

**MOUNT SAN JACINTO WINTER PARK AUTHORITY
And the
MOUNT SAN JACINTO WINTER PARK CORPORATION**

Minutes of the joint meeting of the Mount San Jacinto Winter Park Authority and the Mount San Jacinto Winter Park Corporation held January 17, 2018 at the Palm Springs Aerial Tramway, Palm Springs, CA.

Authority Members

Jerry Ogburn
Nancy Stuart
Bary Freet
Jan Oliphant
Brian Nestande
Jon Sheinberg

Staff

Nancy Nichols, General Manager
Jim Whitmore, Executive VP
Tara Meinke, VP Finance
Marjorie De La Cruz, VP HR & Risk Mgmt.
Greg Purdy, VP Marketing & Public Affairs

Absent:

None

Guests:

Kelly Elliott, MSJSP
John Fritch, Elevated Experiences
Kyle Radke, The Jones Agency
Mike Fontana, Project Manager
Lyle Pierceall, Maryanov, Madsen, Gordon & Campbell
Corey Long, Maryanov, Madsen, Gordon & Campbell
Vince Llacer, NHA
Dennis Woods, Guest
Robert Rotman, Guest
John Paul Drayer, Guest
Scott Cownovel, Guest

Legal Counsel:

Robert Hargreaves

CALL TO ORDER – OGBURN

Meeting called to order at 9:30 a.m.

ROLL CALL – PURDY

PLEDGE OF ALLEGIANCE – NESTANDE

WELCOME OF GUESTS – OGBURN

APPROVAL OF AGENDA – OGBURN

Upon Motion by Oliphant, seconded by Nestande and carried, to accept today's agenda was unanimously approved.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES – OGBURN

Upon Motion by Stuart, seconded by Freet and carried, the meeting minutes dated October 18, 2017 were approved.

ADMINISTRATIVE REPORTS

BUDGET AND FINANCE REPORT

Financial Statements – Pierceall reported that the financial statements for the fiscal year 2016/2017 were in compliance with general accounting practices.

Pierceall reviewed the statements of net assets, statement of revenues, expenses and changes in net assets, statements of cash flows, and notes to financial statements, which included concessions, for the period ending 6/30/17 along with comparisons to 2015/16.

9:50 a.m. – Pierceall and Long left meeting.

Meinke asked if the Authority had received and reviewed the financial reports and narrative for October 2017, November 2017 and December 2017, and asked if there were any questions. Hearing none she stated that year-to-date ridership through December 2017 was 8,543 more than through December 2016 year-to-date ridership. 2017 year-to-date revenues were \$416,210 more than December 2016 year-to-date.

CONCESSIONS – Fritch reported food and beverage sales for December were flat, but first week of January 2018 was \$10,000 more than January 2017. He stated the KMIR/Tram Promotional Winter Olympic Party was coming up in February and he would be taping a segment on KMIR later in the week.

MARKETING REPORT

Sales & Public Relations - Purdy stated the Sales, Marketing and Public Affairs report had been sent to the Authority and asked if there were any questions. Hearing none he stated visitor attendance for October 2017 was up 8%, November 2017 was up 5% but December 2017 was down 2.5% compared to 2016. The latter was mostly likely attributable to lack of snow. Year-to-date visitor attendance was up 3%.

Purdy reported group sales for October 2017 were up 38%, November 2017 were up 20%, but December 2017 were down 10%, primarily due to lack of holiday parties. Year-to-date groups were up 15%.

Purdy reviewed special events held at the Tram in December and a recent Korean TV taping.

Advertising – Radke reported that they are working on advertising for the Winter Olympic Party, and that Valentine’s Day and Snow ads were complete.

GENERAL MANAGER REPORT

Nichols reviewed Minute Order 2018-1 and then introduced Mike Fontana who reviewed the process of selecting a general contractor for the Mountain Station upgrade.

Upon Motion by Oliphant, seconded by Sheinberg and carried, Minute Order 2018-1 authorizing the award of the lowest and best bid to D.W. Johnston Construction, Inc. to serve as General Contractor for the Palm Springs Aerial Tramway Mountain Station improvement project and that the amount of \$7,200,000.00 be approved for the remodel of the Mountain Station, was unanimously approved.

Form 700 – De La Cruz stated Form 700’s were required again and needed to be completed and returned to her by April 1, 2018. Electronic versions have been emailed to the Authority Members. She stated the only change was the gift limit had increased by \$30.

Trail Signs & Communications – Nichols reported that Tram staff was in the process of making new trail signs indicating the direction of the Tram station. Former board member McCulloch has reached out to a Boy Scout troop to work with Superintendent Hudgens and Ranger Friedman for their installation. Nichols stated staff was researching alternative communication devices that would work within the State Park to assist or prevent lost hikers.

Projects – Whitmore stated a power surge had occurred in the Mountain Station during the 2017 Tram shutdown while two new generators were being installed. He stated faulty wiring was the cause and it resulted in damage to kitchen equipment and to one of the existing generators. Whitmore recommended the approval of Minute Order 2018-2, 2018-3 and 2018-4.

Upon Motion by Freet, seconded by Stuart and carried, Minute Order 2018-2 authorizing the retroactive approval of the expenditure of \$6,706.00 to obtain a new Double Stack Convection Oven for the Mountain Station Kitchen, Minute Order 2018-3 authorizing the retroactive approval of the expenditure of \$2,693.74 to obtain a new Char-broiler for the Mountain Station Kitchen and Minute Order 2018-4 authorizing the expenditure of \$16,150.00 to repair the Mountain Station 250 KW Generator, were unanimously approved

Whitmore discussed SCE disallowing the Tram’s use of their power pole for a parking light in Lot A requiring the Tram to relocate the light. Whitmore stated at the same time he recommended upgrading other parking lot lights to the same style/standard of the new light. Whitmore recommended the approval of Minute Order 2018-5. Nichols added that the upgrades will meet current lighting requirements for light direction and energy consumption.

Upon Motion by Oliphant, seconded by Sheinberg and carried, Minute Order 2018-5 authorizing the approval of \$18,000 for parking lot lighting replacement/upgrade, was unanimously approved.

CALIFORNIA STATE PARK REPORT

Elliott discussed changes in State Park personnel. She stated the Interpreter program is going very well, thanked Tram staff for the repairs to the Long Valley Ranger Station and reported three State Park staff members were receiving the State Park Director's Award in Sacramento the following day for their work on one of the rescues conducted last year.

ELECTION OF OFFICERS

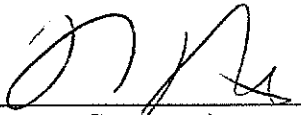
Upon Motion by Nestande, seconded by Stuart and carried, Jon Sheinberg, Chair; Nancy Stuart, Vice Chair; Brian Nestande, Secretary; and Jan Oliphant, Treasurer, were elected unanimously for the Mt. San Jacinto Winter Park Authority and to the degree where it is consistent with the Authority to provide those positions in the Corporation as well.

AUTHORITY MEMBER COMMENTS

Nestande complimented Ogburn's job as chairman. Oliphant extended her thanks to Pierceall for the financial report and expressed her satisfaction with how well attendance has been, despite no snow. Oliphant also acknowledged Tram staff and leadership. Ogburn said that he has enjoyed serving on the board for the past 12-13 years and expressed his appreciation to Nichols and all the staff.

ADJOURNMENT

Hearing no further business Chair adjourned the meeting at 10:36 a.m.



(Attest: Secretary)