

October 17, 2017

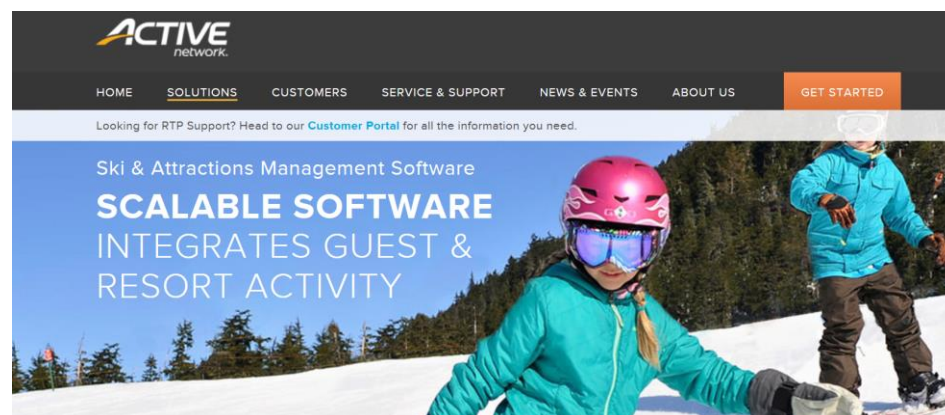
To: Board of Directors
From: General Manager, Robb Etnyre *RPE*
Subject: **Review of Tahoe Donner Private Amenity Access and Membership Card System**

ISSUE

“As a follow up to the budget meeting last week we are long overdue to replace our amenity and guest cards with a new more vibrant approach and one that closes many of the known issues. It is also likely we will raise the price of guest attendance so as to begin reducing what might be an overcrowded rec center inclusive of regulating guest attendance during peak periods in favor of member attendance. Please solicit from the Board their input and then prepare for the Board a decision paper based on the directors thinking that addresses your approach and their thinking to these issues so that the Board can make decisions at the October meeting.” – Jeff Connors

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 (Active is currently being acquired by Vista Equity Partners).
<http://www.activenetwork.com/solutions/rtp-one>



Page 1 of 7



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 below categories, with membership and guest cards only issued by the Tahoe Donner Member Service Office.
 - a. Blue Card = Member
 - b. Green Card = Public (Season Pass Holder)
 - c. Guest Card = White (Old), Blue-White (New)



- d. Employee = Gray (Employment Category 1-6)



3. Currently Tahoe Donner Amenity Access Policy outlines the board policy on private amenity access and identification card authorization per property along with guest card policies.
 - a. 6,473 Tahoe Donner Private Properties
 - b. Each property in good standing is entitled to as many as four-member RFID cards for qualified individuals. Qualified individuals are on the deed of a property, direct family members of owners, declared relatives, domestic partners, or individuals who meet co-habitation criteria. Each property may purchase up to four additional member RFID cards for qualifying individuals. These additional passes are \$100 for each member card. Member RFID cards identify individuals as a member and

affords access to the private and public amenities at the member rate (where applicable).

- i. Current Active Members: 23,470
- ii. Current Members without a membership ID Card issued: 2,216

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 access fees apply daily. Guests age 7 and up pay an \$8 daily entrance fee. Up to four guests may gain access on a single transferable guest card, or accompany members as guest. Member Guests are only generally defined in the governing documents and amenity access policy. Guest can range from direct family members without membership cards, to extended family, joint owners without membership cards, friends, or short / long term renter guest.

- i. Active Guest Cards: 6,412 Properties x 2 Guest Cards = 12,824 Guest Cards
- ii. Guest Daily Use Fee \$8:
 - 1. \$346,637 (3 Year Average Annual Revenue)
 - 2. \$339,766 (5 Year Average Annual Revenue)
- iii. Guest visitation at the private amenities is tracked in the RTP system by several different categories with the two primary categories being guest with members and guest utilizing the guest card. Over the last several years guest visitation at Trout Creek Recreation Center and the Beach Club Marina has indicated the following;

	Total Visits 5-Year Average Total Visits	Total Guest Visits 5-Year Average	Guest Card Visits 3-Year Average Guest Cards Access
Trout Creek Recreation Center	154,484	17%	60%
Beach Club Marina	41,880	34%	55%

5. Upon payment of the annual recreation fee, four additional eligible members associated with that membership property in good standing are granted access to the Beach Club Marina, Northwoods Pool, Trout Creek Recreation Center and the Tennis Center (Private Amenities) without having to pay the daily entrance fee. The 2016-17 recreation fee is \$270 and is valid from May 1, 2017 through April 30, 2018 and can be purchased at the Member Services office at Northwoods Clubhouse. This fee is non-refundable and non-transferable.

- i. Current Member Daily Use Fee \$6:
 - 1. \$41,393 (3 Year Average Annual Revenue)
 - 2. \$39,809 (5 Year Average Annual Revenue)
- ii. Current Annual Recreation Fee \$270:

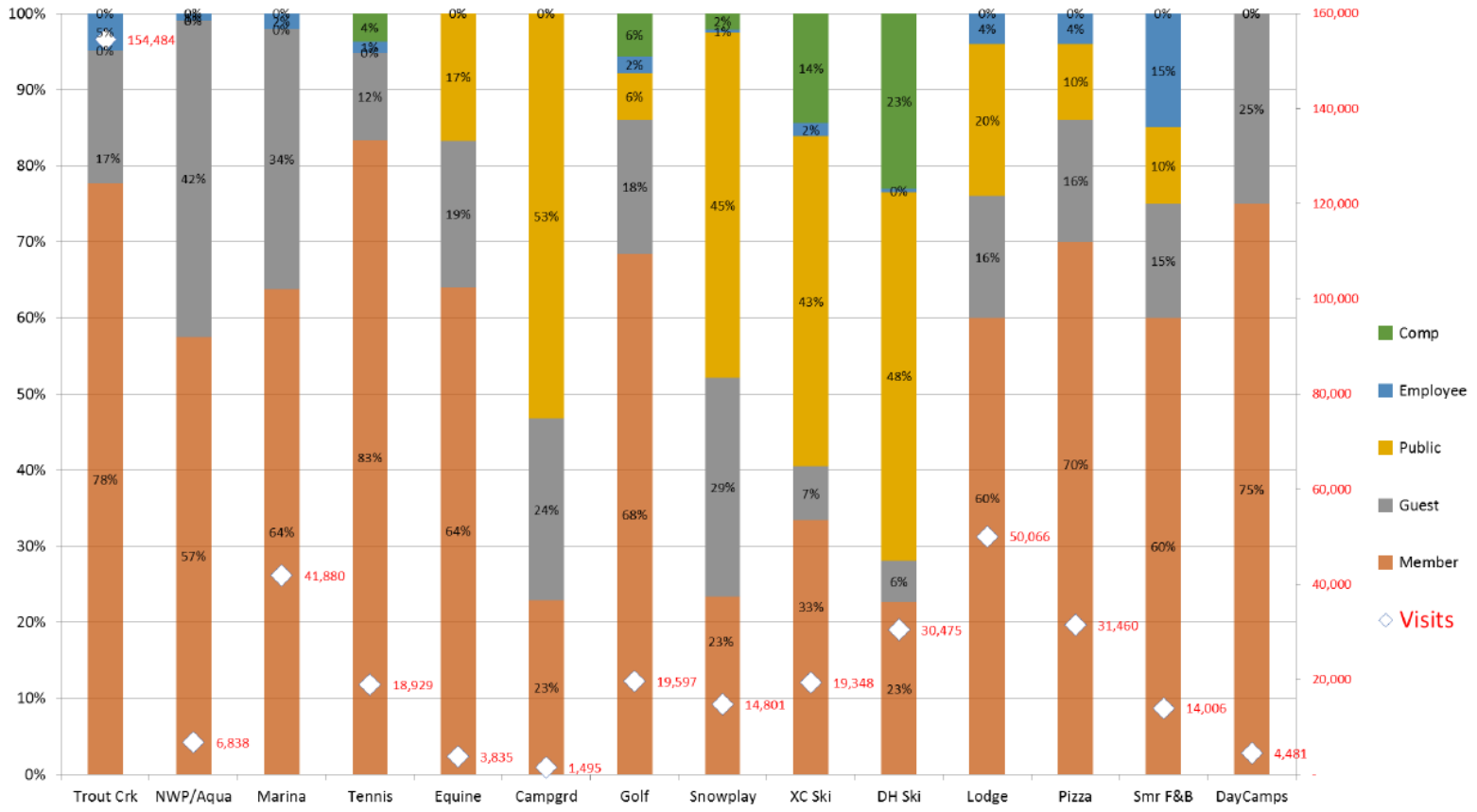
Product	qty sold	\$sales	Yield
Rec Pass 2017/2018	3,508	947,030	270.00
Add 5-6 2017/2018	635	63,470	100.00
Add 7-8 2017/2018	121	12,100	100.00
Total for 2017/2018	4,263	1,022,600	239.87

Rec Fee purchased by 54.2%

- 6. **Stored Value & Credit Card on File:** Money can be attached (stored) on your membership or guest RFID card. You can come into Member Services with your credit card and we can put the money on your card for you. To use your stored value, you must tell the staff member that you have stored value on your RFID card. Your receipt will show the balance left on the RFID card.

7. Five-year amenity visitation history:

Visitation Mix and Total Visitation - 5 Year Averages (2012 to 2016)



- 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 730 lots still vacant.

2016 ASSESSMENTS

a/o December 31, 2016

	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	422	113	0	21	21	0		44	5	2	3	561	579
Unit 4	643	585	54	4									643	643
Unit 5	554	471	78	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	533	73	0									606	606
Unit 9	651	560	87	4									651	651
Unit 10	488	410	74	4									488	488
Unit 11	514	463	49	2									514	514
	5788	5051	716	21	125	109	14	2	451	14	7	7	5927	6253
Notes:										(Vacant Lots: Zoned for a further			Golf Course Condos:	30
Commercial Properties are not included in Assessments										65 units)			Ski Bowl Condos:	130
Unit 01, Lot 184: Is owned by Tahoe Donner Association and is not included in Assessments (drainage lot)													Ski Lodgettes:	60
Unit 11, Lot 173: Is owned by Tahoe Donner Association and is not included in Assessments														
										Total Assessments:			6473	

Identified Concerns

- Membership RFID cards are too limited in quantity for the members associated with large families or multi-family owned units.
- Membership RFID cards are issued to individuals with a simple affidavit of family connection by the deeded owner of a property.
- Guest of members are broadly defined in the governing documents and amenity access policy.
- Despite being a leading membership validation / point of sale system, the RTP system can be end user difficult to some front-line staff.
- False perception that a “black market” of membership cards or guest cards exist.
- Private amenities become overcrowded quickly during peak periods with members and member guest accessing facilities.

7. No blackout periods or entry prioritization exist for members or member guest at the private amenities.

Recommended Future Discussion Topics

1. What would be the best practice for Tahoe Donner to designate and validate membership affiliation with owners/properties to best value members first?
2. Should member's guest be more specifically defined, tracked, and charged for access to private amenities?
3. Should membership only (no guest) dates be created during peak periods at the private amenities?