



STAFF REPORT: PROPOSED ELECTION AND VOTING RULES CHANGE 45-DAY NOTICE

BOARD ACTION RECOMMENDED:

By Motion:

The Board of Directors authorizes the publication of the proposed Election and Voting Rules change for a 45-Day Notice with all supporting materials necessary to inform the members about the purpose and effect of the rule change.

BACKGROUND:

Pursuant to Tahoe Donner Covenants and Restrictions Article III Section 7, “the board may, from time to time, propose, enact, amend rules and regulations of general application to the Owners of Separate Interests within the Properties.” Article III Section 7 (b) states, “...no association rule shall be adopted until the proposed rule or amendment thereof has been published to the members at least 45 days before the date when the board is scheduled to act on the proposal...” This notice is referred to as a (“45-Day Notice”) in the Tahoe Donner rule-making process.

The proposed replacement of the existing Election and Voting Rules change results from changes to recent state regulations governing HOA elections, the Elections Committee's evaluation of the current rule, and legal advisement by Tahoe Donner's HOA specialty legal counsel.

This Staff Report is prepared on behalf of the Elections Committee for the Board of Directors to consider approving the publication of the proposed Election and Voting Rules change for a 45-Day Notice with all supporting materials necessary to inform the members about the rules' purpose and effect.

ANALYSIS:

The Election and Voting Rules were last updated in 2021 to reflect state legislation changes and clarifications of election and campaign guidelines proposed by the Elections Committee and legal counsel.

In addition to ensuring that the Tahoe Donner Election and Voting Rules express the intent of new legislation today, Tahoe Donner's legal counsel advises a new format of the rules and reordering some of the existing rule language. Thus, the primary purpose of the rule change is to replace the existing rules entirely with the proposed rules (Exhibit A).

To summarize, the Elections Committee and staff are recommending the following next steps,

1. Board Action on the January 9, 2025 Board Meeting: The board takes action to authorize the publication of the proposed Elections and Voting Rules change for a 45-Day Notice with all supporting materials necessary to inform the members about the purpose and effect of the rules change.
2. To expedite the start date of the notice period, the 45-day Notice will be published in a special general delivery mailer to the members.



3. Future board agenda item: The Board will hear member comments on the proposed rules change at the February 28, 2025 board meeting.
4. Future action item: The Board will consider adopting the rule change at a special board meeting in early March.

OUTREACH:

The Elections Committee provided a post-election survey for the membership.

The Elections Committee and staff completed due diligence with legal counsel on the proposed rule change and phased implementation plan.

FISCAL IMPACT:

The 2025 Budget includes \$15,000 for 45-day Notice costs. Depending on the final page count and weight, the total estimated cost for printing and mailing the 45-day Notice of Proposed Election and Voting Rules change is \$9,400.

ALTERNATIVES:

The board has several alternatives:

1. The board may direct staff to modify the proposed Election and Voting Rules and bring the proposed rules change back to the board at a future board meeting.
2. The board may take action to approve the publication of the Proposed Election and Voting Rules Change for a 45-Day Notice in the next available Tahoe Donner News (February edition). This is not recommended by staff due to the deadline to have any election rule changes adopted before the 2025 Director Election process begins at the end of March.
3. The board may postpone any portion of the initiative and provide staff with feedback or direction.

ATTACHMENTS:

EXHIBIT A Proposed Election and Voting Rules

EXHIBIT B Draft 45-Day Notice of Proposed Rule Change - Introduction Section

Prepared By: Patricia West, Executive Assistant to the GM/Board Clerk

Reviewed By: Steve Meyers, Elections Committee Chair

Reviewed By: Annie Rosenfeld, General Manager

Board Meeting Date: January 9, 2025