

EAGLECREST BOARD OF DIRECTORS

Meeting Minutes

February 5 2015, 5:30-7pm

City Hall, Room 224

AGENDA:

I. Called to Order at 5:34pm

Board Members: Mike Stanley, Bruce Garrison, Dave Audet, Dave Lefebvre,
Wayne Stevens, Alexis Howard

Liaison: Jerry Nankervis

Staff: Matt Lillard, Jeffra Clough

Public: Gary Stambaugh

II. APPROVAL OF AGENDA – Moved and Approved

III. APPROVAL OF MINUTES

January 8, 2015 – Moved and Approved

IV. PUBLIC PARTICIPATION – N/A

V. COMMITTEE & LIAISON REPORTS

VI. MANAGER'S REPORT

Financial Report

Low Snow/Opening Update

Events

Trails Permitting

VII. OLD BUSINESS

Porcupine Lodge Update – We should be receiving temporary occupancy of the lodge within in the next week. This will enable staff to start moving into the building. At this point in the season staff will make the move slowly and not plan to operate out of the lodge this season. The building has come together nicely and it looks great. The project is coming in on budget and we are not looking at any cost overruns. Staff will be working with the CBJ Project manager to determine how North Pacific Erectors can make good on liquidated damages for being over two months late. The board stated that staff and CBJ should make certain that any offers to make good on the liquidated damages should be in writing.

VIII. NEW BUSINESS

Operating Discussion: Matt Lillard presented a brief overview of the season to date as well as 4 options and associated cost estimates for operations of the ski area this season.

The options are:

- Reopen porcupine on 2/14 and continue operations on porcupine for as long as possible. The cost to do this is approximately a loss of \$185,000.
- Remain closed and keep key staff employed while we wait for more snow to open the main mountain. The cost of this option is approximately a loss of \$118,000
- Remain closed and let all seasonal staff go with the exception of benefitted seasonal staff. The area would have limited ability to reopen under this scenario. The cost of this option is approximately a loss of \$5,000
- Remain closed, let all seasonal staff go, and offer 75% season pass refunds. The cost of this option is approximately a loss of \$570,000.

Staff recommended the first option of reopening the Porcupine area. After much discussion the board agreed with the recommendation. Staff will reopen the Porcupine area on Saturday, February 14 and continue to operate for as long as the snow holds. By reopening the Porcupine area we will be able to at least provide some skiing and riding as well as offer Wee Ski and other lesson programs. The board and staff will reevaluate how to operate for the rest of the season at the March board meeting as well as continue the discussion of how to keep the faith with passholders and also meet our fiscal responsibilities later this spring.

FY16 Budget: Matt Lillard introduced the revised FY16 Budget. The budget contains minimal changes from the approved FY16 Budget of Juneau 2014. The changes include reducing general fund support by \$50,000 as well as a reduction in health care costs for benefitted employees. There will be some other small changes made before the budget is brought to the Finance Committee. The budget was referred to the Eaglecrest Finance committee for review and discussion.

IX. ACTION ITEMS – N/A

X. PUBLIC PARTICIPATION (Follow up)

Gary Stambaugh: Gary commented that he agrees with the Board's stance that season pass refunds should not be given and that some creative marketing for next year's passes is a good idea. Gary also asked about the ability to open the upper mountain later in March or early April under operating option #1. Staff responded that yes, under that scenario we would be able to open the upper mountain if we receive enough snow.

XI. EXECUTIVE SESSION – N/A

XII. BOARD OF DIRECTORS' COMMENTS AND QUESTIONS

Wayne Stevens: Matt Lillard did a good job on the Action Line interview. It was a positive interview and outlined the season and what we have been doing very well.

Bruce Garrison: Staff has done a great job staying positive despite the lack of snow. The weather stations at the base and top of Ptarmigan are a good addition.

Alexis Howard: Likes the idea of adding time to the end of the season if we do get snow.

Mike Stanley: Commend staff for dealing with a bad snow year.

Jerry Nankervis: Concur with the board consensus that refunds for season passes should not be given. People in the community will understand that the ski area needs to do what it can to stay solvent. It would be a good idea for the board to reach out to the assembly to update them on how we are handling this season.

XIII. ADJOURNED at 6:44pm -- Next meeting date: March 5 @ **5:30pm**