

### **2011 Snowmaking Update**

The KPG Board of Directors deeply regrets that the remaining installation of an operational snowmaking system had to be delayed yet one more season. While reaching this decision is frustrating for all those who have worked diligently to make snowmaking capabilities in Kincaid Park a reality, this decision was made in order to utilize the contributions of our donors in the most efficient manner and to minimize impact to the trails in the park.

Complications and considerations leading up to the decision to delay the project included:

- In May 2011 KPG received notification from the Municipality of Anchorage that no further construction activities were to be undertaken without written permission. This action on the part of the Municipality was primarily due to the legal and regulatory issues surrounding the closure of the old biathlon range site. While we understand their prerogative to move forward in this fashion, it required time to determine the ramifications to the project and to develop procedures to deal with the additional layer of reviews and approvals of plans, contracts, bonding, and insurance requirements.

On a positive note, the remediation effort at the site of the old biathlon range has been completed and we anticipate receiving notification from the appropriate regulatory agencies in the near future stating that the site is clean of lead.

- The work is very different from anything else the Municipality of Anchorage has dealt with and the permitting of the electrical work in the vaults was complicated by various interpretations of “enclosed space” requirements. Further, the pump system also did not meet some requirements of current codes and this also required time to address changes that are needed in the pump house. As a result there were many back and forth discussions that were required to determine what the ultimate requirements would be. This led to a prolonged permitting effort.
- Contract negotiations with TechnoAlpin (TA) have been complicated as we have tried to define the scope of work to finish the project. It was anticipated that TA would provide a turnkey contract that resulted in an operational snowmaking system this fall. While TA is top notch at what they do, which is designing and installing quality snowmaking systems throughout the world, it became evident that they were not familiar with Alaska State Law regarding labor payment and hiring practices. As a result, a contract that had been agreed-to was voided when we realized that they would not be able to comply with State legal requirements. Also, compliance with the law greatly increased the costs when it was determined that virtually all work had to be done by in-state labor versus labor from the Lower 48 TA customarily uses. This has resulted in doubling of the cost of much of the remaining construction.
- Recognizing the cost increase and the difficulty for TechnoAlpin to effectively address the State legal requirements, we are restructuring the agreements so that we can ensure we comply with the law and better control costs. However, resolving these complicated issues has taken time and seriously compressed the construction period.

- Ultimately the decision as to whether to proceed this year was no longer to be made just by KPG. The project requires installation of a transformer and some electrical line work in the stadium near the scoreboard by Chugach Electric Association. Damage to this area in past years has resulted in loss of the use of the scoreboard for the entire season, a risk the Municipality was not willing to take. While most of the work on the trails is complete, there would be a need to access the vaults to make electrical connections. NSAA was not willing to risk any possibility that the most used and important competitive trails might be disrupted so close to freeze-up. KPG concurs with these elevated concerns.

The KPG Board of Directors has made completion of an operational snowmaking system a priority. To date, in excess of \$2MM of public funding and private donations, including over \$100K of in-kind contributions, has been expended toward this effort:

- Two water wells drilled and pressure tested. The wells provide tremendous capacity to meet both the needs of the snowmaking system and the soccer fields. The larger well provides 300gpm to meet snowmaking requirements while the smaller well provides 85gpm and meets the requirements for the soccer fields, ensuring that we do not wear out the larger well's pump.
- Water line and cabling buried along entire 3K route, including placement of vaults;
- Pump building, which includes equipment and controls, purchased and on site;
- System design completed and construction permits in hand.
- Chugach Electric engineering complete and ready to go.

Work remaining to be completed on the snowmaking system includes the following:

- Construction of concrete pad for final placement of pump building;
- Installation of transformers and connection of electrical service by Chugach Electric;
- In-vault electrical connections by local electrical contractor;
- Connection of pump building controls to the wells and distribution system by TA;
- Purchase, deployment and testing of snow guns and cannons after entire system has been energized.