

• **Board of Directors**

December 14, 1999 Board Meeting

**10-7**

**Subject**

Construction of a new Gene Guest Lodge.

**Description**

The Gene Guest Lodge was built in 1933. Its last substantial renovation was more than 25 years ago. An inspection by fire authorities in 1995 revealed that the facility was in violation of the fire code, as well as other codes.

In March 1998, the Board of Directors appropriated \$1,330,000 to construct a new facility. As the design phase of the project neared completion, concerns were raised about the budget impacts of facility amenities. After further evaluation, the Subcommittee on Real Property and Asset Management, at its October 26, 1999 meeting, directed staff to revisit the project's fiscal impacts and seek an outside estimate comparing the costs of facility rehabilitation versus new construction to verify that constructing a new facility was the most cost-effective option.

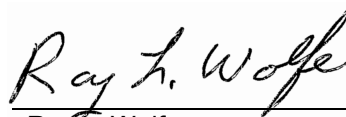
Pursuant to the results of an evaluation of costs confirming new construction to be the most cost-effective, the General Manager will negotiate a contract for a new 24-room facility on the existing site or the previously approved flagpole site, depending on which is more cost-effective, with a total project estimate of \$1,330,000.

**Policy**

Past board action.

**Board Options/Fiscal Impacts**

For information only.



Roy L. Wolfe  
Acting Manager, Corporate Resources

12/2/99  
Date



General Manager

12/2/99  
Date