

Meeting of the Board of Directors of the
Rocky Ridge Properties Owners' Association
Meeting Date: January 2, 2024 at 1:30 pm
Meeting Location: ZOOM Platform

Meeting Minutes

Advance Notice of Meeting. Cirra Mason (the Association's bookkeeper) provided notice to homeowners of the Board meeting in accordance with the requirements of the Association's Bylaws. The means of notice included (i) emails of the notice and agenda to each member; (ii) mailing of the notice and agenda to members that do not accept email notices; (iii) posting of the notice and agenda on the website; and (iv) posting of the notice and agenda on the bulletin board at the Rocky Ridge entrance gate. William "Yates" Bauder and Justin "Buster" Fenley participated as the designated representatives of the Board for purposes of enabling a ZOOM platform meeting in accordance with California law. Yates and Buster participated from the project development office in the building adjacent to the real estate brokerage building at the bottom of the Rocky Ridge hill.

Attendance and Quorum: Board members Steve Dohrmann, Laura Bertone, Frank Pagliaro, Matt Howarth, Robert Schuchardt, Curt Sproul and Bruce Shepherd attended the meeting remotely through the ZOOM platform. A quorum of Board members thus was present throughout both meetings.

In addition to the Board members, several homeowners attended the meeting via Zoom (including Ray Coates, Jan Jones, Linda Standen, Joanne Weidemann, Jack Dittoe, Roger Gault and Herm Howerton).

President Dohrmann called the meeting to order at 1:32 pm.

1. Update as to Insurance Issues: Ryan Taylor from InterWest Insurance provided an update as to his efforts to establish a new insurance package for the RRPOA for 2024. Ryan reported as follows:

- Subject to the issues noted below, InterWest has secured and now has in place all of the insurance coverages required by the Association's CC&R's. This includes insurance for workers comp, autos, snow equipment, general liability, marine and excess liability insurance, and D&O/Crime and property damage insurance, subject to the following caveats:
 - InterWest has procured only \$2 million of D&O coverage, but the CC&Rs mandate \$7.5 million. Ryan will continue to search for greater D&O coverage which satisfies (or gets closer to satisfying) the requirements under the CC&Rs. The Board authorized InterWest to procure such "excess" D&O coverage so long as the premium is reasonably equivalent to the premium for the \$2 million of underlying coverage.
 - InterWest has procured approximately \$25 million of property damage insurance (covering 38 Townhouse units). This insurance replaces the MRMG property damage insurance for these Townhouses, but MRMG (for now) continues to be the property damage insurer for the balance of the buildings in the development (excluding the Individual Residences).
 - Ryan still is trying to place coverage for property damage insurance for the balance of the buildings in the development (again excluding the Individual Residences). Ryan anticipates that Fair Plan insurance will cover approximately \$20 million of this coverage (for 32 townhouse units) at a favorable rate (hopefully requiring less premium per \$100 of coverage than the rate for the \$20 million procured for the 38 buildings). Given the recent expansion of coverage provided by Fair Plan insurance, Ryan indicated that no change in conditions policy should be required.
 - Ryan hopes to place the final \$19 million of property damage insurance (covering 30 units and certain pool and maintenance buildings) in the commercial markets (probably at a rate roughly equivalent to that provided by MRMG). The sum of \$64 million of property damage insurance represents the total square footage of the development times \$310/square foot.

- InterWest has not yet procured USL&H insurance (pertaining to coverage of the motorized dinghy). This insurance is not covered in the CC&Rs, but InterWest has convinced the Board that it should be procured. Ryan will continue to pursue such coverage prior to the start of the summer season.
- Yates and Ryan continue to work upon achieving refunds for the MRMG policies applicable to periods after replacement of such insurance policies.
- Ryan will report back to the Board as developments occur, and in any event at the February 6 Board meeting.

2. Approval of Minutes. The minutes of the 11-7-23, 11-14-23 and 12-1-23 meetings were approved as presented (motion by Laura, 2nd by Frank, unanimous vote). The minutes of the 11-28 meeting were approved as presented, subject to modifications to clarify that at the 11-28-23 meeting:

- The quarterly installments for the Annual Assessments for the Townhouses for 2024 were set at \$5,500 (Laura is still in the process of calculating the Annual Assessments for the two Individual Residences);
- The quarterly installments for the Special Assessments for the Townhouses and for the Individual Residences for 2024 were not set as of the close of the meeting. Rather, it was determined that the Board would adopt such Special Assessments if required as determined by the Board after the Board gains greater clarification as to the likely insurance costs for 2024. In a December Board meeting, the Board tentatively approved a quarterly Special Assessment for the Townhouses in the range of \$3,000/Townhouse, if required to cover the insurance premiums for the Association's policies. Given that the Individual Residences do not contribute towards the property damage insurance for the Townhouses, it is less likely that there will be a Special Assessment for 2024 for the two Individual Residences.

3. Consideration of update to Association's rules, to address over-crowding. Following up on the discussions in the 11-7-23 meeting, a committee will be established to consider strategies to address over-crowding of Rocky Ridge's common facilities. [Strategies discussed at the 11-7-23 meeting included the following: (i) restrictions upon use of the common facilities (such as the beach and the pools) by renters; (ii) much more frequent changing of access codes (both for renters and for owners) for the beach and for the gate to get up the hill; (iii) use of wrist bands or other devices to identify people authorized to use the facilities; (iv) an increase in the staffing of attendants monitoring those that use the beach; (v) a "resort fee" or the like imposed upon renters; (vi) ***an absolute prohibition on bringing dogs to the beach*** (failure of beach goers to comply with the dog rules has been a significant problem in recent years, and with more people using the beach, the disfavored interactions with other users has increased materially).]

The committee to look into a package of possible strategies (and to assess how other developments in the Tahoe Basin are dealing with like problems) will consist of Diane Shore and Janis Jones, with Frank Pagliaro as chairman. The Committee will report back to the rest of the Board at the Board meeting in February. The Committee also will review and suggest updates to the Rocky Ridge Rules, as appropriate.]

4. Insurance Representation Claims. In closed session, the Board discussed possible claims against third parties with respect to the coverage obtained (or not obtained) for past periods. After evaluating the relative damages suffered by the Association plus the costs of pursuit, the Board decided to preserve its rights with respect to such matters for the time being, but to not expend further legal fees at this time on such issues.

The Board meeting adjourned at 3:19 pm.

Schedule for regular board of director meetings after Labor Day in 2023 through Labor Day in 2024: The proposed schedule for regular board of director meetings for the Rocky Ridge Properties Owners' Association is as follows (both the dates and the contemplated topics are subject to change by the board):

Date	Location	Contemplated Topics (subject to change)
February 6, 2024 at 1:30 p.m.	Zoom platform	Insurance Report

		Discussion of procedures for 2024 Board election Discussion of revisions to 2024 budget and assessments
March 26, 2024 at 1:30 p.m.	Zoom platform	Discussion of potential revisions to operating procedures applicable to Rocky Ridge common areas
May 14, 2024 at 1:30 p.m.	Zoom platform	
June 18, 2024 at 1:30 p.m.	Zoom platform	
August 31, 2024 at 9:00 a.m.	Beach Clubhouse	

The 2024 annual members' meeting for the Rocky Ridge Properties Owners' Association is scheduled for the Saturday within Labor Day Weekend, at 11:00 am. The meeting will be held in the Rocky Ridge Beach Clubhouse.