

BOARD APPROVED

MINUTES
TAHOE DONNER ASSOCIATION ACTION ON
BOARD OF DIRECTORS SPECIAL MEETING
VERIFIED

The Lodge
September 5, 2012
3:30 p.m.

E.A. - TDA ASSOC.

A special meeting of the Board of Directors of Tahoe Donner Association was held at the The Lodge, 12850 Northwoods Blvd., Truckee, California on Wednesday, September 5, 2012. President Tom Johns called the meeting to order at 3:32 p.m. The following Board and Staff members were present:

Directors present: Tom Johns, Suzy Knisley, Steve miller, Jay Lempinen, & Ron Wulff

Directors absent: None

Staff present: Robb Etnyre, General Manager
Forrest Huisman, Director of Capital Projects
Mike Salmon, Director of Finance & Accounting
Miguel Sloane, Director of Operations
Bonnie Watkins, Executive Assistant & Recording Secretary

MEMBER COMMENTS

Director Johns stated that today's special Board meeting was called in order for the Board to be provided with presentations by several Architectural Firms for the construction of proposed Tahoe Donner Association's Alder Creek Nordic Center. The Association's current "Board Meeting & Agenda Policy" states that special board meetings shall have a specific agenda dealing only with the item or topic for which the meeting was called. However, he continued, since there are a number of members in attendance that would like to make comments regarding the proposed Beach Club Marina Project, the Board will make an exception today and allow a ten minute member comment period.

A member stated that the plans submitted to the Town of Truckee for the expansion project at the Beach Club Marina indicates the removal of 20 mature Ponderosa Pine trees. He requested that the Board consider redrafting the project plans in order to preserve as many of the existing trees as possible and ensure that any removed trees are replaced with trees native to the area.

Director Johns responded that the original plan presented to the Board did indicate planting trees that are non-native, but the Board rejected this idea and only trees consistent with native ecology will be planted. Additionally, he noted the trees were Jeffery Pines, not Ponderosa Pines.

A member expressed concern that there had not been sufficient communication to the membership on the Beach Club Marina project prior to the Board voting to approve it.

Director Wulff responded that communication is a two way street; the Board makes every effort to reach out to the membership and obtain input regarding the various projects being undertaken, but members need to participate too. He emphasized that, while the Board is continually looking for ways to improve on communications, it does send out numerous communications regarding the progress of projects and offers Town Hall meetings to further obtain input from members.

A member commented that she was surprised to hear that the Board approved the Beach Club Marina project at the August 25th Board meeting and pointed out that there has been little or no notice to homeowners regarding the project.

Director Knisley thanked the members present for their comments, especially in regard to improving communications with the membership. She indicated that the Tahoe Donner Website provides a great deal of information related to activities and she feel that there is a need to give members more detailed information on proposed major projects. She said the Board will attempt to provide more business related communications in the future.

ALDER CREEK NORDIC CENTER/ARCHITECT INTERVIEWS

Director Johns indicated that the purpose of today's meeting is for the Board to interview the firms that responded to the Association's Request for Proposals for services related to the construction of the Alder Creek Nordic Center. He then turned the floor over to Gary Davis P.E. President, of Gary Davis Group Design & Engineering (GDG).

The Board was provided with a presentation by GDG regarding their competitive design proposal, qualifications, and architectural services. The Board was introduced to the proposed GDG project team of architects and sub consultants, with each individual providing a review of their professional background and selected relevant projects.

**Break
4:45 p.m.**

The regular meeting reconvened at 4:55 p.m.

ALDER CREEK NORDIC CENTER/ARCHITECT INTERVIEWS (CONTINUED)

Director Johns introduced Dale Cox AIA, of Dale Cox Architects.

Mr. Cox introduced the proposed project team of architects to the Board. Mr. Cox and the team then provided the Board with a presentation regarding their competitive design proposal, qualifications, and architectural services.

DIRECTOR OF CAPITAL PROJECTS, FORREST HUISMAN

Main Monument Sign

Director of Capital Projects, Forrest Huisman, provided the Board with a presentation on proposed enhancements to the Main Monument sign at the entrance to Tahoe Donner. Mr. Huisman explained the new Monument Sign coming up Northwoods Boulevard is missing contrast or definition between the two panels that was depicted on the original drawings by Weidner Architects. At the August 25th Board meeting, Staff provided the Board with a proposed solution to the lack of contrast by the sign's designer Weidner Architects; adding aluminum snowcap to the front panel to enhance the contrast. Mr. Huisman stated that the Board indicated that they were not in favor of the snowcap and requested that Staff go back to Weidner Architectural Signage and request a sample drawing of how the sign should look with the back panel painted. Mr. Huisman provided the Board with a sample panel of corten steel created by Weidner Architects with one side painted to simulate weathered corten, the current sign color, and the other in its raw state for consideration. He pointed out that the back panel could be painted the raw corten color or the panel could be sanded down to its raw state and then clear coated to protect it. He noted that the clear coating would need to be reapplied ever four or five years to keep it the panel from rusting.

A discussion ensued regarding the pros and cons of painting or sanding the panel to achieve the desired contrast. Further discussion took place regarding the merits of the Monument Sign being consistent with the other new signage in the community.

Mr. Huisman pointed out that all the new signs, other than the main one, are painted aluminum. He pointed out that, originally, there the intention of having the main monument sign distinctly different from all the other signage. The main sign was made out of corten that would weather to a nice patina over time, thus making it stand out from the others. The possibility of lighting the monument sign and adding the amenity icons to the front panel were also discussed.

Following discussion, Director Knisley inquired what Mr. Huisman's recommendation would be. Mr. Huisman responded that, if we want to maintain the aesthetic of what was originally approved, painting the back panel would achieve the desired results. However, the aluminum snow capping that was suggested on the top of the front panel, in his opinion, will provide the necessary contrast.

He noted that Weidner had provided him with a few sample pieces of aluminum snow capping that was applied to the sign in order that he could see the scale of it, and he felt it would achieve the desired result.

Following further discussion, the Board indicated that they would plan a future field trip to the monument sign to view the sample snow capping material.

General Manager Robb Etnyre pointed out that the snow capping material is attached with bolts and can be removed; however, painting the sign would be a permanent solution.

EXECUTIVE SESSION AND DINNER

The Board convened to Executive Session at 5:50 p.m.

The regular meeting reconvened at 6:40 p.m.

A. DISCUSSION: BUDGET AUTHORIZATION LEVELS

As there were several Finance Committee members present waiting to discuss the Development Fund Policy, Director John's moved this item for later in the meeting.

B. DISCUSSION: DEVELOPMENT FUND POLICY

Director Johns turned the meeting over to Director Knisley who had placed this item on the agenda for discussion. Director Knisley stated that she had discussed the Development Fund Policy earlier today with Director of Finance and Accounting, Mike Salmon. She indicated that she needed to know the amount of funding which is in the Building Replacement Fund that is now combined with the Development Fund. She explained that the Development Fund was created to collect funds to replace and enhance the Association's aging buildings. Currently, she said, \$250 of the annual assessment is allocated to the fund. She stated that, when she voted to approve the new Development Fund Policy that combined the two funds, it was her understanding that there would be a separate line item accounting of the amount of funds allocated for Building Replacement.

Director of Finance and Accounting Mike Salmon stated that the new Development Fund Policy adopted in February of 2012 eliminated the need to segregate the funds. The Finance Committee, General Plan Committee, and Staff collaborated on the new Development Fund Policy, with the intent of providing a systemic and consistent funding process for capital improvement projects aligned with the 2030 General Plan.

Director Knisley stated that she would like to separate out the Building Replacement Fund from the Development Fund in order to provide the membership with a clear definition of what is in each fund. Then, as each project is considered and approved by the Board, the Board will designate from which fund the money will be taken. She indicated that she feels it is the Board's responsibility to decide how projects are funded, not Staff.

Director of Finance and Accounting Mike Salmon indicated that there is frequently the potential for a project to qualify for two different funds. Discussion was generated regarding several projects that fall in this category.

General Manager Robb Etnyre clarified that the Development Fund is segregated into three components: Regular – funds accumulated for the development and addition of facilities, Building Replacement Designated – Board designated funds accumulated for the specific purpose of replacing existing buildings, and Recreational Amenities Expansion (RAE Funds) – funds contractually restricted for use only in development of new or expanded recreational projects. He pointed out that, based on the 2030 General Plan, all projects planned for the year are disclosed in the Annual Report. Each proposed project still approved by the Board and designated to come out of the appropriate fund.

A lengthy discussion ensued regarding Director Knisley's recommendation that the Development Fund and Building Replacement fund be separated, with each Director weighing in on their thoughts and opinions.

Previous Finance Committee Chair, Jim Stang, provided the Board with his opinion that the combination of the funds gives the Board maximum flexibility and having separate funds will greatly complicate accounting related to the projects in the 2030 General Plan. He pointed out that the Board still has the prerogative to make an adjustment entry on any project funding that it desires. He concurred with Mr. Etnyre's comments earlier that the projects are very well detailed in the Annual Report to the membership.

Director Knisley reiterated that she wished to separate out the Building Replacement Fund from the Development Fund and she had agendized the item to be voted on. Mr. Etnyre stated that President Johns approved the agenda for this meeting and the agenda indicates this is a discussion item only. Director Knisley stated that this was a deliberate omission by Staff. Mr. Etnyre pointed out again that the agenda was Board approved; however, per Civil Code, upon a determination made by the Board by a vote of two-thirds of the members present at this meeting, the Board may take immediate action.

A discussion ensued regarding whether to take action on this item or place it on the September 22nd agenda for further consideration. Following discussion the Board directed Staff to place this item on the September 22nd agenda as an action item.

A. DISCUSSION: BUDGET AUTHORIZATION LEVELS

Director Knisley stated that she had placed this item on the agenda as well as an action item.

Director Johns explained that this is also a discussion item. He indicated that he was unsure of Director Knisley's reasons for placing this on the agenda, but he is of the opinion that, as a large organization and management must have the flexibility to operate on a day-to-day basis, and not be hampered unnecessarily. The Board is an oversight and strategic planning entity and Staff handles the tactical operation side.

Director Knisley explained that the current Budget Authorization Policy states that the General Manager is authorized to approve any single expense item or contract valued up to \$50,000. Since there have been a couple of instances when she felt that the Board should have been more involved in the decision making process, and she feels that reducing the authorization level to \$25,000 would be more appropriate. Two examples, she continued, would be the Bikeworks operation and Consent Calendar easement agreement between Tahoe Donner and the Tahoe Donner Condo Association states that Tahoe Donner is responsible for thirty percent (30%) of the Lower 500 Drive, not forty-five percent (45%) as stated in the recommendation from Staff. She noted that she was the only one that caught the error in the easement agreement.

General Manager Robb Etnyre responded that in 2009, the Board approved authorizing the General Manager to expend up to \$10,000 for items not in the budget and to sign off on budgeted items up to \$50,000. The Board revisited that resolution in June of this year and approved the same levels. However, the addition the Board made to the new resolution was that any changes to Board-approved Employee Hourly and Salary Ranges must be approved by the Board. Mr. Etnyre pointed out that there are a lot of items that come forward daily here at the Association, and his fear is that reducing the sign off levels will severely curtail daily operations.

A discussion ensued regarding the pros and cons of reducing the General Managers authorization levels, with each Board member weighing in on their thoughts and opinions.

Following discussion, the Board directed Staff to place this item on the September 22nd Board meeting agenda for further discussion.

ADJOURNMENT

Director Wulff made a motion and Director Lempinen seconded to adjourn the meeting at 7:30 p.m. Motion passed 5-0

Submitted by:



Bonnie Watkins, Recording 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 meeting held on September 5, 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

11-6-12