

BOARD APPROVED

MINUTES ACTION ON
TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING

August 23, 2014
9:00 a.m.

E.A. - TDA ASSOC.

Sept 27 2014
VERIFIED Bonnie Watkins

A regularly scheduled meeting of the Board of Directors of Tahoe Donner Association was held at NWCH at 11509 Northwoods Blvd., Truckee, California on Saturday, August 23, 2014. President Jim Stang called the meeting to order at 9:00 a.m. The following Directors were in attendance, thus constituting a quorum of the authorized number of Directors of the Association:

Directors present: Jim Stang, President
Tom Johns, Vice President
Steve Miller, Treasurer
Ron Wulff, Secretary
Courtney Murrell, Director

Directors absent: None

Staff present: Robb Etnyre, General Manager
Mike Salmon, Director of Finance and Accounting
Forrest Huisman, Director of Capital Projects
Miguel Sloane, Director of Operations
Annie Rosenfeld, Director of Facilities & Risk Management
Brinn Talbot, Director of Marketing
Bonnie Watkins, Recording Secretary, Executive Assistant

A. ACTION: APPROVAL OF MINUTES

The Board received the preliminary minutes of the following for consideration:

- July 19, 2014 Regular Meeting Minutes
- July 31, 2014 Special Meeting Minutes

Director Miller made a motion and Director Johns seconded to approve the meeting minutes as presented. Motion passed 5-0

B. COMMITTEE MANAGEMENT

Architectural Standards – The Board was provided with the committee's July 9 and July 30, 2014 meeting minutes for review.

Covenants – The Board was provided with the committee’s April 17, 2014 meeting minutes for review.

Election – No report.

Finance – The Board was provided with the committee’s July 10, 2014 meeting report for review.

General Plan (GPC) – The Board was provided with the committee’s August 4, 2014 meeting report for review.

C. ELECTION COMMITTEE POST ELECTION RECOMMENDATIONS

Director Miller indicated that he had met with the Election Committee to discuss some ideas he had relative to encouraging Tahoe Donner property owners to be more interested in the work of the Board, the election, and in particular, to vote.

A discussion ensued regarding options for improving the overall participation of property owners in the director election process. Following discussion, by consensus, the Board suggested that the Election Committee develop several questions for candidates running for election that would be directed to obtain responses relative to important issues coming before the Board in the near and long-term future interest of the Association. President Stang will contact Election Committee Chair, John Sorensen, regarding the Board’s suggestion.

D. CONSENT CALENDAR

The Board was provided with the following items for consideration:

- **Covenants Committee Alternate Appointment (Vaio)**
- **2014/15 Winter Season Pass, Programs & Group Rates**
- **Eagle Rock Chair Lift Bearings & Liner Replacement**
- **Maintenance Facility Easement Access**

General Manager Robb Etnyre pulled the 2014/15 Winter Season Pass, Programs, & Group Rates item from the Consent Calendar.

Following discussion, Director Miller made a motion and Director Johns seconded to approve the Consent Calendar as presented. Motion passed 5-0

- **Winter Season Pass, Programs, & Group Rates**

Director Johns made a motion and Director Stang seconded to approve the Winter Season Pass, Programs, & Group Rates as revised. Motion passed 5-0

E. PRESENTATION: TAHOE DONNER GIVING FUND

Dick Gander provided a PowerPoint presentation on the formation of a Tahoe Donner Giving Fund. Mr. Gander's PowerPoint presentation is attached to these minutes as Exhibit "A". Highlights of the presentation follow:

Purpose:

- Give Tahoe Donner members a simple, single avenue for supporting the greater Truckee community with fully tax deductible contributions.
- Pool resources from Tahoe Donner members to increase the impact of grants.
- Obtain branding on grants to recognize Tahoe Donner members' support for the community.

Mission:

- Gather charitable contributions to be used in the greater Truckee area to support worthy causes in the areas of:
 - Health and Human Services
 - Environment, Conservation and Animal Welfare
 - Education and Youth Development
 - Arts and Culture

TD Giving Fund Operating and Grant Committee:

- TD Board Chartered Committee – establish a standing committee to perform necessary duties for the Fund under direction of the TD Board
- Operate under same principles of other Board Committees – Board liaison; Board makes decisions and directs, voting and alternate members in good standing, staff liaison
- Two primary duties:
 - Administer the Fund in conjunction with the Tahoe Truckee Community Foundation (TTCF), and
 - Conduct such special events as directed by the Board

Tahoe Truckee Community Foundation:

- Serves as the 501(c)(3) tax deductible charitable organization
- Provides stewardship of all funds – IRS letters to donors, investment (short or long term), tax filings and accounting
- Establishes fund raising policies and processes that ensure compliance with IRS regulations
- Conducts efficient grant cycles with local (greater North Tahoe/Truckee) non-profits and coordinates interaction with Fund Grant Committee
- Provides full reporting on donors, financials, etc.
- Fees paid by the TD Giving Fund

Mr. Gander stated that there are several documents that are considered necessary to establish the Tahoe Donner Giving Fund at Tahoe Truckee Community Foundation (TTCF):

- The Fund Agreement that establishes the basic set up of the Fund and requires official signature from Tahoe Donner.
- A Memo of Understanding (MOU) that defines the operating principles of how TTCF will work with the Tahoe Donner Giving Fund and also requires official signature from Tahoe Donner.

Following the presentation, Mr. Gander fielded questions from the Board and property owners present. Following discussion, the Board placed this item on the September 27, 2014 Board meeting agenda for further consideration.

F. DIRECTOR OF FINANCE & ACCOUNTING REPORT

Director of Finance and Accounting, Mike Salmon, provided the Board with a presentation on the Association's unaudited preliminary July 2014 financial report, a complete set of which are attached to these minutes as Exhibit "B".

Following discussion: Director Wulff made a motion and Director Stang seconded to approve the July 2014 unaudited preliminary financials as presented. Motion passed: 5-0

All financial reports may be viewed on the Tahoe Donner Web site at: <http://www.tahoedonner.com/financials/>

G. 2030 GENERAL PLAN UPDATE

General Plan Committee (GPC) Co-Chair, John Stubbs, explained that the GPC has been charged with periodically reviewing the 2030 General Plan. Since approval of the plan in 2011, he continued, many changes in project priorities have taken place that warrant updating this document. He noted that the GPC has now updated the plan and has provided a draft copy to the Board for their review. Mr. Stubbs suggested that the Board appoint a group comprised of GPC, Board, and Staff members to go over this document item by item to make it agreeable to the Board, with the intention of presenting it as a finished document on the Consent Calendar of a future Board meeting. Director Stang indicated that Directors Johns and Wulff have agreed to be a part of the working group.

Discussion took place regarding a timeline for completing the update of the 2030 General Plan. General Manager Robb Etnyre stated that he sees this as a multi month effort involving a number of other entities to thoroughly review and prioritize the many projects in the plan. He indicated that the goal would be to have the plan completed by the end of the year.

H. NORDIC CENTER SIGNAGE

Director of Marketing and Member Relations Brinn Talbot explained that, at the July 19, 2014 Board meeting, the Board selected three preferred name options for the new Cross Country Center and approved obtaining additional membership input prior to a final vote by the Board at today's Board meeting. The three proposed names were: Alder Creek Chalet, Alder Creek Nordic Center, and Alder Creek Adventure Center. Ms. Talbot then provided the Board with the results of the outreach efforts to the membership on naming the new facility, reviewing home owner feedback on the three potential names as well as new name suggestions. Out of 350 respondents, the three suggestions in order were: 1) Alder Creek Adventure Center, 2) Alder Creek Nordic Center and, 3) Alder Creek Chalet.

Following discussion, Director Murrell made a motion and Director Miller seconded to approve labeling the new Nordic & Equestrian facility way finding signage the Alder Creek Adventure Center. Motion passed 4-1 (Director Wulff No)

I. EQUESTRIAN FINANCIALS & CAMPUS

Director of Capital Projects Forrest Huisman provided the Board with a presentation reviewing in detail the relocation of the Equestrian Campus as summarized in the Draft Equestrian Campus, Version 5 attached to these minutes as Exhibit "C". Highlights of Mr. Huisman's presentation follow:

- The various components of the Equestrian Center are listed in the upper left hand corner of the Version 5 Draft.
- The proposed relocation of the Center will place it entirely in Nevada County. Nevada County regulations require a 100 foot set back from wet land boundaries.
- The Arena is not planned to be moved in accomplishing the relocation and the 4,700 square foot pole barn storage structure has been removed from the plan, to be replaced by several small storage containers that will adequately meet equestrian needs.
- A Management Plan process is required if TDA anticipates new disturbance closer than 100 feet from an existing, delineated wetland.
- Nevada County's building codes allow one 200 square foot shed without any utilities to be constructed without a permit. Also, any structure less than 120 square feet and without utilities are allowed without a building permit. The structures still need to meet setbacks from property lines and biological resources such as wetlands.
- No Use Permit or Planning Permit is required if TDA relocates paddocks and arenas away from wetlands and in the general location of the areas shown on the approved site.
- A grading plan may be required through the Building Department if more than 50 cubic yards of material is being moved.

Any significant expansion of the equestrian use areas and/or new structures outside of the previously identified and approved areas from the 1980's Use Permits would trigger the need to revise or obtain new Planning Use Permit approvals.

- Like-for-like trades into the permitted areas and not increasing the overall permitted operational footprint would be allowed.

Mr. Huisman turned the meeting over to Director of Finance & Accounting Mike Salmon to review financial aspects of the Equestrian Center.

Mr. Salmon provided the Board with a detailed PowerPoint presentation on the financial metrics of the Equestrian operation. A copy of the presentation is attached to these minutes as Exhibit "D". To follow are the topics covered in Mr. Salmon's presentation:

- Utilization Metrics
- Historical P & L Financials
- P & L Details
- Camps
- Trail Rides
- Boarding
- Scenarios

The following five service level scenarios were presented for consideration:

- 1) Similar to Status Quo
- 2) Aggressive Price Increases
- 3) Aggressive Changes
- 4) Aggressive Changes – Boarding Only
- 5) Aggressive Changes – Member/Guest Only

Following Mr. Salmon's presentation, a lengthy discussion took place regarding the various scenarios under consideration, with numerous comments being received from property owners present. Each Director presented their thoughts regarding the pros and cons of the various scenarios.

Following discussion, Director Stang made a motion and Director Wulff seconded to approve Scenario One, Similar to Status Quo – or consistent historic operating service levels and necessary campus modifications to meet regulatory requirements for the operation of the Equestrian Center in 2015. Motion passed 3-2 (Directors Murrell & Miller No)

EXECUTIVE SESSION AND LUNCH

The Board adjourned to Executive Session at Noon.

The Board reconvened to an Appeal Hearing at 1:00 p.m.

The Board reconvened to Open Session at 1:15 p.m.

J. SNOW MAKING AT THE DOWNHILL SKI AREA

Michael Sullivan provided the Board with a PowerPoint presentation on the feasibility of acquiring snowmaking equipment for the Downhill Ski Area. A copy of this presentation is attached to these minutes as Exhibit "E". Mr. Sullivan's Summary & Recommendation follows:

- Economics:
 - Snowmaking is estimated to recover 40% of lost NOR (40% times \$1.6 million = \$640K).
 - Cost to install estimated at \$500K.
- The facts show that snowmaking is feasible.
- Permit timeline with Truckee is unknown.
- Recommendation:
 - Proceed immediately with permit application.

Following Mr. Sullivan's presentation, the Board discussed the fact that there are no funds reserved for snowmaking equipment in this budget cycle. Further discussion took place regarding what might be a lengthy permitting process with the Town of Truckee.

Following discussion, by consensus, the Board approved moving forward with the permitting process for acquiring snow making equipment for the Downhill Ski Area.

GENERAL MANAGER'S REPORT

General Manager Robb Etnyre reported the following:

- **The Truckee Donner Public Utility District (TDPUD) – Water Conservation Measures**
 - The TDPUD implemented the State's mandatory drought regulations at a special meeting on August 12, 2014. The TDPUD's action authorized the General Manager to implement stage 2 of the TDPUD's water shortage contingency plan. The end result is that customers must now limit irrigation with portable water of ornamental landscapes and turf to two days per week. This does not limit the use of our own Tahoe Donner well water, as one hundred percent of our Golf Course is irrigable with our own well water. Addressing peak period water supplements as a necessary practice to meet desired watering practices is something Staff will review for next season. This will likely be a multi-year endeavor by the State of California. Other Association ornamental lawns – NWCH, Trout Creek, Beach Club Marina, et cetera will be impacted next year.

- **Truckee Thursdays**
 - The free Tahoe Donner shuttle from Trout Creek Recreation Center to Downtown Truckee for Truckee Thursday's remains one of our more popular programs. The last Truckee Thursday was August 21st, with the total number of riders being 476.

L. PLANNING GUIDANCE BUDGET 2015

Director of Finance & Accounting, Mike Salmon, provided the Board with a PowerPoint presentation of the 2015 Budget variables and key assumptions for the Association's Capital and Operating Funds and how these figures impact the budget and thus the Annual Assessment.

Following the presentation, the Board discussed the four possible annual assessment scenarios presented by Mr. Salmon. Following discussion, the Board indicated that they will schedule a couple of special budget workshop meetings for the purpose of moving toward the establishment of the 2015 Budget.

M. STRATEGIC PLAN & GOALS UPDATE 2014

The Board was provided with a copy of a Strategic Plan Update 2014 for review.

General Manager Robb Etnyre indicated that his desire today is to obtain Board guidance regarding the update of the Association's Strategic Plan & Goals. Mr. Etnyre reviewed the following with the Board:

Strategic Plan Update:

- **Establishing Priorities:**
 - **Two recommended goals in order to update the Strategic Plan:**
 - Update the Strategic Plan Vision Statement.
 - Update the Strategic Plan Goals for the next five years – 2015-2020.
 - **Assumptions:**
 - The Mission of the Association remains unchanged.
 - The Guiding Principles, core competencies, and values remain unchanged.
 - The Vision Statement should be updated.
- **Process & Critical Stakeholders:**
 - Staff, Committees, Members, Board.
- **Timeline:**
 - August through December 2014.

Process and Critical Stakeholders:

- **September 2014:**
 - Vision Working Group (4-6 members).
 - Staff to develop working Strategic Plan Goals 2015-2020.
 - Review draft goals with Finance & General Plan Committees.
 - Review working Vision and Goals draft with the Board.
- **October 2014:**
 - Refine draft Vision and Goals with Staff, Committees, and Board.
- **November 2014:**
 - Solicit Membership feedback via Tahoe Donner News and Website/email communications.
- **December 2014:**
 - Finalize Strategic Plan Vision & Goals with the Board.

EXECUTIVE SESSION REPORT

Director Wulff reported that the Board met in Executive Session today and discussed legal and personnel matters.

ADJOURNMENT

Director Johns made a motion and Director Stang seconded to adjourn the meeting at 3:02 p.m. Motion passed 5-0

Submitted by:


Bonnie Watkins, Recording Secretary

SECRETARY'S CERTIFICATE

I, Ron Wulff, Secretary of Tahoe Donner Association, do hereby certify that the foregoing is a true and correct copy of the minutes of the Tahoe Donner Association Board of Directors regular meeting held on August 23, 2014, as approved by the Board members in attendance and constituting a quorum at a duly convened subsequent meeting of the Board.


Ron Wulff, Board Secretary