EAGLECREST BOARD OF DIRECTORS
Meeting Agenda
Thursday December 1st 2022 5:30pm
City Hall Room 224 & Zoom

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Agenda:

1. ROLL CALL

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES
    a. Minutes from November 5th 2022

4. PUBLIC PARTICIPATION

5. COMMITTEE & LIAISON REPORTS

6. MANAGERS REPORT
    a. Financial Analysis
    b. Department Update
    c. Staffing Update – Ordinance 2022-06(b)(X) introduced on November 21st
    d. Gondola Update
        i. Memo - Gondola Shipping Overage
        ii. Memo - Goldbelt Revenue Sharing Agreement

7. UNFINISHED BUISNESS

8. NEW BUSINESS
    a. Segway Alaska Commercial Use Permit Review
    b. Schedule Finance Committee Meeting CIP
    c. Schedule Finance Committee Meeting FY24 Budget

9. PUBLIC PARTICIPATION

10. BOARD OF DIRECTOR'S COMMENTS AND QUESTIONS
11. ADJOURNMENT – Next meeting date January 5th 2022 5:30pm hybrid zoom & room 224

EAGLECREST BOARD OF DIRECTIORS
November Meeting Minutes
Thursday November 3rd, 2022, 5:30pm

Agenda:

1. ROLL CALL: Mike Satre, Dave Hanna, Jon Dale, Kevin Krein, Stephanie Warpinski, Hannah Shively and Norton Gregory were present. The mountain was represented by GM Dave Scanlan and Erin Lupro.

2. APPROVAL OF AGENDA: Mike called the meeting to order at 5:30. Dave Scanlan made a request to add an agenda item for the board to approve beer & wine sales at the mountain TGR movie at the end of the month, Dave H made a motion to approve the agenda which was approved without any additional changes or objections.

3. APPROVAL OF MINUTES: Dave Hanna made a motion to approve the October regular meeting minutes, October Special meeting minutes and the minutes from the board retreat. Norton requested to abstain from voting as he had not yet fully reviewed the meeting packet. The motion was approved without any objection.

4. PUBLIC PARTICIPATION: Fred Hiltner from the JNCS introduced himself to new board members. Fred and the JNSC are looking forward to continued partnership with Eaglecrest. With the possible closure of the Montana Creek bridge, the club is anticipating more traffic at Eaglecrest. Fred raised a concern about parking in the Nordic area as the new gondola is taking up 2/3 of the lot. The club hopes for an alternative storage solution and is concerned with safety.

5. COMMITTEE & LIAISON REPORTS: The board was informed that Alicia Hughes-Skandjis will be the new Assembly Liaison. The board shared appreciation for Greg Smith and his previous liaison role.

6. MANAGERS REPORT:
   See Manager's Report for detail. Additional discussion points:
   a. The board and staff both express continued concern with staffing levels, especially in the rental shop.
   b. The mountain has spent all money obligated to gondola engineering analysis and is exploring other financing options with the City Manager. The GM is hopeful to have a final Goldbelt contract soon. The GM shared that the cost to install the gondola will likely exceed $10 mil.

7. UNFINISHED BUSINESS:
   a. None

8. NEW BUSINESS:
   a. Dave Hannah made a motion to approve beer and wine sales at the November 26th ski movie event. The motion was approved.

9. PUBLIC PARTICIPATION:
   a. Fred Hiltner inquired about JNSC volunteer moving the gondola to make more room for parking. Mike thanked Fred for the club's willingness to support.

10. BOARD OF DIRECTOR'S COMMENTS AND QUESTIONS

    Norton passed appreciation to Dave and crew for getting the gondola ground work done and to all staff for hard work to prepare for opening day.

    Kevin seconded all information shared by Kevin but is also concerned about staffing. He is excited for the film events.

    Jon passed his thanks to Dave and Erin and also passed appreciation for the return of the film series. He noted that due to staffing challenge the stoke level might be a bit lower but encouraged Dave to engage with the board for help.

    Stephanie thanked all for all the information.

    Hannah shared her thanks to the mountain.

    Dave H echoed all other comments and also encourage the mountain to call if they need help.

    Mike shared concerns with being transparent with the public and assembly about staffing levels and expectations. With the ski sale this weekend, it is important that the public is aware that the mountain cannot mount skis at this time.

11. ADJOURNMENT – The next meeting date is December 1st, 2022. The meeting was adjourned at 6:42 pm.

Manager’s Report

Financial Analysis: The chart below is showing the total revenue and expenses as accrued year to date for the years represented. This format allows us to spot trends on revenue or expenses and make coarse corrections during the year if needed. As you can see below our revenue is still trending ahead of last year despite us not being able to open the retail shop or repair shop until the last week due to staffing. We have also eased up on our promotion of seasonal equipment rentals due to having no staff in the rental shop until 10 days ago and still being very short staffed. Our successful seasons pass and multi pass product sales are certainly the largest driver in our current revenues. On the expense side of the equation, we see increases in personnel costs as expected due to our wage increases that we have implemented over the last year. We are also seeing an extra uptick in personnel costs in Mountain Maintenance and Lodge Operations as we withheld billing staff hours that worked on Capital Improvement Projects to

	FY 14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Sales	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**	**Actuals**
Ski School Fees	$ 39,536	$ 56,269	$ 39,524	$ 36,252	$ 39,981	$ 26,897	$ 33,028	$ 56,964	$ 87,788	$ 79,504
Ski Lift Fees	$ -	$ 300	$ 3,168	$ 1,701	$ 1,985	$ 1,060	$ 755	$ 116	$ 7,871	$ 856
Advance Ticket	$ 32,707	$ 27,829	$ 1,555	$ 3,839	$ 24,948	$ 14,533	$ 19,203	$ 3,003	$ 11,235	$ 30,750
Season Ticket	$ 223,408	$ 202,339	$ 110,170	$ 85,911	$ 125,561	$ 164,710	$ 181,921	$ 97,054	$ 115,673	$ 80,264
On Line Season Pass Sales	$ 482,131	$ 458,364	$ 252,915	$ 336,021	$ 458,775	$ 383,149	$ 359,919	$ 698,507	$ 846,383	$ 918,387
Bus Fees	$ 1,510	$ 1,464	$ 69	$ 11	$ 30	$ 237	$ 395	$ -		
USER FEES	$ 779,292	$ 746,566	$ 407,400	$ 463,735	$ 651,279	$ 590,585	$ 595,222	$ 855,644	$ 1,068,950	$ 1,109,761
Retail - Soft G	$ 1,168	$ 668	$ 1,451	$ 1,612	$ 2,154	$ 559	$ 6,386	$ 3,261	$ 3,117	$ 2,888
Food Service	$ -	$ 1,853	$ 1,309	$ 2,368	$ 2,960		$ 3,869	$ -		$ 1,832
Ski Repair	$ 3,701	$ 1,441	$ 2,701	$ 1,515	$ 3,315	$ 1,685	$ 792	$ 4,477	$ 4,900	$ 188
SALES	$ 4,869	$ 3,963	$ 5,461	$ 5,495	$ 8,429	$ 2,244	$ 11,047	$ 7,738	$ 8,017	$ 4,908
Locker Rental F	$ 67,707	$ 68,476	$ 57,147	$ 57,564	$ 57,990	$ 55,880	$ 52,582	$ 57,785	$ 66,449	$ 59,597
Ski Rental	$ 10,173	$ 7,957	$ 5,424	$ 11,267	$ 14,947	$ 9,061	$ 5,258	$ 19,113	$ 19,216	$ 8,976
Cabin / Facility Rental							$ 19,805	$ 29,076	$ 23,523	$ 30,218
RENTALS	$ 77,880	$ 76,433	$ 62,571	$ 68,831	$ 72,937	$ 64,941	$ 77,645	$ 105,974	$ 109,188	$ 98,791
Total Sales	$ 862,042	$ 826,961	$ 475,432	$ 538,061	$ 732,646	$ 657,770	$ 683,914	$ 969,356	$ 1,186,155	$ 1,213,460
difference in revenue over FY23	$ 351,418	$ 386,499	$ 738,028	$ 675,398	$ 480,814	$ 555,690	$ 529,546	$ 244,104	$ 27,305	
Expenses										
Personnel Costs										
Ski Area Administration	$ 218,985	$ 201,333	$ 221,765	$ 240,664	$ 230,172	$ 202,904	$ 199,969	$ 155,176	$ 132,524	$ 193,501
Ski Rental Shop	$ 9,900	$ 7,116	$ 9,642	$ 6,045	$ 4,027	$ 2,159	$ 4,141	$ 4,656	$ 5,150	
Ski Patrol Program	$ 22,261	$ 21,932	$ 16,278	$ 15,766	$ 9,174	$ 3,517	$ 14,502	$ -	$ 2,484	$ 7,251
Lift Operation Program	$ 4,016	$ 4,584	$ 7,742	$ 6,369	$ 2,864	$ -	$ -	$ -		$ 4,365
Maintenance Program	$ 70,969	$ 58,539	$ 31,750	$ 50,401	$ 30,907	$ 59,611	$ 74,605	$ 41,481	$ 77,101	$ 116,464
Lodge Operations Program	$ 15,747	$ 15,125	$ 17,651	$ 12,290	$ 15,453	$ 24,876	$ 21,171	$ 6,662	$ 12,645	$ 30,216
Food Service	$ 3,942	$ 3,281	$ 3,218	$ 1,605	$ 2,034	$ -	$ 3,129	$ 483		$ 223
Marketing/Special Events	$ 7,387	$ 4,706	$ 9,837	$ 6,544	$ 6,115	$ 14,094	$ 35,491	$ 28,976	$ 25,090	$ 28,409
Ski School Program	$ 40,839	$ 40,428	$ 11,750	$ 23,926	$ 17,134	$ 10,599	$ 17,246	$ 13,394	$ 12,546	$ 10,554
Total Personnel Costs	$ 394,045	$ 357,045	$ 329,634	$ 363,609	$ 317,880	$ 317,761	$ 370,254	$ 250,828	$ 267,540	$ 390,983
Other Expenses										
Ski Area Administration	$ 158,030	$ 165,998	$ 120,133	$ 101,441	$ 150,536	$ 134,394	$ 126,074	$ 194,031	$ 182,030	$ 187,204
Ski Rental Shop	$ 6,461	$ 747	$ 4,050	$ 232	$ -	$ 771	$ 7,625	$ 7,528	$ 5,744	$ 7,431
Ski Patrol Program	$ 5,388	$ 10,111	$ 667	$ 649	$ 157	$ 323	$ 740	$ 5,229	$ 2,635	$ 92
Lift Operation Program	$ 7,265	$ 8,567	$ 2,329	$ 4,280	$ 4,915	$ 2,631	$ 955	$ 2,510	$ 1,229	$ 1,789
Maintenance Program	$ 37,443	$ 40,708	$ 12,416	$ 19,466	$ 26,990	$ 31,918	$ 21,304	$ 31,239	$ 28,639	$ 8,083
Lodge Operations Program	$ 15,906	$ 20,477	$ 17,184	$ 16,645	$ 16,879	$ 24,035	$ 30,895	$ 21,238	$ 23,279	$ 15,407
Food Service	$ 1,307	$ (2,796)	$ 475	$ -	$ 949	$ 1,326	$ 8,609	$ 902		
Marketing/Special Events	$ 21,016	$ 13,530	$ 8,160	$ 4,165	$ 11,074	$ 8,949	$ 3,129	$ 2,915	$ 2,558	$ 10,021
Building Maint/Utilities	$ 56,825	$ 51,117	$ 50,475	$ 3,061	$ 52,050	$ 53,064	$ 50,500	$ 53,628	$ 57,028	$ 52,734
Ski School Program	$ 926	$ 2,324	$ 330	$ 1,510	$ 1,243	$ 672	$ 1,990	$ 1,316	$ 401	$ 1,677
Equipment Replacement	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 29,166	$ 29,169	$ 29,165	$ 29,166	$ 29,162
Vehicle Maintenance	$ 8,209	$ 3,533	$ 4,415	$ 8,568	$ 12,004	$ 11,697	$ 26,964	$ 19,898	$ 28,762	$ 23,924
Total Other Expenses	**$ 360,442**	**$ 355,983**	**$ 253,967**	**$ 193,352**	**$ 318,464**	**$ 311,450**	**$ 320,455**	**$ 369,599**	**$ 361,471**	**$ 337,524**
Total Costs	**$ 754,487**	**$ 713,028**	**$ 583,600**	**$ 556,961**	**$ 636,344**	**$ 629,211**	**$ 690,709**	**$ 620,427**	**$ 629,011**	**$ 728,507**
Total Net	**$ 107,554**	**$ 113,933**	**$ (108,168)**	**$ (18,899)**	**$ 96,302**	**$ 28,559**	**$ (6,795)**	**$ 348,929**	**$ 557,144**	**$ 484,953**

keep our Capital Improvement Dollars going to needed materials for our projects and to keep capital accessible for potential overages related to Gondola transportation costs.

Mountain Maintenance: Mountain Operations had their annual ski lift insurance inspection on Tuesday November 15th. The inspection went very well. All of the minor repair items have been addressed and the inspection report has been sent off to the State's Tramway Board for final review. We anticipate receiving our certificates to operate by the middle of the week in preparation for opening day. We have hired a second lift mechanic, Joel, who has been training in with our head mechanic Todd. We are excited to be building a wider depth of knowledge and for Todd to have extra support for this season and years ahead as we start expanding operations.

We had an extremely successful run of snowmaking starting on November 5th and running around the clock for 72 hours straight running 16 snowguns We were able to have continuous manmade snow from above Ptarmigan down through the bottom of Hooter. We also blew enough snow to open both trails on the Porcupine Chair Lift. Unfortunately, we had a dramatic change in the weather after that snowmaking window with over 10 inches of rain and above freezing temperatures all the way to the top of the mountain through many days of the storm cycle. Around half of our manmade snow was able to withstand all of the rain.

We restarted snowmaking on the Sunday November 27th expanding on the base depth in Porcupine area and extending our snow further above the base of Ptarmigan toward the bottom of Sourdough and Sneaky. By the start of the weekend we hope to be running our equipment at the top of Hooter and down Sourdough. We are hoping these efforts will allow us to open Hooter Chair for our second weekend of operations and put us in position for a quick opening of Black Bear after a little more natural snow arrives.

We also have the snow cats tracked up and are ready to be working the manmade snow in anticipation of opening day.

The Ravens Rest Cabin and new Electric Vehicle Charging Station has been energized and is now live. The Mountain Operations crew did substantial fortification to the car charger snow shed to meet the structural demands of our snow loads. We are enthused to have this fully up and running prior to the official start of the season.

Base Operations: Base Operations has been extremely busy processing employment paperwork for our new hire staff. He has been working with the Food Service Supervisor to optimize the menu adjusting pricing to accommodate for the sharp rise in food costs that have happened in the last year. We are still looking for ideally another full time cashier. We have been able to hire in three part time cashiers that will help us get the season started.

Marketing and Events:
Snowbound Takeaways:
- Super busy, foot traffic all day for 3 days.

- Lots of Indy Pass holders
- Day ticket pricing and 2 hour flight from Seattle were main points people were surprised to learn
- Great networking with other independent resorts at the event.
- Alaska Powder Descents and Travel Juneau helped folks talk through their Alaska ski trip step by step

Snovember first two nights successful - sold out and had to add more tickets to the TGR film. One more film showing Friday 12/2 at Goldtown after First Friday. Limited tickets left (CAAC partner).

Canned food drive for Opening Day – 50% off day tickets if Hooter opens the second weekend of operations when folks bring in canned goods. Tis' the season for giveback.

Christmas Eve celebration will be back at Eaglecrest with Santa, Glow Stick Parade, and custom gifts for kiddos.

Snowsports School:
Eaglecrest Snowsports School has been able to do virtual new hire training with a handful of new instructors. We have a mix of local new staff members and some that are yet to arrive to Juneau but have secured housing. All of our on snow training will begin December 3 for both new instructors and our returning instructors.
We are still hoping to find some more full-time weekday instructors. Our full time Instructors are slowly moving back into the building as we prep for training and opening.
We did have our all staff, orientation and many members of our Eaglecrest staff were able to attend.

Rental Retail and Repair:
Retail sales position has been filled, they just completed their first week of work. The majority of retail stock is in the space and ready for customers.
Repair shop, we have been able to puzzle together a working schedule to offer community members repair services. I am extremely grateful for all past repair texts that have been able to pitch in and support us. Also to our Eaglecrest users that have experience that have also stepped up, and are employees now. As we sort schedules, we will be able to offer more dates for repair intake. Right now, the shop is pretty full and we do have some people working in the evenings.

In the past week, I was able to connect all computers to our network, test them all and get all workstations ready. We have two rental tech, returning for part time, one will work preset evenings and early mornings. We have been able to staff two full-time rental techs, two more part time rental techs, and have the potential for one more. We are hoping to have one more full-time rental tech in our shop if we can find one. I would like to personally think Kevin Krein who has sent a couple individuals my direction for staff.

All skis in the rental fleet have been tested and documented for season start up.
The grinder and the waxing machine have been serviced by our winter Steiger rep.
When he was here, we were able to get a staff member to shadow and learn more about the machine and its functions and services of maintenance.

We have had a couple days of training in the rental shop. We are having three more this week with one being a mock rental day.

Ski Patrol:
Ski patrol has been working on training and preparing for the season.

Trainings completed:
OEC
Lift Evac
3 sessions of slide for life
Inter-agency avalanche refresher
All employee
Ascender/slide for life on Porcupine
Avalanche mitigation route review
First aid scenarios with new hires

Trainings to complete:
Explosives training for new hires
CPR refresher

Projects that are being worked on:
Reorganizing aid room and storage room
Powder patch WX station
A-frame purge
Fence repair
Unseated passenger plans and deployment of catch nets
Completed Mountain Safety Operations Plan for the State
Various tasks to prepare for opening

Staffing Update: Overall we are piecemealing together the season. We are still looking for cashiers, lift operators, rental techs, and repair techs. Big thank you to Hannah Shively who has started to work on our pay schedule analysis that will be helpful as we start into the FY24 budget.

Ordinance 2022-06(b)(X)
Manager's Report

An Ordinance Appropriating $116,400 to the Manager as Funding for Eaglecrest's Fiscal Year 2023 Pay Plan Adjustment; Funding Provided by Eaglecrest Revenue.

This ordinance would appropriate $116,400 for Eaglecrest's FY23 pay plan adjustment. The pay plan adjustment increases employee wages by 7%. This adjustment follows two previous pay plan increases Eaglecrest implemented in calendar year 2022 in an effort to increase employee wages over minimum wage and align pay with ski industry standards. The most recent pay adjustment, approved by the Eaglecrest Board on September 15, 2022, is intended to promote employee recruitment and retention. This appropriation also provides for sign-on and returning employee bonuses for seasonal employees.

Funding for this ordinance is provided by Eaglecrest revenue.

The Manager recommends the Assembly introduce this ordinance and set it for public hearing at the next regular Assembly meeting.

Gondola Update: Below you will find the memo requesting a transfer of funds from the Eaglecrest Deferred Maintenance CIP account and the Equipment Replacement Fund to cover Gondola Transportation Overage Fees. This memo was introduced to the Public Works and Facilities Committee on Monday November 28th. The Committee made a motion to send the transfer request to the full assembly. Below this memo you will find a one sheet summary of how the $2.5M funding ordinance has been spent to date along with an overview of the fees and scope of work for phase one and two of the Gondola Design and Engineering.

Below the above-mentioned items is a copy of the Memorandum of the Goldbelt Revenue Sharing Agreement. In you packet is also attached a basic spreadsheet of possible return for Goldbelt and Eaglecrest over the term of the agreement.
To hear the discussion at the Committee of the Whole Assembly meeting click on the link

https://youtu.be/zmwVoAlLpEw

Gondola Funding Spending History

Please find below the summary of all expenditures from the Gondola Funding Ordinance

Purchase		$	1,325,398.00
Loading Fees		$	60,312.00
Transportation		$	600,553.00
Legal Fees		$	34,766.00
Salaries and Benefits		$	20,288.00
CBJ + Eng Overhead		$	1,858.00
Travel and Training		$	17,467.00
Advertising		$	82.63
Inspection Services		$	15,445.00
Design and Engineering		$	135,000.00
Outstanding tranport invoice		$	506,217.00
Total		$	2,717,386.63
CIP Funds		$	161,000.00
Equipment Replacement Funds		$	60,000.00
New Balance		$	2,496,386.63

Engineering and Design Fees

- Phase One design fee proposal $219,057
    - $135,000 of this work has been authorized
    - Consisted of setting in the initial profile
    - Preliminary calculations and drawings
    - Ground survey of the profile & setting ground control points
    - Geotechnical Analysis
    - Wetland Delineation
- Draft Phase Two design fee proposal $780,787
    - Profile design finalization / load calculations / structural specs
    - Equipment optimization and parts list creation
    - Foundation and structural design
    - CM/GC solicitation / selection assistance
    - Top / mid / bottom station design
    - Mechanical – water and waste, HVA & plumbing design
    - Utilities and Civil Design

To: City and Borough of Juneau Assembly

From: Dave Scanlan, Eaglecrest General Manager

Subject: Transfer of Funds for Gondola Shipping Overages

Date: 11/16/22

The transportation of the Eaglecrest Gondola from a remote Austrian village to the Parking Lot at Eaglecrest was a challenging job to bid and execute. The official quotes had exceeded original projections and additional funding was allocated. The freight was quoted at per truckload rates with the expectation of transloading in Seattle.

As loading began, it became clear that it would be safer for the machinery to travel all the way to Eaglecrest in the Global Shipping containers. We were made aware that this would force some detention fees on the global containers but were lead to believe that the lack of transloading would offset the bulk of these fees. We were not able to anticipate the steep increase in fuel prices in the spring or the global port congestion that would impact this project. By the time all of the final fees were assessed and fuel surcharges applied, we were over Budget by $261,607.82.

We are requesting the authority to transfer funds that we have remaining in our FY23 Deferred Maintenance CIP Account in the amount of $161,609 and an additional $60,000 from our FY 23 vehicle replacement fund. These funds combined with the funds available from the initial Gondola funding ordinance will allow us to settle up payment with our freight vendor Lynden Transport and will allow our engineering design team to be paid for the work that has currently been completed on the phase one of our engineering and design. Once the loan agreement with Goldbelt for the remaining costs associated with the project is effectuated, these accounts will be paid back and made whole again.

Because of the nature of shipping surcharges, this cost was always going to be volatile. We owe this amount and need to pay the vendor.

Recommendation: Move to introduce a transfer request to the Assembly from Eaglecrest Deferred maintenance ($161,609) and Eaglecrest Fleet Replacement ($60,000) to the Gondola Capital Improvement Project.

MEMORANDUM

105 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215

DATE: November 2, 2022

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: **Proposed Revenue Sharing Agreement with Goldbelt, Inc**

Eaglecrest has been negotiating a Revenue Sharing Agreement (RSA) with Goldbelt, Inc., pursuant to Goldbelt's announcement of its intent to invest in the Eaglecrest Gondola Project. This memo updates the Assembly Finance Committee on the status of those negotiations. The current proposal calls for Goldbelt to contribute $10 million to the Gondola Project in three separate payments, in December 2022, April 2023, and August 2023.

The RSA has a term of 25 years from day the Gondola Project opens, unless it is terminated by either Goldbelt or Eaglecrest. Over the life of the RSA, Goldbelt will repaid a minimum of $20 million in compensation for its initial investment. If that $20 million repayment doesn't happen in 25 years, the term will be extended until the repayment has occurred. The contract sets an opening date of May 31, 2027, and allows Goldbelt to terminate if it hasn't opened by that date. In that event, Goldbelt would be repaid the total amount it has invested plus 5% simple interest, with a cap of 110% of the total investment.

The RSA provides that Goldbelt will receive revenue in two phases according to a progressive schedule of increasing percentages based on visitor numbers. Phase 1 will pay Goldbelt from 10% to 25% of summer operation receipts until Goldbelt has received $20 million. Once the $20 million threshold is passed, Goldbelt will be paid from 10% to 12.5% for the remainder of the term of the RSA. A sample calculation of this phased revenue sharing is attached.

The RSA allows for termination under four circumstances: mutual agreement; by Eaglecrest for convenience; by Eaglecrest for cause; or by Goldbelt for cause, with different fiscal consequences for each scenario. Termination by mutual agreement would presumably include payment terms. If Eaglecrest terminates for convenience during Phase 1, the termination fee would be the total Goldbelt had contributed to date plus 5% interest, less any amount already paid to Goldbelt, the total capped at 110% of the total investment. If this yields a negative sum, the termination fee is what Goldbelt was owed but had not yet been paid. If Eaglecrest terminates for convenience in Phase 2 the termination fee would again be what Goldbelt was owed but had not yet been paid.

Eaglecrest may terminate for cause if Goldbelt fails to make a contribution payment, otherwise breaches the agreement and fails to or cannot cure the breach, becomes insolvent, or has a force majeure event. If Eaglecrest terminates for cause in Phase 1, the termination fee would be the total contribution to date less Goldbelt's share already paid. If the foregoing results in a negative sum, the fee would be only what Goldbelt had earned but hadn't yet been paid. If Eaglecrest terminates for cause in Phase 2 the termination fee would once again be what Goldbelt was owed but had not yet been paid.

Goldbelt may terminate for cause if Eaglecrest fails to pay or breaches and fails to cure a breach of the RSA.The RSA provides that the funds which Eaglecrest will pay Goldbelt will be generated from gross summer operations receipts. It allows recourse to court for either party to seek damages from the other party, with limitations on consequential and indirect damages. Because the fund source is limited, there is a possibility that a future Assembly might not have funds to remit to Goldbelt if the summer operation receipts were insufficient, but the obligation would not be guaranteed by the full faith and credit of CBJ.

New Business:

a. Segway Alaska Commercial Use Permit Review
The Eaglecrest Board in May of 2021 authorized the Eaglecrest Manager to enter into a two year trial agreement with Segway Alaska to offer tours on the Lower Nordic Loop hardened trail down to the start of the Treadwell Ditch trail. I am bringing this back to the Board to request permission to begin the process with CBJ to renew their permit with an extended term. This renewal is go through a public Request for Interest Solicitation and Contract Drafting with CBJ Legal Department.