



STAFF REPORT: 2025 Replacement Reserve Fund Budget - Groomer – Pisten Bully 400 Park Pro

BOARD ACTION:

By Motion:

The Board of Directors authorizes the expenditure of budgeted 2025 Replacement Reserve funds for the replacement of Groomer—Pisten Bully 400 Park Pro, not to exceed \$525,000.

BACKGROUND:

The Downhill Ski Resort's groomer fleet consists of two machines: a 2018 Pisten Bully (PB) 400 and a 2022 PB Park 400. The Reserve Study schedules the replacement of the 2018 PB 400 for 2025.

Following management practices over the past eight years, the staff proposes rotating the 2018 PB 400 to the Snowplay operation and trading in the 2012 PB 400 (current Snowplay grooming machine) for a credit towards this purchase.

In the event of a major mechanical failure, the Downhill Ski operation will utilize the backup grooming machine at Cross Country or the Snowplay grooming machine to ensure the ski area is properly groomed. Properly functioning, reliable machines are incredibly important to the downhill operation. Well-groomed terrain enhances the beginner experience, and our relatively small size creates an expectation that all runs are groomed daily.

The Replacement Reserve Fund funds the groomer replacement and was approved during the 2025 budget process.

This staff report is prepared for board consideration because this expense is over \$50,000, and thus, per Resolution 2016-9, requires Board of Directors authorization for expenditures beyond budget approval.

DISCUSSION/ANALYSIS:

Tahoe Donner purchases a new Downhill Ski Area groomer every seven years. Based on our current use, this relates to approximately 7,000 hours on the equipment. At the 7,000 hour-threshold, machines require a much larger maintenance commitment. At this stage, many resorts replace their equipment or relegate to a lower hour utility role to avoid high maintenance costs as well as considerable time commitment from mechanic staff.

There are two main grooming machine manufacturers used in the ski industry: Prinoth and Piston Bully. Piston Bully provides the most reliable machine with the latest technology. The customer support and North American hub are based in Reno, NV, which allows us to get parts quickly and to have very limited inventory on hand.

With this purchase, the 2018 PB 400 will be transferred to the Snowplay operation, and the existing 2012 PB 400 at Snowplay will be traded in. The *estimated* trade-in value for the 2012 PB 400 is \$15,000 - \$20,000, which will be deducted from the total purchase price once the value is determined.



OUTREACH:
Not Applicable

FISCAL IMPACT:

The Groomer - Pisten Bully 400 Park Pro is funded in the Replacement Reserve fund. The Board of Directors approved the 2025 Replacement Reserve Fund Budget for the component for a total of \$525,000. The project expenditure is within the approved budget.

RECOMMENDATION:

By motion, the Board of Directors approves the following:

The Board of Directors authorizes the expenditure of budgeted 2025 Replacement Reserve funds for the replacement of Groomer—Pisten Bully 400 Park Pro, not to exceed \$525,000.

Alternative(s) the Board may consider:

Postpone the replacement of the Downhill Ski Resort grooming machine for another year. Staff do not recommend this as it risks significant repair costs, labor commitment, and increased downtime.

ATTACHMENTS:

The quotation for the 2025 Pisten Bully Park Pro 400 is attached.

Staff Report Prepared By: Robert McClendon, Assistant Director -Winter Operations

Reviewed By: Miguel Sloane, Director of Operations

Reviewed By: Jon Mitchell, Director of Capital Projects and Facilities

Reviewed By: Annie Rosenfeld, General Manager

Board of Directors Meeting: 1/24/2025