



STAFF REPORT

DATE:

March 17, 2021

TITLE:

Pizza on the Hill (POH) Kitchen and Dining Room Code Compliance

RECOMMENDATION:

By Motion: Approve the use of Replacement Reserve Fund (RRF) scheduled for 2022, 2023 and 2024 for kitchen, bar and dining room improvements at the Tahoe Donner Association Northwoods Clubhouse in an amount not to exceed \$87,226 and give the General Manager authority to enter into construction contracts in order to complete the refurbishment of Pizza on the Hill prior to reopening for Memorial Day in 2021.

BACKGROUND:

In October 2019 during a regular board meeting, staff discussed future operations for Pizza on the Hill and reviewed a decision paper to keep the restaurant closed until the summer of 2020. Staff also proposed to extend the hours at Alder Creek Cafe for the winter of 2019-20, including adding items to the menu. The restaurant remained closed during the summer of 2020 due to COVID-19 restrictions placed by the County and State.

Pizza on the Hill is planning to reopen for Memorial Day in 2021 once COVID-19 County and State restrictions are lifted.

ANALYSIS:

The kitchen and bar flooring as well as the kitchen wall/ceiling paint conditions do not meet current Nevada County Environmental Health and Safety requirements for a restaurant. Refurbishing these components is required to reopen the amenity and requires a complete clear-out of the restaurant. The majority of these components come up for replacement on the RRF calendar in 2022. In order to reopen the restaurant for this year, these components need to be accelerated. The components needed to meet County health code requirements include interior painting, shelving, flooring upgrades and minor kitchen equipment replacement.

The painting in the dining area is also up for replacement in 2022. Accelerating this component to combine with the kitchen work will allow for rebranding opportunities, cost savings by utilizing efficiency of contractors and the elimination of restaurant disturbance next year.

OUTREACH:

Management conducted a member survey specifically on Pizza on the Hill operations and opportunities. This survey was open from August 15 to August 22, 2019 and received 2,567 responses. Results indicated that 73.1% of members thought that having Pizza on the Hill open for the summer was very important or somewhat important.





FISCAL IMPACT:

The project will be completely paid for out of the Replacement Reserve Fund. The following table shows the replacement reserve components that will need to be accelerated to cover the cost of the proposed refurbishment work.

Component	Replacement Date	Replacement Cost
Bakery Shelving Cabinetry	6/1/2022	\$3,000
Flooring Kitchen	8/1/2022	\$20,346
Flooring Restaurant/Hall/Meadow Room	6/1/2022	\$25,000
Paint – Interior Restaurant	5/31/2022	\$7,239
Paint – Kitchen/Bake	6/1/2023	\$12,000
Walk-In Refrigeration Repair	5/31/2024	\$2,800
Pizza Prep Refrigerator	6/1/2024	\$16,841
TOTAL		\$87,226

ALTERNATIVE:

Do not proceed with the described improvements. This alternative would require Pizza on the Hill to remain closed for the summer 2021 season. It is important to note that POH or any other food service activity originating out of the Clubhouse kitchen would not be able to move forward until such improvements are made.

ATTACHMENTS:

N/A

Prepared by: Jon Mitchell, Director of Capital Projects

Reviewed by: Todd Martyn-Jones, Director of Finance

Reviewed by: Steve Turner, Director of Food & Beverage

General Manager Approval: _____ Date: _____

