



Eaglecrest Ski Area

TO: CBJ Assembly PWF Committee and Committee of the Whole, Katie Koester, City Manager

FROM: Dave Scanlan, Eaglecrest General Manager, Alan Steffert CBJ Engineering Project Manager

Date: 12.13.23

Subject: Eaglecrest Gondola Update & Alternative Procurement Memo

It has now been four months since we have finalized our partnership agreement with Goldbelt and put our engineering team back to work finalizing critical design components of our Gondola project. The primary focus of this phase of the design has been to perform all of our load calculations and finalize the work on the midway loading station, that will be new to this lift system. Since conception of the project we always knew that the most critical component of the Gondola System was the midway loading and unloading station and were aware that we would need to source additional towers, sheave wheel assemblies, door opening mechanisms and a new haul rope to achieve this aspect of the installation

Our sales company Steelhead Systems assured us that they would be able to supply any of the critical components that we needed to complete the installation as designed. We are now ready to move forward with the purchase of eight additional towers, nine sheave wheels sets, eight door opener assemblies, 12 sets of grips and hangers for a 56mm haul rope and 2700 meters of 56mm haul rope for \$1.86M as noted in the Alternative Procurement Ordinance. After accounting for our Engineering expenses and other work to be performed we have \$6.5M to go toward erecting the Gondola.

The other main accomplishment is finalization of the conceptual design, location and elevation of the Summit House building that will enclose the top terminal machinery and provide our visitor space at the top of the mountain. The building is being designed to be constructed in various phases depending on how far our construction capital dollars travel.

Juneau is a very unique community that is full of extremely passionate Eaglecrest Users with a diverse professional skill set. Utilizing Alternative procurement will allow a team of very experienced contractors to come together and work with project Engineers and Eaglecrest Staff to find the most efficient way to utilize Eaglecrest specialized equipment and knowledge to find the most effective and efficient way to execute all phases of construction. We are confident that our \$6.5M in construction capital can complete our primary needs for the project acknowledging that we will need to properly scale our wants. This may include a phased construction of the Summit House.



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As part of the Eaglecrest FY25 and FY26 budgeting process we will be detailing our staffing needs related to our future growth into Summer Operations. With the help of this Alternative Procurement Contracting strategy, we are confident that we can stay on our target of having the Gondola ready to open for the public during the winter season of 2025 and 2026 to ensure the lift is ready to welcome our summer visitors in May of 2026. This will also coincide with the start of our new summer revenue stream. We will have a need for start up operating capital to allow us to make the proper investments into building a new strong core team of year around staff that will ensure that we will run a smooth and successful summer program.

Thankfully we have numerous dedicated Eaglecrest staff that are interested in growing with us and becoming part of our year around work force. By investing now in our staff we will be able to properly support our construction contractors using our specialized Eaglecrest Equipment and will be able to build a lot of our ancillary recreational trails and assets during this construction phase. As we move from the construction phase into the operational phase this team will be a cohesive unit that will understand all of the facets of the operations.

We'll be working with staff in the finance department to bring forward to you the new Eaglecrest operating model that will show our ability to become self-sufficient in future years.

As we launch into updating our Eaglecrest Master Plan, we will be engaging with the community and all city staff to ensure that we are maximizing the potential of Eaglecrest lands and resources to help our community wide housing problem and attract the next generation of middle age service workers to take up residency in Juneau.

Respectfully,
Dave Scanlan
General Manager
Eaglecrest Ski Area

