

MOUNT SAN JACINTO WINTER PARK AUTHORITY

Minutes of the regular meeting of the Mount San Jacinto Winter Park Authority held February 17, 2021 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
Jerry Ogburn - Via Teleconference
Jeff Ohlfs - Via Teleconference
Nancy Stuart – Via Teleconference

Staff: All Via Teleconference

Nancy Nichols, General Manager
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

Absent:

Brian Nestande

Legal Counsel:

Robert Hargreaves – Via Teleconference

Guests: All Via Teleconference

John Fritch, Elevated Experiences
Kyle Radke, The Jones Agency
Dennis Yu, PARS
Steven Erickson, Maryanov, Madsen, Gordon
& Campbell

CALL TO ORDER – FREET

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

ROLL CALL – PURDY

APPROVAL OF AGENDA – FREET

Upon Motion by Conley, seconded by Ohlfs and carried, to accept today's agenda. Conley-Aye; Freet-Aye; Magana-Cuellar-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 – FREET

Upon Motion by Stuart, seconded by Conley and carried, to approve meeting minutes dated January 13, 2021. Conley-Aye; Freet-Aye; Magana-Cuellar-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 January 2021 and asked if there were any questions.

Meinke reviewed breakdown of cash and investments through January year-to-date.

Meinke introduced Erickson from Maryanov, Madsen, Gordon & Campbell who reported on the financial statements for the fiscal year 2019/2020.

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 6/30/20 along with comparisons to 2018/2019. He stated the Covid closure and capital projects had impacted cash balances.

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.

De La Cruz gave a recap of Covid relief funding. She stated she was working in conjunction with BB&K and there did not appear to be any clear funding opportunity for the Tram at this point. She stated there were several bills pending that might be applicable to Transit for which we may qualify, so would continue to monitor.

Concessions – Fritch reported was ready to resume packaged foods and bottled beverages at the Mountain Station starting tomorrow. Visitors would take outside to consume.

MARKETING REPORT

Sales & Public Relations - Purdy reported was busy with reopening planning and training. He stated advance online sales had been strong. He then provided a brief review of Guru mobile tour (app) statistics from October 2020 until December closure.

Advertising – Ohlfs reported on results of the February Ad Committee Meeting which concluded the advertising budget would be reduced by 20% in the new fiscal year. The committee also discussed messaging and ad placements. He stated the committee decided the 'Escape' campaign would continue because no new photography would be needed. He reported a new campaign would be rolled out in the spring or summer of 2022, with creative still to be determined. In the interim, advertising will be limited to Tram needs, but would be increased if needed. He stated committee discussed options for 2021 Military Days and Public Safety Days. Stuart added that we are looking at more in-market cable for reaching vacation rentals and advertising on Spectrum News 1 with possible editorial by them. Special events were all to be determined, but we are hopeful.

GENERAL MANAGER REPORT

Nichols discussed status of separated employees stating 34 employees were laid off in August 2020 and 13 employees have been recalled.

Whitmore reviewed Minute Order 2021-2 and stated there were unanticipated expenses with the Valley Station waste water treatment facility construction due to requests by the City and SCE totaling \$72,500 and recommended its approval.

Upon motion by Conley, seconded by Ohlfs and carried, Minute Order 2021-2 authorizing an additional \$71,250.00 to the construction budget of the Valley Station waste water treatment facility. Conley-Aye; Freet-Aye; Magana-Cuellar-Aye; Ogburn-Aye; Ohlfs-Aye; Stuart-Aye. Motion approved.

Projects Report – Whitmore reported that Blair Construction was installing the ductwork for rebalancing the kitchen air supply. The Restaurant Level restrooms had some Plexiglas panels to be installed, but otherwise, that level was about complete.

Freet inquired about the new rooftop exhaust vent and Whitmore explained that it should not be visible to patrons.

Ogburn asked about estimated Mountain Station Upgrade completion date and Whitmore explained that, with supply chain delays, he's not certain the July completion would still be met. Ogburn also asked about status of construction contingency fund and Whitmore replied that it should be sufficient to cover any remaining unbudgeted expenses.

Conley requested construction status photos of the Restaurant Level which Nichols stated she would send.

Ogburn asked about ways to honor former General Manager Rob Parkins. Nichols replied that his financial leadership allowed us to proceed with the remodel, as well as to survive the Covid closure, so would definitely like to install a plaque or find some other way of honoring him. Nichols welcomed any ideas from the Board Members.

Whitmore stated the Valley Station waste water treatment facility was ready to operate however we are awaiting sufficient effluent to turn it on. He reported the Mountain Station waste water treatment facility was in the permitting stage with State Parks; we had completed our twice per year cable inspection with no problems found and the inspection reported that the engine room sounds better now than during any prior inspections. Maintenance was getting ready for the track rope slip, which occurs every 12 years (track is moved so a different cable section rests on towers); the Mountain and Valley Stations were being prepared for reopening with same sanitation and safety practices as were in place for our October reopening and restaurant would sell prepackaged food and beverage for outdoor consumption.

CALIFORNIA STATE PARK REPORT

Nichols stated Kelly Elliott from State Parks had contacted her that no staff was available to attend this meeting but had emailed her report. Nichols read the report: Mark Hudgens was retiring at the end of March, was working on his replacement; Brady Her and Elliott would remain our points of contact. There were no immediate plans to replace interpreter Allison Barnes, but would reevaluate in July but would try to keep some seasonal interpreters on staff to assist with volunteer management and programming. The review of the Mountain Station waste water treatment facility was underway and their service center was working directly with Geosyntec on the plans submitted. Finally, she wishes the Tram great luck with our opening.

Freet asked about the status of the state park agreement. Nichols explained that revisions were made to include our enabling act wording in the agreement and that it was sent back to them, now twice. Ohlfs suggested that we invite the new state park director to visit the Tram.

AUTHORITY MEMBER COMMENTS

Ohlfs complimented Tram staff for results with annual financial audit. Stuart reiterated Ohlfs compliments. Also, she asked if it was time to consider changing accounting firms for several stated reasons. Nichols said staff would bring back as an agenda item. Ogburn suggested a request for proposals for accounting services next year. He also complimented staff on financial management during the pandemic.

ADJOURNMENT

Hearing no further business, Chair adjourned the meeting at 10:45 a.m.


(Attest: Secretary)