

DHS Lodge Update for GPC 3/2/2020

Task Force Work Summary

- Complete
 - Summary document of previous DSR/staff work complete
 - Skier usage data finalized
 - Owner engagement plan developed
 - Two board approvals
- In Progress
 - Lodge size methodology
 - Lodge sizing next Steps
 - Timeline to May board decision
 - Post board decision timeline

Lodge Size Methodology

- Lodge sizing methodology
 - Comfortable carrying capacity set at 1000
 - Review skier visit history data – How many days over capacity – 20-25%?
 - Balance skier visits with member experience
 - What does 1000 ccc mean for Tahoe Donner
 - Industry standards - Baseline
 - Account for unique skier and staff needs based on current operation
 - Building constraints
 - Lot size, setbacks, layout, elevations
 - 2 story vs 3 – Relationship of space
 - Operations
 - Using needs analysis for new lodge to operate under existing operating model
 - Sizing for existing needs
 - Financial
 - Estimated project dollar threshold – Need to start somewhere
 - Current capital fund projection assumes 15.3 Million 2023
 - Currently a revenue generator and assessment offset

	Number of Peak Days > xx							Total Season	Total Days>700	% skiers>700
	700	800	900	1000	1100	1200	1300	Skiers	Skiers	Skiers
<i>Snowmaking since 2015-2016 Season</i>										
2019-2020 season	21	16	13	10	9	8	4	35474	21967	62%
2018-2019 season	22	19	16	11	7	4	3	47292	22590	48%
2017-2018 season	9	5	0	0	0	0	0	34462	7158	21%
2016-2017 season	23	21	20	12	11	5	4	51271	25233	49%
2015-2016 season	28	26	20	17	13	10	8	55154	32136	58%
2014-2015 season	6	2	1	0	0	0	0	9177	4778	52%
2013-2014 season	0	0	0	0	0	0	0	3961	0	0%
2012-2013 season	26	23	20	15	11	10	9	48151	30750	64%
2011-2012 season	3	3	2	1	1	1	1	22215	3337	15%
2010-2011 season	28	21	19	17	15	11	9	59239	34447	58%
2009-2010 season	34	28	25	22	15	9	7	60849	38994	64%
2008-2009 season	26	22	18	17	14	11	7	49931	29589	59%
	205	170	141	112	87	61	48	0	0	0%

Average	19	15	13	10	8	6	4
3 YR Average	18	15	12	8	6	3	2
5 yr Average	18	15	11	8	6	4	3
Snowfall > 200" Avg	25	21	17	14	11	8	6

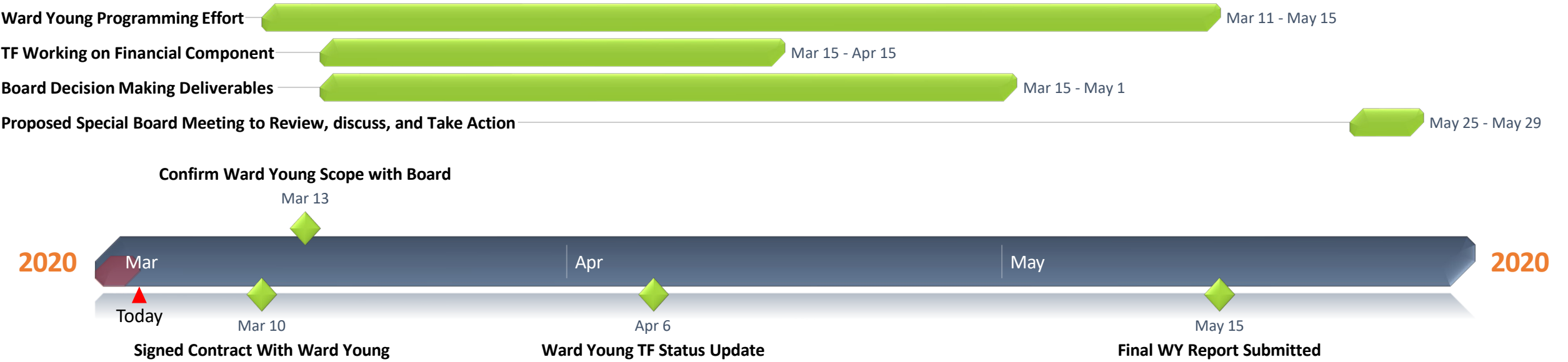


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Lodge Sizing Next Steps

- Ward-Young: consulting services for detailed program analysis
 - re-evaluate appropriate CCC based on all data
 - Develop Programming document that identifies spaces, size, and relationship of space
 - Produce detailed alternatives analysis of like-for-like; 1,000 CCC; 1,300 option
 - Pros Cons of each option
 - What are we getting compared to baseline – today
 - What size makes sense for 2-story/3-story
 - Current sq/ft cost data for similar projects in area
- Financial Component
 - Analysis that provides P&L's for each size
 - Historical performance
 - Impacts on changing from current operation
 - Capital funding
 - Service analysis outcomes (i.e. change in existing programs up/down)
- Board decision criteria

SIZING METHODOLOGY TIMELINE



Timeline

- 3/10/20 – Signed contract with Ward Young
- 3/15 – 4/15 - Task force working on financial component
- 3/15-5/1 – Task force addressing other board decision making deliverables
- 4/6/20 – Ward young status update to task force
- 4/29/20 – Draft Ward Young report for Review
- 5/15/20 – Final Ward Young report submitted
- 5/25/20 – 5/29/20 – Proposed special board meeting to review, discuss and take actions