

MOUNT SAN JACINTO WINTER PARK AUTHORITY

Minutes of the regular meeting of the Mount San Jacinto Winter Park Authority held February 16, 2022 via teleconference at the Palm Springs Aerial Tramway, Palm Springs, CA.

Authority Members:

Brain Conley – Via Teleconference
Bary Freet - Via Teleconference
Sandra Magana-Cuellar - Via Teleconference
Brian Nestande - Via Teleconference
Jerry Ogburn - Via Teleconference
Jeff Ohlfs - Via Teleconference
Nancy Stuart - Via Teleconference

Absent: None

Legal Counsel:

Robert Hargreaves - Via Teleconference

Staff: All Via Teleconference

Jim Whitmore, Executive VP
Tara Meinke, VP Finance
Gary Aberg, VP Technology
Marjorie De La Cruz, VP HR & Risk Mgmt.
Greg Purdy, VP Marketing & Public Affairs

Guests: All Via Teleconference

Angela Tang, PARS
Dennis Yu, PARS
Christiane Tsuda, Heimark Capital
Kyle Radke, The Jones Agency
John Fritch, Elevated Experiences
Steven Erickson, Maryanov, Madsen, Gordon
& Campbell
Mike Dippel, MSJSP

CALL TO ORDER – OGBURN

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

ROLL CALL – PURDY

ADMINISTRATIVE ACTION – OGBURN

Upon motion by Magana-Cuellar, seconded by Stuart and carried, to approve Minute Order 2022-4 authorizing the Board of Directors of the Mount San Jacinto Winter Park Authority to hereby find that the State of California continues in a Governor-declared state of emergency to combat the Covid epidemic and state and local health officials are recommending social distancing, and consequently the Authority Board and its other Brown-Act bodies will continue to employ remote teleconferencing under Government Code Section 54953(e). Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

APPROVAL OF AGENDA – FREET

Upon Motion by Ohlfs, seconded by Conley and carried, to accept today's agenda. Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

PUBLIC COMMENTS

There were no public comments submitted to the Authority Clerk by 9:00 a.m. to be read into the record.

APPROVAL OF MINUTES – OGBURN

Upon Motion by Conley, seconded by Magana-Cuellar and carried, to approve meeting minutes dated January 19, 2022. Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

ADMINISTRATIVE REPORTS

BUDGET AND FINANCE REPORT

Meinke asked if the Authority had received and reviewed the financial reports and narrative for February 2022 and asked if there were any questions. She stated despite the challenges, are still ahead of budget by 50,987 riders.

Meinke introduced Erickson from Maryanov, Madsen, Gordon & Campbell who reported on the financial statements for the fiscal year 2020/2021.

Financial Statements – Erickson 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 6/30/21 along with comparisons to fiscal year 2019/2020. He stated the Tram's Covid closure or partial-closure, and capital projects had impacted revenues and cash balances.

Discussion followed about accounting segregation of duties and that a review of accounting policies is recommended (i.e. capitalization guidelines.) Meinke would work with Nichols and Erickson to make a recommendation to the board on the aforementioned.

Upon motion by Magana-Cuellar, seconded by Nestande and carried, to receive and file financial statements for 2020/2021 subject to board members' ability to revisit should any questions arise. Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

De La Cruz introduced Dennis Yu with PARS, the Tramway's defined pension plan administrator, who gave a review of highlights of the plan and current funding. Christiane Tsuda with Heimark Capital provided a portfolio performance update.

Concessions – Fritch reported that Elevated Experiences sales in January 2022 totaled approximately \$468,000. He stated shortened hours had been helpful with staffing. Supply chain issues have improved, so products are coming in as ordered. He was on schedule for the soft reopening for dinner in March.

MARKETING REPORT

Sales & Public Relations – Purdy reviewed individual and group numbers for January 2022. He reported January ridership exceeded budget by 8.4%. The Tram was closed in January 2021, but currently approaching January 2020 ridership.

MARKETING REPORT-continued

He stated was seeing a steady growth in demand, which will increase as banquet facilities become available. A review of visitor's zip codes showed a strong rebound of foreign visitation, mostly Canadian, but also a small return of French and British visitors.

Advertising – Radke reported the advertising would increase based on the Tramway's needs. Purdy reported at recent food and beverage meeting that advertising was discussed and agreed it would be social media only and reevaluate.

GENERAL MANAGER REPORT

Whitmore stated next on the agenda was Resolution 2022-1 regarding approving the Operating Agreement between the Mount San Jacinto Winter Park Authority DBA Palm Springs Aerial Tramway and Mount San Jacinto State Park and asked if the sub committee would like to make any comments.

Stuart thanked Hargreaves and Nichols for working on and tracking the agreement and looked forward to an approval today.

Upon Motion by Ohlfs, seconded by Stuart and carried, Resolutions 2022-1 approving the Operating Agreement with Mount San Jacinto Winter Park Authority DBA Palm Springs Aerial Tramway for Mount San Jacinto State Park was approved. Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye; Motion approved.

Elevated Experiences – Fritch stated Pines Ride and Dine had started and Peaks Restaurant was fully booked almost every day.

Projects Report – Whitmore reported concrete for the mountain wastewater building was completed along with plumbing. He stated were moving tanks in place and next stage would be the erection of building. He reported the valley wastewater systems had some sludge issues and has been taken off line and corrective actions are being taken. The Regional Water Board has been notified all wastewater was being hauled away. Mountain Station remodel was entering its final phases, stair covers were being installed, additional waterproofing was being done on dock. Wayfaring signs and another display cabinet in museum was pending; swing gate in boarding room and carpeting now being installed.

Whitmore summarized the status of the Mountain Station elevator and TKE, the elevator repair company was programing new software and no repair date has been set.

CALIFORNIA STATE PARK REPORT

Dippel thanked tram staff for their assistance with a critical incident a few weeks ago when a Ranger was injured while rescuing a hiker from Skyline Trail. Parks closed Skyline at the Park boundary because of hazardous conditions. He stated he has had a lot of requests for special events and filming in the spring and will do his best in accomodate.

AUTHORITY MEMBER COMMENTS

Freet asked for any updates to the Tram app. Purdy stated app company and tram staff meet every two weeks, beacons have been delayed due to supply issues and 10 more QR codes are being developed. Conley questioned status of online gift store. Purdy stated VP of Retail was handling however believed Shopify was selected as outlet. Conley asked if the Bachelorette had produced any business for the Tram. Purdy reported had numerous inquiries however private meeting space was not yet available. Chair Ogburn stated it has been a tough two years for our staff and Elevated, asked if there was interest in a subcommittee to provide suggestions such as an honorary event or statement from the Board to show how much staff was appreciated. Stuart and Magana-Cuellar interested in being on subcommittee. Chair Ogburn asked General Manager to assist with suggestions concerning the most appropriate way to thank staff.

ADJOURNMENT

Hearing no further business, Chair adjourned the meeting at 10:38 a.m.

M. Jeff Orefe

(Attest: Secretary)