

As we stated at the beginning with the bidding of the demolition we were able to change that from an estimated number to a solid number. As we work into our final design of course with the interior and those spaces, we'll have solid costs from our bidding of the structural steel in the front, the enclosure package, the kitchen structure and the roof structure so it would be able to change our estimates to solid numbers and adjust the budget accordingly. As we look through the budget we presented in some, what the total budget is and the line for estimated contractor overhead and profit and then we're carrying right now a 1 million dollar contingency. We add in our architectural, our soft cost and other administrative cost and that brings us right now to a total budget estimate of just a little over 17,192,000 dollars. That is \$86,000 under what we currently have in the bank the balance. And we are still continuing to value engineer items out because the current budget has expressed at the last meeting does not carry furniture, fixtures and equipment, tables and chairs, we still have to be able to afford those and find that money in the budget as well as AV equipment and kitchen equipment.

You're saying it's in the budget?

It's not, well equipment and furnishings that are permanent-ner in there, these are the more movable things, the items that do write off and need to be identified as we go through this process so the board understands what those costs are, they're still being developed. Kitchen equipment may be around \$400,000, tables and chairs, I'm not sure, depending on how many we want to buy and the AV equipment may be a couple \$100,000 at this point. And there are a certain amount of furniture, fixtures and the FF&E that can be leased, that's a strategy we continue to explore, I'll go through this, if the phone equipment can be leased which with some cases better leased just through the technology change sand upgrades. But as you'll go through the budget on line 17, you'll see a negative number there for value engineering, we have already engaged in that as the design matures, as the architect takes his liberties for design for finishings to double check that through as we go through the basic items that are required by the program manual for the burgen documents, us as owners made some concessions on that too and we'll continue to work through that very closely.

Since the funding was awarded to us fr the project we had done improvements to the 32 de-humidification systems, around the scope of the project.

And that's we spent?

I think we spent about just a little over \$2 million.

Which we received?

Which has been, yeah, we've been reimbursed and paid out.

Good.

Any questions on the budget?

Good.

No, it's already been spent and it's coming, so it's never truffed in that anymore?

It should be ?

I second.

Yeah, 2 million dollars is thing.

It's not represented in that budget, it's been what's been spent and already out of budget, because we were originally about 20 million, right now we're showing an available funding of just over 17...

Right so this does not include the money that's been spent?

Who spent it, I took it out of the budget and it's not available any more and it's not

This is improvement of

We're only going with what we had available after that?

Okay, after the money was spent, what is the original amount of that we received from the state?

After a certain amount because of the.... It wasn't so what was given minus what went to the is the net that we started with...

That's our new budget figures..

But what was that net figure?

After it was 7... 17 and you said we were 86 hundred of that 192?

86...

So it was 17 million, 200 and...

That's what we had available.

80..

Of course we have spent money in improvements so far too. We spent money on the asbestos abatement and we spent money on new water heats for the 80 we spent money..

But that's really not 17...

Within the umbrella, 20 million.

17 may end 20.

Yeah.

In accordance.

And see that's a

Yeah.

But and really not spend the

Reusable. But they were part of the asbestos abatement, the survey, the geotechnical, some of those things have already been spent for the use.

But the total grant was 20 or 24?

20.

Okay.

So if all of this happens, you have a million dollar contingency in here.

Yes sir.

And if all of this happens, we're not going to be looking for more money in the future to complete the project?

If we stay on budget, that's we're in good shape, we're going to continue to try to hold that million dollar contingency and help address that FF&E items and say do the renovations that we want to do in the 32, at least, masonry restoration, the front, and getting the windows opened back up and the activity room roughed out. The budget will continue to mature as we go through it, we'll continue to get better design and the estimators will get better costs and we'll work through the process and continue to bring the costs down.

But what I heard you say Bob is you want to hold that million aside, then we'll have to find further say into the course of design and the course of the work here in order to provide tables, and those things you described before.

Yeah, we'll have to come to a decision after the budget matures, the estimates come in and the approach we're taking is by December we'll have a very good idea on some of the major you know structural costs, and steels, 40% cheaper than last year at this time, starting to sneak up a little so it's a great time for instance to bid the steel package. The estimators are ball park in that, what this estimate currently reflects, steel prices stay what they are now, we may shave an extra \$50,000 off this as he looks at the final drawings.

Right, based on what we're looking at today, that million dollars is either going to be used for furnishings, orwhatever else.

That's right.

So we need to hold that million dollars for over and

And the problem when the budget does not include furnishings and fixtures.

Not at this point. When we started the process the kitchen equipment was identified, we did not have that in the budget through the earlier estimates you know prior to this meeting so that is...

I just want to make it clear that money is not in there, we hope through the course of this project that the numbers improve but we have no guarantee of that.

To try and find a way to somehow squeeze in another half a million dollars out of this so that you have chairs and tables and kitchen equipment to open

Everyday we're trying.

That's what I heard him say is that they're going to be doing continually through this process.

And one of the plays was to bid the steel now instead of waiting till later to do it, so we bid the steel now, we get it we have a savings for that going towards our..

And then we also know what the actual cost is, and once we get an actual cost to an item and also reflects back on the contingency, so the contingency is directly proportional to the overall project budget so as items come in bid and we're under contract with them then the contingency kind of starts fading out, and on the exchange orders call.

It is my observation is that we're fairly close to the wire.

Yes sir.

And, when do we project that this will be complete?

January 11th?

You know and in the order of priorities if we have this incomplete and we still need a million dollars of furnitures and fixtures, that's a million dollars that we can't invest and going right face with a lot of revenue generators, that a problem. And I would fighter harder to bring it down, to that point, but I'd rather see that snow making type of some of the other things that need to be done to continually improve the infrastructure door.

This is a just... we have a bill for that?

I'm sorry.

Are you suggesting we open bill without purchase ?

I don't know, thought about it at that time... and closing the wall.

Through McKelly here, and that means, if you haven't done that this will be a huge pretty

That's a good point, and my question.

Yes.

Is a part of this time Bob is Jim McKenna and I don't know what that... are they out pre-selling this facility for a future thing?

I just got a letter

Okay.

I just opened it.

Is that what's important...

From Jim McKenna, wanted to endorse everything that's going on, he's endorsed the design, the marketing process for the center is beginning on Thursday June 25th, our staff, the level, the area of the hotel where the staff will be attending, meeting planners, conferencers, spring so they're promoting this place now and there's a strong enforcement I'll just pass this around and we'll meet it.

And presumably, we're going to get some revenue on this, right, if they saw the American Legion convention, or the Fireman's convention or whatever, we're going to get some revenue from using this facility. Right, then you'll back to work.

Right.

Okay.

Dan who's the

Is being taken out for the renovation to probably go back in?

No, it's a whole different world. It's a big change. There are, in addition to our efforts as we continue to have better designed documents to look at a closer better estimates, push comes to shove, there's some things that we can do to change the cost in the short term. With spaces within the building that we may not finish, that's not in our radar right now, we're challenging the team to continue to bring the cost down.

Ted, you've brought up an interesting point that I think should be explored by the ORDA team now and that is who's going to pay for the use of this building? Traditionally, traditionally the convention center has given away and the profits made on the rooms, you're defying traditional with the construction of this convention center and if you are going to try to make money off of the convention center to pay for it or at least to pay for the improvements to it you should work out the painting schedule with the community, for example the Fortremney has 180 rooms and have a convention center. We don't charge for our convention facilities, the convention facilities that we have were built to rent the rooms and but there are formulas, for example Saratoga , Albany and so forth, but they give the convention center away, so there is something that you're going to have to explore.

Well, I think the reason that point you give I'm sure where you're down on this. But the fact of the matter is, is that we are going to give it away then we're going to be losing money because we got to pay for the air conditioning and you know the whole thing.

Yes, well, it was a good point to bring up....

Okay.

I'm reinforcing your point.

I think they put me here today.

Two days.

These are all...

Let's get it on the table.

These are all dicey questions that that need to be considered because..

Always charge building rental, we have worked with the hotel, sometimes we will get a cost back from rooms sold but even with the existing facilities that we've had, whether it's the Lucy rink rental or the 32 or conference and convention with CSCA or any other sort of, we're start building rentals, Denny may you want to elaborate.

Well we have been working with in the past two months and we are doing somewhat

And as you mentioned centers, they're not giving away but they get money to the hotels and and

My only suggestion is that whatever arrangement we work out, that if we brought to this board then we get a chance to review it if you will because the factor of the matter is down the road we're going to be confronted with budgetary issues.

Exactly.

And we got to know what site an encore.

Yes.

I'd like to see.

Absolutely.

A.. maybe a five year business plan created where we say, this is what we can expect to take in and this is what it's going to cost to operate this building. I'd hate to be 3 years into it and find

out gee, we run a deficit of a million dollars a year because we own this building and where we get that million dollars a year, it isn't there, it just isn't there, we all know it isn't there, and we need to somehow plan for that going into this, not find out two years after we've owned it, that we're between a rock and a hard place.

I had assumed that type of business plan had been developed...

No, it's not. I've got a

Room

I got...

And Jim will say no.

And then the finish would be here right.

This is, here to help once with this discussion, because the day Denny we charge Peewee, hockey or the fireman to use the convention center there's going to be hell to pay, for a meeting, we have never in the past, when we had the old convention center, we had, rooms were all bigger to be used when they were in advance. Is that fair Denny?

Yes.

So this is...

That's local.

Yes, it's local.

Could I... not to cut off, we should have plenty of discussion about this but we should probably have a full meeting just about the operating of this convention center.

Yeah. That's a good point.

We should know.

Have the financials and...

I agree with you but we should have it sooner rather than later, because this projects sort of being cast in concrete, and if we find out we're going to have a real problem two years down the road then maybe something has to change in here, or another funding source has to be identified, in today's world, I don't see that happening. Do you guys have any answers?

Not at the moment.

You know, we could pan ourselves into a real massive to go through that .

That's right.

The one thought I had, I mean I could understand where a convention center is in Albany, in Syracuse, in Rochester, they compete all the other Albany, Syracuse and Rochester might have to give that away. It would seem to be that this one is such a unique location maybe is a position in charge for the use.

Denny?

Haven't given it away, we charged.

Well I'd like to see an operating budget on that.

Let's, I think there is a consent to say we ought to have a discussion on volume and sure and going, we've got to get a .

And right now the smile.

I just want to see an operating budget, you know...

So, we will do that either next meeting or a special meeting, whatever is the Board's preference, we will do that.

Back to my question..

Please.

I mentioned the value engineering, that number of negative, you know one million six hundred fifty, is that savings you've already found out of the numbers above that you think we can get, or is that hoping we can...

No, that is money, that is ... elements we've directly cut out of the... is a design developed, we've already made those changes.

So is that reflected in the numbers above, or it's not reflected in the numbers above, because you're subtracting it here?

The estimating team had developing a specific spreadsheet identified as value engineering and the speed removed to have a budget prepared for you today, they've entered that in that line and we've accepted those and they'll be worked back into the budget to show those change so that number of negative won't continue to carry through the process, the other numbers will be amended to follow that.

Oh okay so the numbers up above, all will be strong for a little bit, oh okay I just....

So it will add up to the same total.

Oh okay and then on there be a soft been hearing, that number on the contrast list those numbers in the contrast list don't add up to here, is there, are you working on an hourly rate with all the term contracts?

The term contracts...

Estimating how much

The term contracts have submitted us proposals not to exceed amount.

Okay.

So they get paid for each and every hour they work until a certain point.

Okay and that's not in this work but that would be in the next list we get?

The lists that you're referring to, that was developed by the architect in my office as we were in the preliminary stages.

Okay.

Now we have an engaged Breadloaf, design build firm to do our estimating, help with constructability and help with value engineering and they've brought a lot to the table with that, the new estimates will all be reflected from Breadloaf.

Okay, so there's a set amount then?

They're not to exceed. We are on the opportunity if they finish with less effort that we don't pay them any more, if they hit their ceiling level, we don't, they're out of luck and they got to keep finishing the so it's better than a lump sum because if they come in under we

Other questions?

I'd just like to take the opportunity to just touch on the discussions of operations and operational cost. This design does not certainly make the building as the last design it's a very conservative design and with that the existing shell of the structure, the energy improvements to this are huge and we are in the process of developing the energy modeling but from the projections of the mechanical engineers, at this point with the efficiency of this building, to heat and condition it will probably not be much more if any more than the last energy wise, we are switching from electric to propane in some cases, so with the dollar value that will be I'm not sure yet but as soon as those numbers start to develop and we can kind of maybe reflect back on what we paid in the past, then they lend a little better insight.

All of that should be worked into the business plan.

Better than that, but more than that, you had ice sheet in the last building.

That's correct. Now...

So the operation should be... should be able to pretend we never used the center, god forbid. The operation at that center you know from an energy point of view will be less before you start.

Now they'll have digital control systems.

Whatever they got. You got better insulated and no ice sheets so you're saving a buckle of money right there.

Absolutely.

Well those things that are really nice but I would like to see it quantified.

In a business.

Well when you say... a big saving, I don't know what a big saving means.

But if you say compared to the estimates that they originally proposed for the original center they're going to be drastically now, so those all have to be factored into this business plan or operational plan.

And it's...

Just a caution more than anything else.

More relevant in comparisons.

There's something.

We didn't do anything to that building as it stands now as opposed to the 3 square footage and the energy improvements.

Yes.

We're heading in a very unique direction with how we're targeting the energy efficiency of this building.

The other thing Joe not to prolong this discussion but when we invite Jim McKenna here, I would suggest that we ask him to bring him the competitive information, what do other centers do, how do they charge, how they pay for the convention centers so we can put together a total plan here and award making a decision as to how we want to go.

Sounds good.

Okay.

Absolutely.

Next business meeting?

Yeah.

That would be great.

If there are go back to the next meeting..

Be great. Okay, the next item I had was a permitting, we currently have a permit from the Adirondack Park Agency for the conference center expansion under the last design. This design is significant reduction in size, we don't believe and hope there will be no reductions in use. I've met with agency staff and at this point they are considering amending the existing application at a staff level and we will prepare a new submission for them, either this week or next.

Great.

New York State Office of General Service is responsible for issuing the building permit. Since the design is moving at a phased level we want to make sure that certain code issues are developed before we start and sell structural steel that's going to outline the area of the and we've been working with them very closely as the process goes through and we're very comfortable in the direction we're headed. So the last item I have is the exterior, after the last board presentation I went to the town board presentation and spoke with the town board and supervisor and they had put together a group of advisory personnel which included Chuck Damp who's on the two board, Jim Morganson, the local building code officer, Jim Kenna, Bureau, Terry Horocks who's been involved from the beginning on the community level, Bill Hurly and Chip Bessol from the joint review board and since that time we've engaged these folks at three different times in meeting on the development of the exterior, so it's been a group effort and the community has been involved. All counted so far will be favorable. With that...

I'd like to present our exterior design.

Starting from this side of the building, as we mentioned before we had to put our service truck access on the front of the building, we've tried to push up back in as much as possible and conceal it. WE have two sera towers, this is a sera tower for the conference center, this is a smaller sera tower for the 32, and we've worked at a lot of stone, renderings, it will be considered to be developed here under quality and this is representing a stone finish, local stone, and more tanner surface is either going to be a copper or zinc panel, low maintenance, we have overhangs, the overhangs are going to help shield the building from the elements as any good overhang does, and going to help snowfall accumulation at the entrances, going to help with shading of the sunlight, reduce the loads on the HVAC system. The window systems we went away from the traditional architectural curtain walls that are primarily made of aluminum and conduct the cold very well through it to high end type of residential windows that can give us the U value that are unattainable in a traditional curtain wall system. And we represent the smaller balcony for the pre functionary down below, you can see the larger balcony up above, also is overhangs. Surrendering is start to develop a, as you come up the street, fits next to the existing building and see why we're so anxious to do some work on the 32, this rendering actually starts representing the changes of the 32 that would help today. More rendering we have is a you're coming down from the other side, showing more views of the existing and on the finished surface to wrap around. So far as I mentioned, the response from staff and from the community involvement folks have been very positive. So we're very excited about it and with that, any other questions?

Hearing no audible gasps.

Does the flat reinforce work with, how do you deal with that with the snow?

Much better than they do with . Much better.

They

Details.

The flat roof of details could you show me what ?

No.

The flat top.

So well insulated that it doesn't even...?

Really it's that big... yeah.

Seriously.

As you can imagine, if you were starting to increase any of the roofs to beyond the flat roof and that's why in commercial buildings, imagine a school and one of the big school buildings going to peak through of how high that peak would be and how much that would be exposed. As a matter of fact, this roof here has a to it and the architect has wonderfully introduced some elements to tie it in to the other two facilities with the curved roof there, curvature in the windows, the curve in this archway and actually with the brackets on the overhang ties it into the . So, we're very happy with those elements and ...

Building. The ends are bev but the old building had a flat roof too.

Yes it did. 1980 rink has a flat .

Yes.

Okay. So far so good. Thank you very much. Thank you.

Thank you Bob.

Thanks Bob.

And I think Mike, you are on next to give us an update on the activities at .

Okay, thank you, since your last meeting we've been working on getting the inter-connection project started, we have started some trial work, we started in most sensitive down by the bottom of Burnt Ridge where we have a lot of drainage and some stream crossing so we're trying to set ourselves up to be most successful and working our way through some of these difficult areas first and getting ready for the major construction season here, we enter into July shortly. We're working very hard in the Baset lodge, we have been since the day after we

closed, and right now it's borderline disaster area, and we've made it look real ugly, we're going to start putting it back together here in the next couple weeks and utilizing the first part of the board resolution from October of the 1.4 million, we're finishing up upgrades to our heating system, our ventilation system, roofing system as well as public facilities in receiving space and the retail shop area, and we're also actively planning investment of the money that comes with the extension of the Centerplate contract and what we're targeting right now is a small elevator to service the bar, with a kitchen from downstairs and by removing the kitchen up in the bar, that's a 1963 vintage, we'll gain extra seats and also adding a steel deck from the bar to access that much easier and removal of wooden deck that's against code that's original also. And at the ski ball we're investing our national grid grant into the lodge down there right now, we've done the denomination, we're starting to do the expansion and modernization that goes along with that. So we're very busy, meet with sterling Goodspeed on site just about every week and we've even had to go remotely to get better vistas of the big picture and there's a lot of excitement in North Creek right now and Ted had explained our past sales we just had a price increase on ahead of where we were July deadline last year so it's all very positive, we're working hard, we're trying to invest capital that we have very wisely and trying to make smart decisions.

Can you use the kitchen equipment from the Lock Tanery Lons for the conference center.

They are welcome to every piece of it, the 1963 vintage...

Puts it one year ahead of the other stuff we took out.

I bought my house.

Okay and I have worked hard and we've got our sales team right aside for the rest of you.

Alright.

Okay, do you want to give us a quick update on just what's going on and what's going to be going on there in the summertime? I want to give Mike the floor by himself here.

And we'd like to hear the calendars too.

Yeah, we've obviously, we don't have a lot of capital to work with right now, but the subject that came up earlier is I think the one that we would like to attack this year. The summer and if there's anyway possible to get that pipe up there, I think we should do it, we've got a whole complex really over there, and I think it would add a tremendous amount to what we already have. The Wilmington trail was great, and I think see you know Joe you were up there and many people really enjoyed it, the comments were great, and this other trail which comes off that list would be fabulous and right now, Bob mentioned earlier, the price of steel is it's a time to buy right now. The longer we wait for that pipe I think the more it's going to go up and there's also possibilities that pipe will disappear, so we're on a tight schedule, as far as we're carrying an amendment also that we're going to need for a work road to be able to get that pipe up there, it was kind of the thing that came up when we were building the complex last year, we found that definitely to get equipment up there and instill this pipe we're going to need this road

so, we're under a tight timeframe for that, so hopefully we'll get that all taken care of. Other things that we're doing, one of them is a golf, I think it's going to be fun for everybody, the staff was just kind of brainstorming on something that we could reasonably do and get in there, so we're going to put a little, this golf course in there so I hope everybody comes out and tries it. It will start probably around July 11th, we get the baskets there, and the staff is installing them. We're going to put little tees in and things like that, so I think the comments have been positive and so it's something that we'll have right in the base area, and if it really does take off then we've got all the room out there in the world so we could easily make it a 18 hole course, right now it's going to be a 9 hole course.

But, Negative...

It depends how the throwing arm is I guess. As Mike said, alluded to, with Centerplate, we also went around, toured with some of their engineers and I think that we'll probably focus on Mid Station Lodge, that would be one of the locations because that is so heavily attended sometimes and we have events up there and it's very tight and I think we do have potential to try and make a better service area up there so it will be a lot better, service to the customer and more efficient, and we also looked, we would get some ideas for the base lodge, we're just basically waiting for the engineers' report, Centerplate's engineers to give us what their recommendations are, and other than that, we've got, as Ted mentioned earlier in his report, we get Mountain bike going, we've got the highway, the gondolier is open, so we're back in full service for the summer and it's already July 1st, so it goes quick. But, I hope Mike, you get everything set up for the ticket sales out there, fast sales. Any questions?

Thanks

Thank you. And again I just can't express how important I think that Hoy Ty Trail is to get that done. It will add an awful lot to the venue.

Put our heads together.

Thank you.

Thanks Jeff. I think that concludes the meeting, I need a motion to adjourn and then we'll open it up for comments. All in favor?

Aye.

Opposed?

Any comments from anyone in the audience? Please. How are you today?

I just wanted to express, I don't want any on this thing that on the board because it's not. But I am somewhat troubled and saddened that with all the stimulus money that is out there, that we have projects that is going to create jobs, it's going to generate revenue for this agency which is in turn going to hopefully lessen the tax burden and also bring in people as far as sales tax revenue for the state, The Look Out Mountain project at Whiteface, I mean it's really astounding that a project such as this wouldn't have been priorities as far as the stimulus,

because everybody wins with that, the same with the convention center and I really think it's the same with that Zip . And it's more of a little bit of a frustration that I feel and I know Jay has just expressed his feelings, that Lookout Mountain Project is an amazing project and I think everybody down the line is going to benefit from this but again along with the convention center and possibly that Zip and it truly amazes me that these projects somebody, somewhere all the line wouldn't realize that these should have been priority projects and if any of the people on this board have any contacts, I would certainly ask, on behalf of all of us that you would float that idea with people.

Well, we have submitted to all our representatives in Washington through the governor's office, we had re-contact again with Empire State Development corporation again last week, we re-submitted to them again our list that had the highway project on it and it had the projects at Whiteface and Gore, and they had the conference center in it, and as Betsy was just saying, they have categories they're working with right now but I want this board to be assured that we have, we've gone as far, as we know how to go, as far as bringing these projects to the forefront and

Has there been any indication that anything is going to be successful with the stimulus?

No indication, one way or the other. Only that we received word from Empire State Development Corporation that to reprioritize and which we did and we resubmitted the list about a month and a half ago, because that the items on the list were being carried forward but nothing has been approved.

I don't think that either the projects and there's energy, there's wastewater, there's infrastructure.

The greatest misunderstanding..

Yeah.

It's not as if, there's a hunk of money there and people have to decide what we're going to spend on. The first step is to find a funding stream that allows you to fund a project through a . That's the greatest source of misunderstanding, there are dozens of funding streams, but they're very specific on what they can fund.

Well I somewhat understand that but it would seem to me that if everybody took a look at the big picture, I don't think roads or bridges are unimportant but when you're putting people into something that's going to fill the state coffers again I would think somewhere along the line that that would have greater priority, but it doesn't really seem that that's the cases, and I guess I'm just venting my frustration.

Randy, I think we're, we're all frustrated because we all see a pot of money there, that's in these projects seem to fit perfectly under the rubric of stimulus, jobs, that long term benefits, as Chris said, the money comes through federal channels to federal programs that have very specific requirements and we're trying to make them fit as best we can and I'm not sure that the final word is in on any of this and we're still hopeful but you know.

Your wastewater... energy projects, you know, from what I've seen because I'm with you on that, if you can think of so many projects we'd love to see in the North Country, but there's not just a pot of money for capital...

Which they named it something else.

Capital you know projects..

Okay, well thank you, I just wanted to discuss that.

Thanks Randy. Anyone else? I think then that concludes our meeting.

Thank you.

Don't forget about .