

Are we ready to go?

Yes.

Good morning, everyone. Let's see. Who do we have in the crowd here? Randy, Randy Preston, welcome, from the Town of Wilmington. Is Roby here? Roby, hiding behind the camera, good morning. Welcome.

Good, thanks. And I'm not sure if there's anyone from the press. But if you are here, welcome. Great. We'll get a start with roll call, Mary.

Good morning, Chairman.

Good morning.

Chairman ?

Present.

Serge Lussi?

Present.

Chris Walsh?

Present.

Betsy Lowe?

Present.

Bob Flacke?

Here.

Glenn Berman?

Present.

Ed Weibrecht?

Present.

And Cliff Donaldson?

Present.

Pat Barrett and Jerry Strack are excused.

Thank you. A couple of pages back, and maybe it's right on the cover, depending on which version you're operating from. But we have the agenda for today. If anybody has any additional agenda items we can add them now. Otherwise, we'll go through the agenda as planned. But if you want to add anything, even during the meeting, that's fine. First order of business is the revised minutes from the 9/16/2008 meeting. They were provided in your packet. And I think Betsy had talked about this, the revisions, so that they accurately reflected the meeting. They're in your package. And if anybody has any questions, we'd be happy to entertain them. This is really old...

I move we second.

Okay, do we have a second?

Second.

All in favor?

Aye.

Opposed? Thank you. Ted, we have a revised audit from resolution. But there's no approval required for that. We also discussed this I think at the last meeting. It is in your packet. What was the revision? Remind me, Ted.

There was some language changed, that was changed at the meeting from the original resolution. And that language was incorporated and it was talked about. And that was a motion in the second that was approved. So we added that language to this resolution. So it's been passed, approved and passed, now just updated with the language.

Okay.

That was that and staff that .

That's what it was, yeah, okay. And next up is the approval of the minutes from the January 8th meeting. I presume everybody has read the .

Joe, did you skip the November 18th meeting minutes?

You're right, I did. No, we did the revised minutes for 9/16.

Okay, just wanted to be sure that was still on the agenda.

I don't have my reading glasses. I'm going to...

Gary, want to borrow his?

His -- a little fuzzy down there. The minutes from...

they're still old, my glasses.

The January 18th meeting, we have the minutes from. Which are in your packet. Do I have a motion?

Move it.

Seconded by Betsy. All in favor?

Aye.

That was January 8th.

That's the next one.

Oh, okay.

That's the next one. I jumped over November, November 18th. Opposed? Okay. So moved. Now, we're up to the approval of the minutes of the special meeting which was to discuss the conference center. And that was on January 8th. And the minutes are included in your packet. Questions or a motion?

Move to accept.

Second.

Okay, all in favor?

Aye.

Opposed? Thank you. And we're going to go right now to Ted's report on a whole variety of things that are listed in the agenda.

Okay. Thank you, welcome all. First of all, if you look at the packets, I just want to point out a couple things on the right-hand jacket folder. And that's, we have some athletes that are competing on the world stage that are wearing the Lake Placid and the ORDA icon. And so if you look at the – there's Andrew Weibrecht at the top, and I believe that's at Kitspule.

That looks almost like Ed.

No relation.

he is.

Billy DeMon from Vermontville, who's been marching right through the world events and ORDA combined, just doing great. Tim Burke. And as you see, his are on the straps, at Lake Placid. And Jeff, where else are they?

On top of the gun stop.

On top of the gun stop.

Shoots it says "Lake Placid".

Yeah, it's when the camera's on it. The lower one's Johnnie Napier, who has a, his mom has a house on the Bob Run Road, I believe it's called. We have several other athletes we just couldn't get the pictures for. But it's nice to see our name around the world. Lowell Bailey's one of them. Oh, yeah, I'm going to get to that in a minute. And Hallie Johnson as well. Okay. Jeff Burns is at the table with us as well, our Senior Vice President. And so I may be looking to staff from time to time just to get some assistance with some of the items. But as you can see outside, things are very busy, and I think we're all, I want to say right up front, I think with what we're facing in the world today, we're very blessed to have the activity here and the events, and the people coming up and choosing to visit our area. So that leads me into how we really are doing this year. We've had some very significant landmarks. We had the opening of another mountain down at Gore – Burnt Ridge. The high-speed quad was installed several trails. One of them, Echo, is just a fabulous, fabulous intermediate trail lining its way down through the Adirondacks. Another one that – Natural – now in Sagamore, really a lot of fun. Have done a great job with that, and I think Gore is really on the move. And I'll get to that a little bit later. They also did significant work in the base lives that was completed. And as Mr. Weibrecht has brought up meeting after meeting about the bathrooms, the bathrooms are into the 21st century, and they're looking sharp. And I hope our guests are enjoying their experience there.

I know I have.

The test of the bathrooms, they're excellent, and I suggest that you try them out next time you go there.

I've already gone, and Bob, they work.

I tell you that it was certainly on Betty Little's mind because I went up there with Betty Little and she wanted to know if she could go in the men's room. And I said, I don't think at the moment there's too many people in there. But anyway, she thought very well about the bathrooms. Apparently, that was a burr on the Senator's saddle.

And Ed Weibrecht's, I might add.

But they had double the space. That whole downstairs was just packed with people. And all upstairs was packed with people. Apparently moving things around worked out very well for them.

Yeah, it seems to be the right ticket. Up north a little bit at White Face another mountain was developed, Lookout Mountain. I'm sure you've heard about it, but since it's in between our last meeting, we have to talk about that. And we had a grand opening there, and a couple of trails with snowmaking on it right now. Wilmington Trail is scenic, long, interesting trail that winds its way on an absolutely different part of the mountain. It's totally removed. And then Lookout below. And that's a significant challenge, that trail is. It's beautiful, and it stands right out. I think they've done a great job with that as well. And the other improvements at White Face, I think it's just, it shows that our staff really knows what they're doing, they really care. And I'm proud that they're New York State facilities, and how they look, and how our guests are interfacing with those two flagship ski areas.

Ted, you're getting big. You go to a day at White Face now and over a holiday when it's very, very busy. And it gets busy when you get in the parking lot. When you hit the mountain, it's so spread out, it's almost like Vale.

It's better. It's better. It's bigger. Higher.

You probably saw this article on Valentine's Day in [The Wall Street Journal](#) about Lake Placid and its Olympic heritage. That was a nice article about that.

Yeah.

At the town

Plus, all those guys who read The Wall Street Journal who used to ski at Vale and all those places out West now are skiing in the east 'cause they can't fly anymore.

As you may recall from our other meetings, we've had our challenges with – as we all know, we're trying to adjust in the State and accommodate for – you know, the Governor's asked all of us to tighten our belts. And we did that starting off this season with a delay in snowmaking. A little bit helps financially to save a little electricity and some other things. But I think all told, if you'll look at the, when you get to the December financials – and Jim will speak to those – we've really made a dent in that loss in the appropriation by making up for reductions in non-personal service and personal services. I'm happy to say that our, even as I opened the meeting and said we're very lucky, you know, we are. I think our visitations are – we're just a little bit past midway, and we're so close to flat that it's up from last year, which was a banner year, that I think it indicates how strong our brand is. And our revenue, at the same time while visitations are just slightly down or near flat, our revenue is up about 6.5 percent for the winter. Which it speaks to, A, a brand; B, the improvements that were made and the publicity that comes from that that drives people to our doors. I will say that – and we may have seen this in the past – but Gore's up significantly in skier visits this year. And it's probably a combination of the improvements, proximity to Metro areas, and people may be deciding that they want to drive instead of fly. I think we have to wait to the end of the year to really measure all of that. But really great job with the improvements down there in their visits. After we came through the strong December holidays, we entered the January period. And January is always – you never know what it's going to bring. And we got through it. I think the financials aren't done because we're still lagging on some of our expenses. And as you know, it takes till like third to fourth week to clean up from the previous month. So they're not available for this meeting, but in just looking at preliminary, I think we're going to be pretty happy with what happened in January given all the challenges that we had.

But are you up in January?

The revenue will be up. Expenses are going to be controlled. We'll see some increases – payroll added costs; we'll see some increases in insurance seems like every year. So that's always a challenge. January's the month that -- we budget annually for payroll-added costs, but that's the month that the retirement check gets cut, and that is in the amount of like \$900,000.

Yeah.

Yeah, so that's, and that always gets lumped into January. I can't go beyond that.

The revenue's , yeah?

Yeah, they're strong, very strong.

I think what's really significant is, in today's economy, I'm very surprised that \$4,141,000 ahead of last year in the two ski areas for, through what, Wednesday of this week?

Wednesday.

And...

And compare to two years ago...

Yeah, the expenses are not radically down, so we're not swimming in excess cash, but we're also not trying to try to find someplace to make up a shortfall because of the cut in appropriations. So it's – they're doing a good job in both places, and apparently making people happy enough to come back and tell their friends to come. Which is really what we need to do.

You know, some of the things that we have done that I think are going to prove, by the March 31st they're going to prove very good for us, is that, you know, we, we have looked at our facilities and, hey, can we say let's cut back on snowmaking for a little while and reduce that and shut it down? We did that. And then when we had the change of weather, we were able to bring in the reserves back and cook the slopes again at both ski areas so that within a day or so, with the grooming, our great grooming fleet and our staff, we were able to get the ski centers from that transitional from the rain and then it got cooler again, so that the experience was good. So we'll continue to employ those type of cost-saving measures as we move forward and, you know, use our heads, be smart about what we do. 'Cause that's what we have to do. We're you going to say something, Ed? Okay. We've got, moving forward, after this holiday period, we've got a couple of different issues. Mike, you can chime in a little bit. The Canadian holidays are going to start. And so then it's the strong influx into White Face. And it's a little bit – it's good at Gore, but not quite as strong as White Face. So we have a different, kind of different way we'll have to operate with the two facilities.

We're going to do well with that aerial; we're hoping to do better with that.

Yeah. So Canada still, it proves to be a strong market. The holidays come right up on us and, which is good; it just keeps things going. And you'll hear this, there are other activities going on as well to draw people. We're also beginning preliminary work on our photo operations at the Olympic Center. We've partnered with Kodak, as you've heard at the last, pervious meeting, and are starting working with the different groups that come into this facility to optimize our operations and to control more. So we're very excited

about that prospect as well. As far as events and activities go, we've been busy. We've had a lot going on. We've found ways to control our events and some, while putting out a great product we've looked at how we can manage some in a way to control expenses. But we've had, as you can see – and there's a, in your packets there's an event summary. And you'll notice our continual ability to garner television and/or new media sources to our events. And if you look at an event, you can't look at it solely from revenue/expense bottom line; you have to also look at what is the marketing potential, what came out of it, what were we projecting, what kind of stories did we get. And I'll go back to our packet again. And there's this kind of thing in Sports Illustrated where you have a full foldout in the last issue. And as you look at it, there's Erin coming down. I mean, it was the shot heard round the world in this corps; it stopped the Germans dead from their streak of trying to get a hundred victories. And it says "Lake Placid" right across their bib. What a great brand to have because of that event. It moves on to another page with Grimmette and Martin, Lake Placid right across there, their bib. So there's a lot of benefits, ancillary added benefits from doing these events and continuing with our Olympic mission of not only training athletes, which is in our by-law – not our by-laws, but in our mandate – but also international competition. The Bodine event was great; that was a televised event as well. And you see, you saw the matching of NASCAR drivers and the National Guard athletes and U.S. Bobsled and Skeleton Federation helping out. So that always starts off January, besides the ski jumping event that was before that. We had unbelievable attendance for Disney on Ice, which was last, the last week. Great show. People in town... What's interesting to see is you can have so many different multiple uses of the area. You have people skiing at the, doing the bobsled/luge thing. We had skating, cross country skiing. There were people out with the dog on the lakes, dogsled. And Disney at the same time. It's just all combined to make a really, really exciting period. The...

Speaking of that Disney on Ice, for the tourist who didn't know Disney on Ice was here, if he had to drive down Main Street at the time Disney was either getting there or getting out, you'd think you were in Manhattan. I mean, the traffic was the worst I've ever seen, which is a plus. But trying to drive through Lake Placid, it was four times as bad as any summer day. But it really made Lake Placid, what's going on in this community in the wintertime? Middle of the winter, you had all these thousands of cars and people. It was great. I don't know if we made money on Disney On Ice, but if we did...

We did.

We did? – that's even better. The traffic alone was great.

I brought my family up for both the ski jumping and the luge. Was it last week, two weeks ago? And I had a great time both times. I thought that celebration they had down at Lake after the luge event was fantastic. It was, when I first looked at the setup I thought, looks a little hokey. But it worked so well to have the athletes come down on their sleds in front of that stage. Just, it was fun.

Good. As you mentioned, the World Cup Freestyle was another important event, televised on NBC. Once again, I believe it was an hour and a half show. It was on NBC. Speaking of these world events and to go off on what was Chris was saying, it was about maybe, oh, end of December, a community person, Joe Lamb, asked if I'd go meet with him, sit with him and talk over lunch. And he said, you know what, you guys do such a great job bringing in all these events; we need to get the community involved with helping you and making them special for the people that are coming here, not only the athletes, but all the other fans and the spectators, and to try to grow these events. And so what's been born is this new committee. It's a community committee. And they charged themselves with assisting ORDA and working outside of the fence, outside of the competition area to create that experience at night with the awards, with music, with fireworks, and just a nice celebration. They call it World Fest, I believe is the name. And they brought together a lot of volunteers. So it's a different opportunity for people. Instead of just working on the event, they can help, they can work on that as well. We went to go the community and got funding. And it's really, as far as the luge community was concerned when they left, they thought it was an excellent, excellent display of community involvement. And now we've got this next event coming up. And they want to get involved with another event that we were able to garner which is Skate America. And other large events like this that are going to help just put that finishing touch on it. Which, I want to thank everybody in the community out there for joining with us in welcoming the world.

I think we ought to send Joe Lamb, these interested parties involved with him, a letter of appreciation and commendation for what they did. It really puts that festive extra into the whole program.

Good. We'll do that.

That's a good idea.

Okay. Now speaking of these world events, it's also great to see, and we helped with a program through our sports development in bringing thousands of children from the north country and as far away as – Jeff, maybe you can help me here –

Close to Utica.

Close to Utica. School buses, kids came up. This summer we had a lottery, and we had all the interested schools. And Mrs. Paterson helped and our then Congresswoman helped pick, match the school with the member nations that were participating. And those schools then adopted those nations, and they spent in their classes and studies, they learned about the other nations and they found out about the athletes. And then when they came, they had different kind of national symbols that they were at the event with.

And so it added a nice connection between something for the whole region, for all the kids in the region, the school-aged kids, and it made the athletes feel welcome from around the world. And it added nice color and activity around the venues. So hats off to our programming people in sports development and other departments for seeing that through all the way to the end.

That was a great idea.

It worked.

Yeah.

And they're out there today is it, Jeff, again, and next week?

Yes. Next Thursday and Friday.

Okay. As you could see around, with the colors of New York State, we have the State Games in town. It's a wonderful celebration for all the athletes in New York State. And it's a great tradition that started right after the Olympics and continues today. And I think New York State, we stand out so far in front of all the other states in what we're providing our athletes with these venues and this type of friendly competition. So as it continues in the future, we'll do all that we can to help promote that. But coming up we have Division III Hockey. We have NOR-AM finals and Alpine down at White Face. We have lots of hockey tournaments coming in. And I might be remiss if I didn't say a little promotion on an event that we had help with from – Gore Mountain went down to New York City; they made a bunch of snow in East River Park. We had our marketing crews from Gore and White Face. We joined up with ski areas in New York and along the interstate corridor. It's our way of including the other ski areas. There are other private areas; we have a great relationship with the other private areas. And they went down to a big event on Saturday, just last Saturday, and it was during the World Championships in Luge. We had 37,500 people there. Gore's tubes were there. We had a big ramp set up. There was all sorts of activity. We had our guys go down. Center Plate helped with their skis from the cross country area, and snowshoes, and our staff went down and set up a whole cross country area with snow that was made down there. Mike got some help from, was it Prime Energy?

Prime Energy and Mohawk.

Prime Energy and Mohawk. It's a company that distributes piston bully caps for snowcats. Found a snowcat way up in Maine and brought it down, and we groomed everything out, worked until late in the night to get that all ready. It's a fabulous event. We had a lot of media there, play in newspapers. So for the little bit of energy that we put into it, we got a big bang for the buck. And so, Mike, thanks to all you guys for going

down there and everybody else that participated with that, and the staff, Jay, from White Face that went down and helped, and our Olympic Center staff that went and helped.

Ted, I would just disagree with one comment you made, about the little energy.

Oh.

I think it was an extraordinary effort by the entire staff of ORDA that was involved. It was a lot, I know it was a lot of energy. They drove down in the middle of the night to get the equipment down there and set up. And it was a big deal.

It was a huge deal.

Yeah.

What, what – you can't buy that kind of advertising and promotion. That's fantastic.

or goodwill, you can't get that kind...

Yeah, it's just terrific.

Yeah, and I think that we have to continue to – we have to remember that we know we're a State agency, a State Authority. And we have to work along side by side with the other private resorts. And we'll continue. Both Mike and I are on the Ski Areas of New York Board of Directors. And they've asked that I serve as their Representative on National Ski Areas Association Board of Directors. We have to continue to make sure that we have the hand out and we work with these other resorts. It's so important for this relationship that we include every time that we can. We have Media Night in New York City. We invited the same ski areas there. So they had the same opportunity to talk to the media people and talk about their facilities and everything that they have going. Because you know what? New York is a great ski state. And New York Metropolitan Area, that's where we're going to have to go after to stop those people from going up and going over to New England, because we need them here in New York. Not just at White Face and Gore and Lake Placid, but every ski area in New York can benefit from it.

Yeah, but I think you guys were smart also. Would have been nice to have a great big Lake Placid White Face banner there. But by the same token, you really couldn't, because you, the cooperation of all the New York State areas was important. So you did a good job on that and still we got the PR.

Oh, boy, we put our banners up.

But they're hard to see. But still you did a good job cooperating with the other areas. That's the important thing.

Before I move on to some other things, you can see over on, behind you, these placards, and they're all over the place. This is the time of year we want everybody to start thinking about the tax check-off and the license plate. We have our athletes that we're trying to support. The way this money's come in for this goes directly into our facilities to help us with infrastructure improvements, to help support the United States Olympic Training Center that is over on Old Military Road. So if you haven't seen those, take a look at them. It's a very great program. We need to promote it, anybody you talk to... Joe Provancho's actually gone around to the Committee with all the town clerks, I believe about three weeks ago. Ken, are you here?

Yes. It was about three weeks ago.

Three weeks ago. And he took down one of these to show them, to see if we can get into the DMV's. And also, it's right there; then people sign up for their license, license plates and things like that. Hopefully we can boost the sales a little. So we need this program to be successful. It's been going on for quite a while, and we just need to give it a little kick start. I promised I was going to do a little update on the Zip Line. The Zip Line, we currently have two proposals. And we're going to have to make a decision on that. I included it in your, today's packet, not the pack that I sent out. But in today's packet, it's the stapled on. There's two options. And one is a four-line with return cables, and the other is a two-line, two, two zip line. The four is a million dollars, and the two is something around \$750,000. As we know this, what we've been talking about is putting in an activity at the MacKenzie-Intervale Olympic Ski Jump Complex to drive revenues there, to provide activities for people that are in town that are looking for something to do, especially something like during the off seasons; and quite frankly, to help us balance our books and create revenue. What it's going to require though is a loan in order to do this. We've got some quotes from the banks, and they're darn good. It's a question of, at this time, we also have a letter that came in from Joel Lamb, again, who represents – he sits on the International Ski Federation Committees. And he noted some important aspects he wanted us to follow during the construction. But they're all really logical and they make sense. And Bob, maybe you can just – a couple of bullet points what they were?

Yes, sir. There is some tree on the site to accommodate the Zip Line. And we were asked by the ski community and we anticipated to do so anyways – it's a good source of the environment though – to identify an area of trees, when we go through there, that's still an incomplete cut. We cut no more than we have to and stage it out as the project progresses to make sure we don't cut any more than we have to. The second item was the outrun for the existing K48. The Zip Line end terminal will be right outside the limits of that. And there is still some I guess concerns from the ski jumping community if that

hill's graded into a K60, how that outrun final elevation would be. So the ski community has offered to have their engineer design the outrun. We're going to model it into our program and consider what effect it would have. I anticipate that we move forward on that one.

Who is the ski community who hired this engineer?

Joe Lamb, Joel Lamb has recommended one of the engineers. I don't remember his name, Serge. We're not paying anything. They're doing it in-house, and they'll send us the, the profiles back, show it a K60 with the Park. And if the grading modifications are minor, then there shouldn't be any problem to include it. If they're major, then I'll present a report on it.

Okay.

So Ted, could you give us a sense of the time frame?

Okay, I'm sorry. What was the question?

Just give us a sense of the time frame. Are we in the process when what we need is decision on which option to decide on?

I think it's a matter of, the pro forma will show that it takes a little bit longer; it takes like 30 months or so to get the payback on the two line. And it's a lot quicker on the four line. One is \$250,000 dollars more. The two line is expandable into four. That's – we made sure that the design accommodated that. It's a question at this time, I think to the Board, and I would pose to the Board right now, we have, we got a loan on the projects that we did at the ski areas. We've got our payback from the New York Power Authority. And this is just what would be on top of it. There is – I think we'd have significant cash flow from it. We'd be able to service the loan and still have excess cash. It's just, we'd be taking on another obligation. We are at the point where we've got a contract for either one or the other. We've got a two line contract, a four line contract. We have bids from the banks. Cathy went out and did our diligence on that and took care of that. So we know where the best, which direction to go there. Bob, in working with Joe, knows that as we do this thing we're going to work hand in hand with the ski jumping community so that we won't adversely affect anything that the kids are doing now for training or jumping or competition, and to accommodate room for growth in the future. And so I think, I think we could be ready to go today. Or we could wait until the next meeting.

Mm-hm.

Ted?

Yes.

When you say the four line, we'd make the money back quicker than the two line, that has to assume a certain amount of command, right?

You mean dependence?

Yes.

Right.

I mean, it would be possible that it could, it would be the exact same – if there was, if you had key people going at a time you never heard the need for a third and fourth line, it would take the same amount of time, but get the money back.

Yeah, if that was the case. If that was the case. And you know, the other thing about the two line, it's expandable into four.

So you know, presuming the overall cost is more, if you do it two then two, than doing four all at once.

All at once. Yes?

Than doing them all at once? Which was my question: were you given any ballpark figure of what it might be to add those extra two lines, say, several years down the road?

At a later date or add one? I don't have that, no.

It's a good question.

How realistic are the revenue figures? If the revenue figures that you said on the pro forma in fact are, have a high percentage of being achievable, I think it begs for the four line.

And this is, this is basically...

So if the revenue figures are just some guess, I'm not sure it begs for the four.

It's based for actual performance at multiple sites in the United States. And now, you know, they're expanding – they're all over the world now. I would say that my gut feeling tells me that these are a little bit light and that we actually have...

You think the revenue can exceed in both cases what's predicted here?

Yes.

Then I think we should go with the four line, yeah. How many times are we turning away people with the bobsled because we can't accommodate them? And then there are people that are begging to get on this thing and spend this kind of money, and you can spend all of \$571,000 at least your first year, well, that's twice your addition on, on a capital investment.

And we all know what happens in April and May. We have hockey in town. Or if it's in October, you know, people are looking for things to do, especially all those kids with all that energy, you know. And it's a great depository for the kids and families to go down there. They can go up the tower; they can do a zip line. There's other things that we can add there too.

If you truly believe that you can achieve these revenue figures on the actual, you should go with the four line. Because somebody's high in the sky then... But if you think they're achievable, my gosh,

I guess the, I guess the bottom line is that the 25,000 riders in the summer is really a good number, and that people pay twenty dollars a ride. I guess that's what kind of – in terms of affordable. So we feel real good about that.

Yeah. Yeah, our visit..

...about that's the number, and people would pay twenty dollars.

Our visitation numbers are higher than that. So this is just, this is gauged off of the other facilities that are around. Certainly like Park City is busy in the summer, but it's not as busy as Lake Placid. Lake Placid is...

How many rides do they get?

They're – I think – do I have that packet, Cathy? I do. I wonder if that's in it. I had the actuals from Park City. I don't want to wait if I can't put my hands on it real quick.

Well, you know there are two things. Ed's right and Cliff's right. I think that we should find out, number one, if you can buy a two line and not have it any more expensive to add the two lines later on, that may be the way to go. That's what, Cliff's argument I would think.

No, but I, what I believe, Serge, is that when you wait several years you're going to pay more than that.

No, no. I'm saying if you can get the company to say, we'll put the two line in now and if you want the extra two it'll cost you the same amount of dollars, that would be, that's something.

Get them to say that.

Or Ed's right, Ed's right in one way saying, there's so much income involved from the first year, maybe you should go the whole ball of wax. So it's –but I think this Board should make a decision, and if we're going to do it, we should do it.

Right.

I take a slightly more conservative view, I guess. My preference is always to have this stuff in advance of the Board meeting so we are fully armed with the questions. Now your timing I'm sure didn't allow that. But I would rather have this stuff ahead of time. I would rather know how much we're, exactly we need to borrow, depending on which option we go, and have the, you know, the cost side all laid out as well as the work, or at least the expenses to us laid out very clearly, so that we can ponder it beforehand and have a resolution that's done at the board meeting. I'm just, naturally, when we take a big – and this is a big commitment financially – we already have a fair amount of debt, and I'm debt adverse these days. This obviously looks very good on paper and very promising. And we all want people to have plenty to do in Lake Placid. As you pointed out, they have plenty to do now. We're giving them one more potion. But it's, this is not an insignificant commitment of resources and steps. So I'm, I'm putting it out there for discussion amongst others, whether they feel they're ready to move forward or whether we ought to digest this and come back and take action at a future meeting.

But that was my question. My question and Chris' question are, are these numbers solid?

Mm-hm.

If the numbers are solid, I would vote that we just move right along now. Are these numbers solid, Ted?

Ted... That's not fair. It's a best guess.

Right, yeah.

It's a best guess.

...

Within Park City, we think that Park City _____ year is, and they've done this, will Lake Placid do that? Well, they should. It's not fixed. Anyway, you know that.

Yeah, I just want to be – as the agenda says, it's an update. I didn't by any means... If the Board was comfortable moving ahead, you know, saying this to staff, listen; you've got a lot of this stuff together, it makes sense, move. If you want more answers, I can give them at the next meeting in April.

Well, I think Jeff had a comment also.

Yeah, I'm sorry. In Park City at the Olympic Sports Complex they put in zip lines. And they put in an Alpine slide on top of that at the same facility. At the same time, they have an Alpine Slide and zip lines at Park City Resort. So they actually had two facilities in Park City that are offering this, and they're still busy.

Mm-hm.

And they have two sets at the ski jump there.

Two sets?

They've got one off at the bigger jump, and then they've got a smaller set as well – four lines.

Is there anything close to home?

Um... Uh...

New Hampshire's.

Yeah, I think they're building one at Wildcat. Make sense? Think so.

I vaguely recollect you saying that the last time here.

Yeah.

There are like a couple... They got...

?

They got...

Sorry – there.

Bob, Serge, and then I know Bob Hammond wanted to...

I'm deficient in that I don't even know what it is. I'm assuming that first was with that packet. And I believe that it's an amusement ride?

Yes.

And it goes from someplace to someplace else? Where does it go?

It's on a cable. What it is, it's you're suspended off the cable in a seat. And we're proposing to put it at the Ski Jump Complex up near the, up where the takeoff area is on the jumps. And it will come down to near where the landing area is, so you get a nice z-z-z-z-ip ride down, they call it.

Okay.

And other places have done these, and apparently they've been very successful at other places. And it's a potential new source of revenue. Serge, and then Bob.

I think there's...a couple of things. I think everybody and their brother is going to have one of these things eventually. There's no question about that. Whether it be big, small or sideways, everybody's going to see; we're seeing somebody else do it; we're going to do it. So probably the sooner we do it, the better. But you know, Great Gorge will do it, and anyplace that has will do it – Rochester, Syracuse. It'll be a pretty common thing I think eventually. So if we're going to do it, we should do it. I'm not trying to push you, Joe, on this thing. But I don't know, it's... But it's a question. I think it's a very popular thing; everybody will end up doing it. So it won't be quite as unique as it is in the beginning. Oh, go to Bob.

Possibly not quite as unique, but I don't know if we're catering to the same audience as someone, you know – the people that come to Lake Placid will not have necessarily had the opportunity to do it because they're doing it in Rochester or someplace else. But in any event... Bob?

I just want to comment on the cost between four and two. I think it's reasonable to assume that, come back and put two in later will cost more for the following reason. The material itself is supplied by the Zip Line Company. And while you may be able to lock that cost on that, the installation of it has to be done by a contractor which will print. They have to bring it, bring it back to the job at a later date, you know, take that

Sure. Thank you, Bob. Cliff?

And my question, Ted, is, is what date in your mind are you looking at to begin the construction project phase of this?

This would be – let’s say if we, if we had an approval at this meeting, we’d be looking at a, probably mobilization in April. If it was the April meeting, we’d be looking at a couple months, you know, based on their schedule. This is just, right now they’re starting to install around the world. But they can install at any time.

They’re building up schedules now?

Yeah.

Where are we with the APA?

I don’t , right?

Yeah, we...

Go ahead, Bob. Yeah.

As the APA process is complete, then – this is a comment about scheduling – once again, it gets, proprietary item to move ahead with the Zip Line, but construction’s do the design with no foundation systems that support this, has to be done by our engineers, we get to bid off the construction of the foundation systems and the installation system, we State contract report. So there is some lead time on the design, the advertising and

But your price is all-inclusive now, and all that. It’s in here?

The was based on all those cost

Right.

Can we cap, I’m sorry, can we capture – do we have enough time to capture some summer revenue? I mean, in other words, if we approve it now, or can we get a bunch of some ? It is going to be the difference between being the end of September or the middle of November, in which case it won’t make any difference whether we wait? But we need money, and if we can capture some serious summer revenue by moving faster, I think that’s a good thing.

That's true, yeah.

Is it a month, a month, six-week construction, Bob? Approximately?

I imagine at least six weeks of construction. If you want to capture it, you have to make a capture somewhere

Yeah, but how long does it take you to get through the contract report and all of that?

The contract reporter's off three weeks, probably a month, move this to design, out, contract report.

So when can the first rider be riding on this and put over twenty bucks?

I haven't that.

Well, I mean, if you look at that, based on Bob's workload too with the conference center, we have to – you know, if we accommodate that all into one crystal ball, you're probably looking at July.

You say probably July. That means maybe September, and the summer's over?

Well, I think what we're all trying to get at is, if – how critical is it to act today? Will it matter?

Yes! ...

That's kind of the fundamental question. And obviously, no one has a crystal ball. We have a conference center project that is consuming staff's time. This does need to be designed, bid, built, and then the riders go on it. So again...

Is this a politically correct thing to do right now?

Well, there's a question for you.

Sure, it brings in money. Anything you do that brings in money is pretty

I don't know. I look at all the schools that are not getting funds, these aren't getting funds, and Lake Placid's out building a Zip Line.

What's wrong with that?

You know what?

What?

I've got to get a couple of different answers for you too. On the political situation. Yeah, but I can float that too. Well, I'm not terribly concerned about the political correctness of it. I mean, if we're going to make a decision, business decision based on whether or not, there is a public desire for this to happen; and two, whether it will generate additional income. I'm presuming that since we've gone through some process with the Adirondack Park Agency and we've publicized this, that there's nobody out there that's complained and said, why is ORDA spending money on a Zip line when, you know, the rest of the world is crumbling?

Did the Town say anything when it was brought up, Roby, or a concern like that?

No, no. I, I would think you would hit more of a concern if you were adding this as part of a stimulus package than zip line.

So that would – I was going to say that. You said it.

It might be valuable to delay just to get the cash flow worked out and put your financing seed in and

That's what, frankly, I'd like to see. I'd like to see how much we're going to have to borrow, when the borrowing will start, what our monthly payments will be, when the income that is projected here starts coming in against that, based on anticipated time schedule. Then I think we hit every...

April meeting?

I personally feel more comfortable. But it is a ten-member board, so. Chris?

This is not relevant to when we act, but I guess I would – twenty dollars strikes me as high, man. If somebody comes to down with two or three kids and wants to take his family on Zip Lines, \$60-8\$80 bucks. I'm not sure I would do it.

Spoken like a family man.

You know, I wonder if it was \$15 would you get more people riding and make more money overall? Somebody with a head for numbers might want to go through that.

I think in part, Chris, my reaction to that is it will, it will depend on experience. If there is a line here every day, then you know, you're probably charging too little I guess.

It's like the bobsled.

Yeah.

But if not, and you can get more people in, then it's worth

Ten a year.

Did he just kind of bait you on it?

No, we had... Last year... Yes, he did. Last year – was it last year or the year before last – last year we were, I was at the barber with Ted and Tony. And we were charging how much, we were charging...?

Fifty bucks.

I said, why don't you charge a hundred? And Tony Carlito said, oh, my... Is Tony here? Tony said, Serge, nobody will come; it will go way down. Well, more people came, 'cause it's unique; this is unique. So I think the best way to try it is both try our twenty bucks, or it may be a family for – you know, family of four, charge sixty bucks. Who cares? But I think you're right.

I just wanted to raise

Yeah.

I still think, I'm very concerned about the economy. And we need to pick up whatever money we can wherever we can however we can. And I think it's important for us to move faster rather than slower. And that's one of the questions that Joe just brought up, you can't answer intelligently at this point in time. It sounds to me like there weren't any complex questions. I would push first and move this thing along now.

able to put all that information together? Could you do it over the phone in three or four ?

We can't.

We can't. No

I'm not sure what information ...

I guess the issue, yeah, come up with the million dollars to construct that.

Yeah, we have to borrow the million dollars. That we know.

Right. And we have quotes. We have to analyze those. We all have to bid on that. Bob?

Although I'm new on the Board, I definitely would vote to curtail this, for a couple of reasons. One, identity attracts business or whatever you want to call it, business, with the operation of the museum. I'm looking at some of your numbers, and I'd certainly like to talk to somebody that developed those numbers, because if you think we can run this with four people at \$50,000 and include retirement benefits and health insurance, etc. and so forth, you're crazy. And A, it's going to, it may take four people, but four people times the time you're open, you're talking about hours of operation. So there's some concern that I have concerning those numbers.

Okay.

But the biggest concern, and maybe at some later date somebody can explain it to me, but you've got a huge heavy plate before you with trying to come up with the construction of your conference center, and you want total involvement of your staff to make sure that it is done absolutely correct. And I wouldn't take anyone else's time to do anything else at this point. So I'm not ready to vote on it. But if to vote, so far I would vote "no" at this point.

Mm-hm. Well, my recommendation would be to put it off to the next Board meeting. There is always an opportunity again, if you have all your ducks in a row, to have a special board meeting if people were inclined. I'm always willing to do that again if the board is willing to, if that would save us two months and, you know, the board and staff says we can handle this and this is how. But I think it's fair to, it's fair to the board to have the lead time to digest this, address the kind of issues that you just raised, Bob. And looking at this numbers a little bit harder and have the benefit of time to digest them. So be happy to get that

It's another statement, fifty cents for a ride I think is ridiculous, because you could hardly buy a Coca-Cola for a dollar or a Hershey Bar. So, So a one-dollar bill for us for a ride; it may not be \$100 as you say, but I wouldn't charge fifty cents for a ride. But that's me.

Say that again?

I would charge a dollar at least. I wouldn't charge fifty cents for a ride.

I twenty-dollar ride.

Nobody has change any more.

Twenty dollars.

Twenty dollars a ride.

Twenty dollars? Where did I get ...

No, the fifty cents is a...

Very good.

Phew! Lost me a minute.

read numbers correctly.

I'm absolutely fine. I think this – yeah, I'll get these in. That'd be great.

Questions.

What's the date of the April meeting?

Oh, boy.

Come on.

the air. Is that...

Mary circulated that. You circulated it.

Yes, twos.

twos.

The 21st.

April 21st.

Thank you.

So we could have a special .

If Ted comes back and says we could save two months and if everything is ready to go and we get materials out we can, you know, question the materials appropriately, absolutely; I'm always willing to have a meeting. Again, I don't want to inconvenience people by having too many, but we need to have it, we can do it.

I know now, actually Ted, we're going to need a bank resolution again.

Yeah, we can write a whole day.

all week.

Yeah. Ed, are you okay?

Oh, sure.

Okay. Now just to close out my report then, is, I'd like to thank the towns that we're partnered with. Town of Wilmington, the water project – completed, looks good, fits right in; great job of that. And thanks for assisting us in our times of need also, because we occasionally have equipment that breaks down and you've always been there to help. Thank you. Town of North Elba, probably the same thing. We do all these things together, all these events. You've stepped in and welcomed the world with us, and thank you for that. And the Village of Lake Placid – it's quite a place we have here, everybody working together. It's a small, small little operation, but we do a lot of big things.

Thanks, Ted. Okay. Jim – Amel (sp?) is going to give us the financial report. We can always come back if you're missing... Pardon me?

committee meeting.

What did I submit? Oh, did I? You're right. Thank you, Betsy.

Yup.

Ted, does this amend itself to maybe something you've done in Gore? Do you think there'd be a market for that there?

Everybody looks towards Mike. Mike?

Let's start with Mike .

Look toward Bob also. I look toward Bob on that also.

Certainly Lake Essex County, Warren County, as many who are visitors in the summer. And we have a goal of investing in our summer operation. However, this time we've been recommending that we continue investing in our core product, the winner product first, and then build the summer after.

might be at the Snow ball.

One other point – we can operate this in the wintertime, and we will, and that might be part of the Ski Bull attraction during the winter.

Doesn't Parks, they do a good bit of business? Yeah. And you had this...

Asking this under new business?

Snow Ball?

Yeah. It, it...

They've got two main, there's a ski lift there, got the interconnect lift there, the community's there, then you got right in the middle.

Jim, we can have a short – I skipped over something .

That's okay.

Just because of my poor eyesight. So we'll be right with you. Just hang in there. The committee reports as needed. In the packet I think behind tab two there is a list of committees and who's on the committees. I guess one of my ambitions as Chair is to get those committees to sort of operate more frequently before the board meetings so that we can actually have reports by the committees. So I'd ask everybody to just take a look, see what committees you're on. Bob, because you're a new member, we'd like to obviously get you on one or more committees, particularly audit would be a good one for you. But that's just a suggestion. So if people would look at them, we also included in here a description of what the committee responsibilities are. I think these could be updated and refined over time, and as the committees get operating more frequently. But if anybody has any points now, I'd be happy to entertain them. But I just wanted to get that notion out. Because before the next board meeting I would like to get committees actually operating, looking at financials, looking at... We now have an active subcommittee obviously in the conference center. It'll be reporting a little later on in the meeting. But I'd like all the committees to be doing that. Glenn?

Is there a your prerogative, Joe, on who attends or who participates in any one of these committees, or is it just by volunteer? Or how do you – I don't know this.

I'm in... I don't know what the staff says or our by-laws. I'll plead ignorance. But I think people that are interested on the Board can just volunteer.

Could I volunteer for the Governance Committee then?

Absolutely. Yup, that'd be great for us.

be on that committee then?

Yes.

Good. Sold.

I know.

Anybody else?

We will turn no one down, no volunteers.

like other volunteers.

And again, I would ask the committees to look at the responsibilities that go along with that committee, and suggest anything as they think are appropriate. I'd just like to get these things up and running a little bit more frequently than they have.

like a good initial write-up of responsibilities .

Yup, yup. That's write out, a board gov – that's the model, principles for board governance. That's what we want to be, a model. Thanks. Jim?

One of first name on the list is the Chairman or how does that...?

I'm sorry. What's the question?

First name under the heading, is that the chairman? Like Serge is chairman of governance or has been?

I think so, yeah.

Just so that we're clear on it, you know.

Cliff's Chairman of Audit.

Yup.

Did you know you were Chairman, Cliff?

He does now.

Ignorance was bliss.

so... Is Bob going to be on that committee?

Yup.

Good.

Great. Okay, Jim, please.

Thank you. One actually question on the, or question to consider on the Zip Line, while it's in my head, is I don't know if the projection's of two versus four, but if it's for two and you have a four Zip Line, may be more employees, at least during the busiest time just a thought.

Good point.

Either that or the may not be double. One person run around .

Yeah.

All right. I'm going to review the financial results for the nine-month period ended December 31, 2008, comparing the budget and comparing to last year. We'll start with the current year/last year comparison. The total operating revenues year to date are actually \$1.16 million lower than the year before, but really the primary reason for that is your State appropriation is \$1.3 million less than the year before. So if you take that out of the equation, you're almost three hundred thousand ahead on operating revenues. One thing it's good to see too is the sponsorship revenue is higher than last year, so that's starting to turn the corner. So to me that's a good sign. On the expense side, your personal service expenses before capitalized labor are only \$157,000 higher than the year before. So that's 1.4 percent higher. And that's great, because to September, they're actually running about six percent higher than last year. So I'd say the money managers

have done a really good job of controlling the labor cost in that late fall/early winter season.

You're looking at the P&L?

Yeah.

This sheet?

No, this one.

That's for both

This one.

read...

Yup, actually gone up number.

Yup, Betsy. It was in today's

Is there a packet?

It's right behind you

part two, it goes along with this. I mean, New York numbers come out of the P&L, but

All right, so you know, the personal service, the actual labor itself is actually lower than last year. And we're last the payroll added cost. And I think Ted mentioned health insurance, it's running almost twelve percent higher than last year.

Back to your revenue, Jim. Why is concession revenue down so much, thirty-five percent?

I'm not quite sure. It could be timing or it could be – I would think with the skier visits are actually down year, right, Cathy? So I mean, the revenue is up and visits are actually down a little bit. Visits probably more in terms of

Was there an event or something we had last year that that thing to \$304,000? Must be something there.

Oh, that's the budget. It was two fifty-one last year.

Why be budget 304?

Well, the budgeted in three across the board.

Yeah, but still, even still down twenty percent revenue kind of .

Yeah, and it almost could be too from week to week. I mean, if the previous year, you got your last week, December came in on the 31st, it would be in revenue in '07. If it came in January 2nd, it wouldn't be revenue this December, so.

Actually, yeah, the holiday period went further in January this year than it did last year. There was like four extra days in January that was accounted for last year December.

Okay.

This is a snapshot.

Yeah, I guess it's more related to that, and possibly a little bit over...

Timing?

Yeah, yeah.

The real, the real difference between last year and this year, if I'm looking at the numbers correctly – I'm without glasses – is \$464,000 versus \$392,000. Right? If I'm looking at the right one, concession revenue.

Yes.

Which is a fifteen percent reduction from last year. So it's thirty percent in budget, but it's fifteen percent from last year.

Right.

Yeah, which really, based on December's activity, it could be just one week.

Well, then, let's go back to the other... I emphasize here for why we're down sixty percent then in other revenue. That's a lot.

And that's sixty-eight versus one seventy-five.

Yeah, it's a big percentage. But dollar-wise it's not, not all that significant.

It's percent into the overall revenue?

Right, right.

What, what is included in the "other revenue"? What type of things?

Hear that, Cathy?

Well, things that comes in, different classified, any other category name.

Well, we'd have to look at in last year, and then look at rules this year.

What was that, Mike? What was that example?

Little things, painter doing local utility company – last year that was credited towards the "other" revenue. Where this year I'm sure with consultation with credited as a deduct to the utility bill. So it goes in a different line item. It just wasn't an apples and apples comparison. But in total, last statement's all going to wash out at the end.

Right, right.

All right, back to the non personal service expenses. Before factoring depreciation, those expenses are \$471,000 higher than last year. The most significant increase over last year is in utilities, and supplies and materials and contractual service. If you recall back to the first quarter, the supplies and materials and contractual was much higher than last year, and just a lot of unusual repairs that were needed in the first quarter. There was some ice storm cleanup, all that sort of thing. So really the big, the big variance was the first quarter. And it stayed pretty much steady obviously year to date. In fact, I think the difference has come down just a little bit. So you know, again, see what happens in the last quarter of the year. So through December there is an operating loss before depreciation, just a little over a million. And last year there was an operating profit just under a million. So again, \$13 million of that \$2 million-dollar difference is the State approp, and the rest is primarily expenses being higher than last year. Comparing the budget, again, operating revenues are just under \$1.3 million under budget. And again,

that's really all, and then some, attributable to the State approp. And an aside is the original request is actually \$3 million or \$300,000 than is even in the budget. So that, the original budget request got dropped \$300,000, and now you're \$1.3 million below that. The personal service before capitalized labor is almost \$300,000 after budget. So again, that's what Ted mentioned before, that in response to the State approp being cut or deferred, also cutting expenses against budget. So again, there's \$300,000 there. And then on the non person service side, you're \$500,000 under budget. Again, the one item that's significantly over budget is event expense. And again, that's just really a matter of what events actually happened and when did they happen, versus what did you budget for.

When you say event expense, do we, Cathy – this is a question for Cathy or both of you guys I guess – when we did an event like, Event, who does, you do the budget and you do the analysis of what we gain or what that event cost us, are you audited on that or is that an in-house evaluation only?

In-house.

Yeah, we review the events overall as part of the audit.

But if you look at each event, you look at events _____, it costs you forty-two cents. You audit that and you look at that?

Not specifically, no.

Do you test specific, do you randomly test different events?

Yeah, we do that as part of the – we really test both sides of the – the emissions side, the grant side if that's part of it or sponsorships, and then the expense really based on the overall expense. So any big contractual expenses, you know, we do audit. But we're not really looking at overhead allocation.

And that's what you're getting at?

Well, yeah, will be expensive for us if we say, think _____ or whatever it is, to help Ted and everybody here, is it robot's going to cost us forty-two cents? Could we have that, would it be expensive for you to audit that?

I don't think it would be particularly expensive. I guess the question is, what is the benefit?

robots that'd cost us.

We know which events we make money on. You have a report here that has about expense, revenue and a net. And I think your question goes to, how accurate is that? Is it the true cost of the event or is overhead allocated correctly?

Every event has an event tracking number or anything that's purchased through requisitions or anything like that has that event tracking number on it, any labor that's included has that event tracking number – all of that stuff gets dumped into that one event. The revenue gets assigned to it, you know. We have sheets that show every line item of everything that was bought, every hour that was spent over time, all of those are on those reports.

Jeff?

The other thing is the timing when we prepare the budget versus when we take on an event.

Right, like there was two events in this that we didn't know we were going to get a Junior Grand Prix Figure Skating event; we didn't know about the Four Nations Hockey. They weren't in the budget. But they came with expenses; they also came with revenue. But you'll see if it shows we're over on expenses, but those, those have expenses that went with them; they also have revenue that went with them.

But I think it's more a question of the allocation of costs and revenues to the events, that we know, you know and we know what events were beneficial, which ones cost a lot of money, which ones broke even. Because as the economic climate gets tougher and we have to figure out what events to hold, what ones not to hold, if these numbers are accurate, then you know, that's great.

It sounds like you're doing a pretty good job of allocating your direct hard costs. I think the question is, how do you allocate whatever overhead you do allocate.

We think we do a good job.

In our fringe benefits?

Well, for instance, do you allocate part of the administrative cost of running the office in general to an event?

You mean me and Jeff or...

Yeah. I guess if you've never done it that way...

You have to...

...then it's pretty academic. Well, you do and you don't. As long as you're constantly comparing apples to apples to apples...

I got to have something to do.

If we don't do that, then that time could be spent doing something else. So I think it would be important for us to have, I think we have to have analysis of our events a little more to help Ted and to help staff say exactly what it costs us to put on World Speed Jumping or whatever. I'd like to know exactly what it costs, taking all the costs to see...

You want me to figure out like in a day how many minutes or hours I spend doing
?

No, of course I don't. No, you do that, you do that...

I think what they're is indirect costs.

Yeah, yeah.

come as an indirect cost; spreading your cost of your salary and your, across all of these events.

It's an administrative cost.

We do that, we used to do that at the County for the federal government. Federal government used to require an indirect cost study.

We do that at the hotel. You have to have an indirect cost.

And then what it does, is it spreads out like Jeff's and Mary's and whoever else, the executive staff's...

Cathy, the whole ...

...everything is then spread out throughout the events as a part of the total cost of the event.

I think it's a committee, probably a committee effort to look at that, what you're going to gain, versus what extra energy it's going to cost and...

If you'll read my mind, I think it's a perfect job for the audit committee.

...to create that end result. You may find out it's penny wise and dollar foolish, or it may be very productive.

Bob, you had... ?

Well, I agree with you. It should be part of the audit committee. But I had a talk with Cathy the other day concerning the accounting system, because we use the same one. It's called a Great Plains Accounting System. It's hooked into what's called FRX, which is a reporting mechanism. And I believe that what you said, you're already doing it. So all it amounts to really, as far as I'm concerned, is doing an FRX Report using the coding signals say you now have in Great Plains. And I think the Audit Committee could sit down, Cathy, and get what you want very simply.

Perfect.

That is, if you're coding these things the way you described you're coding.

You're going to find that out.

Very easy to do. But to go where you had the federal government allocate the President's salary across I think is an exercise in futility. You're going to need the President whether you or not. I think that it's eventually, when we work through the audit committee, we can find the true cost of putting on an event; you'll be satisfied with that.

Yeah, I really think that's what you're trying to drill down to. Because you're trying...

Drill down works, right.

...trying to make a decision, a financial decision – should we do that event or not? Yeah?

Okay.

And I think you're probably 90 percent there. It's just a matter of also allocating the incremental overhead. I think a full absorption isn't going to give you that. It's going to allocate too much cost. But you do need to add the benefits. You need to add things like utilities, janitorial, whatever, some facility charge. But I don't think you need to go...I don't think you need to go and allocate all your ad and the marketing departments down to zero cost for them.

How many bills?

Yeah, okay. Shall we move on?

All right, so where we? We still have a next loss from operations of a little over a million. And we budgeted a net loss of, between summer of 762, so again, despite being behind \$1.3 million on the budget with the State approp, you're ending really only \$300,000 behind. So a little bit more revenue budgeted and less expense, you've really made up about a million dollars of that \$1.3 million. Which is great.

I saw the utilities in your budget and I that from conscientious effort of turning off lakes and keeping down heat and all that.

We're blowing snow.

Snow bank.

That's right, the lakes.

Bob Run and Whiteface.

Whiteface and Gore. ...

Excuse me, Gore, of course.

If this facility and the Bob Run were outside of the Municipal Electric, we'd be having a whole different P&L. But they're in the Municipal, the electric is different; lot different rates.

That's good. That's great to see that the new utility came into your budget. And I know it's because of lots of conscientiousness, probably on the part of staff pay attention to the operation. That's nice.

All right. Any other questions? Okay, thanks.

Thank you.

Where are we?

Where are we?

That's right, you got to be , where are we, ?

We don't have any committee reports, so we're going to go to a center update, and I say we wait for the Chairman.

Me too.

So moved.

I want a recess.

recess?

Let's do that. All go to the bathroom if you want.

[break]

Okay. I hope everyone's refreshed, feeling better. We are up to the conference center update. And I think Bob Hammond, you're going to give us a brief update about the subcommittee meeting and...

Process.

...just the process. Describe what we've been through up to just recently, and what lies ahead. You may want to come and stand up here, Bob, for the cameras.

Everybody at home wants to see you're smiling.

That's right.

Your kids are all watching

Don't be nervous.

Good afternoon. As was expressed in the special meeting that we had about the conference center a while back that we're moving forward in a new direction with our design build, and with this process we have a two-phase procurement process. The first phase is the request for qualifications. We posted that advertisement on the New York City Contracting Quarter. Had very good response to it. We had seven very qualified firms respond. We wanted to go through those qualifications and short list them, and pick anywhere between three and four of those firms best qualified. We've assembled a jury. Review those proposals. And the jury consists of ORDA staff, ORDA board members, and some community members. We've met; we've reviewed those. We are working on the short list now. And we are in the process of reviewing references. And we will be

presenting that final selection to Ted, the Chairman and the board subcommittee in the very near future.

Okay. And we had, obviously we've had several board members that are on the subcommittee. And if anybody wants to add or describe the subcommittee meeting, I unfortunately was not able to make the first meeting but spoke to people before and afterwards. Does anybody have any comments? Betsy, Chris?

I would just say it went very well. There was quick consensus of the four firms that we wanted to continue with and their references here.

And I did review the firms' submissions that you sent me, Bob. And I was very impressed with the teams that assembled sending in qualifications. I was very impressed. So, so far, so good.

In there. It's a good checklist of items to review about each contractor and all that. One question. We were talking a little bit about the budget, and a couple of uncertainties about the overall budgets – I guess that was one thing that we need to finalize at some point.

Yeah. We're not quite ready to do that yet.

Okay.

Yes, we did discuss the budget at the subcommittee meeting. And I presented my office's efforts to help provide the documentation for the estimating to insure that, when this project goes out to bid, that we're going out to bid with a scope that the budget can support.

Mm-hm.

Put a lot of effort into that. And we will continue to work on that and finalize that up to the final completion of the bridging documents. Also in the board subcommittee meeting we provided a couple of different sections of the bridging documents for their review. I think one section I presented was on the acoustical requirements. The development of those documents continues this week, and by next week we're hoping to bring those to an end. The Dormitory Authority has provided us with some very good examples of design build agreements and the design build general conditions, a couple of administrative forms that we do not have. We have good, solid documents on contractors and good solid agreements for design firms, but molding those together is an important part of the design build process.

Good. Okay. Other questions?

I just said this is a very impressive process that we're doing here, and it makes a lot of sense the way it's handled.

Good. All right, thanks, Bob. We are up to the other item under new business. And we need to adopt a budget for the 2009-2010 Fiscal Year which starts on April 1st. We've submitted kind of a preliminary budget to the Budget Authority's Office, because it's required to receive it; they post it on its web site. You have a proposed 2009-10 Budget in your packet. It's odd, because there's very, there's certain statutory requirements about adopting a budget and getting it posted, publically posted. The State obviously has not acted on the State budget yet and is expected to, we hope somewhere around April 1st. So these numbers are subject to change obviously, because we have a number in there right now for the State appropriations based on the Executive Budget proposal. But that is obviously subject to legislative action. So we may have to come and revisit this, but this is Ted and staff's best estimate at this point on how the budget, both revenues and expenses, will shake out. We'd like to adopt it, and Ted has a very simple resolution adopting this budget. But I want to stress that it could change, and we may need to revisit it later, probably earlier this year, but not too far in the distant future, because the Legislature is supposed to act by April 1st.

Just a question.

Sure.

It's similar to the Budget from the previous year, right? There aren't any, I didn't see any huge shifts or changes. It's pretty steady?

It's pretty steady.

That's what it looks like to me. But Ted, I don't know – if...

I've got a resolution I could pass out that she could look at, if you'd be comfortable with it.

You know, in part, this is an awkward process. Because we have board meetings that straddle the State Budget deadline and we won't know what the State Budget looks like until...

This is last year's.

...a couple of months from now. And if anybody has any questions, now or in the interim, about anything that's in the budget, you know, this was built up by Cathy and the

accounting staff and Ted and his staff. I encourage you, and especially the Audit Committee, to go through this. But I think it's all fairly straightforward, and based on prior year budgets.

And this resolution is very similar to the one that was passed last year. It allows for – it says there may be changes and that we will deal with that, just like we did several times last year. And it also authorizes me to deliver these, this budget to the entities that we have which are Authority's Budget Office and the Town of North Elbow I believe has sent it to the Assembly.

I would – is there increased allocations? Does that increase, does that... increase that fifty thousand dollars for Town allocations? Is that the way it's scheduled?

That's the way it's scheduled. Questions? Discussion? Do you want to reflect on it for a moment?

Joe, the only comment that I have is that the one phrase in there, "may be made to reduce spending" – may very well want to change some of your income expense too. So I don't know if "spending" is equated as defining expenditures. I would take that out and just, revisions may be made and authorize the President/CEO. I mean, if you have...

Yup.

Okay.

May be made and author... Okay, to take out the words "to reduce spending"?

Yes.

Okay, and also Chris brought up that on page two it says 2008 instead of 2009.

So see how similar it was to last year's .

Oh, it says May.

Right. Yeah. I thought I had that covered.

So you want, you want each one be a... These are each individually handed out, or are we just going to vote ?

I think we just vote so you can see that...

Yeah.

No. Ours, it goes to the Executive Committee. And then it gets approved by the full Board.

Actually, the Authority, the Authority Office promulgated regulations that apply to public authorities' budgeting. That process is what I'm referring to.

Oh, yes, .

That did.

That did, yup. So...

It's been posted. It was posted and it was visible to anybody who wanted to look at it.

Good.

So the resolution should reflect that.

Yeah, my recommendation was, how we deal with the NHT, for example – we say whereas the budget, the proposed budget was put out for however, whatever it is we did – whether it was posted on the internet or whatever – pursuant to the regulation or the statute. And this way, the Board's action is, on its face, in compliance with the statute. It's a gov, it's just a simple governance issue.

Yup. Everybody follow that?

And available to the public, right?

Mm-hm.

What I would do is just, in the next Board meeting, include the actual resolution that we ...

The, like we did in the last, for this meeting.

Yeah.

We approved whatever we agreed to, and then at the next meeting even though it's we'll show what the changes were to this wording.

And then this is largely your operating, but capital numbers are not in here, right, in terms of capital construction and...

Capital construction is not in that part of the budget. It shows up on the bottom lines, below the line actually. If there was any. And right now... Right, Cathy, does it cover, where does capital construction show?

budget

Yeah, we don't have any.

Yeah.

Well, no, I mean, we have grants and we have some things like that. But that shows up...

At service spreadsheet.

use the -- yeah, it would be below the line.

So that's kind of a separate spreadsheet, kind of in a separate process?

Yes, it is.

Further questions?

I move to accept this with the change.

Mm-hm.

Second.

All in favor?

Aye.

Opposed? So moved. Thank you. Glenn? Now's the time. I think that concludes the official business.

The last meeting and the update of the Center Project we started, I asked a question about the, about the pending potential contract issues. And Ted had suggested that we not have a discussion about it then, and put it off. And after going back and thinking about it, and speaking with Ted, it's clear that, it's clear that we have consider possible litigation. And so it would be a good opportunity to talk about that, for those that expressed interest. So I guess it, I would propose that we go into executive session for the purpose of discussing proposed or pending litigation on the contract.

Could I have a motion? People okay with that?

I'll make that motion.

Okay.

Question. Is there, when you go in, when you go in exec session, do we also discuss future contracts? And we should be able to do that in executive session also so we don't divulge any information we shouldn't be divulging. Is that fair to say?

There is another – the open meeting still has another provision regarding contracts approval and granting, and to the extent there may actually be a connection, in any event, certain portions of that could be discussed in the executive session.

Okay. All in favor?

Aye.

Opposed? Okay. So we are going to go into executive session. That concludes all the public business. We will not formally adjourn the meeting until after we come out of executive session. But there won't be any further discussion on any of these items. So before we go into executive session, could I ask if there's any comments from the public, which we do at the end? Randy?

Just a couple of quick items.

Sure.

Number one, I just want to express my thanks to ORDA and Whiteface. It was quite an honor to have the new trail on Lookout Mountain and be named Wilmington Trail. A great honor for our town.

Right.

I'm a little bit upset – Jay had been telling me for a year and a half it was going to be Preston's Pass. The other thing, I'll be very brief, and I want to stay right up front. I understand this is in the eleventh hour. This past week, I was at a conference where Senator Schumer spoke. And he has said to change the requirement as far as the stimulus package from 90 days shovel ready to six months shovel ready. And it's always been in the back of my mind, and I just wanted to throw it out there and ask that you just maybe look into the feasibility. What I'm talking about is the Whiteface Memorial

Highway. I don't know when the last time any of you have had the chance to go up there, but the highway itself is in really, really bad shape along with a lot of the stone work. And I understand this is an eleventh hour thing. But I would ask that maybe the Board would consider possibly looking in if this was even feasible. That highway was constructed from a works project back in 1935. And is still here.

It's a good idea, yeah.

He can probably tell us more about it.

That's a real good idea.

Anyways, I would just ask if anybody can possibly look into the feasibility of that, because it is definitely going to be a multi million-dollar project to put that highway back into shape. And I feel that it's not only a local and a State treasure, I feel it's a national treasure. And if there was any way possible that you could look into the feasibility, I would appreciate it.

It sounds like a great suggestion and idea. And we will definitely look into it. Couldn't agree more.

I have one thing for you, Randy, and Jay Bowe. There is one section of that trail we should call Preston's Pass. So I think that one section to be pulled aside saying, Preston's Pass, and anybody – it'd be quite spectacular.

Would you ?

It's live , this is live. Any other comments? Questions? Oh, we appreciate everybody who had the patience to sit through the meeting. And Randy, thanks for your comments. We were delighted to name the trail the Wilmington Trail. It certainly fit perfectly.

Thank you.

And I skied the trail obviously. We both skied it I guess the second day, but the official opening day. And it's a spectacular, spectacular trail. And probably will say at the same time, so that Mike doesn't feel left out, I skied the new trail at Gore, and it is also spectacular. Both of them. Thanks very much.

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