



Assembly Finance Committee Meeting

April 5, 2025



Introduction

- ▶ Craig Cimmons
- ▶ Started working in the Ski/Recreation Industry in 1991
 - ▶ Approximately 25 Seasons at Ski Resorts -
 - ▶ approximately 15 years in outdoor recreation
- ▶ 4 Leadership Positions focused on managing through transitional periods. 3 of which I was specifically recruited
 - ▶ Mountain Creek Water Park → Ellis Associates
 - ▶ Green Mountain College → new leadership and direction
 - ▶ Mountain Creek Ski Resort → Terrain Based Learning (TBL)
 - ▶ Jay Peak Ski Resort → TBL, Disney & Burton Riglet Park, and complete overhaul of the Ski & Ride School for the new volume



Introduction

- ▶ My Skill Set
 - ▶ Specialize in Change Management and Transitional Leadership
 - ▶ Team and Community Building
 - ▶ Experience Design
 - ▶ Process Design
 - ▶ Recruiting and Retention
- ▶ I create memorable employee and guest experiences through clear, efficient processes, led by strong leadership teams, supported by well-trained staff, and sustained within a welcoming, growth-oriented work environment that prioritizes employee support and retention.
- ▶ Private Sector



Seven Month Assessment

▶ Initial Impressions

▶ From the interview

▶ The People

- ▶ Truly wonderful people
- ▶ Something traumatic had happened to them
- ▶ They needed support

▶ The Place

- ▶ Juneau is incredible
- ▶ Eaglecrest is extremely special

▶ The Leadership Team

- ▶ Wonderful people that know the industry and believe in Eaglecrest, but due to being underfunded, understaffed, and unsupported they were completely overextended and experiencing the worst leadership fatigue I have ever seen

▶ Broken Bearing on the Black Bear Chair

▶ Snow Making



Winter 24/25 Recap

- ▶ Winter 24/25 Snowfall Total: 217" 86 Days of operations
- ▶ Average Snowfall Total: 320" (429" last year)
- ▶ 39 Days of snowmaking (20 is average)
- ▶ Opened Porcupine Lift on 12/7
- ▶ Upper mountain opened 1/31 – 45 days of operation
- ▶ West Bowl open for 26 Days
- ▶ East Bowl Open for 36 Days
- ▶ 62 Avalanche Reduction missions
- ▶ Operated mid-week this past week which was very appreciated

Behind the Scenes

- ▶ Two chairlift rope slices
- ▶ Replace Hooter Bullwheel Bearing
- ▶ Relocated 100% of all chairs
- ▶ NDT Testing on Ptarmigan Tower Bolts
- ▶ Scheduled Annual Maintenance Program
- ▶ Addressed Hazardous Waste
- ▶ Clean up shop and leach field
- ▶ 3,263 Alaska Coach Tour Visitors
- ▶ 1,529 Segway Tour Visitors
- ▶ \$51k Zipline Visitor Revenue
- ▶ Summer camps – 60 kids over four weeks
- ▶ Fleet upgrades: two trucks and a car
- ▶ Underground storage tank inspections
- ▶ Compressed airline maintenance
- ▶ City risk and engineering assessment of facilities.
- ▶ Superior Tramway assessments
- ▶ baseline assessment of Lifts
- ▶ Ego culvert work
- ▶ New hydrants and hoses
- ▶ Catwalk bridge behind shop repair
- ▶ J1 program setup – including housing agreement at UAS
- ▶ Cleaning up PCN's and HR system
- ▶ Full management team on board
- ▶ Standardized training for lift ops with testing on file
- ▶ Standardized snowmaking and snowmachine training
- ▶ Tower climbing and lift evacuation training along with cross training of departments
- ▶ Blowing snow in November and opened on time
- ▶ Winter camps operated as scheduled
- ▶ Three night skiing events
- ▶ Patrol upgraded equipment and training
- ▶ Promoted two new senior patrol members
- ▶ Addressed kitchen compliance issue
- ▶ Social media increase
- ▶ Implemented drone inspection of Ptarmigan lift
- ▶ Fall and winter events 3 movie nights.
- ▶ Christmas Eve 100 kids w/ presents



Expert Reports & Insight

- ▶ Kirk Duncan and his report
 - ▶ My independent assessment aligns very well with his report
- ▶ Scott Towsley of Towsley Welding & Construction
 - ▶ "...is very much a homemade system built on a limited budget... While the ingenuity, effort and desire to make this system work is obvious and admirable there are some immediate safety upgrades we recommend as well as some operational upgrades to maximize long term efficiency. Some of these safety and operational suggestions go hand in hand.
 - ▶ Outdated equipment, no documented training, old fan guns, unsafe practices to make up for the lack of infrastructure,



Expert Reports & Insight

- ▶ Tom Scully of Safehold Special Risk – Lift, Operations, and Insurance Inspector
 - ▶ A long history of him adding requests/requirements to his annual reports and them not getting done do to lack of resources
 - ▶ Communication Lines for example (2018)
 - ▶ When visiting in the summer he found an understaffed, overworked, and exhausted team
 - ▶ He again visited this past March and commented on a noticeable difference in operations, training, staffing, and the team's moral
 - ▶ He was extremely pleased to meet our new Lift Operations Supervisor
 - ▶ Overall, he was very impressed with the operations and the work that had been done since his last visit



Expert Reports & Insight

- ▶ Daniel Blount – CBJ Safety Officer (July 31, 2024)
 - ▶ Spent 2 days at Eaglecrest and produced a 210 page report “based on AKOSH/OSHA regulations and standards”
 - ▶ “Several items discovered on previous inspections remain an opportunity”
 - ▶ “...it is clear two things are present affecting the Safety culture of the Eaglecrest Ski Area: a general lack of OSHA based knowledge and training but also knowing the basics of certain OSHA regulations but choosing not to adhere.”
 - ▶ “Training is in serious need of attention and must be added to any ski facility trainings required by your industry. Developing the Safety Culture at Eaglecrest will begin to take shape as we progress over the coming months and into next Summer.”



Adjustments made

- ▶ New hydrants and hoses
- ▶ Clean up shop and leach field – cleaner is safer
- ▶ Addressed Hazardous Waste
- ▶ Standardized training for lift ops with testing on file
- ▶ Standardized snowmaking and snowmachine training
- ▶ Tower climbing and lift evacuation training along with cross training of departments
- ▶ Patrol upgraded equipment and training
- ▶ Scaled back operations relative to staffing and training



The Cost of Staff Turnover

- ▶ No Vehicle/Snowcat Mechanic
 - ▶ \$30,000 for a week of work
- ▶ Small (mostly green) Lift Mechanic Team and years of deferred maintenance to catch up on
 - ▶ \$165,000 for three weeks
- ▶ Snowmaking
- ▶ Grooming
- ▶ Food & Beverage



The Future I see

- ▶ Eaglecrest is incredibly unique in the ski industry
 - ▶ Small mountain feel with big mountain terrain
- ▶ The community of skiers and riders are friendly, passionate, appreciative, and devoted
- ▶ It is an extremely important part of life for many folks in Juneau, it is why a lot of people live here
- ▶ Has a beautiful mission statement
- ▶ We need to start thinking about Eaglecrest as more than a Ski Area
 - ▶ 50th Anniversary, Gondola, year-round employment, sustainable careers



Leaky Revenue

- ▶ Eaglecrest leaves a tremendous amount of revenue on the table because of inefficiencies, lack of staff, high staff turnover, and an incomplete organizational chart
- ▶ We need more levers to pull
 - ▶ **Ticket checkers**
 - ▶ **Number of Instructors**
 - ▶ Viewed as a winter operation
 - ▶ Weatherproof the attraction
 - ▶ Local business partnerships
 - ▶ Higher scale outdoor experiences
 - ▶ Event Series
 - ▶ Concert Series
 - ▶ Competition Series
 - ▶ Summer Camps
 - ▶ Mtn Bike Program & School
 - ▶ Guided Nature Experiences
 - ▶ Community Programming
 - ▶ Lodging partnerships
 - ▶ More dynamic price structures
 - ▶ A more diverse product list
 - ▶ Increase retail
 - ▶ Food & Beverage growth
 - ▶ Stronger Nordic partnership



Leaky Revenue

- ▶ Long Term Marketing Strategy
- ▶ Sales Team
 - ▶ The Eaglecrest story needs to be told
 - ▶ Locally and beyond



The Need

- ▶ Personnel Services
 - ▶ We currently have over 50 vacant positions
 - ▶ Currently we have 33 FTEs
 - ▶ We conducted and exercise with Finance to create staffing levels that maximize revenue, efficiencies, growth, and upkeep
 - ▶ Need about 20 more FTEs
 - ▶ And up to 100% more in Personal Services
 - ▶ Wage Study showed we are 14% behind industry standard and 40% when COL is considered
 - ▶ People do not understand the complexities of operating a ski are – flip the switches

FY26 Eaglecrest Budget Request

	FY2025		FY2026		Inc/(Dec)	Status Quo	Non-Status
	FTE +/-	Budget	FTE +/-	Budget		Inc/(Dec)	Quo Inc/(Dec)
EXPENSES							
Personnel Services							
<u>Position Additions/Changes</u>							
Revenue Coordinator (0.39 FTE → 1.0 FTE)			0.61	59,500			
Youth Community Outreach Coordinator (Unfunded in Prior Years)			1.00	75,600			
Administrative Coordinator (New)			1.00	90,600			
Equipment Mechanic/Manager (New)			1.00	101,500			
Laborer (0.28 FTE → 1.0 FTE)			0.72	57,900			
Laborer (0.28 FTE → 1.0 FTE)			0.72	57,900			
Ski Patrol Supervisor (0.40 FTE → 1.0 FTE)			0.60	54,100			
Summer Trail Worker (New)			0.39	15,200			
Summer Trail Worker (New)			0.39	15,200			
<i>Position Additions/Changes Total</i>			6.43	527,500	527,500	-	527,500
<i>Personnel Services Base Budget (Status Quo)</i>	33.99	2,282,100	33.99	2,342,000	59,900	59,900	
<i>40% Board-Approved Personnel Services Increase</i>		n/a		1,147,800	1,147,800	-	1,147,800
<i>Worker's Compensation</i>		100,800		62,700	(38,100)	(38,100)	
Personnel Services Total	33.99	2,382,900	40.42	4,080,000	1,697,100	21,800	1,675,300



The Need

▶ Project List

- ▶ \$1,579,000 by the end of FY29
 - ▶ FY25 \$272,500
 - ▶ FY26 \$433,000
 - ▶ FY27 \$165,000
 - ▶ FY28 –FY30 \$175,000
 - ▶ Unassigned \$534,000
- ▶ We are asking for an additional \$226,000 for additional projects
- ▶ This does not include all the building maintenance or replacement or improvements to snowmaking

FY26 Eaglecrest Budget Request

	FY2025		FY2026		Inc/(Dec)	Status Quo	Non-Status
	FTE +/-	Budget	FTE +/-	Budget		Inc/(Dec)	Quo Inc/(Dec)
Commodities & Services							
<i><u>Fixed Costs</u></i>							
Insurances		161,200		158,900	(2,300)		
Full Cost Allocation		444,600		523,100	78,500		
<i>Fixed Costs Total</i>		605,800		682,000	76,200	76,200	-
<i><u>Fleet Replacement</u></i>							
Status Quo Planned Purchases		100,000		100,000	-		
Snowcat Replacement		-		225,000	225,000	-	225,000
Snowplow Purchase		-		10,000	10,000	-	10,000
<i>Fleet Replacement Total</i>		100,000		335,000	235,000	-	235,000
<i>General Supplies</i>		455,800		552,200	96,400	11,395	85,005
<i>Professional</i>		348,800		434,500	85,700	8,720	76,980
<i>Other Expenses</i>		416,800		476,200	59,400	10,420	48,980
Commodities & Services Total		1,927,200		2,479,900	552,700	106,735	445,965
TOTAL EXPENSES		4,310,100		6,559,900	2,249,800	128,535	2,121,265



Capitol Improvement Projects (CIP)

- ▶ 14 Projects
 - ▶ \$350,000 is from CIP resolution for deferred mountain maintenance
 - ▶ \$226,000 for addition capital and maintenance project requests



Revenue

FY26 Eaglecrest Budget Request

	FY2025		FY2026		Inc/(Dec)	Status Quo	Non-Status
	FTE +/-	Budget	FTE +/-	Budget		Inc/(Dec)	Quo Inc/(Dec)
REVENUES							
Program Revenue		2,752,000		2,756,700	4,700	4,700	-
Eaglecrest Foundation Distribution		100,000		100,000	-	-	-
General Fund Subsidy (Status Quo)		930,000		930,000	-	-	-
General Fund Subsidy (One-Time)		518,800		-	(518,800)	(518,800)	-
TOTAL REVENUES		4,300,800		3,786,700	(514,100)	(514,100)	-
Surplus/(Deficit)		(9,300)		(2,773,200)	(2,763,900)	(642,635)	(2,121,265)



The Path Forward

- ▶ I have been here before
 - ▶ Action Park, Jay Peak – people didn't believe it was possible, they were entrenched in their surroundings
 - ▶ Ski areas are often mistakenly run on passion. The person in charge—whether it's the owner, GM, or shareholders—may be deeply passionate about the place, and they expect everyone else to match that passion. But when operations are driven primarily by emotion, the desire to stay open and running can overshadow the need to operate safely and responsibly. In these cases, that passion becomes someone else's problem—and a potential risk.”
 - ▶ The antique car analogy



Conclusion

- ▶ The staff can not be asked to keep operating like this.
- ▶ Passion last three winters
 - ▶ We're competing with all of Juneau, the industry, and CBJ departments
- ▶ Eaglecrest right now is being operated on hope
 - ▶ There are only two places that hope can come from,
 - ▶ The people in charge
 - ▶ Financial support
 - ▶ eventually hope has to be replaced with Purpose and Fulfillment, or people will, and should, move on
- ▶ However, this is very possible and Eaglecrest has everything it needs to be an enterprise department – except the financial support.



Questions