

MOUNT SAN JACINTO WINTER PARK AUTHORITY

Minutes of the Regular meeting of the Mount San Jacinto Winter Park Authority held October 21, 2020 via teleconference at the Palm Springs Aerial Tramway, Palm Springs, CA.

Authority Members:

Brian 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
Marjorie De La Cruz, VP HR & Risk Mgmt.
Greg Purdy, VP Marketing & Public Affairs
Paul Wright, Technology Manager

Guests: All Via Teleconference

Curt de Crinis, Columbia Capital
Kim Byrens, BBK Law
Christopher Townsend, Townsend Public Affairs
Richard Harmon, Townsend Public Affairs
Colin Atagi, Desert Sun

*Due to video technical issues, Authority Member Freet was unavailable for roll-call, approval of agenda and approval of minutes, but was able to join the meeting at approx. 9:40 a.m.

CALL TO ORDER – NESTANDE

Meeting called to order at 9:32 a.m.

ROLL CALL – PURDY

APPROVAL OF AGENDA

Upon Motion by Nestande, seconded by Ohlfs and carried, to accept today's agenda. Conley-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 – NESTANDE

Upon Motion by Conley, seconded by Stuart and carried, to approve meeting minutes dated August 26, 2020. Conley-Aye; Magana-Cuellar-Aye; Nestande-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

ADMINISTRATIVE REPORTS

EXECUTIVE VICE PRESIDENT REPORT

Whitmore asked Authority Member Conley to introduce Christopher Townsend and Richard Harmon of Townsend Public Affairs, who then gave a report on their advocacy services in Sacramento and Washington D.C. on behalf of the MSJWPA and the Tramway. They reviewed their priorities regarding the Tram and then asked for questions. Conley complimented them on their weekly reports. Stuart emphasized the importance of finalizing the new State Park Agreement, as well as the Legislature learning more about how the Tram operates.

BUDGET AND FINANCE REPORT

Meinke reviewed attendance for August 2020 and September 2020, as well as budget revisions. Discussion ensued about returned/laid-off employee counts and return to Purple Level operational modifications.

Meinke then reviewed projections for end of fiscal year. Meinke next introduced Curt De Crinis with Columbia Capital and Kym Byrens from BB&K to review final details of financing plan. De Crinis reviewed the proposals received and the terms of their recommended source, First Foundation Bank. Byrens reviewed the legal structure of this financing, which is similar to the Tram's 2005 financing. Meinke asked for a special meeting next week to approve financing, with final documents to be sent to Authority members tomorrow for review. October 26 at 3:00 p.m. was set for the special meeting.

Whitmore reported that after conducting preliminary research at Authority Member Freet's behest, we did not see any widespread Covid pricing occurring in the attractions industry. Freet said that he felt there still needed to be a revenue discussion. Hargreaves said rates can be adjusted at will, but could not increase more than the cost of operations. Nestande would like further research to be conducted. In response, Meinke reviewed several year-end scenarios based upon estimated ridership and pricing. Stuart would like pricing for annual passes to be reviewed along with regular ticket pricing.

MARKETING REPORT

Sales & Public Relations - Purdy reported that reopening—both procedurally and media-wise—went extraordinarily well. A special thank you was offered to Marjorie De La Cruz for being our on-camera media safety expert and doing such a great job in that role. Freet inquired about the longer-term strategy for marketing, realizing that the initial push has been within the Coachella Valley. Purdy reviewed the existing ad placements, adding that we were ready to expand our paid advertising when the supply/demand warranted it. Social media, however, was borderless, so our message has spread out of market via that channel and our local legacy media outlets (Desert Sun, KMIR and KESQ) have shared the story with their affiliates. Discussion ensued regarding the Tram ad in Palm Springs Airport baggage claim area and holiday events.

EXECUTIVE VICE PRESIDENT REPORT

Whitmore congratulated Freet on his reappointment to the board for another four years by the Board of Supervisors.

Reopening has gone well for the past two weeks. Staff feels safe and we are meeting with employees for other recommended modifications. Our concessionaire has been providing beverage and package food service for patio dining.

Stuart said that the item on the last city council agenda regarding disposition of City-owned property adjacent to Tram Way was pulled, but the discussion may resume at a future meeting. She reviewed history of these and other Tram-adjacent properties and how their development can affect Tram operations. Discussion ensued regarding specific concerns and staff was then directed to draft a letter to Council that we are an interested neighbor and would like to be kept informed with the disposition of these properties.

Project Reports - Whitmore reported that the Mountain Station kitchen is completed, with the exception of air balancing. The lower level is complete, with the exception of HVAC, which will be completed after the holidays. The restaurant level will be mostly complete by November 16, when construction will stop until after the holidays. Most areas of the Mountain Station will be open to the public from November 16 until January 11. The Valley Station Wastewater Treatment Plant is now operational and is only waiting on the pump to compress sludge. It will go online when we have a sufficient level of effluent to activate it. When some minor grading is finished and fencing installed, the facility will be complete. The Mountain Station Wastewater Treatment Plant will begin construction next year.

CALIFORNIA STATE PARK REPORT – *No report.*

AUTHORITY COMMENTS

Stuart complimented De La Cruz on her work with TV media in explaining the Tram's new safety protocols. There was also discussion about this year's tree lighter.

Hargreaves asked about ethics training scheduled for just after this meeting, but it was decided to delay until a future date due to length of today's meeting. Tentative new date is immediately following the October 26 special meeting.

ADJOURNMENT

Hearing no further business, Chair Nestande adjourned the meeting at 11:19 a.m.


(Attest: Secretary)