

# DECISION PAPER



**Issue:**

**June 19, 2017**

Phase 2 of addressing the issue of storm related tree damage on the golf course.

**Background:**

The Golf Course experienced tree damage related to the severe January and February storms. In reviewing the damage, management prioritized mitigation efforts into two phases. The first phase addresses downed trees directly affecting play on the greens, fairways and cart paths which must be removed prior to opening the golf course. This decision paper is for addressing Phase 2 of the storm related tree damage on the golf course which includes downed trees and hazard trees in the rough.

Management procured quotes for Phase 2 removing the storm damage trees that includes a total of 106 standing dead, downed and hazard trees including off-haul of brush and wood removal. The costs associated with Phase 2 will be applied to the Tee to Green property claim, with final coverage amount to be determined.

The current Reserve Study does not contain a component for golf course trees. However, the trees are an asset of the association and as such, major repair of existing asset, as defined in the Replacement Reserve Fund policy (2013-3) qualifies the trees as a component. Due to the extreme storms this winter, the expenditure is viewed as a reserve repair of asset, not an operating expense. Further, an annual reserve expense for golf course tree damage of \$2,000 is recommended to be added to the reserve study for 2018 and forward.

**Options:**

1. Consider approving Phase 2 of storm related tree damage removal including all identified standing dead, downed and hazard trees through contract work utilizing Replacement Reserve Funds with a not-to-exceed budget of \$48,950. Add golf course tree damage \$2,000 component to reserve study for 2018+, annually. Credit for insurance claim proceeds if any.
2. Consider approving Phase 2 of storm related tree damage removal including all identified standing dead and hazard trees through contract work and address downed trees with staff as able utilizing Replacement Reserve Funds with a not-to-exceed budget of \$45,000. Add golf course tree damage \$2,000 component to reserve study for 2018+, annually. Credit for insurance claim proceeds if any.

**Recommendation:**

Management recommends the board of directors consider Option 1: approving Phase 2 of storm related tree damage removal including all identified standing dead, downed and hazard trees through contract work utilizing Replacement Reserve Funds with a not-to-exceed budget of \$48,950. Add golf course tree damage \$2,000 component to reserve study for 2018+, annually. Credit for insurance claim proceeds if any.

---

**Prepared By:** Annie Rosenfeld *AR*

**Reviewed By:** Michael Salmon *MS*

**Reviewed By:** Forrest Huisman *FH*

**Board Meeting Date:** June 23, 2017

**General Manager Approval to Place on the Agenda:** *BE*

**Date:** *6/21/17*

**Tahoe Donner Association**  
**CAPITAL PROJECT FUND EXPENDITURE Approval Form**

Submitted By: Brian Yohn

Submitted Date: 6/19/2017

Project Name: Storm Damage Tree Removal - Phase 2  
 Project Year: 2017

PO / Project Number: 723-125-\_\_\_

Dept # / Name: 125 / Golf Course

Task Code: 5

**Project G/L Coding:**

Expenditure Type - Fund	GL Code	Amount *
Capital - Replacement Reserve Fund	902-59991	
Capital - New Machinery & Equipment Fund	905-59991	
Capital - Development Fund, Unrestricted	903-59991	
Capital - Development Fund, Restricted	903-59992	
Expense - Replacement Reserve Fund	902-59993	\$ 48,950.00
Expense - Development Fund	903-59993	
<b>PROJECT Total</b>		<b>\$ 48,950</b>

\* Ensure all costs included; sales tax, installation, freight, etc.

Board Approved Budget Amount \$ 48,950  
 Variance - Favorable (Unfavorable) \$ - 0%

Project & Project Amount agree to initial Board approved Expenditure Budget > Yes / No NO

If Project Total Variance is Unfavorable by \$1500+ or 5%+; Explain below:

**By Vendor (s) Amounts:**

Vendor Name & Location	Amount *	
<b>PROJECT Total BUDGET</b>		<b>\$ 48,950</b>

**Comments:**

Bob ITM 6/23/2017

**Capital Review & Approval:**

Director of Finance & Accounting: \_\_\_\_\_  
 General Manager: \_\_\_\_\_

Date: \_\_\_\_\_  
 Date: \_\_\_\_\_