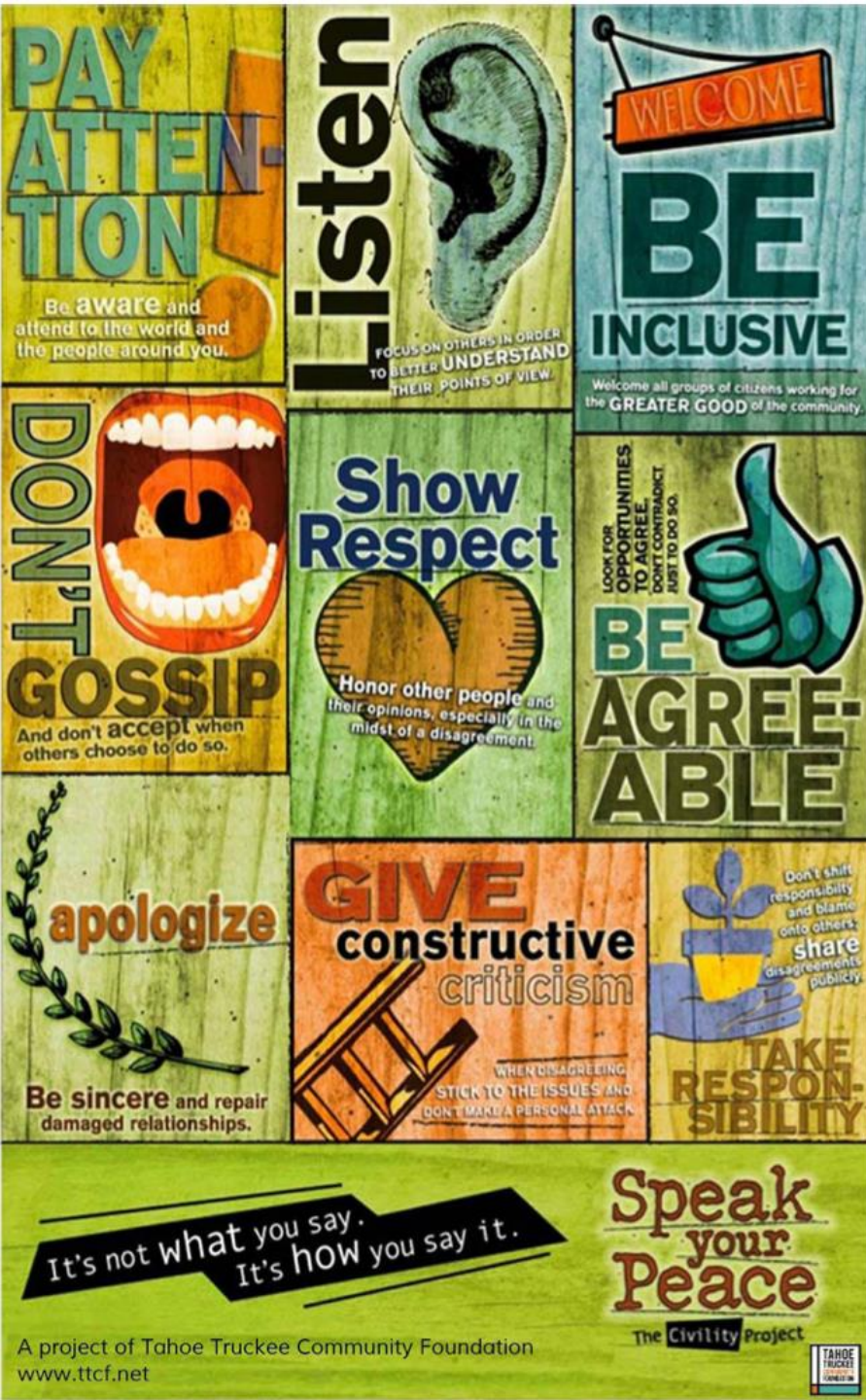


DOWNHILL SKI LODGE REPLACEMENT UPDATE

SPECIAL BOARD MEETING DECEMBER 4, 2023



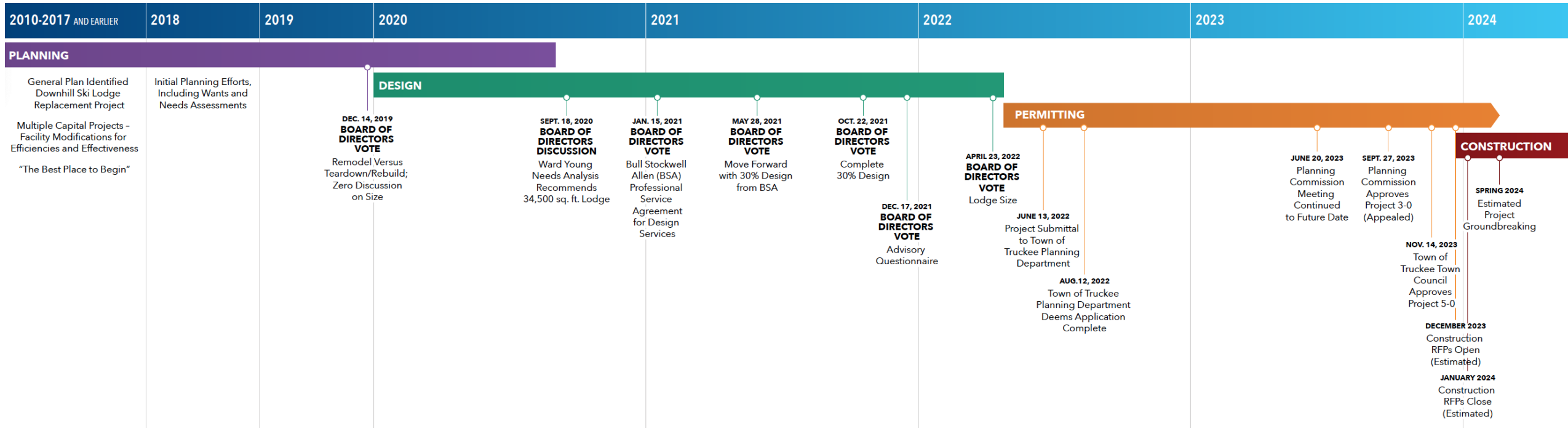
TAHOE DONNERSM



MEETING OVERVIEW

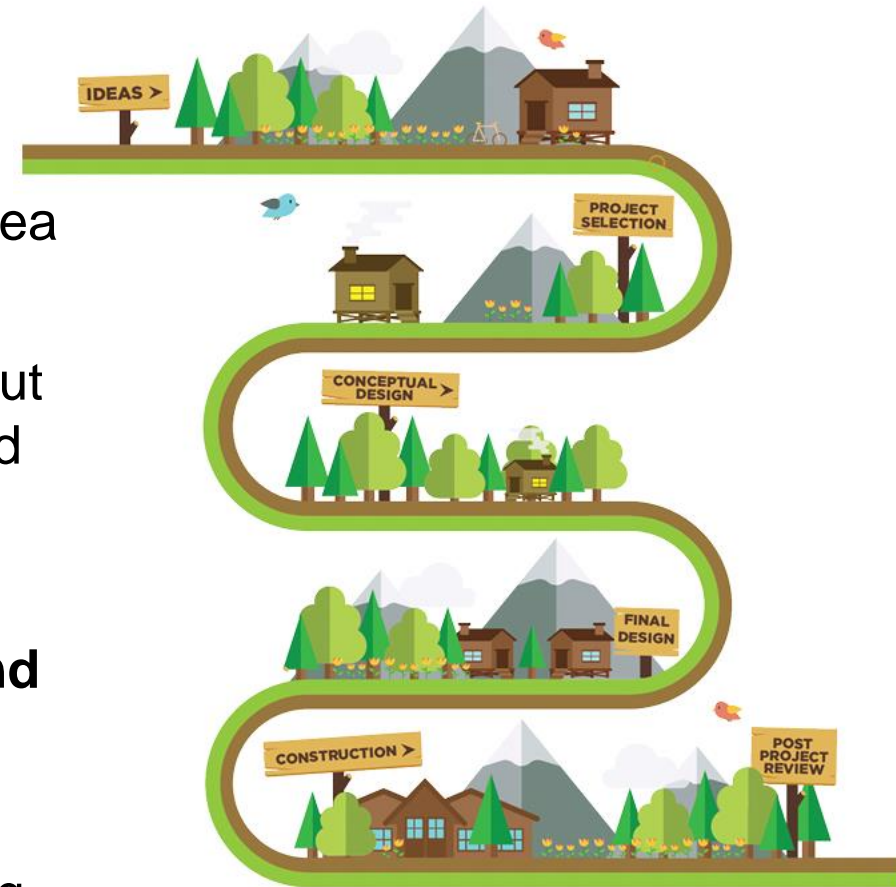
- Speak Your Peace framework for meetings
- Topics to cover
 - Project background
 - Explain key issues and address member concerns
 - Project next steps
- Member participation through
 - Member Q&A with Board and staff during the presentation
 - Member comments at the conclusion of the presentation

DOWNHILL SKI LODGE PROJECT TIMELINE



WE NEED A NEW BUILDING. WHAT DO THE MEMBERS WANT?

- **2017:** The board created the Downhill Ski Subcommittee to begin looking at the project. Ecosign Consultant begins ski area master plan study
- **2018:** TDA staff and subcommittee begin communicating about the project including invitations to tour the current building and ask questions about the project
- **2019:** After extensive research, the Board directs staff to **rebuild (not remodel) due to extensive ADA limitations and challenging building shape, among other reasons**
- **2020:** TDA staff contract PROS Consulting to gather member feedback on their challenges and opportunities for the building. An extensive member engagement campaign is initiated (see next slide)



MEMBER FEEDBACK + ENGAGEMENT

Tahoe Donner's largest and most comprehensive community outreach initiative to date

2020, 2021 + 2022 ENGAGEMENT SUMMARY

- Member Engagements: 14 focus groups, member survey and questionnaire
- Board Updates, Special Board Meetings and Workshops
- Open Invite Tours of the Ski Lodge: 6, plus the creation of a video tour
- Open Houses: 2 in-person and 1 via Zoom
- Monthly Member Meetups: 6 (Ask questions of staff and design team)
- Dedicated Member Emails: 48
- Annual Meeting Booths
- Task Force + Meeting Minutes
- Monthly updates or full stories in *Tahoe Donner News*
- Creation of an online web hub with continually evolving information and FAQs based on member feedback and questions



MEMBER FEEDBACK + ENGAGEMENT

Extensive effort to understand the membership desires and provide transparent information, including creating a web hub to give feedback and see plans, FAQs, documents and more.

2020 FOCUS GROUPS

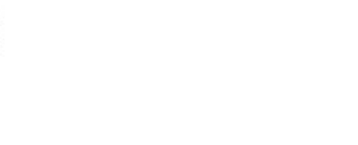
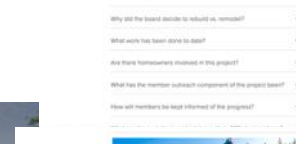
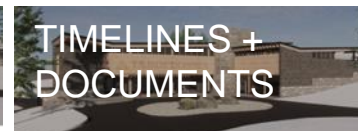
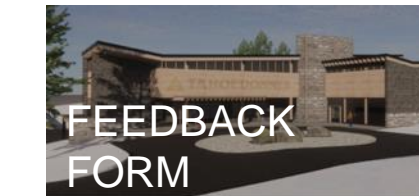
- Invite to all TD Members, November 2020
- 14 focus groups conducted by professional moderator
- Focus group findings informed survey development

2020/21 DOWNHILL SKI LODGE MEMBER SURVEY

- Open December 29, 2020-January 7, 2021
- 2,643 member responses

2022 DOWNHILL SKI LODGE QUESTIONNAIRE

- Mail, online and phone
- Open January 9-February 10, 2022
- 3,053 responses of a possible 6,473 homes



DESIGN OBJECTIVES

Build to current ski area capacity – not looking to increase use but to provide the membership and users a better experience



Easy, direct access to lifts from deck



ADA-compliant



Additional bathrooms



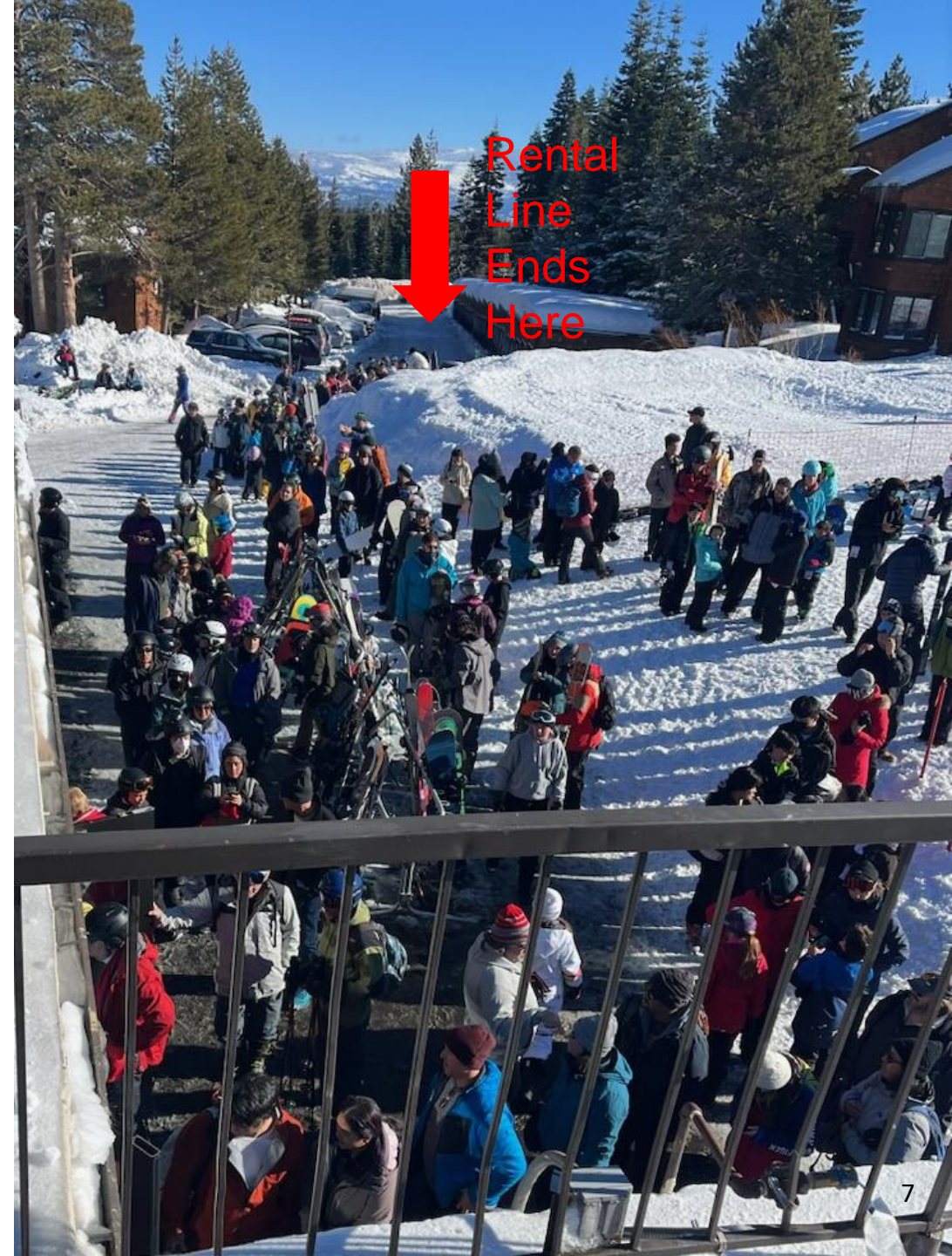
Dedicated space for ski school in the lodge



Improved safety for staff, members and guests



Enhanced cafeteria + bar area to meet membership needs and reduce crowding



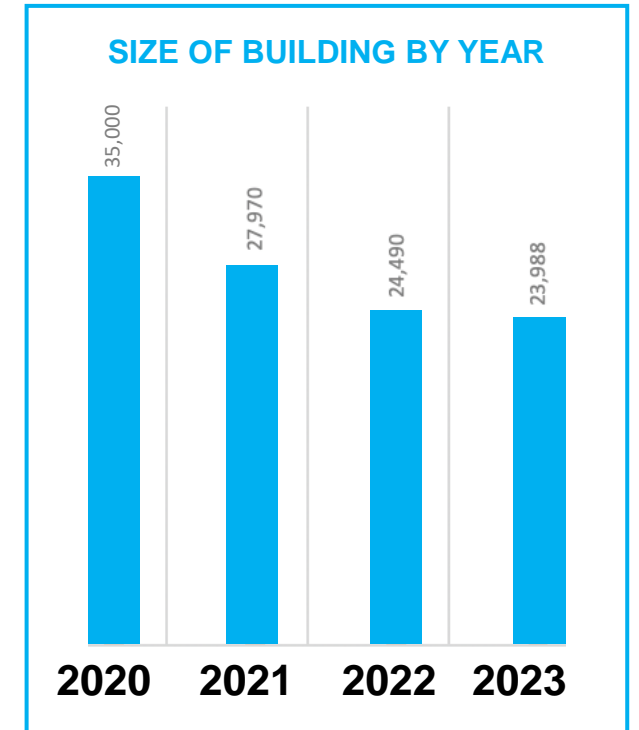
EVOLUTION OF WHAT TO BUILD?

2020 – Ward Young Architects conducted a needs analysis based on historical usage and existing operational needs. Industry standards indicated a 35,000+ sqft building would be required to accommodate the current usage. Project size rejected immediately

2021 – Through modern design techniques and utilizing efficiencies of spaces, Bull Stockwell Allen's (BSA) original schematic design reduced to 27,970 sqft

2022 – After months of member engagement and feedback, BSA developed 5 design scenarios ranging from 15,000 sqft to 27,970 sqft to assess some of the major areas of feedback. Final schematic design of 24,490 sqft was selected based on staff input, member feedback and project cost

2023 – Value engineering efforts reduced building size to 23,988 sqft





DISTRIBUTION OF ADDED SQUARE FEET

- New building is 23,988 sqft
- 8,860 sqft bigger than existing

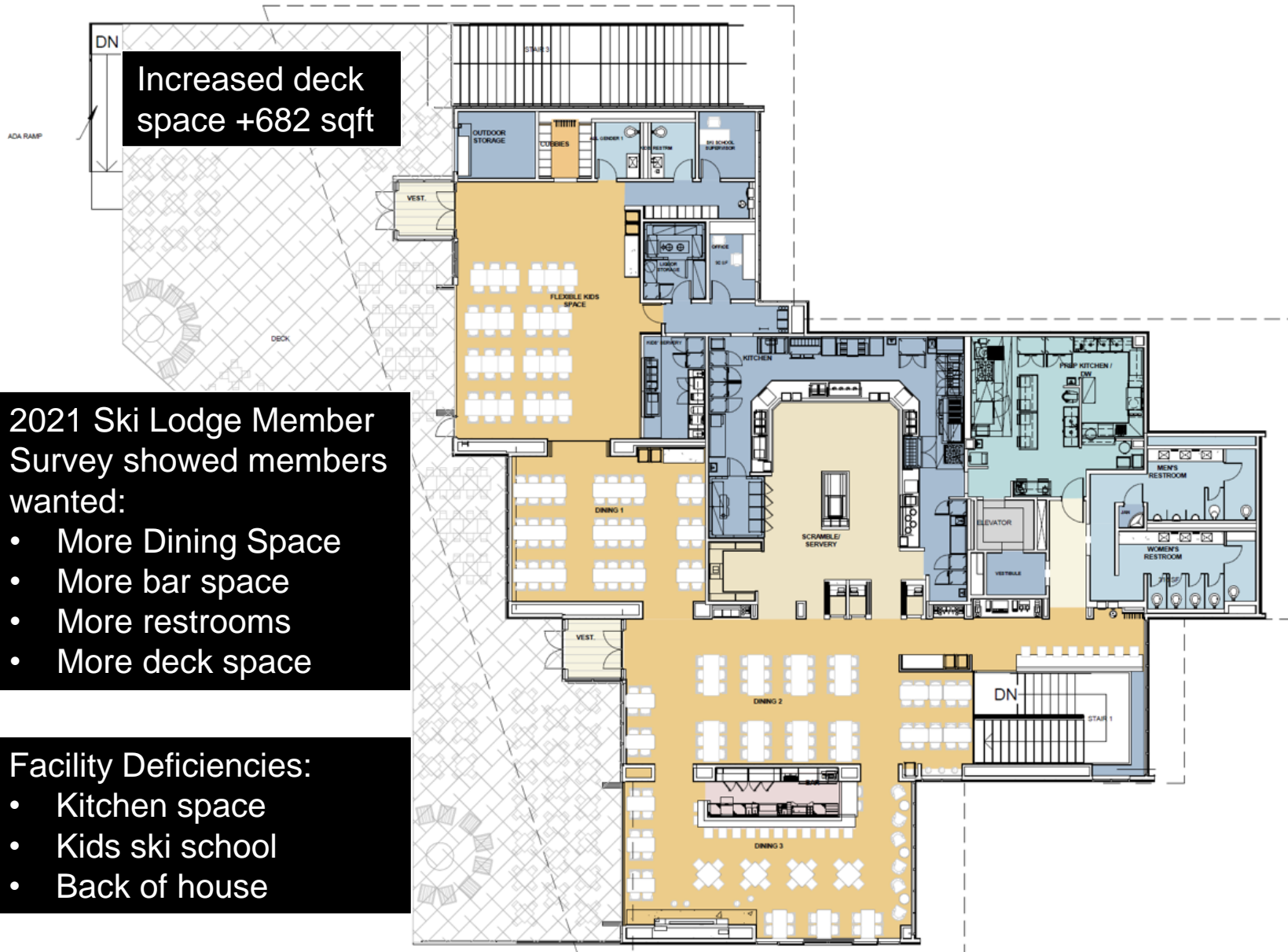
INCREASED DEVELOPMENT DISTRIBUTION

NEED	SQ FT
Bring building up to CA building code compliance including current ADA requirements	3,200
Bring ski school programming inside building (currently in an unconditioned yurt on the ski slope)	2,530
Right size current deficiencies where feasible - back of house: kitchen, employee facilities, storage, mechanical, loading dock - front of house: dining, rental shop, guest services, bathrooms	3,130
Total Additional SQ FT	8,860

COMPARISON OF DESIGN EVOLUTION

Downhill Ski Lodge Program	1) Existing Lodge (sqft)	2) Needs Analysis (sqft)	3) 27,970 Lodge (sqft)	4) 24,490 Lodge (sqft)	5) 23,988 Lodge (Current Design)
GUEST SERVICES AND RETAIL	865	2,315	2,708	1,017	1,017
RENTALS AND LOCKERS	3,220	4,736	3,504	3,681	3,681
SKI SCHOOL	0	2,580	2,580	2,580	2,580
FOOD AND BEVERAGE	4,229	8,900	8,076	6,656	6,656
RESTROOMS	995	1,600	2,233	1,810	1,810
OPERATIONAL SPACE	3,548	8,470	4,399	4,800	4,800
CIRCULATION & MECHANICAL SPACE	2,280	7,150	4,470	3,946	3,444
DECK	5,056	6,000	6,100	5,738	5,738
TOTAL BUILDING AREA (EXCL. DECK)	15,128	35,751	27,970	24,490	23,988

THIRD FLOOR



Top Floor: General Purpose Guest Space

Kitchen	1,350 SF
Servery	1,300 SF
Cafeteria seating (144 seats)	2,100 SF
Bar area seating (61 seats)	1,200 SF
Kids Ski School	1,970 SF
Public Restrooms	800 SF
Circulation/Walls	1,880 SF
Offices	200 SF
Total	10,800 SF

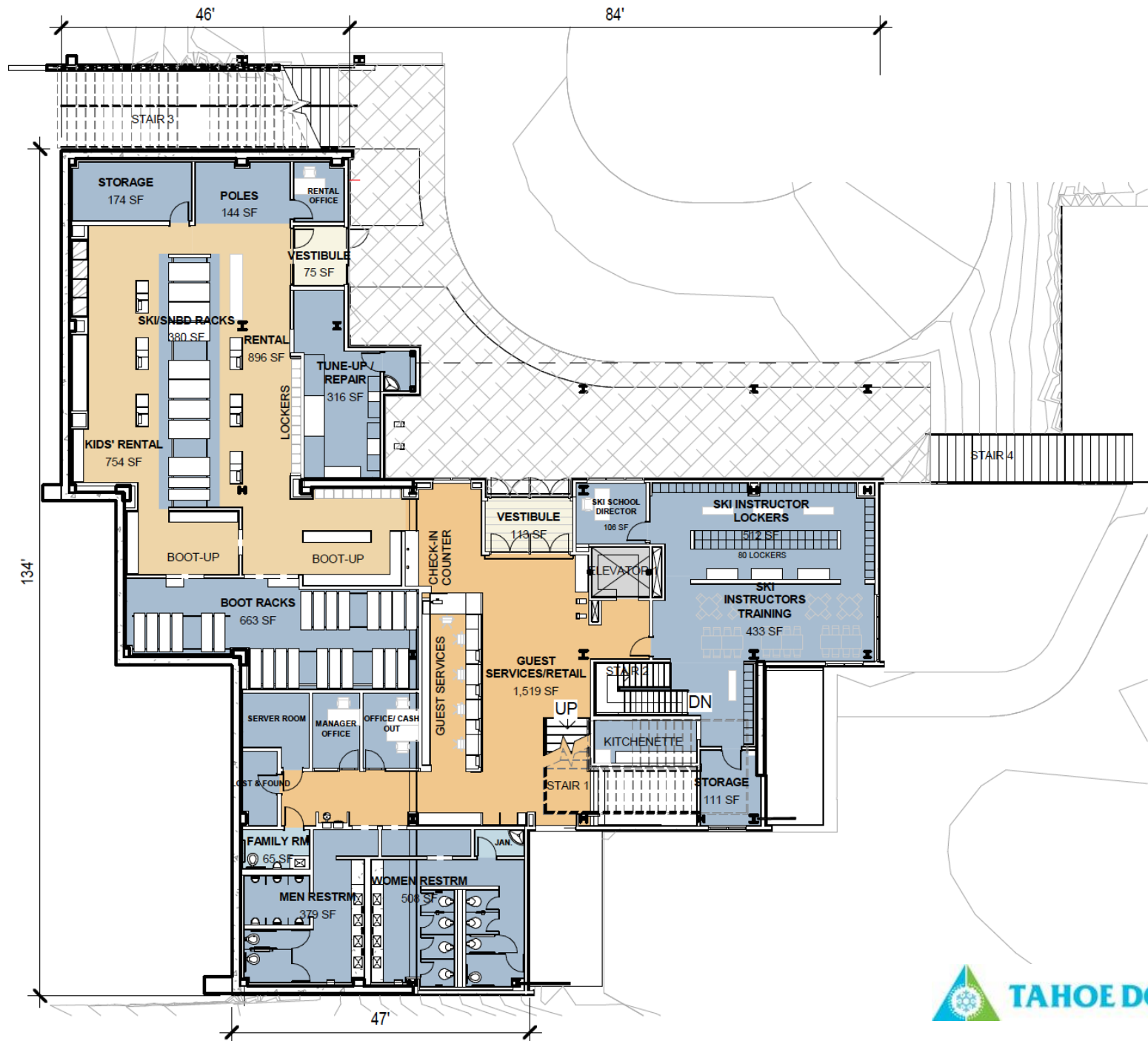
SECOND FLOOR

Members wanted:

- More restrooms
- Less wait times

Facility Deficiencies:

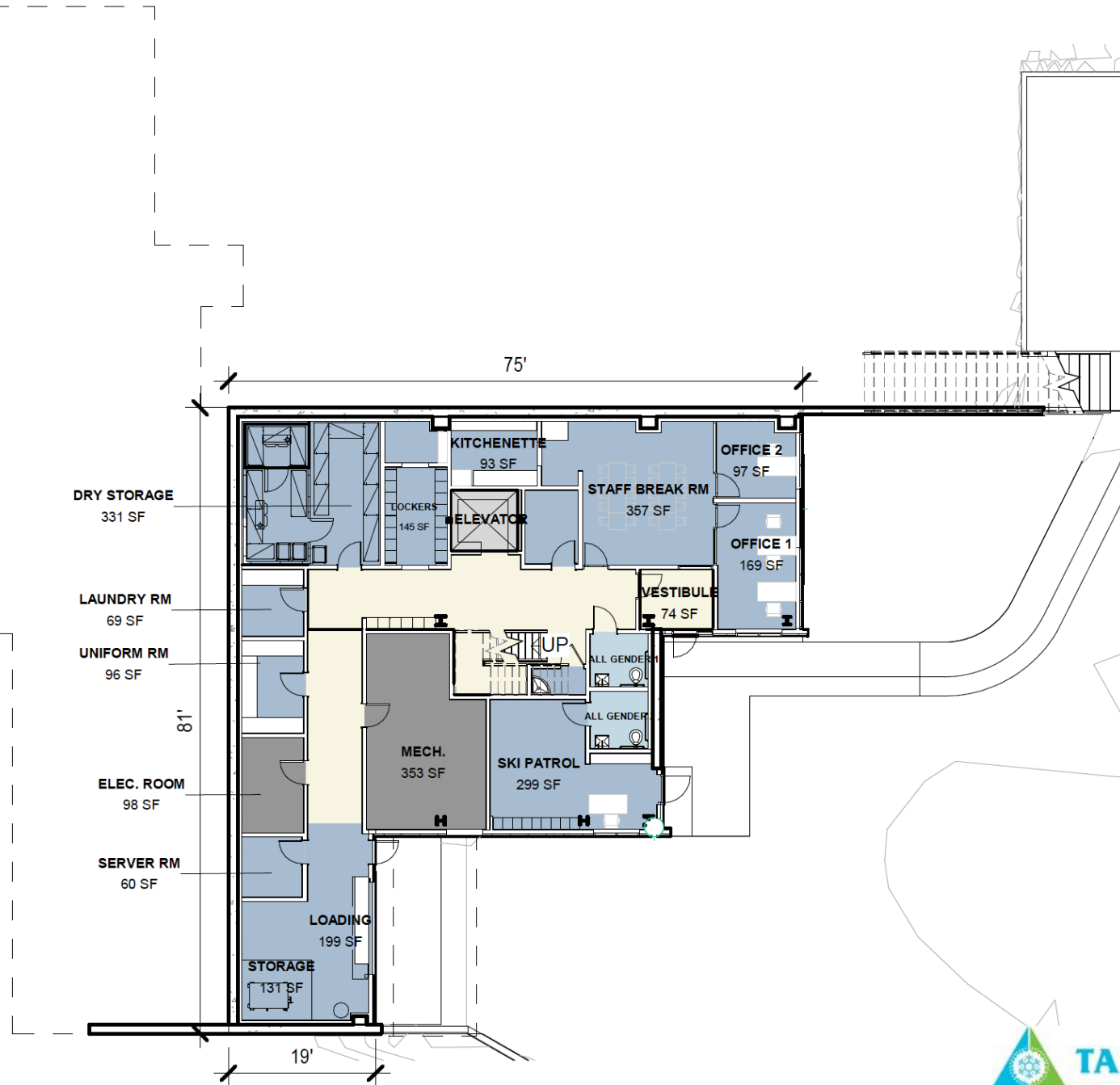
- Rental Area
- Guest Services
- Back of House



FIRST FLOOR

Facility Deficiencies:

- Back of house
- Eases access road congestion



FINAL DESIGN



EXTERIOR VIEW/ELEVATION - STREET (WEST) SIDE (CURRENT)

FINAL DESIGN



EXTERIOR VIEW/ELEVATION - SKI LIFT (SOUTH) SIDE

FINAL DESIGN



EXTERIOR VIEW/ELEVATION - SOUTH-EAST SIDE

FINAL DESIGN



EXTERIOR VIEW - SOUTH DECK

FINAL DESIGN



INTERIOR VIEW - VIEW OUT FROM BAR AREA

FINAL DESIGN



INTERIOR VIEW - BAR AND FIREPLACE

FINAL DESIGN



INTERIOR VIEW - VIEW OUT FROM KIDS' DINING/FLEX SPACE

MEMBER QUESTION + ANSWER ON DESIGN AND SIZE

WITH BOARD AND STAFF

PROJECT COSTS EVOLUTION

Prior to 2020

Project estimates based on conceptual level with either remodel or replacement in mind

2020-2021

Project estimates for total costs based on Task Force input and third-party consultants at conceptual design level

2022

Project total cost set at \$23.4M based on preliminary estimates from schematic design

2023

- Project still awaiting Planning Commission approval and misses the spring 2023 groundbreaking. Project will incur another year's inflation to project cost but allow for another year of savings
- Regional trends and incomplete Spring 2023 bid illustrate initial cost estimates were no longer valid. Staff adjusted funding plan cost estimates to \$32M with a 2024 construction start. (See Budget Workshops 9/28 and 10/12/23)
- To date, TDA has spent approx. \$2.2M on design costs and other soft costs from the Development Fund, \$1.5M of which was spent in 2023

2024

Determine final contract cost based on new bid proposal



WEIGHING OPTIONS

- Options discussed in Bull Stockwell Allen memo issued to membership on September 22, 2023
 - Option 1: Move Forward with existing Design at 24,000 sqft
 - Option 2: Redesign to a smaller design that would ultimately payoff in significant savings
 - Option 3: Remodel Existing Building
 - Option 4: Abandon Project

*See meeting materials for BSA Memo

2024 CAPITAL PROJECT SHEET

DOWNHILL SKI LODGE REPLACEMENT

Amenity:	Downhill Ski Resort
Project Description:	The downhill ski lodge has exceeded its useful life for the association and needs to be replaced.
Strategic Plan Initiative:	1, 2, 5



	Phase	Budget				Total
		2023	2024	2025	2026	
Project Costs	Professional Services	1,460,000	510,000	200,000		
	Construction		18,490,000	10,800,000		
	Total	\$ 1,460,000	\$19,000,000	\$11,000,000	\$ -	\$31,460,000
Funding Source	Development Fund	1,460,000	16,500,000	7,000,000		
	Replacement Reserve Fund		2,500,000	4,000,000		
	Total	\$ 1,460,000	\$19,000,000	\$11,000,000	\$ -	\$31,460,000

The Downhill Ski Lodge project is funded proportionally through the Development Fund (DF) and the Replacement Reserves Fund (RRF).

Cost estimates based on industry trends, incomplete spring 2023 bid and similar regional projects. Exact costs are to be determined by 2024 construction bid.



FUNDING PLAN

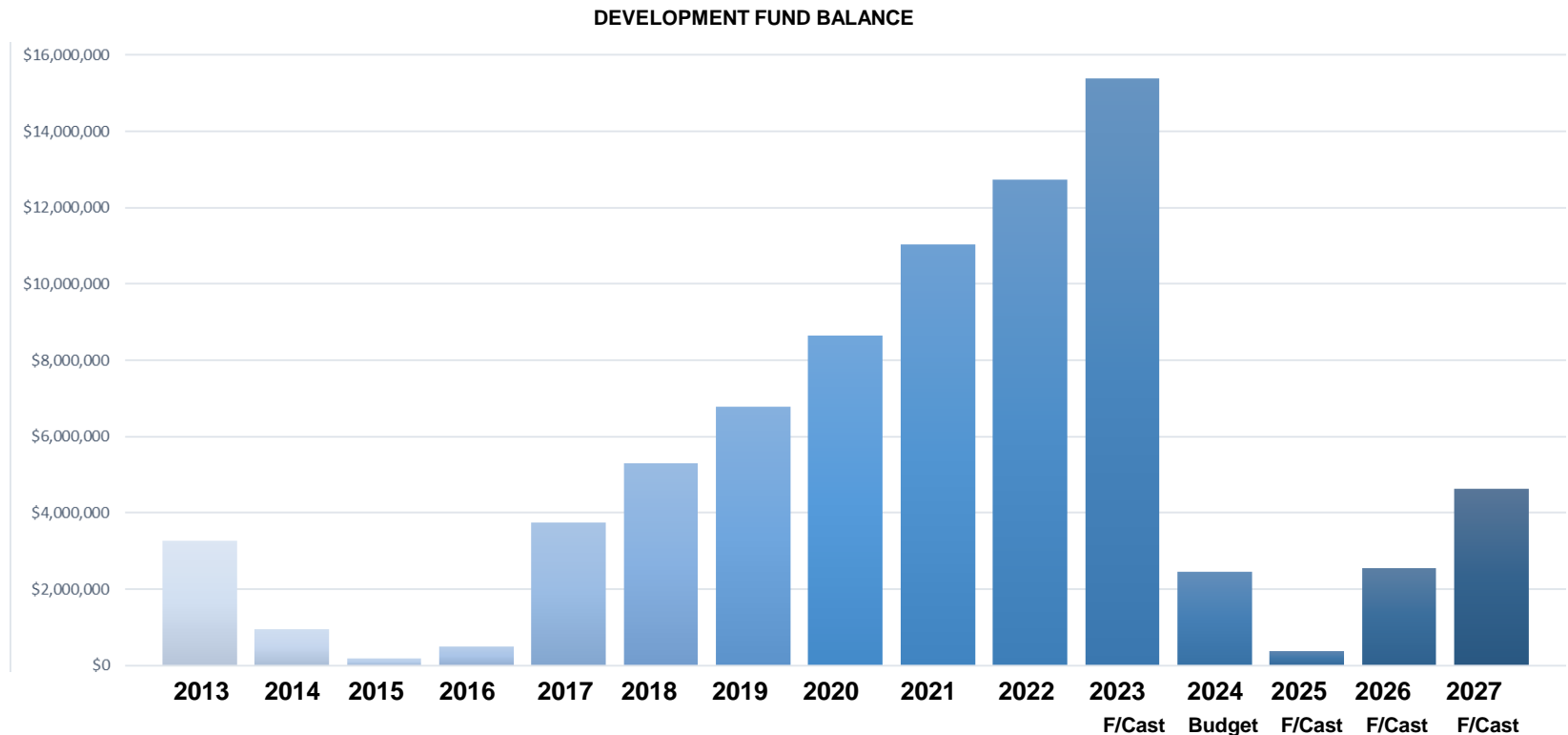
DEVELOPMENT FUND (DF)

- The Development Fund's purpose is to save and expend funds on identified projects from the 10-year CIP. It is appropriate for DF balances to deplete to < \$1M after the completion of a major project investment, as can be seen at the year-end of 2025 and at various times over the last 20 years
- TDA increased the Development Fund assessment contribution in the years 2021-2024 by 25% each year after identifying the need to further increase accumulated funds to replace aging buildings
- Boards have approved large funding plan adjustments including in 2010 (+58%) and 2011 (+7.7%) increase to the DF followed by 6 years of holding the DF portion of assessment contribution flat until 2017 (20% increase), which began a new period funding plan review

FUNDING PLAN

DEVELOPMENT FUND (DF)

- The DF projected beginning balance in 2024 is \$15.4M, a further \$5.6M of 2024 assessment funds will be added in January 2024
- In addition to the large investment in the Downhill Ski Lodge replacement, there are \$1.8M capital investments planned and funded for 2024-2025



2024 BUDGET CYCLE – DEVELOPMENT FUND INVESTMENT 10-YEAR CAPITAL FUNDS PROJECTION

Amenity	Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Changes from 2023
Assoc. Wide	Workforce Housing Feasibility Study/Project	50,000	50,000	100,000	250,000	1,500,000	2,500,000	-	-	-	-	Shifted investment start from 2025 to 2028
Assoc. Wide	Mailboxes	-	-	300,000	-	-	-	-	-	-	-	Shifted construction start 2025 to 2026
Assoc. Wide	Fueling Stations for Equipment - DH Ski, XC, Golf	-	-	-	-	-	-	300,000	3,000,000	-	-	Added project from 20yr
ACAC	Snowmaking Phase 2 - XC	-	-	-	-	-	-	-	200,000	2,000,000	-	Added project from 20yr
Campground	Campground Bathhouse	-	-	360,000	-	-	-	-	-	-	-	
Downhill Ski	Downhill Ski Lodge Replacement	16,500,000	7,000,000	-	-	-	-	-	-	-	-	Shifted from 2023 to 2024
Downhill Ski	Phase 2 Snowmaking - Eagle Rock	-	-	-	50,000	1,025,000	-	-	-	-	-	Shifted from 2025 to 2028
Forestry	New Access Road	-	-	-	-	-	-	-	-	500,000	5,000,000	Added project from 20yr
Forestry	New Storage Facility for Association	-	-	-	-	-	-	-	-	-	500,000	Added project from 20yr
Golf	Golf Cart Storage Barn	-	-	-	-	-	-	-	-	3,150,000	-	New Project off Bldg Repl sched
Maintenance	Maintenance Yard Fuel Station Replacement	356,000	-	-	-	-	-	-	-	-	-	Reduced cost
Marina	Deck Expansion and Shade Structure	225,000	-	-	-	-	-	-	-	-	-	Shifted 2023 to 2024 increased cost
Marina	Day Camp Building Replacement	-	-	-	100,000	475,000	-	-	-	-	-	Shifted 2027 to 2028
Northwoods	Campus Master Plan and Project	-	-	2,000,000	3,000,000	3,000,000	3,000,000	4,500,000	-	-	-	Shifted 2026 to 2027
The Lodge	Lodge Generator and Bar shed	50,000	-	400,000	-	-	-	-	-	-	-	Changed project to include bar
Trails & Open Space	Implement Trail/Trailhead Projects in the TMP	100,000	100,000	100,000	100,000	50,000	50,000	-	-	-	-	Adjusted budget to reflect real projects
Trails & Open Space	Glacier Way Parking Lot Expansion	795,000	-	-	-	-	-	-	-	-	-	Increased budget
Trails & Open Space	ADA Glacier Way Loop Trail	-	-	80,000	-	-	-	-	-	-	-	Added project from TMP
Trails & Open Space	ACAC West Side Boardwalk	-	-	-	-	50,000	500,000	-	-	-	-	Added project from TMP
Trails & Open Space	ACAC Family Flow Trail	-	10,000	50,000	-	-	-	-	-	-	-	Added project from TMP
Trout Creek	Parking Lot Expansion and Entrance Reconfiguration	-	-	-	-	100,000	1,000,000	-	-	-	-	Added project from 20yr
Snowplay	Snowplay Building with restroom and storage	-	-	-	-	100,000	800,000	-	-	-	-	Added project from 20yr

Continued on the following slide

Project costs are for estimation purposes only; actual costs will adjust based on bid prices.

2024 BUDGET CYCLE – DEVELOPMENT FUND INVESTMENT 10-YEAR CAPITAL FUNDS PROJECTION

Estimated annual totals, exclude RRF, inflation factor and direct/allocated overhead	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Projects	18,076,000	7,150,000	3,260,000	3,500,000	6,050,000	5,550,000	4,800,000	3,200,000	5,650,000	5,500,000	
Costs											
Direct and Allocated Overhead	226,000	235,040	244,442	254,219	264,388	274,964	285,962	297,401	309,297	321,668	
Land Acquisition											
Expenditures Total	18,302,000	7,385,040	3,504,442	3,754,219	6,314,388	5,824,964	5,085,962	3,497,401	5,959,297	5,821,668	
Inflation Factor 4% Projected in 2024	732,080	587,258	392,167	545,348	1,134,194	1,252,421	1,278,914	1,010,760	2,052,862	2,240,265	
Total Including Inflation	19,034,080	7,972,298	3,896,608	4,299,568	7,448,583	7,077,385	6,364,876	4,508,161	8,012,158	8,061,934	
Operating Fund Surplus Transfer											
Interest Income 3.0%	529,000	74,000	11,000	77,000	139,000	116,000	111,000	136,000	226,000	222,000	
Income Tax Expense	42,000	6,000	1,000	6,000	11,000	9,000	9,000	11,000	18,000	18,000	
Bad Debt Expense	7,000	7,280	7,571	7,874	8,189	8,517	8,857	9,212	9,580	9,963	
Projected Development Fund Portion of Annual Assessment (4% annual increase)	867	902	938	975	1,014	1,055	1,097	1,141	1,187	1,234	
Annual Contribution	5,612,091	5,836,575	6,070,038	6,312,839	6,565,353	6,827,967	7,101,085	7,385,129	7,680,534	7,987,755	
	Beginning	15,394,855	2,452,866	377,862	2,553,720	4,630,118	3,866,699	3,715,765	4,545,117	7,537,873	7,404,669
	Ending	2,452,866	377,862	2,553,720	4,630,118	3,866,699	3,715,765	4,545,117	7,537,873	7,404,669	7,524,528
		Yr 2024	Yr 2025	Yr 2026	Yr 2027	Yr 2028	Yr 2029	Yr 2030	Yr 2031	Yr 2032	Yr 2033

Development Fund 10-Year Plan (2024) Board approved October 20, 2023

NOTES:

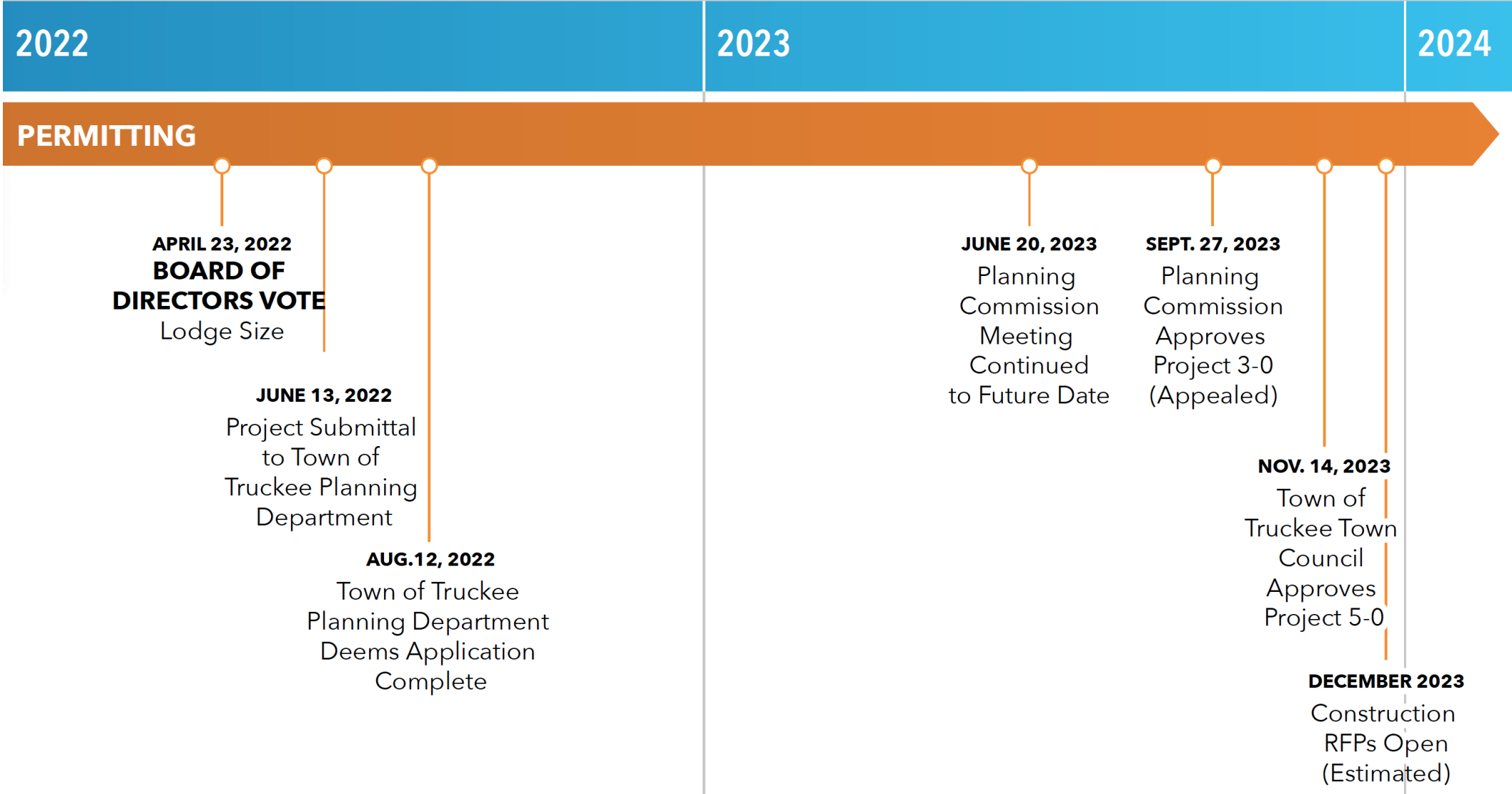
- Staff has assumed inflation to be 4% in 2024, 3.8% in 2025 and 3% beyond
- *Project costs are for estimation purposes only; actual costs will adjust based on bid prices*

FUNDING PLAN

REPLACEMENT RESERVE FUND (RRF)

- Based on updated replacement costs and the inclusion of future soft costs, the Replacement Reserve Fund contribution to components relating to the DSL project was increased from \$3.5M to \$6.5M. Why?
 - The building's components replacement costs had not been adjusted for the significant inflationary impact over the last 3 years.
 - Newly adopted CAI Reserve Study Standards redefining what should be in a reserve study. This will impact policies and funding plans (as reported at the September 22, 2023 board meeting).
 - Addressing the impacts will take several years due to policy updates, TDA Reserve Study updates, and adjusted funding and cash flow plans
 - For 2024 and 2025, prioritized adding corrective maintenance components like Common Area Defensible Space, and adjusted all scheduled replacement components based on pricing and market estimates, this not only included the Downhill Ski Lodge components but 100s of others scheduled for 2024 and 2025
 - **Total RRF reinvestment for 2024 is \$10.7M (\$2.5M is related to the ski lodge replacement); total RRF estimated reinvestment for 2025 is \$13M (\$4M is related to the ski lodge replacement)**

TOWN OF TRUCKEE PERMITTING PROCESS



MEMBER QUESTION + ANSWER

COST, FUNDING, PERMITTING & WEIGHING OPTIONS

WITH BOARD AND STAFF



NEXT STEPS

- Building permit and other required project permits
- Board authorization to move forward with 2024 construction bid
- Board authorization of Construction Services Agreement

MEMBER COMMENT

THANK YOU