

June Lake Citizen Advisory Committee  
Special Meeting Thursday 10, 2012 Minutes

Call to Order: Chair BZ Miller

Vikki Bauer call the BOS to Order

BZ welcomed those present and mentioned the guidelines for the meeting, which include courteous, two minutes for comments.

**Items not on the Agenda:** Jil Stark asked for a pass to Mammoth Mountain for the winner of the June Lake Trails Day raffle. Rusty will issue the pass. Thank you Mr. Gregory

**Speakers/Comments:**

*Anna Strathman (Lee Vining Elementary):* Everyone must work together to help keep June Mt Open and gave money earned from the Lemonade stand, about \$140.00, to Rusty.

*Rusty Gregory:* I have closed the mountain and now I have your attention, and will “Stand and face you face to face” This was done by me and not my partners. I am willing to explain the reasons for my actions.

*Patti Heinrich CAC:* Forest Service made a commitment of trust to the public and residents of June Lake over 50 years ago by the issuance of the use permit for June Mountain Ski area. As a result of that commitment, business owners, residents and our work force employees also made the same commitment by becoming a stake holder of this community. The Forest Service and MMSA collectively have an obligation to uphold and serve the best interest of the public, our residents, business owners and visitors to find an immediate solution. Rusty if you are unable to keep the mountain open then let someone else do it. Either open it or quit blocking us from finding a willing operator.

*Ralph Lockhart:* June Mt opened in 1961 and June Lake has become a year round economy. When June Mt was only open for 27 days in early the 2000's Double Eagle's winter revenue dropped by \$182,000. This equates to \$22,000 in lost TOT. This is not just about a private business, but about our community as a whole.

*Ed Armenta Forest Supervisor:* We met with Rusty today and had a good meeting. Rusty will be getting a letter of non compliance from the Forest Service and we have asked for an audit. We are encouraging Rusty to look at other options and we will be requesting for a financial audit.

*Tim Hanson BOS:* What is the next step? Mr. Armenta – today was my first meeting with Rusty and we will have more.

*Patricia Holland:* “June Mt is part of Mammoth Mt if you don't believe you are part of June Mt please let us go”

*Bud Hayward:* I started this whole can of worms. June Mt is a business. June Mt operated on cash flow when I sold it to MMSA. I have an entire town dependent on my sale. I know well that

Dave McCoy loaned me \$ \$ to keep June Mt operating. The land development has to go with June Mt. This is not just a business, this is a community. Dave would not do this.

*Karran Spitznagel*  
~~Greg~~: I have lived here for 22 years. Petition 1,200 on line and 1,600 signed. This petition is to spread information when times are tough, you Mr. Gregory must reconsider your options.

*Michael Bogash*: Why did you do this and what is your plan?

*Gregory*: Reasoning for what we've done already. MMSA operated June Mt since 1986 – Gregory passed out 7 years comparison of cash flow. Land trade was accomplished. We need 2 things: Get over the rage and when that's done we need to define a clear vision of what we are doing. The big issue is the winter business and we need a clearly defined vision. We need to bring more visitors to June Mt. Land is up for sale by Intrawest. We need 6,500 people on the Mt and we need 1,000 units if you want a ski area. If there's a buyer out there I would be happy to discuss the subject. Tell me what your vision is. It is really much more than a \$1,000,000/year loss. There is no future for a ski area in June unless there are more visitors and hot beds. We need more demand for this area, we need better advertising, snow making and we need your vision. What does this community want to do, we need a vision that includes more beds, we have a vision (MMSA) and we need more beds and we need more mid week skiers. June was purchased to cover demand that MMSA could not provide: Overflow.

Air service must be a part of this the community and you must support land development. If you want a ski area in June it must have the bed base. Air service means people will stay longer.

*Bauer BOS*: If beds are critical to you why don't you buy the Rodeo Grounds?

*Gregory*: MMSA has first right of refusal.

*Bogash*: We would support environmentally responsible development. We need an attorney – we are being held hostage

*Gregory*: We need a sustainable model, the vision needs 1,000 units and air service and the county should give \$100,000 to subsidize the Airport.

*Ron Gilson*: Build the resort first – it fell apart because June Mt and land are owned by two separate entities. Why doesn't June Mt buy land? You have the opportunity, so take it.

*Bauer*: To say this is on us is disingenuous.

*Hayward*: Land across street is like Vail.

*Jarrold Lear*: Several improvements in MMSA what about June Mt?

*Gregory*: Mammoth brings payback while June Mt improvements don't.

*Andy*: July 26 -29 June Lake Music Festival.

*Al Heinrich:* June Lake Advocates are pro development within county guidelines, we need to keep this Mt open this winter, residents are already struggling and we can't wait for 180 days for some action to be taken; the Forest Service should make a decision within 30 days.

*Steve:* You have never operated June Mt with efficiency. The community could operate June Mt.

*Ron Adams:* Make June Mt bigger bang for buck by lowering prices.

*Gregory:* Lowering prices has and will never work because the required increase in skiers doesn't happen.

*Lucy Parker:* We were all blind sided and we must work together. This was a wake up call. Can we partner with Indian casinos? Rusty you need to go out and look for partners.

*Jay Sepa:* You are part of our community and you must take responsibility.

*Jane Johnson:* If Mt closes can it ever be opened again? If Mt closes how will county be affected?

*Steve Blanehard:* Preserve sustainability of our community. Vail is not what we want.

*Renia Alveraz:* In 2007 we had a meeting with Gregory, I asked him if he would put \$\$ into June Mt and you said no. We need to do it because we can't compete with MMSA. The tickets are too high. You are the big sister and we are in your shadow. You can pay \$4 million for the airport but what about us?

*Jeff Ronico:* Public trust is very important. Can this be reversed? It might take 5 years to recover.

*Kris Capra:* You are acting like you are the victim and this is not good. Your solution is an airport and beds. "I came here when you are in a sling. You come up with a solution."

*Annie King:* Think long term. Let us make a difference.

*Barbara Walker:* We could never afford to ski MMSA and we still can't afford MMSA. June Mt is affordable for middle class families and school kids that make up the majority of Americas.

*John Logue:* The development may need to be higher than 35 feet.

*Fred Stump District 3 elect:* Squeeze on airport subsidy is inappropriate. North County doesn't benefit. Why should we support the airport when you act like this?

*Dan Roberts CAC:* You said you are not part of our community. You are part of our community and we have already developed a vision. The community has worked hard to develop our vision in the June Lake area plan.

*Rob Morgan CAC:* Many people will lose their homes or rentals. Many businesses won't survive.

*Connie Black CAC:* I served on the coalition and it was a long and strenuous process. The community is in support of development. You have not asked us for our suggestions.

*Patti Heinrich CAC:* Did you buy the Rodeo Grounds? No. You have closed June Mt to come up with a strategic plan which will take as long as it takes. You need \$\$ for airport. You need 1,000 beds. Are these your conditions?

*Gregory:* I am not saying you are at fault. If you say you have a vision, I want to hear it. I am inviting you tonight to develop a vision. We need to work together to bring more people but we don't want to overwhelm June Lake. We need to come together. Why was the closing so abrupt? I was not planning this, our banks forced me to cut costs immediately. We refinanced our debt. If MMSA brings in \$45 million, \$ 17 million is for interest and \$10 million goes to amortization of debt. That leaves \$18 million for expenditures. Cash flow 2011 -2012 was down. We have 8 lenders. Apollo is one of our lenders. Wells Fargo is one of our major bankers and other minor banks did not back Wells Fargo. This all happened within a week. We need a plan to run June Mt. We need to clearly articulate a financially viable solution. I do have a vision.

*Question:* Why aren't making improvements on June?

*Gregory:* You get a bigger return by investing in Mammoth.

*Gregory:* We need to reduce operating investment.

*Black:* Our goal is to reopen June Mt this season. Can you get a group together so that June Mt reopens for winter season? Yes

*John:* If you got a good offer would you sell? Answer, yes we would sell even to a poor offer. We need to go out to capital investors. You need to go out and find capital. We can't get capital if June Mt is losing money. It's up to us to make a vision. It's up to you to propose the size and height.

*Gilson:* June Mt and property must be put together in order to work.

*Lockhart:* Let's open June MT NOW.

*Gregory:* Answer: we need to cut costs. I can't say yes we'll open: I won't BS you. I will use resources of the company to help with our process.

*Pam Bold:* Ski passes issue, why is there no value for June Mt pass? *Gregory,* will refund the total pass but not only the June portion. This will cost MMSA less!

*David Naaden CAC:* Thank you for the quality of June Mt. Our visitors love June Lake. When the Mt closes it really affects our businesses for years to come.

*Jerry Allendorf, Fire Chief &CAC:* I have around 20 volunteer fire responders and 5 of these will leave if June Mt closes. (Safety issue)

*Byng Hunt BOS:* I think I get it. I am still appalled that we didn't hear earlier. There is a lack of trust. You aren't sharing things. Big question is what is going to happen this winter. Flights are cancelled all the time. We need to make it possible for middle class families to ski June.

*Tim Hansen BOS:* Air service but no one goes north of Mammoth, so I can't vote for it. When I was younger this was a swinging town. This is a special town and you need a special solution.

*Larry Johnston BOS:* Closure is not an option. The model you profess is not the June Lake model. Many mountains don't have large bed backgrounds. Larry named areas in Washington, Utah, Colorado, Oregon and New Mexico. Why do you want to hang on to June Mt. The County has given \$85,000 to air service. If we gave you another \$15,000 would you keep it open? What is your selling price?

*Bauer BOS:* For 6 years I have done everything that you asked for. I have to agree with Larry. The hole in the argument is we need bed base, we need airport subsidizing and if we can't get it, we should close.

*Tim Alpers BOS District 3 elect:* Rusty- thank you for what you have done because you have galvanized this community. If this Mt closes we will be going backward. We must open June Mt this year. You have been trying to put a round peg in a square hole. This Ski area has huge potential and it's not Beverly Hill and Rolls Royce's. I have great faith in this community and if the Mt closes down it will affect the whole county. Not acceptable for June Mt to close down.

*Gregory:* My vision is not yours, but I will try to cooperate. We only knew bank issues 3 days before we announced the closure. I'm okay if we have different visions, it may not be 7,000 bed or 1,000 units.

*Miller:* Meeting adjourned.

