

BOARD APPROVED

MINUTES ACTION ON
TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING

December 15, 2012
9:00 a.m.

Dec 26, 2015
[Signature]
E.A. - TDA ASSOC.

A regularly scheduled meeting of the Board of Directors of Tahoe Donner Association was held at (Northwoods Blvd. Monument at the Entrance to Tahoe Donner) and Northwoods Clubhouse 11509 Northwoods Blvd., Truckee, California on Saturday, December 15, 2012. President Tom Johns 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: Tom Johns, President
Jay Lempinen, Secretary
Ron Wulff, Director

Directors absent: Suzy Knisley (Joined the meeting at 9:20 a.m.)
Steve Miller, (Joined the meeting via teleconference at 11:50 a.m.)

Staff present: Robb Etnyre, General Manager
Mike Salmon, Director of Finance and Accounting
Annie Rosenfeld, Director of Facilities & Risk Management
Miguel Sloane, Director of Operations
Director of Capital Projects, Forrest Huisman
Miah Cottrell, IT Manager
Cass Rodriguez, Recording Secretary

A. ACTION: APPROVAL OF MINUTES

The Board received the preliminary minutes of the November 17, 2012 Regular Meeting Minutes for consideration.

Director Wulff made a motion and Director Lempinen seconded to approve November 17, 2012 Regular Meeting Minutes as presented. Motion passed 3-0 (Directors Miller & Knisley Absent)

B. COMMITTEE MANAGEMENT

Architectural Standards – The Board was provided with the committee’s November 8, 2012 meeting minutes for review.

Covenants – The Board was provided with the committee’s November 8, 2012 violations report for review.

Finance – Committee member Art King provided the Board with a brief report on the committee’s December 13th meeting. He noted that the Board will be provided a copy of the minutes of the meeting via email on Monday, December 17.

General Plan (GPC) – The Board was provided with a copy of the committee’s December 3, 2012 meeting for review. Chair Dick Gander reviewed the following highlights from the meeting:

- **Euer Valley Resolution** - the trails sub-group met and drafted a resolution for Board consideration today.
- **Trails Master Plan** – Director of Facilities Annie Rosenfeld discussed the current status of the plan, which identifies over 115 projects, ranging from simple brush clearing to bridge construction. The goal is to complete the plan for Board review in the spring of 2013.
- **GPC Project Review** – For 2013, the committee will look at three main areas as priorities for the 2016 to 2030 time frame:
 - Trails, Euer Valley, and Open Space
 - Trout Creek Recreation Center
 - Downhill Ski Area
- **Alder Creek Nordic Center** – The committee received an update from Director of Capital Projects Forrest Huisman on the hiring of an architect for the proposed Alder Creek Nordic Center. Discussion took place regarding how the Board intends to manage the project utilizing a steering committee or a building committee made up of Board members, GPC, and Finance Committee members.

Election – Chair Nan Carnal reported that, during the 2011 Board of Director Election process, it was discovered by the then Inspector of Elections, Greg Shanley, that Tahoe Donner’s “Election Procedures” substantially comply, but do not fully comply, with the statutory mandates covered in the Civil Code and Corporations codes relating to election “rules”. At that time, Ms. Carnal said, it was also suggested by Mr. Shanley that the Association is going through unnecessary steps in obtaining member approval of the “Election Procedures” on a yearly basis. He recommended that the Association adopt a “stand alone” and complete set of election “rules” that are in full compliance with Civil and Corporations code. These “rules” can then be adopted by the Board without a member vote, although they would have to be provided to the membership for the required 45-day member comment period.

Ms. Carnal indicated that the Election Committee has drafted a set of “rules” and endeavored to bring them into compliance with the statutes mandated by law, but the committee recommends that the Board have the Association’s legal counsel review the proposed “rules” to make certain that they contain the six specified areas that election “rules” must cover. Following a review of the “rules” by legal counsel, the committee would like to bring them to the Board at the January 26th Board meeting for approval to publish them to the membership for comment prior to official adoption by the Board in March.

Following discussion, the Board indicated that they would like to provide input on the draft “rules” prior to having legal counsel review them. Directors will review the draft “rules” and provide their input to Director Wulff.

C. ACTION: CONSENT CALENDAR

The Board was provided with the following items for consideration:

- Property Casualty Insurance Renewal 2012
- General Plan Committee Alternate Resignation
- Finance Committee Resignation
- Development Fund Policy 2012-1
- Cross Country Snow Mobile Reserve Replacement

Director Johns pulled the “Property Casualty Insurance Renewal 2012” for discussion.

Director Wulff made a motion and Director Lempinen seconded to approve the remaining Consent Calendar as presented. Motion passed 3-0 (Directors Miller and Knisley Absent)

Following discussion, Director Wulff made a motion and Director Lempinen seconded to approve the “Property Casualty Insurance Renewal 2012” as presented. Motion passed 3-0 (Directors Miller and Knisley Absent)

Director Knisley joined the meeting at 9:20 a.m.

D. ACTION: 2013 COMMITTEE ROSTER

The Board was provided with a proposed 2013 roster of Tahoe Donner Committee Members for consideration.

Following discussion, Director Wulff made a motion and Director Lempinen seconded to approve the 2013 Committee Roster as presented. Motion passed 4-0 (Director Miller Absent)

E. ACTION: EUER VALLEY RESOLUTION

The Board was provided with a proposed “Euer Valley Resolution” from the General Plan Committee (GPC) for consideration.

Director Johns explained that the Board had provided guidance to the GPC regarding what they think should be included in a resolution for the Euer Valley and tasked the committee with drafting a formal resolution for Board consideration.

GPC Chair Dick Gander stated that the resolution being provided to the Board today is with the unanimous consent of all committee members. He noted that, in the development of the resolution, the committee felt that it wasn’t necessary to restate provisions detailed elsewhere in the Association’s Covenants Rules, policies and procedures that govern the usage of amenities and common areas, et cetera. He said, while the committee sought to draft a resolution that would stand the test of time, it is important to recognize that resolutions can be changed and are not forever binding. Mr. Gander then reviewed the main concepts stated in the draft resolution.

Following Mr. Gander’s presentation, he fielded questions from the Board, and a discussion ensued regarding the pros and cons of striking the reference to “camping” in the resolution, with each Board member weighing in on their concerns about leaving this verbiage in the document.

Director Johns indicated that the Board had received a significant number of negative comments from members regarding allowing camping in the Euer Valley, and he agreed that “camping” should be eliminated from the document. He said, while he agrees with the committee’s position that it isn’t necessary to restate provisions detailed in the Association’s Covenants Rules, there has been enough opposition to camping expressed by the membership that he feels that it should be clearly stated in the resolution.

Discussion took place regarding the pros and cons of permitting Staff-supervised children’s programs to have overnight camping or restricting them to day-camping only. Further discussion took place regarding the need to be consistent in the application of Association rules.

Following discussion, Director Johns made a motion and Director Knisley seconded to strike the word “camping” from the Euer Valley Resolution and add the sentence “*overnight camping and camp fires are strictly prohibited in the Euer Valley.*” Motion passed 4-0 (Director Miller Absent)

F. ACTION: PERFORMANCE BOND

This item was moved to later in the meeting.

G. CAPITAL PROJECTS REPORT

Director of Capital Projects, Forrest Huisman provided the Board with a PowerPoint presentation on the status of various Association projects. A copy of the Capital Projects Report is attached to these minutes as Exhibit "A".

(Members may also log onto the Capital Projects page of the Tahoe Donner Web site at <http://www.tahoedonner.com/major-projects/timeline/> to view updates on the Association's major projects.)

Break
(10:20 a.m.)

The regular meeting reconvened at 10:30 a.m.

F. ACTION: PERFORMANCE BOND

The Board was provided with a "Decision Paper" dealing with the implementation of a performance bond to assure the satisfactory completion of ASC approved construction projects.

Director of Facilities & Risk Management Annie Rosenfeld explained that at the September Board meeting the Board directed Staff and the Architectural Standards Committee to further review the idea of a performance bond in an effort to address the issue of non-completion of construction of new homeowner projects in a timely manner. She stated that, at the October and November ASC meetings, this topic was discussed and debated in great detail. As a result, she continued, the ASC and Staff jointly developed a recommendation for the Board consideration today.

Ms. Rosenfeld indicated that the committee discussed the positives and negatives of implementing a performance bond as well as the message this would send to the membership. The committee believes that better communication with property owners and the Board during projects would be a better way to address the concerns that generated the performance bond topic. The outcome of these discussions is that the ASC is opposed to requiring surety bonds for major construction, small remodels, or additions. Ms. Rosenfeld then reviewed the specific discussion topics that brought the committee to this decision.

Ms. Rosenfeld stated that Staff and the ASC believe that a better way to approach the issue of non-completion of construction projects is to raise extension fees to encourage completion of projects within the initial permit time. Therefore, it is the recommendation of Tahoe Donner Staff and the ASC to amend the Association's extension fines as follows:

Major Projects:

- 1st extension - \$500
- 2nd extension - \$1,000
- Any further extensions granted only by the Board of Directors

Minor Projects:

- 1st extension - \$100
- 2nd extension - \$250 to \$500, depending on circumstances
- Any further extensions granted only by the Board of Directors

Following discussion, Director Wulff made a motion and Director Lempinen seconded to approve publishing for 45-Day member comment the proposed amendments to the extension fine schedule. Motion passed: 4-0 (Director Miller Absent)

H. DIRECTOR OF FINANCE AND ACCOUNTING REPORT

Director of Finance and Accounting, Mike Salmon, provided the Board with a presentation on the Association's unaudited preliminary November 2012 financial reports, a complete set of which are attached to these minutes as Exhibit "B".

Following discussion, Director Knisley made a motion and Director Wulff seconded to approve the unaudited preliminary November 2012 financial reports as revised. Motion passed 4-0 (Director Miller Absent)

GENERAL MANAGER'S REPORT

General Manager Robb Etnyre reported the following:

- **Downhill Ski Area** – Preparations are underway for a December 21st opening, weather permitting. This amenity has received a facelift – new paint, inside furniture, and new upstairs carpet have been installed along with two new entry gates houses. Additionally, a new practice chair is being offered for beginners to practice getting on and off the chairlift.
- **Cross Country Center** – Several cosmetic and operational changes have taken place at this amenity – new interior paint, the reorganization of the retail, rental and eating space. A special welcome event is planned for new Cross Country Center Manager Sally Jones on the evening of December 20st.

- **SnowPlay** – This operation opened on December 14th as scheduled. During Thanksgiving weekend there was not enough snow to open for snow activities, but Staff did offer a grassy area to play ball, throw Frisbees and other recreational activities. Plans are in the works for improving the food and beverage options at this operation this winter season.
- **Strategic Plan Goals** – Along with the 2012 baseline events that will continue in 2013, the following will be provided:
 - Two Waterpalooza events
 - Super Tour - National Nordic Race
 - Member & Guests Mountain Bike/Running Race
 - New liquor license for Trout Creek's Marco Polo Grill
 - Expanded Day-Camp offerings

DIRECTOR KNISLEY RESIGNATION AND APPOINTMENT OF NEW BOARD MEMBER

Director Johns stated that Director Knisley has tendered her resignation from the Board and today is her last Board meeting. He thanked Director Knisley for her years of service and presented her with a parting gift.

EXECUTIVE SESSION AND LUNCH

The Board convened to Executive Session at 11:45 a.m.

Director Miller joined the meeting at 11:50 a.m.

The regular meeting reconvened at 12:45 p.m.

EXECUTIVE SESSION REPORT:

Director Johns stated that the Board has appointed Jim Stang to fill the vacancy created by the resignation of Director Knisley. Mr. Stang will take office on January 1, 2013 and complete her term of office. Mr. Stang thanked Director Knisley for her years of service to the Association and indicated that he is looking forward to serving Tahoe Donner as a member of the Board.

ACTION: BEACH CLUB MARINA

Director Wulff stated that he placed this item on the agenda in order to discuss and possibly take action on whether to move forward with this project in 2013, as recommended by the GPC, or place it back in the original timeline in the 2030 General Plan.

He noted that there are a significant number of proposed projects in the 2030 General Plan that are a higher priority than the Beach Club Marina project and funding issues need to be considered, especially with regard to the Alder Creek Nordic Center and the future replacement of the Ski Lodge. He pointed out that the number one priority for the membership has always been open space and trails.

Regarding the improvements and the expansion of the roadside parking areas adjacent to the Marina that are part of the proposed plan and approved as eligible for TSSA-1 Funding, he is of the opinion that this portion of the project should be abandoned. He noted that he was informed by General Manager Robb Etnyre that, due to Town of Truckee requirements, parking spaces would actually be lost. He pointed out that in high season parking is at a premium, and as a result, recommends that the Board not look at paving that area.

General Manager Robb Etnyre then explained that, as originally conceived, this project was to be completed in two phases; the expansion of the lower deck area, scheduled for 2012 and the improvement of the upper lawn/picnic area scheduled for 2017. However, looking at the scope of the first phase of this project, it was realized that both phases should be combined into one to achieve economy-of-scale along with better project design. The on-street parking improvements are not currently included in the resubmitted plans to the Town for this project.

Director of Capital Projects Forrest Huisman pointed out that the Town of Truckee is currently updating their Development Code, which covers all land use, zoning and subdivision regulations within the Town. If the project is pushed off, the more restrictive regulations could adversely impact the completion of this project as designed.

Discussion took place regarding the future direction and schedule for the project. Additional discussion took place regarding the update of the Town's Development Code and possible impacts associated with the implementation of this project in the future.

Following discussion, Director Wulff made a motion and Director Lempinen seconded to place the Beach Club Marina project back to the original timeline in the 2030 General Plan. Following further discussion, Director Wulff requested permission to withdraw the motion and there were no objections to the withdrawal.

Director Wulff made a motion and Director Lempinen seconded to approve moving forward with the Beach Club Marina project permitting process with the Town of Truckee, with the proviso that, should the permits be obtained, the Board will consider the timeline of this project in the 2030 General plan at a future date. Motion passed 4-0-1 (Director Knisley Abstained)

THE LODGE DECK EXPANSION PROJECT

Director Wulff stated that, with the expansion of The Lodge deck and the enclosure of existing deck, he feels that there is no necessity for reserved seating on the new open deck area. He pointed out that offering reserved seating on the expanded deck would simply create the same controversy that currently exists over a lack of adequate seating for golfers and guests. He suggested that reserved seating could be provided at tables near the open windows to the deck instead. Director Wulff apologized for stepping into an operational matter, but he wanted to provide this input for consideration.

General Manager Robb Etnyre responded that this is good feedback, and management will be looking into ways to make The Lodge deck area more flexible for walk-in customers this summer.

Following discussion, the Board took no action on this item.

ACTION: POLICY STATEMENT 91-4 (CONTACTS BETWEEN BOARD MEMBERS AND ASSOCIATION STAFF)

Director Lempinen stated that he had placed this item on the agenda for discussion because he feels the 1991 policy is outdated and too restrictive on interactions between the Board members and Association employees.

The Board discussed the pros and cons of this Association policy and the possibility of future revisions.

Following discussion, Director Lempinen made a motion and Director Wulff seconded to rescind Policy Statement 91-4. Motion failed 3-2 (Director Lempinen & Wulff Yes)

FUTURE BOARD MEETING AGENDA ITEMS

The Board placed the following items on the January 26, 2012 Board meeting agenda:

- Beach Club Marina Update
- 2013 Board of Directors Election
- 2013 Committee Tasks

ADJOURNMENT

Director Johns made a motion and Director Lempinen seconded to adjourn the meeting at 1:30 p.m.

Submitted by:



Bonnie Watkins, Recording Secretary Cass Rodriguez
Transcribing Secretary

SECRETARY'S CERTIFICATE

I, Jay Lempinen, 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 December 15, 2012, as approved by the Board members in attendance and constituting a quorum at a duly convened subsequent meeting of the Board.


Jay Lempinen, Secretary