



SENIOR TRANSITION TEAM UPDATE

December 6, 2019

Operations Review

Miguel Sloane, Director of Operations

Due to the early nature of the December BOD meeting, financial information is reported from the daily flash report – actual month end results may vary. November, while an extremely busy month for staff with winter operations preparation, is our slowest customer volume month of the year.

Downhill Ski Resort (DSR)

The DSR continues to operate at a large positive variance to budget through November. Since the operation has yet to open (opening day scheduled for Dec. 13), there was no revenue collected during the month, however, season pass sales are tracking at a record pace for both volume and revenue. Labor dollars are tracking good to budget for the month (flash report). With opening day fast approaching, there are lots of moving pieces to get ready for the upcoming season, but the team has good traction. We are excited with the possibility to open on natural snow this winter.

Summary:

- Equipment maintenance update:
 - Grooming machine status:
 - DH and XC cats are serviced. Vehicle 100 and 218 in operation at XC. 118 will be delivered shortly. 220 is waiting for a track pan ram to be delivered.
 - 126 (Golf/Snowplay cat) had frame damage from last spring. It is assumed that the damage was the result of using this cat to remove trees from around the golf course and wetlands west of the driving range. We have an in-house welder repairing the damage. Estimated to be completed just before opening day.
 - Lift maintenance status:
 - All lifts have been inspected and received operating permits from the state.
 - Bus maintenance
 - 140 and 144 service completed
 - 54 has a wheel wear concern on the rear passenger side wheel. The bus was brought to Reno for diagnosis and no issue was found. Uneven wear continued, so the bus was brought back to Reno for





- another diagnosis effort – same result. We have replaced the tires and will be monitoring the wear.
- A new bus was purchased and delivered on Dec. 2. Marketing has ordered the logo package and ski maintenance is working on the ski racks.
- Snowmobile and snowblower service complete.
 - Staffing status: 60 J1 job offers accepted – several are not able to travel for a variety of reasons so we will have 52 arrive over the next few weeks.
 - All houses have been secured and are ready for arrivals.
 - Orientation scheduled for Dec. 7, 2019.
 - We are still short for several positions at the ski area. Marketing is working on a campaign to highlight the referral incentive and detail the specific positions in targeted efforts.

XC Ski

Mother Nature cooperated and the XC operation opened on November 29. With the holiday, volumes are always good when we are able to open during Thanksgiving. Friday and Saturday skier visits brought revenues to \$9k good to budget. Unfortunately, the storm that hit Saturday evening did drive many people out of town on Saturday, so both Saturday and Sunday were not as busy as it should have been....just another example of how revenue opportunity is often out of our control. We had 20+km of trail groomed for opening day on only 16-20 inches of light, fluffy snow. This is a testament to summer trail grooming efforts, our snowmobile grooming implements and the PB 100 groomer. Our excellent reputation continues to grow with the investments we are making to enhance this operation. Staffing levels are solid at XC. We hosted 2 orientation programs during the month to ensure all seasonal team members started the season with consistent expectations clearly defined. We received 7 Likemoji engagements in November with a perfect score of 5. Sally has engaged directly with a customer regarding an actionable suggestion relating to distances between trail maps.

Alder Creek Café

ACC exceeded budgeted revenue targets in November despite being closed for the first three days of the month. Opening our XC center on November 29 helped achieve this result with 26% of the month's revenue occurring in the final two days. The winter dinner menu has been finalized and promotion will start this week for the 12-20 start for dinner service at ACC. The winter Café lunch menu will roll out on December 16. Midweek winter events to drive dinner volume are scheduled to begin the week of January 6, 2020. The entire Adventure Center leadership team is meeting weekly with Jesse and myself to ensure solid communication across both operation and BOH and FOH teams. There are two additional Christmas party events scheduled at ACAC – 12/7 and 12/15.





We had 10 customer engagements for the month with an average Likemoji score of 3.8 with most comments about food quality.

Trout Creek

Trout Creek has been dealing with the facility being under construction for the entire YTD. During the project approval process, staff forecasted no significant impact to the financial performance of the operation because the mitigation plan kept nearly all services available to our members and guests. Through November, it appears our predictions were accurate as YTD NORBO coming in \$20k+ good to budget. Phase 2 is not pacing as well as phase 1 so a pre-holiday completion is no possible. The contract date of late January looking more likely. Staff is working through the asset disposal of the old weight equipment, but the timing will likely not line up so we may need a storage unit to house equipment after construction until we can find a buyer.

Trout Creek had 17 Likemoji customer engagements during November with a score of 3.5.

Staffing is solid at TC aside from currently only having one custodian. The position has been posted and will need to be filled prior to the holiday period, or we will need to contract a cleaning company to assist on evenings when we do not have a custodian scheduled.

Operational modifications for the upcoming season will be significant when phase 2 is complete. The primary changes where details still need to be worked out include:

- Modifying the fitness class schedule – with the addition of the spin room, we have more flexibility to add classes during prime fitness class times.
- Restructuring the kids club program.
- Increasing cardio equipment inventory to match the additional sq. footage in the cardio/strength training area.

Kyle and Tommy are working through the details of these items in the next several weeks.

Snowplay

Snowplay was able to open on November 29 with sledding only (discounted pricing) as an option for the membership over the holiday weekend. Friday saw decent crowds, but as was the case with XC, Saturday and Sunday were quiet as people scrambled to get out of town. The scheduled opening day is December 13 (Friday, Saturday and Sunday), with the operation opening full time for the holiday period on Dec 20. All tasks for opening have been completed. Many of the staff will be returning from life guard roles from this summer, with one J1 coming in to work this operation.

The Lodge

The Lodge was closed for 2 weeks in November for maintenance and deep cleaning. The closure impacted both the revenue and labor results for the month with revenues falling about \$50k short of budget (flash report). Additionally, the storm impacted Saturday night





reservation by 50% as members were trying to get back over the hill before the inclement weather hit. The corresponding annual Light Up the Night event on Saturday evening was attended by an estimated 30%-40% of the normal volume of attendees. The Lodge staffing situation is solid aside from the banquet manager position vacated by Jeff Jack last month. Christen is stepping in to manage banquets through the holiday party season – we have 5 parties left with 2 buy outs on the 7th and 12th. Christen and Chef Lew are finalizing the NYE menu.

Management Objective #5

The amenity access policy revision objective had some traction during the month. I developed a timeline (below) with a target completion date of September 2020. An initial meeting with two members Charles had asked for input was hosted on Dec. 2 (Mackler and Maciejewski). Jim Roth joined via phone. We reviewed the timeline and discussed desired goals of the revision. After the holidays we will meet again to review data and develop survey questions for member input.

Amenity Access Policy Update Timeline - Nov 30 DRAFT	
	Assume two 45 day notice periods
1-Nov - 30-Nov	Staff input to challenges and opportunities regarding access policy - operational managers, front line and MS staff. Outline current pain points/need for change, develop conceptual solutions to improve the policy, identify categories of options if necessary.
2-Dec	Meeting #1 - small member group to brainstorm goals and ideas. Review historical perspective. Identify opportunities. Review timeline. Develop recommendations for the way forward. Determine the data required to refine recommendations.
5-Dec - 5-Jan	Ops focused on Winter Operations
6-Dec	Submit project timeline to the BOD for review in GM Update
7-Jan	Meeting #2 - Data pull. Develop survey objectives then questions for membership feedback. Town Hall Meeting date. Refine recommendations. (President's Weekend?)





10-Jan	Feb TD News deadline - Membership Communication regarding the policy change potential and upcoming process, include Town Hall invite, Marketing story regarding the value of TDA Amenity Access
10-Jan	Create Mach Form for member feedback collection - one option
20-Jan	Review financial impact of various options
20-Jan	Meeting #3 - finalize DRAFT survey questions based on town hall feedback.
25-Jan	BOD MEETING - Update BOD on process - Board review of draft survey questions?
27-Jan	Launch Town Hall Communication/Invite
1-Feb	Launch survey - 6 days
7-Feb	Close survey
10-Feb	March Newsletter deadline -
15, 16, 17 - Feb	Townhall Meeting - Introduce conceptual changes, solicit member feedback
22-Feb	BOD MEETING - Update BOD on progress
24-Feb	Meeting # 4 - Survey results analysis, refine recommendations - financial analysis completed - FINANCE COMMITTEE?
1-Mar	Communicate survey results to membership
9-Mar	Meeting #5 - Article review for 45 day notice
15-Mar	Draft 45 day notice article for April TD News - due 3/15/19
16-May	45 Day Notice Complete
18-May	Meeting #6 - Review 45 day notice feedback - refine policy





23-May	BOD MEETING - Update BOD recommendations from 45 Day Notice feedback
10-Jun	Draft 45 day notice article for July TD News - due 6/15/19
26-Jun	BOD MEETING - Annual Mtg - educational effort to inform membership of changes in policy and 45 day notice - EXPO at annual meeting?
17-Aug	2nd 45 Day Notice period ends
15-Aug	Meeting #6 - Draft policy finalized to present to the BOD for approval
16-Aug	Final financial impacts incorporated into 2021 budget draft
September	BOD Meeting - BOD approval of amenity access policy for 2021
Nov - Dec	Member education about new policy

Risk Management | Architectural Standards | Covenants and Other Departments Review
 Annie Rosenfeld, Director of Risk Management and Real Property

Safety and Loss Prevention

For the month of November incident summaries are below:

MONTHLY INCIDENTS SUMMARY 2019						
Incident Type	# of Cases	Medical	Non Medical		Total Cases	
Burglar/Fire Alarm Activation	14	0	0		14	
Cash Loss - Bank Shortage	0	0	0		0	
Employee Injury/Illness	1	0	1		1	
Guest Incident Injury	0	0	0		0	
Incident Report - Facility	1	0	1		1	
Dishonest Associate	0	0	0		0	
TDA Auto Accidents	0	0	0		0	
Theft of Company Property	0	0	0		0	Total 16
WORKERS COMPENSATION						
	Notification Only	Medical Required				
	1	0				

Items Coming Up

- Creation of action plan for 2020-2021 insurance renewal including analysis of group captive and enterprise risk management programs.





- Winter ops risk oversight and inspection as operations open and department risk/safety goal check-in

Property Casualty Claims

None

Architectural Standards and Covenants

Action Plan Update

Rules and Procedures

Ahead of the potential C&R update and as part of facilitating ASO/ASC Task Force recommendations, staff completed a comprehensive review of the Architectural Standards Procedures and Rules earlier this fall. The goals of this review were:

- parse out what is internal procedures versus rules
- prepare recommendation to separate the above for a more adaptive approach to procedures
- simplify the permitting process
- simplify and clarify what are rules and what rules are carbon copy from the Covenants and Restrictions

Following the review, an updated architectural standards customer survey was completed and sent out to all permit projects which were completed this past year. Moving forward the survey go out monthly to any permits completed during that period. The survey explores type of project completed, who applied for the permit, experience with OneStop, staff responsiveness, preferred communication methods, timeliness of permit issuance, completion of final inspection, etc.

Response to the survey was good with a 20-30% response rate in each batch. Overall member satisfaction rating with the department is 4.1 out of 5 points. Most importantly we received valuable comments which will align the department goals and objectives more clearly. Additionally, we have focused on the responses from seven (7) out of fifty-eight (58) total respondents who had a poor experience to address items quickly, where possible, which contributed to their experience.





Department Highlights

- Communications
 - Monthly member education and reminder of covenants rules and enforcement; most frequent complaint/violations, how to make a complaint, what happens after a complaint is made
 - Focus on follow up improvement with complainant and respondent with new staff coming on board
 - Major focus on website and content improvements based on member survey feedback for Q1-2 of 2020
- Customer Service:
 - Staff training and goal development based on customer service survey results and project self-evaluations
- Covenants Rules
 - Draft Covenants Enforcement Procedures are with legal for review. Expected return for Covenants Committee discussion at the December meeting
 - Discussion on “For Rent” and “For Lease” signage to occur at the December committee meeting
- Architectural Standards Fees and Rules
 - ADU/JADU rules were developed, reviewed and approved to go out for 45-day member notice and comment. This will occur in the January TDNews. The board will hold a member comment period at the January 25 meeting, and expected action on the rules at the February 22 meeting.
 - Proposed 2020 Fee changes come before the board at the December meeting for consideration to go out for 45-day member notice and comment.



Golf Course Maintenance

The Golf Course closed on October 21, one week later than planned to allow for play longer due to the late start of the season. Thus, winterization of the course finished in earnest mid-November just in time for the first snow storm of the season. Department staff turn their focus to equipment maintenance for the winter and snowplay grooming.

We are happy to report the new greens are growing well in the valley. The contractor reports the acreage looks healthy, and with the delay of winterlike weather, they achieved sufficient growth and were ready to go dormant for the winter.





Forestry Highlights

- Defensible space program: For the 2020 program all 1,049 properties have been inspected.
- Defensible space program: For the 2019 program all 984 properties have been inspected. 59 properties passed the initial inspection with 925 needing some form of work to be compliant. During the month of October 49 properties have become compliant. For the program year 837 properties are compliant. During the month of October, Forestry visited 31 properties to assist owners in understanding the scope of work required on their property.
- Defensible space program: For the 2018 program all 750 properties have been inspected. 144 properties passed the initial inspection with 606 needing some form of work to be compliant. To date, 743 properties are compliant, 2 are extended and 5 properties have been forwarded to covenants.
- Continue chipping through the month of October due to member piling past the deadline and clear weather. The department chipped 274 properties for 53.5 tons of material.
- Tree planting continued through the month of November with season totals pending.
- Burning of burn piles were not completed due to elongated dry fall followed by the saturating snow/rain right as the debris burning ban was lifted. Burning of the 1000+ piles is unlikely for this season unless we get a dry spell allowing the wet piles to dry out.
- TDA crew worked on dead tree removal through October and into November. All contract crews have completed work.
- 79.75 acres of common area has been treated through October.
- 83.1 acres of fuel break has been treated through October.
- For the month of October 758 dead trees were removed from association property. The yearly total is now 2,677.
- Bill and the Truckee Forest collaborative (which includes Truckee Fire, Truckee Donner Land Trust, and others) will be submitting a grant for fire hazard mitigations. Tahoe Donner's proposed treatment is X acres.

Items Coming Up for Forestry

A Board of Directors presentation is planned for January for the annual year-end report and 2020 plan projects review.





Trails

This fall was fabulously long and trail users all around reveled in the wonderful weather and maximized their usage of the trail system until the morning of the snowfall Tuesday before Thanksgiving.

Capital Project Coordination:

5-Year Implementation Plan Projects

Nature Loop – As reported previously, permit applications were submitted to the agencies during Q3. Tahoe Donner’s environmental consultant, Gavin Ball, facilitated agency questions relating to the submitted plans during the review process. At the end of Q3 management executed signatures to pull the Lahontan Waterboard and California Department of Fish and Wildlife permits. Work remaining to be completed for the permitting process:

- Finalization of engineering calculations for bridge and walkways
- Pull the Town of Truckee grading and construction permit
- Prepare Lahontan Waterboard mitigation fee payment once the agency has calculated
- Tahoe Donner has submitted a California Fish and Wildlife grant application for implementation (aka construction) grant funds. Optimism continues to be high for securing funds. That being said, budgeted RRF funds for construction are part of the 2020 budget to ensure completion of the project next year.

Trails Master Plan Update Request for Proposal

Management drafted a request for proposal for the trails master plan update. We worked with subcommittee co-chair, Benjamin Levine, to finalize the document and sent out October 1. The Request For Proposal (RFP) was tendered to a number of qualified firms. Zero firms responded with a proposal. I reached out to all the firms to discuss this apparent lack of interest. I learned that some firms actually are interested. However, changes in the RFP's scope, response timing, and schedule are necessary. We are currently working with the subcommittee to narrow the scope with hopeful reissuance of the RFP after the first of the year.

Items Coming Up for Trails

Staff will be coming to the board at the January board meeting regarding the Nature Loop Construction project budgeted for 2020 to request award of construction contract for the project. There is a lengthy (up to 6 months) lead time on some of the construction materials, thus the need to move forward with project approvals.





General Information Highlights

Mountain Housing Council

The Mountain Housing Council finalized the white paper on Accessory Dwelling Units. I provide a copy of this in board books for review.

Town of Truckee Secondary Residential Units Ordinance Update

The Town Attorney reviewed the State legislation, which states that jurisdictions need to have the new ADU requirements in place by January 1, 2020, or the existing ordinance is invalid. That timeframe would not allow the Town to go through their normal process for a Development Code update, which requires review by the Planning Commission and a first and second reading of the ordinance by the Town Council. As such, the Town Attorney determined that they need to take an urgency ordinance to the Town Council at next week's hearing to incorporate the new ADU standards into the Development Code. The staff report with the draft language is published on the Town website. You can access the agenda here: <https://www.townoftruckee.com/Home/Components/Calendar/Event/6490/16>

AlertTahoe/AlertWildfire Fire Camera

Installation as approved by the Board \$50K at the August 24, 2019 regular Board Meeting. Motion passed 5-0

A draft MoU from Tahoe Prosperity Center for the AlertTahoe/AlertWildfire Fire Camera was developed and provided to staff. This is in the board of directors' executive session book for review, suggested edits and/or approval.

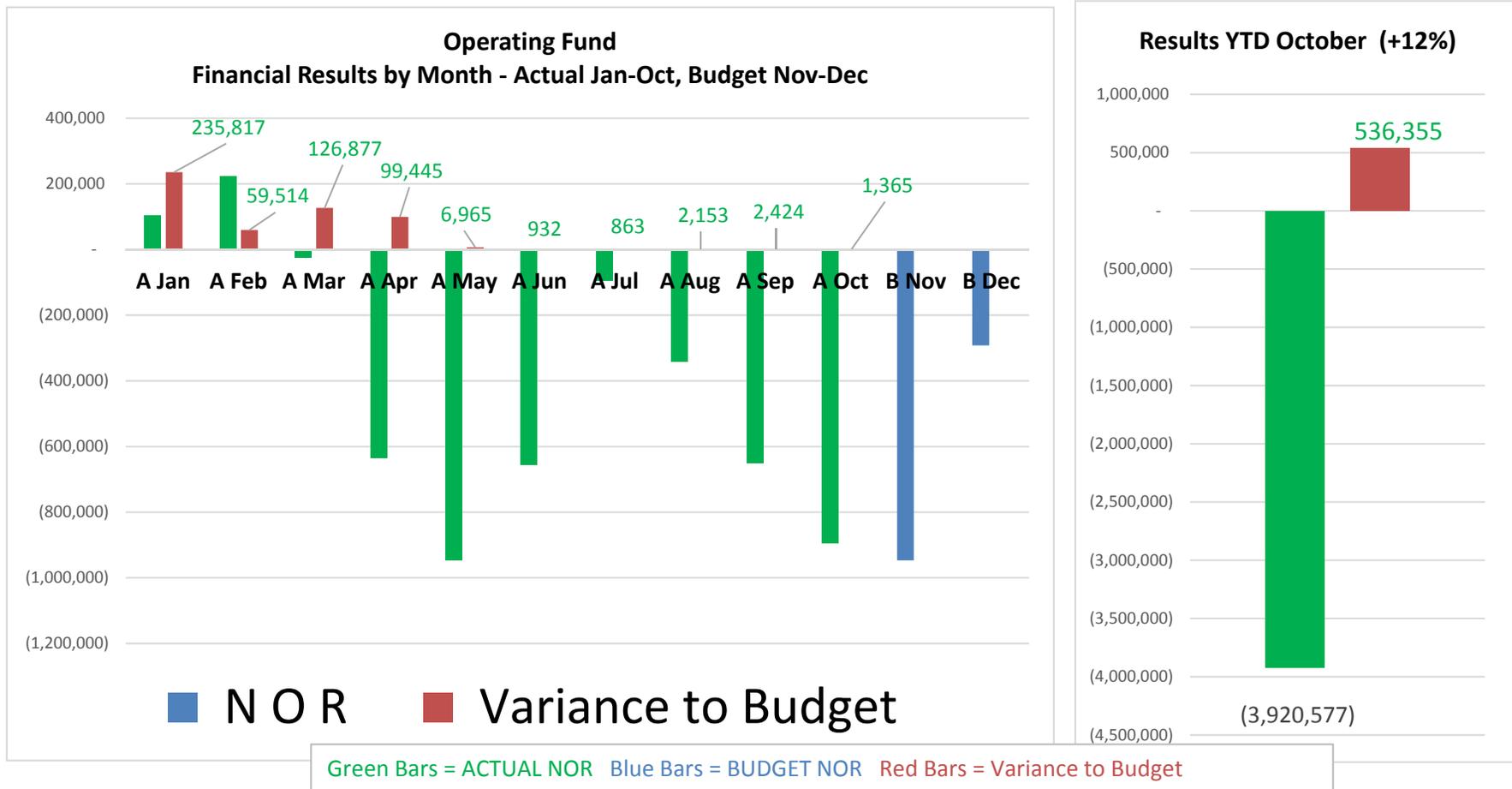
As outlined in the MoU the 2019 contribution would be \$41k: \$31k as one-time equipment and installation cost with reoccurring maintenance costs estimated at \$10k annually for future years.

Financial Highlights

Michael Salomon, Director of Finance and Accounting

See next pages.





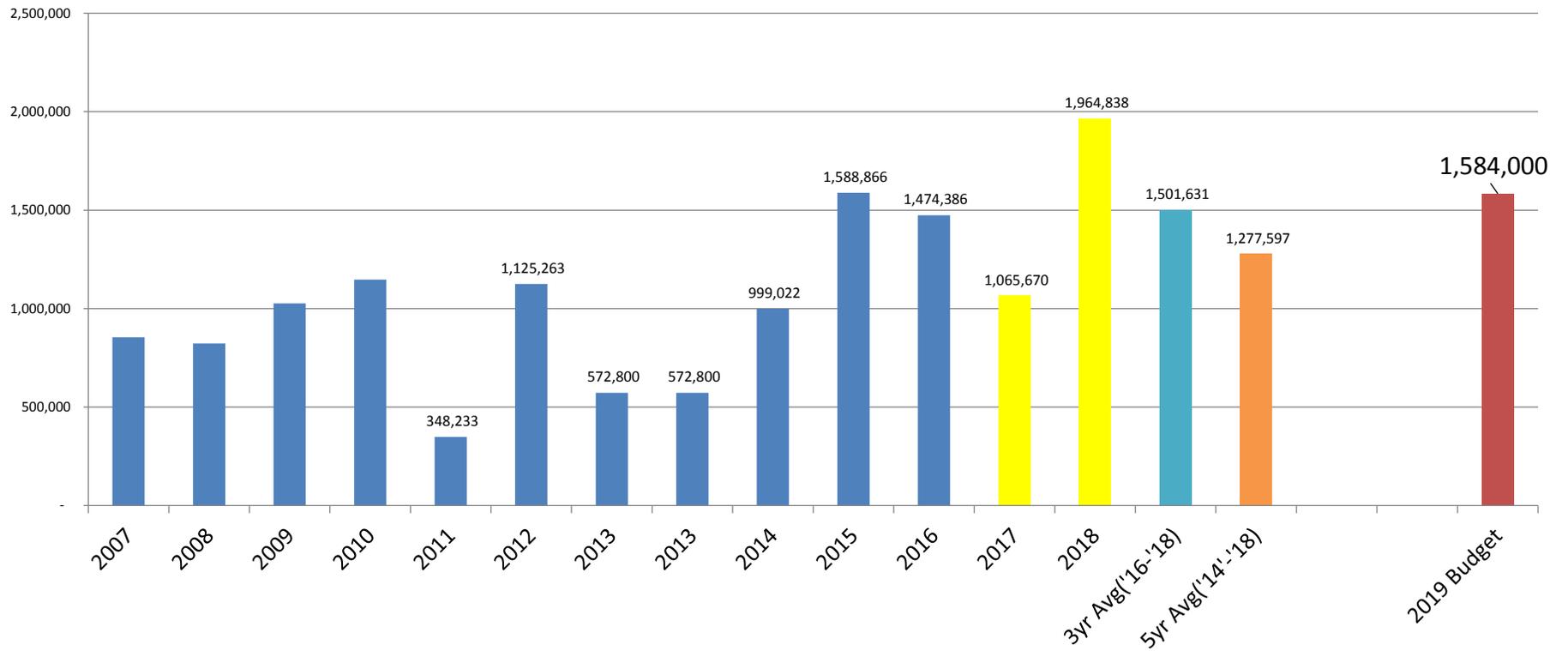
With an early in the month Board meeting date, with Board documents due by 12/7, the month of November close is in early stages.

November: Current flash and other preliminary information indicates November will be at or near Budget NOR results.

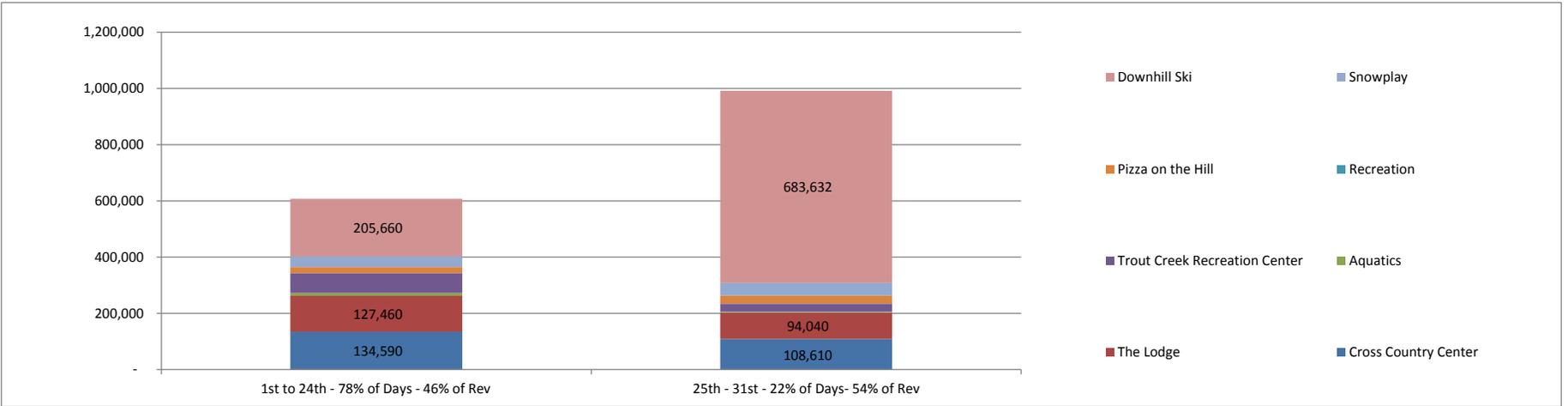
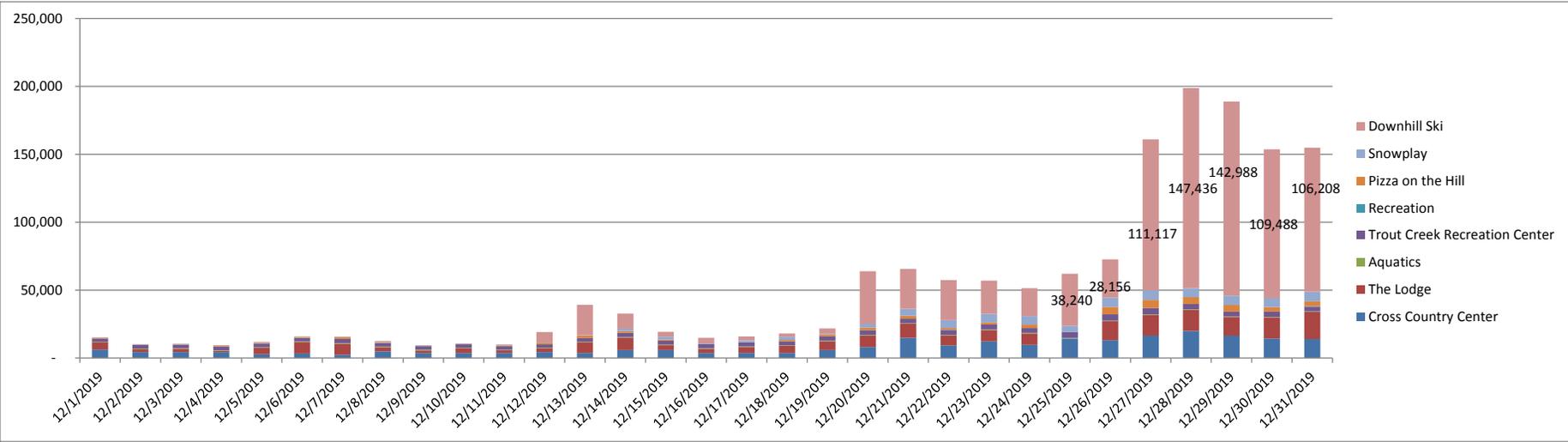
December: all indicators reading GREEN for on Budget+ results at this time, prior to any non-recurring items.

See next 2 pages for additional information on the financially significant month of December.

Operating Revenue - December - Historical and 2019 Budget



Operating Revenues - 2019 Budget - December - excluding HOA Depts



active month of DECEMBER KEYNOTES

Accounting and Finance

- Close and Reporting on November
- Audit has started (on site 3 days (12/9-11))
- Board/Committees/Other meeting preparations
- Budget 2020 Details/upload to system
- Operations setup/support Peak Period

Information Technology

- Timeclocks Project
- IT Strategic Plan Update Project
- Operations setup/support Peak Period

Marketing and Member Services

- Training new manager
- SB323 Campaign
- Enhanced Member messaging planning
- ZenDesk for Downhill Ski implementation
- Operations support Peak Period

Capital Projects

- Trout Creek Recreation Center project
- Board/Committees/Other meeting preparations
- Operations support Peak Period