



## STAFF REPORT

### DATE:

May 20, 2021

### TITLE:

Phase 1 Cross Country Ski Snowmaking

### RECOMMENDATION:

#### By Motion:

1. Approve Phase 1 of the Cross Country Ski Area (TDXC) Snowmaking Construction Project not to exceed \$1,089,079, which includes allocating an additional \$139,286 from the development fund to completely fund the project (includes \$89,371 in contingency).
2. Authorize the General Manager to enter into a construction contract with Pure Flow Mechanics (PFM) for an amount not to exceed \$893,709 and Snow Machines Inc. (SMI) for an amount not to exceed \$106,000.

### BACKGROUND:

Installation of snowmaking at the TDXC will provide trail access to the natural snowline on high-elevation/low snow years. On average snow years, TDXC operates approximately 135 days per season. On low snow years/drought years, TDXC operating days range from 31 to 65 days. Over the past 10 years, TDCX has had low snow/drought years for the 2011-2012, 2013-2014, 2014-2015 and 2017-2018 seasons. Analysis of these previous years shows a fluctuation in net operating results before overhead in excess of \$700,000 between good snow and low snow/no snow years. Return on investment analysis conducted conservatively shows complete recoup of investment over a 10-year period assuming three bad snow years per 10-year period.

The General Plan Committee and management prioritized snowmaking at TDXC during the 2018 budget cycle to begin cost analyses and design options. In 2019, utilizing Development Funding, staff began design and preliminary permitting work.

On April 9, 2020, the Board approved staff to proceed with final design and permitting with a soft cost budget not to exceed \$100,000. Working with PFM, staff completed final design and all permits are pending.

### ANALYSIS:

The design incorporates a two-phase installation plan as follows:

- Phase 1 – Proposed project requesting approval
  - Utility infrastructure setup
    - Utility installation through Alder Creek Adventure Center (ACAC) parking lot to proposed pump house/utility shed
    - Construction of pump house/utility shed. Shed provides storage space for all associated equipment.
  - Snowmaking utility installation
    - Provides snowmaking at the teaching Meadow, and the Nighthawk/Practice Hill Loop
    - Provides snowmaking along North Fork Trail to Moondance Hut





- Infrastructure installation to accommodate permanent backup generator for ACAC for future needs
- Phase 2 – Future Project (cost estimate \$170,000)
  - Additional snowmaking utility installation
    - Provides snowmaking around full Rough Rider Loop (1km)

Tahoe Donner Association follows the California Environmental Quality Act (CEQA) Guidelines for all capital projects. It was determined by Nevada County that the project would be consistent with the previous CEQA Mitigated Negative Declaration (MND) adopted for the Trails Five-Year Implementation Plan and, therefore, no additional CEQA analysis would be required. In addition, the County determined that the project would qualify for a CEQA Categorical Exemption under Section 1530, which allows the exemption of projects that consist of a minor alteration to existing public or private facilities with the key consideration being whether the alteration would involve an expansion of use. The proposed snowmaking system will follow current trail and roadway alignments and will not increase use. Given the project type and design, Nevada County determined that a Management Plan would be necessary. Permit status for the project is as follows:

- Town of Truckee Grading Permit approval – received on Sept. 8, 2020
- Nevada County Management Plan approval - received on Sept. 22, 2020
- Nevada County Grading Permit pending – expecting approval mid-June 2021
- Nevada County Building Permit pending – expecting approval mid-June 2021

## **OUTREACH:**

Staff have conducted extensive member outreach in 2020 for this project, consisting of:

- Direct mail notification and request for feedback sent to adjacent homeowners
- Email notification sent to property owners and membership on Feb. 11 and Feb. 18
- Demonstration and Q+A session held on Feb. 15 at 7:30AM and 4:30PM, and Feb. 22 at 7:30AM and 4:30PM
- Snowmaking guns put on display from Feb. 14 through closing day of the ski season
- Information poster at Alder Creek Adventure Center posted Feb. 14 (and updated on Feb. 20) through closing
- Social Media: Instagram story published Feb. 15 (demonstration video) and post published Feb. 19
- Feature story included in the March 2020 issue of *Tahoe Donner News*
- Information portal created on website with ‘call for feedback’
- 25 member comments received with 17 in favor of, six opposed and two with general questions concerning snowmaking
- Likemoji Feedback received with 20 pro-snowmaking responses from Feb. 15 to March 7
- Presented project information and updated at the following 2020 board meetings: January, February and March





**FISCAL IMPACT:**

<b>Phase 1 Project Costs</b>	
Planning/Permitting (complete)	\$50,207
Phase 1 Construction (PFM Contract pending approval)	\$893,709
Phase 1 10% Contingency (pending approval)	\$89,371
Snow Guns (SMI contract pending approval)	\$106,000
<b>Project Total</b>	<b>\$1,139,286</b>

Phase 1 total construction cost with contingency is \$1,089,079. The total project cost including all planning/permitting expenses to date, construction and contingency is \$1,139,286. This project is completely funded out of the Development Fund. The 2020 approved Development Fund budget for TDXC snowmaking soft costs was \$100,000. The 2021 approved Development Fund budget for TDXC snowmaking was \$900,000. We have a shortfall of \$139,286, of which \$89,371 is contingency, that will also need to come out of the Development Fund budget.

**ALTERNATIVE:**

1. Do not proceed with Phase 1 Snowmaking and do not make snow at TDXC at this time.

**ATTACHMENTS:**

N/A

Prepared by: Jon Mitchell, Director of Capital Projects

General Manager Approval: \_\_\_\_\_ Date: \_\_\_\_\_

