation of a full and diverse schedule of entertainment
2. To have a working relationship with the organization managing the daily activity of the Opera House to assure success
3. To provide the town of Thomaston with an income for the use of the facility and the revenue stream for maintenance, repair and improvement to the physical facility.
4. To have no out of pocket costs to the Town of Thomaston and assure the Town's absence of any and all financial liability and risk.

J. Pasquella also presented the following significant factors that are not part of the contract:

1. LCT has secured a pledge from the Thomaston Saving Bank for \$15,000. A copy of the letter of commitment for \$15,000 from Thomaston Savings Bank dated January 10, 2011 and signed by Stephen L Lewis, President and Chief Executive Officer, was presented.
2. LCT has a bank account which J. Pasquella reported has "sizeable" amount of money on hand. J. Pasquella noted that the LCT bank statement was privileged information and therefore was not disclosed to the public.
3. LCT Chairman Charles Stango sent a letter dated December 7, 2011 to L. Killiany, TOH chairperson, which states that the Board of Trustees of LCT unanimously approved the proposed contract between Landmark Community Theater and the Thomaston Opera House Commission on December 6, 2011.

J. Pasquella further noted if the commission votes for the contract, the process requires the contract then be approved by the Board of Selectmen and the Board of Finance. If the contract is not approved, the Opera House Commission would determine its next options.

J. Pasquella then reviewed the content of the proposed contract with commissioners.

The revenue to the Opera House Commission will come from following sources:

- The Opera House Commission will be paid \$1 from all tickets sold by LCT or any other entity using the Opera House theaters. All fees are based on a total of 20,000 tickets sold per year.
- Fifty cents per ticket sold will be dedicated to the TOH Restoration Fund
- The first 50 complimentary tickets for any show will not be subject to the above fee payments

J. Pasquella reviewed the following sections of the proposed contract:

2. Operations;
3. Fixtures, Equipment, Props, Costumes,
4. Routine Maintenance and Housekeeping;
5. Safety and Security; and
6. Improvements to the Premises which includes the following language:

Any restoration or repairs require the approval of the Opera House Commission, Town Hall Building Committee, and the Board of Selectmen. Some projects may also require the approval of the Town Building Department and the state of Connecticut Historical Commission.

Any improvements or alterations to the Premises, whether funded by LCT or TOH, shall be considered a fixture when attached to the Premises and shall become the property of TOH upon the termination of this Agreement unless TOH requires LCT to remove any fixture.

J. Pasquella then reviewed the following sections of the proposed contract:

7. Usage of the Premises which allows LCT to rent the facilities to other organizations or individuals for a reasonable fee provided at least 1 LCT staff or board member is present at all times while the other organization is in the Premises. LCT may not contract with another organization to manage and operate the theatre. The reasonable fee will be determined by LCT.

8. Fees: LCT shall pay TOH \$1.00 for each ticket issued with a guaranteed minimum of 1,250 tickets issues each month in a calendar year (minimum of \$15,000 annually). The \$1.00 fee per ticket issued shall apply to any performance where tickets are issued through LCT or other auditable ticketing system. Payment terms: The minimum guaranteed ticket fee of \$1250 per month shall be paid on the first day of the month. If payment is not received by the 11th day of the month, a late fee of 3% will be charged. The remainder of the \$1.00 per ticket fee above the guaranteed minimum shall be due by January 31 of the following calendar year.

9. Restoration Funds: LCT and Friends of the Thomaston Opera House will maintain a joint account at a local bank for the "LCT & Friends of the Thomaston Opera House Restoration Fund." Any gifts or donations received by LCT specifically for restoration will be deposited in the "LCT & Friends of Thomaston Opera House Restoration Fund." A committee will be established called the "Thomaston Opera House Restoration Committee." This committee will advise the Commission on the management and dispersal of funds in the "Thomaston Opera House Restoration Fund" and advise LCT and Friends of the Thomaston Opera House on the management and dispersal of funds in the "The LCT & Friends of the Thomaston Opera House Restoration Fund". The Committee will be comprised of 2 members of the Thomaston Opera House Commission, 2 members of LCT, 2 members of the Friends of The Thomaston Opera House, and 2 members of the Town of Thomaston Building Committee. The Committee will

follow all requirements of the Town of Thomaston for approval and implementation of any and all projects.

10. Default: In the event that LCT shall fail to pay the monthly fee within 90 days after the same shall become due and payable, LCT shall be considered in default. If LCT fails to cure such default within 30 days (120 days from due date) TOH may terminate this agreement forthwith.

Also, in the event that LCT shall fail to cure any default in the performance of its non-monetary obligations hereunder within 5 days of written receipt of notice from TOH specifying the default (or within a reasonable time if such default cannot reasonably be cured within 5 days), TOH may terminate this agreement forthwith. Upon termination for default, TOH may enter upon the Premises and remove all persons and property there from, and LCT shall not be entitled to any money paid hereunder or any part thereof. In the event TOH shall bring a legal action to enforce any of the terms hereof, or to obtain possession of said Premises by reason of default of LCT or otherwise, LCT agrees to pay TOH all reasonable costs of such legal action, including but not limited to reasonable attorney's fees.

11. Quarterly Review LCT will prepare quarterly reports for TOH review. These reports are due one week before the scheduled meeting of the Opera House Commission in the months of April, July, October, and January. Reports will include, but not necessarily be limited to:

- Current (as of end of quarter) and anticipated ticket sales.
- Current (as of end of quarter) and anticipated revenue.
- Status of The LCT & Friends of the Thomaston Opera House Restoration Fund account and projected funds and activities.
- Status of any Grants pending and anticipated Grant activity.
- Overall status of management, programming, and facility maintenance.
- Other pertinent issues.

TOH will provide to LCT quarterly reports on the status of the Thomaston Opera House Restoration Funds.

The following sections were reviewed: 12. Advertising,;13.Branding, 14.Refreshments, Gift Shop, Souvenirs; 15. Fundraising; 16. Revenue from Sponsorships etc.; 17.Advertising Sales; 18. Grants; 19. Insurance and 20.Term of the contract which is anticipated to start on January 1,2012 and end December 31,2014, were also reviewed.

The Committee members then discussed the contract. M. Kamens objected to the fee schedule noting that LCT will use 25% of the Town Hall building at a below market fee. He noted that the Opera House has never achieved sales of 20,000 tickets per year.

L. Killiany invited the public to comment on the proposed contract. State Representative John Piscopo rose to support the contract as did Bill Berg, Mike Madow and Mike Burr.

On a motion by B. Piscopo, seconded by J. Pasquella it was moved to approve the proposed Management Agreement between the Town of Thomaston, Thomaston Opera House Commission, and Landmark Community Theater. The motion was approved 4-2-0.

L. Killiany announced that a joint meeting of the Opera House Commission with the Board of Selectmen and the Board of Finance is will be held on January 13, 2012 for the purpose of presenting the proposed Management Agreement with LCT.

9. New Business

Communications with former patrons

L. Killiany reported that a letter to patrons of the Opera House announcing the reopening of the Opera House will not be sent at this time.

10. Thomaston Savings Bank and matching grant

J. Pasquella also reported that LCT has secured a grant from the Thomaston Savings Bank in the amount of \$17,000, the receipt of which is contingent upon the signing of the contract with the Opera House Commission.

L. Killiany reminded the commissioner that the next meeting of the commission will be held on January 19,2012 at 7:00pm, noting the new meeting time.

On a motion by J. Pasquella, seconded by B. Piscopo, it was voted to adjourn the meeting 8:50pm.

Vote: Unanimous

Marie Galbraith, Recorder

Member of the Thomaston Opera House Commission