

CAC Meeting Notes – 20 March

The meeting started with introductions.

Andy Wirth

- Andy gave a brief update on ski operations. While the year had been difficult, he believed that Squaw had actually gained a bit of share against other local resorts.
- They are in the midst of finalizing their next year capital budgets, which will come out somewhere around \$9M for Squaw and Alpine. This will include about \$1.8M for more snowmaking at Squaw (probably Shirley Lake) and \$.6M for Alpine. There will be no new lifts. Most of the rest goes to maintenance & other enhancements.
- Midweek occupancy has been running at 42%
- There will be some exciting new news on air service to Reno. Stay tuned.
- The commercial tenants in the village that are owned and operated by KSL will close from April 28th through May 22nd (“May Away”) – the other tenants are encouraged to close during this same period. This means skiing will undoubtedly close on or before April 28th. There will be a big festival reopening Squaw on Memorial Day weekend.
- Progress continues in discussions with Troy Caldwell on connecting the two resorts. The latest thinking is a base to base Gondola.
- Andy’s hot button continues to be traffic, and the apparent lack of concern about it from the local community. With surveys showing that the average occupancy coming to Squaw is 1.7 people, the challenge is how to get cars off the road or occupancy higher. Andy has started (or is part of) a Political Action Committee focused on getting federal and/or state funds for transit in our region. Our representative in Congress, McClintock, has been an obstacle to “mass transit” in the past. There is no hope for a “bus only lane” down 89.

Chevis

Draft EIR expected late summer/early fall.

Water

- By this time, the aquifer has been more thoroughly studied than ever, and models have been run to assess the aquifer performance against a variety of weather and

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demand scenarios.

- There was a meeting with the county which the PSD attended yesterday at which agreement was reached on the 25 year projection on Cumulative Development Projection against which to assess supply. The agreement was about 2500 bedrooms (there were 1600 bedrooms added in the past 25 years). (SVSH is planning ~1500 bedrooms.)
- PSD is not a public water company, as it does not have the 3000 hookups to qualify. As a result, the County will be the agency certifying the WSA for the dEIR. The County has contracted PSD to perform the study, and they have subcontracted with the two hydrology companies HydroMetrics and FarrWest.
- SVSH is still considering being their own water company. Once they have a successful WSA and a tentative Development Agreement with the PSD, they have indicated that they will cease on the water company front.
- Based on what they have seen, SVSH is confident there is enough water for complete development build-out of what they are planning and including the “likely” development of the balance of Squaw Valley over the next 25 years .

DRC

- They will be adding coverage ratios to the App B lots, which together with FARs will indicate how much land will be built out and how tall, but not location or footprint (ie shape).

MAC

- They continue to work on how big it should be and what will be in it (a “smorgasboard”); they are working on defining the “Olympic” training components and the “family & kids” components. “We are in the toy business”.
- They are looking for ways 96146 residents can utilize the MAC amenities without “consuming resources” from paying guests. One possibility is to have hours open to locals, but closed at other times to them.
- Estimates are for 300,000 visitors/ year (1000/day) with \$35 entry fee.

Parks & Recreation

- The west end park is gone; there seemed to be little public interest; they intend to fulfill their P&R obligations in other ways – supporting existing infrastructure

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(east end park, bike trail, hiking trails, etc)

- They are looking for public input on priorities
- No interest in buying the land under the stables
- There is a discussion ongoing with the County on just what their obligation is. If this were a pure residential project, it would be \$2.5M plus 5 acres of passive and 5 acres of active recreation area (per thousand bedrooms ? units ?). (The creek work (linear park) satisfies some of this). But Chevis thinks their development is not purely residential (more like 50/50 between condo/hotel and privately owned units). For the condo hotel rental units there is a TOT tax that is paid on every rental. For this, the obligation is sorted out with the Placer County CEO as part of the development agreement (expected in next 30 days). So how much the P&R portion will be is an open issue. He estimated \$20 million in total taxes, with TOT likely to be \$8million.
- They are planning on 10 small gathering spots (“parklets”) throughout the Village, and a seasonal playground that can be broken down in winter months located possibly between the tram building and the adjacent offices..
- Constructing a lap pool for the community is a possibility for them, so long as the community will take on the obligation of maintenance. No party has come forward. However, there is some discussion about allowing the locals in the community to use the pool in the adventure center before and after hours.

Dave Griffith – Traffic

- SVSH has added two people to the traffic study team – a civil engineer to study Squaw Valley Road and a traffic management person to study shuttles, transit times, etc. Their report is due 21 March. Two outstanding issues have been identified (there will be more)
 - Plowing coordination is a problem – snow being thrown back and forth
 - Traffic on the top 20 days continues to be challenging
 - Parking: County obligations state they must meet parking for the 5th busiest ski day; this is considered a design day in terms of a requirement. Currently they need (approximately) 3000 parking spaces for “average” ski day and 5000 for peak day
- They are studying (as we have heard before) shuttles within the Village, within the Valley, and between Squaw and the neighboring towns.

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- They have abandoned the effort to find off-site parking. Their studies have shown that once people get in their cars, they drive. The need is to keep them out of their cars. The focus is on shuttle stops in high density areas – including Tahoe Donner (5000 homes)
- They are looking at improvements to Squaw Valley Road but not anything that will allow motorists to drive faster. They want to keep traffic moving along the road and allow for side traffic to exit – perhaps some sort of metering.
- There was discussion about the 300,000 visitors to the MAC and the impact on traffic (the number comes from studies at other similar parks, eg Jay Peak); to make sure that this does not affect traffic and parking in the winter season the amenity would be programmed as an integral part of the total operating business and not as a stand-alone attraction. One way would be by taking the operating hours of the existing (ski) business into consideration and treating the MAC as an additional amenity. So the MAC would not open until after the parking lot is already full of skiers. Another way would require a person to have a lift ticket or Village guest pass to get in. Bryan Elliott (who worked at Disney for 10 years) expressed confidence in managing the skier and MAC traffic flows with such timing and incentives.

Natural Gas

- The propane bill for the development is projected to be enormous; therefore there is interest in bringing natural gas to the Valley (about ½ the cost); they estimate that there will need to be 6 – 7 propane truck deliveries per week to six 30K propane tanks. They have had various thoughts about where the tanks should be (Lot 4, West End, etc) but latest thinking is distributed throughout the acreage
- The local gas company has estimated they need a 6” welded pipe, at \$600/foot and need a line from Tahoe City to Squaw (\$21M), one from Truckee to Squaw (\$42M, this is for redundancy), and one down Squaw Valley Rd (\$3M); This is way over budget plus a 35% tax.
- SVSH is continuing to pursue the natural gas issue. They have let a contract to a local contracting company to estimate putting in the lines, plus they are working to convince the gas company that a plastic line will do (1 / 2 price of steel), and that only a line from TC is needed;

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- A carrot for the gas company is the hookups to homes within the valley; but this will not be cheap per home, and some appliances may have to change. SVSH may get a credit reimbursement for funding this, e.g., no gas costs for 5 years; the estimate is a \$7k to \$10 k connection fee per household. The gas company would need consensus on the community's willingness to "connect" to the natural gas line if they proceeded.

Grocery Store

- They are going to be requesting an additional 5Ksqft to Lot 4 for a grocery store. They were in talks with Alice's about an "affordable" grocery store. While they could put it in many places in the Village proper, by having it at Lot 4, they will minimize traffic coming from employees and they think the employees would be highest usage, plus capturing people at the "beginning" of their trip.

Entitlement Process

- There are some calculations the County does for Village items that are based on units and some based on bedrooms; So if there is a major hotel, with one bedroom per unit, it will "use up" a disproportionate amount of units; Therefore the unit mix of units and bedrooms in the plan is changing, BUT it is not an increase to the plan or to the total number of bedrooms. The 750 units was a simple calculation of 1,500 bedrooms divided by 2 (assuming mostly 2 bedrooms). The plan is now 850 units, and is a reflection of more work done to try and estimate the size and bedrooms within each unit. The total number of bedrooms is still the same 1493.
- They estimate that there will be a maximum of 250 pure single hotel rooms; other units will be time share/fractionals or condo-hotels.

Omnibus Agreement – this was led by Mike Siyek from Squaw Valley Lodge

- This discussion was about forming a group, or using some existing group, to arrive at an agreement (not legal) between all stakeholders in the Valley including SVSH, businesses, HOAs, residents, etc about values and vision; his model is the Aspen Community Plan; the idea was that this agreement would guide development within the Village beyond just "buildings"; what would "we" want for the atmosphere, the culture, the Squaw experience; if there were such a

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forum/group including SVSH, it would have more influence with the County. “We Squaw” as a “common vision”

- Part of the motivation of this is to have a uniform “Squaw experience” regardless of whether someone stays at the Village, or at Squaw Lodge, or anywhere else; they do not want their customers to feel like they are getting lesser benefits
- There were various comments linking this to IOV, but Ed and I disagreed saying that they are really two separate issues; if the CAC wants to hear about IOV, they should invite Fred Ilfeld to talk
- Chevis said that SVSH is in support of this effort, as they found very fractious elements when they first engaged the community – HOAs with their interests, day skiers with theirs, residents with theirs and Cushing with his. If there were such an understanding between all the groups, it might make interaction easier – a common set of goals.
- It was decided that the forthcoming meeting between HOA presidents, POA, and perhaps others might be the place to bring this up; There was also some side discussions that the POA would be the ideal group, if it were to include representatives from the HOAs (Presidents, Board members) and were to change its charter to be able to take “positions”.