



NOTICE OF MEETING

The special meeting of the Incline Village General Improvement District will be held **starting at 1:00 p.m. and ending at 5:00 p.m.** on Thursday, March 5, 2015 in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

THIS MEETING WILL NOT BE WEBCASTED AT THE REQUEST OF CORALBRIDGE PARTNERS

- A. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*
- B. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration.

Public Comment Advisory Statement - Comment, as required by the Nevada Open Meeting Law is an opportunity for people to publicly speak to the assembled Board of Trustees. Generally, it can be on any topic, whether or not it is included on the meeting agenda. In other cases, it may be limited to the topic at hand before the Board of Trustees. Public comment cannot be limited by point of view. That is, the public has the right to make negative comments as well as positive ones. However, public comment can be limited in duration and place of presentation. While content generally cannot be a limitation, all parties are asked to be polite and respectful in their comments and refrain from personal attacks. Willful disruption of the meeting is not allowed. Equally important is the understanding that this is the time for the public to express their respective views and is not necessarily the question and answer period. This generally is not a time where the Board of Trustees responds or directs Staff to respond. If the Chair feels there is a question that needs to be responded to, the Chair may direct the General Manager to coordinate any such response at a subsequent time. Finally, please remember that just because something is stated in public comment that does not make the statement accurate, valid, or even appropriate. The law mitigates toward allowing comments thus even nonsensical and outrageous statements can be made. Counsel has counseled the Staff and the Board of Trustees not to respond to even the most ridiculous statements. Their non-response should not be seen as acquiescence or agreement just professional behavior on their part. IVGID appreciates the public taking the time to make public comment and will do its best to keep the lines of communication open.
- C. APPROVAL OF AGENDA (for possible action)
- D. BOARD OF TRUSTEES STRATEGIC PLANNING SESSION FACILITATED BY MR. JEFF HUSSERL AND MR. CHARLIE BISHOP OF CORALBRIDGE PARTNERS* - **pages 1 – 368**
- E. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration; see **Public Comment Advisory Statement** above.
- F. ADJOURNMENT (for possible action)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Monday, March 2, 2015 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of March 5, 2015) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following six locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID Anne Vorderbruggen Building (Administrative Offices)
2. Incline Village Post Office
3. Crystal Bay Post Office
4. Raley's Shopping Center
5. Incline Village Branch of Washoe County Library
6. IVGID's Recreation Center

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

Clerk to the Board of Trustees (e-mail: sah@ivgid.org/phone # 775-832-1207)

Board of Trustees: Jim Smith, Chairman, Tim Callicrate, Kendra Wong, Jim Hammerel, and Bill Devine

Notes: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoepace.com; go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

Incline Village General Improvement District

Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

www.yourtahoepace.com



NOTICE OF MEETING

The special meeting of the Incline Village General Improvement District will be held **starting at 1:00 p.m. and ending at 4:00 p.m.** on Friday, March 6, 2015 in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

THIS MEETING WILL NOT BE WEBCASTED AT THE REQUEST OF CORALBRIDGE PARTNERS

- A. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*
- B. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration.

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Pages 1 – 45 are materials created and provided by CoralBridge Partners. They consist of:

- (1) Executive Summary;
- (2) Flow Chart of Strategy Setting Process;
- (3) Rating Sheet for Venues;
- (4) Framework for discussion of IVGID Services-Venues/Administration; and
- (5) PowerPoint presentation from the February 17, 2015 Session held at the Hyatt Regency Lake Tahoe, Lakeside Room.

In the spirit of transparency, the District is making all of these documents available to the public with the following notification:

All of the documents on pages 1 – 45 are **DRAFT** documents and should be considered as same. All pages have been marked as such and any reproduction of these documents should include these markings.



Executive Summary
IVGID Strategic Planning
February 17, 2015

Project Overview:

The primary objective of our Strategy Formulation Project is to achieve commitment from the Board and Senior Management on the strategic direction that will drive IVGID over a 3-5 year timeframe. With IVGID's culture, values, venues and capabilities, how should it deliver the right services to the right people at the right time with a "customer first" mentality?

No one knows your business better than you and your management team. Sometimes, in strategic discussions, operational issues get in the way and true strategy gets lost. This is understandable because without operations, you wouldn't be able to execute the strategy. We will not dictate your strategy but rather lead the process to help you maintain focus and reach consensus on the strategic decisions that need to be made. Once the strategic direction has been established for each venue, management is responsible to develop the operational tactics and action steps to implement the plan.

The primary outcome of this project will be a Strategic Profile including the following:

- A model that syncs strategy with operations and serves as a structural template for the planning process
- Documentation of an agreed-upon Vision and Mission
- Statement of the strategic competitive focus. Why is IVGID different and distinctive?
- Scope of the Venues- critical issues in each location
- Customer focus and segmentation. What degree of emphasis for each group?
- What financial resources will be required to achieve the strategy
- What are the Human Resources issues and optimal organizational structure needed to achieve our goals?
- A process to help your Board and Management teams work more cohesively and improve the quality of your meetings.

Review of February 17th Meeting:

CoralBridge initiated the project one week in advance of the Planning Workshop by conducting eight (8) interviews with IVGID Trustees and key members of management. The purpose of these interviews was to gather background information on the individuals as well as a historical perspective on IVGID's relationship with the community.

We opened the Planning Meeting by introducing a strategic planning model which focuses on the establishment of goals and action steps to develop a 3-5 year strategic plan. We have modified this model to more accurately depict the split between strategic and operational activities. A copy is attached to this report.



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Additionally, please consider a tool called The Goals Grid to help you move from strategic/operational goals to action steps/tactics. The **Goals Grid*** is a simple, useful **bridge** between the critical **strategic issues** identified by the Board requiring action and ... achieving the results desired. It prompts us to think about our **operational goals** and then **action steps** in an organized fashion and from four different perspectives.

1. What do you **want** that you **don't have?** (*Achieve*)
2. What **don't you have** that **you don't want?** (*Avoid*) ...might be enticing, seductive but this is out of our 'Field of Play". This question involves a proper assessment of risk.
3. What do you **want** that you **already have?** (*Preserve*) ...but want to provide faster, cheaper, of higher quality.
4. **What do you have now** that you **don't want?** (*Abandon*) ...we just need to move away from this activity or effort.

No	I <i>Achieve</i>	II <i>Avoid</i>
Do We Have It?		
Yes	III <i>Preserve</i>	IV <i>Abandon</i>
	Yes	No
	Do We Want It?	

The Strategic Plan focuses on five critical questions that all organizations must ask.

1. What is our Vision and Mission?
2. What Services do we provide?
3. Who are our Customers and what do they value?
4. What have been our Results?
5. What's our Go-Forward Plan

Constructive conflict is essential to promote successful Board and Management interactions. In order to be more productive, you must operate on the basis of trust. Trust requires that dissent come out in the open.

In order to provide context for the session, Steve Pinkerton provided an overview of the characteristics of the District highlighting demographics of residents and visitors.

This was followed by a description of five elements of effective plans:



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- **Abandonment-** Consider eliminating products or services which don't work or have outlived their usefulness. If we weren't committed today, would we invest in this?
- **Concentration-** Build upon or strengthen what already works well
- **Innovation-** What are tomorrow's successes based on emerging issues, changing demographics or new conditions
- **Risk-taking-** Some risks you can afford to take because they are easily reversible. Others have greater risk but you can't afford not to take them. You must balance the short range with the long and there is no formula. These decisions are entrepreneurial and uncertain but essential.
- **Analysis-** What don't we know and need more information to decide?

We emphasized the differing roles of Management and the Board. The Board is responsible for establishing the Vision and Mission, essentially the strategic direction of the organization. This includes high level strategic/operational goals and the allocation of resources. Management is then responsible for the execution of the plan through the establishment of action steps and tactics with a proposed budget.

IVGID strengths and weaknesses were highlighted to better understand past results. Although there are at least nineteen venues which we toured earlier in the morning, the seven most important were identified with regard to planning:

- Beaches (Incline, Ski, Burnt Cedar)
- Recreation Center
- Golf Courses (Mountain, Championship)
- Village Green
- Skate Park
- High School Fields
- Diamond Peak

The Board developed draft Vision and Mission Statements which have been edited and are presented below for discussion and approval. Vision was defined as what you aspire to be and Mission outlines your "Field of Play"- what business you're in. Customer service and employee engagement are paramount to IVGID's success. "The best organizations don't create customers, they create fans".

A process was introduced for the Board to answer questions about IVGID's past results and assess issues critical to its customers. This process started with an evaluation of the present state of each venue across three categories- Physical Resources, Service Delivery and Community Perception. Each category was rated on a scale of 1-10 with 10 being the best. Critical issues and the most important priorities for each venue were listed. This was followed by the development of goal statements in response to the critical issues. Once these goal statements are completed for each venue, the Management Team must establish action steps/tactics to meet the operational goal statements.

The beaches were identified as the most important and highly utilized venue so we started there. After completing the operational goals for the beaches, we discussed the Recreation Center but quickly determined that more information was needed from customers about



their needs and desires. It was decided that the discussion of the Recreation Center would be tabled until after a community meeting (s) to solicit feedback.

An outline of potential capital expenditures and a “parking lot”- a list of open issues that require further analysis was started.

Finally, communication is a major challenge for IVGID- within the Board, between the Board and Management and between IVGID and the community. The development and implementation of a new strategic plan is a major change initiative which can only be successful with proactive and clear communication. We provided a communications model which can be utilized with the community. This model begins with a “burning platform” and then moves to current state, successes this year, and final destination. Ongoing communication is particularly important, especially regarding current year performance, what customers will experience now as well as in the near future. CoralBridge also provided a description of various communication vehicles which could be utilized by IVGID.

Next Steps

The planning details from the first workshop are summarized below. In our next session, IVGID needs to engage in the process for the remaining venues:

- Golf Courses
- Village Green
- Skate Park
- High School Fields
- Diamond Peak

Additionally, the Management Team must develop action/steps/tactics and a preliminary budget to take back to the Board for final approval. We recommend spending some time discussing a preliminary communication plan for inbound and outbound communication with customers. Additionally, we will review and discuss your human resources to help you determine an optimal organizational structure. Our last ½ day will introduce a team-building process designed to improve the working relationship between Board and Management and provide a format to enhance the quality of your team meetings and drive results.

Progress to Date on Strategic Plan:

VISION

IVGID will help make Incline Village the premier destination in the United States for residents, and visitors seeking exceptional recreational opportunities. As a result, Incline Village will develop a reputation as the “best” place to live, work, visit, play and stay. **(Final approval required)**



MISSION

As a fiscally- committed and trusted steward of our assets, IVGID delivers exemplary customer experiences and provides the highest level of water, sewer and solid waste management services. By maintaining extraordinary public recreational opportunities for our residents, stakeholders and visitors, we will provide them with enduring memories that last a lifetime. **(Final approval required)**

IVGID STRENGTHS

- Public Works well run. High level of customer service and engagement in this department
- Financial condition
- Passion and care for the community
- Diverse community but also divided
- Experienced and dedicated staff
- Community residents as a resource ("Brain Trust")
- Responsiveness
- Timing is right to "make a difference"

IVGID WEAKNESSES

- Transparency- Communication with the public. Present state and future
- Trust between Board and Staff
- Striking the proper balance between governance and management
- Community trust
- Communication of clear priorities and expectations to staff
- Need to reach out to community resources ("Brain Trust")
- Inadequate documentation/communications in Board preparation packages.
- Accountability
- Tracking/status updating. What has been accomplished? What is in process?
- Reactive culture
- Constituent Contact. Response system is needed



VENUES

1. BEACHES

- a. *Incline*
 - b. *Ski*
 - c. *Burnt Cedar*
2. Recreation Center
 3. Golf Courses
 - *Mountain*
 - *Championship*
 4. Village Green
 5. Skate Park
 6. High School Fields
 7. Diamond Peak

For each venue, please provide a rating of the present state across three categories: Physical Resources; Service Delivery; Community Perception. Use a scale of 1-10 with 10 being the highest. The evaluation of Present State will provide a baseline from which to consider strategies and tactics for the three year strategic plan.

Present State Beaches

- Physical Resources: 3
- Service Delivery 2
- Community Perception 6

I-A Incline Beach

Critical Issues

What are the most important priorities?

First and foremost, IVGID beaches and accompanying facilities must be well-manicured, exceptionally clean and safe. There is some concern in the community that beaches are overcrowded. Our physical building should be aesthetically pleasing and highly functional so that IVGID can deliver the right services and products at the right place and the right time to delight our customers.

Operational Goal Statements

What will we do in response to the critical issues? Note: These goal statements should be developed by management with Board input.

- IVGID will make cleanliness the top priority at all its beaches



- IVGID will provide a highly functional and aesthetically pleasing physical location to deliver products and services to its customers
- IVGID will reconsider its product mix in the snack bar/store considering the addition of convenience items useful to beach enthusiasts.
- IVGID will emphasize a "safety first" culture at all beach locations

Action Steps/Tactics

What will we do specifically to meet the above operational goals?

- *Programs*
- *Projects*
- *Capital Expenditures*
- *Communication to Constituents*

Note: These steps should be developed by management and staff to address the critical issues for each venue. Each step should include a timeframe over the next 3 years. The time windows were simply our best guess and are completely up to you. **(We have provided examples below of some possible action steps for Incline Beach to give you an idea of how this works. However, these action steps should be developed by management.)**

- Increase the frequency with which bathrooms are cleaned to once per hour. **(Year 1)**
- Post a written checklist on the wall of the bathroom requiring the initials of the staff member and time of cleaning **(Year 2)**
- Establish a short on line survey to measure bathroom cleanliness targeting an average score of not less than 9 on a 10 point scale **(Year 1)**
- Rake beach locations X times per week to ensure that the sand is smooth and clean **(Year 1)**
- Conduct safety training including CPR for all beach staff.
- Establish a goal of 0 accidents during busy summer season
- Complete architectural renderings, budget and construction plan for a new or remodeled snack bar. **(Year 1)**
- Complete construction and open new snack bar. **(Year 2)**
- Survey customers about optimal product mix in snack bar and adjust SKUs accordingly. **(Year 3)**
- Evaluate feasibility of additional shuttle buses to ease parking congestion **(Year 2)**



I-B Ski Beach

Critical Issues

What are the most important priorities?

First and foremost, IVGID beaches and accompanying facilities must be well- manicured, exceptionally clean and safe. There is particular concern at Ski Beach about the safety of the boat ramp which lacks a breakwater and is in need of repair. Additionally, IVGID desires to create an easier process for customers to launch their boats. IVGID needs to consider alternative solutions for Kayak storage as there is limited space and increased demand. Finally, there is a safety risk from ice that accumulates near the Gatehouse Parking.

Operational Goal Statements

What will we do in response to the critical issues?

- Consider outsourcing the boat launch process and charging a fee to those customers who want assistance
- Improve the condition of the parking lot to minimize the ice build- up during the winter
- Improve maintenance of volleyball and bocce ball courts
- Improve signage
- Limit automobile access during off hours and off season.
- Develop new storage options for kayaks

Action Steps/Tactics

What will we do specifically to meet the above operational goals?

Note: The action steps below are some possible examples. Final steps should be developed by management

- Survey customers to determine demand for outsourced boat launching **(Year 1)**
- If demand warrants, obtain 2 bids and establish pricing **(Year 2)**
- Repave parking lot **(Year 2)**
- Rake sports courts daily **(Year 1)**

I-C Burnt Cedar Beach

Critical Issues

What are the most important priorities?

First and foremost, IVGID beaches and accompanying facilities must be well- manicured, exceptionally clean and safe. There is some concern in the community that beaches are overcrowded. Our physical building and pool should be aesthetically



pleasing and highly functional so that IVGID can deliver the right services and products at the right place and the right time to delight our customers.

Operational Goal Statements

What will we do in response to the critical issues? Note: These goal statements should be developed by management with Board input.

- IVGID will improve the aesthetics and functionality of the building on the east shore of Burnt Cedar
- IVGID will upgrade the outdoor pool to increase utilization
- IVGID will upgrade the barbecue areas.

Action Steps/Tactics

What will we do specifically to meet the above operational goals? Note: The action steps below are some possible examples and just ideas. **(Final steps should be developed by management.)**

- Survey customers to determine interest in a heated outdoor pool **(Year 1)**
- If customer interest warrants, proceed to make pool improvements including heat **(Year 2)**
- Replace barbecue equipment **(Year 3)**
-
-

2. RECREATION CENTER

PRESENT STATE

- Physical Resources 2-3
- Service Delivery 4
- Community Perception TBD

The Recreation Center is a focal point of the community. At some point, every resident visits this location even if it's only to pick up their recreation card. There are numerous issues and a number of plans have been submitted over a period of years. Rather than move forward with limited information from constituents, the Board determined that it must solicit community input before planning for this important venue. A community meeting (s) will be scheduled before initiating any additional planning for the Recreation Center.



Possible Capital Expenditures

- Reconstruction/remodeling of Incline Beach Snack Bar
- Reconstruction/Remodeling of building on East Shore of Burnt Cedar
- Pool upgrades at Burnt Cedar (Heating)
- Fitness Equipment at Recreation Center
-
-

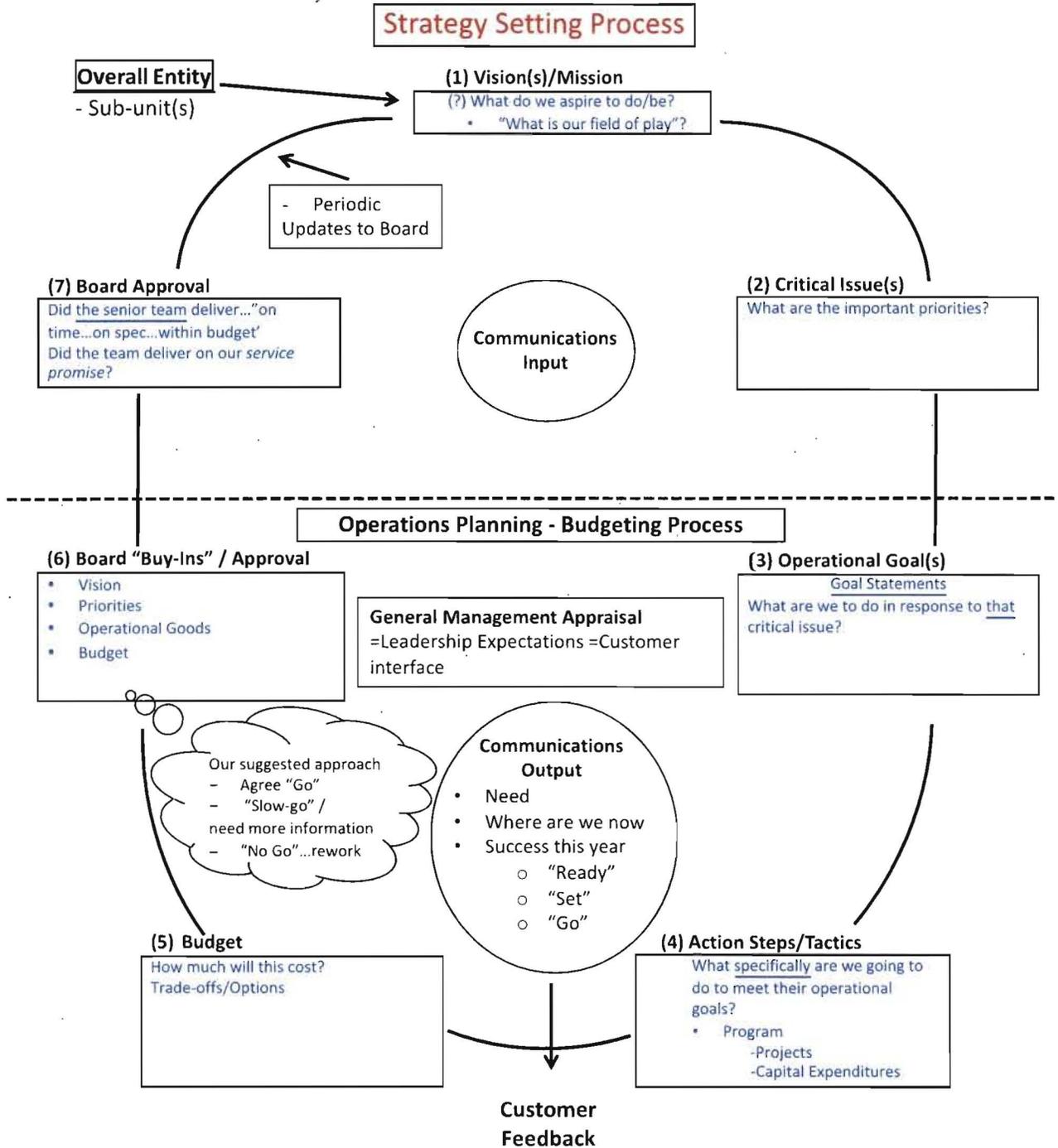
Parking Lot

This section is reserved for unresolved issues which came up at our first meeting and were tabled due to time constraints or the need for additional information.

- Does IVGID need a mantra? Currently *One District- One Team*
- Is further customer segmentation needed?
- Kayak Storage
- Burnt Cedar Pool
- Parking Lots (parking congestion and safety issues)



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Please rate the following venues for each of three categories using a 1-10 scale with 10 being the highest.

PHYSICAL RESOURCES

SERVICE DELIVERY

COMMUNITY PERCEPTION

Golf (Champ.)

Golf (Mount.)

Village Green

Skate Park

HS Fields

Diamond Peak

Framework for discussion of IVGID Services-Venues/Administration:

Objective: To distill the Board of Trustee's view of each of the services:

- Present state; and
- Future desired state.

How will this information be used: This 'strategic summary' will be used to create a directional dialogue with key constituents (community and staff of IVGID) that focuses and accelerates,

- *(If required)* Further analysis of the issue...digging deeper to assure that facts drive our direction;
- Decision-making...arriving at 'best-balanced choices' in our deliberations—*what we are going to do*; and
- Assures that the approach taken is planned well and can be successfully implemented;
- Ready for communications to all constituents.

Venue: _____

Present State: (Venue Specific)

(Rating on a scale of 1-10; 1-not good--issues; 5-'So-so'--needs upgrade; 10-Outstanding--gold standard)

	1-4	5-7	9-10
Areas of service delivery: ...overall leadership in-			
1-Managing our resources judiciously:-- -Physical Operation -Monetarily			
2-Service Delivery--level:			
3-Track record of solid moves,... well thought out actions to serve our constituents			
4-Community view of overall 'health' of the venue			

Future State: (Venue specific)

	Vision ...headlines as to direction--what we aspire to create, develop, move toward?	Expectations ...what will it deliver in terms of value? (outcome?) ...what will be expected of various staff to deliver?	Activities that will be undertaken or completed, so as to meet those expectations	People/Staff Investment ...how are we going to invest in our staff so that they grow and are up to the task?	Balance Sheet ... what will be the cost to deliver on that vision--implications
Near term	1.	2.	3.	4.	5.
3 year plan	6.	7.	8.	9.	10.
5 year plan					



IVGID: Strategic Planning

February 17, 2015

Connecting
people,
performance
& results

DRAFT Materials created and provided by CoralBridge Partners to IVGID

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WHAT THIS *PROCESS* WILL ACCOMPLISH

- *1st: Develop a shared Vision and Mission for IVGID*
- *Create the framework for a strategic plan of operations*
- *Provide guidance around the venues/services and administration... so that IVGID can establish manageable and achievable goals within established budget parameters;*
 - = Identify critical issues that require ongoing dialogue & resolution;*
- *Examine options/techniques/approach for improved constituent communication;*
- *2nd: Consideration... of your strategy... are you structured correctly?*
- *Assess how we handle the basics of a 'team' effort;*
 - Trust/Conflict/Commitment/Accountability... and **Results***
- *Build accountability at the Staff and Board levels*



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AGENDA

- Introductions of Facilitators
- Critical Thinking and Perceptions
- Demographics of Incline Village
- The Most Important Questions
- Planning for the Future



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FACILITATORS

Dr. Charlie Bishop

- Ph.D in Psychology - University of Georgia; Harvard University--fellowship in Community Mental Health

- Led Organizational Learning/Development at Federal Express and Baxter International

- Published author of a book and numerous articles about Leadership and Organizational Change;

- Former Chief Human Resources Officer at ADT Security Systems

Jeff Husserl

- MBA from Northwestern University and Masters in Dispute Resolution from The Straus Institute at Pepperdine School of Law

- Former Chief Administrative Officer with Chicago-based \$8B publicly-traded Bank

- Executive roles in Marketing, Human Resources, Legal and Property Management

- Former Director on four corporate and not-for-profit Boards

DRAFT Materials created and provided by CoralBridge Partners to IVGID

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CONSTRUCTIVE CONFLICT

Aristotle:

“In essentials, unity, in action freedom and in all things trust”

TRUST REQUIRES THAT DISSENT COME OUT IN THE OPEN

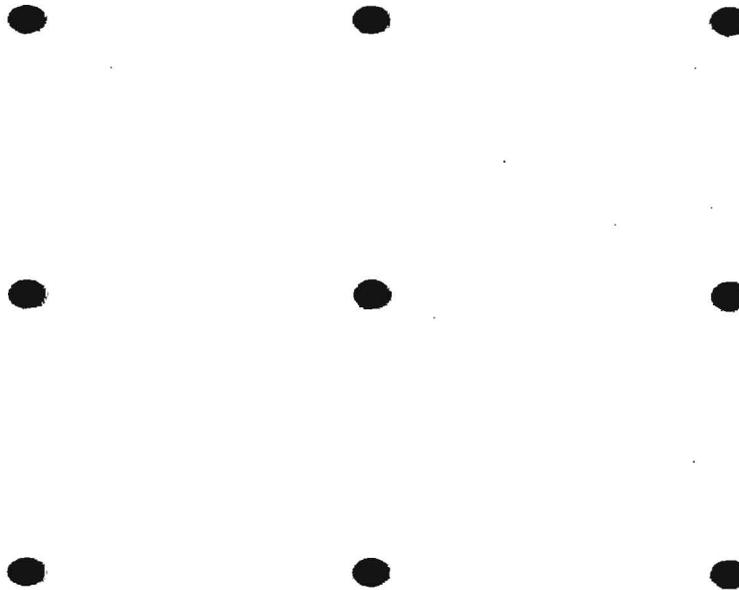


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NINE DOT EXERCISE

Instructions: Connect all dots, using only four lines and without lifting your pen/pencil from the paper.





CONTEXT

...COMMUNITY CHARACTERISTICS

- Approximately 7,000 year round residents
- Less than 50% of units occupied year round
- About ½ of the year rounds are renters
- Average age is 46
- 17% of population under 18
- 18% of population over 65
- 21.6% of households have children at home

CONTEXT: *DISTRICT CHARACTERISTICS*

- 8,180 parcels subject to Recreation Fee
- 7,743 parcels subject to Beach Fee
- 534 commercial parcels
- 2,535 Owner occupied parcels
- 1,314 Renter occupied parcels
- 3,933 Seasonal units
- Estimate that 30% of Owner occupied parcels are also seasonal



CONTEXT: *DISTRICT CHARACTERISTICS (CONT'D)*

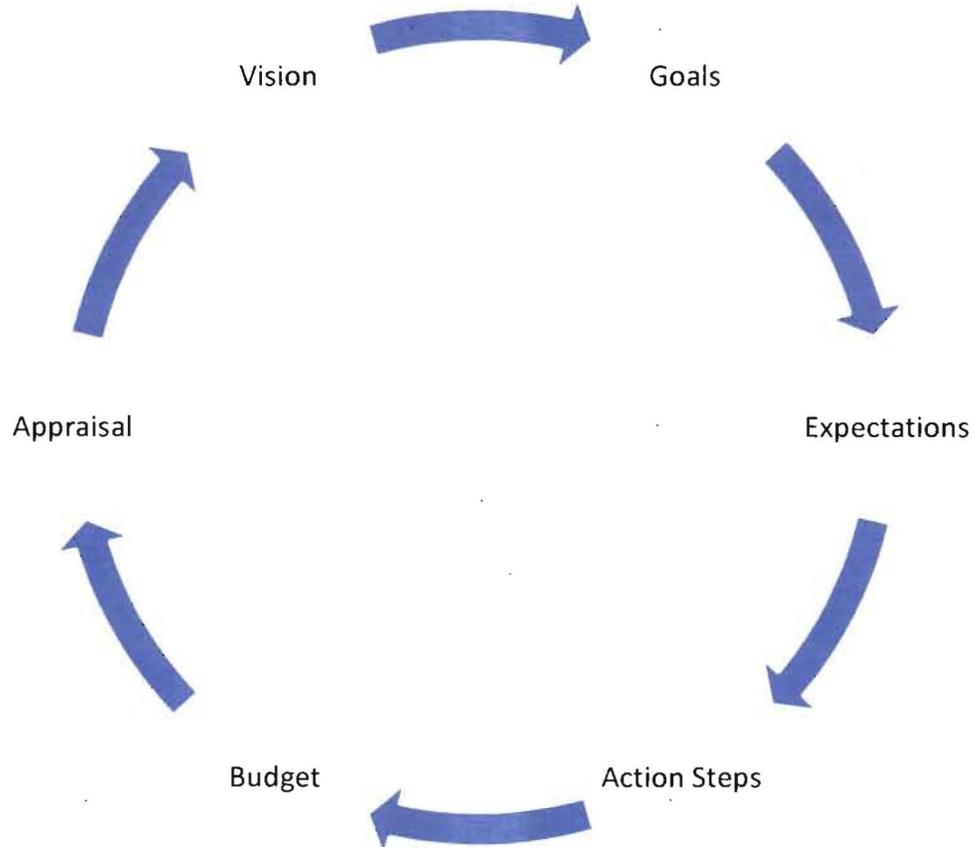
- 20,737 Picture Pass Holders (2,438 of them are renters)
- 5,790 Punch Cards
- 953 parcels with no passes or punch cards
- Approximately 500 hotel rooms with 1,000 visitors on holiday or summer weekends
- Estimate at least another 1,000-2,000 visitors in rental homes on holiday or summer weekends



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STRATEGIC PLANNING MODEL



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AS WE MOVE FORWARD...AN EFFECTIVE APPROACH TO THE 'MARKETPLACE'

- Abandonment
- Concentration
- Innovation
- Risk Taking
- Analysis

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DIVISION OF LABOR

Board: Vision, Goals/Strategic Direction, Allocation of Resources, Appraisal.

Management: Development of Objectives, Action Steps, Planning, projects and Detailed Budgets

THE QUESTIONS THAT MATTER

What is the Vision and Mission...IVGID

Overall...Defining our *'field of play'*

- What Services do we provide... *in what Venues*
- Whom do we provide it for?...our Customer (Constituent(s))
 - *What does the Customer value*
- What have been our Results
- What is our 'go-forward' Plan



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EXERCISE 1: IVGID --STRENGTHS AND WEAKNESSES

Identify the strengths of IVGID.

-What are you really good at?

What are you concerned about? (Not so good at)



IVGID STRENGTHS ...THEMES

- Fiscally sound +++
- Public Works...highly respected
- Great Venues
- IVGID Management and Staff (Very experienced);however...'not sure everyone is in the right seat on the bus'...*do we have the talent for the future?*
- Lean staffing. IVGID 'does a lot with a little'
- Good people on Board and moving in a positive direction

INTERVIEWS: *IVGID WEAKNESSES...THEMES*

- Aging infrastructure --(*selective*) inadequate facilities
- Internal and external (customer) communications
- Lack of succession planning/staff development
- *Quality Service level* ...but, need more detail in order to improve
- Recreation needs some improvement (Customer Service)
- Lack of Board stability leading to inconsistent direction
- Lack of a strategic direction...leads to confusion, frustration
- Need to improve working relationship of Board and Staff
- History of “penny wise and pound foolish”

DEVELOPING A MISSION/VISION

Task: Split into two groups and *develop, revise* or *keep*... **Mission** and a **Vision** for IVGID

Mission- *What business are we in? Provides operational focus. What we do.*

Existing: 'Through outstanding customer service, with a passion for quality of life and our environment, we will continually enhance the reputation of our community as an excellent place to live, work, recreate, visit and invest'.

Vision- *A headline as to direction. What we aspire to create. A picture of the "star" to reach for.*

Existing: Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

..additionally,

Value: We are dedicated people providing quality service, for our community and environment, with integrity and teamwork.

(Value formula=Cost/Quality x Service Quality/Cycle Time)

Mantra: *One District – One Team*

CUSTOMERS

The best organizations don't create customers, they create fans".

**"If you cannot smile, do not open a shop"
Chinese proverb**

CUSTOMER SEGMENTATION

- Create a list of those people who utilize IVGID's services and venues;

- What value **should** we provide to each of these customers?

Do you want to casually please everyone or deeply please our target customers

- Do our strengths, competencies and resources match the needs of those target customers? If yes, how? If not, why not?

- In what ways will your customers change? What are the implications?

SERVICES/VENUES...

Task: To solicit your view of each IVGID service/venue and administration...

- Present state/ Future desired state?

A communications summary should be used to create a directional dialogue with key constituents. This facilitates:

- *(If required)* **Further analysis of the issue**
- **Decision-making**
- **Assures good planning ,implementation and can adequately communicate the change journey...from here to there!**

SERVICES/VENUES... *FOLLOW THE ONE PAGE HANDOUT*

Task: To solicit your view of each IVGID service/venue and administration...

Present state ...how are we doing?

Future desired state?

Venues: Skiing, Beaches, Golf, Parks and Recreation; Public Works; ...+ Administration....any additional venues?

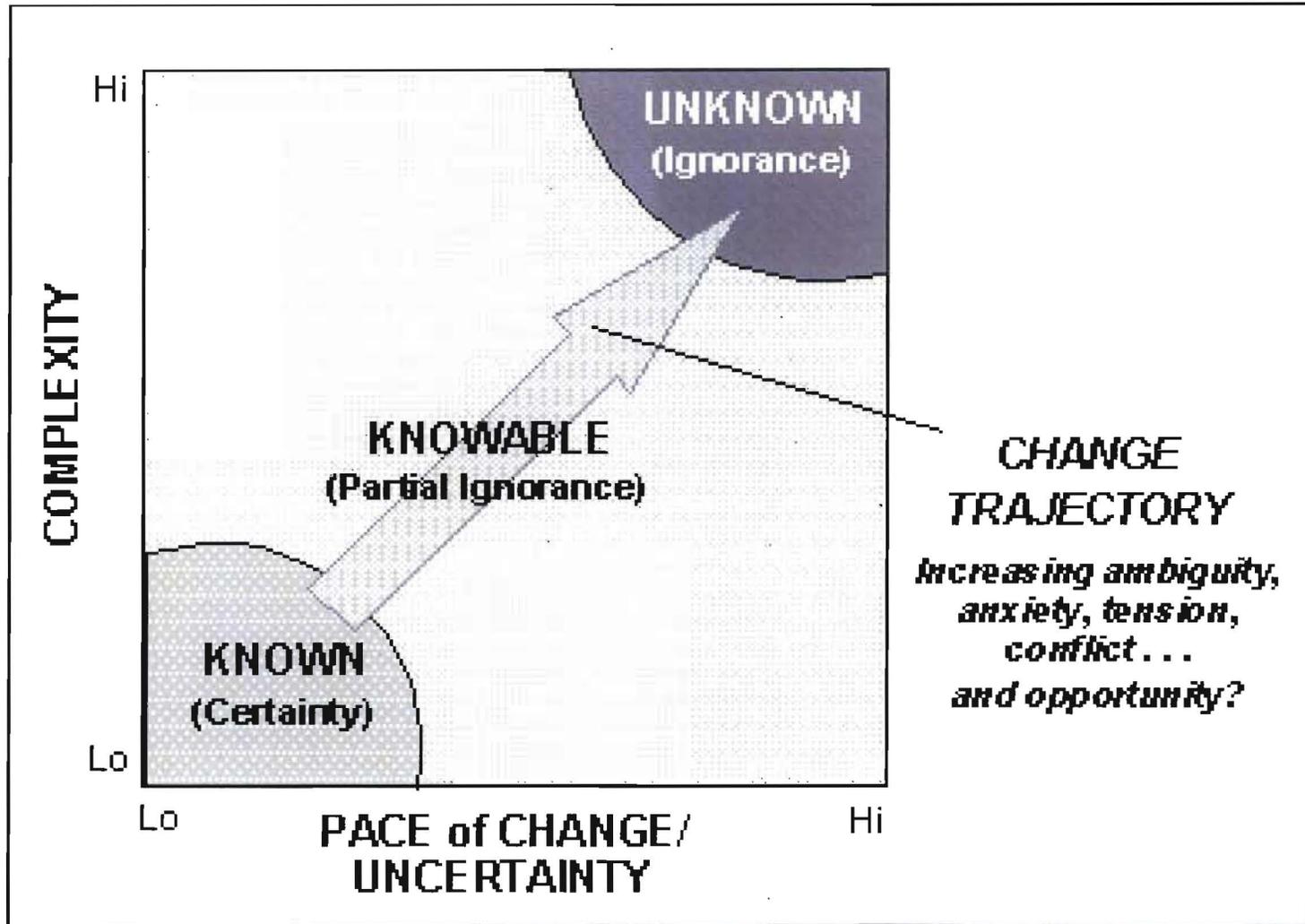
Groups of three...we will record your answers...

Ground Rule: *If call needs to be made; Jim Smith—Board issue; Steve Pinkerton—Operations issue*

If cannot get it resolved, not sure what to do ...and **important** —Parking Lot!

Principle : This will be a change effort in a complex setting:

At the epicenter of any effort there has to be an absolute appreciation of the human impact when asked to 'change' from here to there:....one way of looking at this

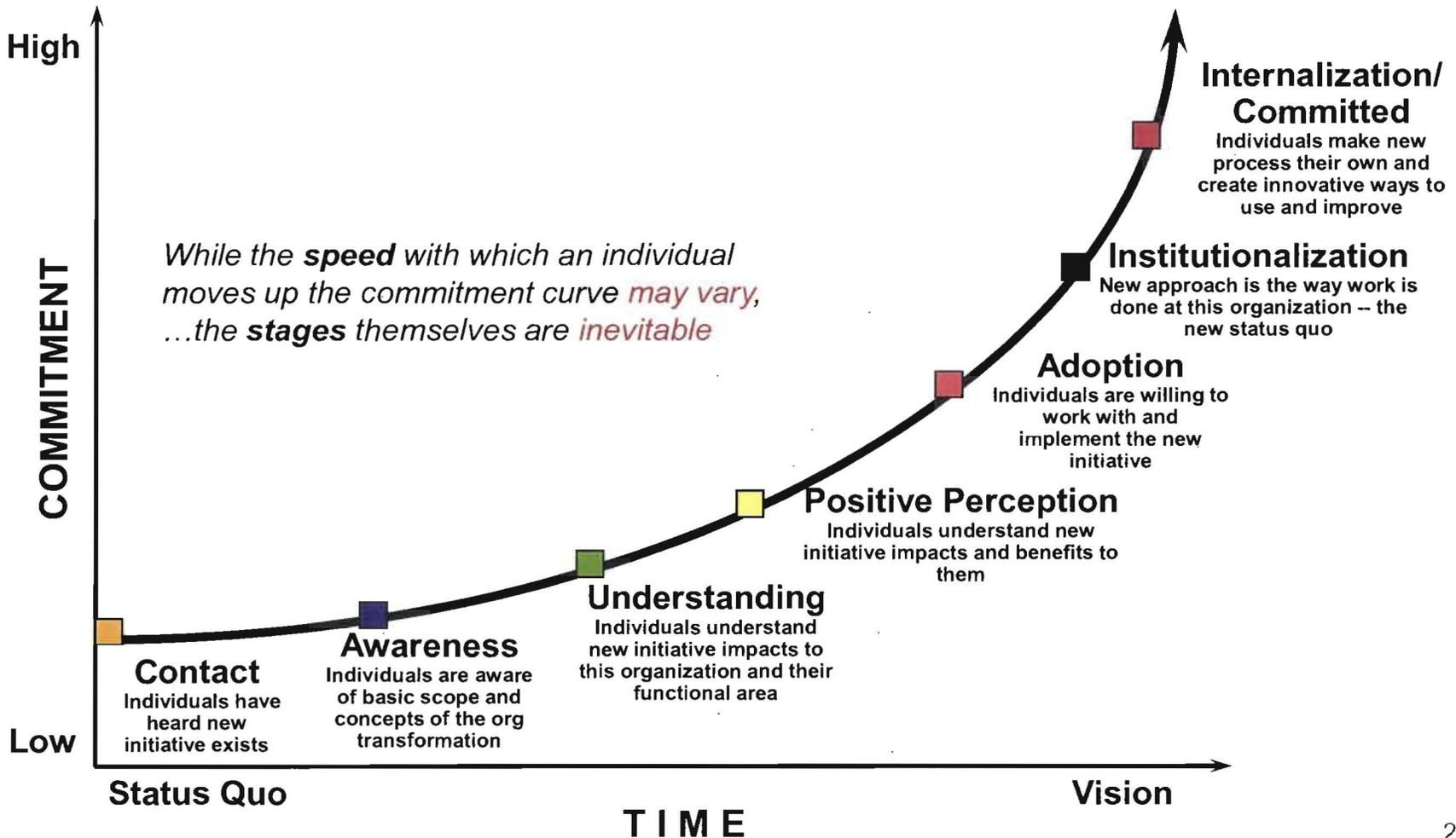




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The Commitment Curve...(normal) - a way of explaining the steps in the transition



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COMMUNICATIONS... *CRITICAL FOR SUCCESS...IN CHANGE*

What we have found ***does not work... does work-***

How will we communicate to our key customers and stakeholders?

Options...to consider

What will our approach be...who is the quarterback...
'air traffic controller?



COMMUNICATIONS

What does not work:

‘CEO Speak’: Usually will be financially or individual executive related; ...too many times misses the person touch—if CEO Speak **only**

- **Staff (insiders) confused...** *‘what does that mean to me’—how is it going to make my job more relevant; where is this organization going, how do I fit in...what am I supposed to do?...I am confused.*
- **Customers confused...** *‘what does that mean to me/my family; ...seems to make sense, but...all this information flying at me is a overwhelming—and, they say this, but I just don’t see it happening. What I really cared about...I see all the other activity...but what I really care about...is it being neglected?*

COMMUNICATIONS

What does work:

- An overall game-plan is required; (this should be completed once the plan is fully vetted and 'locked in');
- Essential that IVGID have an ***air-traffic controller*** who has the big picture, updates it, keeps it current... *central clearing house*;
- Technology can help...***but*** it needs to 'fit into the overall big picture'...it is a means...if not, can create confusion.

This ***framework helps*** to develop the 'big picture' —that *has to be updated*...cannot be a static,*'now we have finished it and put it on the shelf' (Credenza-ware)* ...has to be paid attention to...orchestrated.



COMMUNICATIONS... IVGID 'BIG PICTURE'... VENUES... FIT INTO

<p>1. Our "Burning Platform"</p> <p>...our only choice is change</p>	<p>2 Where We Are...now</p> <p>Progress to Date...% toward goal</p> <p><u>We are <i>stopping</i> doing this-;</u></p> <p><u>We are <i>starting</i> to do this</u></p> <p>Celebrate/Recognize Accomplishments</p> <p>Communicate Progress in personal terms;</p> <p>Heads up...particularly around sensitive issues</p> <p>Try not to surprise!</p>	<p>3 Success This Year</p> <p>Current Year Business</p> <ul style="list-style-type: none"> Objectives/Priorities <p>Ready: <i>We are working on this...will see it later;</i></p> <p>Set: <i>Next quarter you will see</i></p> <p>Go: <i>This quarter...here is what you will see/experience</i></p>	<p>4. Our Destination</p> <p>...an up-lifting aspiration—do not into specifics</p> <p>'Land a man on the moon';</p> <p>'Quality is Job 1'</p>
<p>The PUSH</p>	<p>The PAST /PRESENT</p>	<p>The PLAN ...in motion</p>	<p>The PULL</p>



Communication Vehicles and Characteristics

Vehicles	Cost	Trust	Durability	Commitment	Depth of Information	Speed of Delivery
Email	L	L	L	L	M	H
Vmail	L	M	L	L	M	H
Text message	L	M	L	M	L	H
Twitter	L	M	L	M	L	H
Internal E-Bulletin Board	L	M	L	M	M	H
External Website	L	M	H	M	M	M
Intranet	L	H	M	M	H	M
Facebook, LinkedIn	L	M	M	M	M	M
Employee – initiated electronic Q&A	L	H	M	M	H	M
Internal Social Networks (Google+,	L	H	L	M	M	M
Video	M	H	M	M	H	M
Town Hall Meetings	M	M	L	M	M	L
Small Group Meetings	H	H	H	H	H	L
One-on-One Meetings	H	H	H	H	H	L
Newsletter	M	L	L	L	H	L

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RACI CHART: OVERCOMING CONFLICT IN DECISION MAKING

The need:

- Misunderstanding about expectations is a major cause of conflict....*can lead to poor decisions, duplication of efforts; no decision or too many decisions...frustration, confusion and lack of commitment.*

‘RACI charting’ is a technique to prevent these errors.

Outputs from having clear responsibilities:... *improved*

1. **Productivity** due to well-established accountabilities
2. **Focus**--Elimination of duplicated efforts
3. **Teamwork and cooperation;**
4. **Planning and communications,** and
5. **Individual and team motivation** due to clarity of outcomes and achievements



RACI CHARTING... A WAY TO FOCUS ENERGY IN COMPLEX SETTINGS-

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Action	
Responsible	<p>The <i>individual who does the activity</i>.</p> <p>The extent of responsibility is defined by the accountable person.</p> <p>Responsibilities can be shared by a number of people.</p> <p>Delegate responsibility to the lowest possible level.</p>
Accountable	<p>The individual who is ultimately accountable for the deliverable... who has the power of veto... 'buck stops here' - (not 'this department' or they!)</p> <p><u>Only one Accountable person for each deliverable, activity or decision.</u></p> <p><i>Delegated Accountability to the lowest possible level.</i></p>
Consulted	<p>Individuals who are consulted prior to the final decision.</p> <p><i>Two way communication; they can influence</i></p> <p>Minimize the number of people you consult</p>
Informed	<p>Individuals who need informing after making a decision.</p> <p><i>One-way communication; they cannot influence.</i></p> <p>Minimize the number of people you inform.</p>



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Thank you...

We look forward to Session Two:

CoralBridge Partners, LLC

27 North Wacker Drive; Suite 403

Chicago, IL 60606

t-312 267-2920;

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Pages 46 – 368 is the transcript prepared by Molezzo Reports, Ms. Julie Ann Kernan, CCR #427 RPR from the February 17, 2015 Board Strategic Planning Session.

In the spirit of transparency, the District is providing this transcript as it relates to both of sessions slated for March 5 and 6, 2015.

The formal approval of this transcript will occur at the March 25, 2015 Board of Trustees meeting.

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SPECIAL MEETING OF THE INCLINE VILLAGE
GENERAL IMPROVEMENT DISTRICT
BOARD OF TRUSTEES STRATEGIC PLANNING SESSION
FACILITATED BY CORALBRIDGE PARTNERS

FEBRUARY 17, 2015
HYATT REGENCY LAKE TAHOE HOTEL
111 COUNTRY CLUB DRIVE, LAKESIDE ROOM
INCLINE VILLAGE, NEVADA

Reported by: JULIE ANN KERNAN, CCR #427, RPR
MOLEZZO REPORTERS (775) 322-3334

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8 Board of Trustees: JIM SMITH, CHAIRMAN
9 TIM CALLICRATE
10 JIM HAMMEREL
11 KENDRA WONG
12 BILL DEVINE

13 For Coralbridge: CHARLES H. BISHOP, JR., PhD
14 Principal
15 JEFFREY HUSSERL
16 27 N. Wacker Drive
17 Suite 403
18 Chicago, IL 60606

19 General Manager: STEPHEN PINKERTON

20 Also Present: GERRY EICK

21
22
23
24

1 INCLINE VILLAGE, NEVADA, FEBRUARY 17, 2015, 2:00 P.M.

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3

4 CHAIRMAN SMITH: All right, ladies and
5 gentlemen, welcome. This is Mr. Jim Smith. I think
6 I've got one public comment forum. I'm calling the
7 meeting to order. Role call. Secretary Jim Hammerel?

8 MR. HAMMEREL: I am here.

9 CHAIRMAN SMITH: Treasurer Kendra Wong?

10 MS. WONG: Here.

11 CHAIRMAN SMITH: Vice chair Callicrate?

12 MR. CALLICRATE: Here.

13 CHAIRMAN SMITH: Jim Smith is here. Welcome,
14 everyone. I'd like to do some introductions first,
15 maybe start with Jeff.

16 MR. HUSSERL: Sure. Good afternoon, everyone.
17 My name is Jeff Husserl, the managing principal with
18 CoralBridge Partners, and glad to be here this
19 afternoon.

20 MR. BISHOP: I'm Charlie Bishop, principal at
21 CoralBridge Partners. And you live in a lovely place, I
22 must tell you that. It's so nice to be here.

23 MR. PINKERTON: Steve Pinkerton, general
24 manager.

1 THE REPORTER: Julie Kernan, court reporter.

2 MR. GUINASSO: Jason Guinasso, legal counsel.

3 CHAIRMAN SMITH: I'm going right to public
4 comment. Mr. Katz?

5 MR. KATZ: Where am I supposed to go? Oh,
6 all the way there. Is this on?

7 CHAIRMAN SMITH: Yes, it is.

8 MR. KATZ: Good afternoon, my name is Katz,
9 P.O. Box 3022. First I have a question. What are we
10 doing with the court reporter here as opposed to just
11 someone else to transcribe? I don't know what today's
12 meeting is supposed to be about. I understand it's --
13 it talks about some strategic planning I don't know what
14 these gentlemen are here to assist with from
15 CoralBridge, but if they can be of assistance, I guess
16 I'm in favor of it. But I think we have a bottom line
17 problem, and these -- the people from CoralBridge may
18 not understand it. We're supposed to be a government,
19 but we don't act like any government. We're a series of
20 commercial for profit businesses and we operate as if
21 we're a business. And the problem is we run our
22 businesses every year and we lose 7 million dollars a
23 year, and that deficiency is covered by what I claim is
24 an invalid tax against property the local property

1 owners are required to pay. We are involuntary business
2 partners with a business many of us want to have nothing
3 to do with. If you want to have any strategic planning
4 to get to the root of the problem, it's 7 million
5 dollars worth of losses. Why do we have losses? We
6 have too many employees. Our employees are overpaid and
7 overbenefitted. We're top-heavy on management.

8 I did a study to determine the recreational
9 facilities, the amount of gross revenue we generate just
10 from sales and fee revenue, not the other garbage that
11 IVGID staff is going to tell you, and what percentage of
12 that revenue is spent on employee salaries and benefits.
13 And my analysis came up to over 75 percent, just for
14 employees. When you spend 75 percent of your revenues
15 running a business on employees, you have nothing left
16 over for utilities or capital or other operating
17 expenses, let alone to return a profit.

18 IVGID has never returned a profit to its
19 involuntary financial partners, and this is wrong. And
20 the partners are saying we want to get some return on
21 our investment. We want to get something tangible.
22 There never is anything tangible, so I hope you will
23 understand what is being presented to you that there are
24 seven million dollars of losses, and the basic solution

1 to the problem is to eliminate the losses, you either do
2 that reducing expenses, or increasing revenues, and our
3 staff has been unable to increase revenues, so that
4 means reducing expenses so we can get to a break-even or
5 a positive cash flow. Thank you for your consideration.

6 CHAIRMAN SMITH: Thank you, Mr. Katz. Ms.
7 Epstein and Mr. McKay is on deck.

8 MS. EPSTEIN: Good morning, ladies and
9 gentlemen. Bea Epstein, 933 Fairway Park Drive. First
10 of all, I would like to wish our board the success that
11 previous boards have had in doing spot analysis and in
12 coming up with a strategic plan for this community. As
13 we all know, this community is a very valuable asset.
14 It is the crown of Lake Tahoe. There is no other
15 community throughout the area that has facilities that
16 we have to offer to our residents and visitors.

17 That being said, I would like to point out to
18 everyone on the current board that there is a strategic
19 plan in place that was designed as far back as the most
20 recent one I got my hands on was 2010 which I would
21 leave with the board and the gentlemen from CoralBridge
22 so that they have a frame of reference in terms of where
23 you go today as opposed to where we come over the last
24 eight to 10 years.

1 As I mentioned last week, this is a community
2 that's 52 years old. And over the last, oh, 20 years,
3 there have been tree improvements to our infrastructure
4 which has brought about the raise of cost in the rec
5 fee. Mr. Katz and I disagree on those things, but there
6 are some on which we do agree and some of that is
7 expenditures in reinventing the wheel. I did voice my
8 discontent about us hiring an outside agency, and I
9 voiced my discontent also at now learning that we have
10 hired a court reporter, one, when we have an
11 administrative assistant who in the past has always been
12 the recorder for our meetings.

13 That having been said, I just wish you the
14 very best of luck today. Hope that this does create a
15 public support because my observation has been that this
16 is not a public support, that is a floundering board,
17 and we need to improve that so that we can move ahead
18 with the progress to this community.

19 It is important that you consider that there
20 are residents in the community who can not be here
21 because of employment responsibilities, school
22 responsibilities and so forth, as you all know, it was
23 hard for five of you, I suggest that in the future a
24 Saturday might be a better time, that way people have a

1 choice as to whether they want to attend or can attend
2 and make arrangements to attend. With that having been
3 said, the very best of luck to you.

4 CHAIRMAN SMITH: Thank you, Ms. Epstein. Mr.
5 McKay?

6 MR. MCKAY: I'm not at this time.

7 CHAIRMAN SMITH: Mr. Whyman? Not at this
8 time? Okay. That concludes public comment.

9 Approval of the agenda?

10 MR. HAMMEREL: Mr. Whyman might have to ask.

11 MR. CALLICRATE: Second.

12 CHAIRMAN SMITH: All in favor saying I?

13 MR. DEVINE: I.

14 MS. WONG: I.

15 CHAIRMAN SMITH: The agenda's been approved
16 unanimously. So I'm going to move for board of trustee
17 strategic planning session facilitated by Mr. Charlie
18 Bishop and Mr. Jeff Husserl of the CoralBridge Partners.

19 First thing I'd like to share with all of you
20 today is that this morning starting at 7:30, vice-chair
21 Tim Callicrate, Mr. Pinkerton, Jeff and Charlie, we got
22 together, went on tour of all the facilities which
23 concluded at 12:30, and a list I've provided you and
24 very interesting if you look at it, there's 21 locations

1 that we visited, which is pretty remarkable that we
2 accomplished all that in a short period of time, but it
3 also lets us know all the facilities and all the things
4 that we do to manage and operate is very interesting, so
5 I just thought I'd share that with you.

6 We did drive through the village, we looked at
7 our elementary field, the old Chevron station, the
8 Orbits Station, the village and recreation center. And
9 then we concluded with lodge at Snowflake Lodge with Mr.
10 Wilson and Bandelin. So with that, I'd like to have a
11 meeting drop it off to you, let you take over from here
12 if you'd like.

13 MR. HUSSERL: Thank you, Jim.

14 Good afternoon, everybody. We are here today,
15 number one, as facilitators, and what that really means
16 is this is all about asking the right questions. So
17 we're not going to write a strategic plan for IVGID, but
18 we are going to facilitate that process and help you
19 think about your plan in a different way so that you can
20 create a cohesive plan and work together with the staff
21 to execute that plan.

22 So what this process is designed to accomplish
23 today, number one, we want to develop a shared vision
24 and mission for IVGID. I understand that you have

1 worked on that and you have a mission and vision
2 already. We need to take a look at that, make sure that
3 it's still accurate. If we need to tweak it, we need to
4 modify it, we're willing to do that. That's the
5 beginning part of the strategic plan process.

6 Number two, we will then work towards creating
7 a frame work for strategic plan, this is where many of
8 the questions are going to come in, we're going to talk
9 about your customers, what do they like today, how are
10 they changing? What do they value? Are we going to
11 talk about a lot of the venues that we had an
12 opportunity to look at today, in terms of what they're
13 producing today, what is the opportunity in the future.

14 We're also going to take a look at
15 administration because the plan is only one piece of the
16 puzzle. We can develop the greatest plan in the world
17 today and if that plan can not be executed, and
18 delivered on, it doesn't mean anything. We talk a lot
19 and we talked at lunch about this concept of boiling the
20 ocean. We are not here to boil the ocean or boil the
21 lake, we want to create a plan together that is going to
22 be achievable. That will have objectives that this
23 forum and this staff have can delivery upon, within
24 established budget parameters.

1 We're also going to identify critical issues
2 that require ongoing dialogue and resolution. We will
3 have a parking lot as part of our work on flip charts so
4 there may be some issues that we're not able to resolve
5 in the next day or so. But we're going to make sure
6 that we don't lose those or lose sight of those.

7 This is session 1. We are also scheduled for
8 a second session, and some of the strategic planning may
9 spill over into that session. During that session we're
10 going to look at structure in terms of what the staff
11 structure looks like, the administration, where the
12 costs are, and how this plan can be managed effectively.
13 We're also going to talk, if we have time at the end
14 today about improved constituent communication. How the
15 board communicates with one another, how the board
16 communicates with staff and staff to board, and just as
17 importantly how the board and constituents communicate
18 with one another. CoralBridge is one of our business
19 plan forms engages in conflict management and dispute
20 resolution. It's part of your whole team building
21 effort and we think that conflict management process can
22 help this team. And so in session 2, we are also going
23 to then talk about the execution of the plan, how we
24 work together with the board and the staff to create a

1 high performance team that's going to deliver on the
2 plan that is developed as a result of this meeting.

3 We believe there are five parts to a high
4 performance team. Trust, problems that teams have
5 typically involve fear of conflict, commitment,
6 accountability, results. We're going to talk some about
7 conflict today. Conflict, I would put to you, is a good
8 thing, okay? Everybody in this room thought exactly the
9 same way, there's too many people in the room. So it's
10 talk about how we manage that conflict more
11 constructively and how we air our differences and how we
12 then reach commitment and hold people accountable and
13 deliver results. So that's what session 2 is going to
14 be about.

15 Okay. Accountability of the start and board
16 level, so a little bit our agenda today we're going to
17 give a brief introduction of our background, then we're
18 going to engage in a couple of exercises. And I know
19 everybody wants to jump right into the plan. We did
20 some interviews in advance and I know you're eager to do
21 that. I like to use sports metaphors, so if you've all
22 been to college football, high school football games or
23 basketball games, you'll note that they don't just blow
24 the whistle and start to play the teams warm up before

1 the game starts whether that's stretching exercises on
2 running someplace or lay of line we're going to do a
3 little bit of that for a few minutes, get you thinking
4 more critically and more creatively.

5 We will then jump into some of the
6 demographics of Incline Village which Steve is going to
7 cover for us very briefly, there's about three slides,
8 and then we're going to get into the core of the
9 planning process. We're going to look at critical
10 questions that one must ask beginning with vision
11 admission looking at the services that we provide as an
12 organization, who are the customers and what do they
13 value, what have been our past results, and what's our
14 plan for the future. Okay. Charlie?

15 MR. BISHOP: Thank you, Jeff. As I've
16 mentioned a couple of times, you have got a lovely place
17 here, it's hard to do work here, so. But I'm a
18 psychologist by training and spent time in some major
19 corporations before I got into consulting, those being
20 firms specialized in strategy formulation with Trayo.
21 If you haven't read one book called Hilltop Management
22 Strategy, it's well worth it, read that. But I spent a
23 couple years there.

24 My dissertation is in the area of problem

1 solving, decision making. And from there, then my first
2 job was at FedEx which at that time was the largest
3 venture capital emerging business; a 26-year-old guy
4 found out how to make an argument to Wall Street and he
5 being Fred Smith, and he got nine million dollars to buy
6 a bunch of planes that flew around in -- purple-colored
7 planes that flew around so that was the birth of Federal
8 Express. I was there early, it was a great opportunity.
9 Quite frankly, early on I didn't know what I was doing,
10 but we were trying to figure it out.

11 And from there, then I was recruited because
12 we changed a lot, undergoing a lot of change. Then I
13 was recruited into Baxter, which is a big health care
14 company in Chicago, and that's what brought me to
15 Chicago. From there, I used to say because we made
16 health care products, we make a lot of things you don't
17 want to buy; IV fluids, surgery equipment, things like
18 that.

19 From there I worked on the formation of what's
20 now Bank of America, looking at what I need to get done
21 and work myself, and two other people worked in the
22 chairman's office.

23 And then I worked -- last job I had was energy
24 resources for ADT. So that's my background. I lived in

1 Chicago for 30 years with the exception of going back to
2 Atlanta for four years but, basically, I've lived in
3 Chicago.

4 MR. HUSSERL: Okay. My name's Jeffrey
5 Husserl, I'm originally from the northeast. I moved to
6 Chicago in 1984 to get my MBA from Northwestern
7 University. Went to work after I started out in
8 finance, took an entry level job at human resources and
9 spent the bulk of my corporate career in human
10 resources. My most recent corporate job was as Chief
11 Administrative Officer for MB Financial Bank, which is
12 an eight-billion-dollar bank in Chicago. And there I
13 was responsible for human resources and marketing,
14 legal, compliance, and properties and real estate, so a
15 whole hybrid of activities.

16 I left MB and started consulting and, really,
17 CoralBridge is an organization that championed
18 organizational health, and so we are two of four
19 partners, and we use our backgrounds inside of complex
20 organizations, and particularly our human resources
21 experience, to help leaders become more effective, teams
22 become high performing, and people and teams to manage
23 conflict more constructively. That's really the
24 business model that we have.

1 I also lived in Chicago for most of my
2 corporate career, 30 years. I moved to Southern
3 California about a year and a half ago. People ask why,
4 I just say check the weather forecast this time of the
5 year and that is why, but I do go back and forth quite a
6 bit.

7 I also have a Masters in dispute resolution
8 from Straus Institute at Pepperdine School of Law, and
9 I've spent time on corporate boards, four different
10 boards, both not-for-profit, as well as corporate, so I
11 have a good bit of expense in governance issues and
12 management issues and how boards relate to management
13 teams.

14 Okay. We're going to get started, I said,
15 with an exercise so please be patient with me. And if
16 you would, take a look at this picture and go around the
17 room, tell me what you see.

18 MS. WONG: That depends which way you look at
19 it. An old woman.

20 MR. HUSSERL: So you see both.

21 Jim, do you see both?

22 MR. HAMMEREL: Uh-hum.

23 CHAIRMAN SMITH: Everybody saw both.

24 MR. GUINASSO: I just see an attractive woman.

1 MR. HUSSERL: You see an attractive woman. So
2 knowing that there's a old woman there, too, do you see
3 where? All right. So this is really all about -- Bill?

4 MR. DEVINE: I see California with a storm
5 coming in is about all I see. I've seen it before. I
6 cheated.

7 MR. HUSSERL: Steve?

8 CHAIRMAN SMITH: It's funny, I used to see
9 both sides. Just now I see the woman looking in one
10 direction. I keep trying to find what I saw before.

11 MR. HUSSERL: Yeah, let see if I can. See a
12 kind of a hooked nose there? And then the lips and the
13 chin right there?

14 MR. PINKERTON: There you go.

15 MR. HUSSERL: There's an eye there. So it's
16 all about perspective. And the point of this is very
17 simple. We all have different perspectives. We all may
18 see things in a different way, maybe looking at the same
19 thing, but we come at it differently based on our
20 experiences, based on how we grew up, any numbers of
21 things can influence it, but it's understanding that we
22 all have different perspectives, and that's what makes
23 this board effective.

24 Again, you all looked at it the same, if

1 everybody only saw an old woman, I'd have some concerns.
2 Okay.

3 Questions or comments on that? Okay. I've
4 got another exercise, which is called the nine dot
5 exercise. Anybody ever seen this before?

6 MR. CALLICRATE: Yeah, but I can't remember
7 how I did.

8 MR. HUSSERL: Good. You don't have to do it.
9 Okay. Anybody else seen it before, done it? Jim, you
10 have? Jason?

11 All right. So our objectives here is to draw
12 four lines and cover all the dots without lifting your
13 pen up from the paper. So I've worked with people who
14 took, who went with this for an hour. Trust me, we're
15 not going to go at it for an hour, we'll try it for
16 about five minutes. We have more stuff to do. So
17 connecting all the dots using only four lines and
18 without lifting your pen or pencil.

19 MS. WONG: Done, got it.

20 MR. HUSSERL: Kendra, did you get it already?

21 CHAIRMAN SMITH: After five hours of driving
22 through downtown?

23 MS. WONG: I teach a problem solving course.

24 CHAIRMAN SMITH: Trying to make sure you guys

1 are safe. Should it look like a kite?

2 MS. WONG: Kind of, yeah.

3 MR. HUSSERL: Ready for some --

4 MR. CALLICRATE: I think we all got it.

5 MR. HUSSERL: Those who got it, what's the
6 message in this? So, basically, the solution is as
7 follows? If you following that you're going to go all
8 the way over here, you're going to come up here all the
9 way up here, and you're going to go down and you're
10 going right up there. So what's the message in all of
11 this?

12 MR. CALLICRATE: Outside the box.

13 MR. HUSSERL: Outside the box, right. There
14 is no way of doing this exercise if your pen doesn't
15 move outside the box, as you will notice in the
16 instructions nobody said you had to stay within the
17 lines, you can move as far out as you wants to go. And
18 the point of this is part of this strategic planning
19 process is to try to think in the same way. Think
20 outside the box, you begin to see possibilities, to not
21 be stuck in what's happened in the past, but to look to
22 the future. And, obviously, we have budget constraints
23 with this whole process, but beyond budget there isn't
24 real constraints in terms of the work that we're doing

1 today, in a sense.

2 Anybody have any questions? Okay. Before we
3 get to that, I wanted to show you this quote because I
4 talked a little bit about conflict. So there's a quote
5 here from Aristotle, I think, is worth thinking about.
6 The essentials, union, action, freedom and in all things
7 trust. Trust is the glue that's going to hold this
8 community together. And in order to have trust, it
9 requires that the dissent comes out in the open.

10 That is, when we do our workshops in conflict
11 management, we'll often ask for word association.
12 Invariably every word that comes up about conflict is a
13 negative. I'm here to tell you that conflict does not
14 have to be negative, that it can be positive, but it
15 requires trust and it requires people that are willing
16 to disagree, constructively and to air those differences
17 in a positive manner, and to come with them in census,
18 and commitment, so that's what we're going to really
19 work toward with you're going to spend a good time in
20 session 2 talking about how that happens, and how to
21 make meetings work more effectively with that.

22 Okay. Any questions on this? All right.
23 Steve, if you would, a little bit of context regarding
24 the community characteristics that we just need to keep

1 front and center as we go forward.

2 MR. PINKERTON: Perfect timing, because I just
3 found the other two slides that we'll further in that.
4 This information we provided to the Diamond Peak
5 Steering Committee last week that I thought would be
6 helpful. And again, we've been trying to melt census
7 data with our own data that tells us how many people we
8 really think they're here on a daily basis were based on
9 sewer consumption, things of that. We think that at
10 most, year round we've got about 7,000 residents at this
11 point in time, we think about half of the year rounds
12 are renters, probably a little less than half, and about
13 half are people who own their units. The -- which
14 really equates out to probably about 30 to, 30 percent
15 to 35 percent of our units total are occupied year
16 round.

17 The average age is 46, in 1980 it was 31, so
18 it is trending just slightly older with the rest of us.
19 The percent of the population over 18 is now 17 percent;
20 that was about 23 percent in 1980. The over 65 is now
21 18 percent; that was five percent back in 1980. And I
22 think we had about 30 percent of the households with
23 children in 1980, you can see it's just over 20 percent
24 at this point in time. 8,180 parcels are subject to the

1 rec fee, I think we have somewhere short of 8,000
2 housing units total so there's some unusables and not
3 built, everything's included in there.

4 You can see that almost all the units are
5 subject to both the beach fee and the recreation fee,
6 you can see there's about 400 units, 437 units that are
7 post 68 or Crystal Bay. 534 of the parcels are all or
8 partially commercial. That's one we're still working on
9 trying to get better data from the county, so I think
10 mixed used parcels are included in there, those that are
11 considered commercial.

12 You can see according to the census the owner
13 occupied rate is about two to one. I think it's closer
14 to 1.3 to one in the winter time. I think another 7 or
15 800 units of you owner occupied are only occupied
16 probably less than half the year. And you can see even
17 in the census data if you add up owner and renter,
18 that's less than half of our units, so we're back to
19 where we were in 1980 where over half our units are
20 seasonal.

21 And I've got some more supplemental data
22 that's on this one, it's not on the slide, I thought
23 would be helpful to you. That gives you I think at 2013
24 we're going to be able to get this much better once

1 Vermont's up and running next couple months. But the
2 last time were ran it it was just short of 21,000
3 picture pass holders. And if you figure we have about
4 3,000 renters, you can see about 8,000 of the renters,
5 80 percent of the renters are pass holders.

6 Because we have 5,790 punch cards, you can see
7 the next number is one I found most interesting, about
8 12 percent of our parcels have no picture passes or
9 punch cards. We keep telling the story the building
10 next door here, we thought the water meter was broken
11 last fall and no, there was nobody in 99 Lakeshore in
12 October and November at all last year, so the
13 seasonality and how many of our units are getting passed
14 on, and there's probably people who own units here that
15 don't even realize it.

16 We have about 500 hotel rooms between the two
17 hotels, probably another couple hundred time share
18 units, you know, I always talk about if you compare us
19 to South Shore, South Shore, if you include state to
20 Stateline side, has about 8,000 hotel rooms and 4,000
21 time share units, so we're certainly a different planet
22 up here. And we're starting to -- and we're going to
23 work closer to the visitors bureau to try to better
24 track what percentage of the population is visitors at

1 any 'one time.

2 A week like this, you've probably got up to
3 2,000 --well, this year, any time you get snow, you'd
4 have probably 2,000 visitors in the community. The
5 Hyatt alone has about a thousand right now in a week
6 like this so they work out to 20, 30 percent of our
7 population on a typical week end in the off season.

8 A couple other little things that I think are
9 important to tie back into the pass holders; the champ
10 course -- so the two big numbers, remember, 20,737 pass
11 holders, 8,180 parcels, so we have -- last year at the
12 champ course we had 1775 out of 8100 parcels who used
13 the champ course at least once. In those 1775 parcels
14 there was 2600 pass holders total, so about a quarter of
15 -- no, I'd say you have about 22 percent of our parcel
16 owners use the champ course at least once, and about 13
17 percent of our total pass holders.

18 The mountain course is slightly less. 1500
19 different parcels used the mountain course, equating to
20 about 2400 pass holders. The rec center, 2372 parcels,
21 3891 pass holders. Tennis, 394 pass holders, and I
22 think it's 230, if I got the lead, about 230 parcels.
23 Diamond Peak, about 2900 pass holders, 1900 parcels.
24 And then the one that's not like the other, the beaches,

1 5493 parcels and 14,500 pass holders. So I thought that
2 was, you know, a good representation of how things gets
3 spread out.

4 Just real quickly, 69 percent of the rounds at
5 the champ course are by pass holders and their guests,
6 the rest visitors. 56 percent pass holders' guests at
7 mountain course, chateau, about half the visitors, pass
8 holders and guests. Fitness center, about 80 percent.

9 MS. WONG: Steve, we're all just frantically
10 writing. At some point can you send all that to us?

11 MR. PINKERTON: I can send that to you right
12 now.

13 CHAIRMAN SMITH: I was getting there.

14 MR. PINKERTON: I just wanted to give you an
15 overview of the two, but I'll email you right now these
16 two slides.

17 MS. WONG: That would be great.

18 MR. PINKERTON: But I thought it was really
19 helpful when I pulled it out because you could see that
20 most of the venues, other than the beaches you're at 20
21 to 30 percent, you know, things are really spread out
22 amongst all the different uses.

23 MR. HAMMEREL: One of the last ONES you said,
24 80 percent of the rec center?

1 MR. PINKERTON: Right, is residents and
2 guests.

3 CHAIRMAN SMITH: That's really good data.
4 Thank you.

5 MR. PINKERTON: And like I said, when Vermont
6 is fully in place, we're going to be able to get much
7 more dynamic from all of this. Most of this is 2013,
8 last no time we had full-year data.

9 CHAIRMAN SMITH: All right.

10 MR. HUSSERL: All right. Let's look at a
11 quick strategic planning model. The engines in the top
12 left with vision and mission, which we're going to talk
13 about, and that then translates into high level goals,
14 basically what are we going to accomplish. And based on
15 what we want to accomplish, we even look at what are the
16 expectations of management and staff that is responsible
17 for executing the plan.

18 By expectations I mean what are their
19 objectives going to be in order to hit these goals? And
20 what behaviors can we expect from those people? So
21 performance is about results, as well as how they got
22 the results, and behaviors, so it's not just what, but
23 how it's important. The goals will lead to a series of
24 action steps that people will feed to engage in. All of

1 this will lead, within the next couple of months, to a
2 budget that's going to established, I believe the
3 deadline is May for a budget, and the new fiscal year
4 which begins, and we will then appraise how the team is
5 doing over time, so we're going to look at over what
6 we're going to accomplish over one years, over three
7 years and perhaps over five years.

8 But the first appraisal certainly comes
9 sometime within that first year. And that appraisal of
10 the management group's performance is going to be by the
11 board, and it's the community and the constituents that
12 are going to applaud the board in terms of is this the
13 right direction and how are we doing in terms of our
14 effectiveness. And a big part of this that we're going
15 to talk about is communication. We can have the
16 greatest plan in the world and all the objectives in it.
17 We don't do an effective job of communicating with our
18 constituents, it's not gonna work, so that's a big piece
19 of us.

20 Anybody have any questions on this model?
21 Make sense?

22 MR. DEVINE: I have a quick question, if I
23 could just interject real quick, and you may address
24 this later, but how do you propose, or do you even

1 address this that you're dealing with a board that is in
2 constant change as the years go through. So you
3 establish something like this which this, I would
4 imagine, this group's going to embrace, and you have to
5 recognize that new boards may have a different vision,
6 yet you want to make sure that you pass on this
7 structure. Is there a -- and the reason I'm getting at
8 this is it was pointed out that we just recently, or six
9 years ago had a strategic plan in place, some of us came
10 onto the board not being aware of that. And I think
11 that that happens all the time. Is that -- is that
12 built into this plan so that we're actually passing
13 something on and not just driving on down the road and
14 saying good luck, guys?

15 MR. HUSSERL: That's a great question, thank
16 you for that, Bill. And that is where the communication
17 comes in. So anyone else please jump in here, but --

18 CHAIRMAN SMITH: Well, Jeff and Charlie and
19 Steve and Tim and I talked about this morning the
20 turnover on the boards since 2000 has been 100 percent.
21 So gotta make sure that this process that we've got to
22 continue.

23 MR. HUSSERL: And it is something that's going
24 to be documented, and as candidates run for the board,

1 you've got the strategic plan, and this board is going
2 to be hopefully united as we go forward in terms of
3 moving the plan.

4 Mr. DEVINE: Do tend to task, though, on staff
5 which is a little bit more stable, if you will, they're
6 tasked with bringing the new board up to speed or do you
7 just hope the guys that were on the board take the -- I
8 guess what I'm getting at is I don't know how you can
9 predict that it's going to be passed on unless you put
10 something in place that not ensures that it goes, but
11 certainly a new board could change the direction, but to
12 just be aware what was there and then say oh, we don't
13 like this, even -- even if we continue. We should be
14 able to look another it.

15 MR. HUSSERL: That would be -- go ahead,
16 Charlie.

17 MR. BISHOP: You mentioned how do we sustain
18 it. I think that's the key. I think if you just look
19 at the mechanisms, the board turnover, there has to be
20 something anchored here to help you sustain that, that
21 message, if it's a good direction, it has to be then.
22 Organizations that change all the time swing back and
23 forth are not real successful. They fail. And I think
24 it's something you've got to watch. I don't know how

1 you -- I don't think you've got any magic bullets that
2 say how you sustained it, you got some ideas, but I
3 think it's important if you get a good direction and
4 sustain it in terms of if you identify the brand that
5 you want to have and what you're about, that's the kind
6 of gyroscope or the guiding light. Your programs and
7 projects and things like that will change, but if you
8 got that agreed-on gyroscope, that beacon will help you
9 a lot and how to build that, and we need to think about
10 that.

11 MR. GUINASSO: The three things that might be
12 important to point out is, number one, that the board
13 and the staff really have to take ownership over this
14 plan.

15 MR. BISHOP: Yes.

16 MR. GUINASSO: So both board and staff, they
17 take ownership of it, will likely pass it down. Number
18 two, there's accountability for the strategic plan, not
19 just one to another, but accountability to the community
20 because when -- if you decide to run again or if you
21 decide to support somebody else who's running the
22 communities, you're ultimately going to see through this
23 open process the priorities that you've set and the
24 goals that you've set and they'll either agree or

1 disagree with that and so if they agree, then you'll be
2 able to proceed forward all taking over what you've
3 involved today. However, if they disagree there has to
4 be a willingness of the body to being flexible and to
5 adapt and change as the community gives input as to
6 whether they like, you know, the goals and objectives
7 that this group has set, and that will be articulated
8 through new board members as they come on to the board.
9 And it doesn't mean that you don't set a direction and
10 go with that, as Charlie says, but with a public entity
11 like this, you have to be willing to be flexible as new
12 ideas come to mind, or as you're held accountable for
13 ideas that maybe the community doesn't agree with.

14 MR. GUINASSO: The only thing I was going to
15 add, Charlie and I talked about this on the phone, but I
16 think that building a three and five-year strategic plan
17 built in some of that continuity in between boards, so
18 hopefully if we're --

19 MR. BISHOP: It's actually been --

20 MR. GUINASSO: -- we're moving through a three
21 and five-year plan that will surpass both -- or
22 everybody's term here.

23 MR. HUSSERL: Plan also becomes the glue that
24 holds this group together. And constant communication

1 of what we're doing, how we're doing it is really,
2 really important, so the one thing you don't want to
3 have in the plan is it gets developed over the next
4 several days, and then it sits on a shelf for a year,
5 the next time we bring it out, oh, by the way, remember
6 the plan we did a year ago down at the Hyatt? Well,
7 here's what's going on. It's a steady stream of
8 communication, so that people in the community are going
9 to know about this plan. There's nothing to hide and
10 it's gonna be very open direction that the board and
11 staff are moving in, and if people want change, that's
12 where's Lexus comes in.

13 MR. CALLICRATE: Jeff, that's been one of the
14 issues for the last 20 years is that plans are put
15 together with all the best intentions and then,
16 unfortunately, they aren't continually looked at and
17 agreed upon by the staff and by the board and then
18 instituted and move forward in language. And that's a
19 huge stay for us and hopefully, like Jim said, we all
20 agree let's other something for 1, 3 five years you
21 can't go out any more than because who knows was gonna
22 happen with the economy, but you can have a framework.

23 MR. BISHOP: Certain things will be anchors
24 that. You have to have some way of almost -- the

1 projects that you have going on, which you probably have
2 a lot of them, almost have to be a project manager in
3 the office somewhere, localized in the accountability,
4 and you need your what I call an air traffic controller
5 for communications.

6 I read an article called Credenzaware, and
7 I'll send it to you if you're interested in it. But
8 it's excellent. Jeff is talking about a nice plan, but
9 it goes on somebody's credenza. And somebody said well,
10 what was that about? But you really have to have, you
11 really have to have some glue that holds this together,
12 not for the short term, and you can't have silo plan, I
13 mean, it has to be one effort and you can't -- the other
14 thing, Jeff and I had an opportunity, and I thank you
15 for forwarding those documents to us, there's a lot of
16 activities and too ambitious, I would say. There's a
17 lot of things that need to be undertaken but, goodness,
18 if you undertook all of those it would just keep you so
19 busy, you know. You need to figure -- if everything's a
20 priority you want, nothing's a priority. So you need to
21 narrow it down and focus on and communicate to Steve
22 what it is that is expected of the staff, we need to do
23 that.

24 MR. GUINASSO: And from a legal counsel's

1 perspective, too, that strategic plan that you develop
2 will then become something that I can remind you all
3 about with regard to priorities and how you're directing
4 staff, and it becomes almost like another legal tool
5 that I can use to -- to say, to remind you of what you
6 said in the past and weigh that against the new things
7 that you're considering, you know, that may just come up
8 spontaneously from time to time.

9 MR. BISHOP: Strategy is consistent answers to
10 ongoing questions. It should get you back to all the
11 things below that pieces will change, but strategy
12 should not, less variability.

13 MR. HUSSERL: So some things I want you to
14 think about as we dive into this planning process.
15 First one is abandonment. When we look at the venues
16 and we look at the services that are being provided,
17 what doesn't work? What never worked? What might have
18 outlived its usefulness? If it's not committed today,
19 would we do this going forward? Something that I think
20 is very difficult for any board and any management group
21 to do, is let go of things that we may have invested in
22 in the past but maybe we're not in that business or
23 they're not as successful as we'd like. Or, in fact, we
24 can do what I would call concentration. And

1 concentration is all about strengthening what already
2 works, building on success and investing more money in
3 areas that we know we're good at, we're successful at.
4 So if we abandon what's not working, we have more time
5 and more resources to concentrate on what can work. So
6 think about that as we get into this discussion about
7 venues.

8 Innovation: What are opportunities? What are
9 merging issues that come up? What are tomorrow's
10 successes? So we know what we've done in the past, but
11 the future is going to have some different potentially
12 demographics that are some external issues that are
13 going to impart the future?

14 Steve already talked about the changes in
15 population that we see. What does that mean for the
16 services that we provide and how we provide them?

17 Risk taking. Some risks we can afford to take
18 easily because they're easily reversed. Others have
19 great risk, but we can't afford not to take them. So
20 sometimes we might be too conservative, we might miss an
21 opportunity. Other times organizations do too much too
22 fast and as a result of that they end up with no
23 long-term opportunities. I'll tell you straight out
24 there's no formula for this. This is about being

1 entrepreneurial, it's about creating the right balance,
2 and it's not a science, it's more of an art.

3 Finally analysis. What is it we don't know?
4 So we're going to have things we board up today where we
5 need our flip charts with more information to make a
6 decision, and we're going to do additional research and
7 come up with some numbers, come up with some additional
8 customer feedback, et cetera, what don't we know. So we
9 can think about that as well.

10 Any questions? These five words front and
11 center engage in the --

12 MR. BISHOP: Short editorial comment. One of
13 the companies I didn't mention, for a period of time I
14 was with Quaker Oats. Quaker Oats is a very proud
15 brand: Quaker Oats is now owned by Pepsi. Quaker Oats
16 tried to change too much at one time, and everybody was
17 terribly confused, and bought Snapple. And I'm not a --
18 I'm a psychologist, not an economist, but I do know that
19 any time you buy a company for 1.6 billion dollars one
20 year and sell it for 250 million dollars the next year,
21 that's not goodness of business. So that's how Quaker
22 Oats -- Pepsi went after Gatoraid, is what they really
23 were after. But there's so much confusion there in the
24 change effort, tried to boil the ocean, and if you

1 confuse people, you confuse the marketplace, you confuse
2 your customer, so concentration, I would say, is
3 ancillary, important to focus prioritizing, do some
4 things that work.

5 MR. HUSSERL: I want to spend just a minute on
6 what we're calling division of labor so I've spent time,
7 as I've mentioned, on four different boards, and one of
8 the challenges is often the concept of management and
9 governance. Board's responsibility is really the
10 governance of peace. We're going to cover a lot of that
11 today, we're going to set vision, we're going to look at
12 goals, that strategic dredge, we're going to allocate
13 resources through budget, and when we go through that
14 model, you remember that circular model that I showed
15 earlier at the end of process is this appraisal. So
16 we're going to execute the plan, and then the board is
17 going to do an appraisal of how that plan got executed.
18 That's governance.

19 Management, on the other hand, is all about
20 taking those eye-level goals and creating objectivity.
21 Management is about the execution of this plan, the
22 action steps, the projects, the detailed budgets. The
23 board is not necessarily going to dig in and get heavily
24 involved in that, but the board is there as a resource,

1 and the board is there to, again, set the direction.
2 Management is going to execute it, the board is then
3 going to appraise the results as we move forward. Make
4 sense?

5 We'll talk more do some exercises in Session 2
6 about management and governance and ask you to
7 prioritize some things and help you think about these
8 concepts.

9 MR. BISHOP: Let's talk about the questions
10 that matter. And I think the vision and mission of
11 IVGID is terribly important. I think that you'll see on
12 another slide the task here, but I also pulled off the
13 website some other, it looks like, competing phrases or
14 descriptors of vision and mission. And vision you got
15 values, and I think you might want to think about
16 zeroing in and simplifying that, so I think it's very
17 important to understand the vision and mission, where
18 we're going.

19 Your overall defining our overall field of
20 play a, field of play is the customers that we're
21 serving and what are we doing with them, the venues, et
22 cetera. So what services do we provide? What venues?
23 Whom do we provide it for? Is our customer
24 constituents? We've used the word constituents. Are we

1 using a word that you're uncomfortable with, is that
2 would have constituents could be the community and the
3 staff. Have I invented a new word here?

4 CHAIRMAN SMITH: That's a good thing for us to
5 discuss, because we have parcel owners, we call them
6 stake holders, and we have visitors and we have
7 residents and we've got --

8 MR. BISHOP: A lot of describe.

9 MR. PINKERTON: Resident owners.

10 CHAIRMAN SMITH: Sometimes we have difficulty
11 deciding who we really represent, I think, at times.

12 MR. HUSSERL: So that's a great question, who
13 are those constituents and what do they want? And
14 assume they're differences with what each group wants.
15 So constituents might be a nice umbrella for all groups,
16 Jim, that you mentioned.

17 CHAIRMAN SMITH: Right.

18 MR. BISHOP: I'm glad that word at least
19 worked part time, Jim. What have been our results - we
20 talked about and then what is our go forward plan, and
21 those are the four questions. Exercise one, I just put
22 this up here, identify the strengths of IVGID. What are
23 you really good at and what are you concerned about, not
24 so good at? Do you want -- should I share with them --

1 MR. BISHOP: We'll go back.

2 MR. HUSSERL: So we did interviews, as many of
3 you know who participated, we interviewed everybody on
4 the board and I interviewed a staff members, and one of
5 the questions we asked was this question. And so I want
6 to share with you, we went back and summarized the
7 interviews and took a look and where we saw something
8 that appeared one by more than one person we put it up
9 on the board. We may not have captured everything, you
10 may have thought of some additional things since we had
11 those interviews, and so we're going to go through this
12 exercise. I at least one want to show you what we came
13 up with.

14 So strengths, themselves, fiscally sound.
15 Well managed in terms of budget, and again, not saying
16 that anybody just wants to spend money recklessly, but
17 IVGID is in good fiscal condition.

18 Public works, highly respected. Strong
19 performance, great water system, great management group
20 over there, and really not a lot of issues.

21 Great venues we saw that today. Charlie and
22 I, when we were taking our tour, I don't know if there's
23 any more spectacular venues in the United States that
24 what you have here in Incline Village, so everyone is

1 very fortunate to live in such a beautiful -- such a
2 beautiful place.

3 IVGID management staff very experienced. We
4 had an opportunity to meet the Diamond Peak ski
5 management team today and very impressive group. Some
6 questions about if everybody is in the right seat on the
7 bus, do we have the talent for the future? So right
8 seat on the bus comes from a guy named Jim Collins who
9 wrote a book called Good to Great, and he talked about
10 making sure that the right people were in the right
11 position, so you may have very talented people, but if
12 they're in the wrong job, they're not serving you well
13 and they're not serving themselves well, so as an
14 example, somebody who's a great accountant probably
15 might not be such a great human resources professional
16 and vice versa.

17 Okay. Lean staffing, IVGID does a lot with a
18 little. Good people on the board, moving in a positive
19 direction.

20 Okay. Weaknesses. Aging infrastructure. So
21 while the venues are spectacular, sometimes the
22 buildings aren't as spectacular, they might be old and
23 in need of repair or they might have been patched up
24 over time.

1 And potential improvement opportunities,
2 internal and external communications. And we've already
3 hit on this. And we think in our planning for this
4 meeting this is one of the keys to the success of this
5 plan that gets developed. If a great plan is not
6 communicated properly, it's not going to be successful.
7 So it's not only what we're doing, but also soliciting
8 input from customers as well, so that's two-way
9 communication, lack of success planning and staff
10 development to the management and staff group, so some
11 good people have left, may not have promoted as much
12 from within as we might like, and there might be
13 opportunities in the future to do more of that.

14 Quality service level. Believe here is that
15 it might be inconsistent and in some areas very strong,
16 with people that are in place, other areas not as much
17 engagement and so figuring out how to make that
18 consistent across every employee, every venue, it is a
19 customer service level that people receive is
20 consistent, they know they're dealing with a good
21 employee, so we're using the term engagement, okay? I
22 like the word engagement my definition is people act in
23 a corporate setting as if they own the company so you
24 all experience customer service whether it's with IVGID

1 or with the airlines, and you know when you deal with an
2 engaged employee you walk away from that experience and
3 say you know what? That customer services experience
4 was great, that person is engaged in what they're
5 engaged in what they're doing, they're happy to there
6 and they're providing the great service.

7 And we also, unfortunately, have the reverse
8 where we don't get that kind of experience. And guess
9 what? When we don't get that experience, we tell a
10 hundred people, okay, at least, about what that
11 experience was when it's bad. We'll also tell people
12 when we have good experiences, but it's not to the same
13 level as when you have a bad experience. So that word
14 of mouth can be very, very damaging.

15 Dividing up the -- what we provide from public
16 works to recreation, the idea that customer service
17 might be improved in some of the recreation venues, and
18 we kind of already covered that.

19 We've heard already this afternoon a lack of
20 board stability which leads to an inconsistent direction
21 so every couple of years the board turns over, new board
22 comes in, and it's almost as if we're starting from
23 scratch, and there's a new direction. Part of what we
24 want to do with this plan today is to create this

1 foundation so that, again, if new board members come in,
2 there's a plan in place, that they're running on that
3 plan, great. If people disagree with that plan and they
4 want to run against it, you know what the plan is and
5 people in the community know what the plan is.

6 It seems to me that today, although there have
7 been plans, people wouldn't be able to talk about the
8 content, including people on the board, that might not
9 know about the content of the old plans. So we've got
10 to do a better job of communicating.

11 And again, that lack of stability has led to a
12 strategic direction which has led to frustration on the
13 board, frustration on the staff, and frustration in the
14 community.

15 And finally, the objective of really trying to
16 improve the working relation of the board and staff,
17 because of all the turnover and the different people
18 that have sat on the board, there hasn't always been as
19 effective of a relationship as we need in order to
20 execute the plan. As I said earlier, the board is
21 governance, management is execution. Two of them work
22 in tandem. This is going to be one big team that needs
23 to work together to get this plan done, and executed.

24 And a couple -- one quote that we heard more

1 than once was penny-wise and sometimes pound foolish,
2 particularly related to facilities and problems patching
3 them up as opposed to making them more long-term
4 approach. We heard the term bad engineering quite a bit
5 in the number of facilities. It seems to ring a bell.
6 So what we want to do now is kind of go back and say do
7 we get this right? And what else is there? What are
8 the strengths? What are you really good at, what are
9 you concerned about? So Charlie is going to be the
10 scribe right here, and let's start getting some stuff up
11 on the flip chart.

12 MR. BISHOP: Now we have one ground rule,
13 though, is that it's only a small mind that can spell
14 word one way. So bear with me on that. What are you
15 really strong at? What are your strengths?

16 MR. CALLICRATE: You know, with the public
17 works, I think that that's showing consistent kind of
18 leadership not only locally, but regionally with our
19 habitat streams on restoration, providing a more
20 important -- directly providing quality utility service
21 to our community through the service of exceptionally
22 clean water, and our affluent is taken down to our
23 wetlands over the mountain, you know, a lot of these
24 things are prescribed by the feds but, you know, we have

1 gone the extra step to make sure that we're doing the
2 best we can in the environment for stewardship and not
3 breaking the bank doing it, costing our citizens
4 tremendously high utility bills, so I'd say that that's
5 definitely one of our major strengths.

6 MS. WONG: Can you put the next slide up so we
7 don't end up repeating what's already on there? Because
8 we've already gone through where we're strong at.

9 MR. HUSSERL: Tim, could you share something
10 you shared with me in the car around customer service
11 and public works? I thought that was really interesting
12 when we drove by talked about --

13 MR. CALLICRATE: Yeah, we were just talking,
14 you go in and feel like their folks are engaged and they
15 immediately pull you into the system. And how can we
16 help you? And what do you need? And -- you know, it's
17 a very comfortable environment, you know, you're smiling
18 as you're paying the bill. It's kind of an interesting
19 dichotomy.

20 MR. HUSSERL: Thank you.

21 CHAIRMAN SMITH: Yeah, I mentioned you eat off
22 the floor in the garage and it's remarkable that you
23 have that level of service and that type of industry, I
24 think. And we're doing garbage and sewage and water.

1 And they take their approach of it's almost like a
2 Disneyland when you walk in there, it's just everybody
3 is friendly, engaging and want to talk to you, they want
4 to know what's going on. We have a CEO of the operation
5 and it's all tied together. And it's half of our
6 business, it's half of our budget.

7 MR. BISHOP: It works. And you've got that
8 customer-centered idea in there.

9 MR. HUSSERL: Right.

10 MR. BISHOP: Very friendly.

11 CHAIRMAN SMITH: We were going through the
12 capital improvement store project. I think -- well, Tim
13 went through that, but everybody in the organization was
14 working on equipment, had the same engagement style.
15 They were excited to talk to me nuts and bolts and how
16 we fix the snow blower, I came in the -- and I think I
17 mentioned in a short period of time. That's the energy
18 when you walk into that organization.

19 MR. HUSSERL: That comes from top down, too,
20 right? I mean, it starts with the leader, doesn't it?

21 CHAIRMAN SMITH: Absolutely.

22 MR. HAMMEREL: I would add that I feel like,
23 for the most part, us -- IVGID as an organization is
24 good at thinking through strategic problem solving. I

1 feel like we do -- we make a concerted effort to think
2 through all possible outcomes, all alternatives and put
3 everything on the table and come up with good solutions.

4 I can't say the same for implementation
5 sometimes, sometimes we botch the implementation of that
6 strategy. But for the most part we've got a lot of good
7 minds that work together in concert to come up with good
8 solution to the district. And a lot of people in town
9 like to laugh that Incline Village is filled with lots
10 of chiefs and very few Indians, just because of our
11 demographic area. It's kind of indicative of the
12 district as well. If we come up with great plans, then
13 we can implement. So I would say strategic thinking is
14 probably one of our strengths.

15 MR. BISHOP: Rest of you agree on that, what
16 you view?

17 MR. CALLICRATE: Yeah. Yeah, for the most
18 part.

19 MS. WONG: I'm not sure I completely agree
20 with that because I actually feel like, especially the
21 information that comes in your board packets? There's
22 alternatives that are evaluated, but we're just told
23 that they're evaluated, but this is the solution that we
24 should -- we should go with. It's almost like if we are

1 going through and doing this problem solving process?
2 That information isn't coming in our board packets for
3 me to feel like I'm making a good decision.

4 MR. HAMMEREL: That might be a communication
5 issue.

6 MS. WONG: Yeah, which I'm not sure a hundred
7 percent --

8 CHAIRMAN SMITH: I agree 400 percent. When I
9 first got on the board, what aren't they telling me. I
10 think I ended up meeting with, if something come up from
11 public works and, say, our engineer, and it was a
12 project in there, and I don't understand engineering,
13 it's not really my sweet spot, I meet with Brad and have
14 him explain to me, you know, and I may even meet with
15 constituents in the community that are involved with
16 this to make sure I'm making right decision.

17 MR. HUSSERL: Jim, do you have presentations
18 by staff members so, for example, if a public works
19 issue is on the board agenda, does Joe or someone else
20 from public works come to answer questions?

21 CHAIRMAN SMITH: Yes.

22 MS. WONG: But I think that's part of the
23 problem, too, is individually as board members we all go
24 to the vending managers and ask questions and so part of

1 the decision making process is that all the questions
2 that the public wants to hear us asking are being asked
3 behind closed doors. So they're not hearing the
4 conversations that we have with Joe or Brad beforehand,
5 so sometimes it does make us look like we're just
6 approving what staff puts in front of us because people
7 aren't hearing the conversation.

8 MR. BISHOP: So it's a weakness, inadequate
9 documentation in the board packets.

10 MS. WONG: I think it's inadequate
11 communication and, actually, inadequate communication
12 during our board meetings. It's almost like there's a
13 history of being afraid to talk it in public. And I
14 certainly understand why. But it is -- I mean, that
15 fear is there.

16 MR. HUSSERL: So one of the things we might
17 want to talk about at some point is how can we overcome
18 that fear.

19 MS. WONG: Gerry had his hand up there.

20 MR. EICK: I was going to share with you
21 because I think it's important to know some of the
22 history. We're less than four years away from a
23 chairman that used to tell us don't talk so much, close
24 the deal. If you have made the right -- right

1 suggestion, be confident in your suggestion and get
2 going. There was a certain pride in how fast they could
3 keep the meetings moving along.

4 CHAIRMAN SMITH: Right.

5 MR. EICK: All those kind of things, and so,
6 you know, as I've reflected on some of these questions
7 of communication, you know, we have habits as staff that
8 recently were considered great, you're doing exactly
9 what we want and now we have to probably adjust our
10 thinking to realize that maybe isn't the familiarity or,
11 in fact, as you're pointing out is now an appetite for
12 greater explanation in the analysis and I think it's
13 totally possible, it's just a matter of like through
14 this exercise setting where do we want to be and how we
15 do this.

16 CHAIRMAN SMITH: And Kendra mentioned what you
17 just said happens to me all the time. If we just look
18 at that IT investment that we made and exercise that you
19 and I went through? We have a lot of people in the
20 community that understand it a lot more than I do. We
21 start asking questions, brought them into a meeting, if
22 we had all the information in the packet, that in -- and
23 it's almost like we need some fresh eyes, customers'
24 eyes to look at our work packet besides the chair to say

1 I don't understand this, community wants to, because I
2 know folks are reading this thing and coming to the
3 meeting so I think that would be helpful.

4 MR. BISHOP: So the public works customer
5 service, but inadequate documentation communications in
6 board preparation packages. Is that okay? Phrase it
7 that way? What are some other strengths and weaknesses?

8 CHAIRMAN SMITH: Our financial -- we are
9 financially, I don't think the community understands or
10 even knows what our balance sheet looks like and what
11 our future looks like in the district. Steve is very
12 excited. I'm excited. I think the community needs to
13 know. We are in terms of our debt service and our
14 balance sheet and our retained earnings and what we can
15 actually do in the future is incredible. I think in the
16 past, and Gerry, you can speak to this, we haven't -- I
17 mean I've asked questions and I haven't gotten straight
18 answers from the government when I was a trustee, so I
19 think it's important that we are transparent where we
20 are, where we can go.

21 MR. EICK: If I may? I don't want to get on
22 to some side bar. Clearly, we have failed to
23 communicate in a way that people can understand. That's
24 actually not unusual for government because it uses a

1 method and model of accounting that isn't like what
2 these people look at anyway. That said, there are a
3 couple of formats of things that are called popular
4 reporting, and I've actually been in anticipation of all
5 this getting them ready. And with the change, the
6 special revenue, accounting that you've agreed to for
7 next year, that will make a lot of this even much easier
8 because we'll have one method of accounting for our
9 budgeting, our reporting, our auditing, everything where
10 we've really historically have three, and people didn't
11 know if they were looking at one one time or the other
12 another. So I hear you loud and clear about clarity of
13 it. To your issue of the balance sheet? Most
14 governments --

15 MR. BISHOP: Gerry, can you land that plane?

16 EICK: Sure, I will. So budget or balance
17 sheets, most governments don't bother with them, to be
18 honest with you, except one other year, but even when
19 we've had that chance once a year, we haven't taken it
20 and I do agree we should do that.

21 MR. BISHOP: This is not -- we're not going to
22 problem solve here.

23 CHAIRMAN SMITH: Yeah. We're looking for --

24 MR. BISHOP: Talk about being transparent,

1 communication strength is our financial picture, our
2 strength is our financial picture, our being transparent
3 communicate the public our financial picture, present
4 and future. Is that adequate?

5 MR. HUSSERL: Business is called open book
6 management.

7 MR. BISHOP: Other strengths and weakness
8 necessary we might have.

9 MR. GUINASSO: As an outsider I'm really
10 looking at this group. One of the things I noticed when
11 I was interviewed by past and current board members, as
12 well as the staff, is just how past at they are for the
13 community, and I didn't see that come out in strengths,
14 but I don't know -- I've worked with other bodies where
15 they didn't have that same kind of past and care for the
16 community in which they work and serve. And some
17 organizations are driven by this is just our drive or
18 think is just going through the motions. I found that
19 to be a strength of theirs is that they really do care.
20 They may have different ways of articulating their care
21 and concern, but they really to a person care deeply and
22 are passionate about the community.

23 MR. BISHOP: That's a good observation, thank
24 you.

1 MR. CALLICRATE: I'd say a huge weakness is
2 clear, concise, easy to understand direction to the
3 general manager.

4 MR. BISHOP: For the general manager.

5 MR. CALLICRATE: Yes, whether it be the
6 former, primarily we're talking about Mr. Pinkerton, and
7 so at the end of a board meeting or session or whatever,
8 what we need to do a recap some of kind, he needs to
9 know exactly what the bulk of the board is saying and
10 the rationale behind it. More importantly, what he
11 needs to do, and there's going to be accountability, but
12 is he clear, concise and direct? Because it's kind of
13 all over the map, and that doesn't serve him well, it
14 doesn't serve the community well because, you know,
15 they're thinking they heard one thing and he thinks he's
16 heard another and we were certainly clear, and then all
17 of a sudden that isn't coming out so I'd -- that's,
18 again, with the communication aspect of things.

19 MR. BISHOP: Clear.

20 MR. HUSSERL: Make sure what I'm hearing you
21 say is when he leaves, when everybody leaves this
22 meeting they're on the same page and they understand
23 what the expectations are and what they're accountable
24 for.

1 MR. CALLICRATE: So that everyone's set up for
2 success, no one wants to see somebody fail.

3 MR. BISHOP: From the board, clear, concise
4 direction of what, the what and the rationale to Steve,
5 the general manager.

6 CHAIRMAN SMITH: And accountability word came
7 up a few times, accountability of what's been
8 accomplished. What's in the process, what's the status?
9 Has it been completed? Board would like to know that,
10 community would like to know that.

11 MR. BISHOP: Is that a different one than
12 this, Jim? It's a separate item?

13 CHAIRMAN SMITH: I think it is.

14 MR. BISHOP: It is, yeah. And say again,
15 please?

16 CHAIRMAN SMITH: Accountability. So
17 especially when it comes to tasks, so what are we going
18 to do, when are we going to do it, and has it been
19 completed? And sharing that with the board and the
20 community.

21 MR. BISHOP: Is that status updating?

22 MR. CALLICRATE: Yeah, tracking of.

23 CHAIRMAN SMITH: Tracking.

24 MR. BISHOP: Tracking.

1 MS. WONG: I think one of the things that we
2 also don't do a very good job at is the slide that you
3 put up about the role of the board and the role of staff
4 where we need to be setting policy and governance, and
5 we need to be giving the general manager, Steve, enough
6 direction that he can operate, operationalize that and
7 he can work with the senior team to do that, I don't
8 think we've done a good enough job at that. I think --
9 I think we've tried to get too far into the details, to
10 be honest, as a group.

11 MR. HUSSERL: Team.

12 CHAIRMAN SMITH: And sometimes that happens
13 because I'm not sure, and Steve's been here eight or
14 nine months, I mean, we even -- it was brought to my
15 attention to decide one, do we need to eat to dinner
16 tonight, you know what I mean? We're asking for too
17 much direction from the board, whereas, as Kendra said,
18 that's the level that we want to be at. We ended up
19 getting lower and lower and lower, I think, because of
20 our organization. Because of these weakness that we
21 have with communication and accountability, I think
22 that's where we end up getting a little bit lower and
23 lower on that down in the meetings.

24 MR. BISHOP: I was writing there. Help me

1 catch the last one.

2 MR. HUSSERL: The idea that decisions are
3 sometimes made by the board that could be made by
4 management, I think.

5 CHAIRMAN SMITH: Right.

6 MR. HUSSERL: You used an example.

7 MR. CALLICRATE: Or should be made by
8 management team and then again the accountability issue
9 and the trust issue, so there are some underlying
10 things. I agree. I don't -- you know I wanted to be
11 the general manager I would have gone for the position,
12 I wouldn't have gotten it, but I at least would run for
13 it, the community has come to us and govern, do it, and
14 make sure that the people who are supposed to be doing
15 it are doing their job. And that transition that's been
16 kind of rocky. But we're getting through it just by
17 having this meeting, we're sending a direction that
18 we're at a certain level, GM's at a certain level, his
19 staff's at a certain level, but rest assured, they may
20 differ from my colleagues if I see something like -- I
21 share it with my colleagues that is causing me a lot of
22 concern while I'm supposed to be up here? I don't want
23 to do very often, I'll be right down there in a heart
24 beat because we're elected to make certain that this

1 district is operating to the best that it can, and if we
2 have individuals that aren't doing their job, then it
3 needs to be brought about and change made for the
4 positive success. But I don't want to be down here in
5 the weeds, that's not -- we don't have the time to do
6 that. It takes an inordinate amount of time to do that
7 kind of management and that's not our job.

8 CHAIRMAN SMITH: And Charlie, if I can, I mean
9 at the top of our weaknesses, when Steve arrived, we
10 talked about communication and trust. We're trustees, I
11 think there's a lack of trust in the trustees and
12 management. We've heard already, you know, this week
13 that they don't trust this process we're doing right
14 now, they're questioning everything we're doing, why
15 we're in the room and why we're using a court reporter
16 and why we're doing this and that. It's like we've got
17 to get over that piece of building, the trust in the
18 community, and I think it's critical.

19 MR. BISHOP: So community trust would be a
20 weakness.

21 CHAIRMAN SMITH: Right.

22 MR. GUINASSO: And trust between the board
23 members and their staff, I think, move back and forth as
24 I've listened to different folks talk today, there's

1 attention between the board and the staff with regard to
2 trust, you know, that if the board gives direction, that
3 direction may follow through on, and vice versa, if the
4 staff, you know, takes ownership and over things and
5 does what it's been hired to do, that the board's going
6 to fully support them, know what they're doing, I think
7 that trust word is a big word that dwells on at some
8 point in this process.

9 MR. PINKERTON: I think related to that, and
10 just we wanted to get together as a group because, you
11 know, we have to deliberate in public and so one of the
12 challenges we have as staff is we crave this group
13 direction, you know, versus individual direction, that's
14 a challenge we have at weighing a lot of these things
15 and where we -- it's hard to communicate outside of this
16 setting at times and so we're trying to -- I think the
17 more dialogue we have, we can have here, the easier it
18 is to understand where making sure we're operating
19 consistent with the group as a whole. I mean, that's
20 always the challenge we have in government is we have to
21 govern as a whole.

22 MR. BISHOP: Yeah.

23 CHAIRMAN SMITH: Other thing is reactive
24 instead of proactive.

1 MR. BISHOP: Too much of that goes on?

2 CHAIRMAN SMITH: I think so.

3 MR. BISHOP: By staff and board or?

4 CHAIRMAN SMITH: I think it's just been the
5 culture of the organization has been in was react.

6 MR. HUSSERL: When you say reactive, elaborate
7 if you would, Jim. Reactive would that be to complaints
8 or the people that yell the loudest or?

9 CHAIRMAN SMITH: Steve's shaking his head,
10 yes. Yeah. We have been asked to do things that we
11 really don't have control over and a few people unhappy
12 about some things, so we change it instead of
13 understanding really what our goal is or our mission,
14 and our plan is for it could be something as small as
15 pool temperatures.

16 MR. PINKERTON: I was thinking of that, yeah.

17 MR. HAMMEREL: I think one of the strengths
18 that we have is that we've got a very diverse community
19 which could be a great thing, but we also have a very
20 divided community, and we've got a lot of subgroups and
21 special interests groups, and I feel like the full event
22 staff, like Jim said, reactive to the whims of those
23 special interest groups, you know, handful of people say
24 one thing, and then either staff or the board will go

1 and try and implement that. And then another group will
2 say we want something different, and we're always behind
3 the 8 ball trying to follow whoever's yelling the
4 loudest, and I think that we've gotten better over time,
5 but it -- we still kind of do that. I'm hoping to
6 eliminate that.

7 MR. HUSSERL: So, ultimately, when we get into
8 process more how the team operates and interact with
9 management, we want to start to then talk about what are
10 we going to put in place to prevent those things from
11 happening so that we're consistent in how we operate.
12 And it's hard because there's this whole history, right,
13 that we're dealing with, and it's very easy to go back
14 to how it was done in the past and say what's -- let's
15 blame the past on what happened, but our objective here
16 is let's move forward, what are we going to create going
17 forward?

18 MR. EICK: If I could comment on that, I think
19 we have to remember that we can't paint with one broad
20 brush for all our venues. As you've heard, we have
21 different mixes of who our user groups are, the
22 different profiles, it's much easier to decide what is
23 greatest, good for the beach because we know exactly who
24 that group is. It may be more difficult to say what is

1 a good resolve for tennis where it might appear to be a
2 small group of people, but yet in terms of the profile
3 of a national average of who plays tennis, we might have
4 a great percentage utilization, but it's still a small
5 number and so we get these factions who have opposing
6 views and what is the greater good for us to do as an
7 organization? I think we -- so just to -- I want just
8 to share four risk management we've adopted what we all
9 are calling venue specific, we say what are the
10 attributes that really are the most important of that
11 venue and we hold to some standards acrossed all of
12 them, but we recognize there may be differences in the
13 constituency or our approach rather than saying one side
14 fits all.

15 CHAIRMAN SMITH: I got a strength and a
16 weakness, I think, Jeff hit on it, user groups. On the
17 weakness we don't really have a way to communicate with
18 all off users if the pool -- we haven't collected email
19 address from everybody in the community, we've had a
20 district venue advisory team which are a handful of
21 people, but we don't know all the people that use the
22 pool and all the folks that -- and we're not - we're
23 sort of reacting to certain things, but I think we had a
24 -- Steve, help me with this, I mean, you mentioned this

1 earlier.

2 MR. PINKERTON: We need more of a universe of
3 being able to contact people which is something we want
4 to do with the new systems we have in place.

5 CHAIRMAN SMITH: Right.

6 MR. PINKERTON: Because now all you have is
7 people who have contacted you, but we don't have
8 necessarily an appropriate, you know, sample size.

9 MR. BISHOP: Help me distill that.

10 MS. WONG: We don't know how to contact
11 venue-specific groups.

12 MR. DEVINE: If you want to tell people that
13 use the pool are you're gonna raise the temperature, how
14 do you target that group? We don't have those user
15 groups, I think is what he's talking --

16 MR. GUINASSO: It's a subset in communication,
17 so identifying users and communicating with them
18 effectively.

19 MR. HUSSERL: Beyond that, even the mode of
20 communication. You don't know what the best mode is,
21 but you think it's email, but maybe not. There are some
22 demographic groups that don't use email at all,
23 particularly younger groups, so it's thinking about mode
24 as well as process.

1 MR. HAMMEREL: I think to add on to that, we
2 really don't have a clear idea of who we are. I think
3 that Steve has done a great job in the nine months he's
4 been here to kind of compile data in terms of users and
5 residents and visitors that come up with this Incline
6 Village/Crystal Bay census, but at the end of the day
7 we're still kind of hypothesizing and using the 2010
8 data, and sometimes even older to determine and guess
9 kind of who we are. We have no clear direction of who
10 our users and customers are at any given time.

11 And I've brought this up before that I've seen
12 other communities, Jackson Hole puts together an annual
13 report called Jackson Hole Compass, and it's a complete
14 census data of everything from employment to residents
15 to environmental issues, and so on and so forth, and
16 every year once a year everybody knows exactly what that
17 town snapshot is and you can watch the trends over that,
18 how are things changing, what's happening, and we really
19 have no idea who we are or where we're going, so that's
20 difficult.

21 MS. WONG: Well, and tacking onto that, I
22 mean, looking at all of our weaknesses? We don't know
23 what our priorities are, so in Steve's defense how does
24 he know what direction to go because we haven't given

1 him any.

2 MR. HAMMEREL: Right.

3 MS. WONG: We haven't prioritized here's
4 number one, two, three things that we need to be working
5 on so he knows where to focus his time and energy.

6 MR. BISHOP: I see a lot of heads nodding on
7 that.

8 CHAIRMAN SMITH: Oh, absolutely.

9 MR. HUSSERL: That's expectations.

10 MR. CALLICRATE: This is the first opportunity
11 that the five of us and Steve and counsel have had a
12 chance to even talk just casually amongst ourselves
13 outside of an actual board meeting, and so Kendra's
14 point, as we get deeper in, hopefully much sooner than
15 later we can start bringing forth and using the
16 exercises that you talked about with setting our
17 priorities. So then we can come up with the top five or
18 the top ten, whatever they are, and how we can achieve
19 those in the next three, five, seven, ten months, and
20 one, two, or three years, and then have a frame work for
21 after that so when the next board comes in, there's,
22 hopefully, a much better more seamless transition than
23 it's been in the past.

24 CHAIRMAN SMITH: One of the strengths which is

1 also a weakness is our brain trust and affluence of our
2 community that we can deploy help. You know, every day
3 I seem to meet somebody who has this background in, you
4 know, Steve, you were talking about this today, an
5 engineer who built the Glendale stadium, the Super Bowl,
6 now lives in the community and built the first field
7 that actually rolls out. We have that talent in our
8 community, but we haven't reached out to them and got
9 them involved, which they could help us in a lot of
10 ways, whether it's public/private partnerships, or for a
11 lot of things that could happen.

12 And in the past, when we've had a culture,
13 we've pushed them away, and that's happened, and our
14 general manager is aware of that, that we've had folks
15 that come to us and say hey, I would like to dedicate
16 two million dollars to this project and we pushed them
17 away, and then all of the folks in that group said we
18 don't want to be part of this anymore. And I think
19 that's something I hope that we can fix.

20 MR. HUSSERL: Thinking about how to tap into
21 that resource.

22 CHAIRMAN SMITH: Right.

23 MR. BISHOP: You mentioned a couple ways.
24 What ways did you mention?

1 MR. CALLICRATE: Just utilizing how to utilize
2 the brain trust here in the community, the people in the
3 community who -- we're real world knowledge bringing it
4 into our community, to our local government, and
5 capitalizing on that and using our resource s that we
6 have at our hands that people want, public/private
7 partnerships.

8 MR. BISHOP: Somebody described to me one time
9 as you have some Kentucky Derby winners plowing up the
10 local field, you're acknowledging that task telling them
11 I don't think we have a way to effectively communicate
12 that need to them. Very rarely does IVGID say we need
13 help, can anybody help us?

14 MR. CALLICRATE: That goes back to what you're
15 talking about is who are we.

16 MR. HAMMEREL: Right.

17 MR. CALLICRATE: Where are we now. The time
18 line things and then Kendra was saying what are the
19 goals and priorities of this board and looking down the
20 future drawing from what we've done, let's not keep
21 reinventing and leaving all this stuff in the
22 credenzaware, let's pull the credenza plans out, filter
23 through pulling the best things out, synthesize
24 something in today that we will carry in the future.

1 And that's the tough part because we haven't had a
2 chance to prioritize ourselves, so.

3 MR. HUSSERL: Am I hearing that this is also
4 all about this group being too insulate?

5 CHAIRMAN SMITH: It's sort of fragmented.
6 We've got the college in town, we've got the hospital in
7 town, we've got this huge non-profit organization in
8 town, and we haven't been all working together to pull
9 all the resources together in the best of the community.
10 It's been relationship issues with leadership, not now,
11 but in the past that have been building, I believe, that
12 I think we could all be better as a community if it
13 could be stronger as long as we continue building
14 relationships within all these organizations.

15 MR. CALLICRATE: Under your strength? They
16 say that we have an opportunity right now to get the
17 community together with the trust issues and what not
18 and then form a plan and go forward. We have five board
19 members here from a very diverse group of folks that are
20 all here wanting to work as a team and set our
21 priorities and get our group, you know, together working
22 as a team to move forward. I think that's a huge step
23 for the district.

24 MR. HUSSERL: One thing we might want to part

1 from this discussion is how are we going to accomplish
2 that?

3 MR. CALLICRATE: Yeah.

4 MR. HUSSERL: Draw those resources in and
5 capitalize on the talent that is within this community,
6 fundamental question.

7 MR. GUINASSO: Jeff, one thing you've heard
8 from the group is about this idea about being
9 reactionary. I want to disagree with that, but on the
10 positive that I think there's a sincere desire to be
11 responsive to what they hear from the community. That
12 is, everybody, they go to the Raley's, they go to the
13 Starbuck's, and these things come up organically, and I
14 think this board and the staff when they hear that sort
15 of feedback, they want to be responsive and I think that
16 the weakness in that is it can be reactionary but the
17 strengths is that they really desire to be responsive to
18 what they're hearing in the community.

19 MR. BISHOP: It's not a question of
20 motivation, question of.

21 MR. GUINASSO: Execution probably.

22 MR. BISHOP: And I think Jim mentioned
23 something we haven't told people about what our needs
24 are. I think that's important.

1 MR. HUSSERL: What are you thoughts? You've
2 been quiet. Any comments?

3 MR. DEVINE: Pretty much on both sides of
4 strength and weaknesses what kept coming back to me, and
5 I didn't see a reason to rehash it because I think we're
6 gonna get there, is communication, even on the strengths
7 use talk about our public works and how strong it is,
8 most people don't know, because we don't do a very good
9 job of communicating that. And pretty much, like I
10 said, everybody that -- we've gone through this, I just
11 keep going back to it's poor communication, it's poor
12 direction on what we're going at so I felt pretty
13 comfortable with what you listed as -- what we listed as
14 strengths and weaknesses earlier.

15 MR. BISHOP: Start --

16 CHAIRMAN SMITH: Yeah. Do you want to take a
17 break?

18 MR. HUSSERL: We're planning a break at four.
19 And --

20 MR. BISHOP: Yeah, if you need to take a short
21 break, unifunctional break.

22 MR. CALLICRATE: Let's take a functional
23 break.

24 MR. BISHOP: Unifunctional break.

1 MR. HUSSERL: Let's take ten minutes?

2 MS. WONG: Yeah.

3 MR. BISHOP: We're going to get back here at
4 what time?

5 MR. BISHOP: Be back here at quarter of.

6 (Short break.)

7 MR. BISHOP: Now we want to move onto this
8 whole description of developing a mission and a vision,
9 the takes is to split into two groups and develop
10 precise or keep the mission and a vision for IVGID. And
11 let me just provide you with some additional
12 information. Mission is what business are we in,
13 provides operational focus what we do. The existing
14 mission that you have up on your website is this.
15 Through outstanding customer service, with a passion for
16 quality of life and our environment, we will continually
17 enhance the reputation of our community as an electric
18 place to live, work, recreate, visit, and invest. So
19 that's what you've got.

20 The vision is a headline as to the direction.
21 What we, a picture of the star to reach for, we aspire
22 to. The existing one that if you had existing, Incline
23 Village General Improvement District is a fiscally
24 responsible community partner which provides superior

1 utility services and community-oriented recreation as
2 programs and facilities with passion for the quality of
3 life and our environment, while investing in the Tahoe
4 basin.

5 Now, possibly additionally value. What are
6 you laughing about? We are dedicated --

7 CHAIRMAN SMITH: Thank you.

8 MR. BISHOP: -- Providing, et cetera, all
9 these community for environment and integrity and team
10 work and I put that formula as we look at it
11 Coralbridge, and might be different value form you cost
12 quality.

13 MR. BISHOP: Service quality cycle time. Then
14 you have as a ticker a mantra of one district, one team.
15 So my question is, we want to do this in one group or
16 divide into two? Let's divide it into one.

17 MR. DEVINE: Don't you think we should do them
18 in one group because the mission leads to the vision and
19 I'd like to add affirmation in there also because, you
20 know value, mantra and affirmation? No, I'm just
21 kidding.

22 MR. BISHOP: You're dangerous.

23 MR. PINKERTON: call that police training.

24 MR. DEVINE: That is internal dialogue.

1 MR. BISHOP: i Think you need to compass needs
2 to settle and, quite frankly, I think that's the value
3 of mantra, but that might be confusing to people.

4 MS. WONG: Then we also have this.

5 MR. HUSSERL: What's that?

6 MS. WONG: This is the brand new.

7 MR. DEVINE: This is circle of life.

8 CHAIRMAN SMITH: These are our core values can

9 MR. PINKERTON: Staff level.

10 MS. WONG: They're at the staff level. They
11 also need to bubble up to the district and I need on
12 that back.

13 MR. HUSSERL: Right. Values are, again, how
14 are you going to operate? Whenever there's a doubt or
15 whatever you go back to core values, so the fact that
16 you develop them, work, integrity, service,
17 responsibility nexus.

18 CHAIRMAN SMITH: Jeff, on the back end of that
19 is a logo with -- there you go.

20 MR. HUSSERL: Work, integrity, services
21 excellence and responsibility, so.

22 MR. BISHOP: Who developed those?

23 MR. PINKERTON: It was at senior management
24 and middle management.

1 MR. HUSSERL: Thank you.

2 MR. BISHOP: But you gotta ride one horse or
3 the other, you can't be in between. No good to try to
4 cross a chasm with two skips, two leaps.

5 MR. CALLICRATE: I'll kick things off here.
6 First off, two things. I see that there's three words
7 that are consistent with our vision, our mission vision
8 and value statements, these words are community service
9 and environment. I think that's very indicative of past
10 boards, or I guess I'm saying think that those three
11 words are there on purpose, I think that those three
12 words are there intentionally.

13 And then the other thing I would say is in
14 terms of the value, it's funny that you put the value
15 formula down there when the value, I think, cheap,
16 faster, good, pick two, and I don't know how that
17 applies in the district, how you want to apply that, but
18 are we cheap and faster, we are good and cheap, like do
19 we need to pick two or is that --

20 MR. BISHOP: That's what -- which one do you
21 want? Pick two out of three.

22 MR. HUSSERL: What's the third word again,
23 Jim?

24 MR. HAMMEREL: Community, service and

1 environment.

2 MR. HUSSERL: Do you like those three words?

3 MR. HAMMEREL: I do.

4 MR. HUSSERL: Do you agree?

5 CHAIRMAN SMITH: Yeah.

6 MS. WONG: We also have the benefit of having
7 some past board members in the room. Maybe they can
8 provide some history behind the mission, the vision, and
9 the value and the mantra, maybe? No.

10 MS. EPSTEIN: I'll stay out of it for once.

11 CHAIRMAN SMITH: Was this during your term
12 that you developed these?

13 MS. EPSTEIN: Yes. I will just say those
14 items that you have on there were a continuing evolution
15 for those items with staff, board, and community.

16 MR. CALLICRATE: I was just going to say that
17 I think that we had tried to put something together
18 prior to -- these speaks to -- it's like, you know,
19 let's take the -- what the successes are of each board
20 before us and bring it forward and just maybe modernize
21 it like we're going to do, but also recognize that we
22 have had successes, and I think we're so used to being
23 beaten up or beating up on others that we forget this is
24 part of that communication thing, so I think that those

1 three key terms there that Jim mentioned, community,
2 service, and environment speak pretty strongly, deeply
3 to our area, you know, we're stewards of Lake Tahoe as
4 long as we're here, we do the best job in the whole
5 basin for our district.

6 MR. GUINASSO: Just a point of order. As you
7 guys are going through the meeting, probably don't want
8 to solicit comments from the public because if you give
9 some public the opportunity to speak and not others,
10 that create problems.

11 MS. WONG: Sorry.

12 MR. CALLICRATE: Thank you.

13 MR. HAMMEREL: I've got one thing to say.

14 When I take a look at the vision statement I think that
15 it -- I think that it maybe too closely resembles the
16 mission statement. When I look at the vision like what
17 we aspire to do? I think that we're kind of doing a lot
18 of that stuff. And a lot of stuff is kind of what we
19 done, or at least that's included in the mission
20 statement. Like I feel like we need to go even further
21 from the mission statement, you know, like when you say
22 picture the star that we're reaching for, is there
23 something further that we should be going for other than
24 kind of what we've already done and may be exhausting?

1 MR. HUSSERL: They are similar, you're right.
2 You go back to this question, what business are we in?
3 This is a nice statement, in some ways it's more
4 visionary perhaps. Does it answer that question?

5 MR. CALLICRATE: I think that might be one --
6 they're so similar that which is the mission, which is
7 the vision. It provides operation and focus, that's
8 kind of the -- what are we doing on a day-to-day, and
9 the vision is where do we want to go down the road for
10 the long-term bigger picture? What are we -- what are
11 we striving for? Again, what is our vision? That's an
12 idea for a vision.

13 MR. GUINASSO: To give you an example, when I
14 answer this question for my law practice, I say I'm in
15 the problem-solving business. And so -- and I talk
16 about different tools for solving problems, including
17 litigation and that sort of thing. And so for you all
18 you might want to approach it by saying what business
19 are we in? Well, you're in the community services
20 business or something to that effect, you know, to
21 answer Jeff's question, I think.

22 CHAIRMAN SMITH: Well, I think what Jeff's
23 getting to is the mission statement doesn't answer that
24 question.

1 MR. HAMMEREL: We're in the recreational
2 business and the public works business.

3 MR. HUSSERL: Okay.

4 MR. BISHOP: Are you in the hospitality
5 business?

6 MR. HAMMEREL: We know what business we're in.

7 MR. HUSSERL: What do customers think?

8 MR. BISHOP: The other thing I picked up is
9 people saying, we're really in many ways in the
10 hospitality business.

11 MR. CALLICRATE: That's a facet that's pretty
12 big for what we do, at least half of what we do, but it
13 leads us into our all of our departments is there a
14 difference, does service versus hospitality? There's a
15 slight difference.

16 MR. HUSSERL: What business to customers are
17 you in?

18 MR. EICK: A lot more than we really are
19 sometimes.

20 CHAIRMAN SMITH: True.

21 MR. CALLICRATE: That's a good question
22 because there are some may say we are doing far more
23 than we're allowed to do under NRS, and then there are
24 others, I don't know the exact numbers, but there are

1 others that think that we're not going far enough, that
2 we should be acting like a regular town with, you know,
3 changing the street lights down the main drag and
4 providing flower baskets and, you know, all of that.
5 And so there's a difference in how many people view us.

6 MR. DEVINE: So your business, I would just
7 suggest that we consider going back to the NRS of what a
8 GID is, and the mission, and answer that, and then when
9 you want to get into activities and everything, that
10 goes toward your vision.

11 MR. GUINASSO: I've actually got those here,
12 the original enacting ordinance. Gives a couple of
13 ideas, you know, the general purpose is for which the
14 district was created, have to do with, you know, grading
15 and regrading streets and things of that nature, to
16 construct, reconstruct or replace sidewalks, to
17 construct, reconstruct, replace storm and sewer and
18 other drainage facilities, you know, to --

19 MR. PINKERTON: We had that updated in '68.

20 MR. GUINASSO: Well, it builds though, often
21 when you get new ordinances, this is where you get
22 purpose starts and then it grows, and then you've had
23 several modifications to that that go into recreation.
24 And, you know, when you talk about building recreational

1 facilities and maintaining them. So you do have that
2 guidance in your enabling ordinance that flow from the
3 NRS.

4 MR. CALLICRATE: Then we tear that down, make
5 it more succinct like, you know, what is it that we do?
6 Do we offer, you know, our public works and recreation,
7 you know, with obviously fine tuning it? And then use
8 the rest of that into kind of like what do we aspire to
9 do?

10 MR. HAMMEREL: I think it's interesting when
11 you take a look at our mission statement because, A,
12 you're right, it doesn't exactly say what our business
13 is. But when you -- one of the questions that you're
14 asking, what do your constituents or what do your
15 customers think that you do, and that's a totally
16 different answer. Because a lot of our customer or
17 constituents or stake holders or residents or homeowners
18 or whatever you want to call them think that we do above
19 and beyond what we actually do because we haven't
20 communicated what we actually do in our mission
21 statement, which is provide public works and provide
22 recreational amenities. So maybe we do need to, like,
23 bear down exactly what we do in our mission statement
24 and then communicate that so that we can clear up any

1 misconception of what IVGID does or is.

2 MR. BISHOP: What we do.

3 CHAIRMAN SMITH: I totally agree with Jim. I
4 get calls all the time about fixing something we have no
5 control over.

6 MR. HUSSERL: Succinct and simple is good.

7 MR. GUINASSO: Like a mayor, who I used to
8 work for, said all my job is simply poop, pipes and
9 parks, and that was it.

10 MR. HUSSERL: I have to write that down.

11 MR. DEVINE: Actually, we have poops in the
12 parks, so. And we just pipe it out.

13 MR. CALLICRATE: Well, you know, the intent of
14 both of those is to project, you know, what, how we feel
15 as a district and the employees and the people, the
16 board and what we -- you know, how we feel about the
17 passion that we have for the community, but I think that
18 we need to probably step back and just say, you know, we
19 have to be very clear what we're -- what our mission is.
20 And like you said, if we keep it on a simple side, and
21 then we overproduce, that's better than promising the
22 world and under performing. And I think that what we've
23 been trying, the noble efforts, I think that's where
24 we've gotten maybe a little bit off.

1 MR. HUSSERL: A friend of mine told me a long
2 time ago told me stick to your niche, do what you're
3 good at, and once you broadening to different areas
4 don't necessarily do as well in different areas --

5 MR. CALLICRATE: Well, it's been gradual
6 through the years, people have come to expect more and
7 more, and so instead of being General Improvement
8 District with the addition of recreation or they're
9 perceiving us as operating as a town counsel, as a seat,
10 and we're unincorporated Washoe County, so we're in the
11 rock and a hard place, so maybe this is our opportunity
12 as this board to be able to say here is our mission, to
13 provide the absolute best in public works and recreation
14 to our community of owners, residents, and their guests.
15 I don't know.

16 MR. HUSSERL: It is a great way to look at it
17 when you have new opportunities, you go back to that
18 mission and say does this fit -- whatever mission you
19 come up with, does it fit within that mission? And if
20 it doesn't, then you say maybe we're not going to move
21 forward.

22 MR. CALLICRATE: That still gives some leeway,
23 too, in there because you're not so restrictive, but at
24 least it brings it back to we're here to provide public

1 works with all of its amenities and recreation to the
2 property owners, residents, and their guests. That's
3 pretty much the order that -- well, that's how I feel it
4 should be. I don't know.

5 MR. PINKERTON: Do we need to say public
6 recreation? Because I think one thing we struggle with
7 is this -- there's still the specter of are we an HOA up
8 there. And it seems like we need to reinforce that we
9 are a public entity. That's just me throwing that out,
10 it's your call, but I think it's important.

11 CHAIRMAN SMITH: Public recreation, you're
12 going to say the beaches are public.

13 MR. PINKERTON: They are.

14 MR. EICK: What if we were a public body, or
15 acknowledge some phrase that gets us for what we are.
16 We are whispering over here the --

17 CHAIRMAN SMITH: I've had a lot of people come
18 to me and say your mission should be keep my real estate
19 values growing.

20 MR. GUINASSO: That's the mission of the
21 ancient way.

22 MR. EICK: Sure. Sure.

23 CHAIRMAN SMITH: Yeah. I'm not saying it's
24 right, but I'm just throwing that out there. I haven't

1 even said it.

2 MR. EICK: We can't ignore the fact that the
3 whole history of this district is to say that part of
4 the amenities that make properties worth something are
5 the very things that we are the custodians and
6 caregivers of, so there is, you know, just as we've
7 talked, we have a side to us that's asset management.
8 We've been entrusted with things that are supposed to be
9 here for the next generation and the next generation,
10 and that is part of the value of being an owner.

11 MR. CALLICRATE: We can't address it unless
12 our mission is as a GID to provide, you know, sewer,
13 water, trash, our public works, and then the adoption of
14 recreation facilities to our property owners, residents,
15 and their guests. Because that's what -- how the
16 pecking order goes. The property owners that own the
17 property pay the bills, and there are residents who are
18 here that maybe are renters, and then there are guests
19 as we have with our photo IDs and our punch cards, so I
20 don't know -- we have to be careful how we craft this
21 because it isn't our -- I mean, I know what you're
22 saying, Gerry, but it isn't -- it's not IVGID's job to
23 provide restaurants for people to go out to, or to
24 increase their property values or fill hotel rooms.

1 Now, those are all addenda to what we do, and
2 if we do it well, those are the positives for people
3 coming in. If we do them poorly, then we're hanged in
4 the town square which we don't have, or in the lake
5 because we are not being good stewards.

6 CHAIRMAN SMITH: Kendra, recently you had
7 mentioned you have a really good -- I don't remember,
8 talking about visitors, place to live, do you remember
9 the discussion?

10 MS. WONG: Oh, yeah, we were meeting Kevin
11 Lyons, huh?

12 CHAIRMAN SMITH: Excuse me. We can't -- I'm
13 sorry.

14 MS. WONG: It was -- I can't remember.

15 CHAIRMAN SMITH: Okay. We'll get to it.

16 MR. GUINASSO: With regard to recreation here,
17 the ordinance says to acquire, construct, reconstruct,
18 improve and extend better lands, works systems, and
19 facilities for public recreation. So, I mean, that's,
20 again, legal jargon, but you'll probably take that legal
21 jargon and convert it into something meaningful.

22 MR. HUSSERL: You have got two parts to
23 recreation, right? One is the actual physical facility,
24 the building, if you will, and the other one is the

1 service. For example, you're operating a ski school,
2 food services that are provided within that physical
3 facility, so there's a -- probably a maintenance and
4 construction component to recreation, and then there's a
5 service component.

6 MR. GUINASSO: And a stewardship component to
7 go into Gerry's point, stewarding these assets so that
8 they are preserved for the next generation.

9 MR. BISHOP: What is that I hear consistently
10 people talk about like as we talk about public works,
11 and you go to public works is the attitude, service,
12 quality level of the people there is something that
13 makes them work. And at the other end of that I hear
14 some frustration with certain functions or entities, et
15 cetera, where they really don't have customer service
16 piece. Does that need to be added in there?

17 MR. EICK: I was wondering if the action word
18 could be the word engaged, that's something you all
19 described as an action, an attribute of what you were
20 talking about that somehow have the action word engage.

21 CHAIRMAN SMITH: Engaging service?

22 MR. HUSSERL: I'm just writing thoughts down
23 here for now.

24 MS. WONG: So I actually -- I go back to

1 something that was said in the training that we had,
2 right? We're a GID that's been given stewardship of
3 utilities, water, sewage, trash, and recreation, right?
4 Water, sewer, trash are the three that we absolutely
5 can't go without. If anything happens to recreation,
6 while it would suck to our community, if it actually
7 went away, we would still be able to live in this
8 community because we would still have water, sewer,
9 trash. And if you think about it, when we sit in our
10 meetings, water, sewer, trash never gets beat up, right?
11 What always gets beat up every single meeting no matter
12 what?

13 MR. CALLICRATE: Recreation.

14 MS. WONG: Recreation, whether it be golf,
15 skiing, rec center, beaches.

16 CHAIRMAN SMITH: Tennis.

17 MS. WONG: Tennis, whatever it may be. And so
18 I think maybe some of the attitudes of the community
19 might be filtering into how our employees also respond,
20 I mean, I know I would. If I worked at one of those
21 venues and, you know, I knew that no matter what I did
22 somebody was gonna come in and complain at every single
23 meeting.

24 MR. HUSSERL: So Kendra, what you're talking

1 about is an expectation, right? So people expect that
2 water, sewer and trash are going to be seamless. It's a
3 ticket for admission. If it gets screwed up, boy, you
4 have people with pitch forks going crazy. But when it's
5 done well, not necessarily something that is going to be
6 complemented or thanks for picking my trash up on time
7 or boy, the water here's terrific. And it was
8 interesting, I had asked Joe that same question, Kendra,
9 and he thought that people don't really understand what
10 it takes to do that job well and so they're not
11 necessarily viewing themselves as experts, but sometimes
12 customers maybe who play golf or ski think well, I know
13 how to run this maybe better than what IVGID is doing so
14 perhaps some of that comes into it as well.

15 MR. HAMMEREL: Just to kind of keep the
16 conversation moving along, maybe I can just throw
17 something out, and the board can pick it apart --

18 CHAIRMAN SMITH: You got it.

19 MR. HAMMEREL: -- five us, like, a foundation
20 to start from, so here we go. As a committed and
21 trusted steward of our assets, IVGID throughout
22 outstanding -- I'm sorry, through an engaged customer
23 service, provides the highest level of water, sewage
24 management, and waste disposal services, in addition to

1 public recreational opportunities for our residents,
2 stake holders and visitors.

3 MS. WONG: I like that, recreational
4 opportunities.

5 MR. GUINASSO: Can you say it again?

6 MS. WONG: For the same statement that I made
7 because --

8 MR. HAMMEREL: I placed it --

9 MS. WONG: Recreation is nice to have in our
10 community. Water, sewer and trash is what we absolutely
11 have to have.

12 MR. HUSSERL: Say it again, but slow. I write
13 really slow.

14 MR. HAMMEREL: Okay.

15 CHAIRMAN SMITH: Just give it to him. You may
16 want to go up there and give it to him.

17 MR. HUSSERL: Yeah, let me just read it, I
18 will take it off of your notepad.

19 MR. HAMMEREL: Kendra, I think the reason why
20 I put recreation opportunities is we've seen that
21 recreation changes over time. Like what was recreation
22 30 years ago is not recreation necessarily today.
23 What's recreation 30 years from now will not be the same
24 as what recreation is today.

1 MR. BISHOP: How did you phrase it? What
2 would you say about --

3 MR. HAMMEREL: I said recreational
4 opportunities.

5 MS. WONG: Yeah. And I think I pick up on
6 that term just because, yeah, that's what we're
7 providing to the town. It's not -- it's not like every
8 GID offers recreation, it's something that we choose to
9 do, we happen to do actually pretty well.

10 MR. CALLICRATE: And it goes and it fits into
11 the parameters that are in the NRS about, you know, what
12 Jason had read with all the different aspects of it,
13 asset's a good term for it.

14 MR. GUINASSO: Just so you all understand, the
15 NRS creates the opportunity for a GID, and then your
16 county enacts what's called an enabling ordinance which
17 then define what your GID is going to do. And as Kendra
18 pointed out, some enabling ordinances include everything
19 that the NRS would provide, while other GIDs are more
20 limited in what they --

21 MR. HUSSERL: We have 32?

22 MR. GUINASSO: Yeah, I think it's around 32
23 different things that you can be authorized to do. But
24 it comes, you know, from the state to the county, and

1 then the county to you all, and you all pretty much
2 operate almost every one of the different things that
3 are in the county.

4 MR. CALLICRATE: You don't do the ski removal.

5 MR. GUINASSO: We don't do that.

6 MR. EICK: Snow removal.

7 MR. PINKERTON: Table tv. We don't do that.

8 But you'd be surprised how many things are under
9 recreation that we don't do that we're supposed to do as
10 well, particularly agriculture.

11 MR. GUINASSO: And then after the enabling
12 ordinance, then comes the recreation that you all adopt
13 that give affect to exactly how you're going to do what
14 you're going to do.

15 MR. CALLICRATE: I'm just curious, Charlie and
16 Jeff, how -- since this is a very more aspect because
17 without this, you know, the drive, roughly how much of
18 today or how much more do you foresee us taking time on
19 this particular item? As long as it takes or --

20 MR. BISHOP: I don't think so.

21 MR. CALLICRATE: I think if we get close, we
22 can -- let's sit and talk about.

23 MR. HUSSERL: Right, because I know there were
24 exercises --

1 MR. BISHOP: We've got a lot to cover.

2 MR. CALLICRATE: I just don't want to get to
3 the 9:45 and try to come up with out priorities, you
4 know.

5 MR. BISHOP: So here's what we have.

6 MR. HUSSERL: As a committed and trusted
7 steward of our assets, IVGID through engaged customer
8 service provides highest level of water, sewage
9 management and waste disposal services, in addition to
10 public recreational opportunities to our residents,
11 stake holders, and visitors.

12 MR. CALLICRATE: One change.

13 CHAIRMAN SMITH: Sewage isn't a word that --

14 MR. EICK: Jeff, I was going to say Joe will
15 shoot me if I don't just use his favorite phrase, water
16 sewer, solid waste, that's what he tries to put into all
17 of his memos, water, sewage and solid waste.

18 MS. WONG: Can we just write utility?

19 MR. PINKERTON: Public utilities.

20 MR. DEVINE: You got public recreation and
21 public utilities.

22 MR. HAMMEREL: I think you need to explicitly
23 say it that we need water, utilities.

24 MR. CALLICRATE: Solid waste management.

1 MR. PINKERTON: Water, sewer, solid waste.

2 MR. CALLICRATE: I would also state that if we
3 put maybe stake holders, which is more like a land
4 property owner than residents, and visitors because we
5 want to make certain that the folks who are paying their
6 recreation bills every year. Just change the two.

7 MR. HAMMEREL: Or, Tim, stake holders,
8 residents and visitors,

9 MR. DEVINE: I think you used guests instead
10 of visitors.

11 MR. CALLICRATE: Whatever.

12 MR. HUSSERL: Stake holders, residents, and
13 third is visitors.

14 MR. GUINASSO: Cross out sewage, I think is
15 what they wanted. What is that, water, sewer and solid
16 waste?

17 MR. CALLICRATE: Waste management.

18 MR. HUSSERL: Level of water?

19 MS. WONG: Water, sewer, solid waste.

20 MR. HUSSERL: Waste management?

21 MR. CALLICRATE: Versus disposal. Solid waste
22 management.

23 MR. PINKERTON: Something we farm out, that's
24 a lot of letters, you know.

1 CHAIRMAN SMITH: I'd like to add one more
2 thing. We've got exemplary service, we've got highest
3 level of public works, but we don't have what level of
4 recreation in there. Am I missing that or I can't read
5 this far.

6 MR. HUSSERL: It says highest level of.

7 CHAIRMAN SMITH: Are we a YMCA or are we a --
8 you know.

9 MR. CALLICRATE: Ritz-Carlton.

10 CHAIRMAN SMITH: Our demographics.

11 MR. GUINASSO: You could probably use the word
12 exception or extraordinary.

13 CHAIRMAN SMITH: Recreation.

14 MR. GUINASSO: Exceptional recreational.

15 MR. BISHOP: Some qualifying this is better
16 than.

17 MR. GUINASSO: Exceptional extraordinary.

18 MR. HAMMEREL: Exceptional but extraordinary,

19 MS. WONG: My problem is that how do you
20 measure that?

21 MR. BISHOP: You can measure that. You can.
22 And you also can measure --

23 CHAIRMAN SMITH: That's our mission. We want
24 to make that our vision or a mission?

1 MS. WONG: Yeah, are we on our mission or
2 vision?

3 MR. HUSSERL: So is that what the customer is
4 -- I want to keep coming back to this point of stepping
5 into your customers' shoes. You ask your customers, is
6 that what they do? I realize everybody isn't gonna be
7 on the same paper, but would most people say yeah?

8 MS. WONG: I think the piece that we're
9 missing that I like that's up there is fiscally
10 responsible. To some extent it's in steward of our
11 assets, but I think I'd like to see that word explicitly
12 stated in the statement.

13 MR. CALLICRATE: In the mission or the vision?
14 Moving from the vision statement to the mission
15 statement?

16 MR. GUINASSO: You could say as a fiscally
17 responsible and trusted, you could do that. You could
18 say a fiscally responsible and trusted steward rather
19 than committed. You don't have to change that, if you
20 wanted to change that word if that's what you guys want,
21 if that's what you want? You used committed for a
22 reason, so.

23 MR. HAMMEREL: I used committed because it
24 came up in conversation when you guys were talking. I

1 was trying to listen and write at the same time.

2 CHAIRMAN SMITH: Jeff, coming back to public
3 recreation and extraordinary, let me ask you, this is
4 your first visit. All of the facilities we have, like
5 20 of them, is that extraordinary in a community like
6 this?

7 MR. HUSSERL: The number of them, I think so,
8 based on communities that have ten times as many people
9 and a quarter of the number of, so the sheer volume of
10 recreational opportunities is extraordinary, yeah, I
11 think so.

12 CHAIRMAN SMITH: All right. I like that word
13 in front of just doesn't look that good.

14 MR. PINKERTON: Most cities run their entire
15 city on 700 dollars per capita. We have over \$800.00
16 per capita just towards recreation.

17 CHAIRMAN SMITH: And I go back to I've spent
18 my whole life living in this area and coming to this
19 lake since I can remember. And there isn't anyplace
20 that I've been in this country that has what we have in
21 this community, and oriented around this state.
22 Recreation facilities are extraordinary.

23 MR. HUSSERL: So let me ask another rubber
24 question. If you eliminated the rec fee tomorrow and

1 said no more rec fee, zero, we're not asking you for
2 that anymore, and you're eliminating the recreational
3 opportunities, how do you think people would react?

4 MR. EICK: They wouldn't show up.

5 MR. CALLICRATE: They wouldn't be here.

6 CHAIRMAN SMITH: They'd move. They would
7 move.

8 MR. CALLICRATE: We wouldn't be here. We
9 wouldn't be alive.

10 MR. HUSSERL: So it's not the issue of \$830
11 that people are spending, they're getting something for
12 this money that they value.

13 MR. CALLICRATE: But there are concerns on how
14 those monies are managed and management, the structure
15 itself, and that gets into other areas which are outside
16 of what we're trying to do here with this particular
17 mission and vision statement.

18 CHAIRMAN SMITH: But Jeff, it's not only if
19 you got rid of them, if you didn't run them properly?
20 Same thing would happen. If we let things run down, and
21 I think some of the folks that have lived here a long
22 time have seen certain facilities run down and I don't
23 think we as stewards, we can't allow that to happen.

24 MR. HUSSERL: But my point, really, is that

1 the public works is a ticket for admission, right?
2 People assume wherever they live they're going to have
3 decent public works, and generally the trash is going to
4 get picked up on time, do it exceptionally well here,
5 that's an assumption. This one is discretionary, you've
6 said people would move if they didn't have the
7 recreational opportunities.

8 CHAIRMAN SMITH: I would almost flip that we
9 talk about extraordinary first because that's the draw.

10 MR. HUSSERL: That's what I'm starting to
11 drive at. But food for thought, it's not my call.

12 MR. HAMMEREL: The only reason I put
13 recreation second was because per NRS mandates that we
14 do public works. This is our ultimate goal and that is
15 our first.

16 MR. CALLICRATE: That is our first.

17 MR. HAMMEREL: And by way, if you want extra
18 contract, boys, we'll grant you recreational
19 opportunities as well, so that's why I added secretary,
20 but, I mean, people don't know what NRS means, I didn't
21 know what it was until I ran for trustee.

22 MS. WONG: So that point should we have the
23 NRS listed in our mission somewhere?

24 MR. BISHOP: You're getting into too much

1 detail.

2 MR. PINKERTON: I think the old one's --

3 MR. BISHOP: Less is more.

4 MR. GUINASSO: You asked what business they
5 were in and so that really gets to that summarizes their
6 whole business, but it's just a matter of what emphasis.
7 You want to emphasize recreation or the action over the
8 other, over the other? But again, the question, that's
9 what you were trying to answer, right, is what business
10 you're in?

11 MR. HUSSERL: Yeah, right, about when people
12 talk to people about Lake Tahoe they're trying to
13 convince their neighbors back in the Bay area it's a
14 good a place here, or come take a vacation here, they're
15 not telling them about public water, they're telling
16 them about recreational opportunities.

17 MR. HAMMEREL: I almost think that language
18 needs to go in the vision. Again, I think if our
19 recreation amenities ceases to exist tomorrow --

20 (Interruption by the reporter.)

21 MR. HUSSERL: Let's use this as a baseline. I
22 would pass several of you to come back and craft this in
23 maybe some more succinct language, determine whether or
24 not they're going to lead with recreation or lead with

1 public works, I think we have a good basis and we'll
2 charge you with working together to finalize this
3 mission statement. I do want to spend a few minutes on
4 maybe vision.

5 MS. WONG: On that can we maybe just put this
6 as an agenda item to talk about in our next board
7 retreat?

8 CHAIRMAN SMITH: Sure.

9 MS. WONG: To continue this conversation?

10 CHAIRMAN SMITH: Trustees.

11 MR. PINKERTON: It's on the agenda right now.

12 CHAIRMAN SMITH: Steve, can we do that?

13 MR. PINKERTON: Yes, I was saying I assumed we
14 haven't agendized anything yet for the retreat.

15 CHAIRMAN SMITH: Jeff, is that what you'd like
16 us to do?

17 MR. HUSSERL: That's what --

18 CHAIRMAN SMITH: Take this off line and work
19 on it at a workshop.

20 MR. HUSSERL: I think that would be a good
21 exercise because we could literally spend a couple more
22 hours --

23 MS. WONG: Right, yes.

24 MR. HUSSERL: -- and lose the rest, but we

1 still gotta decide whether to put --

2 MR. BISHOP: You're 95 percent.

3 MR. PINKERTON: Everybody is on the same page.

4 MR. HUSSERL: This is a terrific start.

5 CHAIRMAN SMITH: You could bring that back to
6 us for our workshop to work from this?

7 MR. HUSSERL: And I would say again, when in
8 doubt, keep it simple, so that you can -- in 15 seconds
9 a constituent calls you and says what do you guys do?
10 Boom, right there.

11 MS. WONG: Because at some point we probably
12 want input on it as well, so maybe this would be a good
13 topic for our community meeting that we have, unless
14 anything more pressing, but one that worked.

15 MR. BISHOP: Move on to the vision.

16 MR. HUSSERL: Let's talk aspirational, what do
17 you want to be?

18 MR. HAMMEREL: Fiscally responsible.

19 MR. HUSSERL: All right. You already --

20 CHAIRMAN SMITH: I want to be the best.

21 MR. HUSSERL: The best, okay.

22 MS. WONG: The best place to live, to visit,
23 to play, and to stay. We don't have to use those same
24 words.

1 MR. BISHOP: Nothing wrong with it.

2 CHAIRMAN SMITH: We're done with the vision
3 statement.

4 MR. BISHOP: Say it again?

5 MS. WONG: The best place to live, visit, play
6 and stay.

7 MR. HUSSERL: And Jim, I wasn't picking on you
8 when I said all right, you already have fiscally
9 responsible, but I asked it only because vision and
10 where we want to go.

11 MR. HAMMEREL: Yeah.

12 MR. BISHOP: I think the board -- the best,
13 your calibration points are not some other recreational
14 areas, you want to be the best, have that kind of
15 reputation. That's how you want to be brought in, how
16 people think you in, not they're okay. You don't need
17 to be okay.

18 MR. CALLICRATE: I almost say along with what
19 Kendra is saying, some component of work.

20 MS. WONG: Yeah,

21 MR. CALLICRATE: As far as the district goes,
22 you know, have everybody, people in the basin who are
23 going to relocate and looking for work and they go.

24 CHAIRMAN SMITH: Best place to work, put it

1 in.

2 MR. CALLICRATE: Yeah.

3 MR. HAMMEREL: I go back to the three words
4 that we started with, community, environment, and
5 service, I still think that those three words resonate
6 with the rest, with the district and are super
7 important.

8 MR. CALLICRATE: Yes. And being with the
9 stewardship, you know that's something that we're only
10 here for a short while. And when we're gone, we want to
11 live it better than it is now or it was before, and I
12 think that that commitment that you're talking about is
13 very important.

14 MR. HAMMEREL: You know, the best service,
15 best environment, the stewardship, the best community to
16 play, stay and recreate, whatever it was.

17 MR. BISHOP: Might be the best, and then the
18 others are subsets.

19 CHAIRMAN SMITH: Okay.

20 MR. HUSSERL: That's good, several of you,
21 that's how you got here, right, visited and decided
22 never to leave, at least two people that I know.

23 MR. CALLICRATE: Weekend.

24 MR. HUSSERL: 30 years later here you are, so

1 that stay is reality. Okay.

2 CHAIRMAN SMITH: Are we looking at value and
3 mantra? Mantra I would like to change.

4 MR. HUSSERL: Let's talk about --

5 MR. BISHOP: You do you need that?

6 MR. HUSSERL: By mantra you mean we use the
7 term tag line?

8 CHAIRMAN SMITH: That's a tag line. And I'd
9 like to see a mantra that's really positive and catchy
10 and actually maybe goes throughout branding process,
11 Steve, maybe we don't.

12 MR. PINKERTON: We gotta talk about branding
13 still, but yeah.

14 CHAIRMAN SMITH: It's part tag line is a
15 brand.

16 MS. WONG: But do we need it? I mean, I guess
17 that's the biggest question, most organizations have a
18 mission and a vision. Do we need a value statement? To
19 we need a mantra?

20 MR. HAMMEREL: I don't think we necessarily
21 need a value statement, but I think whether you call a
22 mantra or slogan or a motto, whatever it is, I think
23 that's important. And again, I think that would kind of
24 back into the branded as well.

1 CHAIRMAN SMITH: I because reading Gerry's
2 lips for Tahoe Place, possibly.

3 MR. HAMMEREL: It is our website.

4 MR. GUINASSO: Gerry, you were around for the
5 team work.

6 MR. EICK: Actually that goes back, I believe,
7 early 2000, so it was before me. I will tell you it is
8 recited an awful lot.

9 MR. DEVINE: Then that's what they're supposed
10 to be.

11 MR. EICK: Much more than any other, but I
12 will also share with you in going through the Gung ho
13 process we put most of our effort into the value
14 statement that we came up with internally and saw that
15 and our new log is our driver, more so than this.
16 Again, internal. So we realized it may cultivate
17 something else.

18 MR. HUSSERL: It's more than employment brand
19 I'm hearing you say, right?

20 MR. EICK: When you can talk about one
21 district, one team, it's about how you're working
22 together, not necessarily the overall brand of the
23 IVGID.

24 CHAIRMAN SMITH: The reason why you hear

1 people say one district, one team, it isn't one
2 district, one team, and it hasn't been.

3 MR. HAMMEREL: I think the people that I talk
4 to laugh at it because of the fallacy that it
5 represents. A lot of people I talk to within the
6 district say we're never one district, one team.

7 CHAIRMAN SMITH: That was the goal, the goal
8 was to be one district, one team, it never got achieved.

9 MR. CALLICRATE: I'm just concerned we're
10 going to get bogged down, you know, reinventing Reno the
11 Biggest Little City, they threw it out, and after having
12 hundreds of thousands of dollars and all of that. Maybe
13 we -- I don't know.

14 MR. HUSSERL: Tell you what, we've got a chart
15 that says parking lot, and I think it's probably a good
16 one because I don't want to lose it, but -- and maybe as
17 we get further along with refining the mission and the
18 vision, that's gonna become more clear in terms of do we
19 get rid of it, do we change it? And how do we move, how
20 do we move forward? Okay? So the mantra is an issue
21 that we have to come back to.

22 MR. PINKERTON: I think some of your
23 philosophical ideas that you're going to be moving
24 forward with are better formed as we get into detail. I

1 think it's easier to go back to this after we've talked
2 about the specific applications.

3 MR. BISHOP: So we get down to the parking
4 lot.

5 MR. HUSSERL: Customers, we're going to spend
6 some time talking about customers, this is where the
7 rubber meets the rubber. So a couple of quotes that I
8 like, first one is the best organizations don't create
9 customers, they create fans. Jim, you're in the sports
10 business, so you can, I'm sure, relate to this. But it
11 really is you want people in this community to be fans
12 of the IVGID, the biggest supporters, and what do we
13 need to do as we move forward? Get people in that
14 camp? I'm a fan of this group. What percentage -- I'll
15 throw a question out there. What percentage of people
16 today, if you asked them that question are you a fan of
17 IVGID, what percent of the population would say yeah,
18 I'm in that camp?

19 MR. HAMMEREL: Thirty percent.

20 MS. WONG: Twenty to 30.

21 MR. CALLICRATE: Twenty to 30, and it's
22 because of reception, unfortunately, because when you
23 talk to people one-on-one they like a lot more than they
24 think that they do, but when you get them into the

1 public arena, then they're, you know, it's a bash, bash,
2 bash, when the district does a lot better, you know, we
3 don't celebrate our strengths like we should, but I
4 would say probably --

5 MR. HAMMEREL: We sent out a survey recently
6 that said more than 85 percent or 95 percent of the
7 people in town valued our recreational amenities, but
8 again, when they stand up here at the podium when they
9 come to a public meeting, when they write letters to the
10 IVGID, when they write letters to the board, it's
11 critical of what IVGID is doing.

12 CHAIRMAN SMITH: I'd like to say I think we
13 have more fans than that, but the best organizations
14 look at Disney, and you look at Nordstrom's, they're all
15 fans, they're all stores. You know, one of the first
16 stores I worked for is the absolute best in all
17 professional sports, in creating customer experience and
18 people go to the game no matter if they're winning or
19 not, it's because of the experience that you get there
20 because of the way they're treated, so I'm's hearing 20
21 and 30, I think we're lot higher than that, but I think
22 we have a lot of room to grow.

23 MR. CALLICRATE: And I think it is 50 percent.

24 CHAIRMAN SMITH: Well, I think we got 50

1 percent utilization in golf courses, and those are
2 famous, we're going there and entertaining, and I think
3 we've got -- I can't tell you. We need to whittle that
4 down.

5 MR. HAMMEREL: What I was focusing on was
6 customer versus fans. We've got lots of customers.
7 We've got tons of people that golf. We've got
8 recreational center members, we've got people that golf,
9 we'd got the ski resort, those are customers. But when
10 I think about fans, like true die-hard fans, people that
11 are willing to say that's not true, IVGID is the best.

12 MR. HUSSERL: That's right, that's what I want
13 to hear.

14 MR. HAMMEREL: That's a fan to me, so I would
15 put that, like, 20, 30 percent.

16 CHAIRMAN SMITH: It also depends what you're
17 talking about. Is it IVGID or is that we're talking
18 about just IVGID, or are we talking about the golf, the
19 whole district?

20 MS. WONG: Because we've got golfers in the
21 fans with the golf course, we've people who are fans of
22 the beach, we have people that are fans of Diamond Peak,
23 but if you were talking IVGID as a whole, then yeah, I
24 think --

1 CHAIRMAN SMITH: 20 percent.

2 MS. WONG: -- 20 percent is about right.

3 MR. HUSSERL: Is that because of the
4 interactions that have occurred on the board, right?
5 Because if I'm a golfer and that's all I use, and I know
6 that IVGID provides golf, my view of IVGID, I would be a
7 fan, I wouldn't really care about the other stuff. Just
8 wondering why it doesn't translate to the group as a
9 whole.

10 CHAIRMAN SMITH: I think it's because we have
11 inconsistent operations from vendor to vendor to vendor,
12 our public works, lots of things. You know, some other
13 pieces of what we do, it isn't consistent, our brand
14 isn't consistent, our customer experience isn't
15 consistent, and I know this. When I -- when they --
16 IVGID hired me five years ago to come in, they have
17 different expectations of different venues that would
18 all have the same attribute, so I think the businesses
19 has to be consistent of our -- the operations which is
20 hurting the fan base, possibly.

21 MR. PINKERTON: Yeah.

22 CHAIRMAN SMITH: I don't know if you guys
23 understand what I'm saying.

24 MR. PINKERTON: If you look at the ordinance 7

1 survey, and this was a fairly critical group who
2 answered the survey, that was mainly to the people who
3 come angry at the meetings. And when we asked how much
4 has IVGID attributed to the property value? 44 percent
5 says it's attributed a lot, 42 percent some, and only 8
6 percent said not at all. So I thought that was
7 interesting. Then you've got about 40 plus percent
8 thinks that we are a big part of their property values.

9 I also thought it was interesting that most
10 things we were 80 to 90 percent very positive, and then
11 we ask people to say what do you like and not like, 80
12 percent of the people answered the like part of it and
13 only about 60 percent answered the negative question.
14 But I think that 30, 40 percent is probably right in
15 there the people who are really positive. But I thought
16 it was interesting that even with 90 percent
17 satisfaction, you still have 60 percent of the people
18 with really intense negative things that they wanted to
19 bring out.

20 MR. HUSSERL: Think about this quote, and I
21 think that as you think you visionary what you really
22 want to try to do here is to create fans. And I'd like
23 to see -- at some point come back and that number, when
24 I ask the question, you guys say 80 percent of the

1 people here are fans. So keep that in mind.

2 One other quick quote, a little Chinese
3 proverb, if you can not smile, do not open a shop.
4 Pretty basic stuff.

5 CHAIRMAN SMITH: Can we have shirts made up as
6 that for the district?

7 MR. HUSSERL: Next exercise.

8 MR. BISHOP: Do we need to talk about
9 encapsulating terms for the customer stake holders? You
10 call them all kind of different words, phrases. Do you
11 need to come up with a common moniker that would work
12 for you?

13 MR. EICK: I assure you that the staff would
14 like you to.

15 CHAIRMAN SMITH: Yes, please.

16 MR. EICK: It's very difficult for us on the
17 terminology.

18 MR. PINKERTON: An umbrella one.

19 MR. DEVINE: Anybody who breathes. That cover
20 it?

21 MR. PINKERTON: Vertebrates.

22 MR. CALLICRATE: The tough part is because we
23 have some distinct, you know, full-time seasonal, and
24 then they're segmented from that, so how do we identify,

1 and you have to use some of that delineation because the
2 needs of the full-time year-round resident versus a
3 seasonal resident are going to be different. I mean,
4 we're providing a service to the whole community and if
5 they are only here on a seasonal basis they choose to
6 only partake on a seasonal basis, and maybe that's an
7 opportunity that we have now to say hey, this is what we
8 provide. You've made a choice to come here and only
9 play golf, you've made the choice to only come here and
10 go to the beach. I don't know. This has been the
11 age-old what do we call people, and then the users.

12 MR. HAMMEREL: When I sit here and think about
13 it, if you really boil it down to mutually exclusive
14 groups, which is how I think you can reduce the blurred
15 lines between are you living here six months and a day
16 or do you live here 12 months? That doesn't matter. I
17 think that when you think of mutual exclusivity, you
18 have residents who, regardless of their ownership or
19 rentalship scenario, they live here, whether that's part
20 time or full time. Then you have homeowners or property
21 owners which, regardless of whether they live here or
22 don't live here, they own. And then you have visitors
23 who are neither. They don't live here, nor do they own
24 here.

1 MR. BISHOP: Would your residents be
2 homeowners?

3 MR. CALLICRATE: They can be.

4 MR. HUSSERL: They could be renters too,
5 right?

6 MR. CALLICRATE: Property owners, residents
7 and their guests, that's how it's been referred to more
8 times than not through the decades. Just because you've
9 got the people that own the property, whether they live
10 here or not, you have the residents, whether they own
11 property or not, and then you have the guests, whether
12 they're guests of the property owner or they're guests
13 of a time share that they don't own, or they're just a
14 guest in general.

15 CHAIRMAN SMITH: If I could say something,
16 guests alone tells you that we're a gated community. I
17 like the word visitors better.

18 MR. HAMMEREL: I would say visitors rather
19 than guests.

20 MR. CALLICRATE: Then we need to be consistent
21 with how we have a photo ID, our recreation pass, punch
22 card, and how we listed all of our literature, because
23 we have it all over the map on what we call people.

24 MR. EICK: If I could interject the other one,

1 a few years ago we started to try to use the word parcel
2 owner to make the connectivity that, you know, our
3 recreation rule is based on parcel ownership, and we
4 were trying to have that connection. I don't think it's
5 ever gotten full traction, but --

6 MR. CALLICRATE: That's specific to what they
7 are versus a reg -- yeah.

8 CHAIRMAN SMITH: You've got to be a parcel
9 owner to receive privileges.

10 MR. CALLICRATE: Because you can own property
11 and not be accessible to all of that.

12 MR. GUINASSO: You guys are only accountable
13 to voters ultimately.

14 MR. EICK: That was either challenged or
15 something at one time and it specified that our primary
16 responsibility is to the registered voters, not to the
17 parcel owners, not to the -- I mean, we need to be aware
18 of them, but we need to understand by law we're
19 answering to the people that vote, the registered who
20 vote.

21 MR. GUINASSO: That's right.

22 MR. HUSSERL: What about the guests, though,
23 and the tax revenues that they generate in those hotels
24 and those guests as a customer are not satisfied? Is

1 that a potential problem?

2 MR. GUINASSO: From a customer service, point
3 of view, absolutely, but from a legal point of view they
4 don't vote, so it would be like, you know, the tourism
5 tax that we charge, you know, that people come in they
6 pay extra tax for rooms and things like that, you know,
7 they -- whether they like paying as much as they do for
8 rooms or not and the taxes that are associated doesn't
9 really matter, they don't get to vote on them, we're
10 ultimate ones that collect the official --

11 MR. PINKERTON: The only people get to vote
12 are the registered voters. We don't have any taxation
13 here that's property interfaced, correct?

14 CHAIRMAN SMITH: What's the question?

15 MR. HUSSERL: I brought that up only because
16 aren't those people spending money here good for
17 businesses? I mean, you want to please those people
18 even though they don't vote for you.

19 MR. EICK: If I could, that is one of the
20 strategies that I think you need to face is that about
21 ten years ago we began a process of saying one of the
22 reasons we could offer preferred pricing to our parcel
23 owners is that by selling our added capacity to visitors
24 and guests, they would buy down on that cost of a venue

1 and, therefore, our parcel owners could enjoy low prices
2 because we had a body of people who would pay full
3 price.

4 MR. PINKERTON: We sell our excess capacity.

5 MR. EICK: And it's still, as cornerstone to
6 what we do, even though I would tell you today I don't
7 think it's well defined how hard we're trying to do
8 that. So to me it's one of the things I'm looking for
9 you to hash out here as you go through this process.
10 And we still have that value equation where we're trying
11 to get the most from a certain part of the market to
12 improve the financial part of the equation for our
13 parcel owners.

14 MR. PINKERTON: And just to add one more
15 complication that we're desperate to have a dialogue on
16 is the rec center was primarily constructed with county
17 fees. It's a community recreation center and we need to
18 talk about are our golf and ski, and potentially tennis
19 venues looked at differently than a community recreation
20 venue and a Village Green venue and a Preston field
21 venue? Do we have -- I hope I'm making sense there that
22 they really are two different, so as we go through this,
23 don't forget to think about beyond golf and ski when
24 we're talking about who we're responsible for, who our

1 customers are.

2 MS. WONG: Are there revenue generating
3 recreation facilities that we offer versus are there
4 recreation facilities that are apparently for the
5 community?

6 MR. PINKERTON: Right. We get 2.7 million
7 in the last year from Washoe County from property tax,
8 business tax, sales tax and, arguably, we get those
9 dollars because we are a purely public district.

10 MR. CALLICRATE: Well, then we have our
11 commercial customers. And we have the casinos over in
12 Crystal Bay, this facility here, Raley's, Village
13 Center, any commercial properties that we have and how
14 are they being served, and we have our trash ordinance
15 coming up about wildlife-proof dumpsters which sounds
16 pretty mundane. I can tell you it is beyond, beyond
17 your wildest imagination, and it's important, I'm not
18 negating that, it's just that's another segment, so.

19 MR. HUSSERL: So the question I really want
20 you to think about is this. Do you want to casually
21 please everybody or deeply please your target or your
22 target customers?

23 CHAIRMAN SMITH: I think we want to exceed the
24 expectation,

1 MR. HUSSERL: So we can do that, because we
2 have extraordinary recreation facilities, and if we work
3 on service and kindness and friendliness, we can
4 delivery that.

5 MR. BISHOP: You're never going to get to the
6 best unless you do that.

7 CHAIRMAN SMITH: You're not going to be the
8 best unless you exceed the expectation of the customer.
9 They walk into the facility and the service is so good
10 and the operation is so good and value is there, people
11 leave there, and then they're telling their friend about
12 it, and then we're not going to market these people
13 because we're not --

14 MS. WONG: We also need to consider the
15 quality of our facilities, too, because we do have some
16 facilities that will be in serious need of updating if
17 we go that route.

18 CHAIRMAN SMITH: But I look at you can go to
19 the dive restaurant, right? It isn't the best facility.
20 You walk in, the food is so good, the service is so good
21 so you start telling people about it, you know what I'm
22 saying? You could have -- but you still go back in
23 there and you go I just had great service, the value was
24 there, do you know what I mean?

1 MR. HAMMEREL: I agree with Justin. I don't
2 think it's one or the other. He said casually please
3 everyone or deeply please our target. We want to deeply
4 please everyone, that's the bar that I think we want to
5 set.

6 MR. CALLICRATE: And I may not obtain it, but
7 I think we should be working towards that because that's
8 showing that we are -- we've made the commitment and to
9 what Kendra had said about some of our facilities, our
10 dire need of bringing it up to that level, which we all
11 know about, which will make it -- will facilitate us
12 getting to that exceeding expectations. But yeah, you
13 can have places that maybe right now are a little
14 marginal on the facility, but if we have the best
15 customer service and those people walk out of there
16 smiling, then it's going to increase potential revenue
17 that will get us to the point where we maybe can replace
18 that facility at a future date, as long as it's clean,
19 well kept, and people are friendly giving great service.

20 MR. HAMMEREL: I think the reason why we want
21 to deeply please everyone is because, A, the parcel
22 owners and residents who use the facilities, obviously,
23 they're important because they're here, they're paying
24 our fee and everything else. Our venues are largely

1 financed on the backs of our visitors so they need to be
2 placed as well, you know, and maybe it's not
3 unfortunate, but it's a difficult concept but we have to
4 make everybody happy.

5 CHAIRMAN SMITH: So what I'd like is
6 delighting with free kindness and doing things beyond
7 the ordinary. We have an example as in the Keys
8 restaurant. The first time I ever went there I'd never
9 been in Incline, I can't remember, west shore, said
10 let's go over there so we go to this restaurant called
11 Keys and we go to the movie. And they knew about it,
12 you know, and you will go in the place, and it's not
13 necessarily has the best aesthetics, the best
14 atmosphere, but the food is good, it's good value, you
15 know, it's fresh, so -- and the service is excellent.
16 So I mean, that's sort of what I'm looking at. Even if
17 we don't have a facility that's maybe where we want it
18 to be, it's going to a few years off, we could still do
19 these other things.

20 MR. BISHOP: Working towards.

21 CHAIRMAN SMITH: Right.

22 MR. HUSSERL: Are the customers going to
23 continue to change? So Steve went over demographics.
24 Do they -- three years from now are they going to look

1 dramatically different, slightly different, what do you
2 think?

3 MR. CALLICRATE: A lot of it, enough of it
4 depends on how we go forward because this is another
5 transition time. And you know, do we market? You know,
6 we don't know who our customer's going to be, but
7 historically they've been the bulk from the bay area and
8 they have a high standard of expectations when they come
9 up here. And we have folks that come from all over the
10 world. But our biggest visiting group is from the bay
11 area and -- but, you know, they get to tend to be more
12 affluent. We have all over the map Asians, but they
13 definitely more up-front and they're probably going to
14 want more, they're going to expect more and more value
15 for what they're paying. They're willing to pay more,
16 but they want the level of service to be more.

17 MR. HAMMEREL: And I think -- I mean, this
18 question almost needs to be rolled into a larger
19 branding question. Because if we go forward with some
20 sort of community branding and all of a sudden we move
21 from Incline Village, the stuffy town for retirees on
22 the north shore to the sort of vibrant mountain
23 community, we have a total change in demographics,
24 meaning people, like Tim was saying, come here from the

1 bay area to come and be a part of this because it's
2 something different than what they really thought, so.

3 MS. WONG: I am concerned about the shift in
4 demographics of our residents, and based on the
5 information that Steve was presenting earlier, there's a
6 population that this town is becoming older. And part
7 of that, I know a lot of people that are my age and
8 Jim's age that came to this town, there isn't any
9 economy to sustain them being here. There isn't --
10 there aren't enough career jobs for young people for
11 them to stay in this town, and so a lot of people that
12 we know have actually left. And you see that in the
13 declining populations in our schools as well. There is
14 a huge shift in demographic in our schools, whereas,
15 five years ago they needed five Kindergarten teachers,
16 they only needed two this year. And that concerns me
17 because, you know, as people retire, they become --
18 they're on a fixed income, and I know that it isn't
19 necessarily IVGID's responsibility to be the economy of
20 this town, but as one of the three largest employers in
21 this town, the fact of the matter is is that IVGID is a
22 huge economic driver in this town.

23 MR. HAMMEREL: Also county, but I think that
24 we will change the demographic of this town based on how

1 we position ourselves, how we brand ourselves. If we
2 brand ourselves as the reclusive Nevada lakeshore town
3 for hedge fund managers, that's what we will be. If we
4 position ourselves as a great place to come and raise a
5 family, that's what we will be, so I think that we are
6 who we say we are. And people kind of follow that.

7 CHAIRMAN SMITH: So in what ways will our
8 customers change?

9 MR. HUSSERL: In other words, we're planning
10 for the future based on the customer base that we saw
11 today. But if that customer base looks significantly
12 different in three years from now, we need to at least
13 take account of that. One of the things that came up
14 was increase is Hispanic population in the community,
15 and are we addressing that, for example, are there
16 language barriers, do we need to have multilingual
17 people in service jobs so that --

18 CHAIRMAN SMITH: One of the have things I'd
19 like to share is that our college has been growing.

20 MS. WONG: Yeah.

21 CHAIRMAN SMITH: Our college is growing, and
22 as Kendra hit on these folks that are graduating, they
23 love it here. I don't think a lot of them want to
24 leave, but looking for something to do, and those are

1 our customers. And as a school grows, we have that
2 demographic to serve.

3 MS. WONG: Yeah, I graduated a little over a
4 hundred students a year, and I'd probably say 25 percent
5 of them stay after graduation, primarily because the job
6 market here.

7 MR. CALLICRATE: Along with this we get
8 another side of the dimension, the people of this
9 community who have been there for -- you know, they've
10 retired here, and they're saying their dollars go, you
11 know, not as far each and every year, and when the rates
12 go up on everything from utilities, use of recreational
13 facility to groceries to the utilities in general, you
14 know, we have to be really cautious that even if people
15 that built this community to this point so that we can
16 be here, I don't know, whole a fairly sizable
17 demographic of people who are retired or partially
18 retired who come here when they're fully retired, I
19 don't want them to feel like they're being pushed aside.
20 It's real fine balancing, I'm not even, you know,
21 alluding that we are doing that, but that's something we
22 have to be really careful because the folks who live
23 here on a full-time year-round basis and have paid the
24 bills when there's not a soul in town, and we know when

1 those times are, you know, we have to be cognizant that
2 we have to keep things at a price point to where the
3 residents can afford to use our facilities which, of
4 course, we need to bring in enough tourists to pay the
5 big bills. It's a tough one.

6 MR. EICK: Which I think is a good reason for
7 the word segmentation, that we have to realize that
8 there are several components to that body of people that
9 we call customers. And, you know, I agree with you
10 there's going to be different groups in those segments
11 that we can maybe move the needle on, but if you look at
12 what our community is, we don't have an industrial park,
13 we don't have some of the economic engine components
14 that some communities have. One thing we do have is,
15 because almost half of our parcels are condominiums and
16 planned unit development type structures, we are in an
17 attractive place for people in retirement, or as I like
18 to say, who have already accomplished what they want to
19 accomplish in life and they're enjoying themselves. So
20 I think it's -- as we talk about we have to understand
21 that there's probably a general profile that, to some
22 degree, will never change just because that's the way as
23 a planned community we were designed. What is the age
24 group, the degree of utilization may come and go, and

1 again, there's definitely component that we can attract
2 and rejuvenate, but I think there's probably going to be
3 a core base of customers that are always going to be
4 that already accomplished in life, and this is their
5 place where they choose to spend a block of time.

6 MR. PINKERTON: It's important to understand
7 we do have those different segments when they look at
8 our venues, we know we price different times different
9 people, it's just like when I was building a sports
10 arena, 70 percent of the revenue comes from the premium
11 seating and the luxury suites which then allow another
12 80 percent of the people, you know, pay a price that's
13 reasonable and, you know, that's one of the things that
14 we may look at in the venues. There's -- skiing's a
15 perfect example. People bring their kids here for the
16 lessons who generate \$200 per square, allow us to pay
17 25, \$30.00 for residents so I think we do have a good
18 balance, but what Tim said earlier, both points are
19 really good, that we do have this -- are we going to
20 meet -- what are we going to do for that group that we
21 can capitalize on the group that can get the indoor
22 tennis center paid for, the group that's going to expect
23 us to have the option of a locker room at the rec center
24 that looks more like something out of the bay area and

1 not something out of a YMCA.

2 MR. BISHOP: Segmentation is something we need
3 to part out here and drill down.

4 MR. EICK: Understand the consequences.

5 MR. HUSSERL: Let's jump into services and
6 venues, and I ask that we think about these -- let's
7 think about them from the perspective of these
8 customers. It's really important that we're stepping
9 into the customers' shoes as we go through this process.

10 MR. BISHOP: What we had handed out previously
11 last frame work for discussing the venues and
12 administration, so we want to get into looking at
13 assessing how we're presently doing there.

14 MR. BISHOP: Julie will help us record that.

15 MR. CALLICRATE: What's the first venue, or we
16 haven't decided?

17 MR. BISHOP: Well, we need to decide exactly
18 what venues and what order you want to, so let's list
19 the venues that we want to get.

20 MS. WONG: Recreation, rec center.

21 MR. HUSSERL: Rec center.

22 MR. BISHOP: Is rec center recreation?

23 MS. WONG: No.

24 MR. CALLICRATE: The rec center is the hub.

1 MR. HAMMEREL: Our gymnasium.

2 MS. WONG: Yeah, but recreation also includes
3 tennis, ball field rentals, different.

4 MR. PINKERTON: I see it different.

5 MS. WONG: Do we need to do tennis?

6 MR. PINKERTON: It's a separate venue, in my
7 mind.

8 MR. HUSSERL: Golf is a venue, right?

9 MR. PINKERTON: Two venues.

10 MS. WONG: We need to do mountain course.

11 MR. HUSSERL: So we're going to split it up.

12 MS. WONG: Yeah.

13 MR. DEVINE: I think we have to.

14 MR. PINKERTON: Absolutely.

15 MS. WONG: I think we should go back to the
16 list that Jim gave us of all of our monies and
17 prioritize which ones we need to discuss.

18 MR. BISHOP: Let's just do that.

19 MS. WONG: But I'm saying let's go back to the
20 original list and then let's prioritize which ones --

21 MR. BISHOP: Good idea. So what we're doing
22 is now looking at the venues that were covered with
23 Jim's group we took this morning. Let's prioritize four
24 or five of them.

1 MR. HUSSERL: Beaches.

2 CHAIRMAN SMITH: Beaches is one.

3 MR. PINKERTON: Incline is two. Burnt Cedar,
4 Incline and Ski Beach really are discreet when you think
5 about the facility needs of each.

6 CHAIRMAN SMITH: You want to split them up?

7 MR. PINKERTON: I think we ought to split up
8 Burnt Cedar, Incline, and Ski is really the boat launch.

9 CHAIRMAN SMITH: Beaches are separating --

10 MR. HUSSERL: Given the master plan.

11 CHAIRMAN SMITH: Three separate.

12 MR. HUSSERL: Three separate beaches.

13 MR. CALLICRATE: Two are pretty much okay.
14 Ski Beach is getting a new facility and Burnt Cedar's
15 been addressed other than the bathrooms down there, but
16 Incline Beach is the one that needs the most help.

17 MR. PINKERTON: They need to be prioritized
18 differently.

19 MR. BISHOP: Incline beaches, highest
20 priority?

21 MR. CALLICRATE: Of the three, I would think
22 that's one as far as the actual facility itself because
23 it's the oldest of the three now.

24 MR. HUSSERL: I'm going to ask --

1 MR. PINKERTON: I think Aspen Grove and
2 Village Green need to be segregated as well.

3 MR. HUSSERL: What about the ski master plan
4 or we need to talk about skiing today?

5 MS. WONG: Village Green, the dog park.

6 CHAIRMAN SMITH: Village Green.

7 MS. WONG: I know you hate it every time I
8 bring it up, but --

9 CHAIRMAN SMITH: Village Greek.

10 MS. WONG: -- the dog park.

11 MR. HUSSERL: That's the first place we went.
12 Right, Jim?

13 MS. WONG: Yeah.

14 MR. CALLICRATE: I'm going to throw out there,
15 and you guys are going to hate me for this, but the poor
16 stepchild of the skate park, that has been there and,
17 you know, phase one of a three-phase project. I --
18 every year, when re you gonna get on the board and get
19 the skate park fixed?

20 MR. BISHOP: Is that a high priority for the
21 board? I know it's important for you.

22 MR. CALLICRATE: Well, it serves a demographic
23 that doesn't fit into ski or fit into golf or fit into
24 tennis. And it's the young, the tween and teen, and

1 then young, and then adult.

2 MR. PINKERTON: It's a much cheaper fix than a
3 lot of these other things, too.

4 MR. HAMMEREL: I like to bring up the skate
5 park and make an alternative skate park based on --

6 MS. WONG: Yeah.

7 MR. HUSSERL: Let's put it on the list. What
8 about the ski, would the master plan, is that something
9 that we're going to spend a lot of time on today or is
10 that --

11 MS. WONG: No.

12 MR. HUSSERL: -- in a lot of depth?

13 MR. CALLICRATE: We have the steering
14 committee going.

15 MS. WONG: Yeah, let the steering committee
16 keep going.

17 MR. HUSSERL: Hold off on that.

18 MS. WONG: The other one for me, and I will
19 admit I truly have an ulterior motive on this one would
20 be the high school fields, especially in partnership
21 with the college. But like I said, I do have an
22 ulterior motive on that one so I will totally disclose
23 that up front.

24 MR. PINKERTON: It's good for the whole

1 community, though, not just the college.

2 MS. WONG: It's good for the community. I
3 also think about the sports that SNC is adding. Yeah.

4 MR. PINKERTON: Given we have virtually no
5 open space in town.

6 MR. BISHOP: How many are we going to cover?

7 MR. HUSSERL: Can we give the rec center
8 highest priority?

9 MR. CALLICRATE: That's going to solve a
10 couple issues. What's next in terms of importance?

11 CHAIRMAN SMITH: Beaches.

12 MR. CALLICRATE: Incline Beach.

13 MS. WONG: Incline Beach.

14 MR. CALLICRATE: I think that another two -- I
15 don't know.

16 CHAIRMAN SMITH: Incline Beach, we're looking
17 at a building. I don't think we're looking at building
18 anything at Burnt Cedar or Ski Beach.

19 MR. PINKERTON: Burnt Cedar and the pool needs
20 to be -- it's not nearly as high a priority.

21 MR. HAMMEREL: How about this? You guys are
22 looking for input. Eventually I think we're probably
23 going to talk about all of these. Tell us what you need
24 to talk about first.

1 CHAIRMAN SMITH: Maybe when we're done, you
2 will prioritize.

3 MR. EICK: As I was listening I thought if we
4 can develop a good frame work for how we do this, we can
5 do this multiple times over with a lot of these other
6 venues, but perhaps the best part of the exercise would
7 be to tackle not only priorities, but maybe one that's a
8 little tough so you get used to how you would do that
9 one as well.

10 MR. HUSSERL: Which is got the most impact on
11 the customers?

12 CHAIRMAN SMITH: Beaches.

13 MR. PINKERTON: Beaches.

14 CHAIRMAN SMITH: Beaches have the highest
15 customer count.

16 MR. PINKERTON: By far.

17 CHAIRMAN SMITH: By far.

18 MR. EICK: And the rec center.

19 MR. CALLICRATE: Those would be the two,
20 however, they're put in there as far as, Jim, everybody
21 goes to the rec center, has to go to the rec center to
22 get the punch guards, their photo IDs, parcel numbers,
23 all of that kind of stuff, but the beaches for the use
24 are three, our three beaches are the number one venues

1 of any other thing that we have, they get the most
2 people.

3 MR. EICK: If I take a third of the energy for
4 it because it is going to come up is what do you see as
5 the future about Mountain Golf?

6 CHAIRMAN SMITH: We have it on there.

7 MR. EICK: But I mean as the next one you
8 would work on, number three?

9 MR. HUSSERL: Why don't we start with beaches?
10 I'm hearing that.

11 CHAIRMAN SMITH: I like the Village Green, I
12 heard of Mountain Golf.

13 MR. EICK: I can understand why you would go
14 there, too.

15 MR. BISHOP: Which we which gonna go?

16 MS. WONG: Why don't we start there.

17 MR. HUSSERL: Let's start with.

18 MS. WONG: Figure out.

19 MR. BISHOP: So we're going to start with
20 beaches. We have a frame work. So if you will -- what
21 we want to do is look at present state and future state.
22 So present state is -- here's what I'm saying, here's
23 how we can use this kind of gets the summary that will
24 help us know when we need to analyze them further. Are

1 we ready to make a decision about it or planned well and
2 be successfully implemented and community. The venue is
3 beaches. Present state, we're going to look at four
4 areas of assessments of present state of the leadership
5 of the beaches.

6 MR. HUSSERL: We talking Incline Beach?

7 MR. DEVINE: That's what I was going to ask,
8 clarify that? I don't care, I just need to know.

9 MR. CALLICRATE: I think probably Incline
10 Beach as far as the facility is in the need most.

11 MR. DEVINE: We're going to break them into
12 the three beaches?

13 MR. HUSSERL: Let's start with Incline Beach.

14 MR. BISHOP: You're talking about Incline
15 Beach and the overall leadership here we're talking
16 about in terms of four areas. One of them is managing
17 the resources judiciously in terms of physical
18 operation, and money, the service delivery and what
19 level, in other words, are they exceeding, is it
20 exemplary or is it fair, poor, et cetera? Track records
21 of solid moves, in other words, you're speculating back
22 and looking at the leadership that you had there, did
23 they make solid moves to advance the Incline Beaches
24 there? And what's the overall community's view of the

1 health of the venue? So you straight on how we going to
2 judge present state?

3 MR. HAMMEREL: Do you want to give numbers?

4 MR. BISHOP: Let's just talk about it.

5 Managing your resources judiciously, the physical
6 operation, it might be two things, and the money
7 associated. And the rating is, one, not so good, pretty
8 bad shape, five is so-so but needs an upgrade, not the
9 physical facility, I'm talking about the leadership, the
10 leadership they have there, and 10 is outstanding,
11 really gold standard.

12 Incline Beaches, how do you see managing the
13 resources judiciously?

14 MR. DEVINE: From what I've heard anyway,
15 monetarily, it does pretty good, but I'm just -- that's
16 -- because it's pretty -- you man the gates, there is,
17 of course, maintenance, there's garbage that has to be
18 picked up and stuff, but at least I've been told that
19 some of the improvements we're looking at to do there it
20 can almost be done from what is brought in, am I
21 repeating what I've heard? Yeah.

22 MR. EICK: We could pay cash for what we're
23 planning to do.

24 MR. DEVINE: So my understanding is

1 monetarily, it does pretty good.

2 MR. HAMMEREL: Yeah, I would agree with Bill,
3 I think monetarily and financially it's strong. Where
4 it lacks is the physical.

5 MR. BISHOP: Physical operation, the physical.

6 MR. CALLICRATE: The physical, I would give it
7 -- I'm being generous, I've given it two because that
8 facility, I've worked there.

9 MR. PINKERTON: Out of a hundred.

10 MR. BISHOP: No, listen, that scale is one to
11 ten.

12 MR. CALLICRATE: Yeah, I'd say on that because
13 the guard shack was replaced when I was out there 16
14 years ago that was quote, unquote, state-of-the-art
15 definitive it needs some help, but it's much better than
16 the actual snack bar/changing facility. It's a dump,
17 and it needs to be raised in something different.
18 That's just me. Like I said, I give it a two.

19 MR. BISHOP: Are we going to look at two ways?

20 MR. CALLICRATE: No, it needs to be torn down.

21 MR. BISHOP: The physical plant and money?

22 MR. CALLICRATE: Yeah, the snack bar.

23 MR. BISHOP: Are we going to look at two ways?

24 First one would be A and B. You say the physical.

1 MR. CALLICRATE: The physical operation at
2 Incline Beach I would give a two.

3 MR. BISHOP: Okay.

4 MR. BISHOP: Physical operation for the rest,
5 how do you see it.

6 MR. HAMMEREL: Three.

7 CHAIRMAN SMITH: I am with these guys, here's
8 the reason why. It's our largest customer account,
9 we're selling snack food out of it and some liquor, some
10 alcoholic beverage, and adult beverages, folks are going
11 there and we're per caps could be through the roof if we
12 actually just gave them the basic needs that they might
13 need like suntan lotion, we don't sell suntan lotion, we
14 don't sell a beach towel, we don't rent umbrellas or
15 even have anything to blow up the water toys that they
16 want to put in the water, we're providing no service
17 there other than some hot dogs, hamburgers, and an
18 alcohol beverage. And I don't think we want to turn it
19 into a large concession stand, but I think that we could
20 --

21 MR. BISHOP: It's got a ways to go.

22 CHAIRMAN SMITH: -- probably double the
23 revenue there just doing little things.

24 MR. CALLICRATE: And the customer experience

1 would be huge.

2 CHAIRMAN SMITH: Folks get there and they want
3 to barbecue and they're bringing all their food in, I
4 forgot the coals, you know, or I forgot the lighter
5 fluid or needs matches, and they have to get in their
6 car and go get it. So, you know, just on some levels,
7 we need to do some things.

8 MR. HAMMEREL: I'm not too worried about the
9 revenue side of things because I think the revenue will
10 come once we change the physical because I think there's
11 congruency between the customers that we have at the
12 beach, first off, the customers that we have at the
13 beach are either owners or guests of owners so they're
14 of high priority to us. But when you go into Incline
15 Beach, it looks like a public park and not a private
16 beach.

17 MR. BISHOP: So physical operation I hear
18 pretty consistent 3 or 4 at least across the board.

19 CHAIRMAN SMITH: Right.

20 MR. BISHOP: Lot to be done there. So let's
21 give that a 3.

22 CHAIRMAN SMITH: Then another thing is we
23 haven't talked about we have port-a-potties right there.

24 MR. BISHOP: That doesn't look too good.

1 CHAIRMAN SMITH: Right.

2 MS. WONG: Remodeling the bathrooms.

3 CHAIRMAN SMITH: Bathrooms aren't winterized.

4 CHAIRMAN SMITH: Incline Beach, they're not
5 winterized.

6 MR. BISHOP: Voluntarily, how they manage
7 that? What kind of a score would you give that?

8 MS. WONG: 7 or 8.

9 MR. CALLICRATE: Five.

10 MR. HAMMEREL: 9.

11 CHAIRMAN SMITH: How we manage the
12 port-a-potties?

13 MR. HUSSERL: 8 to 9 monetarily.

14 MR. HUSSERL: Jim, I heard you say you thought
15 you could double the revenues.

16 CHAIRMAN SMITH: I really do.

17 MR. PINKERTON: Without even trying.

18 CHAIRMAN SMITH: Easily. We did the right
19 things there, we may cover all our debt, I mean, in some
20 way we can really capitalize what to do there and do it
21 right, cover a lot of costs.

22 MR. BISHOP: You're suggesting it's okay, it's
23 a 5, it needs an upgrade, though.

24 CHAIRMAN SMITH: Right.

1 MR. BISHOP: And the rest of you, where are
2 you? You mentioned a 9.

3 MR. HAMMEREL: I see opportunities for upgrade
4 but it stands right now I think they've done a great
5 job, just need to reinvest in making that physical
6 location better.

7 MR. BISHOP: But some leaders have made
8 decisions not to do certain things.

9 MR. HAMMEREL: I have no idea about that.
10 Yeah, apparently, we've gotten to the point where it is
11 right now.

12 MR. CALLICRATE: Then if you look at the
13 overall beach itself from the time that the gravel
14 parking lot, chain-link fence and the barbwire, we've
15 come leaps and bounds, so I think that the track record
16 of solid moves that's been pretty good. I know I'm
17 jumping ahead, but it's all into that with redoing our
18 parking lots, resodding the area that was a gravel lot,
19 trying to improve the vegetation and trying to improve,
20 I think there's been a consistent showing of at least
21 modest improvements. Now, the actual structure itself
22 need to be -- that's the last missing channel.

23 MR. BISHOP: So the track record and solid
24 moves modify give that a what?

1 MR. CALLICRATE: I'd give it at least a six to
2 a seven because it had been steady, there have been
3 steady improvements between the years, but I'm going on
4 30 years, they don't have my ancient background.

5 MR. BISHOP: Kendra, Jim, Bill?

6 MR. HAMMEREL: Six.

7 MS. WONG: For track record solid moves? I'd
8 give it a five. I think the one thing that we really
9 direly need to address is parking, especially Ski and
10 Incline.

11 MR. BISHOP: 5, 6, where you, Bill?

12 MR. DEVINE: If we're already up to track
13 record.

14 MR. BISHOP: We're going to take that one move
15 back.

16 MR. DEVINE: Jumped up to track record. I
17 think that I actually can go back as far as Tim and I
18 can remember high school kids spinning donuts in the
19 gravel parking lot and the barbed wire chain-link fences
20 and stuff, so I would say that up until recently, and
21 this makes me think back towards the monetarily, the
22 picture is good right now, but monetarily we haven't
23 reinvested like we should have in the last couple of
24 years so I actually would end up going down monetarily,

1 and then track record, certainly over the last five
2 years I'd say we've stagnated, so I'd put that around a
3 five also, I put the two at five.

4 MR. BISHOP: Five, four at least.

5 MR. HUSSERL: Jim, I want to go back and
6 clarify a question. So you've talked about what I call
7 SKUs, what you're selling inside the facility. Is the
8 physical building a limitation to what you're selling?

9 MR. PINKERTON: Oh, yeah.

10 CHAIRMAN SMITH: Absolutely. I mean --

11 MR. DEVINE: Yeah.

12 CHAIRMAN SMITH: The outsource of food and
13 beverage, if you talk to our contractor in there, it's
14 difficult for them to even do the little things. It's
15 not --

16 MR. EICK: It's a huge barrier.

17 MR. HUSSERL: So new physical setting and new
18 SKUs in terms of what we're selling, they're convenience
19 oriented?

20 CHAIRMAN SMITH: Yes.

21 MR. BISHOP: I want to go back how they manage
22 the money in the beach. What is that? What were you
23 saying?

24 MR. DEVINE: You almost have to identify,

1 manage the money, because if I heard Gerry right, what
2 we've done with all the money that we've made is it's
3 there and it could be used to improve these things, so
4 because the forethought was there that's managing it
5 good because it hasn't been used yet, maybe that it's
6 not managing it good, so I'm not sure where the cutoff
7 is, so I go with five.

8 MR. HAMMEREL: Agree with Bill.

9 MR. BISHOP: Tim?

10 MR. CALLICRATE: I was just going to say I
11 think if you take these situations into concern, it's
12 like we're middle of the road to behind the curve.
13 We're five to below that because we have a facility that
14 is limiting the ability for us to reinvest our assets,
15 you know, gets into cleanliness of the beach itself, the
16 sand, raking of the sand, the whole experience when you
17 come into the beach itself, the at busy times, lack of
18 parking, it's just -- all around that whole area, the
19 whole venue needs to be reinvented.

20 MR. HUSSERL: That beach has been a cash
21 count, right?

22 MR. BISHOP: They haven't.

23 MR. HUSSERL: They haven't really have the
24 best investment back in.

1 MR. CALLICRATE: Then you go to the other
2 venues that we have, the other beaches, we're making a
3 significant investment down at Ski Beach. We have made
4 a significant investment at Bur Cedar, but the go far
5 number at Burnt Cedar, but then here we almost get
6 there, then we pull back, so a phase two, phase three,
7 so it's problematic with not being good stewards of what
8 we've been given to manage by the community as trustees
9 to say here's one of our shiny gems that's pretty darn
10 dirty, we need to clean it up this.

11 MR. HUSSERL: Our family beach, right.

12 MR. CALLICRATE: This is Incline Beach, the
13 main beach right there, it's the number one, and Burnt
14 Cedar is the far west end the town.

15 CHAIRMAN SMITH: Family beach.

16 MR. HUSSERL: First one is where the young
17 people hang out.

18 MR. BISHOP: Monetary five. What about the
19 service delivery level?

20 CHAIRMAN SMITH: It's one.

21 MR. PINKERTON: At the beach?

22 CHAIRMAN SMITH: One or a two.

23 MR. HUSSERL: Service?

24 CHAIRMAN SMITH: Well, it starts with the

1 parking, so gotta get the right driveway when you get
2 there. If you don't get there or don't there.

3 MR. DEVINE: So you comment isn't, like,
4 personnel as much as just the whole feature.

5 CHAIRMAN SMITH: No, service.

6 MR. DEVINE: I know what you're saying.

7 CHAIRMAN SMITH: You want to go to the beach,
8 and you got a car load with kids and toys. And you have
9 got a choice where you can pull in, go around, dump all
10 your stuff, or look for a parking space, hope that your
11 kids are okay, you know, if you're a single parent, and
12 then find a way to walk two or three blocks back, you
13 know, and then the parking isn't there, so this starts
14 with the parking.

15 MR. HUSSERL: Might I suggest that might be
16 more customer experience versus service?

17 CHAIRMAN SMITH: Yeah.

18 MR. HUSSERL: In other words, that's the
19 experience that people have when they go as contrasted
20 with service and their interaction was people and maybe
21 --

22 CHAIRMAN SMITH: So are we just getting into
23 personnel service? I'm sorry, but the sun --

24 MR. BISHOP: Why don't you come sit over here.

1 MR. DEVINE: Bring your gavel.

2 MR. HUSSERL: Are those constraints of parking
3 out of your control, by the way? Is there anything this
4 group can do about that?

5 CHAIRMAN SMITH: You could offer some value
6 service, we could offer some shuttle service. We've
7 eliminated the parking in terms of its physical
8 structure.

9 MR. EICK: At some point we're going to have a
10 resource restraint, but there are probably things we can
11 do to retrieve some of this, but not all of it.

12 MR. PINKERTON: There's more we could do,
13 bottom line, whether it's a priority of our resources or
14 not.

15 MR. BISHOP: Sounds to me like it's a 2.

16 MR. CALLICRATE: Yeah, somewhere around that.

17 MR. BISHOP: What's community view of overall
18 health of that specific beach?

19 MR. CALLICRATE: That it's severely
20 overcrowded, but that's usually on the weekends, and
21 it's one of the top beaches, people love to go there.
22 The health of it, as long as they can get a spot to put
23 their towel down and get to the water, I mean, this is
24 what I hear. I go to that beach almost every day in the

1 summer and I just see the smiles and people seem to be
2 happy. But on peek weekends, any weekend from 4th of
3 July through Labor Day, and it's getting earlier and
4 later, the weekends for the residents, the locals, it's
5 not a good experience.

6 MR. BISHOP: So they would give it a what?

7 MR. CALLICRATE: Not so good. It depends on
8 which of those segment of markets you're talking about
9 because for the locals, on the weekends it's not a good
10 experience. For the visitors on the weekends it's a
11 blast, they love it.

12 MR. BISHOP: But the question was community.

13 MS. WONG: I'd say, on average, a five.

14 MR. HUSSERL: Yeah, that's a good average of
15 five, yeah.

16 MR. HAMMEREL: I would give it an 8 or a 9.
17 Everybody I talk to is happy with what's going on on the
18 beach.

19 MR. BISHOP: Six something like that.

20 MR. HUSSERL: I just put 5 to 9 at a range.
21 Now, then, with the beach what we want to do is then
22 move into future state and venue specific about the
23 beach, and 3 or 4 questions there. Vision,
24 expectations, what activities, invested staff and a

1 balance sheet, where should we be with that?

2 CHAIRMAN SMITH: Can I share it real quick?
3 This beach here is next to our beach and they run it
4 completely different when we operate our beach, so
5 sometimes it is good, but I think the expectation from
6 some folks is, you know, Hyatt has this how come you're
7 not doing that.

8 MR. BISHOP: You need to be prepared, compare.

9 CHAIRMAN SMITH: People naturally compare and
10 they run very high level service here. We run a
11 different level of service, so that plays into a
12 perception of what the community thinks.

13 MR. DEVINE: Agreed. So what should be the
14 vision of that specific venue?

15 MR. CALLICRATE: If we go back to our vision
16 statement that we worked on earlier, to be consistent,
17 we want to offer the best that we can.

18 MR. BISHOP: The vision would be the best.

19 MR. CALLICRATE: The best facilities because
20 there is the entrance facility, there's the snack bar,
21 changing room, restaurant facility, and there's parking
22 facilities, and then there's the beach itself. And I
23 would just say that we want to offer the best -- the
24 best that we can for what the snack bar, changing

1 restroom facility, that's the most problematic of all
2 those places right now. It's a shambles.

3 CHAIRMAN SMITH: I would also say this. And
4 Gerry, correct me if I'm wrong, it's the most valuable
5 asset, highest customer counts, the highest piece of
6 real estate. If we sold anything in our district, that
7 would be the biggest -- we would sell that for more than
8 anything we would sell even for money probably.

9 MR. BISHOP: Right.

10 MR. EICK: There is no mystery that our
11 beaches are our most valuable pieces of property, but to
12 your point, you know, you could value things based on
13 its business volume, and again, as you've talked about,
14 the beaches have the highest degree of utilization in
15 our community, so yeah, I think in that sense we have to
16 recognize they have the broadest appeal, they have the
17 greatest degree of utilization.

18 The one thing I would point out that I think
19 is an attribute of the beaches is much of the enjoyment
20 or satisfaction comes in the condition of the
21 facilities. If you think about it, we have thousands --
22 can have thousands of people on the beach having a good
23 day, there may only be 10 or 15 employees in their
24 proximity, it doesn't take as much human capital to

1 deliver satisfaction.

2 Now, human capital can make a big difference
3 in the experience, but it's really in the quality of the
4 facility and so as you're talking about it, if we made
5 it a good physical experience, we can create a lot of
6 satisfaction in that alone.

7 CHAIRMAN SMITH: We don't want to value
8 engineer the beach.

9 MR. EICK: I would shy away from that.

10 MR. HAMMEREL: So I am cognizant of giving
11 staff vague direction, and although I completely agree
12 with it, in terms of delivering the best I want to
13 specifically define what the best is in my mind because
14 the best what Kendra thinks is probably different than
15 what I think is the best, so I think that having the
16 best structure there that's clean, that's user friendly,
17 that's modern, that's efficient, that is purpose built
18 and no corners cut, it's not value engineered or budget
19 engineered, and then go back to what you're saying,
20 Gerry, about the physical appeal to it, I would say that
21 investing and ensuring that we have the best manicured
22 and best landscaped and best sod and raking sand, if we
23 need to rake sand.

24 MR. EICK: The sand condition --

1 MR. PINKERTON: We're going to bring that back
2 in the budget, I think the sand could be a lot better.

3 MR. HAMMEREL: I personally don't think that
4 we need beach butlers with suits and bowties on laying
5 out in the morning beach towels on putting on sunscreen,
6 that's not what I envision as the best, but the physical
7 structure and the physical --

8 MR. BISHOP: Can we talk about best for the
9 beach, how can we capture that succinct term as opposed
10 to a lot of character?

11 MR. HUSSERL: I heard cleanliness.

12 MR. HAMMEREL: Cleanliness, physical
13 structure, manicure.

14 MR. PINKERTON: Aesthetic.

15 MR. HAMMEREL: Aesthetically acceptable.

16 MS. WONG: Focus on the customer service
17 experience.

18 MR. HAMMEREL: Yeah, focus on the customer
19 services feeling. So that's going to take into the
20 aesthetics of the spatial relationship.

21 MR. EICK: I got the physical flow of property
22 would be a huge one.

23 MR. CALLICRATE: You know, it's just a
24 situation that we use as one example, Burnt Cedar Beach,

1 not to that size, clearly, because it would be better
2 not fit the space, but kind of maybe that type of
3 architecture to where it blends in with the area and
4 that we use good quality building ingredients and we
5 have spaces where people can move around, we have
6 changing rooms that don't look like they're on the
7 shining, I mean, things along these lines that where
8 people can feel that, wow, we have arrived at the
9 premier beach at Lake Tahoe, and how lucky and fortunate
10 we are as residents and land owners and people who live
11 here to have this as our shining example of what we can
12 really do well.

13 MR. HUSSERL: So does this work? Cleanliness,
14 well manicured, aesthetically pleasing and functional
15 building?

16 MR. CALLICRATE: Yeah.

17 CHAIRMAN SMITH: And then we need to look at a
18 regeneration of the facilities as well, we give people
19 what they need, what they're there when it's convenient
20 it's priced right.

21 MR. CALLICRATE: Amenities that we can offer.

22 CHAIRMAN SMITH: Do we have food and beverage
23 there and we do have music certain nights a week that
24 some people seem to enjoy? That's the, genre, so.

1 MR. HUSSERL: So the right products, right
2 services at the right time and place.

3 MS. WONG: Yeah, and it would be nice to get
4 the bar away from the playground.

5 MR. DEVINE: Or get the playground away --

6 MS. WONG: Or get the playground away from the
7 bar, whichever is more cost effective.

8 MS. EICK: That's what I mean by a better
9 physical flow in the relationship of activities.

10 MS. WONG: The bar is liberally right next to
11 the --

12 MR. PINKERTON: The good news is we are going
13 to have more meetings with the public probably with the
14 next 30 days, where I'm hoping the outcome of the next
15 meeting will get us to the point where we can get into
16 detail later this year, so.

17 MS. WONG: But in terms of parking, you know,
18 having a shuttle run throughout town, especially on the
19 days where we know that it's gonna be packed.

20 MR. HAMMEREL: We know it's going to be busy.

21 MS. WONG: Yeah.

22 MR. BISHOP: That's part of user friendly.

23 MR. PINKERTON: When you think about it people
24 are paying 600 --

1 CHAIRMAN SMITH: Steve, remember February 1st
2 when you and Audrey came down to the beach, working on
3 your contract and Audrey's, like, it's sure nice to have
4 an Irish coffee right now. 60 people at the beach.
5 When you mentioned parking, you knew it right away.
6 Value parking, some sort of parking which allows people
7 to drop off, leave their car, just think about if you
8 pulled up without Audrey with your family, can you leave
9 your youngest alone?

10 MR. PINKERTON: No.

11 CHAIRMAN SMITH: You know, so you gotta think
12 about that. I mean, that happens. They want to track
13 all your ice chests and all your chairs and everything
14 down Village Boulevard? That's just bad. We have to
15 figure that out.

16 MR. PINKERTON: Toss it out. You think about
17 people pay \$600.00 a night to use this beach versus a
18 hundred dollars a year for three beaches for us.

19 MR. DEVINE: I was hoping somebody would point
20 that out.

21 MR. BISHOP: How you have a franchise, do you
22 have a simple message about service? What do you pay to
23 people?

24 CHAIRMAN SMITH: Some don't have any, some

1 that I work with it's all about service, it's more
2 important than team because you can't control what's on
3 the field, but being control everything else, so it's
4 sort of the Disney approach to service, if you were.
5 You may not be winning on the field this year, but you
6 go to a game because of the food, cleanliness of the
7 facility, the friendliness of the staff, and amenities
8 that's there.

9 MR. BISHOP: The package.

10 CHAIRMAN SMITH: The whole package.

11 MR. BISHOP: Expectations, what will it
12 delivery in terms of value? And what with respect to
13 the various staff, what's expected of the staff to come
14 up with.

15 MR. HAMMEREL: Cleanliness.

16 MR. HUSSERL: Yeah.

17 MR. CALLICRATE: More seamless approach onto

18 --

19 MR. BISHOP: For people go there.

20 MR. CALLICRATE: People who live here, when
21 you go in it's just, you know, that when you -- if you
22 have to use the restroom, which is usually the case for
23 who goes to the beach, you're gonna go into clean, well
24 lit, appropriate restrooms so that the women's restroom

1 has -- we're getting nitpicky in detailing, but this is
2 stuff that people expect to have enough facilities for
3 their use, that when you go up to the snack bar you're
4 not waiting in the line 15 or 20 deep out in the
5 broiling sun, you know, and that if you want to go get a
6 cocktail or an adult beverage you aren't standing next
7 to the kids' playground, there are things about just a
8 better customer experience, is people want that. This
9 community has paid dearly through the years.

10 MR. BISHOP: Customer experience.

11 CHAIRMAN SMITH: One of the staples you'll see
12 every beach Southern California, Hawaii, outdoor shower,
13 get the sand off, we don't have that. The sand ends up
14 in the bathroom, you know, it ends in various -- it's
15 the little things, it's all the details that we could
16 improve on, and sand end up in their car, it's all part
17 of the.

18 MS. WONG: The other truck to this is to do it
19 all without increasing the rec fee.

20 MR. DEVINE: The beach fee.

21 MR. PINKERTON: Shouldn't be a problem.

22 MS. WONG: The beach fee.

23 MR. HUSSERL: Seems to me if you had to start
24 with one word about beach, it's the word clean, that if

1 you look at the sand and the wash rooms and the food
2 service and just said what does it mean to be clean,
3 you'd go a long ways.

4 MR. CALLICRATE: The beaches, especially in
5 the last 7 to 10 years, have really suffered, I think,
6 they used to grade it, you know, swept at least once a
7 week. I think they do it once a month. It's not
8 enough.

9 MR. HUSSERL: Well, it's a family beach and I
10 know what my wife would always say, the washroom is
11 dirty. Anybody, whether it's a restaurant anywhere
12 else, you're toast.

13 MR. DEVINE: I mean, dirty wash rooms.

14 CHAIRMAN SMITH: Bill and I were part of a
15 exercise a couple weeks ago.

16 MR. PINKERTON: Clean and modern.

17 MR. BISHOP: Modern.

18 CHAIRMAN SMITH: I think the other thing is, I
19 think, and I don't know if I'm getting ahead of you, but
20 if you were able to do this and do this really well, and
21 use exceptionally well, everything else you do after
22 that, people are going to trust us because it's the
23 highest customer count, it has the most focus, it has
24 the most interest. We do this well, we do this right

1 away, then the next thing, the next project we take on
2 the management of this organization gets it.

3 MR. EICK: Yeah.

4 MR. HUSSERL: You're going to build trust.

5 CHAIRMAN SMITH: You're going to build trust.

6 MR. PINKERTON: A hundred percent agree. I
7 had a project decades ago where we got criticized for
8 the cost, we were building in the minute, they saw the
9 quality we, were never questioned for the next thing we
10 built.

11 CHAIRMAN SMITH: Right.

12 MR. CALLICRATE: That won't happen here,
13 Steve, I was telling you, but it's something to work
14 towards.

15 MR. PINKERTON: Nice thought.

16 MR. BISHOP: It does build trust.

17 MR. CALLICRATE: No, but that gets to the key
18 we talked about earlier is that trusting, credibility,
19 unfortunately, have taken some hits, and rightfully so,
20 you know, and so now we have to help rebuild that, and I
21 think that whatever we do out in the open we have the
22 real costs out front, not like it's going to cost as
23 much -- we went over by 40 percent, say this is how much
24 it's gonna cost to do this and maintain this level of

1 service based on what was community demands of us and we
2 follow through with that in a timely way in our budget
3 and out in the open, people will be receptive, but if we
4 get false figures and high expectations and then come up
5 with something that's partially built and doesn't make
6 sense and doesn't work.

7 MR. BISHOP: The trust.

8 MR. PINKERTON: It's critical, we want to make
9 money off the concessions, but we don't want to oversell
10 it, it's key, but we what you to talk about what we want
11 to be realistic in what something can deliver, right?

12 MR. HUSSERL: You want a regular local to go
13 down and pay \$25.00 for the hamburger, that isn't the
14 case now, but we aren't the Hyatt and we shouldn't be
15 trying to compete with the Hyatt as far as taking a
16 business which we won't, because they have the butlers
17 on the beach and the massage people and all that, but if
18 we're going to run something, let's do it the best that
19 we can, at a level that can meet expects and demands
20 but, you know, this side of breaking bank because we
21 don't want to do that and we shouldn't want to do that.
22 but we have the ability to provide, just a great venue
23 and really give the community the value that it wants,
24 and that has been paying for for decades.

1 MR. HUSSERL: Make sure I understand.

2 Visitors don't use this beach, right? This is for
3 residents that show ID card?

4 MR. CALLICRATE: In theory.

5 MS. WONG: That's the other part that I was
6 going to say, the other piece that we're missing to this,
7 is how people get access to the beach. We've got our
8 picture passers, we've got our punch cards, and then
9 we've got those white forms, so we also need to tighten
10 that process as well.

11 MR. GUINASSO: Can I just interrupt there? As
12 much as maybe we want to do that from a practical
13 standpoint, from a legal standpoint you've already
14 invested quite a bit of money in litigation and what in
15 which you've prevailed and the system that you developed
16 has been found to be legal and so if you change it that
17 will likely invite more litigation.

18 MS. WONG: Now I'm talking about a better way
19 rather than using a white piece of paper that people can
20 copy.

21 MR. HAMMEREL: Utilizing technology.

22
23 MR. PINKERTON: Not change the policy.

24 MS. WONG: Not change the policy, but figuring

1 out a better way to learning technology that we are
2 investing in, so that Joe Snow can't go copy a piece of
3 paper and let 25 of his friends in.

4 MR. PINKERTON: We're getting there.

5 MR. CALLICRATE: That's --

6 MR. BISHOP: What about the expectations of
7 the staff? What do you expect the staff throughout the
8 beach?

9 CHAIRMAN SMITH: I think the core values
10 should be the same at the beach as the golf course;
11 being kind, being friendly, being helpful, initiating
12 engaging, and we have folks that work for us at the
13 beach in the summer and they're working at the ski
14 resort this weekend. It needs to be the same.

15 MR. BISHOP: The level of service. But do you
16 expect managers, leadership of that beach to be
17 accountable and come up with an approach to upgrade the
18 staff --

19 CHAIRMAN SMITH: Yeah.

20 MR. BISHOP: -- that way?

21 MR. HAMMEREL: I think one of the things you
22 guys talked about at the beginning was abandonment
23 versus concentration, and I feel like the beaches,
24 although they impact the most people here in town and,

1 arguably, they're one of the most financially successful
2 venues that we have, they've sort of been abandoned from
3 a capital improvement standpoint and so my expectation
4 of staff is to continually concentrate on the beach
5 because it seems to be the one venue that really impacts
6 the bulk of our stake holders, parcel holder, visitors
7 is my expectation that will not shift away from kind of
8 ignoring the golden goose of this district and put more
9 go more emphasis on what we can do to continue to
10 improve on the beaches.

11 MR. HUSSERL: About investment.

12 CHAIRMAN SMITH: From the employees' side what
13 we used to do is all of the folks that worked at the
14 beach went to 8:30, went home, and beach was open until
15 10 and it was left to itself and it started to change a
16 little bit, and that being the number of visitors we
17 have there. We could have some service levels on the
18 beach as I sort of talked about as an ambassador, that
19 ambassador comes down, how you doing? You guys having a
20 good time? Is there anything else I can? Instead what
21 we've had after 5:00 is we have the security uniformed
22 security people that patrol the beach and walk up and
23 down so the customer is looking at why are they here?
24 Is there some kind of problem? You know, that's been

1 our sort of our environment and I would prefer that we
2 change that and have folks on the beach in beach garb
3 saying how you doing? Something I can get for you, even
4 help them with something like I'll throw that away for
5 you, that level of service. I'll help you with -- I'll
6 help you drag the stuff to your car, et cetera,

7 MR. CALLICRATE: I think that it gets into
8 this comes up with all of the beach activities, staffing
9 levels from one from what time to what time, and then
10 what month to what month. Because right now our beaches
11 are wide open so anybody in the country can go down and
12 dance around and go in the water and all that, even
13 though technically they're not supposed to because
14 they're private beaches so sometimes private, sometimes
15 public. So that's another issue of greater magnitude
16 that we have to address.

17 But if we just take the summer operations, the
18 expectations of that, the staff who are there want to be
19 there, that's critical because we have some people who
20 are there and they would rather be, you know, in
21 Chernobyl, you can tell the look on their face they are
22 just not happy campers, and that goes across to all the
23 people that come through, that's their view of those
24 employees, thankfully, but when it's all hands on deck,

1 getting close to 4th of July weekends and then the peak
2 of the summer, we need to have people that want to be
3 down there that want to interact with the customer. We
4 have a very demanding customer base at Ski Beach, very
5 demanding.

6 MR. HUSSERL: That is --

7 MR. BISHOP: That's management.

8 MR. CALLICRATE: Right, but I'm just saying
9 the expectations of what the staff are going to do and
10 things of that nature and what we expect of staff is an
11 appropriate staffing level of the appropriate people
12 that want to go there.

13 MR. EICK; So if could offer a concept we have
14 in accounting, we're talking about a tone at the top
15 that, you know, we expect engaged, friendliness, we
16 intend to have -- to generate the best customer
17 experience that we can by having presence, you know,
18 those kind of thing, I think this is kind of what you're
19 talking about here.

20 MR. BISHOP: Absolutely.

21 MR. PINKERTON: And our culture training, you,
22 know, the big five, responsibility, integrity, team
23 work, service and excellence. And so excellence is the
24 one that we're hearing a lot of today that's right in

1 line with what we were been talking about in our
2 training. And I think the other thing we want to do is
3 make sure that what we bring you the budget, we give you
4 options, you know, when we get to study sessions we can
5 define for you different levels of service that we could
6 certainly increase at the beach just like having Burnt
7 Cedar open in September, if we want to have more support
8 staff at the beach, Gerry and I have been talking a lot
9 about what are the appropriate levels, you define the
10 services, and I think that's we're attempting to do in
11 all of our venues is give you more feedback as to here's
12 what you're paying for, here's what it costs to go up or
13 down from that service level, instead of just saying we
14 got a hundred bucks, here's how we fit in a hundred
15 dollars a fee and pay for the beach, we want to tell you
16 this is -- we're going to start better defining for you
17 what service you're getting.

18 MR. HUSSERL: That's your role at management,
19 right?

20 MR. PINKERTON: Yes.

21 MR. HUSSERL: Role today is we're setting
22 expectations of what this board wants to see at this
23 beach. Now see you, Gerry and others are going to go
24 back and say this is what we need to do to be better and

1 here's how much it's going to cost, and we come back
2 over here.

3 MR. PINKERTON: And this has been really
4 helpful that way.

5 CHAIRMAN SMITH: You talk about a beach, it
6 should be fun, it should be fun for the employee, but
7 the other thing we haven't talked about is safety.

8 MR. CALLICRATE: Especially at the boat ramp
9 at Ski Beach. Well, all of this, it's important.

10 CHAIRMAN SMITH: We've got lifeguards, we've
11 got, you know, glass, we've got stuff happening, so.

12 MS. WONG: Shouldn't have any glass.

13 MR. GUINASSO: Bottom line.

14 MR. PINKERTON: We're getting a bigger beach.

15 MR. HUSSERL: Back to what everybody said I
16 heard you and Jim say is that this business is kind of
17 been the cat cow taken for granted, kind of everybody
18 uses it.

19 MR. PINKERTON: No matter how poor the
20 service.

21 MR. HUSSERL: No matter what. And as a result
22 we kind of let it slip, we haven't invested in it going
23 forward, and I'm hearing you say that you would like to
24 rather than abandon that investment, to begin to say

1 let's concentrate on the one investment in what we know
2 is successful.

3 CHAIRMAN SMITH: I want to share one last
4 thing is there's nothing here that Steve or Gerry, the
5 former general manager told me in a meeting. You can
6 clean the bathrooms if you raise the rec fee \$5.00.
7 That's been the culture of that organization of that
8 beach, raise the rec fee five dollars, clean the
9 bathrooms, and I almost lost it. So it's -- we have to
10 change that culture, we have to say look, we're going to
11 service, we're going to take care of everything, this
12 bathroom, the toilets, everything's going to be pristine
13 24/7 as long as we're open, you know, it's -- it's not
14 even maybe from Steve, Bill, was there?

15 MR. CALLICRATE: I think what the expectation
16 is we kind of jumped over the people, staff investment,
17 and I think hopefully we've given clearer --

18 MR. PINKERTON: Very clear.

19 MR. CALLICRATE: -- guidance to say if we're
20 gonna to this, we've been doing it for 52 years, 45
21 years, or 43 years, we now are raising the bar, and
22 we're going to actually invest in these places that
23 everybody in this community has used as a reason to move
24 here, probably 95 percent. And now we owe it to the

1 community and we're able to. I don't want to beat up on
2 prior boards because each board has things that it has
3 to do at the time. And unfortunate, it's usually an
4 emergency, you know, that's just how it is. So we have
5 the opportunity now as this board to give guidance on
6 these beaches, specifically at Incline Beach, that we're
7 raising expectations, we're raising the bar all across
8 and all across the district, and I think that that
9 exercise is showing how we want to address each of our
10 venues, to give that guidance and have the appropriate
11 people and staff in there and somebody's been working in
12 one facility, say Incline Beach, year after year after
13 year and starts something good and goes south because it
14 just turns to be an untenable situation, let's see about
15 maybe that person can be moved to another venue to have
16 a better experience of his or her employment here and
17 get somebody in there who actually, you know, maybe, if
18 somebody isn't performing well --

19 MR. BISHOP: Don't -- I would say --

20 MR. CALLICRATE: -- you don't reward them by
21 giving them a better job.

22 MR. BISHOP: No, don't move them around
23 because of this place. I think I've heard you to be
24 very clear to people what's gonna get you fired.

1 MR. CALLICRATE: Right. That gets into that's
2 the management's position.

3 MR. EICK: And that's why I was kind of going
4 with the tone at the top, if we're going to successfully
5 have good, consistent customer experience, then we're
6 going to have to set a tone about engagement and
7 friendliness --.

8 MR. CALLICRATE: Join the private sector, it's
9 time.

10 MR. PINKERTON: Well, I can tell you that this
11 conversation is going to get -- everybody who works at
12 the beach this summer is going to be communicated
13 directly from me the conversation we had today.

14 MS. WONG: But this isn't about just the
15 beaches.

16 MR. CALLICRATE: This is through the district.

17 MR. PINKERTON: Absolutely.

18 MS. WONG: This is kind of going back
19 somewhere, you know, the conversation that we had last
20 week of do we have the right people in the right places
21 to make this happen.

22 MR. GUINASSO: I just want to caution you on
23 this discussion, though, because I have noticed this is
24 a frustration that occurs between the board and staff is

1 that excellence and raising the bar and all the good
2 things you're talking about come with a cost, and when
3 that cost is communicated to the public, there is a lot
4 of disagreement as to whether that cost is justified.
5 And as the board begins to execute that, different
6 people, you know, have different thoughts about what
7 excellence looks like along the way and so I would, in
8 communicating with staff about what you desire, think
9 about what you're comfortable defending when you have to
10 answer to the public for the costs that come with being
11 excellent and with raising the bar.

12 MR. PINKERTON: But my goal is to better
13 communicate that to the budget than we have in the past.

14 MS. WONG: I think that's where going back to
15 the role of the board and the role of staff comes into
16 play. We've set a very clear direction --

17 CHAIRMAN SMITH: Yeah.

18 MS. WONG: -- of where we want to head.

19 MR. PINKERTON: Uh-hum.

20 MS. WONG: It be staff's responsibility to
21 operationalize and bring that back to us, the key place
22 is do that in the budget.

23 MR. PINKERTON: And right now is perfect, too.

24 MR. HUSSERL: So let's talk about in summary

1 what we've come up here. Incline Beach, we rated the
2 various aspects and we generally said the physical plant
3 is a three, financial range between 5 and 9, Jim thought
4 in particular there were opportunities for more
5 convenience items. Service experience was a 2,
6 community view, generally between 5 and 9 with the main
7 issue being overcrowded.

8 Some of the main things we brought up as
9 opportunities; cleanliness, well managed, aesthetic
10 pleasing and functionability that provides the right
11 services with the right products, at the right place and
12 the right time.

13 And so as we look at that, what will that then
14 mean when management goes back and says all right, this
15 is the expectation. What are we now going to do in
16 terms of staffing in terms of our process? Give you a
17 simple example. Maybe it doesn't mean there's a lot
18 more staff, how often are the bathrooms cleaned? You go
19 into a good restaurant and every half hour, every hour,
20 somebody's in there cleaning those bathrooms. Believe
21 me, it doesn't take long for a bathroom to get
22 disgusting, right? So part of it is a process, we're
23 going to have someone clean that bathroom every hour or
24 whatever the right interval is so that when mom goes in

1 there with her kids, the bathroom is spotless. It's
2 just a given.

3 CHAIRMAN SMITH: Did we put IN there parking
4 or is that --

5 MR. CALLICRATE: Yeah, that's in one of the --

6 MR. HUSSERL: Yeah, so we had expectations,
7 clean, safe, modern, building trust early, and we need
8 to add parking which is --

9 CHAIRMAN SMITH: Or ingress/egress.

10 MR. HUSSERL: Which is a whole other issue,
11 right?

12 CHAIRMAN SMITH: Shuttles.

13 MR. HUSSERL: What about parking? You want to
14 talk a little bit about parking now?

15 CHAIRMAN SMITH: I think a couple people will
16 have a functional break coming up.

17 MR. HUSSERL: Let's do that. It's five
18 minutes to 6 and we're supposed to eat at six, so why
19 don't we combine that with --

20 MR. BISHOP: We're going to get your dinner,
21 whatever it is, and bring it back in here.

22 (Dinner break.)

23 MR. HUSSERL: We have a good sense now of what
24 exercise, what we're going to do with each one of these

1 venues.

2 MR. BISHOP: Do you want to go through and
3 rate the present state?

4 MR. HAMMEREL: I don't think so.

5 MR. CALLICRATE: I think we'll just kind of
6 give an overall, because we have the format that Steve
7 and Gerry are listening to and we'll kind of -- that
8 will set the bar for all the others so that we can kind
9 of just get more right to the point.

10 MR. BISHOP: Okay.

11 MR. BISHOP: What's your overall rating, then,
12 for Burnt Beach?

13 MR. CALLICRATE: Ski Beach.

14 MR. HAMMEREL: I think we can skip the rating,
15 but they that apply to all beaches, but there are subtle
16 nuances at each beach that we probably talk about the
17 nuances.

18 MR. BISHOP: What are your nuances then?

19 MR. HUSSERL: For Ski Beach.

20 MR. HAMMEREL: The nuisance at Ski Beach is
21 the boat ramp?

22 CHAIRMAN SMITH: Should we wait until Steve
23 gets back?

24 CHAIRMAN SMITH: He's doing shots or something

1 in the bar?

2 MR. HUSSERL: Let's get going. We'll catch
3 up. So we've got you boat ramp. Any other nuances.

4 MR. DEVINE: Yeah, kayak storage, you talk
5 about aesthetics.

6 CHAIRMAN SMITH: There's also water craft
7 rentals, right, Gerry?

8 MR. HUSSERL: I'm sorry, water craft?

9 CHAIRMAN SMITH: There's a business operating
10 out of Ski Beach, George Matthew, that does rents.

11 MR. EICK: Thought he was located on the west
12 end of Incline now, not off the Ski.

13 MR. DEVINE: Yeah, he is.

14 MR. EICK: That was a more appropriate place
15 for him to set up his area.

16 MR. DEVINE: That's exactly where he is.

17 MR. EICK: Because when he was at Ski Beach he
18 was getting into the unguarded part of the zone and we
19 didn't like that.

20 CHAIRMAN SMITH: I think we should talk about
21 that.

22 MR. EICK: So you're talking about the
23 concession there at that location.

24 MR. HAMMEREL: One thing that I would bring up

1 at Ski Beach is the parking area closest to the
2 Lakeshore Boulevard.

3 MR. HUSSERL: Parking area.

4 MR. HAMMEREL: Closer to the road.

5 MS. WONG: You mean the four spots that are
6 left?

7 MR. CALLICRATE: And then we have, I think
8 down there we should maybe -- I was going to say that
9 the volleyball courts and the underage drinking issue,
10 maybe -- that's actually -- let's leave that.

11 CHAIRMAN SMITH: That's part of the service.

12 MR. CALLICRATE: That's a service, yeah.

13 MR. HUSSERL: Is that service or safety,
14 underage drinking?

15 MR. PINKERTON: Both.

16 CHAIRMAN SMITH: I think you have underage
17 drinking on the other beaches.

18 MR. HUSSERL: That's all over.

19 MR. PINKERTON: We've been talking about
20 updating security.

21 MS. WONG: The Bocce court.

22 CHAIRMAN SMITH: Bocce ball.

23 MR. HUSSERL: And volleyball, right?

24 MR. CALLICRATE: We have two volleyball pits

1 and then we have a Bocce court.

2 MR. HAMMEREL: And a road closure gate access
3 to the boat ramp right there, they check in right there
4 at the gate where they put up the road. We should
5 probably discuss those.

6 MR. HUSSERL: Rode closure?

7 MR. EICK: Yeah, to restrict access.

8 CHAIRMAN SMITH: Restrict access at night so
9 you don't drive out on the lake.

10 MR. HUSSERL: So we've got boat ramp, gate
11 house park and volleyball, Bocce, and the road closure.
12 Anything else for Ski Beach.

13 MR. BISHOP: Nuances.

14 CHAIRMAN SMITH: That's it.

15 MR. HUSSERL: That's it. Okay. Why don't we
16 start with boat ramp?

17 CHAIRMAN SMITH: Well, the boat ramp, first of
18 all, we have no -- it's a safety issue, really. We
19 don't have any break water, we've got wind that come in
20 the afternoon on a daily basis and our service there is
21 only -- our staff has not helped with, you know, anybody
22 that's having a challenge getting in and out of the boat
23 ramp, whatever issues that come up.

24 MR. BISHOP: When you say you didn't have a

1 break --

2 CHAIRMAN SMITH: Yeah, so maybe we could talk
3 about that first, break it down to the boat ramp and the
4 safety of the boat ramp because we don't have the break
5 water, it's very dangerous to use the boat ramp, and
6 we've had a number of injuries the fire department's had
7 to deal with, damage to the boats, et cetera. I've been
8 on there a few times screaming and yelling at somebody
9 to help me from the beach and people run over, but our
10 staff is told not to touch anything, so that's probably
11 for liability issues. That's a problem.

12 MR. HUSSERL: That's strategic question,
13 right.

14 CHAIRMAN SMITH: Right.

15 MR. HUSSERL: What's the risk associated with
16 this, if we suddenly decide we're going to get more
17 active.

18 CHAIRMAN SMITH: Right.

19 MR. HAMMEREL: The way I see, aside from the
20 service aspect of it, I see the boat ramp as being in
21 need of repair. I go down there and I know that Brent
22 Johnson did a presentation on it, but when I go down
23 there, like, concrete there's is eroding, the stops on
24 either side are.

1 MR. EICK: If I may tell you, in the last ten
2 days, Brad and I have put together a repair program for
3 that.

4 MR. HAMMEREL: Good.

5 MR. EICK: That will be getting done before
6 this year's season. We actually have all new curbs on
7 both sides, can't take them all the way to the gate
8 because then the gates won't swing open, but they'll go
9 all the way down into the water. And it will raise the
10 height of the curb an additional six inches so that
11 should help with the people who have backed over it
12 won't really be possible for them to back over the edge
13 and get hung up.

14 MR. DEVINE: You haven't patched some of them,
15 but it will be challenging.

16 MR. EICK: I understand I live in a utopic
17 world.

18 CHAIRMAN SMITH: Sometimes it's not even this,
19 the wave pushes the trailer.

20 MR. EICK: In any event, the other thing is we
21 are purchasing colorized concrete so, actually, be
22 bright yellow and much higher, and we're hoping that's
23 an adequate move in our direction to not only make it
24 look better and more functional, but it will save for

1 what we can do. We thought that was an important
2 enhancement to make while we had the chance of low water
3 and everything else, so.

4 CHAIRMAN SMITH: I can tell you what I'm
5 thinking might be a good solution is if Mr. Pinkerton
6 and I have talked, too, is having full service
7 operations there and contracting services out to allow
8 staff assist people, you know, maybe as a boat valet,
9 get an extra fee and we'll drop your boat in the water
10 and we'll park your trailer and text us and we'll come
11 pick you up, take all of it out of their hands, provide
12 that service, and folks would pay for it. And then
13 they're trained well enough to handle, they'll let
14 people know look, the lake's going to get rough in two
15 hours, you need to be -- they could even text them, you
16 know, if they have a texting system hey, you know, we're
17 going to go to -- you could actually tell somebody on
18 the lake you're going to need to take your boat over to
19 -- to Sand Harbor, they can actually communicate, take
20 your boat to Sand Harbor, I can pick you up there, the
21 boat ramp's draining us, and that happens several times.

22 MR. CALLICRATE: That would be a contracted
23 service.

24 MR. HUSSERL: Your liability then would rest

1 with the contractor if there's a problem, right?

2 MR. CALLICRATE: And we have -- there are
3 people in the community that are in that business.

4 CHAIRMAN SMITH: They'd be happy to give us a
5 bid.

6 MR. CALLICRATE: So I think that that's --
7 we're offering a service that IVGID aren't having to pay
8 for that, we make it available to the community members
9 who want that service with professionals that that's
10 what they do, and then it keeps our employees' potential
11 from being hurt and doing something that they're not
12 trained to do.

13 MR. EICK: So if I may ask to drill down that,
14 you're thinking you would create this concessionaire, so
15 to speak, who would then provide a hundred percent
16 whatever service there is about the ramp, it's not like
17 we would have a safety net, somebody who would want to
18 use a contractor.

19 CHAIRMAN SMITH: They would handle it the, RCD
20 mussel inspection, the whole thing, and manage it for
21 us.

22 MR. HAMMEREL: The district received revenue
23 from TRPA or somebody from the mussel inspection.

24 MR. EICK: We get a very nominal portion of

1 that.

2 MR. DEVINE: They're losing money.

3 MR. EICK: That would be an art breaker.

4 CHAIRMAN SMITH: I worked for that
5 organization and we'll either work for staff and staff
6 themselves, or they'll pay you to staff it, so I think
7 that the condition of our ramp and situation of the lake
8 I'd rather have professionals running our operations if
9 that's what they do.

10 MR. EICK: Sure.

11 CHAIRMAN SMITH: And then manage the parking
12 lot as well with the boat trailers.

13 MS. WONG: Do we continue under fear because
14 now we're expanding our recreation offerings? I mean,
15 we just got done talking about the improvements that we
16 need to make at Incline Beach that are going to cost
17 money. That we're now getting into things that they
18 shouldn't be from the public.

19 MR. HAMMEREL: I think doesn't cost the
20 district money by working a contractor.

21 MR. CALLICRATE: We're partnering with
22 members, business members in our community, which we've
23 been hearing through the years that why is IVGID -- why
24 weren't you in that, gives opportunity for us to say we

1 are getting out of trying to assist the boaters
2 launching their boats and allowing the professionals to
3 step in to do it.

4 MR. HUSSERL: For a fee, I think the key work
5 is outsourcing.

6 MR. EICK: Which also have a precedence, the
7 several concessionaires, there's been demonstrated
8 sensitivity in the community about getting over
9 commercialized on the beach. But I think as long as
10 it's clearly the key features about utilization of the
11 boat ramp, launching boat safety, that sort of thing, I
12 would not anticipate that too much. I might expect a
13 greater one if we hand over too many controlled spaces
14 over in the boat parking.

15 MR. CALLICRATE: Right.

16 MR. EICK: In the Aspen Grove/Village group
17 lot. I get why it needs to be part of the discussion,
18 but I think we could find ourselves getting more
19 discussion about that feature than who's operating or
20 not the boat ramp itself.

21 MS. WONG: Well, my concern is no, we're not
22 bringing in certain concessionaire for a service that we
23 aren't already offering, versus food that was a service
24 that we were offering, we attempted to deliver at one

1 point and we failed miserably on that. So those are
2 things that we'd already done and tried. This is
3 something that we haven't done before. And I would also
4 venture to say that the people who probably need the
5 service the most, i.e., irresponsible boat owner who
6 have no idea what they're doing and probably shouldn't
7 have a boat out there in the first place aren't going to
8 be the ones that are going to pay for the service.

9 CHAIRMAN SMITH: I happen to think that if we
10 use a concessionaire, they'll handle that pretty well, I
11 mean, I think that they'll be able to sort of work
12 through that through service levels, and I think they'll
13 actually help them, get all the service, and they take
14 care of you and I think they could price it right, plus
15 they'll get a lot of boats in and out with the folks
16 really struggling. You might be thrown and it takes
17 forever to get off the trailer and all these people were
18 lined up. So at the very least, at least the boat ramp.
19 If they're doing it yourself, let me help you, here.
20 Getting off a little bit on track. I think it involve
21 attract, you give people an option, self service or
22 service? Just like here when you use the valet parking.

23 MR. HUSSERL: Kendra raises an interesting
24 point, though, which is about the boat owners who need

1 it just say I'm not going to do it. And I ask the
2 question, depending on how you price it should you just
3 make it mandatory, if you launch a boat here, you have
4 to use the service, and it's not a price that becomes so
5 prohibitive.

6 MR. CALLICRATE: I would shy away from making
7 it a mandatory thing.

8 MR. HUSSERL: Okay.

9 MR. CALLICRATE: Because any time you start
10 doing you have to do this, there's going to be
11 unintended consequences that we don't even know about.
12 I think that offering it to people that might want it,
13 maybe there's an older couple, they love to boat,
14 they're responsible boaters, but they have a tough time
15 or whatever. We did offer way back when we had the
16 gravel lot and the chain-link fencing, it was just a
17 given that the IVGID guys that worked down there, and it
18 was usually men because, for whatever reason, women
19 didn't want to do it or they weren't hired at that time,
20 but the guys were down there and they were helping the
21 owners with the boats. And there were times we'd hear
22 horror stories about the boat was almost on there and a
23 wave came up and it was a nightmare, safety issues, but
24 that's 18 to 21-year-old guys, and they're just having a

1 ball dancing around. Well, luckily nobody got killed,
2 but it was pretty volatile and it's only gotten worse
3 now because it's been 20, 30 years and the water level's
4 much lower.

5 But to Kendra's point, you can't mandate that
6 somebody do that. I would steer clear of them managing
7 the parking slips across the street. I think that
8 there's an opportunity maybe to have a couple, I don't
9 know how that's gonna work because that's gonna be
10 parking at the beach where people have to come in and
11 use the beach, if people wanted to launch their boat,
12 they've been doing it every year for the last 20 years,
13 never had an issue, and all of a sudden IVGID's going to
14 say you have to use our guys or you don't get to launch
15 your boat.

16 CHAIRMAN SMITH: You're getting into the
17 management side of it, too.

18 MR. CALLICRATE: Right.

19 CHAIRMAN SMITH: Steve, you could say that
20 we're looking at this, what do you see working and let
21 them work with us and let them handle it. If you want
22 to do boat valet, you pull into this area here rather
23 Ski Beach.

24 MR. GUINASSO: The chain-link may be necessary

1 given the water level going down and to try to manage
2 boat traffic better for safety purposes, the changes
3 that you're contemplating are consistent with that
4 concern. More than --

5 CHAIRMAN SMITH: I want to just say one more
6 thing. Steve and I talked about this last summer, we
7 actually shared pictures where the folks at the two
8 storage places in town will drop boats and they'll park
9 their trailers in our parking area instead of taking the
10 trailer back to the storage, which takes up all the
11 parking, and it could free up -- what did they count,
12 Steve, like 25 spaces? Free up for folks and taking it
13 back to where they began, just makes more sense than
14 using our facility because the boat came from the space
15 it's going back in.

16 MR. EICK: Sure. And they have to try to make
17 a round trip back to their place anyway.

18 CHAIRMAN SMITH: They have to go back and pick
19 up the next boat.

20 MR. EICK: I understand. Those are good
21 questions, and I think you can give to us to go
22 research, find out what's going on, talk it through,
23 report to you, again, your earlier conversation, the
24 pros and cons of things that were considered, you know,

1 be our job to go dig through some of those.

2 MR. PINKERTON: We want to do it this summer
3 working backwards when we would need to do that.

4 MR. EICK: I think we should try to work that
5 one out in the four to six weeks, because I would think
6 that would be one of those things that would make the
7 spring rec buy it, it would be an important thing to
8 start notifying the public about well ahead of the
9 boating season and summer season.

10 MR. PINKERTON: Back at the four study session
11 on March 5th? I think this is one of the March 5th
12 items, I wanted to give you an update on the -- yes,
13 March 5th update on boat launch. Because I know you got
14 a lot more to talk about tonight, so we can work that.
15 We know where we're heading.

16 CHAIRMAN SMITH: Anything on the kayak
17 storage?

18 MR. DEVINE: Just the way, I guess when it
19 first started, I think I get why they were put there and
20 it kind of worked, but now there's so many out there and
21 it looks like Sanford & Sons trash yard, I mean, and it
22 seems to me that it wouldn't be that difficult to look
23 at that and look at space and actually line them up and
24 level them up a little or -- I don't want to say massive

1 grading or anything, but actually utilize the space
2 better and make it not look so chaotic. I think I was
3 down there the other today and went A, B, C, D, X, Y, Z,
4 G, M. I mean, it was like geez, how would you -- you
5 know.

6 MR. EICK: It comes from adding racks multiple
7 times and not in order. .

8 MR. DEVINE: I realize that it was over --
9 when it was first done, that probably the couple that
10 worked there did that, but as it's expanded it's kind of
11 like let's take a step back and let's reorganize this a
12 little bit.

13 MR. HAMMEREL: I think goes back to what we
14 discussed before in terms of we always want the best, we
15 want to have, you know, manicured, modern establishment.
16 I feel like the racks are there now is they're
17 temporary, and they're probably meant to be temporary
18 way back in the day and so we keep adding on more and
19 more, and why not just say kayak racks are going to be a
20 permanent establishment of this beach, let's build a
21 permanent structure, and when we build a permanent
22 structure, I think that we should incorporate for future
23 use. Like right now we've got all these paddle boarders
24 who have no place to put paddle boards, so how can you

1 create a structure that would be utilized by kayakers,
2 people with canoes, paddle boarder, whatever else or --
3 hover boards, or whatever they have in ten years.

4 MR. EICK: I'll put this to Brad Johnson
5 because he and I have talked about this. We are up
6 against a certain challenge with the TRPA in terms of
7 their belief that any -- if we make any of these racks
8 permanent in nature, that becomes issues of coverage and
9 also within the -- whether or not it's within the MOU.
10 One of our greatest concerns, many of those kayaks, as
11 you know, are red and yellow, very visible, they
12 probably violate the 300-foot route on the visual
13 corridor from the water, and so part of how we've been
14 allowed to get away with what we've done so far is that
15 they seem informal and kind of blend in with nature, so
16 to speak, as is the big pitch.

17 I know a few years ago when the concessionaire
18 was moved off of Hermit Beach, and the inspectors were
19 in about the creek restoration, that's when we put down
20 some of the chips, and some of that because they were
21 even worried that we were compacting the soil and they
22 were starting to interpret that as almost like it was
23 coverage as well, starting to really rattle some
24 snappers about that, so I think the issue of some

1 logistics and some order to it could be taken a certain
2 direction, but I think I would caution you for starting
3 to get an expectation that we could, you know, really
4 start to clean it up or kill some other structures. We
5 have talked about how we wish we could come up with a
6 solution to offer, have other product opportunities for
7 the paddle boarders and some of the rest of that.

8 CHAIRMAN SMITH: Gerry, if I could add
9 something? I think it's the particular concessionaire
10 we're talking about? Talk to me a couple months ago.
11 He has a lot of great ideas for that and he may even be
12 able to service it for us, so folks were having trouble
13 getting kayak off the top rack, getting back, getting
14 forward, and he may be able to reorganize and get rid of
15 the Sanford & Son.

16 MR. DEVINE: I understand what you're saying,
17 but I'm just GOING to have to chime in and be the person
18 who's probably not saying the popular thing. I think
19 that that's a history of stuff that IVGID and other
20 organizations have been in is that we're -- and I know
21 what you're saying, saber rattling is out there, but I
22 think we have to be up-front and even contact TRPA and
23 say how do we fix this and if they say you can only have
24 50 kayaks, guess what, we go back to MOU and say we can

1 only have 50 kayaks. I don't think that we keep -- we
2 avoid fixing the problem by another avoidance. I think
3 we address the problem and we deal with whatever the
4 regulations are, but I'm not saying I'm talking for
5 everybody that's just where I come from.

6 MR. EICK: No, I think it's valid point to go
7 through us.

8 MR. HAMMEREL: I think would be useful for the
9 fact with TRPA, it seems like when we as a community, as
10 IVGID, as anybody it seems like TRPA is kind of like
11 this Wizard of Oz figure and you never really know what
12 they're thinking, but you kind of think that, you know,
13 you hypothesize, well, probably they are gonna do, I
14 don't think they're gonna do, let's just go ask.

15 MR. CALLICRATE: I think that you should have
16 learned by the fact that we have preeminent restore our
17 streams environment and watershed improvement and this
18 is where it gets back to the bigger picture we need to
19 start leveraging what we have done over our time of
20 defensible space, and all this environmental things, and
21 quit cowering. And like Jim and Bill are saying, yeah,
22 let's just say oh, this is what we'd like to do, what
23 are the parameters? Can you work with us to rectify
24 this problem? And start being more cooperative and if

1 they say you guys only get 57 kayaks and say well, how
2 can we keep our 450 that we have or whatever they are.

3 MR. DEVINE: If it's a concessionaire, you
4 gotta sell them off on this you got a service, at least
5 you get something solid behind it while you're doing the
6 direction.

7 CHAIRMAN SMITH: What I'll share with you all
8 is before we had remarks, I don't know if you know
9 Christie with TRPA? She actually went down there and
10 met with Howard and told them what they could do, so I
11 agree that we could line them up better.

12 MR. CALLICRATE: Let's just start cleaning up
13 what we have.

14 CHAIRMAN SMITH: I don't think we have a
15 problem based on what Christie said.

16 MR. HUSSERL: Is this one further analysis? I
17 don't want to get caught --

18 MR. DEVINE: Sorry.

19 MR. EICK: What I was going to say, part of
20 what of Brad's hopes with this beach study and talking
21 about perhaps developing a new master plan, that part of
22 that would, in fact, be a trip to TRPA, and try to clean
23 up, if you will, with the understandings and
24 circumstances so I think there's a -- this plan to do it

1 at the same time, I'll admit to this point. They
2 probably been more action or inaction based on past
3 years than current confidence on of what we can do.

4 MR. HAMMEREL: I think we need to go to TRPA,
5 let know what we have isn't sustainable, couldn't we add
6 the two, three or four extra racks whenever we get a
7 whim like let's figure out a permanent solution and work
8 around whatever parameters they give us.

9 CHAIRMAN SMITH: Want to go to Bocce ball?

10 MR. HUSSERL: More analysis needed here?

11 MR. EICK: Parking lot, yes.

12 MR. GUINASSO: Where does the master plan fit
13 in that?

14 MR. PINKERTON: It will be in the beach master
15 plan assessment.

16 GUINASSO: In terms of priority setting, do
17 you need to get into the thought of the master impact,
18 the priorities you're setting? That's the reason I
19 asked.

20 MS. WONG: Shouldn't it be the other way
21 around, the direction that we're given here will inform
22 the master plan that they're creating?

23 MR. GUINASSO: That's what I'm asking. I
24 think it needs to be said.

1 MR. EICK: Again, that's why we need to
2 understand that there's inherent limitations to what we
3 could plan for based on the MOU we would likely get with
4 TRPA.

5 MS. WONG: On the customer service I had
6 related the kayak storage? I've been on the kayak
7 waiting list for four years now and I have no idea where
8 I am on that list, or if I am still on the list and so
9 some customer service related to letting people know if
10 they're still on that list and -- you know.

11 CHAIRMAN SMITH: She's not the only one and
12 she's not unique, I can tell you.

13 MR. EICK: I'm aware of somebody in the last
14 week who's told me the same story or made the same
15 point, so.

16 MR. PINKERTON: That will be followed up on
17 this week.

18 MR. DEVINE: Are we done with kayaks? I was
19 going to make a comment on the parking area next to the
20 highway. I was informed by a previous parks and rec
21 director that we had a liability issue there? It sits
22 in the shade, so in the winter time that area gets iced
23 over when we actually have snow, and it was a slip and
24 fall risk. And when I asked about how to rectify that,

1 he said the only way you do that was to pave that over
2 and to add that into a CIP budget, so I don't know if we
3 need to do over there, but right now we've got, like,
4 these tall signs that say no parking, snow storage, but
5 then there's 6 or 7 cars parked there, so if we need to
6 pave that over and make that clean, make it the best,
7 make sure it's manicured.

8 MR. HUSSERL: Gate house parking. Jim?

9 MR. HAMMEREL: Yeah, gated house parking, and
10 then currently we've got kind of this weird situation in
11 the winter time when we open the beaches to dogs, and
12 actually, this has nothing to do with dogs, but right
13 now the winter time we have the gates restrict access
14 down to the boat ramp and back and a lot of times
15 residents will come in, they feel that they have the
16 right to go down and park their car at the top of the
17 boat ramp and so they'll move these gates away, and it's
18 a constant battle between IVGID's staff putting the
19 gates back and residents moving away the gates. I don't
20 know if there's a more permanent structure there, I
21 don't know if we need gates at all, but I can tell you
22 that every single day, because I go to Ski Beach every
23 day in the winter time, it's a conflict and sometimes in
24 days the gates are up and some days the gates the up and

1 times the cars parked at the lake and files times no
2 cars parked at the lake so having some sort of
3 formalized permanent structure to have establish that
4 would be a good idea.

5 MR. EICK: I will share with you that part of
6 that history of those gates is to keep people out of
7 going past that point when we have real winter and,
8 therefore, we are not able to maintain that road to the
9 standard that we can right now when there is no snow, so
10 it's more a historical setting by the calendar, but I
11 agree that we could be smarter about what we're doing
12 based on the conditions. Because part of what happened
13 is people would go back there when there is snow, we
14 would actually end up developing snow piles, and because
15 we have a commitment for public safety to keep that
16 clear to the rampway, people would park it closed, but
17 again, if we changed our performance to what conditions
18 allow instead of simply what date it is on the calendar,
19 we could probably be smarter about the results.

20 MR. HUSSERL: Is that an issue there of
21 liability potential?

22 MR. CALLICRATE: Yeah.

23 MR. HAMMEREL: Yeah.

24 MR. PINKERTON: No snow, we leave the gates

1 open.

2 MR. HAMMEREL: When there's no snow it's like
3 the mud holes, you walk there in the mud.

4 MR. EICK: No, I agree with you. I agree that
5 we'll explore the issue of parking there, that is,
6 indeed, a very dangerous area in the winter time, the
7 grade historically has not allowed water to leave, which
8 is why we took out the fence and pushed it farther back,
9 so that when it snows or runs off it doesn't run back
10 into where people are parking and getting out of their
11 car. That's said, we have a long-term solution is get
12 an appropriate grading and pavement solution in there
13 and we certainly can look at that as part of our CIP.

14 MR. HUSSERL: That's gate house parking.
15 Anything else on that one before we move to Bocce ball?
16 Or, actually, volleyball and Bocce. Probably two
17 separate.

18 MR. CALLICRATE: Just that, you know, I mean
19 we have it down there, this gets into capital
20 improvement stuff, we're going to have this stuff, let's
21 have the appropriate -- Jim was saying, you know, make
22 it look nice and wherever, the railroad ties or whatever
23 is at the edge of the stuff, it looks raggedy and
24 everything, there's sand all over the place, let's --

1 the same volleyball court, but let's clean it up. And I
2 think that some of the walkways and things this could
3 probably be addressed in this master plan, but any
4 walkways that we have that we can pave either with
5 gravel or some kind of pervious coverage, we need do
6 that. They need to be well marked that over area, yeah,
7 before you go down, and go up to go over the bridge
8 where they have the barbecue? It's bare earth it's bare
9 dirt play.

10 MR. EICK: I'm familiar with what you're
11 talking about.

12 MR. CALLICRATE: This gets down to sod
13 maintenance things like that and this might get into at
14 pick you have do we go outside to look for an exterior
15 maintenance company to come do our lawns or property
16 maintenance or how do we do that. Maybe that's the
17 picture, but I've said that if we're going to run these
18 beaches let's have them look the best that we can and
19 very well marked areas for specific things and maybe,
20 you know, not 25 things you can't do, but maybe this is
21 a reminder about, you know, appropriate language and
22 attire for these.

23 CHAIRMAN SMITH: Speaking of that, our
24 signage, we have signage everywhere don't do -- can't

1 that sign be a regular normal one, big monument sign
2 that's kind of cool and catchy? Bill and I were talking
3 about this summer, cool and catchy and has preferred
4 didn't use glass, you know what I mean? We have all
5 these rules posted all over the place.

6 MR. EICK: I've actually noticed that myself
7 as I walked through the last few weeks that I thought
8 somehow we've kind of gotten too many again and, yeah, I
9 agree.

10 MR. CALLICRATE: Less is more.

11 MR. EICK: Posted the rules for the property
12 appropriately near the gate.

13 CHAIRMAN SMITH: Well written. Make it funny.

14 MR. EICK: I will say we are going back to Ski
15 Beach, we do have some responsibilities to do some
16 specific warnings about caution in that area, but from
17 the beaches in general, I think it would be appropriate
18 thing to fix up our signage, user friendly.

19 CHAIRMAN SMITH: We need a doorman.

20 MR. HUSSERL: Maintenance of courts, improve
21 signage, does that cover whatever's been --

22 MR. CALLICRATE: Yeah, I think that's pretty
23 much -- that covers.

24 MR. BISHOP: It seems to me, just a reaction

1 when you describe the nuances you're, in effect, making
2 decisions about what should be done. Is that what
3 you're into?

4 MR. CALLICRATE: Well, we don't want to get
5 mired into weeds, but I think we've beaten the beach
6 thing to death, but we need to because these are our
7 premier venues and we want to make sure that we do give
8 clear, concise, maybe nitpicky details, but we need to
9 look at that because I think there's so long it was kind
10 of we glossed over, we'll talk about it later, talk
11 about it later.

12 MR. PINKERTON: Later is here.

13 MR. BISHOP: The action is you just haven't
14 had a discussion. The board has made decision about
15 what you want to go with these things. Have I taken it
16 too far?

17 MR. EICK: I think that the two drivers that I
18 had a made a lot of notes about. You've talked about
19 best, you've talked about cleaning, and you've made a
20 lot of references to what Steve and I have written down
21 as care and condition.

22 MR. CALLICRATE: Yeah.

23 MR. EICK: I think those as general guidelines
24 will take us a long way.

1 MR. CALLICRATE: Right.

2 CHAIRMAN SMITH: Could I add one more thing,
3 please? The glass policy, as long as we're on that?

4 MR. EICK: Yes.

5 CHAIRMAN SMITH: We're taking people's names
6 and numbers down because we brought in a glass of salad
7 dressing and we're writing you up. I think we need to
8 understand if you got a bunch of kids running around who
9 own a boat, that's one thing. Somebody comes in with a
10 cooler, a nice bottle of wine, it's in the cooler, you
11 pour it into a plastic cup, they have been confiscating
12 their wine, you know what I'm saying?

13 MR. EICK: I'm well aware we need to work
14 better on how we enforce the glass police.

15 CHAIRMAN SMITH: The glass police.

16 MR. HUSSERL: What we're going to do in this
17 process, there's two pieces. There's a Capax piece
18 where we're going to make significant investments in
19 this infrastructure that's a longer term project, and
20 there's what I call low-hanging fruit, things like
21 maintenance of the volleyball courts, those are things
22 we ought to be able to accomplish in year one. We're
23 going to identify with this plan what we're going to do
24 in year one, and then we're going to start to

1 communicate it out to the public this is what you can
2 expect. We're going to talk more about communication
3 later on. Again, a lot of the things here on the
4 beaches, I think, are things that can be done quickly
5 and may require some investments, but there's no reason
6 to say that's a three-year project to clean up the
7 bathrooms and --

8 MR. CALLICRATE: So if we go, then, from Ski
9 Beach over to Burnt Cedar, there was a pool issue, and
10 then there's an issue where we have the permanent kind
11 of barbecue area, and there are safety issues on the
12 upside, especially that main one in the middle. There's
13 -- after you've gone all the way through and you curve
14 around, it's the one closest to the road, to Lakeshore,
15 and it has a big barbecue and it's got a retaining wall.

16 MR. EICK: Yes.

17 MR. CALLICRATE: Well, it comes off, and then
18 you've got this patchy gravel or asphalt that comes
19 down, and for older people, it is a nightmare. We say
20 no, it's because I go and hang out with a group of older
21 people every week, on Wednesday nights, and several
22 people have fallen. And is it possibility to level it
23 off, maybe have a step to go up there? These are,
24 again, small things, but it makes for the whole

1 experience. And I've seen people skate down -- some of
2 the sand comes down to the asphalt and they step, and
3 they're skating down grabbing onto the rear view mirrors
4 of cars and falling. And I've seen that happen time and
5 time again.

6 MR. HUSSERL: How do I identify that here?

7 MR. CALLICRATE: That would be all of the
8 barbecue areas.

9 MR. EICK: You're talking about the ones at
10 the northeast end.

11 MR. CALLICRATE: And again, I guess into the
12 care and maintenance cleanliness and things like that,
13 so if we're going to have something like that, let's
14 make sure that it's safe to approach, it's safe to use,
15 and it's well kept.

16 Then Steve had brought up about the pool,
17 that's been a issue.

18 MR. PINKERTON: I'm pulling it up on the map.
19 Yeah, the pool is at the end of its use for life, I
20 mean, fractionally, as you know, it would have been nice
21 to replaced the plumbing 15 years ago, but I think
22 that's just a matter of certainly as part of the beach
23 study and the whole dialogue --

24 MR. CALLICRATE: That gets to the bigger

1 picture that perhaps more people that like to lap swim.
2 I don't, but can you imagine having an outdoor pool
3 that's heated to the temperature that's appropriate for
4 the lap swimmers all year round?

5 MR. PINKERTON: That's something we're going
6 to be pricing as we through everything as we --

7 MR. CALLICRATE: But I mean, an all-year thing
8 and what that would entail, that alleviates the issue of
9 the rec center so we don't have that roaring faction
10 because that doesn't work for anybody in the community.

11 MR. HAMMEREL: I totally agree with utilizing
12 the pool more. One thing that I worry about or the
13 recommendations of year-round pool outdoors? What will
14 we need to do to heat the surrounding pool area to make
15 sure that ice doesn't form, people don't slip, would we
16 need to have hot water showers?

17 MR. CALLICRATE: There are a lot more tools.

18 MR. EICK: But understand that probably the
19 single biggest need we have for that pool is to replumb
20 it, and that will entail tearing up the deck, so if that
21 ends up coming in with new surface, perhaps, hydronic
22 heats, all those things, it probably is going to go in
23 strips of concrete around the pool that we are looking
24 at dealing with in our project anyway, so if those would

1 be, you know, attributes of it we certainly can explore
2 that.

3 MR. DEVINE: Can you just keep in mind that,
4 or at least I don't want to dig into the weeds, but some
5 of the people who use the pool now for lap swimming
6 would not be allowed on to Burnt Cedar if they're not
7 residents, parcel holders, whatever. It may not have
8 any effect whatsoever.

9 MR. CALLICRATE: Yeah.

10 MR. DEVINE: That's something to be aware of.

11 MR. EICK: Yeah. Good points, thank you.

12 MR. HUSSERL: I'm going to start a chart off
13 potential capital expenditures. One is the Incline
14 Beach snack bar, this sounds like another one. It will
15 be in the discussion.

16 MR. CALLICRATE: That restroom facility down
17 there, and same vintage, it's the one that's at Incline
18 Beach, it's a 1970's Frank Lloyd Wrong, it's been
19 rebuilt five times, it's been repaved, resided,
20 reshingled, replumbed, re-everything, and it still looks
21 like heck.

22 MR. HUSSERL: At Burnt Cedar.

23 CHAIRMAN SMITH: On the east shore.

24 MR. EICK: I know exactly the one. I think

1 Brad tried to steer the conversation at our public
2 session about that needs to be redone and repurposed.
3 So I think it's clearly on our list.

4 MR. DEVINE: It would be our only last link to
5 the Chateau, the original Chateau, the same design.

6 CHAIRMAN SMITH: Do we even need that there?

7 MR. PINKERTON: That will be part of the beach
8 study discussion, yeah.

9 MR. EICK: I believe the bathroom facilities
10 that are there are used for the gray field because of
11 the playground, it's immediate proximity to the beach.

12 MR. CALLICRATE: We also have a concessionaire
13 down there.

14 MR. EICK: I think the washroom facilities are
15 actually used a great deal, the change rooms at the life
16 guard station on the back side is virtually nothing.

17 CHAIRMAN SMITH: Okay.

18 MR. PINKERTON: Yeah, we'll have one or two
19 more public meetings where we can get more feedback and
20 then obviously when the study comes back to you you can
21 further prioritize.

22 MR. EICK: Yeah.

23 CHAIRMAN SMITH: Does that do if for the
24 beaches?

1 MR. HUSSERL: So on our parking lot do we need
2 to put the pool at Burnt Cedar there's more
3 investigation, analysis around potential liabilities?

4 MR. CALLICRATE: As long as the parking lot
5 itself, that's in the plan to be paid for --

6 MR. EICK: Yes.

7 MR. CALLICRATE: -- typically, isn't it?

8 MR. EICK: Yes, it's in the rotation.

9 MR. CALLICRATE: When is it set?

10 MR. EICK: At the risk of going way crazy at
11 the beaches, could I ask when we talked about
12 opportunities, is there any interest in looking at
13 trying to have an option on the adjoining property
14 either Incline or Burnt Cedar beach for an alternative
15 site for the boat ramp?

16 MR. HAMMEREL: I was going to bring that later
17 on in the night.

18 MR. EICK: Brad Johnson brought it up at your
19 retreat that the study was done already 15-plus years
20 ago, that part of the aspirations to all of this was to
21 potentially relocate that boating ramp to the west edge
22 of the Incline Beach. And it's obvious that that would
23 require an acquisition. That's something we can't do on
24 the spur of the moment, so I just throw it out. Is that

1 an strategic kind of item where you maybe want in the
2 beach study, something that keeps that on the radar even
3 if it's not a commitment?

4 CHAIRMAN SMITH: Based on what I know, we
5 can't do anything break water wise where a ramp is.

6 MR. EICK: That is correct.

7 CHAIRMAN SMITH: So in order to make it safe
8 we actually --

9 MR. EICK: That's correct. That's why I bring
10 it up.

11 CHAIRMAN SMITH: We're not going to do it this
12 summer.

13 MR. HAMMEREL: It would take -- I agree with
14 you it would take a step earlier, I think that because
15 the board can't be all and see all and hear all, I think
16 that when staff comes across a strategic land
17 acquisition which are district goals, you just bring it
18 forth. I hear about some of this stuff a lot of times
19 two days too late or two years too late I rather just,
20 hey, there's a possibility we can purchase or acquire
21 this property, and I'd love to hear that stuff. I think
22 that the staff should always be on the lookout for
23 strategic land acquisitions.

24 MS. WONG: Do want to be careful with cost,

1 though, because even what, years ago those dollars was
2 pretty expensive to do with the boat ramp to even the
3 west end of Incline Beach and so I mean, if we do a cost
4 benefit analysis, I guess I'm okay with the preliminary
5 leg work, but investing a significant amount of dollars
6 for that preliminary leg work? I wouldn't go that far.

7 MR. EICK: I think we can actually investigate
8 possibilities without a lot of financial commitment.

9 CHAIRMAN SMITH: Good.

10 MR. EICK: You know, explore possibilities,
11 even have a couple conversations with somebody, be open
12 to an option, any of those kinds of things without
13 depending too much money. And at the same time make it
14 clear strictly exploratory, we're not trying to make a
15 deal until it came to the board and got vetted.

16 MR. CALLICRATE: I'd feel more comfortable
17 with that because I feel like Kendra, that we have, I
18 think, in the big range scheme of things we have
19 priorities that are, to me anyway, more pressing,
20 because in normal water years, a boat ramp is a lot more
21 serviceable. It is an issue, and we do get a lot of
22 winds, and people have become accustomed to that, but to
23 relocate that to the west end, we have neighbors on the
24 other side, it opens an entirely new field of activity,

1 a Pandora's Box, and I don't know that we want to go
2 down that, but I like the idea of checking into it
3 without spending a lot of money.

4 MR. EICK: Thank you.

5 MR. BISHOP: What else do we need to say about
6 Burnt Cedar?

7 MR. CALLICRATE: I think we're good with that.
8 Rec center.

9 MR. HUSSERL: That concludes beaches. So the
10 next question is do you want to go to rec center next?
11 We have about two and a half hours left, I guess,
12 there's a lot to talk about with the rec center and that
13 may take us right through there, or would you prefer to
14 do some easier ones and come back?

15 MR. CALLICRATE: I think the rec center is
16 going to address a couple areas; the admin building is
17 part of that conversation.

18 CHAIRMAN SMITH: We've got some cheese cake
19 and I'm fired up. Let's go to the rec center.

20 MR. HUSSERL: Rec center it is.

21 MS. WONG: I'm ready to go to bed.

22 MR. BISHOP: How do you want to approach this?
23 We kind of got out of process and you said just stick
24 with the nuances. What do you want to talk about with

1 the rec center?

2 MR. PINKERTON: Start from the beginning.

3 MR. HAMMEREL: Yeah, we'll start from the top.

4 CHAIRMAN SMITH: Yeah, I think this one needs
5 the floor.

6 MR. EICK: We got to go through the process.

7 MR. PINKERTON: Probably the biggest thing to
8 do this year, let's try to address this.

9 MR. BISHOP: We're looking at present state.
10 And how do you see the overall leadership in managing
11 the resources of the rec center? Judiciously, what kind
12 of rating would you give that?

13 MS. WONG: Well, I think none of us know how--

14 MR. HAMMEREL: It's unclear.

15 MS. WONG: It's unclear because we don't have
16 a director of recreation right now and that just changed
17 recently.

18 CHAIRMAN SMITH: It's been moved.

19 MR. EICK: Could you speak to the facility?

20 MS. WONG: Oh, yeah.

21 MR. PINKERTON: Don't worry about the people.

22 MS. WONG: But the leadership, I think in
23 terms of direction, I think that right now remains to be
24 seen.

1 MR. CALLICRATE: Physical operation, I mean,
2 you know, personnel are doing the best they can with a
3 facility that we all are aware wasn't built properly to
4 begin with, so it's been a handicap since it was
5 constructed. I would give the staff over there high
6 marks because they're doing, again, the best that they
7 can.

8 MR. BISHOP: But we're assessing the physical
9 operation.

10 MR. CALLICRATE: Physical operation I would
11 give a four.

12 MR. BISHOP: A four.

13 MR. HAMMEREL: Four.

14 MR. BISHOP: Jim?

15 CHAIRMAN SMITH: Zero.

16 MR. BISHOP: Why do you say that?

17 CHAIRMAN SMITH: I mean just -- I mean, I'm in
18 this business, I work with clients all over the country
19 and we are trying to do too much into a small place.
20 Just go in the lobby, ping pong table, and we've got
21 rowing machines in the lobby, potato chips over the yoga
22 mats, and we've got computer and we've got a fireplace
23 and tvs and, you know, we're -- in every space that we
24 got there, we're trying to do too much, you know,

1 instead of doing something really well, we're trying to
2 do too many little things. And it's 20 years old and
3 we're -- the industry has changed so much in 20 years
4 and we're trying to do everything in the little space
5 that we have and so -- and the difficult thing is how do
6 you get out of it? How do you tell the kids that are
7 playing ping pong in the lobby that it's probably not
8 the best place to be sitting after working having ping
9 pong balls playing. I don't know, you know, what I'm
10 saying.

11 MR. HUSSERL: Probably take the Ping pong
12 table out of there.

13 CHAIRMAN SMITH: Even in that business itself
14 always has sales component to it, and we don't have a
15 sales component to it so somebody comes in there,
16 they're interested in joining, there's nobody that in
17 the past, it may have changed recently, that says well,
18 welcome, like to take you on a tour, we'd like to give
19 you a free house pass for the week and try this stuff
20 out and then do follow up, it's probably changed
21 recently, but --

22 MR. BISHOP: Physical operation is not in good
23 shape.

24 CHAIRMAN SMITH: There's a reason that we made

1 a management change recently, I think it has a lot to do
2 with I think we actually need to bring in somebody
3 that's an expert in this business to look at it and have
4 us transition into what we want to be, either on a
5 service side now, this year, and we want it to grow into
6 because I think changes a lot.

7 MR. PINKERTON: I think we have to define is
8 it more like High Altitude or is it more like a senior
9 center? What do we see the rec center's role as far as
10 providing amenities to the community? That's like the
11 first question I want to hear.

12 MR. HUSSERL: We have to come back to that.

13 MR. BISHOP: That future state, that is,
14 physical operation right now is, at best 3, 2?

15 CHAIRMAN SMITH: Probably.

16 MR. HUSSERL: Best. An additional question
17 which is that physical operation, is that due to the way
18 the building was constructed or is it due to the way we
19 laid out the amenities inside of the building?

20 MR. CALLICRATE: Both.

21 MR. DEVINE: It starts with the construction
22 and then the direction to lay out the amenities trying
23 to adjust to the layout.

24 MR. CALLICRATE: Right. It wasn't built to

1 its original format, form.

2 MR. DEVINE: But it was conceived to be.

3 MR. CALLICRATE: Right. There's a missing
4 wing so it's flying with one wing and as you.

5 MR. EICK: It's an aquatic and fitness center
6 that has now had an awful lot of community programming
7 shoved into it and there's not -- the physical facility
8 is not conducive to all the things that you're trying to
9 be done.

10 MR. BISHOP: How would you rate the present
11 service delivery? Three?

12 CHAIRMAN SMITH: Probably a 2. It has nothing
13 to do with the employees, it's just the expectation,
14 typically in a industry if you walk in it's you're home
15 away from home, it's a place that you go when you walk
16 in the door they should know your name, and know what
17 you like to do and welcome you and say do an extra 20
18 minutes for me, and when you're in the hallway people
19 should be engaging you and getting you to do programs so
20 do you know that we have a new yoga class starting
21 Thursday? That kind of stuff. It has nothing to do
22 with the staff, they have great staff there, but it's
23 just the service.

24 MR. CALLICRATE: We have excellent staff

1 that's hampered by the lack of space for what the
2 community has wanted to have provided with the spinning
3 classes and yoga and --

4 MR. BISHOP: They're trying to put too much in
5 a five-pound bag.

6 MR. CALLICRATE: That's it.

7 CHAIRMAN SMITH: In every room. You saw that
8 when you took a tour.

9 MR. BISHOP: Oh, yeah.

10 CHAIRMAN SMITH: These gentlemen saw the
11 lobby, then we went to the side which the pool was
12 packed, child care was packed, the pool was packed, the
13 gym was packed.

14 MR. BISHOP: Weight lifting.

15 CHAIRMAN SMITH: Weight lifting, cardio area,
16 was no place to walk, hardly get in, it's just --

17 MR. BISHOP: Service delivery, right now is
18 two or three?

19 CHAIRMAN SMITH: Yeah.

20 MR. BISHOP: Jim?

21 MR. HAMMEREL: I would go a 5.

22 MR. CALLICRATE: I'm going 4 to 5.

23 MR. HAMMEREL: I don't go to the rec center a
24 lot, but when I do go there I don't have the experience

1 that Jim Smith had.

2 MR. BISHOP: Don't have much to compare to,
3 but I'm breezingly satisfied. I do agree, they're
4 trying to do too much in too little and you've got
5 limitations.

6 MR. BISHOP: Track record of solid moves, I
7 guess that's a reason the person is there.

8 MR. GUINASSO: Track record what?

9 MR. CALLICRATE: Solid moves. Has it been
10 moving in the right direction.

11 MR. HAMMEREL: I think in terms of programs,
12 like our staff I feel does try to stay on the forefront
13 of what's in demand, you know, they've got paddle board,
14 yoga classes, and they've got day care -- not day care,
15 they've got child care facilities for your kids, and I
16 feel like programatically they're making smart moves,
17 but I think the biggest wrong move that we made is
18 moving forward with the building. Construction, it was
19 poorly designed and it was valued bad engineered
20 concept, so maybe those two cancel each other out, I
21 don't know.

22 MR. HUSSERL: Are there things there that we
23 want to abandon and add to the definitions we had very
24 early on?

1 MR. DEVINE: Just the building.

2 MR. CALLICRATE: Yeah, just the building.
3 Joking aside, you know, what's being offered there or
4 through the rec center might be parceled out to other
5 venues, but it's under the umbrella of the rec center,
6 that physical building, because it just can't handle all
7 of what the community wants. I would say that we need
8 to concentrate on the addition and kind of make a
9 reinvention of the whole site because that's a pretty
10 big parcel of property, and if we were able to put the
11 conference wing with the admin down below, as it was
12 originally planned, some additional office space up
13 above, reconfigure what's up there, add an exercise room
14 gymnasium was built too strong, we don't have a Jacuzzi,
15 we don't have the steam rooms, we don't have the
16 freeways, those are all planned and paid for, mind you,
17 by the county. We gave the money back.

18 CHAIRMAN SMITH: We're looking for things to
19 abandon. We have a lot of office space. One of my
20 client has 14 years, there's more office space in the
21 building than in the other 12 facilities that I have,
22 you know, and we have 6 or 7 offices upstairs, another
23 one here, I don't know that we can actually make use of
24 that, but --

1 MR. PINKERTON: We can consolidate some of the
2 space. Problem is it runs all these other like a gym,
3 they've got parts in all the other -- but they are in
4 the wrong place, I agree.

5 CHAIRMAN SMITH: Wrong place.

6 MR. PINKERTON: Yeah.

7 MR. EICK: So I think what you're saying --

8 CHAIRMAN SMITH: I don't know we can remodel
9 it.

10 MR. EICK: I think what you're saying is
11 additional space that can then allow things to be
12 relocated and then repurposed, what's left behind is
13 probably a better solution.

14 MR. PINKERTON: A new master plan is what
15 we're really talking about here. Define what it is and
16 then plan it.

17 MR. CALLICRATE: Well, the building, you know,
18 it's potential to be -- that's out of the community.
19 Everybody goes there to take care of all their rec cards
20 and all those things and parcel hook-ups and what not,
21 and if we have the admin where it should be, and they
22 get rid of that property on Southwood and that will help
23 fund whatever physical reconstruction that we have to do
24 on the rec center, any additions or whatever, it's not

1 going to fund the whole thing, but it should be a good
2 portion, and that liability of Southwood with no ADA
3 compliance radon problems in the basement ad nauseam,
4 you know, we've got all this stuff going on that we've
5 tried to abate and it's -- you know, but they might as
6 well be working at the post office, that is, you know,
7 what's going on at the admin building.

8 MR. BISHOP: We're going to run out of time.
9 We need to, if we can just be a little bit more
10 succinct. If it's been said one time, there's no sense
11 in repeating.

12 MR. EICK: But I think -- if I may? I think
13 this is an important solution, thank you, to the rec
14 center.

15 MR. PINKERTON: He wants out of the basement.

16 MR. EICK: We know that we've got a facility
17 that's got lots of potential, if we found ways to expand
18 it rather than make it over, would that be a fair way to
19 approach this?

20 MR. DEVINE: From the abandonment question I
21 would say that there's nothing that needs to be
22 abandoned because I think what other people alluded to
23 that the staff has done an unbelievable job with this
24 albatross they've had to work with, identify and

1 concentrating their efforts on things the community
2 wants, the problem is they're in the wrong place. You
3 know, so I don't see anything that needs to be
4 abandoned.

5 MR. HUSSERL: Relocate, right?

6 MR. PINKERTON: Rearrange.

7 CHAIRMAN SMITH: I think you should bring
8 someone in, we can repurpose some things maybe and put
9 some things up temporarily, but we have a lot of
10 coverage.

11 MR. DEVINE: I kind of like the massage room
12 down in the storage closet. You want to repurpose other
13 things?

14 CHAIRMAN SMITH: Lie forward though that all
15 the time.

16 MR. GUINASSO: We could bring a trailer in if
17 we want

18 CHAIRMAN SMITH: It's hard to change anything
19 people are used to.

20 MR. HAMMEREL: I Agree, we're stuck with the
21 master plan. Define what the scope is and define if
22 that fits in that scope or not.

23 MR. CALLICRATE: Let's take out the plans that
24 were made originally, were incorporating those things we

1 just talked about and then piecemeal cut off and cut off
2 and cut off, and see if it makes sense and then update
3 it for 2015.

4 CHAIRMAN SMITH: I gotta share something with
5 all of you. I gotta share something with all of you.
6 Pandora, Charlie and Jeff went into Pandora's office,
7 she says I want to show you something, four plans eight
8 years ago, she has plans on top of plans that have been
9 sitting on the shelf, that we all know about. She was
10 excited about the plan.

11 MR. BISHOP: Oh, absolutely.

12 CHAIRMAN SMITH: She wanted to help us.

13 MR. GUINASSO: Makes good wallpaper.

14 MS. WONG: But here's the thing. If we think
15 that the same thing that we're doing right here in any
16 plans that we put out aren't going to undergo the same
17 exact process where whatever we put out, the community's
18 going to say they're spending way too much money so then
19 we cut and cut and cut and end up with what's left, we
20 are kidding ourselves, we are completely kidding
21 ourselves.

22 MR. HAMMEREL: I think that's where we get
23 back to more defined what our 3 and 5-year goals are,
24 what our objectives are, what our values are and that

1 way the five of us can sit and say -- I know we're going
2 to receive criticism, but this board has decided that
3 this board wants the best and we don't want to value
4 engineer stuff and, therefore, this board has decided to
5 go with project iteration A instead of B, the cheap one.

6 MR. CALLICRATE: It seems that there's a
7 feeling within the community that said look, people
8 aren't opposed to doing something that's the right thing
9 to do. But let's be up-front with the information first
10 and foremost, and let's use facts and figures that are
11 real, not hypothesized or arbitrarily thrown out there,
12 and then have somebody say well, you said it was going
13 to be 4.3 and I'm sorry, it's suppose to do be 14.3 or
14 4.3 hundred whatever. It's just that's one of the
15 issues that we've had through the years is that numbers
16 have been thrown up by people like me who aren't in the
17 construction trade or somebody else and then that's
18 taken a sacrosanct, you can't arbitrate that, you have
19 to just deal with it so what Kendra is saying is if
20 we're going to do this, let's do it right up-front, be
21 right out there to let the community know it's like this
22 is what we're looking at and this is the reason why and
23 this is what the potential will be and we do the study
24 and the homework so that the community knows.

1 MR. EICK: So would you -- if I may? If you
2 would be willing, then, to see as part of our budget and
3 CIP that we would look to refresh the parks and
4 recreation master plan if we could with an eye towards
5 getting it properly scoped, get some reasonable
6 estimates? What we think would be the true costs of
7 doing some of this and at least start the discussion, or
8 no?

9 MS. WONG: Back-up, I think we need a back-up
10 even further. We all just heard about a Diamond Peak
11 master plan, I think one of the first things we need to
12 do is we need to have a community meeting saying one of
13 the things that we're going to look at is a recreation
14 center. Invite people to come, maybe even have it at
15 the recreation center where we invite people and we say
16 okay, what is it that's working for you? What is it
17 that's not working for you? What as a community do we
18 want and that's where we start the master plan process.

19 MR. HAMMEREL: I agree with Kendra. I think
20 what you want to know, Gerry, is can we put this on this
21 year's budget? Can we allocates funds for doing
22 studies, polling general meetings, sending out
23 surveying.

24 MR. EICK: However you want to shape it.

1 MR. PINKERTON: Understanding the sequencing.
2 And, of course, part of this is a band with the hearing.
3 You know, we're trying to do the mas -- Diamond Peak
4 itself, there isn't a band to do it as much as we'd
5 like, so I think, you know, we've talked about, you
6 know, how we're going to communicate the community so I
7 think that's something that we need to put in the
8 parking lot for our fairly -- how we communicate.

9 CHAIRMAN SMITH: As Kendra -- I think where
10 Kendra's going in the Brad Johnson beach presentation,
11 right?

12 MS. WONG: Right. Kind of like that, but I'd
13 actually even go back a step further than that, but
14 let's start with the community. What does the community
15 want, what are the problems that the community sees,
16 before we actually even spend any money. If the
17 community's perfectly happy with the rec center, then
18 we're spinning our wheels, right? It's just even the
19 five of us identifying problems. If the community's
20 totally fine? Then maybe we are fine. But if the
21 community comes and says we need a bigger pool, we need
22 a bigger basketball court, we need a bigger weight room,
23 at least then we know where to focus our energy. And
24 maybe we dust off the plans that we had before, and

1 maybe those are on display and say look, here's the
2 scope that we had before. We're not proposing that this
3 is what we do, but point out what you like, point out
4 what you don't like.

5 MR. CALLICRATE: I like that. I just think
6 that we have these plans that have become credenza plans
7 and let's take them out of the credenza and say this is
8 the original scope, here's what we have here. Is it
9 working? And if it is, can we set those? Okay. But if
10 it isn't, here are some opportunities based on what the
11 community wants to do.

12 MR. HUSSERL: I think the challenge you're
13 going to have, and you need to prepare for this, I think
14 it's a great idea to talk to the community, and if
15 everybody says ah, it's honky dory, it's wonderful,
16 well, that's easy, but I don't think you're gonna hear
17 that, I think you're going to hear all different things
18 that come out of that meeting. And you as a board are
19 going to have to make some tough decisions, which is
20 what you're elected to do, right? The biggest problem
21 we have in Washington is people don't want to make tough
22 decisions and they punt.

23 CHAIRMAN SMITH: You have some vision.
24 Sometimes your customers, they don't know any.

1 MR. HUSSERL: They may not.

2 CHAIRMAN SMITH: They go in there every day
3 and they don't see what's possibility.

4 MR. HUSSERL: So at some point it's very
5 difficult to please everybody, and so you'll have
6 decisions to make on which direction do you want to go,
7 what's it gonna cost. I don't think you're going to
8 back to people to say we need to raise more money to do
9 this, which is a good thing.

10 MR. BISHOP: So we say before you work on the
11 vision, the study needs to be done about what it wants
12 or is it where are you with that.

13 MR. CALLICRATE: I think that we can have, you
14 know, community meeting or pow-wow or whatever and then
15 get it out saying we're having a community open house at
16 the rec center to go over where we, where we are now or
17 where we could possibly go, if that's what the community
18 wants, whatever. I just -- and just open it up, get
19 folks talking about it.

20 MR. BISHOP: But before you do anything,
21 define the needs of what they say.

22 MR. CALLICRATE: Right.

23 MR. HUSSERL: It doesn't hurt to have a vision
24 either that you can say this is what we've talked about

1 and throw it out there get people's input.

2 MR. PINKERTON: Well, I mean, what we're
3 talking about here is asset management and we need to
4 them now that we have a 23-year-old facility and we
5 don't want to get in the red tagged or completely
6 obsolete before we look at its future. And I don't
7 know, I'm just thinking that's how we gauge this, just
8 like we have with the beaches saying we don't
9 necessarily have to do it tomorrow, but nothing is
10 stacked, we have to look at how we keep up with the
11 times. And it's much more cost effective if we do it
12 before it's got a red tag on the way.

13 MR. CALLICRATE: That's what happened to Burnt
14 Cedar, that's what happened to the Chateau.

15 MR. PINKERTON: And the restroom at Incline
16 Beach is not far behind.

17 MR. CALLICRATE: The upper part was sometime
18 financial is.

19 MR. EICK: And as we've learned with any of
20 these things, we always get a better project if we are
21 willing to take the job and do a good job and predesign
22 and design, not just race out. I think we've definitely
23 learned that lesson, I would like to utilize that
24 knowledge.

1 MR. PINKERTON: Before the end of its useful
2 life we want to have plenty of time to plan. I think
3 it's less threatening that which we're just being
4 responsible with our assets.

5 MR. BISHOP: How does that sit with the rest
6 of you?

7 MR. HAMMEREL: Yes.

8 MR. PINKERTON: We're going to do put the
9 money in the budgets for the whole process and
10 understanding it's one step at a time, the whole
11 planning process anyway.

12 MR. HUSSERL: Are there things you could do
13 now that wouldn't require significant capital
14 expenditures that would alleviate some of the problems
15 that we saw today, Jim, around too much stuff in one
16 place?

17 MR. CALLICRATE: I heard just from one of the
18 counter workers that a recently vacated office is being
19 used as storage because of lack of storage, and I'm
20 thinking that seems like an awfully high cost of real
21 estate for storage when, if it brags to go into our
22 warehouse areas, then maybe that could be utilized just
23 taking what's there now and maybe reshifting or
24 refocusing, that's not -- I don't know how to do that

1 and I don't want to get to that, maybe the people who
2 are in charge of there might be able to go through and
3 assess the facilities with a minimum movement of some
4 things. Maybe that ping pong table could go into that
5 office with windows and all that kind of stuff where
6 people can use it and then be supervised. I don't know.
7 It's kind of a warm room back there.

8 MR. HUSSERL: Make it a gym.

9 MR. CALLICRATE: Keeping busy.

10 CHAIRMAN SMITH: We might as well do the golf
11 course, we could do it at the rec center.

12 MR. PINKERTON: Absolutely. Absolutely. But
13 part of that's the next -- probably the next part of
14 what we discussed. I need a little most guidance
15 tonight on how we do that, or maybe just give me a very
16 broad direction. I could have -- come back with a real
17 dialogue about here are the ten different models for
18 community recreation centers nowadays, we could have
19 further discussion about that.

20 CHAIRMAN SMITH: If I could just say, speak to
21 us, you're the active park rec director, I don't want to
22 talk about that now, I think you have identified that
23 kind of like we did with golf, but only one person made
24 bad habits may need some guidance, you can get some

1 expertise, get more confident or earn more confident in
2 the position is what I'm thinking about.

3 MR. PINKERTON: I just feel like I -- I was
4 hoping that I could just to get a little more, at least
5 first cut of people's feelings about -- just your first
6 cut of your vision for what you see the role of the rec
7 center versus other nonpublic venues in the community.
8 Is the rec center here to compete with High Altitude, do
9 we want to compliment High Altitude, do we want to keep
10 the Pilate/yoga studios, do we want to continue to have
11 discussions with Sierra College about, you know, joint
12 use of the future expansion of the facilities, what is
13 your -- do you want to have it a nonmember?

14 MR. CALLICRATE: Whatever we do, it's unfair
15 for us to compete. That's been one of the complaints 30
16 years I've got when we got into food or beverage or
17 whatever it was, it was in direct competition with the
18 local businesses and in tough years, you know, we have
19 the advantage because we're the government, you know,
20 and that's not right to the people who have just busted
21 themselves sideways to keep their doors open, and then,
22 you know, all of a sudden we have this lavish whatever
23 it might be, and all of a sudden you're out of business.
24 That's not the role of the government, as I see it.

1 CHAIRMAN SMITH: If I could share something
2 with all of you? I did meet with the owners of High
3 Attitude's, former CEO of Safeway, and it compliments
4 us. Now they have a rock climbing wall, they have a ski
5 room, they have different lobby experience than we have.
6 They have different weight room and cardio than we have.
7 It's expansive, so they are open to setting some program
8 up to where our community could use both facilities and
9 pay one fee, so if it's 62 dollars to join our club and
10 their club and not pay a hundred or 90 and have a joint
11 membership and share resources, we share resources now,
12 we have exercise folks that work for them and work for
13 us. They want to work with us, obviously and I think
14 might be a healthy way to do, and there's 20 different
15 ways you can set up the relationship, but at the end of
16 the day I just want the folks in the community to
17 benefit from both, if we could.

18 And Steve's kind of looked at this as well,
19 was it four, five minutes ago, as an opportunity for us,
20 and they're interested. So and may spread some folks
21 out and won't have less concentration in certain areas
22 and everybody wins.

23 MR. PINKERTON: It also goes to what Jim was
24 talking about you can bring up now.

1 MR. HAMMEREL: I don't remember.

2 MR. PINKERTON: Whether we even require a
3 membership to use the certain parts of the facility.

4 MR. HAMMEREL: You can read my mind, that was
5 crazy. What I was going to say is if we're looking at
6 vision of the rec center? I would think that our rec
7 center would be more of a community center because if
8 you're a picture pass holder, a punch card holder or a
9 resident stake holder of some sort you should be able to
10 access our rec center for free without charge. And if
11 you wanted to take a yoga, paddle board class, you can
12 pay for that. And if you want to use whatever you want
13 to use, you can pay for that, but to walk in the door
14 shouldn't cost a resident anything because, I mean, we
15 already pay a rec fee. And I know I'm not the only one
16 that feels that way in town. And I think High Altitude
17 is great at what they do because they charge a fee to
18 get in, it's a membership, and you get an experience
19 that you don't get with a public recreation center like
20 I think that you get at Incline Village recreation
21 center when. I look at what's done, you can walk in and
22 out of that place, you can run on the treadmill, you can
23 run on the track, you can go climb on the climb wall,
24 you can do whatever you want because it belongs to the

1 public. And I think that that's how we should start
2 thinking about modeling our rec center and leave High
3 Altitude to what High Altitude's doing. And certainly
4 our services compliment each other, but we wouldn't want
5 to go in and put in a rock wall and -- I mean, we
6 wouldn't want to go and mimic what they're doing over
7 there, we don't want to compete with them, they've got a
8 different model from us.

9 And then we should certainly collaborate where
10 we can but, you know, I question having to pay a
11 recreation membership to begin with it, that might
12 change how the building is designed. If we go from
13 having 600 paying members right now to having 70,000
14 free members, 40 come in and use it whenever they want,
15 how's that gonna change the use of that facility.

16 MR. PINKERTON: It might go up.

17 MR. GUINASSO: Can I just get a clarification?
18 Because one of the other pieces of direction that you've
19 given staff is that each of the venues should pay for
20 themselves, they should be self sustaining.

21 MR. HAMMEREL: I actually never said that.

22 CHAIRMAN SMITH: I know exactly where Jim's
23 going with all these questions. Jim and I talked about
24 it two years ago and we learned that there's 700,000

1 dollars in revenue in fees, in membership fees, and that
2 I went and looked at the Truckee recreation center and
3 actually got their P & L and brought it back to you,
4 Gerry. Their loss was like a hundred thousand dollars
5 for a year?

6 MR. EICK: It is, but I understand that they
7 have an awful lot of their expenses that are absorbed by
8 another agency.

9 CHAIRMAN SMITH: Okay. So I think it's good
10 model to look at, I agree with Jim, it's our flagship,
11 and you can generate revenues, but I don't think we're
12 going to generate revenue the way it's set up now
13 because Truckee does not charge for their programs,
14 their afternoon programs is the one revenue generator.
15 Kids get out of school, they go there, after school care
16 and tutoring and stuff, again, I forget number, it's
17 like a quarter of a million dollars or something.

18 MR. EICK: I believe you're right.

19 CHAIRMAN SMITH: So I like where Jim's going
20 with this, too, but I don't know that we could actually
21 open it up right now to everybody and be able to serve.

22 MR. CALLICRATE: Not --

23 MR. HUSSERL: You're talking about a fee for
24 service, right?

1 MR. EICK: Which, if I could pivot point? I
2 thought about this. What if we said that you wanted to
3 be in a fitness center, for instance, from six a.m. to
4 ten a.m., there was a fee for certain -- for access it,
5 but if you're simply there for swimming or an open gym,
6 that can be part of the part that is public.

7 CHAIRMAN SMITH: That pool today was packed at
8 what time, 11:30?

9 MR. EICK: I don't doubt it on a holiday week.
10 And I'm not saying that's absolutely the answer, but if
11 we are open to some hybrids and communications of things
12 where, you know, instead of it's just open and we worry
13 about if 7,000 people will show up that by the nature of
14 saying there is a small user fee or access fee to test
15 somebody's perception of value that doesn't restrict
16 everything, you know, we could -- a lot of communities
17 have that.

18 MR. PINKERTON: The beauty is there's 19,000
19 other communities we can look at and --

20 CHAIRMAN SMITH: Yeah.

21 MR. PINKERTON: -- see what works, see what
22 -- there's a la cart, is what you want.

23 MR. CALLICRATE: To Jason's point, and this is
24 something I think we need to wallow here tonight, or at

1 least open the door. Policies and procedures of the
2 board, there are some of those that we may want to
3 revisit because while it may have been at one point
4 saying every single venue has to break even with money,
5 that might be completely unrealistic, or maybe that's
6 not going far enough, I don't know, but we all need to
7 be up on what we can and can't do right now as a
8 policies and procedures state. I'm not up to snuff on
9 all the stuff that we should or shouldn't be doing, and
10 I'm hoping that after we have this maybe we can touch on
11 some of those policies and procedures because that will
12 govern how we as a board operate and give direction and
13 govern ourselves.

14 MR. EICK: To be honest with you, I thought at
15 it retreat at the Chateau you directed us to already
16 start working on those, and I'm preparing to bring all
17 the ones that have a financial relationship to you as
18 part of the budget process that if you want to set new
19 ground rules about that --

20 MR. CALLICRATE: Okay.

21 MR. EICK: -- you have to do it up-front.

22 MR. CALLICRATE: I thought we're going to
23 touch on that tonight. I'm fine. But as long as that's
24 going, because it was somewhat ambiguous to me how far

1 down the road you were with that process.

2 MR. GUINASSO: Make sure there's no
3 contradictory direction. If there was prior direction
4 to staff that said all venues have to pay for
5 themselves, then you have got to give clear direction
6 now.

7 MR. DEVINE: That had to have been previous
8 boards.

9 CHAIRMAN SMITH: It wasn't our board.

10 MR. GUINASSO: That actually goes back when
11 the Chateau was first --

12 MR. DEVINE: The board that we've been
13 involved in does not go in that direction.

14 MR. CALLICRATE: It does, goes to the Chateau
15 first constructed.

16 MR. EICK: I can speak to that. Prior to 2008
17 when the new board policies and practices were adopted
18 there actually was a policy resolution that said the
19 board would make an annual determination by them, and
20 that was changed when they adopted the new set. That
21 was 2008, which would be the ones that we look to amend
22 now.

23 CHAIRMAN SMITH: Steve, are you giving
24 direction?

1 MR. PINKERTON: I think we're in pretty good
2 shape.

3 CHAIRMAN SMITH: For the budget.

4 MR. PINKERTON: For the budget, we've got
5 money we can allocate to begin the process, and I think
6 as we get into it will be good to have the next session
7 where we can start prioritizing some of these things as
8 well.

9 CHAIRMAN SMITH: Where are you guys on this?

10 MR. HUSSERL: It seems more of a longer term
11 project overall than some of the other others we've
12 spoken about, there's some short-term things.

13 MR. PINKERTON: I mean, the asset management,
14 the bigger focus on asset management are the plans in
15 place we see as a more immediate -- the starting point
16 -- the start is now which for us is a big deal because
17 Tim was on the board the last time we did this. It's
18 been quite a while. It's been 16 years.

19 CHAIRMAN SMITH: One of the quick fixes, you
20 might want to look at the cardio equipment that's
21 different sizes and shapes and models and years, much
22 better for organizations to have a fit -- our program in
23 the past was replaced every year, they're all different,
24 they're all different technology, and so if you're on a

1 treadmill, it's new, and that one's full and you get on
2 a different treadmill that's three years old, you can't
3 wait to get on the new one. If you go to our
4 competitor, it's all the same, it's all the same level,
5 all the same experience, and I think that we need to
6 change the way we do this and maybe that's something you
7 could effectively swap out and trade out, you can lease
8 them, purchase them.

9 MR. GUINASSO: Probably can talk to that, too.

10 MR. PINKERTON: One of the things I'd like to
11 do on some of these is bring back to you within the
12 budget, here's your options. If you want to improve,
13 here's different service level options and upgrades
14 options and give me what the consequences are.

15 MR. CALLICRATE: I want to hear what Kendra
16 has to say.

17 MS. WONG: Back to the vision of the rec
18 center that Jim was talking about, you know, if you look
19 at a model where if you pay a recreation fee and you
20 have a picture pass and/or a punch card and you just
21 have free access to the rec center, do we also then want
22 to think about that with the rest of our venues?
23 Because if you think about Diamond Peak, a resident pays
24 \$25.00 with a picture pass or \$35 if it's a holiday

1 weekend, I mean, why are we just giving, you know,
2 people with picture pass free tickets.

3 MR. HAMMEREL: I think it's good segue into a
4 conversation of valuing our community as a whole. I
5 mean, it's -- I can see what you're saying because I
6 actually had the same exact thought two years ago when I
7 got on this job. And part of me just wants to say if
8 you're a rec fee payer like you should have access to
9 the amenities that you pay and support, so I don't
10 necessarily agree. I think what it does is it opens up
11 a conversation to what does tourism mean and what value
12 does tourism bring for our community if all of a sudden
13 we can ski and go work out and, you know, play free or
14 discounted golf because we have got all these tourism
15 here in town that's funding everything? That's a great
16 conversation to have.

17 CHAIRMAN SMITH: That's where the community
18 appreciation kicked in.

19 MR. HAMMEREL: That's what started that whole
20 thing.

21 CHAIRMAN SMITH: This is something that Jim
22 and I were saying let's have free ski skiing for a week,
23 free golf for a few days, and you could probably set
24 that up and say Monday through Thursday, take Monday,

1 Tuesday, Wednesday for skiing, you know, and then in the
2 next year it's a Thursday. Weekends you gotta pay a
3 fee, you can do that with golf, you can have a couple
4 free days a month of golf, we kind of started it, but --

5 MS. WONG: Yeah, I mean, Diamond Peak seems
6 disingenuous 25, 35 dollars for a ticket, I think that's
7 just absolutely ridiculous. I know golf can be charged
8 more, but then we also have the dollar a hole for a
9 picture pass holder.

10 MR. PINKERTON: At Mountain Course.

11 MS. WONG: A dollar a hole, or a dollar fifty
12 a hole, it's like -- yeah.

13 CHAIRMAN SMITH: Just let me play for free.

14 MR. HUSSERL: If the 700,000 in recurrent
15 revenues disappears does that put a hole in the budget?
16 Are there issues around that?

17 CHAIRMAN SMITH: It's \$85.00 a year per
18 parcel.

19 MR. EICK: I was going to say --

20 CHAIRMAN SMITH: Make up that revenue because
21 people are using in purchasing while they're there.

22 MR. HUSSERL: You mean the fee for service.

23 MR. HAMMEREL: We don't know that that's a
24 great experiment to have if we go from 700 paying

1 members that have got cart blanche to the rec center and
2 all programs and whatever they want to moving to a model
3 where now you have 7,000 nonpaying members, but they all
4 want to take a yoga class, they all want to get a
5 massage, they all want to go put their kids through swim
6 class, what's the revenue difference between those two
7 models? And maybe that's what will come out through
8 this research.

9 MR. CALLICRATE: There's also that --
10 something that we need to really think about, it's
11 customer experience and this community, and it was
12 expressed through this last election, the one prior, the
13 one prior. People here like the feeling of exclusivity,
14 they like the feeling that our beaches are private, all
15 of our venues as a local you get a specific benefit over
16 and above the unwatched masses here need to be free and
17 so with that, you know, there's merit in the plan. I
18 just, you know, I caution all of us, and I know this is
19 for future, because right now, unless and until the rec
20 center is addressed appropriately, our other venues are
21 brought up to where they should be, safetywise and
22 aestheticwise and potential usewise, opening up the
23 doors for free use, the initial hit could be
24 catastrophic. I don't know. I'm just -- my gut feeling

1 is wow, if the whole community knew that they could go
2 to the rec center and only have to pay for the programs
3 they want to use that could really overburden, the
4 building. I don't know, it's just me thinking off the
5 top of my head. I know that's the underlying of all of
6 this but, you know, the community's worked long and hard
7 to get to this point. Now I think we need to be real
8 methodic. I don't want to drag our feet, but now is
9 where we just need to take a little bit of extra time to
10 look into what we're trying to do, and our direction to
11 you. I like the idea of coming back to us with dollars
12 and cents and facts and figures so then we can finally
13 think there's lot of potential for that, like I said, a
14 buck 50 a hole, Mountain course? It's almost an insult
15 to the people that are here, you know, the folks that
16 live here and that work here, you know.

17 CHAIRMAN SMITH: Let them play and you get
18 their a great barbecue and buy lots of beverages and
19 food and it covers the cost and be a generator.

20 MR. EICK: We'll bring feedback about what
21 they think from the residents.

22 MR. PINKERTON: That's good feedback.

23 MR. HAMMEREL: That's a great point.

24 MR. EICK: Other than talking to parks and rec

1 director and figuring out, I have no idea what we make
2 from residents at Diamond Peak, what's that budget?

3 MR. PINKERTON: Fifteen percent of our
4 revenue.

5 MR. HAMMEREL: Same thing with golf and stuff
6 like that so it will be interesting to see like what
7 those hard numbers if we think we can compensate or
8 overcompensate for those deficiencies.

9 MR. CALLICRATE: I think that we're all on the
10 board, so just by virtue of us being on the board we
11 have access to the information formal readily, and it
12 shouldn't be that way. I know there is technology
13 that's going to start getting all of this information
14 out for immediate access by anyone in the community. We
15 need to be really loud and clear to get this material
16 drafted out to the community. This -- if we say it's 15
17 percent revenue, well, let's put some figures behind
18 that so we're not talking in kind of general abstract
19 but more pointed so folks can say okay, the ski area
20 generates \$350,000 after losses and everything else and
21 all the appreciation and all that, that's an important
22 figure. And I think what's happened is that folks
23 haven't either had the access they felt they needed, and
24 it's always been if you read the financials. They

1 didn't want to access the information. And let's put it
2 out there, bottom line, here it is, per venue, you know,
3 Kendra's been working with you and this is what we as
4 the board wanted to do, as that will go a long way to
5 help us work with the community in a stronger manner.

6 I'm just saying that try to access.

7 MR. PINKERTON: So just one more question
8 related to -- I think I've talked you all individually
9 who wanted to hear potentially as a group that the ski
10 and golf, those are clearly more specialty venues that
11 not every recreation -- obviously, no recreation is a
12 gotta have, but most communities have parks, play
13 fields, open space and some kind of community center
14 where they can have programs like that's why Aspen Grove
15 was originally built here in the early '70's. And so
16 given that we do get property tax for the portion of the
17 recreation that I think provides the whole public, do
18 you see the rec center different than golf and ski as
19 more of a community, general community venue?

20 MR. HAMMEREL: Yeah.

21 MS. WONG: I see it more as a community
22 center, and especially since we kind of lack a downtown,
23 it would be nice if that could be a central drawing
24 point for our community.

1 MR. HUSSERL: Is that a branding issue? Do
2 you change the name of it?

3 MR. PINKERTON: To the community center?

4 CHAIRMAN SMITH: Possibly.

5 MR. EICK: Possibly.

6 MR. PINKERTON: That's part of a future
7 program.

8 MR. EICK: We talked about relocating admin
9 there and really becoming a focal point in the
10 community, we thought that's a big part of it is that
11 become the community center.

12 CHAIRMAN SMITH: It's the Taj Mahal.

13 MR. CALLICRATE: There's opportunities, too,
14 with surrounding property --

15 MR. EICK: Yes.

16 MR. CALLICRATE: -- to really --

17 MR. PINKERTON: To the senior center.

18 MR. CALLICRATE: Make a hub and really
19 showcase if we're right across from the Village Green
20 we're a block and steps from the beach.

21 MR. PINKERTON: And the college.

22 MR. CALLICRATE: Yeah, the college is right
23 next door. We've got the parasol on the other side. I
24 mean, and it's in the middle of Incline Park parcel.

1 MR. PINKERTON: I mean, the missing link is
2 that building that just says community, right? It's --
3 all the elements are there except for sort of that
4 conjoining factor.

5 MR. CALLICRATE: Well, the meeting facility,
6 senior center aspect, possibly if the community really
7 wanted to do it, there's room for an appropriate swim
8 meet sanctioned pool, which is the one that wasn't built
9 the right size, and then, you know, I mean, there are a
10 lot of opportunities. Is it all gonna take money.
11 Yeah. But they're opportunities with other assets that
12 we have, that we need abandon, and then focus that over.

13 MR. PINKERTON: Collins might be willing to
14 participate.

15 CHAIRMAN SMITH: If I could interject, you
16 talked a little bit about private monies and recognition
17 for bringing some money in here to -- maybe some folks
18 in the community said let's just do it right, let's do
19 it. Well, it's the such and such recreation center and
20 to look at as a possibility --

21 MR. CALLICRATE: Tennis.

22 CHAIRMAN SMITH: -- issue of tennis as well
23 and all these things.

24 MR. HUSSERL: When you're thinking, too, do

1 you want to compete with High Altitude? Do you want to
2 align with High Altitude? Or do you want to say back to
3 -- we're gonna have something that High Altitude
4 doesn't. So what don't they have? That doesn't look
5 like they have a swimming pool, they don't have some of
6 the other community activities, maybe focus there.

7 CHAIRMAN SMITH: They have a locker room and
8 cardio and a weight room. We're going to have cardio
9 and weight room, can't have one without it, but I don't
10 think we need to build a rock climbing wall, so that's
11 really the only difference.

12 MR. HUSSERL: I was actually posing the
13 question to you that says but what if you didn't? What
14 if you didn't compete with High Altitude and you said
15 instead of a rec center, it really more is a community
16 center. You've got the pool, where you wouldn't
17 duplicate anything that High Altitude had.

18 CHAIRMAN SMITH: No, High Altitude couldn't
19 handle 2500 people, it's not big enough.

20 MR. CALLICRATE: I think that the community
21 there are the folks that belong to the rec center want
22 to belong to the rec center and, you know, and that's --
23 it has a potential to be a really top facility, it's
24 just it's hendered by space.

1 MR. HUSSERL: So what should we put here then
2 for future, what's our next steps?

3 MR. PINKERTON: Master plan.

4 CHAIRMAN SMITH: Community center rec master
5 plan.

6 MR. HAMMEREL: Budget for a master plan,
7 getting started on master plan.

8 MR. PINKERTON: With the caveat that step one
9 in that is feedback.

10 MR. CALLICRATE: The sequential process needs
11 to start with outreach to the community, to get
12 direction, to go to the next step, and have the
13 attendant documents that we already have, and maybe a
14 small portion of what our vision has looked like in the
15 past, and we're kind of leaning this way, but we need to
16 find out directions if the community doesn't want to do
17 it, then we need to stop back and says it's not the
18 right time or whatever, you know.

19 MR. PINKERTON: We have to give them some
20 initial ideas of what we're thinking.

21 MR. CALLICRATE: Right. I don't think that
22 doing nothing at that property is an option, that's just
23 my own gut feeling.

24 MR. EICK: It's too good an opportunity.

1 MR. PINKERTON: Well, it's 23 years old. We
2 have no choice.

3 MR. CALLICRATE: We have to look at what's
4 going to happen in the next 3 to 5 years.

5 MR. HUSSERL: Do you want to toss around a
6 vision this evening, start that process of what you see
7 it as?

8 MS. WONG: I think we need more community
9 input before we get to that.

10 MR. HAMMEREL: Not to move things out of
11 order, but we're 75 percent through our day. Are there
12 other issues that we should tackle that might be lengthy
13 conversations?

14 MR. PINKERTON: Branding.

15 MR. HAMMEREL: Branding? Marketing?

16 CHAIRMAN SMITH: That helps with the budget.
17 It looks like we're going to have to have you come back,
18 sooner than later.

19 MS. WONG: One of the things we actually need
20 to go back to is our conversation from last week and --

21 MR. PINKERTON: I've got it all, that
22 shouldn't take long.

23 MS. WONG: Okay.

24 MR. CALLICRATE: So branding?

1 MR. BISHOP: Maybe you want to talk a little
2 bit communications, summarize branding?

3 CHAIRMAN SMITH: Well, we have a
4 communications committee that's working as our project,
5 so.

6 MR. CALLICRATE: One thing I would like that,
7 we're both on that, maybe a couple sentences from the
8 rest of the board saying this is what we'd like you to
9 address, I think we pretty much have it down, but just
10 to make sure we don't miss something, because this is
11 not an opportunity with the folks who are involved. We
12 got some great members of the committee, we really want
13 to make sure that we give them, you know, all the
14 feedback that we can on Friday.

15 CHAIRMAN SMITH: My thought is breaking it
16 into groups like a technology communications group, you
17 know, an employee staffing communications group on how
18 to communicate better. My hand's getting tired, but I
19 know that I talked about a couple more like four
20 different groups, break up into groups, have a captain
21 for each group that talks about these different names,
22 all-encompassing, and then coming to the board with
23 let's say you have captain from technology who comes to
24 the board and says here are the 6 or 7 things we're

1 looking at for policy and then -- you know.

2 MR. CALLICRATE: I've got it.

3 CHAIRMAN SMITH: Thinking that might be the
4 best.

5 MR. CALLICRATE: I forgot that we had that
6 conversation. I'm tired, so.

7 MR. GUINASSO: I'm going to send you an
8 example of a communications policy that I got from
9 Washoe County. I meant to send it out a couple days
10 after.

11 CHAIRMAN SMITH: You're on the committee.

12 MR. GUINASSO: I just want to make sure.

13 MR. CALLICRATE: Okay. I got -- I got rhythm.

14 MR. HUSSERL: I think it might be time for a
15 break.

16 MR. CALLICRATE: Yeah. Thanks.

17 (Short break.)

18 CHAIRMAN SMITH: Steve, want to talk about
19 marketing?

20 MR. PINKERTON: I do. See if I can bring up
21 -- I wasn't here for the beginning of the marketing
22 discussion in September of 2013, but, you know, we've
23 had a lot of dialogue since then and I think the
24 challenge that staff has is the mixed signals we get

1 about what is IVGID's role in promoting our venues and
2 how does that relating to promoting the community and
3 Incline as a destination. And from a staffing
4 perspective, we just need to find that sweet spot of how
5 we do what we can to promote our venues that make sure
6 that we're promoting and selling that excess capacity
7 consistent with your desires to make sure we fill that
8 excess capacity, which then, of course, helps keep the
9 cost to the public down, and then at the same time make
10 sure that how we're marketing, how we're marketing the
11 community is consistent with our community values, and a
12 big part of the dialogue we have with Augustine was the
13 fact was the first thing we need to do, and we as IVGID
14 can't do this in a vacuum we need to have the business
15 community and the tourism community as part of the
16 dialogue is branding Incline Village. And so that's
17 where I'll start the dialogue. And we've got Augustine
18 has that very exhaustive study and research and so the
19 question is are we ready to go to the next step? Which
20 is, having a larger community dialogue about branding
21 and branding our facilities and bonding and cooperating
22 with the other people and the rest of the business
23 community besides our venues. And it's not just our
24 venues, don't forget that our utility costs are higher

1 because of the fact that we're only using half of our
2 capacity in our utilities as well, so there's lots of
3 pros and cons but, you know, what Augustine has pointed
4 out is a lot of communities there's sensitivities to the
5 peak season, but there's lot of places that have looked
6 more at shoulder season as a time where there's a lot of
7 excess capacity in the community as a whole.

8 MR. DEVINE: I haven't talked in a while.

9 Just to -- what you're talking about, Steve, is I think
10 it comes back to community dialogue, and that's what I
11 think you're leaning towards is because I don't know how
12 we go about telling our marketing arm to do any kind of
13 marketing when we don't know what our brand is yet, we
14 don't know what the community wants us branding. You
15 know, all this earlier talk about -- and I hesitate to
16 ever say you get something for free because you don't
17 get anything for free, your rec fee could certainly go
18 up and you could go into the rec center for free and you
19 could play golf for free and all that, but you're trying
20 to -- historically we've tried to mitigate it with the
21 visitor costs or whatever and balance it. I think we
22 have to go back to finding out what the community wants
23 to be branded as and then breaking down the costs, just
24 like you're already eluding to. I don't know how we can

1 decide on the branding right now without that dialogue,
2 though.

3 MR. HAMMEREL: I'll jump in. I kind of equate
4 IVGID to that awkward teenager? Like we don't really
5 know what we are yet. We're kind of that in between
6 stage between a child and adult and we don't really know
7 where we're going or what we're responsible for, what
8 we're not responsible for, so I think that having a
9 community discussion, maybe facilitated by someone like
10 Augustine to help us determine exactly what we are and
11 that way we can go back to the first conversation that
12 we had this morning, portray that brand to help attract
13 more of the people that we want to attract. And whether
14 that's visitors, whether that's homeowners, whether
15 that's, you know, stake holders, that would kind of come
16 out of that conversation, but I do agree that we should
17 move forward with any kind of marketing until we really
18 establish who we are and what we're trying to do. I
19 think that would come out of a branding type
20 conversation.

21 MR. HUSSERL: Talking about a brand for IVGID
22 or a brand for Incline Village?

23 MR. HAMMEREL: Both.

24 CHAIRMAN SMITH: And Crystal Bay.

1 MR. HAMMEREL: And Crystal Bay.

2 MR. EICK: I'll remind you that with our
3 website makeover that we've done in the last 12 months
4 we've jumped on that tag line Your Tahoe Place, and
5 we've woven that into just about every promotion now of
6 venues, so -- and I believe Augustine had a hand in
7 guiding us in that direction, but -- and it could be
8 applied to IVGID or it could apply to a broader
9 community. I only bring that up because I think, you
10 know, again, our discussion of concentration or
11 abandonment, I think we have to think about Your Tahoe
12 Place in that context, too.

13 MS. WONG: Can I say that I work in an
14 organization that can be classified as having an ADU
15 marketing plan at best, and they go through -- they
16 spend 750,000 dollars and go through a rebranding phase,
17 don't spend the time to see if that branding actually
18 works, and then we try something new, and we've done
19 that for the last eight years now ever since I been
20 there probably been through four different branding
21 phases. So, I mean, if we've going down the path of
22 Your Tahoe Place I think we need to go down that path
23 for a little bit longer to see if it's actually going to
24 work.

1 Also, when I look at our marketing budget, our
2 marketing budget is \$771,000, which is two percent of
3 our budget, 500,000 of which goes towards skiing, so we
4 absolutely are focusing our marketing efforts to where
5 we have the most success capacity. And I think that's
6 appropriate.

7 MR. CALLICRATE: Well, I'm going to go out
8 there on a limb and say that the folks that, one, it's
9 not IVGID's job to market the community. We should work
10 with our community members where appropriate, but the
11 general improvement district is here to serve the people
12 that are the property owners, residents, guests, and how
13 those demographics fall, you know, in that situation.
14 It's incumbent upon us with our facilities to make sure
15 that we are utilizing them to the best that we can so it
16 minimizes the amount of money that the locals and the
17 people who pay the bills, what they have to pay. And I
18 think one of the sticking points that's been here for
19 decades is just how many tourists or bodies do we need
20 at our venues to make that venue break even or show a
21 slight profit. And if the numbers are there, which I
22 believe that they are.

23 MR. BISHOP: They have been. I think we need
24 to take that information and look at the community

1 because there's an impression that people in the
2 community think that you know the community pays for all
3 the expenses that the property owners and the rec fees
4 pay for all the expenses that we have. And that's just
5 not the case. It pays for a certain percentage. And I
6 think that that -- and not do it in condescending way,
7 it's like were it not for the property owners and the
8 rec fee payers we wouldn't be here, but we need to -- I
9 think that we need to make sure that those numbers get
10 out to the community, and along with that whatever we're
11 spending in marketing is being spent in the appropriate
12 areas. I think that I personally feel that our ski
13 area's gonna get what it's gonna get because a small
14 little niche, its can't compare Alpine, Squaw, any of
15 the big boys? We're going to a small ski area, let's
16 make it the best that we can cater to the families,
17 raise our level of service far higher than we are,
18 improve some of the facilities that we have that don't
19 work, being cognizant of the fact that we've just got --
20 what did they spend four years ago, five and a half
21 million? Six and a half millions dollars.

22 MR. EICK: On the ski resort? Closer to
23 eight.

24 MR. CALLICRATE: Any kind of a big chunk of

1 money right now other than doing some -- I think that
2 the amount of money that's being spent on marketing is
3 too much for the return on our investment. I don't
4 think that \$500,000 is getting us what we could be
5 getting if we focused our efforts to a smaller niche
6 market of the families and then raise the service,
7 that's a better expense. That's me.

8 MR. HAMMEREL: I actually disagree with that.
9 And the reason why I disagree with that is the families
10 are here because we do marketing because we branded
11 ourselves as being the family friendly resource. I
12 think if we hadn't done that, I think our numbers would
13 be less because we wouldn't have that differentiation in
14 the marketplace, whereas, when a family's pick out a ski
15 trip to Lake Tahoe, and they're like, well, you know,
16 Squaw's a big one, obviously, or we can go to Boreal,
17 that's the cheap one, they wouldn't even know that oh,
18 maybe another family one, so I honestly think that if we
19 still have, which we have in the last few years, if we
20 still have excess capacity, we need to look at adding
21 more money to the marketing budget, and taking a look
22 venue by venue what kind of excess capacity do we have
23 and do we have enough -- do we have a sufficient
24 marketing budget to fill that excess capacity? Because

1 I feel, like Kendra said, Diamond Peak, it has always
2 and is currently cannibalizing the entire marketing
3 budget, so if we have excess capacity at Mountain Golf
4 which we don't have any -- I shouldn't say any. We have
5 a very minuscule marketing budget for mountain course to
6 fill in that excess capacity. So I'm looking at it from
7 a different way than a marketing professional. You
8 know, I think that, you know, we should be -- we should
9 be doubling down on what's working. When you talk about
10 abandon or concentrate, I mean, Diamond Peak is our
11 golden goose, that's what's helping reduce our rec fee
12 liability, and so our marketing budget is working there.
13 What do we need to do to double down on that to get that
14 formula better? I don't want to abandon Diamond Peak, I
15 want to concentrate on Diamond Peak.

16 CHAIRMAN SMITH: So I think in your case
17 branding in the websites is excellent. You did an
18 excellent job. I think Jim had something to do with.
19 Whether you brand or not we're going to have a branding,
20 whether we have an advertiser have a brand, whether we
21 do any branding we're going to have a brand that's gonna
22 be people are gonna tell you what our brand is. And so
23 I think Augustine's helped us with this, I don't know
24 that we invest a lot of money in the branding, I think

1 we sort of got it. Do we want to crystallize our
2 branding a little bit, make it pop more as an idea? The
3 terms of the market, as you guys were talking about, we
4 need to market strategically. Do we really have excess
5 capacity at ski resort Christmas week? No. You know, I
6 know talking to Fred last week, having lunch with him,
7 he had a great January occupancy level. They fed us,
8 they fed our ski resort, so we could have done a lot of
9 marketing.

10 I like to see us partner more with the Hyatt,
11 use our dollars more wiser, and because if they're at
12 capacity, if the Hyatt's at capacity 365 days a year, we
13 don't need to market at all, right? Because it's going
14 to cover the balance that we might need. I'd like us to
15 strategize. Jim does this for a living but, I mean, you
16 have clients who say I'm going to target certain things
17 that are trying to accomplish, we know we have
18 tremendous amount of excess capacity in Mountain Golf
19 course, we saw the numbers with the recap, I'd like to
20 see us invest more money there to get customers because
21 people don't even know we have it because it's hidden.

22 MR. CALLICRATE: That's probably more what I
23 was --

24 CHAIRMAN SMITH: -- to -- you know what I'm

1 saying? I don't know that we need to spend more money,
2 we might be able to save a little bit here, you could go
3 there and target it.

4 MR. EICK: I think we're getting the direction
5 we need because it's like number of the other things
6 we've talked about where we need to communicate, you
7 know, what did we plan to do? It's one thing to say we
8 have a budget of 700,000 dollars. If you ever looked at
9 the January financial statements that were posted
10 yesterday you'll see we're hundreds of thousands of
11 dollars under budget in service and supplies which
12 happens to include advertising. And once again, like we
13 did last year, seeing a bad snow year we shut down the
14 advertising in ski. Unfortunately, we also didn't
15 advertise as much as we planned at the Mountain Golf
16 course, so I think some of the things you're saying are
17 the real direction that we were looking for as staff is
18 you want us to explain more why we do or don't market.
19 I think almost everything we do as a purpose. For
20 instance, Brad will tell you -- Brad Wilson will tell
21 you that our self-day marketing for families is the
22 whole reason we don't have any extra space in December
23 because we've hit the motherload, a group of people who
24 want to come here as a family organization in that time

1 slot, many of those people won't come here in February,
2 so we know to place those bill boards in October,
3 November, early December, but we haven't found that
4 motherload for the Mountain Golf course, but I think
5 your direction is find it.

6 MR. PINKERTON: We're working on it.

7 MR. EICK: Those are the kind of things.

8 CHAIRMAN SMITH: Shared marketing is also
9 community outreach, press releases, public information,
10 and I think we could do a better job as an organization
11 in marketing, whether it's having a little bit more
12 spirit for holidays which is, you know, having a tree
13 lighting ceremony, and doing some things at Diamond Peak
14 when the folks come here and stay at the Hyatt they get
15 on the bus and go to Diamond Peak, it should look like
16 Christmas, you know, you know what I'm saying? That
17 might fall into that category, or the holidays, the
18 holidays is when we do all of our business so why don't
19 we have a little spirit in terms of putting on a show,
20 not only with the staff, but with, you know, some way
21 when you come to our town during the holidays it doesn't
22 look like a holiday. And I know that's little bit out
23 of our league, but we can at least do something where
24 our venues.

1 MR. DEVINE: I'm little confused and know
2 we're pretty far into this for me to admit that finding.
3 We're talking about branding and Your Tahoe Place, and
4 marketing, and every once in a while I hear exclusivity
5 come up. It seems to me it can't be both, I'm a little
6 confused on that. Is that part of our branding when
7 you're talking about exclusivity because when you're
8 talking about filling these capacities I'm not against
9 it, I just don't know why we're using both terms all the
10 time. And I don't even know if you guys could do this,
11 and maybe this would even help -- this would help me,
12 and I don't know if I speak for most of the community
13 but I would like to know if we were totally exclusive
14 and we did not want tourists or visitors in here, how
15 much would our rec fee be?

16 MR. EICK: Diamond ski area, 2350 bucks.

17 MR. DEVINE: There we go. Now we got a
18 starting number where I think we can build off when
19 we're asking people what they want. I'm not trying to
20 say that's what we should do, but god dang, that's a
21 great number for me to now have in my head. You could
22 have your own ski area, we don't market, we save 750,000
23 dollars because we don't market. I'm not saying go
24 there, I just I like -- so can anybody else comment on

1 the exclusivity? Am I just not understanding that
2 you're not real exclusive when you're trying to draw in
3 other people, or am I just missing the term?

4 MR. CALLICRATE: It was brought up at a
5 couple, you know, community meetings that we had when
6 folks were saying, you know, we're an exclusive
7 community, we have exclusive use of our beaches and so
8 those are words that were coming from the community at
9 these open meetings. And I'm not saying that that's a
10 good or a bad thing, that's just a feedback coming from
11 many members of the community. And that \$2350.00 is
12 certainly an interesting jumping off point or stopping
13 point, whatever you want to call it.

14 MR. DEVINE: It gives you at least something
15 to give to somebody when they come to me and say
16 whatever, I can say you know what? If the community
17 really wants it, here's the number. It might be totally
18 worth it. Put up your gates.

19 CHAIRMAN SMITH: If I could jump in? To be
20 honest, let's be exclusive and we did that, we have a
21 grocery store in town, we have a gas station.

22 MR. DEVINE: Well, Jim, don't get me wrong.
23 I'm not necessarily advocating it, just gives me a
24 number.

1 CHAIRMAN SMITH: I know the numbers because
2 Jerry's told me, so I had this conversation last Sunday.
3 Let's be all exclusive, let's do that, then wherever you
4 go to go grocery shopping, where you go to get your gas
5 because we don't folks here year round.

6 MR. DEVINE: But by communicating that it
7 leads into the discussion we're talking about, then we
8 move away from because I keep hearing this from people
9 in the community and I'd like to shoot it down. It's
10 not possible.

11 MR. HAMMEREL: It's funny because there are
12 some, there is a handful in the people who talk about
13 exclusivity and, really, it just revolved around the
14 beaches. The beaches are a whole separate animal, and
15 what IVGID said as a whole, IVGID as a whole is a public
16 entity, everything that we have is public. We have a
17 rec center.

18 MR. DEVINE: The beaches do confuse them.

19 MR. HAMMEREL: That's where people get
20 confused, this is look at the beaches as private, we're
21 like, hey, we pay for our beaches, right? No, that's
22 not exactly it. But our rec center or our golf course,
23 everything that we have is public because it is a public
24 entity, a public -- the beaches are kind of their own

1 separate emblem. We almost have to almost start
2 thinking about them as two separate, there's IVGID and
3 the beaches, and IVGID oversees the beaches, but --

4 MR. PINKERTON: Gerry said they would create a
5 whole separate GID just for the beaches.

6 MR. DEVINE: Have a whole separate fund.

7 MR. HAMMEREL: And honestly, I think that's
8 where a lot of the confusion arose is Ordinance 7,
9 because Ordinance 7, which backs the public venues as
10 well as our private beaches, and I'm not convinced that
11 they can both be wrapped in the same document, that --
12 let's not poke the tiger out of Ordinance 7. Well, we
13 just need to remove the beaches from Ordinance 7 and
14 then we can talk about Ordinance 7 as it pertains to our
15 public venues in a different conversation.

16 MR. DEVINE: Is Ordinance 7 just the beach?

17 MR. PINKERTON: No, it's the --

18 MR. DEVINE: It's the passes.

19 MR. PINKERTON: It's the passes.

20 MR. GUINASSO: One of the things that I'm
21 confused about, and what you guys are talking about is
22 if you're trying to brand yourself, I haven't really
23 heard a lot of discussion on what that means, just
24 sitting here listening. I mean, I think when you talk

1 about branding, it's what are we? And, you know, what
2 are we and how do we come to be what we are, and that's
3 a little bit different of a discussion than what I've
4 heard the last 10 minutes or so.

5 CHAIRMAN SMITH: We have a strategic marketing
6 plan that was developed and that's where it's coming
7 from.

8 MR. GUINASSO: Oh, okay.

9 CHAIRMAN SMITH: Right, Steve?

10 MR. PINKERTON: Yeah.

11 Mr. GUINASSO: Was that clear to you?

12 CHAIRMAN SMITH: Yeah. They saved a copy of
13 this.

14 MR. PINKERTON: If you look at the power point
15 for branding, it's a promise, it's an expectation, a
16 personality, an impression image of the personality
17 that's long lasting, it's what we do. It's what they're
18 purchasing, it's what people think you are, and it's
19 kind of an emotion for that place.

20 MR. HAMMEREL: That's a great point because
21 when you hear from people in the community, depending on
22 who you're talking about, everybody thinks that we're
23 something different. Well, we're a retirement
24 community. Well, we're a college town. Well, we're a

1 bedroom community. No, we're a resort town. And no one
2 can really put their finger on exactly what we are, and
3 that's why I kind of think that we should have that
4 discussion and facilitated by someone that could help us
5 walk through that process because once we know who we
6 are, then we can identify where we want to go, who we
7 want to attract, not attract, what we want to do, but
8 it's that awkward teenager like IVGID, we've got no idea
9 because we're told from so many different people that we
10 we're quasi government, we're natureland. No, we're --
11 it goes back and forth over and over, I think everyone's
12 just confused.

13 CHAIRMAN SMITH: Jeff, you were raising your
14 hand?

15 MR. HUSSERL: No, I was thinking about why
16 people -- to me there's one word to describe us why
17 people come here, and we've been all over it when we've
18 talked about services. To me it's recreation, this
19 place is a recreation center more than anything else.
20 People come here to play golf, they come here to go
21 skiing, they come here to take advantage of the lake.
22 And to me that's where the line's with IVGID because
23 that's one of the major services that you're providing
24 people, recreation services, it's what we spent most --

1 we didn't really talk about utilities, we talked about
2 the various venues which are all about recreation to me,
3 it has world-class recreation center.

4 CHAIRMAN SMITH: 20/20 vision. Gerry, you
5 might remember their businesses theme was these people
6 love to rec-reate, that's why they live here.

7 MR. EICK: If you have remember the famous
8 line was it's the lake, you know, and they just said
9 they want to be here for all the things they can do, I
10 totally agree.

11 MR. PINKERTON: I always say, people vote with
12 their feet. People come here because you don't have
13 five-generation families here, we have people who came
14 here because of what we have, right?

15 CHAIRMAN SMITH: What other direction are you
16 looking from marketing?

17 MR. PINKERTON: Well, I think I wanted to hear
18 more of this philosophical discussion more than anything
19 else and whether there is the appetite to at least -- I
20 don't know, it seems like we need to bring this back
21 with a specific next step and, you know, the plan talked
22 a lot about that. There's definitely an appetite, and I
23 think as a group, at some time before 9:00 at night we
24 need to maybe talk more about what the next steps will

1 be to stack this. And as Gerry said, I think it's also
2 helpful for us, because when we come back with the
3 budget, you know, particularly with golf, I think we'll
4 want to talk about a little bit more, you know, the
5 different strategies we're going to have, and for
6 marketing the mountain course in particular.

7 MR. HAMMEREL: Giving you quite a lot of input
8 today, we talked about different venues initiatives,
9 different topics. Would it be beneficial for you to
10 have a discussion with the board on prioritizing?

11 MR. PINKERTON: I think that's for next time,
12 isn't it?

13 MR. HAMMEREL: That's the next session.

14 MR. PINKERTON: But I think part of what comes
15 out of sort of the dialogue we're having right is still
16 a little more dialogue of this discussion about excess
17 capacity and the balance between economic return and
18 customer service return, if that makes sense, and just
19 hearing more about, you know, particularly when it comes
20 to the venues, what we're planning on doing in every
21 aspect of recreation is trying to give you more
22 differing -- I mean, we talked a lot about with beach
23 night, about differing service levels and giving you
24 more options for cost than we have in the past. And

1 what I feel like -- in my 295 days now, what I feel like
2 I've heard, 42 weeks and a day, what I feel like I've
3 heard more than anything else is that you want very cost
4 effective service at each venue, but we also want to
5 make sure that whatever service level we define, that's
6 the highest priority. We're willing to absorb the rec
7 fee if we're getting the service levels we want in
8 return. And that's kind of the basic philosophy I hear,
9 but I want to make I've got buy-off from the board on
10 that philosophy.

11 CHAIRMAN SMITH: If I can jump in here, I
12 forget where it was, best place to work, best place to
13 live, I want to invest in our people with service,
14 training, they're our number one assets, for those folks
15 in the front lines are the ones that create our fans,
16 right? So one of the things I'm going to delve into a
17 little bit, it's the best place to work, but talk
18 service with rec and program that allows to work people
19 14 days in a row, not play overtime, work out lunch, you
20 can even look at that and figure that in the budget, we
21 want to have the best folks at every level in every
22 position, and I think we want to have people in that
23 work in the basin to say IVGID's the best place to work,
24 you get all the tools and all the training and all the

1 support and all the recognition and have a succession
2 planning and have a career advancement, perhaps, and
3 utilize the colleges in this place as well, but you talk
4 about services sometimes it doesn't cost more, it's
5 actually if you have great service and great training
6 and you treat them right, it actually does you less
7 because less work accomplishes less turnover and
8 retraining because they're retaining people. And I
9 think all that ties together. So I mean, I really like
10 to look at that because I think that in the past we have
11 been so labor-intensive personnel cost intensive we push
12 some people away, it's actually cost us if that makes
13 any sense. And I'm not trying to point fingers at any
14 particular or anything.

15 MR. EICK: We've definitely had a culture for
16 a lot of years, you know, we talked about how we -- we
17 issued 800 W2's every year and we only have 110
18 full-time year-round people. There's no question that
19 we've been willing to have a large turnover within our
20 part-time employees. We've talked a lot in the last six
21 months about the merit, especially as we've put together
22 this culture training, if we're go to invest all this
23 time on unboarding people to teach them our customer
24 service levels, on your culture training, all of the

1 other orientation, we could easily invest 20, 30 hours
2 in somebody, we don't want to turn those over every
3 three, four months and start over again, so there is
4 going to be a true benefit in retention.

5 CHAIRMAN SMITH: If I can just jump in,
6 cross-training, so like we had a example of a management
7 employee who's excellent in their job during the summer
8 time and then they worked at Raley's in the winter time,
9 and identified young man found a position for them, if
10 we identify people in our organization we need to find
11 ways to work within the different departments.

12 MR. PINKERTON: It's a real challenge, one of
13 the big issues that we've been wrestling because it's
14 been in the culture, and I know a lot of this happened
15 during the recession, a lot of 12-month employees turned
16 into 10-month employees or two four-month segments, and
17 I think to keep the budget down there was more of this
18 tacit approval in dollars over, you know, paying that
19 person to make sure that they're a long-term stable
20 employees, and I even see now, with a lot of our
21 employees the fact that, let's face it, I've told you
22 when you pull up a chart of cost of living, you know, in
23 Reno it's -- the index is 99 for the cost of living. In
24 Incline Village it's 173 to have people live up here and

1 yet, you know, we're doing our comp wages on a lot of
2 recreation programs. We're looking at Carson and Reno
3 and yet we want people up here dedicated to the
4 community, so we are -- you know, that's something we do
5 want to have more direction because I think that is a
6 priority.

7 CHAIRMAN SMITH: Can I share one more thing
8 before I lose it? Is volunteer programs -- I know that
9 we have a workforce out there that love to volunteer and
10 can only make so much money a year because of their
11 whatever, and they're just looking for something to do.
12 I think we could have volunteer host program handle the
13 venues, they're working for a ski pass and they're
14 volunteers, and ski reports and, you know, that's huge
15 volume base in our community, we just want something to
16 do, they want to be busy, they're working for minimum
17 wage.

18 MR. EICK: So I think that's a great idea and
19 should be part of what we're looking at. I want to
20 explain one of the things that helped us justify what
21 we've done in the past is that we have found that we
22 have a high season, a shoulder season, and, quite
23 frankly, an off season. And so I'm not sure that some
24 of us, myself, I'll puts myself front on the list, is

1 the as the finance guy could say oh, yeah, it makes a
2 whole lot of sense to keep 50 employees the last two
3 weeks of April and the first two weeks of May when we
4 don't have a major venue open. So what we've struggled
5 with that there's a natural cycles to our venues that we
6 can't put people to work in mass, but at the same time,
7 we've chipped away at that. For instance, we found it's
8 far easier to get the ski resort open if we get a couple
9 people in October instead of waiting to get everybody in
10 December, and so we're finding some opportunities, and a
11 couple of those opportunities are just the kind of
12 people you're talking about, the seasonal managers where
13 all of a sudden they're the ones we bring back in
14 October or organize the preparation of the season that
15 makes them just that much more loyal and attentive and
16 rewarded for their time. So again, from a policy
17 direction you're, encouraging us to try to make the most
18 of the people we've already trained and developed and
19 cultured, so to speak, than accept the turnover. And if
20 that's where we're going, you know, we're prepared to
21 look for those opportunities and take advantage of it.

22 MR. PINKERTON: You know, full disclosure,
23 it's one of the things we'll talk about as options in
24 the budget, but in a general picture, you know, I think

1 this leads right into maybe we quickly talking about
2 succession planning and talent management, guys like to
3 use the term talent management because succession
4 planning sounds like we're putting a crown on somebody
5 with a scepter to the next person, but I think -- I
6 think what the discussion we had Friday, the discussion
7 we're having now is making sure that we have a culture
8 that develops leaders and make sure that we have plenty
9 of people with proper skillsets throughout the
10 organization. And I think it's great that you asked us
11 to talk about this because one of the big weaknesses
12 organizations often have is they don't have the support
13 from the top to make sure that we have this support in
14 the way that we want to have better organizational
15 effectiveness.

16 You supported in us the culture training in
17 paying for that, you've talked now about making sure
18 that we're fair in compensating our employees, and you
19 want to make sure that we're focused on what's -- how do
20 we grow our set, I think those things are crucial, so
21 with your support, you know, we are fully implementing
22 our culture training by March 1st, and that in the
23 meantime, you know, we've been analyzing, you know,
24 people ask what have you been doing the last nine

1 months, and a lot of it is analyzing these
2 organizational strengths and weaknesses, where do we
3 have key leadership positions, where do we need more
4 critical training, what are the key competencies that we
5 need to improve for our success, what is our bench
6 strength, all those things are part of not just your
7 culture training, but talent management, succession
8 planning, and so, you know, as part of the next three to
9 six months there's going to be a lot of energy into what
10 our strategies for identifying our weaknesses, how do we
11 improve those, what are the ways we can better involve
12 our staff in creating -- how can we get more involvement
13 from the staff to put these strategies in place. And,
14 you know, we see an end product that we want this to be
15 a workplace that people want to come and work at.

16 Now, how do you do that, how did you make this
17 a destination employer? I think one of the biggest ways
18 is we make sure we do have professional development
19 opportunities in all of our different areas. We make
20 sure employees are engaged and that we want them to know
21 that if they stay here, they're going to get this
22 training, they're gonna get opportunities. One of the
23 big things that when I've done these types of programs
24 in the past is one of the biggest culture changes is to

1 tell your supervisors and your managers that their role
2 isn't just outcomes, it's growing their employees. It's
3 just as important for you to be a coach as it is to be a
4 manager, and I think that's where a lot of the change
5 comes through. And that means a lot of cross-training,
6 out-of-class training, overlapping positions whenever
7 you can, getting people to participate in different
8 types of leadership groups, having people creating more
9 interdisciplinary teams between different functions so
10 people can have more of a chance for leadership and
11 share their knowledge. I mean, those are a lot of
12 things I want to talk about the next couple months is,
13 is going out to the employees and saying what is it you
14 think we should do and do you want to be apart of a team
15 that focuses on that?

16 So as you're building up the skills of these
17 people, getting them more involved, getting them more
18 responsibility, I think that it makes it more of a
19 destination workplace.

20 And then I think the most critical thing, we
21 brought it up over and over again tonight, is we also
22 have to be able to measure the organizational
23 effectiveness both of the individuals and of the
24 departments. I think the more we can show people, you

1 know, you're not just going to meetings to talk, but
2 we're showing that there's goals that you're meeting, I
3 think that everybody then can share in the success. And
4 it's not just promotions, it's showing that you're part
5 of a team that's achieving something.

6 CHAIRMAN SMITH: It's like a service
7 innovation.

8 MR. PINKERTON: Exactly. We want to change
9 the focus of how we manage the organization, you know,
10 reconceptualizing the role of managers. A lot of this
11 is the fact that it's so hard, I don't know, government
12 agencies where we have so many specific technical
13 skillsets, it's really hard to put emphasis on what
14 people call the soft skill areas, which is just the
15 ability to exercise good judgment, the ability to manage
16 a budget and resources, the ability to say are we
17 meeting our goals and objectives, are we meeting our
18 service levels, you know, I was having a discussion with
19 somebody in the department where they were giving me all
20 the specific tasks that they do and how important that
21 is, but there was nothing about judgment, managing
22 resources, reaching goals, so I think this is all part
23 of that system.

24 CHAIRMAN SMITH: You're talking about all this

1 who's going to oversee and manage this?

2 MR. PINKERTON: Well, this leadership has to
3 come from the top, high priority -- and that's part of
4 what Gerry and I have talked about, is that I feel like
5 a lot of my role is dealing in these soft skill areas,
6 and then as we looking look at organizational structure
7 making sure there's other people in place to deal with
8 those day-to-day issues, whether, you know, we talked
9 about a community services director, for example.

10 CHAIRMAN SMITH: Yeah.

11 MR. PINKERTON: So I want to be able to
12 perform my more energy into making sure everybody else
13 has the ability to do their jobs.

14 CHAIRMAN SMITH: What I see happens is we have
15 one venue manager who operates at his level, different
16 venue manager operate at a different level, and you
17 almost need someone at the top of the public works that
18 says this is the measurement, this is the benchmark for
19 all of these venues. So an employee that's working at
20 ski can actually just take the same training and know
21 that their capability is the same at the ski resort if
22 they go work at the beach in the summer, the technique
23 is not going to be different, they're not going to be
24 working for a different manager, you still have to deal

1 with them, and that's what goes on. I think that you
2 might want to be looking at a service innovation
3 director or somebody maybe who services, who oversees
4 this, holds accountability because you happen to have a
5 lot on your plate in terms of development and other
6 things.

7 MR. PINKERTON: Right. We are, in my mind,
8 lacking certain positions that have -- we've really
9 tried to keep, I think, a lean organization that focuses
10 just on the delivery of that service, and there hasn't
11 been a lot of energy at this higher level. And it's not
12 like we want to create some grand bureaucracy, some of
13 this is giving people additional responsibilities, but
14 there has to be designated warriors in place.

15 CHAIRMAN SMITH: And we budgeted for that
16 position and we're looking for this other position that
17 we've eliminated, I don't know if you want to talk about
18 that, but at the end of the day we may end up the
19 overall management structure and the overall
20 organization may have less cost in it, but it may be
21 more efficient and productive and a better management
22 team.

23 MR. PINKERTON: That's what we want to bring
24 forward to you in the budget, and that's why I'm glad

1 we're able to bring this up is it makes sense to me, you
2 know, to definitely consider this position that has the
3 day-to-day authority over all of recreation because,
4 look, we just spent seven hours on recreation and 35
5 seconds on utility, yet we don't have anybody whose
6 primary responsibility is just the recreational venues.
7 I think that says it all.

8 So I knew I threw a lot out there, but I guess
9 what I'm saying is we're trying to change the
10 organizational culture to do far more talent
11 development, and part of talent development is giving
12 people who want leadership abilities those leadership
13 skills, giving them the opportunities cross-training, so
14 I see succession planning as just an integral part of
15 everything we want to change the culture and our
16 effectiveness.

17 MS. WONG: The point I'm missing is what do
18 you need from us? Do you need us to allocate part of
19 the budget for development? Do you need a position? Do
20 you need us to authorize you to restructure your
21 management team? I think that's the piece that I'm --

22 CHAIRMAN SMITH: That's where we're going.

23 MR. PINKERTON: Well, what I'm saying, first
24 of all, I'm saying thank you for asking us what we need.

1 And you've given us the resources so far, and I think
2 that we will come back in the budget probably once again
3 with the community services position and maybe one more
4 position that deals with organizational effectiveness,
5 I'm not sure it's going to be any more cost if we look
6 at restructuring, but the main thing is just saying that
7 I think we can get this done because, unless I hear
8 otherwise, I hear a lot of support for us dealing with
9 the organization as a whole and not just as specific
10 venues, but making sure that we do this. The challenge
11 we have is I've got 40 case studies in this area of all
12 the different things that people have done in succession
13 planning, organizational manage. And rarely do none of
14 them are in an organization of this size, it's always
15 larger organizations.

16 MR. CALLICRATE: I'm glad that you brought
17 that up. And I like what I'm hearing, for the most
18 part. The concern I have is we're a general improvement
19 district that serves roughly 7,000 people, we're not an
20 organization serving 300,000 or 400,000. While we may
21 have those numbers at our different venues, full-time
22 year-round activity here, and it sounds like we're kind
23 of approaching that prerocket science stage versus, you
24 know, where we might want to really look within our

1 organization as you're starting to do. I think there's
2 a lot of drilling down that needs to happen with who we
3 have and what positions, the positions themselves, are
4 they the right positions, with your restructuring, I'm
5 glad to hear that because that was one of my main things
6 about the organizational of structural compensation,
7 this rec exempt thing, while it may be that we get to do
8 that, we're glad to hear that you're looking into that
9 and making it a little bit more employee friendly.
10 Because, you know, 800 W2 forms going out is like two
11 too many, I mean, the turnover here is no reason for.
12 We're in a building owned by a company that is known for
13 its training. Hyatt used to be at the top of its
14 training motto. I'm not saying to adapt that for the
15 district, but working with the college, working with
16 some organization, perhaps, like a Hyatt, not
17 necessarily Hyatt, but there are more partners in the
18 community and we have a lot of opportunities for
19 employee training, and potential succession plans and
20 things of that nature that we're not going to have to
21 spend a lot of money when I hear about, you know, I like
22 the idea of the community services director because that
23 has been on the books for about 15 to 20 years,
24 providing that it takes another six, I don't want to

1 grow the organizations number, I'd like to see it
2 spring, actually give more people more responsibility
3 and make it far leaner organization than it is. That's
4 my two cents.

5 MR. PINKERTON: That's been my history is just
6 repositioning what we have and what we think is the most
7 effective way to promote services.

8 MR. CALLICRATE: And hopefully alleviating or
9 eradicating positions where they don't make sense or
10 they could be rolled into something else.

11 MR. PINKERTON: I think as I've said, we have
12 got folks looking at golf right now we'll have people
13 looking at ski, golf, instead of a large
14 one-size-fits-all study, we're going to try to target,
15 you know, particularly in the off season, venue by venue
16 and report back to you on what we think through the
17 budget, or at other times what we think is the best
18 delivery system, and part of it's going to be up to you.
19 And give you options on how we deliver service in the
20 future.

21 MR. EICK: If I can answer Kendra's question
22 about what are we looking for. One of the things that
23 in the last five or six years to adjust cost that has
24 been cut pretty deeply is staff development. And at the

1 same time we've learned in this last year without
2 development of culture and talking to already a second
3 and third layers in our organization, there's a real
4 appetite for empowerment and learning.

5 Last summer we took advantage of one of the
6 benefits we have from being a member of the insurance
7 pool is they have a multi-day class on training for
8 managers. We actually had a number of people take it.
9 It, again, is a member benefit. We have, I believe it
10 was, 20 some people take it, so they actually brought the
11 instructors up here, held the classes here, they said
12 that went very well and they would like to do it again,
13 so in terms of something that we'll initiate in our
14 budget, it is probably looking for opportunities to
15 develop those, I wouldn't say the high-end managers, but
16 the middle and up and comers, so to speak, as a part of
17 to empower our organization, and I think that's an
18 important opportunity for us if we're going to grow, and
19 also retain people from season to season.

20 We have a couple venues and departments within
21 those venues that do -- have demonstrated they work back
22 and forth between seasons quite well. So I think we'll
23 try to, as the question was before, concentration, we'll
24 build on that success and maybe to your point we'll

1 abandon some of the turnover.

2 MR. CALLICRATE: Jim or Jeff, what do and you
3 Charlie foresee in this next --

4 CHAIRMAN SMITH: It's ten after nine so we got
5 another 45 minutes.

6 MR. CALLICRATE: What would you like to see
7 and what do you think we're missing?

8 MR. HUSSERL: I think it's important to have a
9 strategic marketing plan and I think right now we're
10 cutting because both of those should flow from the
11 overall strategic plan and once that strategic plan is
12 better defined, then I think it will be much easier to
13 say okay, what are we going to do to support that plan
14 with our marketing initiatives and under our human
15 resources initiatives around training, around how you
16 compensate people, around how you select people, but I
17 think this needs to be completed.

18 CHAIRMAN SMITH: What do we want to accomplish
19 in the next 30 minutes before we go to public comment?

20 MS. WONG: I don't think public comment --

21 CHAIRMAN SMITH: It's 9:10 so we've got these
22 people to speak.

23 MS. WONG: Really?

24 CHAIRMAN SMITH: I'm just watching.

1 MR. HUSSERL: I think a good start would be
2 let's talk about what we've accomplished so far and then
3 how we're going to prioritize what we've accomplished
4 and then what's still left to do.

5 CHAIRMAN SMITH: Okay.

6 MR. HUSSERL: So we started out earlier today
7 and we began to develop a mission, and we have at least
8 the framework for a mission. It still needs some work,
9 but the basic concepts are here.

10 And we started to develop the vision as well,
11 best place to live, work, visit, play, and stay. It
12 might need a little modification because as I think
13 about that, it seems that's more of a vision for Incline
14 Village versus a vision for IVGID, so it's a question of
15 how IVGID contributes to that that we might want to
16 think about.

17 We then took the vision and mission and said
18 all right, let's identify particular venues that we want
19 to look at.

20 In advance of that we talked a little bit
21 customers and customers' segmentation and we actually
22 parked that further segmentation of customers, as well
23 as the mantra that was part of your original vision that
24 you wanted at some point come back to whether or not we

1 need the mantra, whether or not we need the bag
2 statement that was in there, and then what's -- are we
3 going to modify it, if we still want to modify it, or is
4 that the correct one.

5 We then moved into these venues and we
6 identified three beaches as the first area that we
7 wanted to tackle, because it had more people that
8 utilized it, it was the most visible area, and we
9 thought the biggest opportunity. And so we went through
10 and rated the different aspects of the beach, starting
11 with Incline Beach, the physical or physical plant, the
12 financial performance, solid moves, service experience,
13 et cetera. We then identified what we wanted to see,
14 almost a vision statement about Incline Beach and around
15 cleanliness, well managed, aesthetically pleasing and
16 functional building providing the right services, the
17 right products, the right place at the right time.

18 If you go back to this motto, it's really
19 talking kind of a vision of what those beaches should
20 be. And the next step that needs to happen from here is
21 the development of goals and objectives and expectations
22 around those beaches. And that then becomes a
23 management task, and management needs to come back with
24 what we've identified, we'll write all this up, around

1 the beaches and create a list of objectives and what are
2 we going to accomplish in year one around those
3 objectives.

4 We also created a list of capital
5 expenditures, so we started with the beach. They're
6 going to be more, but right now we have the built-in
7 Incline snack bar, the building on the east shore, the
8 Burnt Cedar, heating the pool at Burnt Cedar, and the
9 fitness equipment jumps down to the rec center. So we
10 went through this exercise there, we started to go
11 through it with the rec center, but we decided further
12 announcement was required, we wanted to get some
13 community input.

14 CHAIRMAN SMITH: Right.

15 MR. HUSSERL: So the next step with the rec
16 center is going to be that community input. So what is
17 left to do is we ought to go through the rest of the
18 venues and go through the same process that we did with
19 those venues, and then again, identify what are we going
20 to do in year one? What are we going to do over a
21 three-year period, what might be over along the
22 five-year period.

23 MR. BISHOP: I think that Steve and Gerry have
24 got a lot of notes about the to-dos, which is

1 expectation and some of the action steps we need to sink
2 what's up higher with what they've got.

3 MR. HUSSERL: And it's is all.

4 MR. PINKERTON: On the rest of the venues
5 would be real helpful.

6 MR. HUSSERL: We need to have the discussion
7 on the rest of the venues. We then need to figure out
8 from a capital expenditure standpoint what are we going
9 to go after first and develop a budget for that and
10 planning for that. So really the strategy in two-piece;
11 the major expenditures in terms of what we're going to
12 do with the fiscal plan, and what I call some of the
13 simple low-hanging group, you know, simple as we're
14 going to make sure these bathrooms are impeccably
15 maintained in every one of the beaches, we're going to
16 manage the sand, there's a whole list of to-do in order
17 to achieve those high-level goals that we have up there.

18 Then I think it's really, really important to
19 talk about communications. I know there's committees
20 that have been established. But in order to really
21 execute this plan, communications will be a key
22 component. We can have the greatest plan in the world,
23 and even if it's executed properly, it's not
24 communicated out to the public the right way, it's a

1 missed opportunity.

2 MR. BISHOP: To that end, we'd like to share
3 with you just a few views about how we see
4 communications in very complex situations which you have
5 right here. So I'm going to --

6 MR. HUSSERL: Spend the last 30 minutes or so
7 on that?

8 MR. BISHOP: Probably 10, 15.

9 MR. CALLICRATE: Thank you.

10 MR. BISHOP: I'm going to get down to
11 communications, we really have got a large change. And
12 when we take people from change to the known certainty
13 unknown, it creates a lot of anxiety, ambiguity,
14 anxiety, tension, conflict, so we believe from one day
15 that's one way of looking at. So at the epicenter of
16 this is that you have to think about the human impact on
17 the staff and on the community. And what we are looking
18 at what I call the commitment curve. You really -- it's
19 not a binary, not knowing about it and being fully
20 committed, you really -- people go on the commitment
21 curve in very predictable stages.

22 At the bottom down here, if you will, they
23 hear about something that's going on, and they're aware
24 of it then. Then that is what it really means. They

1 have minimal understanding, they have a positive
2 perception, they get on board, and then it gets to be
3 institutionalized and committed. So people are gonna go
4 through those various stages. The speed at which they
5 go through you can't jam it too much. You can't jam it.
6 It's a way of explaining steps in the transition,
7 because you're going to have different pieces of the
8 community and different parts of the staff at different
9 places. That's why this thing is pretty complex. I
10 would say that's what we found does not work and what
11 does work.

12 And I go back to -- I stumbled on this to when
13 I was -- we were at Bank of America, and I was
14 responsible for a number of things. And we wanted the
15 staff and the users of the Bank of America extended
16 services to know how to changing the organization, why
17 we're gobbling up on these different banks and what's
18 going to happen to in St. Louis and west coast and all
19 that stuff, and we had meetings and we found out a lot
20 of things that didn't work, very frustrating on our
21 part, not any more frustrating than I hear a lot of
22 stuff right here which is got what, you can't get this
23 message out, people don't understand it. So we found
24 that does not work is options to consider.

1 I want to show you what does not work, what I
2 would call CEO speak. And, generally, those are
3 messages that come out from the top of the organization
4 and are -- a lot of times are they key performance
5 indicators of that person, or financial. And people in
6 the organization look at them, look at their eyes glaze
7 over, they don't know what it definitely means. So
8 people in parks, recreation, finance, whatever they are,
9 it just doesn't have the impact it should.

10 If you only use that we had a number of people
11 we would have briefings and all that, we want the people
12 to go out and understand what was going on and be
13 inspired and go out and want to charge off and just be
14 committed to work. And when they walk out, they walked
15 out, talked about their golf course, and one of those --
16 weren't those croissants good, and I was, my God, we
17 failed. And we were failing, and the reason we were
18 failing is we didn't lay out a communications change
19 path, and that you really have to do that.

20 The staff, if you just send out those general
21 messages, the staff inside will be confused, what's that
22 mean to me? What am I supposed to do now and going to
23 make my job more relevant, where is this organization
24 going, how do I fit in, what am I supposed to do? A lot

1 of confusion. What does it mean for community and
2 customers, what's that mean to me. And family seems to
3 make sense, but that information flying around is very
4 overwhelming, I can't understand what all of this means.
5 I see the activity, and I really -- what I really care
6 about is being neglected. Where am I getting taken care
7 of? I think people are asking that.

8 So what I would suggest, what does work is you
9 have to have an overall game plan required. This should
10 be completed, I think, once this strategy plan and the
11 objectives and all that in there. And what you have
12 coming out are various projects and initiatives that are
13 going to be made. You can't do all of them at one time
14 so, and what you have to do is to communicate issues and
15 projects. You have to have somebody -- if you have --
16 Jim, I know you got various committees, but you have to
17 have an air traffic controller. If you don't have an
18 air traffic controller, you got all kind of mess flying
19 around.

20 CHAIRMAN SMITH: What are you doing this next
21 month?

22 MR. BISHOP: An air traffic controller, you
23 absolutely need that because you got all these multiple
24 messages going out. They have to have the big picture.

1 So when you start to lay it out, you've got these
2 projects that are going to amount in the air, and you've
3 got these initiatives and these kavex projects and all
4 that. But you have to phase this stuff. It has to be a
5 central clearing house.

6 If, in fact, your people communicating about
7 beaches do a better job than the people in golf,
8 somebody's gonna look like a fool, I mean, so you really
9 have to think about how this whole picture of the
10 recreation picture we have has to come out. Technology
11 can help, but it needs to fit into the overall picture.
12 I think its means, if not, can create confusion. Jim
13 and I had a short conversation, I think, that are some
14 great applications that probably would help. You want
15 to say something about that?

16 MR. HAMMEREL: We talked at the last meeting
17 about how use the phone to help with communication
18 revenues, and I think there's lots of ways that
19 technology can help you communicate better than we're
20 taking advantage of.

21 MR. PINKERTON: We're working on that.

22 MR. BISHOP: Frame work helps develop the big
23 picture that can update conditions. Now we've finished
24 the communications plan. Let's put that on the shelf,

1 and that's credenzaware in the classes. Here's the plan
2 we came up with, if you buy the fact that people go
3 through transitions, and I think that's what you're
4 asking staff to do in some ways and what you're asking
5 in the community to do. We came up with -- you remember
6 Ted Koppel, he reported, remember he was on Night Line?
7 He was reporting on this guy who was up on this oil
8 derrick at the North Sea, and he took a picture of him
9 and all that, and this guy was looking at this burning
10 thing behind him. What's he gonna do? He jumped into
11 the North Sea, there was a lot of burning debris down
12 there. Ted Koppel: Tell me, young man, why did you
13 jump in there? Hell, what did you want me to do, burn
14 up? So the question is you have to lay out what the
15 burn -- why do we need to change this?

16 You're going to ask for money, you've got to
17 spell out where the hurt is, where do we need to do
18 this? That's the bush, the burning platform. Our only
19 choice if we're going to be a viable entity is we've got
20 to get ahead of it and compete with all these other
21 people, we've got to do these things. You have to lay
22 out the need, and you go that, and then you go over to
23 the destination, and people want to have you spell out
24 specifically tell me what that is. And I would say

1 don't do that. But you need uplifting aspirations.
2 Landing a man on the moon, quality is job one, division
3 there is an uplifting aspiration piece. So that's where
4 you have look at the bottom. That's push. Over here is
5 the pull. And people are motivated because of either
6 pushing toward something or being pulled toward
7 something, a push and pull.

8 Now, in this second thing, where are we now?
9 You need to lay out, okay, in the rework of what we're
10 doing with the beaches, we're this percent progress,
11 it's like a goal. What do you call that? Night Line
12 goal or something like that? We're stopping doing this.
13 Yeah, a dashboard. We're stopping doing this, you're
14 gonna stop doing that, we're gonna start doing this.
15 And the lay term is simple; celebrate, recognize
16 accomplishment, heads up. In other words, don't
17 surprise people that they need to be aware of this, et
18 cetera. Try not to be surprised.

19 The third thing I think is very, very
20 important. This year these are our objectives, we went
21 to ready, set, go. In other words, ready is we're
22 working on this. You're not gonna see this for six
23 months, but you'll see it later, et cetera. Set is next
24 quarter you'll see this coming out. Go is this quarter

1 here's what you will see and experience. So you need a
2 air traffic controller to manage this overall picture.
3 The other pieces fit into it. Questions about that?

4 CHAIRMAN SMITH: So what did Reagan do when he
5 got rid of all the air traffic controllers?

6 MR. BISHOP: He knew that he couldn't have
7 unionization, that was his burning platform, when they
8 went over the cliff.

9 MR. GUINASSO: That third reporting about the
10 metrics, that's what Steve has been talking all about is
11 having a mantra that illustrates success, right? So
12 that, you know, we'll all know we have been successful
13 in six months when this particular metric has been
14 achieved, right?

15 MR. BISHOP: Or an event or you see this, some
16 way for communicate waiting.

17 MR. PINKERTON: Functioned on one metric here,
18 rec-reate.

19 MR. BISHOP: This model will serve you well,
20 and I'm glad to give you additional information about
21 it, but as I said, I just lobby the thing about how to
22 lay out the overall picture for the individual. We've
23 laid out communication vehicles and characteristics;
24 emails, this is very busy, text messages, Twitter, et

1 cetera, just some things to think about because of
2 technology, but there's a lot of other needs.

3 MR. EICK: If I may, because you have got
4 those bottom three which I assume are high instead of --

5 MR. HUSSERL: Medium to high.

6 MR. EICK: If you're saying the thing to not
7 do is make it personal, and it looks like the thing that
8 does make it succeed is that personal touch creating
9 communication.

10 MR. BISHOP: Personal touch.

11 MR. EICK: The communication chain one, test
12 five, those five-till-five more of kind of thing?

13 MR. BISHOP: That's one technique, and there's
14 many, many more, but just paying attention to --

15 MR. PINKERTON: Delivery, it's low.

16 MR. EICK: If they absorb it as opposed to saw
17 it.

18 MR. BISHOP: Just looking at some trade-off
19 that are fairly complex.

20 MR. HUSSERL: We're trading off costs as well.
21 When the cost is high, might be as well, so you've got
22 to weigh what you're trying to --

23 CHAIRMAN SMITH: Jeff and Charlie, we have our
24 first communications committee meeting on Friday.

1 Perhaps we can have some exercises to help. We have two
2 trustees that will be here.

3 MR. BISHOP: I'm glad to -- you'll have all
4 this. I'd be glad to -- I wrote an article eight, ten
5 years ago in the UK. I'll be glad to send that to you.

6 MR. HAMMEREL: Yeah, that will be good.

7 MR. BISHOP: Exercise, I'm not sure we always
8 say line a hundred people across the room and how many
9 people really understand what's going on, only three of
10 them.

11 MR. CALLICRATE: This chart specifically is a
12 good one because it lists so many areas, and we could
13 maybe pick and choose, so I'd like to get that and a
14 couple of other slides prior to that.

15 MR. BISHOP: Absolutely.

16 MR. CALLICRATE: Thanks.

17 MR. BISHOP: You've got those in the back of
18 your book.

19 MR. CALLICRATE: Right.

20 MR. BISHOP: But I'll get the slides to you.

21 MR. HUSSERL: Those are hard to read.

22 MR. BISHOP: It is terribly hard to read, but
23 yeah, we'll get you something.

24 MR. CALLICRATE: Perfect.

1 MR. BISHOP: Let's give some thought and maybe
2 some other things we'll use, too. Thank you.

3 CHAIRMAN SMITH: Is there anything -- we've
4 got a half an hour. We've got public comment, so how
5 many folks are going to speak in public comment? Four.

6 MS. WONG: I think one thing we need to do is
7 prioritize one of the things we have left to analyze it,
8 and we should probably to be able to accomplish that. I
9 recognize that we've hit the largest one that probably,
10 Steve, you needed direction on for the budget, but
11 recognizing that we're starting a budget process, I
12 think all of the venues would like some input as to the
13 direction that we want them to go in. Obviously, then
14 we'll have to work with Steve to probably work out which
15 ones are the most important, but...

16 CHAIRMAN SMITH: Want to do this in retreat or
17 want to bring Charlie and Jeff back for it?

18 MS. WONG: I think we've now done the exercise
19 with four venues. I think we can probably do it in
20 retreat ourselves.

21 MR. CALLICRATE: And then were you going to be
22 coming back in March?

23 MR. HUSSERL: March.

24 MR. PINKERTON: Did we drill whether it was

1 the 18 or 20th? Those were the two days that were --

2 MR. BISHOP: I think it was the 18th.

3 MR. PINKERTON: Wednesday, the 18th.

4 MR. GUINASSO: What if you were to break up
5 some of the venues and give board members
6 responsibilities to go through the exercise, because if
7 you don't have that done by the time these guys come
8 back next month, I don't think they're gonna have
9 everything they need to help you, then begin the process
10 of setting specific objectives, and then going through
11 the next piece, it seems like.

12 MR. PINKERTON: I like that we have all five
13 in the room. It seems like golf in particular would
14 have a five, ten-minute conversation while we're all in
15 the room.

16 CHAIRMAN SMITH: We haven't covered on the
17 list is golf, mountain, Village Green, skate park, and
18 the fields.

19 MR. PINKERTON: And again, we're all here.

20 MS. WONG: The only other question is do we
21 need more direction on, you know, some of the ones that
22 we didn't prioritize as high?

23 MR. PINKERTON: I think I've given you some
24 real good direction on care and feeding of the beaches,

1 and where we want to head with the rec center. It's
2 more -- it would be good to hear a little bit about,
3 like you said, golf and Village Green and some of these
4 other things while we're still in the room.

5 MR. HAMMEREL: In addition to venues, we've
6 got lots of open tasks, open initiatives that we've
7 started, maybe haven't finished, so in addition to venue
8 things, like, how do we move forward with Ordinance 1
9 how do we move forward with Ordinance 7 and prioritizing
10 that for you guys as well, I think, would be important
11 because I'm sure there's diverse views on the board in
12 terms of, like, where those should be put on a
13 checklist, how we want to tackle that discussion as
14 well.

15 MR. PINKERTON: Well, you've got board retreat
16 on March 5th, and then April 8th or 9th, although we get
17 into budget by them.

18 MS. WONG: These guys are coming back on March
19 18 so we probably need to get these, all of these
20 venues.

21 CHAIRMAN SMITH: If I could say something?
22 March, two hours, I don't think there's enough time in a
23 two-hour session to cover what we have.

24 MR. GUINASSO: Do you have a flexibility to

1 extend it into the evening?

2 MR. PINKERTON: It's up to Tim.

3 MR. GUINASSO: Flexibility to maybe two, four,
4 or six-hour meeting so we get through the venues.

5 CHAIRMAN SMITH: Take assault.

6 MR. GUINASSO: We could start it out early.

7 MS. WONG: Problem is, we don't have any
8 Saturdays.

9 MR. PINKERTON: We didn't have any dates
10 until March 18.

11 CHAIRMAN SMITH: We're all going to quit our
12 jobs.

13 MR. GUINASSO: What if you did one to six
14 instead of two to four that day?

15 MR. CALLICRATE: On March 5th?

16 MR. GUINASSO: one to six, one to seven?

17 MR. CALLICRATE: I'll just get someone to fill
18 in for me.

19 MR. HAMMEREL: I'm available.

20 MS. WONG: i could do one to six.

21 MR. GUINASSO: That would give you time to go
22 through these menus and somebody could facilitate the
23 discussion, because I don't know that you have a
24 strategic plan unless you address all the venues.

1 MS. WONG: No, I agree.

2 MR. GUINASSO: And then we can add to that
3 some of the other initiatives. I hadn't thought about
4 that, but I don't think anybody's made a list of all the
5 different initiatives from last year.

6 MR. PINKERTON: We're working on it right now.

7 CHAIRMAN SMITH: Can you guys pipe in kind
8 offering you might want to list?

9 MR. PINKERTON: You can watch the webcast. It
10 works.

11 MR. GUINASSO: The webcast?

12 MR. CALLICRATE: Hopefully with a new camera.

13 CHAIRMAN SMITH: Might not be able to hear us,
14 might not be able to tell which one is which.

15 MR. GUINASSO: If you want, you can go do that
16 meeting, Steve can have sheets with each of the venues
17 on each of them, and then he could just go through the
18 sheets together as a group with Steve leading the
19 charge.

20 MS. WONG: I was going to say, Steve, if you
21 could kind of prioritize what's next of what you feel is
22 the most important that we need to address, and then
23 throw ordinances in there as well, I think that would
24 kind of speed this process up a little bit because we

1 could probably spend time trying to prioritize
2 ourselves, but if you can do that and just let us know
3 what this order --

4 MR. PINKERTON: We'll put them in order and
5 we'll know what the real order is once we talk about it,
6 but I think we have a pretty good idea where we need to
7 go.

8 MR. HUSSERL: We're going to bring all this
9 out for you. Do you want us to take a crack at refining
10 these or one of you like to do that? We're happy to
11 take a crack at refining both vision --

12 CHAIRMAN SMITH: Take a crack at it.

13 CHAIRMAN SMITH: One of us refining it.

14 MS. WONG: So we're at one to six on the 5th.

15 MR. CALLICRATE: Yeah, if you could make sure
16 that somebody sends that out.

17 MR. PINKERTON: Exactly.

18 MR. CALLICRATE: Whether it's the 18th or the
19 20th for the second follow-up.

20 MR. PINKERTON: Do we know that everybody can
21 do the 18th, because that's the date that worked before
22 was the 18th.

23 MR. CALLICRATE: If that's what we have. I
24 didn't get it posted in here, so I don't know.

1 MR. PINKERTON: It didn't get posted, but
2 those are the two days delegated. I think the 18th was
3 better for Jim.

4 MR. HUSSERL: That worked for us, I believe.

5 MR. BISHOP: Do you have metrics on this table
6 using --

7 MR. PINKERTON: Yes.

8 CHAIRMAN SMITH: Okay.

9 MR. CALLICRATE: It's a situation where I have
10 to cut out somewhat early. It will be fine because,
11 trust me.

12 CHAIRMAN SMITH: You guys ready to go to
13 public comment?

14 MR. PINKERTON: After eight hours five will
15 seem like an easy game.

16 CHAIRMAN SMITH: Everybody ready to go to
17 public comment? Jeff and Charlie, thank you very much.
18 It's been -- you guys have been just amazing to work
19 with all day long. Really appreciate it.

20 MR. CALLICRATE: Yeah.

21 MR. BISHOP: It's been a pleasure.

22 MR. HUSSERL: It's been a pleasure working
23 with you.

24 CHAIRMAN SMITH: We're going to go to public

1 comment. And I'm not going to start with Mr. Whyman.

2 Do you want to start, Gigi?

3 MS. KAMALI: Yes.

4 CHAIRMAN SMITH: Ladies first.

5 MS. KAMALI: Ok. Hi. My name is Gigi --

6 REPORTER: I can't hear you.

7 MS. WONG: Gigi, you gotta speak up.

8 CHAIRMAN SMITH: And give us you address, too.

9 MS. KAMALI: Address. It's P.O. Box 5676,
10 it's Incline Village. And I part-time live in Santa
11 Monica, too. That's what good thing is happening over
12 there as well, so I just wanted to thank you for, you
13 know, being the IVGID which, I think, you know, board
14 work is hard work, which I have been attending your
15 meeting. And I just seeing, you know, so many right
16 now, actually, the work is happening. It looks like we
17 have, you know, like team coming to the board which is
18 the philosophy is just it's the right type of my mind
19 philosophy.

20 And then Jim has been here and so it looks
21 like it's the time to do the work and really bring the
22 Incline Village, which is already has been put in the
23 map in a place that is really nothing like it, I would
24 say. Anywhere around neither in Nevada or any other

1 places because I can see people are coming from, you
2 know, Florida, Texas, and -- and even California, which
3 is, you know, for skiing the closest spot, but it's tax
4 heaven as well, but it's not only that because people
5 are coming from Texas and Florida, they already have the
6 tax heaven there. So it's something else about Incline
7 Village has been happening and have brought other --
8 these people here and we all know what it is. And just
9 so is -- I just want to know that I have done really for
10 35 years being here, I have put a lot of word of mouth
11 of advertising, and this is my major, actually, got my
12 bachelor degree doing that, and that's what we're --
13 Incline Village was slow, no movement, nothing was going
14 on 35 years ago. It becomes such a movement. And
15 brought a lot of people from not only a different part
16 of the United States, now we're talking about people
17 coming from all over the world here. And it's just the
18 -- this is pretty place to be appreciated and keeping
19 this level of, you know, what it really needs to be and
20 it's easy to, it's hard to commit is what it is, it's
21 easy to bring it down, so.

22 CHAIRMAN SMITH: Your three minutes is up, I'm
23 sorry.

24 MS. KAMALI: Thank you.

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CHAIRMAN SMITH: Thank you, Gigi.

Ms. Martini? Ms. Epstein, you're on deck.
Mr. Whyman's in the hole.

MS. MARTINI: Micka Martini, 792 Turner. I think I missed the whole entire point of what the whole community is saying, and that is fiscal responsibility. We want to see each venue separate, complete, and financial accounting for each one. And that's what you hear at every IVGID meeting. We want to know what the financials are for each venue. That should be number one, not where we're gonna go, are we gonna get new bathrooms, are we gonna heat the pool. No, we want to know the financial, we want to know to the last damn cent what those are costing us and what revenue is bringing in. And this is over and over and over again what we hear at the meetings.

And then if you want to talk about the commercial enterprises using our boat ramp, then I need -- it's a no-brainer. You put a boat in, it has to have a picture pass accompanying that boat, not just the person who has the business, but that boat has to be identified with a separate and complete picture pass. And I think that's the easiest way to eliminate that, I mean, that's a no-brainer. You don't need to discuss

1 that for 25 minutes.

2 And then in the master plan, of all of these
3 plans and things that I heard, I didn't hear anything
4 about how much coverage do we have. Do we have any more
5 coverage at the beaches? I don't think so. And as far
6 as using the Burnt Cedar pool for winter, heating an
7 outdoor pool in this climate for the very, very few
8 people that would go down and use it is an exercise in
9 fiscal irresponsibility.

10 There was lots of pie in the sky that I heard
11 tonight, but what I didn't hear is in reorganizing IVGID
12 itself. IVGID is overstaffed, overcompensated, and
13 bureaucratic for this small amount, that 8,000 parcel
14 owners that we have, we have enough glut in there for a
15 300,000 person city, so I think the reorganization needs
16 to take place first, and -- well, no, first is has to
17 have each venue separate. It's never been separate,
18 there's never been an accountability. I been a resident
19 here since 1964. I was here when IVGID was established.
20 The rec center is one of, if not the most largest money
21 losers, so why are we even thinking about pouring money
22 down a hole? Might as well on a boat. Thank you.

23 We're not public, Jim, we're private, we're
24 all private parcel owners. Now I want to opt of my rec

1 fee.

2 MR. WHYMAN: Well, we're all very tired, and I
3 won't make a lot of sense, probably.

4 Andrew Whyman, 1140 Vivian Lane, born January
5 4th, 1943, New York City, but this won't be about me.
6 You know, Jim, I want to thank you, first of all, for
7 letting me rap that gavel twice. I think I missed my
8 call. Sign of power, I like that.

9 To be a little more serious for a minute, I
10 learned a lot of things today, and I think probably
11 everybody did. And some really quite -- trust,
12 the issue of trust, trust amongst board members, trust
13 of each other, trust that people are trying to do their
14 damn best, and you want to listen to what they have to
15 say. And that applies to the community as well. How do
16 we learn to trust each other? It doesn't necessarily
17 happen in this venue. It can happen in this venue, to
18 get started in this venue, but it's what happens when
19 you leave this room that really matters. So trust is
20 one of those things that I think is a substantial and
21 central issue.

22 I learned some other things today that I
23 really hadn't quite put them all together. The beach is
24 the crown jewel of this community. And it's not skiing

1 and it's not golf, and you can spend as much time as you
2 want making the golf and the skiing as best as you can
3 make them, but they will not be competitive in the true
4 sense with many other places because they have superior
5 capacities, superior facility, and a lot more money to
6 do what they want with those things. But what you have
7 that no other place has is that lake, and the beach
8 that's attached to that lake. That is the crown jewel
9 of this community. And you may have all moved up here
10 for skiing or for golf or for tennis. I moved up here
11 because of the lake. That's what brought me here. I
12 didn't ask what the rec fee was, I didn't know there was
13 a rec fee, that came later. So I think you have to look
14 at the beach as the crown jewel of this community,
15 really.

16 I also learned a bit more about talent
17 development. I hadn't thought a lot about that. It's
18 critical in any organization, it's critical in this
19 organization, even though it's a small organization.
20 And we have witnessed what happens when you don't
21 develop talent, when good people leave or when bad
22 people stay much more -- much longer than they should
23 because you don't know what to do with them, really, so
24 talent development is really a very useful addition to

1 my repertoire.

2 Another thing here that I think we need to
3 expand our minds about just a little bit, and that has
4 to do with some notion of what are we. Recreation?
5 Sure we're recreation, but that's a legacy that's come
6 along only in the last 30 or 40 years. We weren't
7 recreation -- sorry. I'll get to the rest of it another
8 time. And that's the other thing. I really do think
9 part of respect is that you're gonna ask all of us to
10 come here so that we can listen to you for eight hours
11 and not be able to say a word? That does suggest that
12 we're not quite getting our due. I think you
13 reconstruct the next meeting and allow four, five
14 minutes here until we're finished.

15 CHAIRMAN SMITH: Thank you, Mr. Whyman. Ms.
16 Epstein?

17 MS. EPSTEIN: Bea Epstein, 933 Fairway Park
18 Drive. And I guess we saved -- Jim didn't really save
19 the last loud mouth here, but here I am. Very briefly,
20 I made some notes, some observations, and raised some
21 questions as I was listening attentively to everything
22 that was said today. First of all, I commend you for
23 your stamina. I think that there were three things
24 lacking. One was the not having staff present so they

1 could hear what the board has envisioned and what is
2 going to be expected of them at the sea falls.

3 Another is that usually webcast for people who
4 can't be here, and we didn't do that. I think if we had
5 been at the Chateau we could done that and more people
6 would have been privy to the words of wisdom that came
7 forth today.

8 And third, acoustics in this room are very
9 difficult. I had a really hard time at some point, at
10 many points, both with our presenters and with our
11 board, hearing, and I do have really good hearing.

12 I wanted to say that the mantra that was
13 discussed earlier was originated because at one point
14 each division wanted individual logos and shirts and so
15 on and so forth and the goal was to unify that workforce
16 so that we do have one district, one team, that was what
17 was behind the mantra. In case nobody knew, that when
18 you talked about customers you talked about how our
19 venues get bashed. It would be interesting to know the
20 actual numbers of those people who back our venue and
21 our employees. How many dissatisfied customers do we
22 really have? What is that number? Are we responding to
23 the same malcontents all the time?

24 I'm sorry, I hit the computer. There are

1 different members of this community who are very opposed
2 to more visitors and we need to be careful of that as
3 well. You have retirees and there being two categories
4 of retirees, there are those active senior participated
5 in a myriad of things and then super senior to leave at
6 75 plus.

7 In terms of services, the original plan called
8 for at the rec center, it called for a much larger
9 building, and the plan for that is available at the
10 public works.

11 I have a suggestion, and many more notes, but
12 I'll never get through this for three minutes. If you
13 hold a town meeting when you're ready to do this and
14 hear the community thoughts for your dream improvements,
15 I think you'll have valuable input. Refer to the 20/20
16 vision statement, look at the studies that have been
17 done before, don't sell the community short, they can be
18 very direct about what they want and don't want. And
19 much of what they don't want is to see enormous numbers
20 influx into the community.

21 In terms of recommendations in terms of
22 meeting places, there are lots of places that we can go.
23 The meeting room at the hospital is one where you'd have
24 a good working space, easy access to food. Sorry. I

1 will be happy to type this out and get this to you so
2 that you can you consider them in terms of reflections.
3 Thank you for your time and patience.

4 CHAIRMAN SMITH: Thank you, Ms. Epstein.
5 Jeff, thank you very much. Charlie, thank you. Gerry,
6 Steve, Julie, Bill, Kendra, Jim. I don't know about
7 you, Tim. Yeah.

8 MR. GUINASSO: Thank you. Meeting's
9 adjourned.

10

11 (Whereupon said meeting ended at 9:52 p.m.)

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15 In witness thereof, I hereby subscribe my name
16 this 26th day of February, 2015.

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JULIE ANN KERNAN, CCR #427

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