

HOTHAM SKI ASSOCIATION Inc.

2015 ANNUAL GENERAL MEETING

7:30pm 23rdth November, 2015

German Club - Tivoli

291 Dandenong Road, Windsor Vic 3181



Meeting Opened at: 7:30pm

Introduction/Apologies: (Bruce Blackman (Chair))

Introduction from Bruce -

Apologies

Don Creed - Bembooka

Belinda Trembath (Mt Hotham Ski Company)

PRESENTATIONS and discussions: (7:30 – 9:00pm)

MHSC update – presented by Len Dobell

Merlins commitment in relation to snow making

The 97/98 masterplan to keep the resort sustainable, and requirements to ski in July has been completed, now have additional snow making machines, beginner terrain at the summit, and a few more at heavenly.

Hotham is a late developer in snow making and has learned from other resorts. Eg. Pipe used in 1995 was 35 years old and did not last.

Questions to Jon

Asked about the end of the season philosophy to make it till the last week of sept and Snow making on blue ribbon. – The RMB would put the snow making in Blue Ribbon tomorrow, but there are environment challenges, but Davenport would be first.

Airport is not known as yet, Virgin has asked to talk, and Qantas is discussing a fly in fly out approach out of Sydney.

Question about lifts structure, what work is happening, comfort, etc. No new lifts will be built if we keep all the current lifts open. But possibly build a new pod (eagle ridge) before upgrading lifts.

Additional snow making equipment, what investment increases the ski days, and the pay back is 5-7 year.

Dinner Plain has an extra pump for the new snow making 260 L per second.

MHARMB update – presented by Jon Hutchins

Jon discussed the Mount Hotham Masterplan and the reason why he came to Hotham due to the Love of the place, its Enormous potential, 40% of people have gone Overseas, there are 100 extra cars.

RMB are looking at 4 sessions with 200 submissions, to get feedback

- Revegetation
- Change of landscape,
- Rock wall
- 5 precincts, wire plain play, etc
- Hub on Heavenly
- Alpine Crossing
- 4 Iconic Walks
- New Village at Hotham Central
- Move the road a little and car park for a village centre and bus transit
- Make a safe zone, visitor centre and sports hall
- Whisky flat sports ground
- Informal ground to hold events eg, football with aboriginal groups
- Heavenly upgrade
- Priorities is safety on the road
- Adapt to Climate change

Marketing

4 actions

- Research – visitation snow visitors, 73% have skied before
- Beauty of destination - Snow seekers want to get out and have a crack, snow makers, don't have to sell anything
- Outdoor lifestyle - 1 in 5 come back, aiming for 2 in 5
96% like spending time with friends therefore the ski lift company is targeting the bringing of friends
- Marketing audit – there is a lack of paid output media
RMB are trying not to duplicate marketing of the ski lift company and are working close with them
Length of stay has risen
2015-16 Marketing of CORSA was a disappointment and are requesting a new strategy.
Vic Roads primary concern was that the coarse can be aggressive on the road, and recognised that the road needed work.

Other

FECA Policy – increase by 2%
Need assistance to keep it low

Hard Waste is 3.5% of total cost
Organic collection, 50% commercial, 25% is organic
Garbage huts will have an organic bin collection

The emergency management scheme will be introducing street and number signage.

The price of gas was twice the local cost, and request assurance to offer to maintain LPG at normal prices. The RMB will continue reviewing. LPG local is a different price to the city, and is a fixed margin. Jon is happy to go through the figures another day. LPG is based on Singapore. Moving forward what do we do to use renewable. Peninsula have been able to reduce their cost and efficiency by over 30%.

How do we market the August – shoulder area?

Discussions on the issues with the shoulder period. Bookings are slow, not enough people saying how great Hotham is, pricing is an issue, wotif clientele are looking for a new experience. Seminars are being done in the Asian area. The Marketing infrastructure is not there. Free Wednesday, several people were not aware was in existence, did not have much impact. Restaurant's are closed due to lack of people. Need to get the excitement out.

Marty Culyer congratulated Jon on his enthusiasm, wonderful change, amazing contact, and wanting to speak to people. September is a long-term scheme, the snow making will get trust in the product. There is not enough branding or reason for operators to stay open. Also, advised that it is critical to get the airport up, and the RMB, need to get behind the HSA and Community.

Several people discussed the Discount/Shoulder period – and requested the RMB and Ski Lift company have their discounts on the web site for all to see. Jon advised that there will be no increase and will endeavour to get the pricing out better and market to schools for September.

Discussion on needing to get the snow area into the school curriculum, gold, history etc. get the story out.

Discussion on heat loss of Lodges, Murray can organise a thermal camera to identify where the is the heat getting out of lodges

Summary of Lodge Financial situation – presented by Bruce Blackman

Bruce presented a graph for the last 6 years

- In the last three years income has slipped 10%
- Expenses (not capital) are flat
- 10% of income from green season
- Winter income is down 20%
- Utilities have now been going down – real effects of the solar program
- Insurance is a huge part of total expenses

Suggestions/thoughts

- Reduce the gate entry, but income will be raised from another source
- How do we attract different cultures?
- How do we get fresh money, need to work harder on marketing?
- Peter Sandow suggested a workshop in conjunction with the board and education sector
- Reinforce the future for our clubs accommodation, relies in ourselves, the ski lift company and RMB working on marketing and working on the common interests.

HSA AGM Business (9:00 – 9:30pm):

Presidents Report – Bruce Blackman

People Acknowledged

David Risby

Chris Wilson

Deb spring for coming along

And thank our committee, and Phil Stot is moving away from the committee.

HSA Achievements

- Opening party
- Input into the masterplan
- Focus on costs over the last 2 years

Opportunities

- The utilisation of statistics - Winter season and green season, the HSA will present a lodge
- Alpine park – are we overpaying for the national park activities in summer

- Stakeholders - Hotham and Dinner Plain should be sold as a collective. Dinner Plain is not really included in the masterplan. There are bus problems, and the night bus got canned half way through.
- Annual fire assessments, do the membership want us to do something, expression of interest?

Treasurers Report – Brian Vowles

Treasurers report has been uploaded to the HSA website.

Election of Office Bearers

Nominate for re-standing

Rob Anderson - Secretary
Peter Sandow – Vice President
Gary Young
Brian Vowles - Treasurer
Bruce Blackman - President
Sue Coulson - exec officer
Rory McDermott – DP
Murray Neilson - Projects

Phil Stott – standing down

Declare all positions filled, thank Bruce for his leadership

General Business

Rick at Kongoola – discussions on the geo-thermal project and believes it is wasted opportunity.

Murray's answer:

Found that the HSA couldn't return the commercial expectation and decided to hand the scheme over to Murray to handle with his entity. The \$500 deposit was returned.

Not a lot to add, a lot of change happening in the industry, very complex and comes down to network tariffs for a scheme to work. Some announcement will be coming soon.

Have just invested in thermal cameras/imaging.

Opening functions – the HSA changed the formula where people paid for drinks, and HSA paid for the food. The HSA would like to share the location around but will have it at The General if necessary. Pegasus interested Next Year.

Meeting Closed at: 9:30