

MINUTES
TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
February 20, 2010
9:00 A.M.

A regularly scheduled meeting of the Board of Directors of Tahoe Donner Association was held at The Lodge Banquet Room in Truckee, California on Saturday, February 20, 2010. President Suzan Knisley called the meeting to order at 9:00 a.m. The following directors and staff members were in attendance constituting a quorum of the authorized number of directors of the Association:

Directors present: Suzan Knisley, Ron Wulff, John Dundas, Don Berryman & Robert Burks

Directors absent: None

Staff present: Robb Etnyre, General Manager
Michael Salmon, Director of Finance and Accounting
Miguel Sloane, Operations Manager
Annie Rosenfeld, Director of Facilities & Risk Management
Mary Peterson, Director of Human Resources
Bonnie Watkins, Executive Assistant & Recording Secretary

MEMBER AND DIRECTOR COMMENTS

In response to a member's comment regarding ski area parking lot issues, Ron Wulff requested that "On-street Parking" be placed on the March 20, 2009 Board meeting agenda for further discussion.

A. COMMITTEE REPORTS

Architectural Standards – The Board was provided with the committee's January 6 and February 3, 2010 meeting minutes for review.

Communications – No report.

Covenants – The Board was provided with the committee's January 2010 status report for review.

Finance – The Board was provided with the committee's February 11, 2010 meeting minutes for review.

General Plan (GPC) – The Board was provided with the committee's February 1, 2010 meeting minutes for review.

Employee Retention & Recruitment (ERRC) – No report.

NEW BUSINESS

B. DIRECTOR OF FINANCE & ACCOUNTING REPORT

The Board was provided with the Association's unaudited "December 2009 Financial Results," a complete set of which are attached to and made a part of these minutes.

Director of Finance and Accounting Mike Salmon reviewed highlights of the report with the Board.

Mr. Salmon indicated that the Association's books are being audited this week and a report will be presented to the Board at the March 20, 2009 Board meeting.

Following Mr. Salmon's report, by consensus, the Board accepted the unaudited December 2009 Financial Results as presented.

C. CONSENT CALENDAR

The Board was provided with the following items for consideration:

- January 20, 2010 Regular Meeting Minutes
- Resolution 2010-1 Transfer Fee Increase
- Citizens Bank Signature Card Update

Director Dundas pulled Consent Calendar item Resolution 2010-1 Transfer Fee Increase for discussion.

Following discussion, Director Dundas made a motion and Director Berryman seconded to approve the January 20, 2010 Regular Meeting Minutes and "Citizens Bank Signature Card Update" as presented. Motion passed 5-0.

Discussion took place regarding whether there was a need to have a formal resolution for the "Transfer Fee."

Director Burks made a motion to disapprove "Resolution 2010-1 Transfer Fee Increase" and rescind all prior resolutions regarding "Transfer Fees." Following discussion, Director Burks withdrew the motion.

Following further discussion, John Dundas made a motion and Ron Wulff seconded to table Consent Calendar item Resolution 2010-1 Transfer Fee Increase to the March 20, 2010 Board meeting. Motion passed 5-0

D. DISCUSSION: GOLF RATES FOR 2010

General Manager Robb Etnyre provided the Board with a presentation regarding a proposed 2010 Golf Fee Schedule. The presentation was accompanied by Power Point illustrations and written component highlights.

A copy of Mr. Etnyre's Power Point presentation is attached to these minutes as an Exhibit.

Director of Golf Ed Leinenkugel reviewed the golf fee breakdown and fielded questions from the Board and members present.

A number of members voiced their concerns over the proposed Golf Rates.

Following discussion, Director Dundas made a motion and Suzan Knisley seconded to approve the 2010 Golf Fee Schedule as presented, with the exception of the proposed seven-day pass fee, which was reduced from \$1,300 to \$1,200. Motion passed 3-2 (Burks & Wulff No)

EXECUTIVE SESSION AND LUNCH

The meeting adjourned to executive session at 12:20 p.m.

The Board reconvened to open session at 1:15 p.m.

EXECUTIVE SESSION REPORT

Secretary Don Berryman stated that the Board met in executive session today and discussed the following items: Euer Valley Easements & Other Association Property.

E. COMMITTEE GOALS AND OBJECTIVES FOR 2010

The Board was provided with a proposed committee appointment list for 2010, along with proposed Committee Objectives for 2010 for consideration.

Suzan Knisley explained that, at the January 16th Board meeting, the Board considered possible objectives for the various committees. Following discussions, she continued, the Board decided that all of the committee charters would be reviewed by each Board liaison in conjunction with each committee Chair and the results were then placed on today's agenda for consideration.

Discussion took place regarding the current role of the Communications Committee, its value to the Board, and its inactivity. Further discussion took place regarding obtaining input from the new Director of Marketing on whether he might value the assistance of the committee prior to taking any action.

The Board considered the Covenants Committee's goals and objectives. Committee Liaison Don Berryman indicated that he had met with Covenants Committee Chair Paul Thomas to discuss the role and responsibilities of the committee. Mr. Berryman suggested the following: that all future email communications from the committee go through the committee Liaison, the creation of an analysis of violation data, changing the format of committee articles in the Tahoe Donner News to read more positively, and having a committee member "ride along" with Staff on drive-by property inspections.

The Board considered the Finance Committee's objectives. Committee Liaison John Dundas reviewed the committee's goals and objectives for 2010, which included the following: Well Head Project, Amenity Cost Recovery Rule, Capital Funding Approaches, and Golf Course Financial Operations.

The Board considered the General Plan Committee's objectives. In the absence of committee Chair John Stubbs, Suzan Knisley reviewed the committee's 2010 objectives, which included the following: Continue to check on the progress on priorities that have been approved by the Board, and begin the formation of the next General Plan in close coordination with the Strategic Plan.

The Board turned its attention to the Employee Recruitment & Retention Committee. (ERRC) Committee Liaison Ron Wulff stated that he had met with committee Chair Peter Greenberger to review and discuss the committee's charter. Mr. Wulff indicated that, in his opinion, the stated functions of the committee should be handled by the Association's Human Resources Department.

A discussion ensued regarding the pros and cons of how the ERRC could assist the Human Resources Department. Further discussion took place regarding privacy issues related to the ERRC assisting the Human Resources Department.

General Manager Robb Etnyre interjected that the ERRC and other committees are established by and for the Board of Directors, and the scope of activities of the ERRC should be to assist the Board relating to a stated purpose. Mr. Etnyre expressed concerns over the possible ramifications with regard to employee's privacy.

John Dundas stated that committees assist the Board in making decisions, and personnel items are not normally a Board decision, it is a management responsibility. As far as strategic planning, he continued, he sees that as a management item as well.

Following further discussion, Director Berryman made a motion to dissolve the Employee Retention and Recruitment Committee. The Motion died for lack of a second.

The Board agreed by consensus to allow the ERRC and the Communications Committee to discuss possible objectives with their respective departments, and reconsider their viability at the March 20 Board meeting.

Following further discussion, Director Dundas made a motion and Director Wulff seconded to approve the 2010 committee roster and agendas as presented. Motion passed 5-0

F. CALIFORNIA LEGISLATIVE ACTION COMMITTEE (CLAC)

The Board was provided with a request from CAI-CLAC to pledge a donation in the amount of \$1.00 per property. Additionally, the Board received a recommendation from Staff to approve a donation to CAI-CLAC in the amount of \$.08 per property or \$500 for 2010.

Following discussions, Director Wulff made a motion and Director Berryman seconded to approve a donation in the amount of \$500 to CAI-CLAC for the purpose of supporting their efforts in sponsoring, monitoring, and lobbying proposed state legislation regarding community associations. Motion passed 3-2 (Knisley & Dundas No)

General Manager Robb Etnyre apprised the Board of the following two pieces of legislation that have been introduced to the State Assembly and the Senate, which, if passed, would impact Tahoe Donner: Assembly Bill 1652 by Assembly Member Jones that addressed new regulations regarding the ski industry and Senate Bill 880 that would require any person under the age of eighteen years to wear a snow sport helmet while operating snow skis or a snowboard.

G. 2010 DIRECTOR ELECTION PROCEDURES

The Board was provided with a memorandum outlining the proposed procedures for the 2010 Director Election for consideration.

A discussion ensued regarding the fact that, due to the number of voters that did not sign the outer envelope in last year's election, as required by law, the twenty-five percent (25%) quorum was not met.

Following discussion and review of the draft procedures, John Dundas made a motion and Robert Burks seconded to approve the following:

- Publishing for member comment the proposed 2009 Annual Director Written Ballot Election Procedures as revised
- The appointment of Porter Simon to serve as Inspector of Election
- The retention of McClintock Accountancy to provide ballot-counting services for this election
- Authorization for the President, without further Board action, to appoint one or more individuals, from either the membership or staff, to serve as the Elections Committee for this election

Motion passed 5-0

President Suzan Knisley appointed Dutch Van Wey as the Chair of the Elections Committee, Director Dundas as the Board Liaison, and Executive Assistant Bonnie Watkins as the Staff Liaison.

GENERAL MANAGER'S REPORT

General Manager Robb Etnyre reported the following:

- Annie Rosenfeld is now Director of Facilities & Risk Management for the Association and Mary Peterson has been appointed Director of Human Resources.
- A series of meetings will be held at the various amenities over the next several months to obtain input from the membership regarding their desires for the future of the Association.
- Management and the General Plan Committee will be holding a series of Town Hall meetings over the next few months to obtain input from the membership regarding future planning for the amenities and services in Tahoe Donner.
- Staff is in the process of developing this year's Summer Fun Guide.
- A new Webcam has been added to the Tahoe Donner Web site that allows you to control the camera and view various area of the ski hill. Plans are in the works to place Web cams at other amenities.
- Lake Tahoe Music Festival (LTMF) has proposed a date in July for the "Annual Concert on the Green," and the details of the contract should be finalized shortly.
- Plans for the new cell tower service in Tahoe Donner have been compiled and Director of Facilities & Risk Management Annie Rosenfeld is currently drafting a request for proposal. Four companies are now interested in building the tower.
- The sound system at Trout Creek is scheduled to be replaced in 2011 reserve budget. As the current amplifier system has begun to fail, funds have been approved to replace the system this year.

- Per the Board's direction at the January Board meeting, Staff is in the process of installing ten dog valet stations at the primary trailheads and amenities and seven bear proof garbage containers.
- Due to savings that were realized during the Downhill Ski Area remodel, Staff has acquired new deck furniture for the facility. This furniture can be utilized at other amenities during the summer season.
- In order to address the long wait time for food at Pizza on the Hill, plans are underway to add a new oven.

ADJOURNMENT

Director Dundas made a motion and Director Berryman seconded to adjourn the meeting at 3:00 p.m.
Motion passed 5-0

Submitted by:

Bonnie Watkins, Recording Secretary

SECRETARY'S CERTIFICATE

I, Donald E. Berryman, 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 February 20, 2009 as approved by the Board members in attendance and constituting a quorum at a duly convened subsequent meeting of the Board.

Donald E. Berryman, Secretary

Date