Treadwell Arena Task Force
Thursday, October 2, 2014 - Noon
Downtown Library Large Conference Room
Minutes

I. Call to Order Thursday, October 2, 2014 at 12:02pm

II. Roll Call

Members Present: Chair Loren Jones, Patty Collins, Matt Boline, Pam Leary, Bruce Garrison, Kim Kiefer, Josh Anderson, alternate Sigrid Dahlberg

Absent: None

Others Present: Mayor Merrill Sanford, Diane Cathcart, Brent Fischer, Matt Lillard, Lauren Anderson, and member of the public: Travis Goddard

III. Approval of Minutes – September 5, 2014, hearing no objections, minutes approved.

IV. Eaglecrest Presentation

Eaglecrest Ski Area Manager, Matt Lillard, gave a presentation on the history of Eaglecrest and how it has evolved over the last 38 years. When Eaglecrest first opened for the 1975 season it was a division of the Parks and Recreation Department. In 1980 a Master Plan was done and discussion was held of moving Eaglecrest to an Empowered Board model. In 1981 it went on the Municipal Ballot and the citizens of Juneau voted in favor of an Empowered Board.

During the early 2000’s there were some “bad” snow years and the ski area offered full refunds which created a negative fund balance and Eaglecrest received $800,000 in additional funds from CBJ to help offset the costs from those bad seasons. In 2005 the board pared down to 7 members, the Human Resources component moved under the CBJ Human Resources Department while keeping a separate pay scale structure. By 2007 the board was able to begin paying back CBJ. In 2008, the Black Bear Chairlift was added and in 2010 the Porcupine Chairlift was added. This created easier access to areas within ski area boundaries; and help enable Eaglecrest to expand its school program with the Juneau School District.

By the late 2000’s, Eaglecrest was back to a strong management structure, allowing for the ski area manager to oversee the day to day operations while the board could focus on bigger picture issues. There has been several good snow seasons lately which has allowed Eaglecrest to reach a 60-70% cost recovery and paid off the $800,000 CBJ loan in FY14.

After the presentation, the Task Force members had questions for Lillard touching on everything from growth factors to programs, pay scales, Human Resources, main user groups, ski programs, lodge rentals, caretaker onsite, Dimond Park Field House, volunteers, and full cost allocations.
To summarize:
The Ski School Program has been the biggest growth in revenue for the ski area and creates lifelong skiers – once you learn, you’re hooked! For the 2014-15 ski season, children 6 and under can ride the lift for free when accompanied by an adult. Eaglecrest tries to keep it as affordable as possible while making sure to treat instructors well; and market lessons for all ages and abilities with several different types of ski packages available. The vast majority of revenue comes from downhill skiing with roughly $28,000 out of $1.9 million coming from Nordic skiing. Summer months brings a small amount of revenue through lodge rentals (weddings), and the Zipline Tour Company renting an area of Eaglecrest for their tours. Eaglecrest is a popular summer hiking area for locals, especially once the “road” was punched to the top, which makes for easier hiking for all ages. There is a caretaker onsite year-round. The caretaker receives room/board in exchange for being a presence in case of emergency, or during times the lodge is rented.

By keeping the pay structure separate from CBJ’s pay structure, it allows for easier/faster hiring practices, such as having the flexibility to hire someone within a day or two. While most of positions at Eaglecrest are non-benefitted positions, and are in the lower salary range, there is the perk of a seasons pass and potential end of season bonus. As with most ski areas, there is roughly a 60% employee turnover rate from season to season. It’s not hard to get employees, but it’s hard to keep them, which is pretty much the industry standard. There are 9 fulltime, benefitted positions at Eaglecrest.

The Dimond Park Field House is overseen by Eaglecrest. The DPFH Manager reports to the Eaglecrest Manager, while the DPFH attendants report to the DPFH Manager. Eaglecrest and the DPFH User Group Board have a lease agreement that gets revisited every 2 years. There were some growing pains with the field house but it was able to breakeven in 2013. CBJ owns the land the field house is on and CBJ leases it for a $1 to the Board. The Board owns the facility. If the field house doesn’t breakeven, the Eaglecrest Board would revisit the agreement and look at breaking free of the DPFH; which could then potentially shift the DPFH to Parks and Recreation to manage if there was mutual interest.

At one point, Eaglecrest had a large volunteer base. That has now shifted due to Risk Management issues. Eaglecrest ski patrol is paid staff but they work closely with the Juneau Ski Patrol (JSP) which is its own entity. The Juneau Ski Patrol has a strong network of volunteers. If the JSP suddenly went away, Eaglecrest could still cover the mountain with patrollers however; the volunteer ski patrollers make it easier to cover all areas of the mountain on a busy weekend.

There will be some follow up at a later meeting in regards to the full cost allocation piece that Eaglecrest gets billed for from CBJ as an enterprise board, and whether Treadwell Arena would have to factor in full cost allocation if they become a standalone facility.
V. Parks and Recreation Presentation

Parks and Recreation Director, Brent Fischer, gave an overview of the creation of the Treadwell Ice Arena. In the 2000 Municipal election voters agreed to help fund the creation of the arena through temporary 1% sales tax. Through various grants, “friends of” groups and the 1% sales tax, the facility came to fruition.

User groups are the core users of the facility, with the 3 main ones being: Juneau Adult Hockey Association, Juneau Douglas Ice Association, and the Juneau Skating Club. 2004 brought the addition of more locker rooms, a ref room, and mezzanine through an additional Capital Improvement Project (CIP). Prior to Fischer becoming Director, Building Maintenance costs were not factored into budgets, Fischer changed that because he wanted facility budgets to reflect the true costs of running a facility. The arena sees roughly a 51% cost recovery. The majority of expenses is in staffing at 65%, 12% in Building Maintenance costs, with the other 23% in overall facility costs (fuel, propane, zam maintenance, etc.).

The task force had questions for Fischer regarding number of staff and their duties, cost recovery, rentals, moving to a 10 month facility with roughly 8 months of ice, cost savings of being closed, summer camps, insurance, and volunteers.

In summary:
There are 14 positions overall: Rink Manager, 6 part-time limited Rec Activity Leaders (RAL’s), 1 seasonal full-time benefited Lead Recreation Maintenance Worker (RMW), 1 seasonal full-time benefited RMW, 2 seasonal part-time non-benefitted RMW’s, 2 custodians (part-time union positions). The 2 months that the arena will be closed (June/July) all employees will be put on seasonal leave. The arena will see a saving of roughly $50,000 by closing for 2 months. The popular summer camps will no longer take place; they brought in approximately $8,000 in revenue.

Discussion was had to review whether there was a need for 2 or more employees to be in the rink during slower times or private early morning/late evening rentals. Look at the possibility of “self-guarding” where the user group is responsible for safety and care of the facility during certain private rentals or user group time. Also looking at the option of volunteers and where could they be used; which brought it back to a Risk Management issue and there would be things volunteers wouldn’t be able to do; such as drive the ice resurfacer which takes a special skill set, without a functioning ice resurfacer and working compressors to keep the ice cold (overseen by Building Maintenance) – the facility becomes nonfunctioning. There was discussion on the ability to have a position do cross-over tasks (RAL’s cleaning and mopping lobby).
VI. Setting the Public Hearing Dates: tentative dates – November 6, 13, 17 or 25
Chair Jones asked everyone to think about the dates for the 3 public hearings. The 17th will not work so that date was removed as a possibility. Staff will work on securing locations and advertising the meetings.

VII. For the Good of the Order
The next meeting will be an open agenda to allow for discussion on the materials handed out to the task force so far. Jones requested members send any questions to Di to help build future agendas and how they can move forward and get the task force ready for the public hearings and the questions that will arise from those meetings.

VIII. Adjournment at 1:45pm