DOWNHILL SKI LODGE REPLACEMENT UPDATE SPECIAL BOARD MEETING DECEMBER 4, 2023



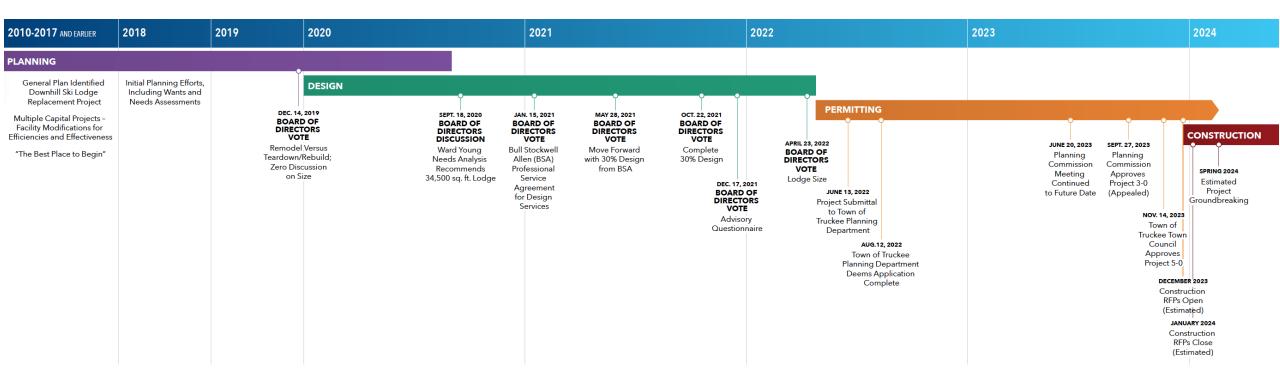


MEETING OVERVIEW

- 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

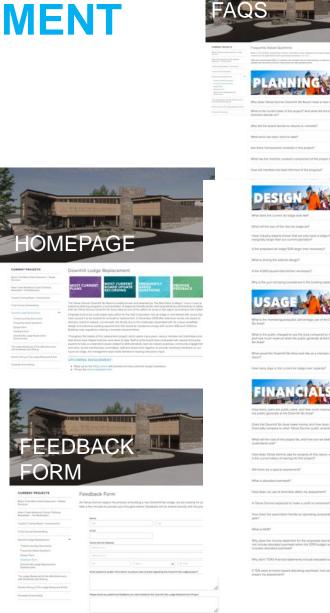
- Invite to all TD Members, November 2020
- 14 focus groups conducted by professional moderator
- Focus group findings informed survey development

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



DOCI	UMENTS
COMMANY PROJECTS	Timeline and Key Documents
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	Task Force Analysis + 2020 Project Work
	Task Force Agendes
	Consultant Reports
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IMELINES

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



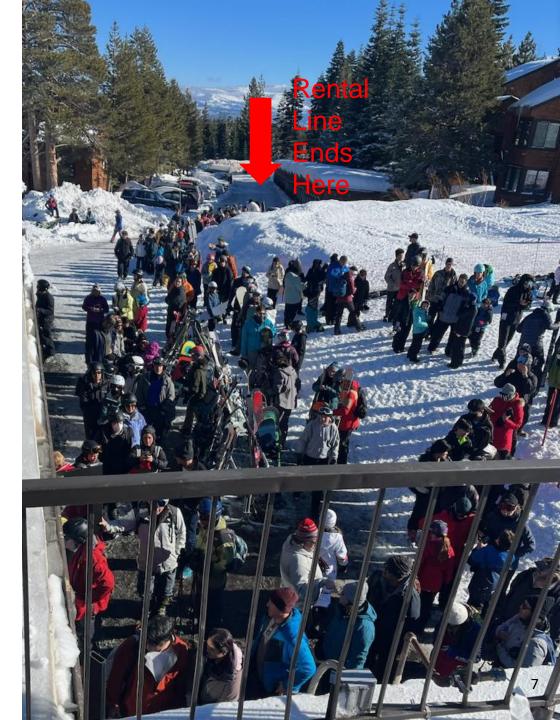
Dedicated space for ski school in the lodge



Improved safety for staff, members and guests



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



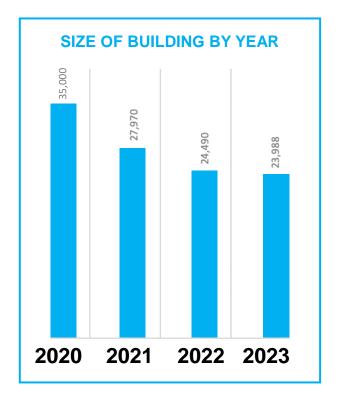
EVOLUTION OF WHAT TO BUILD?

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

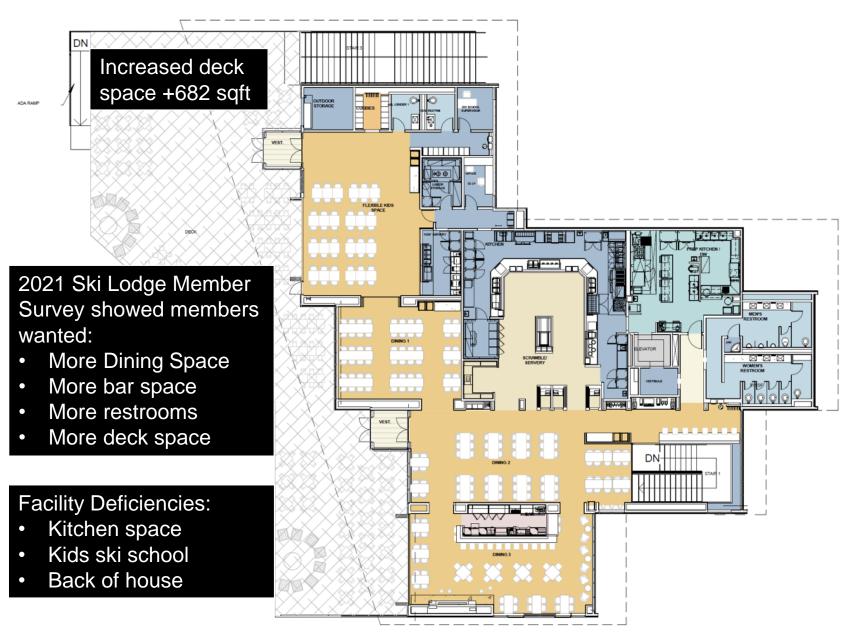


COMPARISON OF DESIGN EVOLUTION

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 Gu	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									



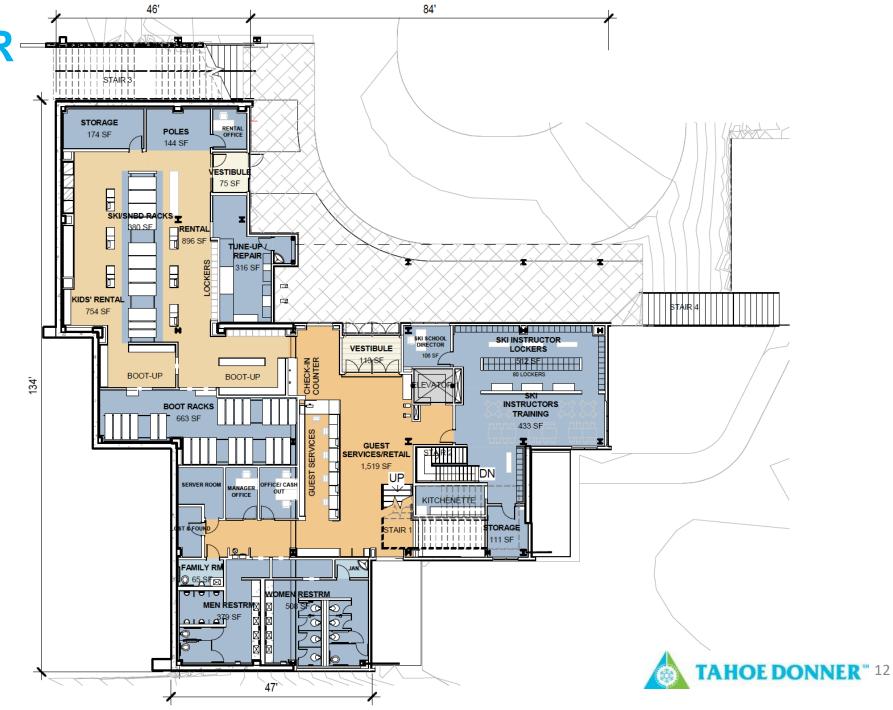
SECOND FLOOR =

Members wanted:

- More restrooms
- Less wait times

Facility Deficiencies:

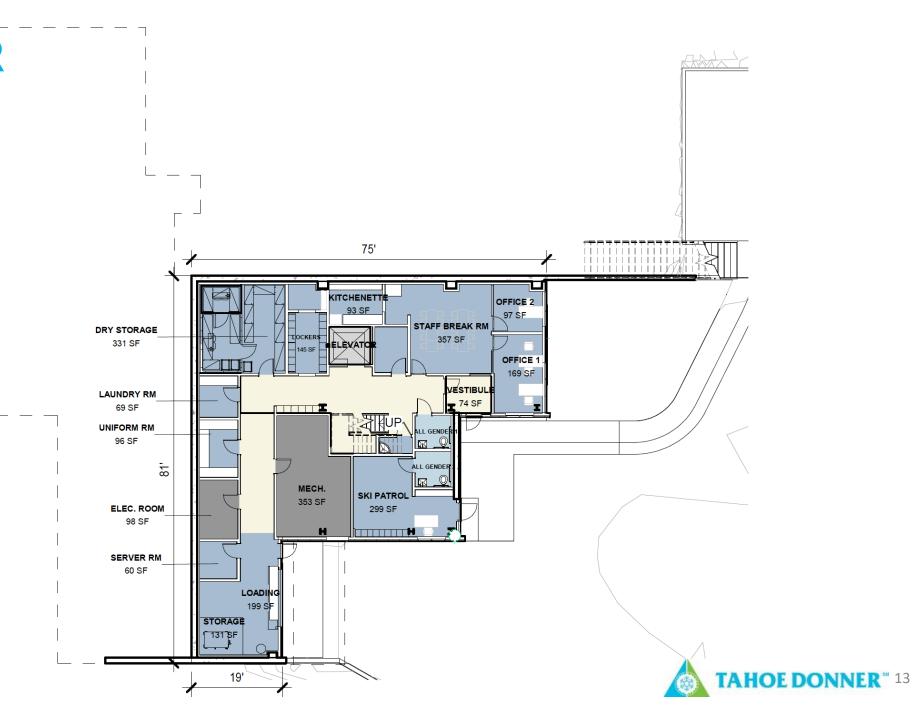
- Rental Area
- Guest Services
- Back of House



FIRST FLOOR

Facility Deficiencies:

- Back of house
- Eases access road congestion





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





EXTERIOR VIEW/ELEVATION - SKI LIFT (SOUTH) SIDE

15

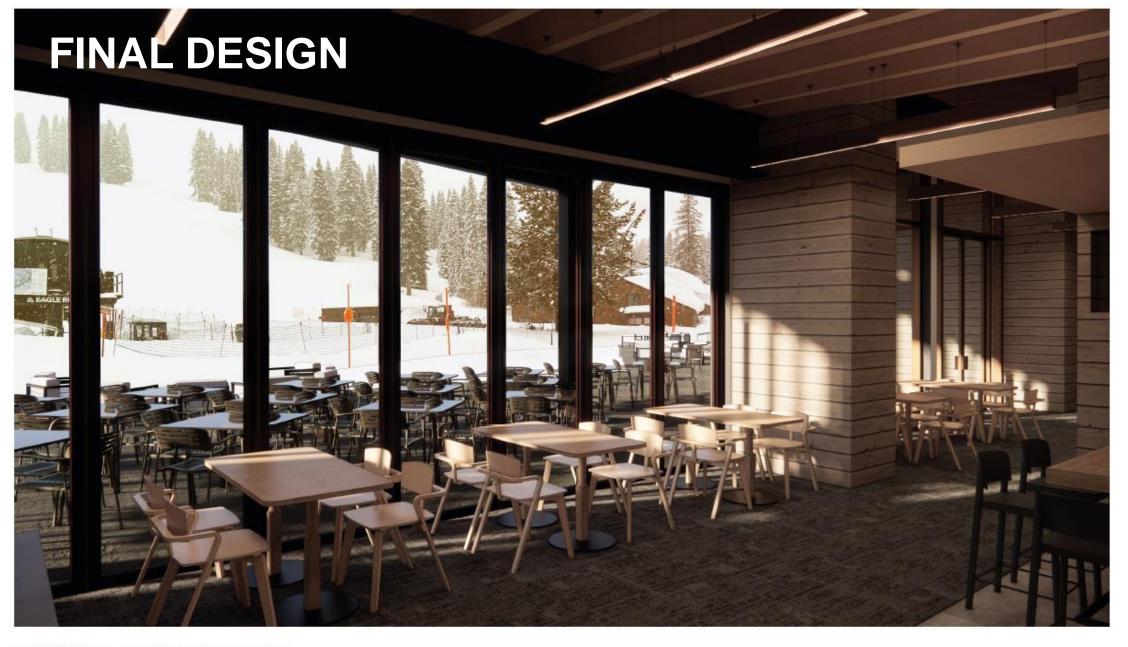


EXTERIOR VIEW/ELEVATION - SOUTH-EAST SIDE



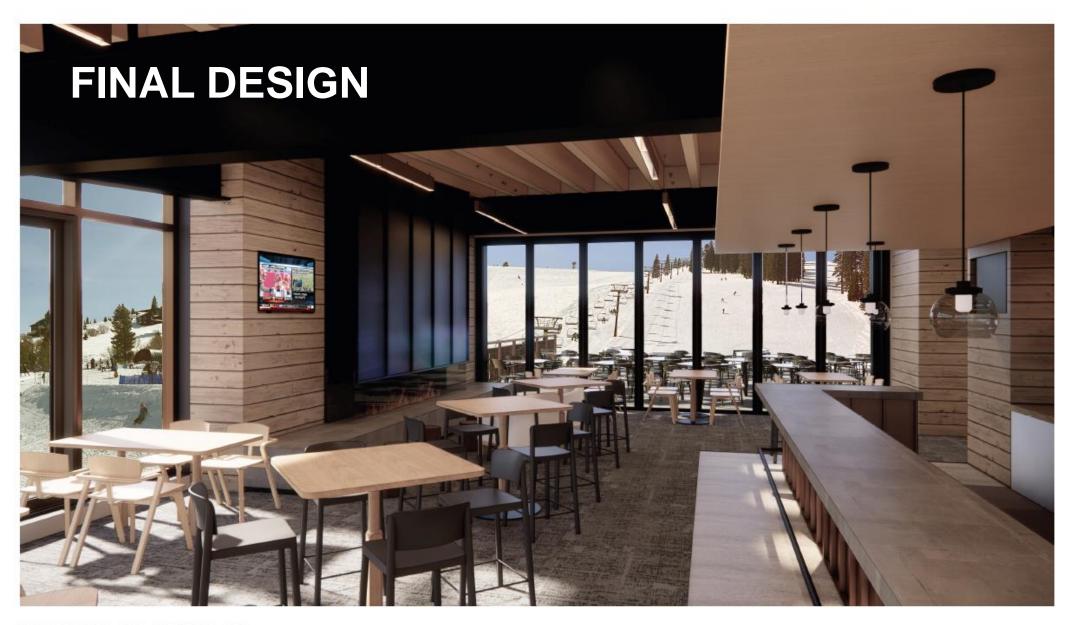


EXTERIOR VIEW - SOUTH DECK



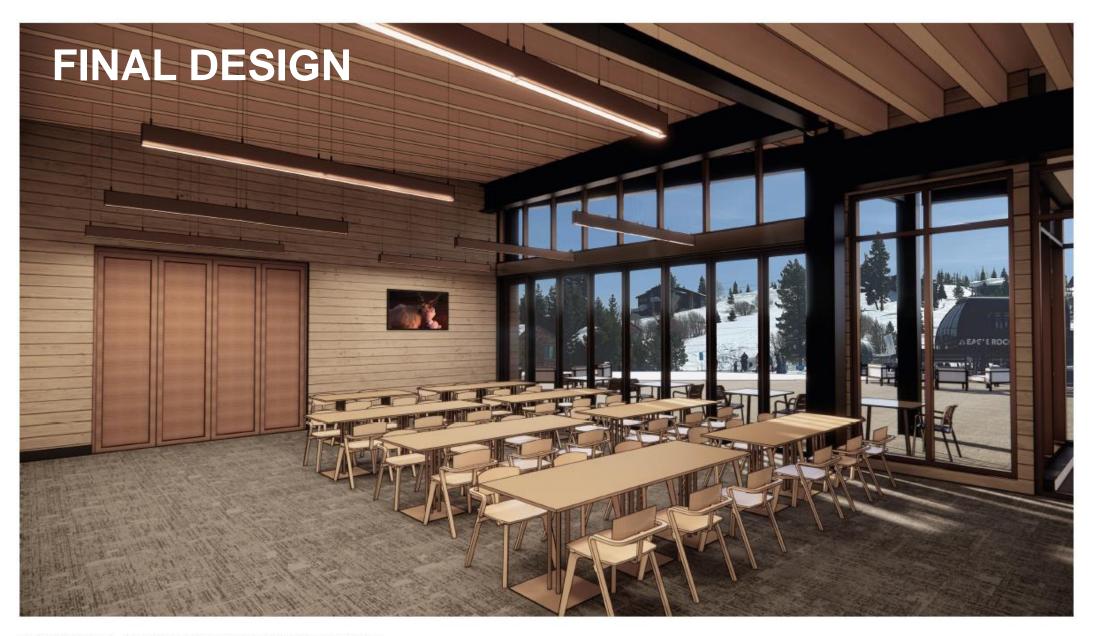
INTERIOR VIEW - VIEW OUT FROM BAR AREA





INTERIOR VIEW - BAR AND FIREPLACE





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

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

2022

- 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



			Budge	t			
	Phase	2023	2024	2025	2026	Total	
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	Development Fund	1,460,000	16,500,000	7,000,000			
Source	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)

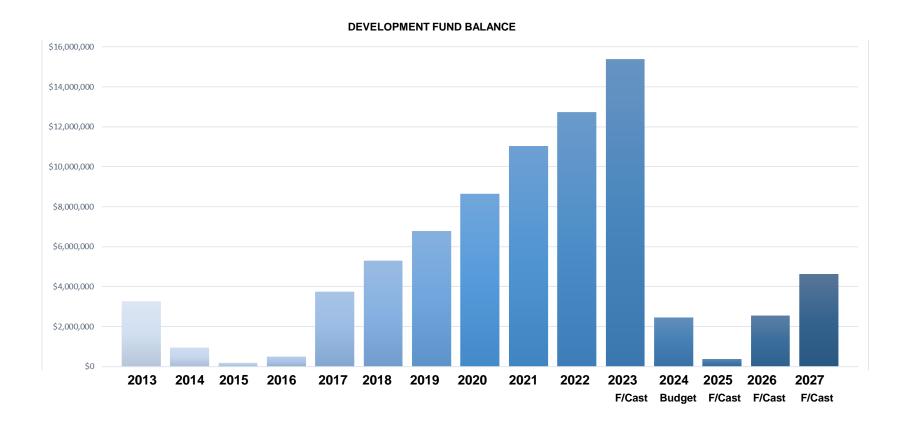
- The Development Fund's purpose is to save and expend funds on identified projects from the 10-year CIP. It is appropriate for DF balances to deplete to < \$1M after the completion of a major project investment, as can be seen at the year-end of 2025 and at various times over the last 20 years
- TDA 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 Costs	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
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	j 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 2026

Yr 2027

Yr 2028

Yr 2029

Yr 2030

Yr 2031

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

Yr 2024

Yr 2025

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



Yr 2032

Yr 2033

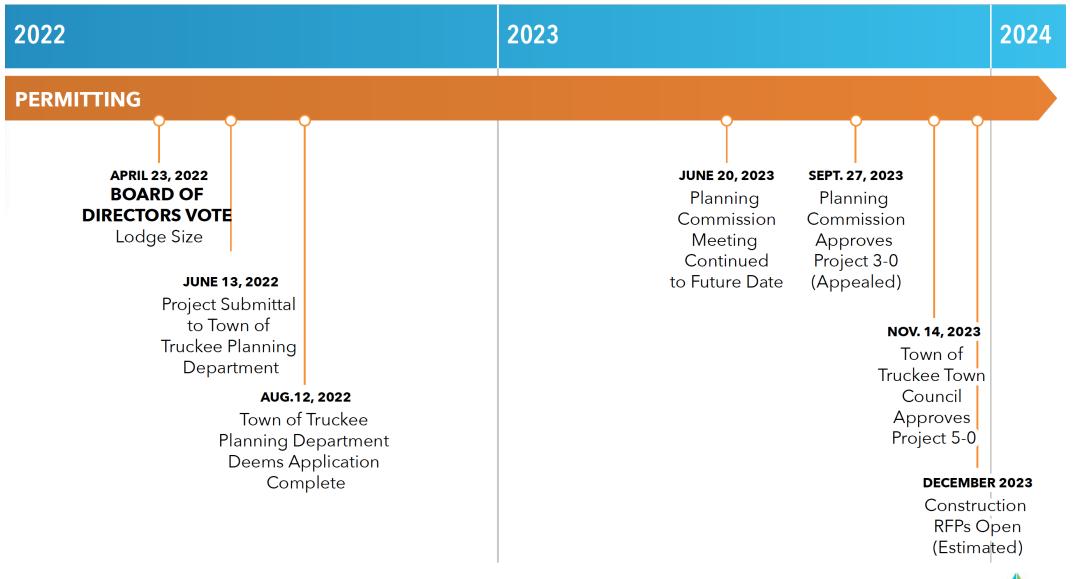
FUNDING PLAN

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

