

ACTION ITEM MINUTES

The General Managers Advisory Committee Meeting on Ordinance 7, 5:30 p.m. on Thursday, February 25, 2021 (held on Zoom).

Page 1 of 5

A. ROLL CALL OF COMMITTEE MEMBERS

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Karen Viel, and Frank Wright. Indra Winquest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman. **Administrative Support Staff:** Kari Ferguson and Susan Herron

Guests: Larry Roberts - Tahoe Chaparral and North Lake Tahoe Villas; Linda Knaust, Travis Garrison and Jim Novack – Hyatt Timeshares

Reminder Only: Rules of Engagement: All committee members shall be respectful of one another and treat each other with kindness. No one member shall talk over another member. All ideas are welcome however they may not be discussed in depth or in detail depending upon time and/or merit and that determination is solely held with the General Manager. All committee members are equal participants.

B. RECAP OF MEETING OF FEBRUARY 9, 2021

1. Continued full review and redline of Ordinance 7
2. Discussion and straw poll on primary areas of concern

District General Manager Indra Winquest gave a brief verbal overview.

C. DISCUSSION WITH TIMESHARE MANAGERS

1. Current operations and use of recreation privileges
2. Use of Recreation Punch Card Exchange Passes
3. Questions and Discussion

District General Manager Winquest said that material was sent out by the timeshare managers and that he is going to allow each timeshare manager to give an overview of their use of their recreational privileges.

Larry Roberts: Agree that use of beaches is getting out of control, understand the need for reform, owner base is not the typical tourist, very well aware of their property rights, every year utilize the exchange passes, specifically purchase for use of the beaches and that the District infringed on their rights by eliminating the exchange passes, punch cards pose an issue, if punch card does remain, he would request a fairer distribution, if they go away, ask that the committee work with the timeshares to help them work through that situation.

Jim Novack: Agree with Mr. Roberts, Hyatt has their own beach, but punch cards are very important, our owners love Incline Village and want to support. Not being able to have the exchange passes has made it very difficult to manage the punch cards.

Travis Garrison: Agree with Mr. Roberts and have seen the change in the beaches but thinks there are other scenarios involved. The people who come in know what they are doing and they take pride in the property and the area, love Incline Village, and not like an AirBnB. Have a very good program for exchange passes and punch cards have made it very difficult. Much easier with exchange passes. Sure that IVGID can track those tickets by parcels and can get status on who is overusing their privileges. Pretty sure it isn't the timeshares who are overusing. The Hyatt timeshare owners are using as much but understands the others might. Own 60 homes so why so difficult for us?

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Ken Viel, and Frank Wright. Indra Winquest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman.
Administrative Support Staff: Kari Ferguson and Susan Herron

ACTION ITEM MINUTES

The General Managers Advisory Committee Meeting on Ordinance 7, 5:30 p.m. on Thursday, February 25, 2021 (held on Zoom).

Page 2 of 5

Linda Knaust: Had nothing to add.

District General Manager Winquest said that the process is to reach out to the Recreation Center counter and start their request for exchange passes, usually in April, to allow time to process them. Take their five punch cards for each unit they own, hold back a few for winter, and then do their exchange request. Staff then processes that request which result in paper exchange pass. Created in the early 1990's, not in the actual Ordinance as it is more of an administrative action. Mr. Garrison said that they never go over the allotted punch cards and he doesn't give privileges unless they own the property. They will sign out a recreation card and tell them to use it at Diamond Peak. Must be returned to them at the end of the day. It is a requested item. Mr. Roberts said don't use them in the winter season, distribute them to their deeded owners and don't promote their use. Similar process as others.

Board of Trustees Chairman Callicrate asked how many actual beach visits (exchange passes) can you estimate that you have for your group of owners/guests? Mr. Roberts said about they get about 3,000 passes for the season. Mr. Garrison said about they get about the same (3,000). Mr. Novack said he thought that might be a little high – lucky to be 1,000. Mr. Roberts said that their owner base is aging and that the beach use is not that significant. Board of Trustees Chairman Callicrate asked about friends of friends as those seem to be the concerns and how do we make sure that everyone going to the beaches have legal access? District General Manager Winquest asked if a visitor asks for an amount of passes, do you give them to them and then how do you assure that they are used by who they are issued to? Mr. Garrison said his rooms can sleep up to 8, maximum 8 passes are given out, no more than that are given out. Sometimes passes are returned. Mr. Novack said anyone who checks into the Hyatt gets 8 passes every day for free. Mr. Roberts said they have units that sleep up to 8 and they only issue up to 5 passes per week. Don't use – they will leave them behind in their unit to be redistributed to other owners. District General Manager Winquest asked about distribution to their friends. Mr. Roberts said they issue so few, they are coveted, so he would say that if any of those passes get out, it would be just a few. Mr. Garrison said he has never seen it happened. Get what they need and if they ask for more, don't get it. Understands it probably happens.

Ms. Martini said for the issuance of any pass per parcel, looking at one property and only one portion. District General Manager Winquest said they get 5 punch cards for one condo. Ms. Martini said five punch cards for one parcel. So no more punch cards than a regular house over on Jennifer. District General Manager Winquest said that is correct. Mr. Roberts said he can only offer this to a limited amount of people. Not enough benefits for all the owners in their system. Mr. Novack said that the summer weeks' pay more. Mr. Roberts said his don't. Mr. Novack said their summer weeks are four times as expensive. Ms. Martini said that the Recreation Fee is in their annual assessment. Mr. Novack said that is correct but paid more in the summer time to access in the beaches. Ms. Martini said pay more to live in Mill Creek versus Jennifer. Mr. Novack said he was trying to explain the difference. Ms. Martini said the fact remains equal access if they want it and price per the week has nothing to do with assessment of Recreation Fee.

Ms. Becker asked how does the person get access to the Hyatt beaches and what is the security program? Mr. Novack said you have to go through the gates which is manned all day long, have a wristband and if you don't, they will turn you away. Ms. Becker asked if you had to show a key to get wristband? Mr. Novack said you get it when you check in. Ms. Becker said if it is only punch cards, use them in fractional amounts and then have to give a security deposit. Mr. Novack said it was an extra administrative burden that was put upon the HOA. Ms. Becker said if it is equitable to all property owners, can it still be managed with a little extra work? Mr. Novack asked what is going to be put in. Ms. Becker said nothing, thought you said it was unmanageable. She has traveled and paid a deposit and think it is workable if we don't want to have exchange passes. Mr. Novack said yes, it is more administrative work. Mr. Roberts said that by changing the domination it might work. District General Manager Winquest said that is something that they did request and is something that we could work through. Mr. Roberts asked to make it the same as the punch cards.

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Ken Viel, and Frank Wright. Indra Winquest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman.
Administrative Support Staff: Kari Ferguson and Susan Herron

ACTION ITEM MINUTES

The General Managers Advisory Committee Meeting on Ordinance 7, 5:30 p.m. on Thursday, February 25, 2021 (held on Zoom).

Page 3 of 5

Mr. Wright said sometimes things aren't as they appear. The Hyatt beach is a public beach, public boat dock, and there is a public access to both. To say Hyatt has a private beach is not an accurate statement, he walks through there all the time, open to the public, serve food, so check it out. Anybody can walk through it. Not the same at Burnt Cedar or Incline Beach as they are restricted beaches. Guarantee they aren't shutting down the boat dock and he can go down there anytime he wants. District General Manager Winquest asked what does that have to do with topic? Mr. Wright said it is a public beach and other beaches are deed restricted. Mr. Wright then shared a 4th of July experience; the Hyatt knows this is a fact.

Mr. Hill thanked the timeshare managers for their presentation and for recognizing the beach issue. One of the issues are short term rentals and their overuse of the beaches. Think he heard Mr. Roberts say they restrict the number of exchange passes at 5 per week per unit, not what anyone thinks is happening, thinks they are going to the beach every day. Mr. Roberts asked about statistics. District General Manager Winquest said that 4,000 exchange passes get used if he had to guess but is getting that number. Mr. Hill asked if that was for all the timeshares. District General Manager Winquest said yes. Mr. Hill said that is less than 50 per day. District General Manager Winquest said it is about 2% over the entire season. Mr. Hill said that points to the fact that the timeshares are not a significant issue here. Mr. Garrison mentioned that people have their plans for the day and if that is true, that would also support the fact that the timeshares aren't a significant issue. Mr. Hill said perhaps we need to chat with Club Tahoe as they are the largest. Mr. Roberts said that the exchange guests probably represent 20 to 30% of their guests so need to look at the numbers. Mr. Garrison said they run about 90% owner occupancy and have run the same summer occupancy for 20 years they have been open and to see an increase is probably not going to happen. Mr. Wright said that his impression from what he has heard is that he doesn't think you are a problem, doing it well, no abuse, take care of things, respect the property – see them as an asset and not a problem and can work something out to be a lot less cumbersome. Our problems are not you guys. The abuse is coming from short term rentals and, as a committee, we can make recommendations to protect your interests. Think we can work with you and it is up to us to make recommendations, would like to seat down and discuss this with you.

Ms. Becker said that she receives emails about the beaches – a woman wrote to her about her 19 year old niece and she said that during that time what she noticed was that the Hyatt employees would text their friends and described that it is more fun to go where they serve alcohol, etc. Could we ask you to work on this in training? It sounds like you are doing a good job and maybe just at another end and that she has no knowledge if this is accurate. Mr. Garrison said he wants to understand who they are, not Hyatt, don't run the beaches, we pay for access, nobody is telling anyone to go to the beaches. Ms. Becker said sorry, thought you were the Hyatt. Mr. Novack said that we have a great relationship with the Hyatt so e-mail to him and we will see what we can do. Ms. Becker said thank you and sorry she misunderstood.

District General Manager Winquest thanked the timeshare managers who then left the meeting.

District General Manager Winquest said we got about 80 e-mails which will be forwarded to the committee; theme overall was please limit short term rentals to the beaches and do not sell additional punch cards. Agree that we don't think it is the timeshares that are impacting our beaches.

D. GENERAL OVERVIEW OF PRELIMINARY DRAFT OF ORDINANCE 7 REVISIONS

1. Current redlined version
2. Phased approach

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Ken Viel, and Frank Wright. Indra Winquest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman.
Administrative Support Staff: Kari Ferguson and Susan Herron

ACTION ITEM MINUTES

The General Managers Advisory Committee Meeting on Ordinance 7, 5:30 p.m. on **Thursday, February 25, 2021** (held on Zoom).

Page 4 of 5

District General Manager Winquest thanked Ms. Becker and Mr. Hill for their work on the redlined ordinance draft. Regarding employee access, it is the job of Staff to carry out the direction of the Board of Trustees and that is what he will do and it is exactly his role. It is up to the committee if that is something that you want the Board to look, you can do so. The Board is aware of this issue so they can look at it if they want. Take a straw poll – evaluate employee privileges access to the beaches.

Diane Becker	*	Hal Paris	Abstain and *
Mary Danahey	No	Trevor Smith	No
Denise Davis	No	Bruce Townsend	No and **
Kristen Ferrall	Abstain	Karen Viel	No
Scott Hill	No and **	Frank Wright	Yes
Margaret Martini	**		

*District General Manager Winquest made notes of Ms. Becker comments/suggestions

**Agrees with Ms. Becker

Summary: Recommend that the Board of Trustees hire outside legal counsel to do the suggested research.

E. CONTINUED DISCUSSION, POLLING OF PRIMARY AREAS OF CONCERN AND POTENTIAL REVISIONS

1. Alternatives to Recreation Punch Cards
2. Daily Beach Tickets (eliminate)
3. IVGID Owned Unbuildable Lots (should this be a recommendation as a District Policy change or Ordinance 7 inclusion?)

Straw Poll – Unanimous agreement of all committee members to not allow recreational privileges on unbuildable lots going forward i.e. change Policy 16.1.0 to not allow them to be added back on to the Recreation Roll if they should ever be sold in the future (presently this is a no sell order from the Board of Trustees in place with no expiration time)

4. Define “Guest”

Straw Poll – Unanimous agreement of all committee members to define a guest.

5. Any Recommendations on Employee Recreation Privileges related to beach access
6. Clarify and potentially include language restricting the ability for any commercial operator to use their beach access to bring guests for commercial gain.

Straw Poll – Unanimous agreement of all committee members to restrict the ability for any commercial operator to use their beach access to bring guests for commercial gain and do so through definition of guest. Additional, we must be careful on business use.

7. Revise the family tree

Straw Poll – Unanimous agreement of all committee members to not eliminate the family tree that currently exists within Ordinance 7.

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Ken Viel, and Frank Wright. Indra Winquest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman.
Administrative Support Staff: Kari Ferguson and Susan Herron

ACTION ITEM MINUTES

The General Managers Advisory Committee Meeting on Ordinance 7, 5:30 p.m. on Thursday, February 25, 2021 (held on Zoom).

Page 5 of 5

Should the family tree extend to a caregiver? Ms. Martini asked with review and approval? District General Manager Winqest said yes. Mr. Smith said yes to the review but they pay for the pass and must be equitable to the costs. Ms. Davis said that leaving the decision point to discretion opens the perception of someone getting more than others. Likes to have tight rules and wants to eliminate the perception of special privileges and we need to protect the person making the decision. Ms. Becker suggested making the list public to avoid the abuse and want to include domestic registered partners. Ms. Martini said it may be discriminating when there are four kids or more so we may need to make a consideration for that circumstance. Board of Trustees Chairman Callicrate said it has been arbitrary at best, size of the family is the size of the family and they should have access. Mr. Paris said a traditional family was mom and dad and 2.3 kids so that is how he thinks we came to five passes. Ms. Ferrell asked how does Staff make that determination – need to think about that. District General Manager Winqest said we will investigate.

8. Revise section regarding disciplinary action for abuse of recreation privileges and negligent behavior
9. Anything else?

The committee had a diverse conversation about some ideas such as punch cards, timeshare administration, simplifying what we already have, literature, etc.

F. GOALS FOR NEXT MEETING

1. Set next meeting date – proposing Tuesday, March 2, 2021.
2. Continue formalizing potential recommendations for revisions and recommendations

G. ADJOURNMENT at 7:35 p.m.

Committee Members: Diane Becker, Mary Danahey, Denise Davis, Kristen Ferrall, Scott Hill, Margaret Martini, Hal Paris, Trevor Smith, Bruce Townsend, Ken Viel, and Frank Wright. Indra Winqest, IVGID District General Manager and Tim Callicrate, IVGID Board of Trustees, Chairman.
Administrative Support Staff: Kari Ferguson and Susan Herron