

Manager's Report September 2018

Financial Report:

The chart below represents the Sales and Expenses incurred year to date during the years show below. We have just turned our webstore on Tuesday and are just kicking pass sales off. We had some delay as we have been working to transition the payment processor and reintegrate with our point of sale system.

	FY 11	FY 12	FY 13	FY14	FY15	FY16	FY17	FY18	FY19
Sales	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals
Ski School Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 946	\$ 279	\$ 110	
Ski Lift Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Advance Ticket	\$ -	\$ -	\$ -	\$ -	\$ 209	\$ -	\$ -		
Season Ticket	\$ 596	\$ 1,046	\$ 898	\$ 648	\$ 441	\$ 1,018	\$ 29	\$ 389	
On Line Season Pass Sales	\$ 13,831	\$ 7,079	\$ 6,123	\$ 23,157	\$ 13,403	\$ 10,696	\$ 1,981		
Bus Fees	\$ -	\$ 69	\$ -	\$ -	\$ -	\$ -	\$ -		
USER FEES	\$ 14,427	\$ 8,194	\$ 7,021	\$ 23,805	\$ 14,053	\$ 12,660	\$ 2,289		
Retail - Soft G	\$ -	\$ -	\$ -	\$ 119	\$ -	\$ -	\$ -		
Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Ski Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
SALES	\$ -	\$ -	\$ -	\$ 119	\$ -	\$ -	\$ -		
Locker Rental F	\$ 2,808	\$ 15,523	\$ 22,683	\$ 16,898	\$ 369	\$ 2,071	\$ 3,864	\$ 510	
Ski Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,008	\$ 139	\$ 55	
RENTALS	\$ 2,808	\$ 15,523	\$ 22,683	\$ 16,898	\$ 369	\$ 3,079	\$ 4,003	\$ 3,000	
Total Sales	\$ 17,235	\$ 23,717	\$ 29,704	\$ 40,822	\$ 14,422	\$ 15,739	\$ 6,292	\$ 4,064	
Expenses									
Personnel Costs									
Ski Area Administration	\$ 80,756	\$ 52,429	\$ 68,088	\$ 83,989	\$ 70,343	\$ 79,031	\$ 77,211	\$ 75,989	\$ 57,108
Ski Rental Shop	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ski Patrol Program	\$ -	\$ 15	\$ 92	\$ -	\$ (34)	\$ 137	\$ -	\$ -	\$ -
Lift Operation Program	\$ 35,637	\$ 24,844	\$ 37,458	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,097
Maintenance Program	\$ 14,923	\$ 16,831	\$ 6,861	\$ 25,269	\$ 22,915	\$ 6,478	\$ 12,060	\$ 7,783	\$ 16,276
Lodge Operations Program	\$ 125	\$ 2,015	\$ 5,810	\$ 2,877	\$ 3,322	\$ 3,411	\$ 2,799	\$ 3,331	\$ 3,660
Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing/Special Events	\$ -	\$ -	\$ 669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 273
Ski School Program	\$ -	\$ -	\$ 291	\$ 9,680	\$ 9,911	\$ (1,862)	\$ 1,490	\$ 2,229	\$ -
Total Personnel Costs	\$ 131,441	\$ 96,134	\$ 119,269	\$ 121,816	\$ 106,457	\$ 87,195	\$ 93,560	\$ 89,333	\$ 82,414
Other Expenses									
Ski Area Administration	\$ 49,836	\$ 33,553	\$ 24,956	\$ 25,024	\$ 28,271	\$ 25,877	\$ 26,231	\$ 24,389	\$ 24,750
Ski Rental Shop	\$ -	\$ 8,920	\$ -	\$ -	\$ -	\$ 30	\$ -	\$ -	\$ -
Ski Patrol Program	\$ -	\$ -	\$ -	\$ -	\$ 1,769	\$ -	\$ 35	\$ -	\$ 41
Lift Operation Program	\$ 2,880	\$ 4,343	\$ 953	\$ 1,107	\$ 450	\$ 63	\$ 424	\$ 441	\$ 284
Maintenance Program	\$ 4,751	\$ 5,467	\$ 1,065	\$ 1,990	\$ -	\$ 439	\$ 1,271	\$ 194	\$ 6,805
Lodge Operations Program	\$ 2,161	\$ 5,698	\$ 4,365	\$ 1,625	\$ 1,451	\$ 1,697	\$ 1,293	\$ 2,102	\$ 2,737
Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (66)
Marketing/Special Events	\$ 6,820	\$ 3,420	\$ 1,894	\$ 249	\$ 610	\$ 581	\$ 93	\$ 1,584	\$ 3,373
Building Maint/Utilities	\$ 344	\$ 232	\$ 151	\$ 99	\$ 52	\$ 60	\$ 60	\$ 116	\$ 2,495
Ski School Program	\$ 43	\$ 550	\$ -	\$ -	\$ 684	\$ 71	\$ 233	\$ 758	\$ 197
Equipment Replacement	\$ 16,666	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,334
Vehicle Maintenance	\$ 11,798	\$ 2,382	\$ 546	\$ 891	\$ -	\$ 148	\$ 2,535	\$ 545	\$ 4,941
Total Other Expenses	\$ 95,300	\$ 72,899	\$ 42,265	\$ 39,318	\$ 41,621	\$ 37,299	\$ 40,509	\$ 38,463	\$ 53,892
Total Costs	\$ 226,741	\$ 169,034	\$ 161,534	\$ 161,134	\$ 148,078	\$ 124,494	\$ 134,069	\$ 127,795	\$ 136,305

Project Updates

Ptarmigan Ramp: The contractors have finished up their portion of the work on the Ptarmigan Ramp. We had to make a change in our plans of transporting the lift shack that was built last year to the top of the mountain and setting it on top of the anchor bolts. Though this seemed like a time saving approach last fall in reality the top shack as it was built would have had to undergo a fair amount of refabricating to fit on the anchor bolts per the design. Also when the

shack was loaded onto the trailer for transport it ended up being extremely top heavy and we felt the risk of injury and damage to the staff and our equipment was not worth the risk of transport. That being the case we decided to build a new top shack in place to properly attach to the anchor bolts and leave the walls open for all of the controls and other electronics to be easily wired in. This construction should be complete by Thursday September 6th.

Snowmaking Expansion: We are moving forward with our snowmaking expansion and have moved to our plan B on the snowmaking pipe after the ductile iron pipe did not work out. We currently have 2400 feet of 6 inch FBE coated schedule 40 steel pipe in transit to Eaglecrest. We are expecting this pipe to be onsite around the 13th or 14th of September. I have been working with Engineering to put out an RFQ for the welding work that will be needed to install this pipe into the trail and to fabricate the intake and discharge manifold for the pump station. We expect this RFQ solicitation to close by September 10th and hope to have contracts finalized and be ready to start welding by September 20th.

The Pump Station work has been completed and is ready for pick up in Boise Idaho. I will be traveling down to deliver payment for the pump station on September 10th and will be returning on September 11th. We expect this pump station to arrive by September 21st. Our goal prior to the start of the 2018/2019 ski season is to have the pump station and the new pipe running to the top of the Hooter Chair installed. If time allows we will work on running pipe toward Black Bear with the goal of getting up to the dam to enable us to cover the portion of the road that is typically the thinnest due to the concentration of traffic returning from the East side of the mountain.

Black Bear Generator

The new Black Bear Generator is expected to arrive to Eaglecrest on September 14th. We have our annual lift inspection scheduled for September 24th. Our plan is to keep the current 125KW generator connected to Black Bear through this inspection. Once we finish we will be working on permanently setting the new generator at Black Bear and getting it wired in and performing a series of operational testing to get it ready to run for the season. This new generator will be a great improvement allowing the chair to dependably run at full capacity. Its insulated enclosure will also provide a large reduction in the noise during operations improving the customer experience.

Pub Construction

We have gotten the center peninsula of the cafeteria remove and have roughed in the wall framing and bar framing for the new pub. We will be continuing working on the finish work of the interior renovations during rainy weather over the next couple of weeks. Reid Harris, local Eaglecrest Skier and furniture maker will be doing the finish work on a large live edge hemlock slab for the bar counter top. We sourced the Hemlock Slab from our neighbor Ed at the bottom of Fish Creek Road. We are very happy to be using local products and skilled labor on this project.

Hilda Divide Cabin

Materials equipment has been arriving onsite to begin construction this week on the bridge and access road to the cabin. Final design elements are being finalized. Depending on what the weather will decide between now and the start of the season it is possible that the cabin may be able to be completed prior to the start of the season. Everyone involved in the project has been doing a great job keeping the progress moving forward amid all of the other projects they have happening.

Mountain Bike Feasibility Study

We have just issued the intent to award the Feasibility Study to Gravity Logic from Whistler British Columbia. We are now finalizing our contract negotiations and hope to have a date set for their site visit by the end of next week. We are hoping to have Gravity Logic on site some time in between October 1st and October 12th. They are planning to be in Juneau doing their site evaluation for four days. We are all looking forward to having their expertise evaluate our opportunity have lift served mountain biking as an anchor for our summer operations.

Mt Operations

The Mt Operations crew has finished up the bulk of their work on Hooter Chair. They are hoping to be finishing up with Porcupine Chair by the end of next week to ensure it is prepared to run for Discover Eaglecrest Day. They are also hoping to have Ptarmigan Chair wired back in at the same time as the work is finishing up on the Porcupine Chair to enable them to get started on the Ptarmigan line work. They have gotten the Porcupine snowmaking pipelines repair work wrapped up so we are ready to start making snow on Porcupine as soon as temperatures arrive after November 1st.

Summer Trail Crew Updates

The summer trail crew has completed some trail enhancements to the mountain bike trail by adding in a couple of wooden roller features and improved access to one of the other corners. The crew has now shifted gears into their lower mountain mowing phase using their brush cutters to prep the lower slopes for early season snowfalls. It was an extremely successful summer of brushing and trail work all across the mountain which should set us up for a great winter.

SSS RRR Update

- SSS, Rack Card, SP post card printed
- Ben H and Ben B are coming back for Repair and Rental
- Nick Lemrise will be our new SSS coordinator
- All New Instructor hiring Clinics have been set and Training materials being worked on
- Great returns of Instructor staff for 18/19
- Retail shop position hired, Hired 2 Rental shop staff
- Travelling to Wenatchee in Oct for PSIA/AASI Directors Meeting and Training
- Had Meeting with Freedom pass group up to 20 ski areas and growing
- Pass reciprocals are still growing as many areas are back in the office from summer jobs.
- Season Pass Perks Local deals are coming along
- Learn to Ski and Snowboard month deals are programs are all set for January

- UAS Campus kickoff event went well had between 70-90 people stop by
 - Testing arms were sent off, one was repaired the other was replaced.
 - Bus contract is in final stages
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- Discover Eaglecrest Sept 29th- 10am-3pm - Confirmed
 - Fatmos BBQ
 - Abby Beer and Wine
 - Field house bouncy house
 - Alaska zipline two tours
 - Discovery Southeast- Animal tracking
 - Sail/Orca
 - Eaglecrest Foundation Auction items
 - 4H Luge Club
 - Air Lift NW
 - APD
 - Juneau Ski club
 - Gear sizing
 - Mountain Safety guide table
 - Kids activities

Base Operations

Things are quickly ramping up in the front office. We have just completed a migration of our payment gateway processor as our previous processor was no longer an option to be used. This was a complex process to orchestrate between CBJ Treasury, our point of sale company Intouch, our credit card processor TRI and our payment gateway Merchant Link. Now that this process is complete and we have had successful transactions that have been tracked through to CBJ Treasury we have been able to make the webstore live and get the locker renewal letters sent out and are ready to start selling passes and programs for the coming season. We will be having our sales rep from Intouch up for a training session on back end reporting processing, and proper process for building new reports and performing some repairs to some of the functions that have not been working properly over the last couple of years.

Marketing

We have made our final selection for our new Marketing and Events Manager position and have appointed Charlie Herrington to the position. Charlie is currently the Marketing Manager for the Water Front Restaurants ownership group and will be bring a wealth of ski industry specific experience to the table. Charlie was the stand out candidate in pool of six candidates for the position Charlie is currently and active member of Travel Juneau, the Juneau Economic Development Council and the Downtown Business Association. His official Start date will be on Monday September 17th.

Events

Erin Lupro and the Manager attended the University of Southeast Alaska Campus Kickoff Event on Friday August 31st. They were able to engage with many of the new students and talk to them about our discounted pass products and various programs. They were also able to make connection with a couple of students that may be interested in employment. The next event coming up is the Discover Eaglecrest Day on September 29th.

Community Engagement

The Manager has been asked to join the Juneau Economic Development Council, Travel Juneau, Alaska Seaplanes and other area business to be part of a Juneau Delegation on an Economic Trade Mission to Whitehorse from September 16th to the 18th. We will be meeting with Whitehorse Chamber of Commerce, the Yukon Economic Development Association in a collaborative effort to work together with our Sister City to promote independent travel and economic prosperity throughout the Southeast Region.

New Business

DOT Road Plowing

Over the past many years Eaglecrest has been paying the State of Alaska Department of Transportation to move the Fish Creek Road up to a level one or level two classified status. They currently have Fish Creek Road classified as a level 4 status which is a recreational site access road which means that during snow storms they would only plow Fish Creek Road after all other roads have been completely plowed. While trying to renew our contract for the year with DOT we were told that they were reviewing all of their contracts for the coming year and they would follow up with us after their review was complete. Tom Renninger, the regional director for DOT recently met with Mike Vigue the new CBJ Director of Public Works and told Mike that they were not intending to renew our winter maintenance agreement for the coming year. Mike and I are in the process of negotiating all possible alternatives which would include Eaglecrest taking over the road maintenance or CBJ Streets and Fleets taking over the responsibility. It is our hope that we can negotiate with the State to renew for one more year to allow us to properly plan for a transition in future years. Mike Vigue has been in contact with the new CBJ city attorney to discuss the legal implications for liability should Eaglecrest or Streets and Fleets take on the winter road maintenance of a State owned road. There are many complexities that will be playing out with this issue.

Request for Beer and Wine Sales for Discover Eaglecrest Day

The Manager is requesting authority to have Louie's Douglas Inn serve Beer and Wine during the Discover Eaglecrest Day celebration. Louie's permanent Beer and Wine License is being processed with the AMCO and will not be fully issued by the event. This will be a special event permit.

Request to make the Lead Custodian Position a Fully Benefitted Position.

An Eaglecrest Limited Position is not able to work over 1580 hours per CBJ Fiscal Year. We are consistently working this Lead Custodian position right up to the threshold of allowable hours. With the addition of the cleaning and general maintenance of the Cabin and our desires for summer operations we will no longer be able to keep these hours below this threshold. It is the desire of the Manager to transition this position to a benefitted position.