

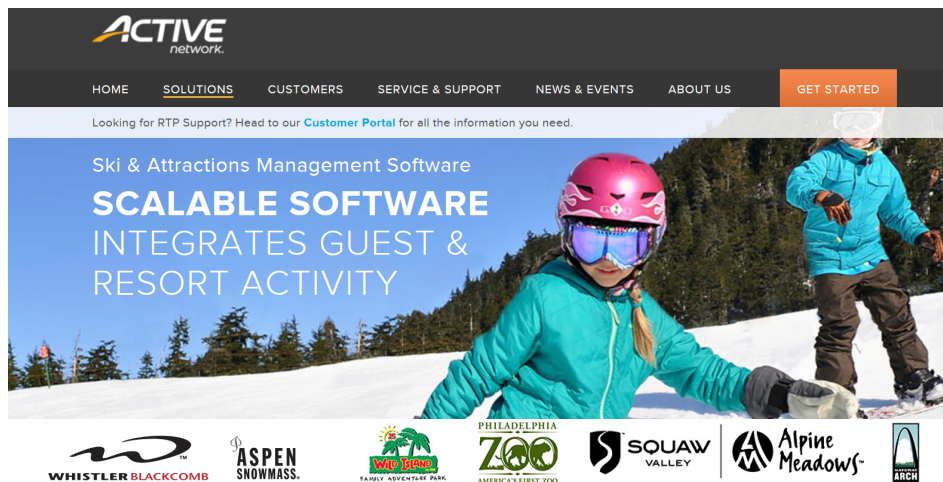
To: Board of Directors  
From: General Manager  
Dates: January 16, 2019  
Subject: **Review of Tahoe Donner Private Amenity Access and Membership Card System and annual Recreation Fee**

## ISSUE

Review of amenity access policy & management implementation practices.

## Background

1. Since upgrading to RTP One from RTP55 in 2005, Tahoe Donner Association has utilized a modern membership validation software and point of sale system at our private amenities called Resort Technology Partners (RTP) now owned by Active network.



2. As a membership / access validation management system and point of sale system which integrates with our accounting system, a Radio-Frequency Identification (RFID) photo card system is utilized to identify individual users. Photo RFID cards were implemented in 2008, including RFID Guest cards. All cards old and new also utilize a bar code scanning system to ensure cards are valid in the membership database system. Currently RFID cards are maintained in the following categories, with membership and guest cards only issued by the Tahoe Donner Member Service Office.

- a. Blue Card = Association Member associated with one of the 6,473 units in TD
- b. Green Card = Public (Season Pass Holder)
- c. Guest Card = White (Old), Blue-White (New)



- d. TD Employee = Gray (Employment Category 1-6, Full-time to seasonal)



3. Currently Tahoe Donner Amenity Access Policy outlines the board policy on private amenity access and number of blue member identification cards authorized per property along with the maximum of two guest cards per property.
  - a. 6,473 = Current private property units within Tahoe Donner
  - b. Each property in good standing is entitled to up to eight-member RFID cards for qualified individuals. Qualified individuals are on the deed of a property, direct family members of owner(s), declared relatives, domestic partners, or individuals who meet co-habitation criteria. Member RFID cards identify individuals as a member and affords daily access to the private amenities (\$8 per card holder) and public amenities at the member rate (where applicable). Members have the option to pay with each daily entry to private amenities or purchase the Recreation Fee for unlimited access each fiscal year (May-April cycle). With the Recreation Fee purchased, this authorizes up to four-member cards of property. Each property may purchase up to four additional Recreation Fees for qualifying individuals (same qualification requirements as cards 1-4 above). These additional cards are \$125 (starting 2019) for each member card.
    - i. Current Active Members: 23,909
    - ii. Current Members is the RTP system which have not obtained a membership ID Card: 2,576
    - iii. Attachment G07.2 – 10/29/2018 – Pricing Model – Rec Fee and Daily Access Fees provides further details on current and expected revenue, pricing, and volumes.

4. Each property is also entitled to a maximum of two transferable guest cards for use by property owner's guests to gain access to the private amenities, where guest daily access fees apply. Starting in 2019, these guest fees are again increasing as outlined in the 2019 Budget Report. Member guests who utilize these guest cards are considered unaccompanied guests and will pay a \$15 daily entrance fee at each private amenity (Beach Club Marina, Northwoods Pool, Trout Creek Recreation Center, and Tennis Center). Up to four guests may gain access on a single transferable guest card at the private amenities. Guests accompanied by members will be charged a \$10 entrance fee per accompanied guest at the private amenities. Member guests (accompanied or unaccompanied) are only generally defined in the governing documents and amenity access policy. Member guest can range from direct family members without membership cards, to extended family, joint owners without membership cards, friends, or short / long term renter member guest.
  - i. Active Guest Cards: 6,431 Properties x 2 Guest Cards = 12,856 Guest Cards
  - ii. Guest Daily Use Fee:
    1. Accompanied by member \$10
    2. Unaccompanied by member \$15
  - iii. Guest visitation at the private amenities is tracked in the RTP system by different categories with the two primary categories being member guest with members (accompanied) and member guest utilizing the guest card without a member present (unaccompanied). The segregation of tracking of these two sub categories of member guest started in 2018, prior to that both categories were tracked together with the same daily entrance fee. See attachment "Guest Visitations".
5. Upon payment of the annual recreation fee, all member cards associated with that membership property in good standing are granted access to the private amenities without having to pay the daily entrance fee. The 2018-19 recreation fee is \$270 and is valid from May 1, 2018 through April 30, 2019 and can be purchased at the Member Services office at Northwoods Clubhouse, or in addition to the annual assessment billing. The 2019-2020 recreation fee is \$290 and is valid from May 1, 2019 through April 30, 2019. This fee is non-refundable, non-transferable, and non-prorated. The below graph represents the quantity and revenue associated with the recreation fee.
  - a. However, if the board is considering a new member benefit and proration given their date of new purchase in Tahoe Donner, I'd recommend the following semi-annual proration for new members only.
    - i. New owners annually are approximately 250 property sales/transfers.
    - ii. Annual recreation fee in 2019 is \$290.
    - iii. A Semi-annual fee for new members only could be implemented Nov 1, XX – April, XX. For 2019, I'd recommend \$150. This change in recreation fee would

need to be published to the membership in a 45-day notice before final implementation.

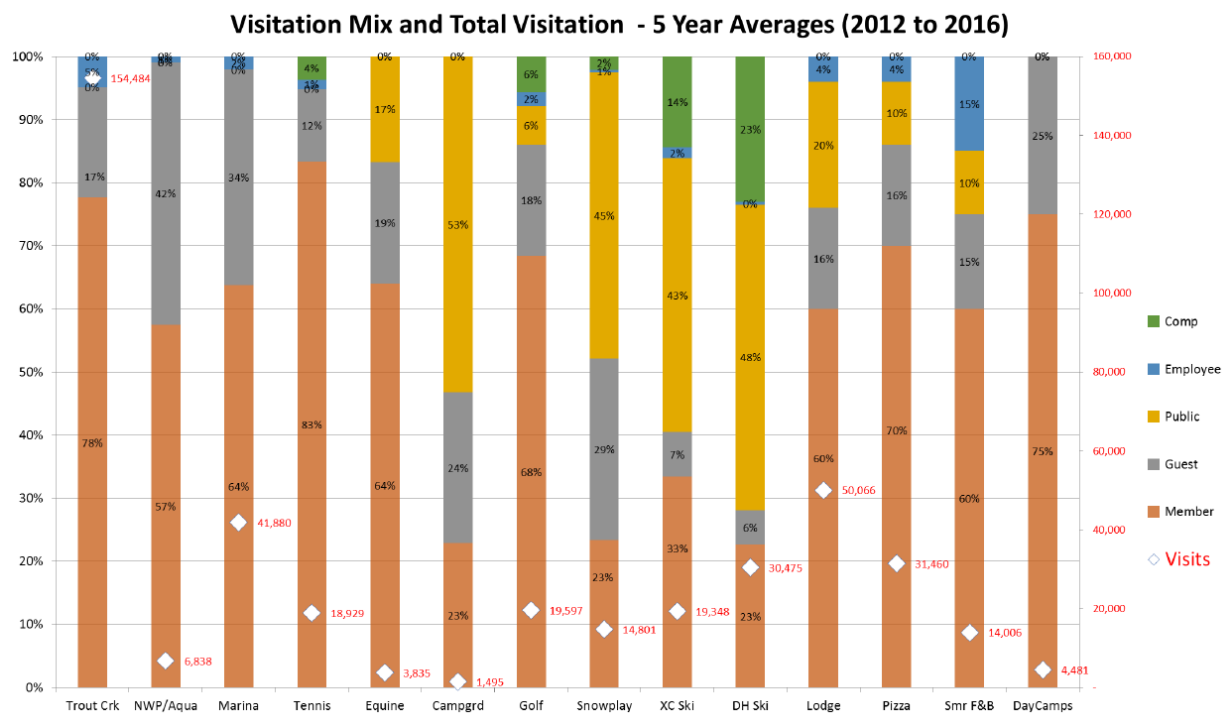
Product	qty sold	\$sales	Yield
<b>12/31/2018 20728</b>			
Rec Pass 2018/2019	3,580	966,560	270.00
Add 5-6 2018/2019	815	81,500	100.00
Add 7-8 2018/2019	139	13,900	100.00
<b>Total for 2018/2019</b>	<b>4,534</b>	<b>1,061,960</b>	<b>234.23</b>
Rec Fee purchased by		55.3%	
<b>12/31/2017 20727</b>			
Rec Pass 2017/2018	3,571	964,040	270.00
Add 5-6 2017/2018	705	70,470	100.00
Add 7-8 2017/2018	131	13,100	100.00
<b>Total for 2017/2018</b>	<b>4,406</b>	<b>1,047,610</b>	<b>237.76</b>
Rec Fee purchased by		55.2%	

b.

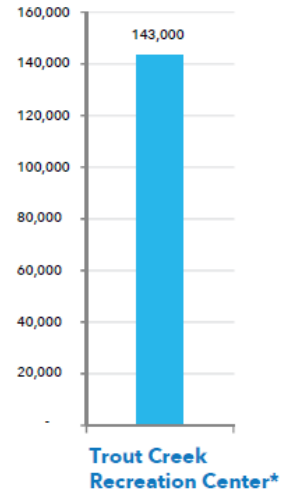
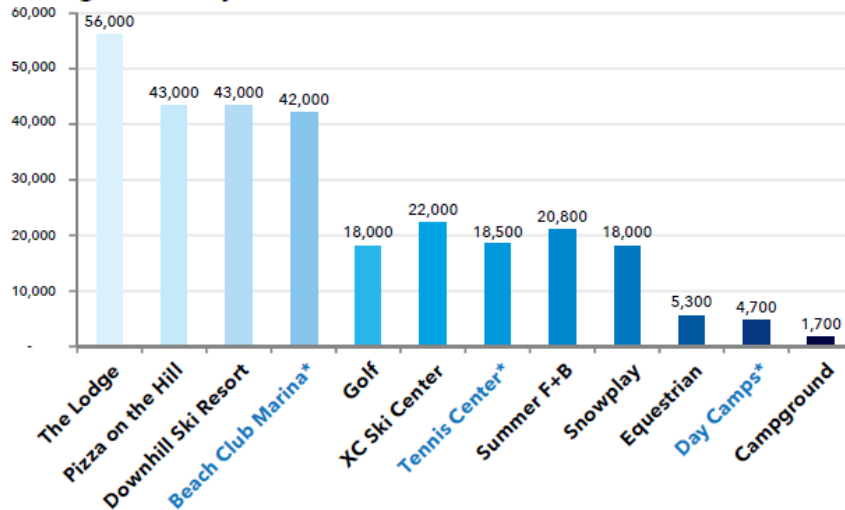
6. Other guest (card) privileges by amenity:

- a. Cross Country and Downhill – All individuals with a guest card or accompanied by a member, will received guest rates for trail passes / lift tickets, lessons and equipment rentals (new this season) – there is no limit to the number of guests to receive these rates per guest card at these public amenities.
- b. Snowplay – All individuals with a guest card or accompanied by a member, will receive guest rates for access – there is no limit to the number of guests to receive these rates per guest card.
- c. Golf – All individuals accompanied by a member will receive the guest green fee rate. Individuals with a guest card can receive four (4) guest green fee per day. Members have preferential reservation booking tee times over guest and public.
- d. Equestrian – Individuals with a guest card or accompanied by a member will receive guest rates for services.
- e. Tennis Center – Individuals with guest cards can reserve courts. Members have preferential windows for reserving courts and equipment. Tennis is a private amenity so guest access fees apply.
- f. Day Camps – Individuals with guest cards can register for Day Camps. Members have preferential windows for reserving camp slots.
- g. Aquatics – Individuals with guest cards can register for swim lessons. Members have preferential windows for reserving swim lessons.
- h. Campground – Individuals with guest cards will receive guest rates for services.

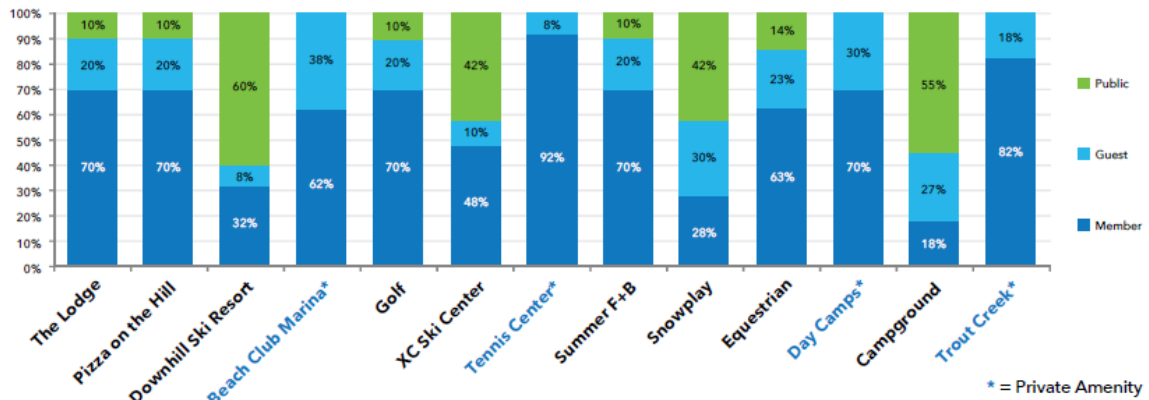
7. Stored Value & Credit Card on File: Money can be attached (stored) on your membership or member guest card. Members can come into Member Services with their credit card to add value/money to their member cards or their guest cards. To use stored value, the member or guest must tell staff that there is stored value on the card. The receipt will show the balance left on the card.
8. Amenity visitation history and 2019 Budget below & attached G03.2 Unit/Lot Utilization % by Amenity:



### 2019 Budget - Amenity Visitation Metrics



### 2019 Budget - Visitation Mix (Estimated)



9. Community Growth: In recent years, there have been 274 new homes constructed in Tahoe Donner from 2006 – 2016, with an average of 4 members per property = 1,096 new members of the association in the last 10 years. This continued growth of new construction in Tahoe Donner is expected to continue for many more years with just over 700 lots still vacant.

#### 2017 ASSESSMENTS as of December 31, 2017

Unit	Single Family Zoned Properties				Multiple Zoned Properties					Commercial Zoned Properties			Total Lots	Assessments *
	Total Lots	Improved	Vacant	Merged Lots	Total Lots	Improved	Vacant	Merged Lots	# of Units	Total Lots	Improved	Vacant		
Unit 1	498	463	35	0									498	498
Unit 2	315	277	37	1	91	78	11	2	372	9	5	4	415	698
Unit 3	535	427	108	0	21	21	0		44	5	2	3	561	579
Unit 4	643	585	54	4									643	643
Unit 5	554	472	77	5									554	554
Unit 6	628	543	84	1	13	10	3		35				641	666
Unit 7	356	324	32	0									356	356
Unit 8	606	534	72	0									606	606
Unit 9	651	563	84	4									651	651
Unit 10	488	411	73	4									488	488
Unit 11	514	464	48	2									514	514
	5788	5063	704	21	125	109	14	2	451	14	7	7	5927	6253

Notes:  
 Commercial Properties are not included in Assessments  
 Unit 01, Lot 184: Is owned by Tahoe Donner Association and is not included in Assessments (drainage lot)  
 Unit 11, Lot 173: Is owned by Tahoe Donner Association and is not included in Assessments  
 (Vacant Lots: Zoned for a further 65 units)  
 Golf Course Condos: 30  
 Ski Bowl Condos: 130  
 Ski Lodgettes: 60  
 Total Assessments: 6473

## Identified Concerns

- A. Four + four additional membership RFID cards are too limited in quantity for the members associated with large families or multi-family owned units.
- B. Member RFID cards are issued to individuals with a simple affidavit of family connection by the deeded owner of a property.
- C. Guest of members are broadly defined in the governing documents and amenity access policy.
- D. Despite being a leading membership validation / point of sale system, the RTP system can be end user difficult to some front-line staff, particularly as the number of available products to be sold expands exponentially to address five subcategories of pricing (member, accompanied member guest, unaccompanied member guest, and public).
- E. Private amenities become overcrowded quickly during peak periods with members and member guest accessing facilities.
- F. No blackout periods or entry prioritization exist for members or member guest at the private amenities.

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