

EAGLECREST BOARD OF DIRECTORS
Meeting Agenda
Thursday May 5th 2022 5:30pm
Hybrid – In person City Hall Room 224

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Agenda:

1. ROLL CALL
2. APPROVAL OF AGENDA
3. APPROVAL OF MINUTES
 - a. Minutes from April 7th 2022
4. PUBLIC PARTICIPATION
5. COMMITTEE & LIAISON REPORTS
 - a. HR Committee Meeting May 2nd 2022
6. MANAGERS REPORT
 - a. Financial Report
 - b. Department update
 - c. Report from Assembly Budget Presentation
 - d. Update from Gondola Inspection
 - e. Progress on Gondola Goldbelt Partnership and Procurement
7. UNFINISHED BUSINESS
 - a. Upcoming Meeting Schedule
 - i. Finance Committee May 10th
 - ii. Planning Committee??
8. NEW BUSINESS
 - a. Possible June Board Meeting reschedule for June 9th
9. PUBLIC PARTICIPATION
10. BOARD OF DIRECTOR'S COMMENTS AND QUESTIONS
11. ADJOURNMENT – Next meeting date June 9th 2022 5:30pm Location TBD

EAGLECREST BOARD OF DIRECTIONS
April Meeting Minutes
Thursday April 7th, 2022, 5:30pm
Via Zoom

Agenda:

1. ROLL CALL: Mike Satre, Dave Hanna, Jon Dale, Shawn Eisele, Kevin Krein, and Stephanie Hoag were present. The mountain was represented by GM Dave Scanlan and Brian Davies. Assembly member Greg Smith was also present.
2. APPROVAL OF AGENDA: Mike called the meeting to order at 5:30. Stephanie made a motion to approve the agenda. The agenda was approved without any additional changes or objections.
3. APPROVAL OF MINUTES: Stephanie made a motion to approve the March meeting minutes, the minutes were approved with a correction to the next meeting date and a clarification that volunteers be properly “waivered”.
4. PUBLIC PARTICIPATION: Fred Hiltner from the JNSC encouraged wider sharing of our meeting links so that more people can participate. He passed his thanks to Dave and all the crew as well as Stephanie and Shawn for their Nordic Support. He shared appreciation for the growing relationship between the mountain and the JNSC.
5. COMMITTEE & LIAISON REPORTS: Assembly member Greg Smith shared highlights of the 2 previous summer operations Task Force meetings (see minutes in board packet). On April 11th the Assembly will discuss the possibility of a partnership with Goldbelt. He also shared that the assembly is very busy with the city budget.

Dave H shared an update of the Planning meeting on 3/24. The committee discussed the updates on contract negotiations for the sale of the gondola. This meeting was also the first introduction for a possible partnership with Goldbelt. Lift alignment and life replacement priorities were also discussed.

Stephanie shared a summary of the Nordic meeting on 4/4 (see minutes in board packet). The group reviewed their fall goals, discussed the opportunity to add trail naming and discussed more ways the JNSC can collaborate with the mountain.

6. MANAGERS REPORT:
See Manager’s Report for detail. Additional discussion points:

- a. Budget. Jon inquired about the increase in Ski Admin expenses which was product of bank card, interdepartmental and insurance increases. Shawn inquired about expenses that touched on larger capital projects/CIP opportunities.

Following the report Shawn inquired about summer staffing which was reported to be “thin” which is likely a result of low pay. Some staff are staying but the mountain definitely needs more help. Shawn offered board action helping with staffing.

7. UNFINISHED BUSINESS:

- a. Plan for end of season bonus. During the March board meeting, the GM shared that last year, season end bonuses were \$1/hr for those on an hourly salary and \$1,500 for salaried staff. This year the mountain has approx. 34,000 hours of hourly work. The GM discussed \$1/hr for hourly staff and reducing salaried staff to \$1,000. This would cost approximately \$40k. A discussion was also held about fund balance and the GMs desire to cover unfunded liabilities (accrued leave and inventory). Although staff did receive a pay raise during the season, the board fully supported the full \$1/hr. The desire to paydown fund balance was appreciated but employee retention is a key to future success. Kevin made a motion to allow the GM to move forward with the plan to pay the \$1/hr for hourly staff and \$1,500 for salaried staff, the motion passed without objection.

8. NEW BUSINESS:

- a. Goldbelt Partnership. The board discussed a memo (see board packet) from the City Manager discussing the partnership with Goldbelt. Goldbelt has expressed interest in pledging \$10 million to help with gondola instillation and other summer development opportunities such as a summit lodge or mountain coaster. Dave Hannah made a motion authorizing the GM and City Manager to negotiate directly with Goldbelt for the instillation of the gondola and other facilities, it is the desire of the board that Eaglecrest maintain control of all operations on the property. Mike clarified that the recommendation was for the assembly to authorize the negotiation. Discussion on the motion: Dave spoke to the similarity of operations and the sharing of resources and the possibility for a great long-term relationship. Jon supported the motion and appreciated Dave’s points and noted the advantages to the relationship and the excitement of having interest from an investor, he noted the importance of the board to think about what we have now and how things might change in a relationship with a for-profit corporation. Shawn spoke in support of the motion and appreciated the option but also noted that there might be other options such a central treasury loan, Goldbelt might be a great business partner but they are still in for profit and will be taking a significant chunk of revenue and with the chunk gone it might impact other things that would have otherwise been supported. He noted the importance of reminding the assembly of other financing

opportunities. Mike appreciated Dave's motion with the mountain maintaining control of all operations. Kevin inquired about other financing options. Mike reminded the board that this is not the only option, it's just a necessary step for the assembly to authorize discussions. Mike shared his concerns with a public/private partnership but supports the negotiations to process and agrees with the reasoning listed by the City Manager. The motion passed without objection.

- b. Budget. The GM shared next years budget and discussed the formal increment request for the pay plan. The Assembly asked the board/GM to submit the wage increase request in a separate request. The GM is set to present the budget on April 27th. A 14% increase to get to the initial 22% ask would cost \$208k, bringing the mountain closer to industry norm. This would result in the mountain asking for an additional \$200k in general funds making the total for this year's request at \$1,025,000. Shawn appreciated the comparison to other ski areas and asked about a comparison to other city departments. The GM stated that this is still well below comparable jobs throughout CBJ. Mike noted the importance of moving forward as planned and sharing that even with this pay raise, we are still below CBJ comparables. Dave H noted the importance of sharing with the assembly the goal of getting to a point of proper wage and noted that summer operations might be a key factor towards that.
- c. Future Committee Meetings
 - i. HR. Stephanie is working with Dallas and hopes to set a date for late April
 - ii. Finance. 22/23 pricing, a date of 12 May was set for the meeting.
 - iii. Planning. A planning meeting will be set at a later date.
- d. A new discussion item was added by Dave H. Dave H made a motion that the board allow the GM and the engineering groups to determine final alignment of the gondola. Discussion on the motion: Jon supported the use of engineers aiding in decision making but wanted to board to play a role in final decision making. He noted that the GM has been working with engineers throughout the process and questioned if the motion was necessary at this time. Kevin supported Jon's statement, while the board would not go against engineering advice it would be nice for final board approval rather than completely handing over the decision. Mike asked Dave H about the intent of the motion and perhaps not creating a situation with 3 boards all weighing in. Dave H noted that was his intent. The motion was amended to read that it is the intent of the board to allow the manager to work with engineering teams to propose technically feasible alternatives for gondola alignment for presentation back to the board. The motion passed without objection.

9. PUBLIC PARTICIPATION:

Brian Davies thanked the board for all their work and appreciated the never-ending challenge.

Bruce Garrison was glad that gondola alignment decision would be made by the experts.

10. BOARD OF DIRECTOR'S COMMENTS AND QUESTIONS

Jon thanked Brian for all his contributions to the mountain and noted the legacy he is leaving behind with enormous shoes to fill. He wished him all the best on his next endeavors and is looking forward to a sunny closing weekend!

Shawn noted policy implications with technical decisions and reminded the board to keep an eye on those policy decisions and what our priorities are and keep our mind on what is the big picture/desired outcome.

Kevin thanked Brian and noted how much we will all miss him and will miss him tons.

Stephanie thanked Brian for all his work, she's sorry to see him leave and wishes him well with his next adventures. She has noted the challenging weather conditions and labor shortages but has also seen lots of happy skiers, she thanked Dave and all staff for their efforts. Stephanie made an inquiry about signs prohibiting alcohol use in the Fish Creek Lodge.

Dave H thanked Brian for everything he has done over the years and hopes he enjoys retirement but knows we will still see him at the mountain. He also thanked Dave and the rest of the crew.

Mike noted that this will be the last weekend, it has been a great year and reminded the board to thank everyone of staff for their work. The entire staff did an amazing job despite being shorthanded. He also thanked Brian and despite his own passing of the years, can still remember Brian starting his ski patrol career when he was a freshman in high school. Brian has been a great asset to the Ski Club and keeping everyone at the mountain safe.

11. ADJOURNMENT – The next meeting date is May 5th, 2022. The meeting was adjourned at 7:07 pm.

Manager's Report May 2022

Financial Review: The chart below shows the actual revenues and expenses as accrued year to date for each year on the chart. Now that we have officially put the season to close, we are able to get a good view of operational related revenues for this season. Overall we have set a new total gross revenue record beating out last season by \$74,454 despite business levels slowing down during the second half of the year and especially over the spring break period where we saw many family leave Juneau as COVID restrictions were being lifted in many other travel destinations. Our high volume of seasonal products was one of the biggest areas of importance leading our previous record by \$167,836. Interestingly our single day ticket revenue was a very close third place despite the record seasons pass products. We feel this is a testament to our growth in out of town visitation, which we recorded at 1600 total visitor days. Snow Sports revenue was still very strong with the third best performance behind FY 14 and FY 21.

In expenses we are seeing the effects of wages increases, and the cost increases on freight and other materials and commodities bringing our overall costs up in addition to our other known increases in bank card fees, insurances and full cost allocation. Due to the tremendous amount of early season snowfall DOT has charged us the full \$75,000 in road plowing fees, which is seen in the Building Maintenance/Utilities line. Our Vehicle Maintenance

	FY 13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY 21	FY22
Sales	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals
Ski School Fees	\$ 158,900	\$ 184,852	\$ 41,766	\$ 117,675	\$ 147,568	\$ 89,395	\$ 119,294	\$ 131,525	\$ 232,000	\$ 181,611
Ski Lift Fees	\$ 221,611	\$ 171,953	\$ 11,223	\$ 155,260	\$ 260,203	\$ 125,332	\$ 177,500	\$ 205,006	\$ 315,000	\$ 255,790
Advance Ticket	\$ 74,675	\$ 92,831	\$ 40,456	\$ 57,112	\$ 93,726	\$ 37,984	\$ 66,680	\$ 76,689	\$ 82,151	\$ 123,421
Season Ticket	\$ 310,790	\$ 340,169	\$ 302,261	\$ 209,964	\$ 198,404	\$ 215,698	\$ 240,904	\$ 235,581	\$ 164,325	\$ 226,568
On Line Season Pass Sales	\$ 531,364	\$ 515,836	\$ 461,583	\$ 263,080	\$ 357,909	\$ 461,108	\$ 389,950	\$ 362,258	\$ 747,924	\$ 812,847
Bus Fees	\$ 15,893	\$ 16,605	\$ 2,335	\$ 4,483	\$ 8,710	\$ 5,102	\$ 2,201	\$ 4,923	\$ 530	\$ 4,114
USER FEES	\$ 1,313,233	\$ 1,322,246	\$ 859,623	\$ 807,573	\$ 1,072,520	\$ 934,679	\$ 996,528	\$ 1,015,982	\$ 1,542,530	\$ 1,604,351
Retail - Soft G	\$ 31,763	\$ 33,158	\$ 7,384	\$ 31,031	\$ 45,242	\$ 20,133	\$ 32,909	\$ 50,646	\$ 57,100	\$ 56,966
Food Service	\$ 147,054	\$ 146,621	\$ 33,334	\$ 81,343	\$ 153,992	\$ 94,203	\$ 113,052	\$ 123,945	\$ 123,300	\$ 130,440
Ski Repair	\$ 26,426	\$ 26,502	\$ 12,538	\$ 15,353	\$ 18,266	\$ 20,536	\$ 15,417	\$ 20,968	\$ 30,200	\$ 29,568
SALES	\$ 205,242	\$ 206,280	\$ 53,316	\$ 127,728	\$ 217,520	\$ 134,332	\$ 161,378	\$ 195,559	\$ 210,600	\$ 216,974
Locker Rental F	\$ 68,892	\$ 68,912	\$ 68,476	\$ 62,163	\$ 63,969	\$ 63,260	\$ 61,634	\$ 61,686	\$ 63,800	\$ 68,758
Ski Rental	\$ 99,644	\$ 99,757	\$ 21,090	\$ 44,153	\$ 132,054	\$ 77,994	\$ 68,491	\$ 75,665	\$ 114,800	\$ 102,844
Rental Rentals								\$ 30,642	\$ 36,186	\$ 49,443
RENTALS	\$ 168,536	\$ 168,669	\$ 89,566	\$ 106,316	\$ 196,023	\$ 141,254	\$ 130,125	\$ 167,933	\$ 214,786	\$ 221,045
Total Sales	\$ 1,687,011	\$ 1,697,195	\$ 1,002,505	\$ 1,041,617	\$ 1,486,062	\$ 1,210,865	\$ 1,288,031	\$ 1,379,534	\$ 1,967,916	\$ 2,042,370
Total different over FY22	\$ 355,359	\$ 345,175	\$ 1,039,865	\$ 1,000,753	\$ 556,308	\$ 831,505	\$ 754,339	\$ 662,836	\$ 74,454	
Expenses										
Personnel Costs										
Ski Area Administration	\$ 304,557	\$ 415,512	\$ 405,554	\$ 436,163	\$ 455,618	\$ 453,808	\$ 450,482	\$ 446,199	\$ 418,143	\$ 357,464
Ski Rental Shop	\$ 62,392	\$ 58,415	\$ 28,614	\$ 45,925	\$ 58,127	\$ 45,464	\$ 47,051	\$ 36,642	\$ 59,639	\$ 44,953
Ski Patrol Program	\$ 147,094	\$ 139,110	\$ 68,252	\$ 103,729	\$ 132,842	\$ 104,585	\$ 107,474	\$ 107,909	\$ 204,819	\$ 195,161
Lift Operation Program	\$ 189,350	\$ 83,864	\$ 34,722	\$ 74,176	\$ 117,172	\$ 73,067	\$ 53,893	\$ 50,393	\$ 99,475	\$ 36,094
Maintenance Program	\$ 137,784	\$ 159,946	\$ 106,550	\$ 109,069	\$ 160,591	\$ 125,475	\$ 157,334	\$ 181,104	\$ 226,624	\$ 259,762
Lodge Operations Program	\$ 89,692	\$ 71,049	\$ 37,782	\$ 58,572	\$ 58,322	\$ 64,086	\$ 105,276	\$ 80,618	\$ 91,137	\$ 81,931
Food Service	\$ 37,119	\$ 37,861	\$ 18,223	\$ 22,405	\$ 37,284	\$ 33,336	\$ 30,592	\$ 27,590	\$ 47,811	\$ 52,568
Marketing/Special Events	\$ 27,434	\$ 26,273	\$ 12,451	\$ 21,600	\$ 31,503	\$ 20,050	\$ 61,672	\$ 84,035	\$ 78,417	\$ 52,602
Ski School Program	\$ 159,087	\$ 186,220	\$ 117,812	\$ 104,981	\$ 179,546	\$ 120,497	\$ 126,613	\$ 113,867	\$ 172,848	\$ 182,611
Total Personnel Costs	\$ 1,154,511	\$ 1,178,270	\$ 829,960	\$ 976,621	\$ 1,231,005	\$ 1,040,368	\$ 1,140,387	\$ 1,128,357	\$ 1,398,913	\$ 1,263,146
Other Expenses										
Ski Area Administration	\$ 296,742	\$ 301,568	\$ 289,371	\$ 295,402	\$ 284,410	\$ 301,787	\$ 297,794	\$ 313,633	\$ 391,919	\$ 438,498
Ski Rental Shop	\$ 52,397	\$ 36,990	\$ 36,251	\$ 22,538	\$ 34,381	\$ 25,535	\$ 34,959	\$ 41,803	\$ 43,804	\$ 64,862
Ski Patrol Program	\$ 24,522	\$ 16,951	\$ 13,660	\$ 8,358	\$ 8,067	\$ 9,743	\$ 4,356	\$ 7,463	\$ 13,659	\$ 18,345
Lift Operation Program	\$ 16,626	\$ 18,186	\$ 13,327	\$ 17,301	\$ 16,632	\$ 11,870	\$ 31,417	\$ 24,702	\$ 11,719	\$ 16,157
Maintenance Program	\$ 96,899	\$ 92,303	\$ 43,901	\$ 29,744	\$ 50,842	\$ 45,656	\$ 67,243	\$ 88,280	\$ 87,369	\$ 130,298
Lodge Operations Program	\$ 52,161	\$ 48,668	\$ 47,527	\$ 62,668	\$ 67,805	\$ 77,063	\$ 94,700	\$ 95,874	\$ 120,221	\$ 104,569
Food Service	\$ 79,037	\$ 82,011	\$ 24,162	\$ 53,550	\$ 81,996	\$ 50,110	\$ 68,519	\$ 71,459	\$ 53,453	\$ 66,731
Marketing/Special Events	\$ 44,176	\$ 40,993	\$ 30,521	\$ 32,324	\$ 34,993	\$ 34,939	\$ 32,499	\$ 34,558	\$ 13,288	\$ 28,349
Building Maint/Utilities	\$ 54,844	\$ 58,966	\$ 53,178	\$ 52,643	\$ 55,830	\$ 59,359	\$ 60,671	\$ 55,582	\$ 80,353	\$ 89,307
Ski School Program	\$ 2,219	\$ 4,248	\$ 3,542	\$ 2,172	\$ 7,820	\$ 2,916	\$ 2,442	\$ 5,462	\$ 2,561	\$ 4,297
Equipment Replacement	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 74,997	\$ 79,173	\$ 79,173	\$ 79,173	\$ 79,173
Vehicle Maintenance	\$ 25,365	\$ 33,534	\$ 14,904	\$ 22,208	\$ 33,952	\$ 29,202	\$ 30,430	\$ 52,533	\$ 101,182	\$ 116,099
Total Other Expenses	\$ 820,008	\$ 809,418	\$ 645,545	\$ 673,905	\$ 751,725	\$ 723,176	\$ 804,203	\$ 870,522	\$ 998,701	\$ 1,176,685
Total Costs	\$ 1,974,518	\$ 1,987,688	\$ 1,475,505	\$ 1,650,526	\$ 1,982,730	\$ 1,763,544	\$ 1,944,590	\$ 1,998,879	\$ 2,397,614	\$ 2,439,831
Total Net	\$ (287,507)	\$ (290,493)	\$ (473,000)	\$ (608,909)	\$ (496,668)	\$ (552,679)	\$ (656,559)	\$ (619,345)	\$ (429,698)	\$ (397,461)

category is also up quite a bit as we have a much larger fleet of vehicles that are being serviced in anticipation of a busy summer construction season. We also had some major repairs to our snowcat fleet during the winter. We are thankful to have a good fulltime vehicle mechanic and a part time assistant to help on our snowmachine and ATV repair and servicing. Our overall net-income for this time of year is running at our third best in history.

Mountain Operations: The mountain operations team has been busy changing over from winter operations into summer operations. The crew has gotten all of the lift shacks cleaned out and chair pads stripped from all of the chairlifts. They assisted Ski Patrol for the first week after closing in hauling bamboo, rope lines and lift tower pads into their storage areas. The shop area has been cleaned up and the servicing is underway on the excavators, ATV's and other summer construction equipment. New sheave wheel liners have been ordered and inventory of the needed bearings for line work on the chair lifts have been completed. Work plans for summer lift servicing are underway. We have been working on snow removal from the portion of the Lower Loop that will be used for our walking tours. Snow removal from the summer road up to the base of Ptarmigan is also underway to allow zipline to have easy access to their course for maintenance and repairs.

Ski Patrol: The Ski Patrol team was able to complete the clean up and tear down of the mountain with the help of Mountain Operations and Snow Sports School staff the week after closing. The Director has been working on his season end inventory, wrap up reporting and preparation for retirement. There will be a lot of needed knowledge transfer going into next season.

Base Operations: The new Base Operations Director is focusing in on more detailed training on season end processes, point of sale functionality and city reporting now that we are out of the demands of daily operations. The new Director began his position just one month before opening which did not leave much time for learning the nuances of the many job duties. This summer will be spent continuing to gain experience and efficiencies in all functional areas of Base Operations.

Marketing and Events: We are also working on some knowledge transfer in this department as we will be recruiting with the hopes of filling the Marketing Manager position going forward. This will likely leave us with a gap in the Marketing department. We are planning to share the duties of occasional e-blasts and Facebook postings during the lead up to our seasons pass sale launch on July 1st.

SSS- End Of season Clean up

- Inventory all learning materials that are outdoors
- Inventory, Radios, batteries, drills and chargers
- Inventory all instructor coats, wash all coats
- Create repair list of coats
- Remove any broken or destroyed items form inventory

- Inventory all Books to boards Jackets, pants, gloves, goggles,
- Organizes/inventory all Books 2 boards club activities
- B2B meeting with coordinators, strategize new plans/ideas
- 5th grade Season tickets Audit
- Finalize all payments from JSD and Homeschool
- School Group meeting
- Develop new Operating Schedule for FY23
- Develop new internal operating plans for Sales timeline/ July 1, Season Passes, Payment plan options and payment dates
- Locker document clean up and prep for August 1 renewal
- Snowsports Program dates will be open August 15th 10am
- Continue working on Cabin sales and dates, develop new cabin in POS,
- Cabin needs new name and pricing
- Working on Hours report for seasonal end Bonus, with Dave being absent.
- Begin work on Position descriptions, for SSS & Community Outreach Supervisor
- Continue Positions Description updates with CBJ
- Gather/file/store all of FY22- Liability forms, waivers for all programs.
- Organize and pull files from storage to destroy.
- Organize and clean entire front office, stock all work stations
- Summer Office Operations Hours Monday- Thursday 8:30am-3:30pm
- Clear Snowsports School coded door for summer
- Finalizing Invoices for First Student and payments
- Had End of season recap meeting with Intouch our POS system about things we need to fix and any issues.

Total Lessons Taught: 4967

Community & JSD –(includes, Ketchikan, Sitka, Hoonah)

Lessons: 598

Tickets: 530

Rentals: 478

5th Grade Passport Program

Season Ticket Pass Issued: 140

Lessons: 31

Tickets redeemed: 700

Rentals: 29

RRR

- Finalize Burton Order
- Double check all rental orders placed
- Pull rental items, to test and maintain, destroy inventory items
- Check service records of fleet.
- Maintain and check all helmets, fix components
- Update all rental fleet inventory in the Rental module
- Clean all shelves and restock boot fleet.
- Move all rental stations, waxer, computers and furniture in room for Zipline
- Inventory the repair shop for materials needed.
- Clean and maintain the grinder for end of season repairs.
- Retail Inventory begins next week.
- Creating repair orders for July
- Sent warranty order for items in rental shop.
- FY23 orders are set to start arriving in July
- Already have Rental order supply issues in production and items have been cancelled for the industry. Working with reps to figure out solutions to sizing options.

Total rentals used: 8312

Season rentals redemptions: 3839

Season Rentals ski & SB

Adult: 21

Teen: 21

Youth: 53

Child: 41

City Assembly FY23/FY24 Budget Presentation: The manager presented the FY23/FY24 budget to the CBJ Assembly on Wednesday April 27th. As part of the budget presentation the Manager brought forward the Budget Increment Request for an additional \$210,000 in General Fund support that would allow an additional 14% pay increase to the entire Eaglecrest wage scale. If implemented the Eaglecrest wages would be consistent with average pay received at “small ski areas”, ski areas with visits under 100,000 annually, across North America based on the 2021 National Ski Areas Association Wage Analysis. There was good conversation around the Eaglecrest wage issue and a general feeling of support. A motion was made to take no action on the Eaglecrest Budget until the May 11th meeting to allow Assembly Members additional time to look at the wage comparison information provided by the Manager.

Gondola Inspection Findings: The Manager performed an onsite inspection of the used 6X2 Gondola at Galsterberg Ski Area in Pruggern Austria accompanied by Jamie Bunch from the engineering firm SCJ Alliance and CBJ engineer Alan Steffert. The trip was extremely successful. The staff at Galsterberg Ski Area were extremely accommodating providing access to all maintenance and repair records, original construction drawings and other documentation on revisions and updates to componentry that have happened throughout the life cycle of the lift. We are expecting the final written report from SCJ Alliance by March 20th. The condition of the Gondola met all of the seller's representations and our expectations. While on the trip, purchase and sale contracts were executed and the initial deposit and first large payment issued. The Gondola operates in a similar way to a tramway coming to a complete stop during loading and unloading and they traveling at a faster speed than a typical Gondola when cabins are not in the terminals. While onsite we were able to collaborate on the modifications that will be needed to the electrical systems and some of the mechanical upgrades that will be needed to be retrofitted to Eaglecrest and certified to the ANSI B77 lift safety standard that governs ski lifts in America.

Goldbelt Partnership and Procurement: The Eaglecrest Manager and the City of Juneau Manager have started formal negotiations with Goldbelt Native Corporation on a partnership agreement. The draft agreement will come before the Eaglecrest Board once we have a working draft that that attorneys have reviewed. The Eaglecrest Manager has started working with the City Engineering department to determine the best method to procure all of the various services that we will be need to design construct and update the Gondola, Summit Lodge and other infrastructure needed to execute this project. Many variables to a project of this magnitude that need to be cared for to ensure that we receive the best-finished product.