



TITLE: 2025 Replacement Reserve Fund Budget Item: Emergency Diesel Generator – Downhill Ski Lodge

BOARD ACTION:

By Motion:

The Board of Directors approves the expenditure of the budgeted 2025 Replacement Reserves Fund item – Downhill Ski Lodge Emergency Diesel Generator cost not to exceed \$394,795.06.

BACKGROUND:

The Tahoe Donner Downhill Ski Lodge has been a cornerstone of the Tahoe Donner community since its original opening as the first amenity in 1972. Over the decades, the lodge has evolved alongside the community, but its aging infrastructure has increasingly struggled to meet modern demands. In 2024, construction began on the new Downhill Ski Lodge, a modern facility designed to address long-standing deficiencies, including ADA compliance, dining capacity, and operational flow. Construction is currently underway with a targeted completion of December 2025.

The original ski lodge included an emergency/backup generator for backup power capabilities. The generator has not been operable in recent years and was kept on the TDA Reserve Study for future replacement.

The Association has backup generators at the Northwoods Clubhouse, Trout Creek Recreation Center, and the Maintenance Department. Over the years, the staff and the Board have had frequent discussions on the need to continue enhancing emergency/backup generator capabilities to increase community emergency preparedness during situations that could potentially cause power outages, such as severe winter storms and wildfire-related Public Safety Power Shutoffs (PSPS).

The increasing frequency of major events caused by climate change, combined with a general rise in homeowners' property usage, continues to drive the need for enhanced emergency/backup power options. Additionally, backup power at facilities ensures operational continuity, guest safety, and protection of critical systems during power interruptions.

This staff report is prepared for board consideration because the expense exceeds \$50,000, and thus, per Resolution 2016-9, requires Board of Directors authorization for expenditures with a cumulative value exceeding \$50,000.

DISCUSSION/ANALYSIS:

The new downhill ski lodge was designed for backup generator power. The construction plan bid set included the necessary electrical infrastructure to add backup generator capabilities in the future.

Staff have researched adding backup generators to the existing amenities at the Lodge Restaurant and, most recently, at the Alder Creek Adventure Center during the Cross Country Center



Snowmaking Project. Cost estimates have shown that retrofitting the existing facilities with backup generators is generally cost-prohibitive, and completing this work during new construction is a more cost-effective solution.

After further consideration, staff believe that moving forward with replacing the aged Downhill Ski backup generator and installing it in the new modern building, utilizing modern technology, is the most appropriate location for another backup generator amenity in Tahoe Donner. Proceeding with the generator now minimizes future inflationary cost risks. It provides efficiencies by eliminating the need for an electrical subcontractor in the future for an isolated installation of a single component.

Utilizing the current design and construction team for the Downhill Ski Lodge Project, staff have rechecked the backup generator plans and specifications, confirming the required backup generator. The appropriate generator has been bid through SierraCon, utilizing the existing electrical subcontractor on site, and will be completed using the construction change order process outlined in the Project contract.

OUTREACH:

Not Applicable

FISCAL IMPACT:

The Emergency Diesel Generator – Downhill Ski Lodge was included in the 2025 Board-approved Replacement Reserve Budget on October 10, 2024, for \$394,795.06. The proposed expenditure is within the approved budget.

RECOMMENDATION:

The Board recommended action is as follows:

By Motion:

The Board of Directors approves the expenditure of the budgeted 2025 Replacement Reserves Fund item – Downhill Ski Lodge Emergency Diesel Generator cost not to exceed \$394,795.06.

Alternative(s) the Board may consider:

The Board may consider postponing the replacement of the emergency/backup generator to a later date. However, this is not advisable due to escalating equipment costs, future labor costs, and difficulty in doing so once the Downhill Ski Lodge is complete.

Staff Report Prepared By: Jessie LaPonzina, Reserves and Maintenance Analyst
Reviewed By: Jon Mitchell, Director of Capital Projects
Reviewed By: Annie Rosenfeld, General Manager
Board of Directors Meeting: May 23, 2025