Ad Hoc Fees Committee Minutes

June 9, 2016

Attendees
- Committee: George Parker, Lesley Nalley, John Froning, Tom Heau, Renee Haugen
- Dept. Reps: Tom Heffer, Stacey Hoover, Brad Meredith, Beverley Ellison, Darwin Klingenberg
- Observer: John Weidert

This was our first meeting, so the major purpose was organizational. Introductions, charter review, picking an area of focus, starting to generate ideas, and determining next steps were our major objectives.

1. After brief personal introductions, we reviewed the charter.
   a. We mentioned that other communities like Bella Vista have similar issues. Getting comparables is part of our charter.
   b. George mentioned 8 categories of fees that may need review such as duplication, consolidation, utilization, confusing, burdensome, increasing revenues.

2. After a brief discussion, we agreed to start focusing on golf fees. Golf fees appear to be complicated with many subcategories.

3. Once we started to discuss golf fees, there were numerous issues that were raised, below being a very partial list. They were mostly just food for thought.
   a. The need to develop “guard rails” or considerations for making decisions.
   b. Do we have a philosophy regarding fees, such as trying to recover operating expenses or to include capital expenses.
   c. The need for more information to evaluate our current fee structure and any future financial performance.
   d. Consistency across all fees, such as member/spouse pricing.
   e. In looking at expenses – what is in there and what isn’t?
   f. Past subsidy goals.

4. Action assignments.
   a. Lesley will provide more data on golf usage, broken down by a variety of categories. This is expected to drive understanding and discussion, and will probably result in requests for additional analysis.
   b. Tom Heffer will provide information on local competitive rates and analysis of days open by course.

5. Department heads are invited to attend, but not required unless we are discussing items that impact them.

6. Next meeting (and subsequent meetings): weekly, Friday, 9:00 am, Coronado Rm. 3, unless notified otherwise.
Ad Hoc Fees Committee Minutes

June 17, 2016 - DRAFT

Attendees
- Committee: Chairman: George Parker, Vice Chair: Lesley Nalley, John Froning, Tom Heau, Renee Haugen
- Dept. Reps: Tom Heffer, Brad Meredith, Ray Metz
- Observer: John Weidert, Bob Cunningham, Lewis Delavan HSV Voice

1. Minutes of June 9, 2016 meeting were unanimously approved.

2. Tax structure.
   a. Lesley reviewed the tax structure of the POA, in particular, the 60/40 rule. Source material was a document constructed by a POA staff member maybe 4 years ago and has not been court tested, but probably good enough for our understanding.
   b. We fall under Sec. 528 which introduces the 60/40 rule for tax purposes.
   c. To qualify to be non tax paying, there are a variety of tests, one being the “60/40 rule”. At least 60% of our income must be “exempt”, primarily annual assessments and annual fees. At most, 40% can be “non exempt”, primarily fees that are charged or paid less than annually (in our case, mostly daily usage fees.
   d. Paying taxes may not necessarily be harmful. If we enter into transactions that cause use to pay taxes, if the net impact is beneficial, then we should not necessarily consider taxation to be an absolute bar from the transaction.

3. Guard rails.
   a. Lesley provided a Government Finance Officers Association Best Practices document that offers guidance on establishing charges and fees for services provided
   b. A summary of considerations include: Laws and statues, formal policies regarding pricing or subsidies, full costs (direct, indirect), periodic review, long term forecasts and plans, public involvement, competition and alternatives.
   c. This provides us with an independent view of a framework for discussion and decision making.

4. Golf, general approaches
   a. We reviewed a large amount of information on golf (and didn’t have time to review a lot more), primarily focusing on detail available on revenue (and how many types of users there are and income per type) and line item expenses. Troon assisted us in creating our most recent golf fee schedule, which we continue to monitor and adjust as necessary.
   b. How do fees relate to assessments? If our assessment was large enough, then many fees need not exist. Would people prefer to pay for services in the form of high assessments? What is the future of assessments? What
are the considerations to be addressed for a CPI increase? Under what circumstances will we considering additional assessment increases?

c. Competitive analysis/benchmarking. How do our assessment/fee levels compare to others? What are best practices for similar organizations?

d. Property owner analysis. If we raise fees or assessments, what would be the reaction (behaviorally, financially)? What alternatives do the property owners have? Are there property owner segments that we simply cannot satisfy in the short or long run, or whose cost of preserving is too high?

e. Value and communication. If our prices are attractive and we provide good value, how do we effectively communicate that message to our various customer groups to get desired behaviors and reactions?

f. Budget. Considering moving the current 3 year budget projection to 5 years to allow for future repairs and maintenance.

5. Our current evaluation of our assignment’s complexity leads us to believe that we will make a limited number of recommendations for the next budget cycle which is targeted for delivery by 7/15/16.

6. Action assignments.
   a. Ray will provide competitive analysis on golf, which already exists.
   b. Lesley will research the availability of information for assessment/fee structures of similar organizations.
   c. We will consider enlisting the help of our operating committees about information and research they might be able to provide that will help us.
   d. All: review the information we received – how can we use it to continue to progress.

7. Next meeting (and subsequent meetings): weekly, Friday, 9:00 a.m., Coronado Rm. 3, unless notified otherwise.
Ad Hoc Fees Committee Minutes

Meeting date: June 23, 2016

Attendees
- Committee: Chairman: George Parker, Vice Chair: Lesley Nalley, John Froning, Tom Heau, Renee Haugen
- Dept. Reps: Ray Metz, Darwin Klingenberg
- Observer: John Weidert, Mike Medica, Lewis Delavan HSV Voice

1. Minutes of June 16, 2016 meeting were unanimously approved.
2. We discussed the concept of whether (for instance) golf fees should cover all golf related expenses (operating, capital, overhead, etc.). We discussed a variety of considerations.
   a. Using the 2016 budget numbers for illustration, covering operating and capital (and not overhead) would require $5 per round. Such an increase may impact demand.
   b. The budget numbers are uneven from year to year, and 2016’s capital contribution may be lower than average, so consideration might be given to an even higher required increase.
   c. Such an increase should also be evaluated in light of marketing efforts, as well as expectations that we have created by having low fees for many years.
   d. On the other hand, even at higher rates, we appear to still be competitive and should have appealing value. If so, how can we effectively communicate this?
   e. Given our current rate of subsidy, what should our target subsidy be? Whatever is chosen, what is our rationale? One viewpoint was that we might shoot for covering operating costs, but this might be just an intermediate goal it we get there.
3. We observed that while the size of the golf subsidy was roughly the same as the recreation budget. Relative to golf, how should we view recreation?
4. We discussed assessments, since they are the source of subsidy.
   a. One concern about raising assessments is the impact on nonpayment, assuming a higher assessment could pass a vote. A mitigating factor is that many nonpayers have already left and remaining nonresidents may be less price-sensitive.
   b. We discussed use of facilities by nonresidents who are also less likely to leave. We should be able to capture that information.
   c. If nonresidents are viewed as a risk of either voting down an assessment increase or of abandoning their lots, what information can we gather to evaluate the nature and level of the risk?
5. Another source of funds may be special assessments, but they can only be used in limited circumstances and would require a vote. A special assessment may be easier to pass than a general assessment if a strong enough case can be communicated, especially to nonresidents on the value they may derive.
6. There were a few comments about P/I fees. Builders’ comments indicate that other municipalities don’t charge them, and they are high. They generate complaints from members. Possibly a place we can look at in the future.

7. At our next meeting, we will review a proposal by Lesley to revise the structure of golf fees away from the current format.
   a. A maximum greens fee would be set, and other fees would derive from that. As an example, if the maximum fee was $75 (for an outside guest), the member fee would receive a 66% discount for $25. From there, course, time of day, seasonal etc. discounts could also be applied.
   b. This approach could be simpler to administer and more customer friendly. It could also help reposition in our members’ minds the value of membership versus the general public.
   c. We may be able to implement this proposal for the 2017 season.

8. Next meeting. No meeting is scheduled for next Friday, July 1. We will next meet on Friday, July 8, 9 am in Coronado 3.
Ad Hoc Fee Review Committee Minutes

Meeting date: July 8, 2016

Attendees
- Committee: Chairman: George Parker, Vice Chair: Lesley Nalley, John Froning, Renee Haugen, Tom Heau
- Dept. Reps: Ray Metz, Darwin Klingenberg, Brad Meredith, Stacey Hoover
- Observers: John Weidert, Mike Medica, Bob Cunningham, Betty Swartout, Maxine Klein

1. Minutes of June 24, 2016 meeting were unanimously approved.
2. George opened by saying that we have discussed a wide variety of ideas. While some of our discussions have focused on golf, our broader mission is to consider Board policy for setting all fees.
3. We discussed what fees should cover: operating expenses, capital/replacement, capital/new, overhead. This would then define the level of subsidy.
   a. We agreed that fees should cover operating expenses plus replacement capital. This then excludes overhead and capital on new development.
   b. We agreed that allocating overhead was difficult, imprecise, and could be an unnecessary source of conflict. We felt that allocating overhead was not worth the effort.
4. We discussed our tax status.
   a. Our current direction is that we should focus on the business aspects of fees, but we should be aware of the possible impacts. Our tax status should not be the major driver of our decisions.
   b. Lesley and George have done some research on the topic, and their current evaluation is that the issue is complex. We are close to the 60/40 rule (perhaps 62/38). There is also the 90/10 rule where at least 90% of our expenses must be for the benefit of the members. Generally, money set aside for future development or sinking funds are in the 10%. Apparently, that rule is pretty complex, and some of the expense categories that could be in the 90 or in the 10 have not be clarified.
5. Lesley handed out an Amenity Discount Comparison.
   a. Fees were broken into various payer categories (business, reciprocal, nonmember, member, member couple, member).
   b. Each category had a discount range below the highest available rate. For instance, a daily fee at the fitness center may be $9.25 for a nonmember, but $6.05 for a member, a 33% discount. At a golf course, it might be $59 for a nonmember and $20 for a member, a 66% discount.
   c. For members, varying by activity, the lowest discount is 29% and the highest is 75%. For member couples, the discount range is 10% to 50%. For nonmembers, the range is 0% to 50%.
   d. On the surface, the relationship of fee levels between the various categories is highly variable. This suggested that in the past, we have lacked fee guidance from an overall point of view.
e. One comment was that in addition to the percent discount ranges, it would be good to know the dollar values we are considering. Paying a lot of attention to a small dollar amount may not be time and resource efficient.

f. Many of the cells are probably pretty small. Golf nonmember revenue is reasonably large, followed by meeting rooms. After that, anecdotally, numbers may be fairly small. Quantification will help.

6. Ray commented on a management approach that had appeal to the group.
   a. As an example, when Troon manages a stand-alone golf course, it is run as a stand-alone business.
   b. At a country club, golf would be considered to be the business, and other activities that surround and support golf are considered amenities – food and beverage, the pool, fitness facilities, and tennis are examples. As we have traditionally labelled golf as an amenity, perhaps we can re-think it as a business, which would have a higher standard.
   c. How can we use this concept to help us make decisions? Can assigning a "business/amenity" designation to various activities help us make clearer decisions on fees?

7. We discussed a comment that members are being "nickeled to death".
   a. Should smaller activities, perhaps those deemed as "amenities" and not "business", be covered by assessments, and thus "free"?
   b. How can we limit or enforce usage to just members? How would this impact guests' access to amenities?
   c. One idea was to have some sort of package deal for guests which would then give them access to amenities.

8. Action assignments.
   a. Lesley, John and Tom will draft recommendations for the Management Team.
   b. Tom will distribute a draft of thoughts regarding a decision making framework for setting fees.
   c. We should study the Amenity Discount Comparison for further discussion.

9. Next meeting. We will next meet on Friday, July 15 am in Coronado 3.
Ad Hoc Fee Review Committee Minutes

Meeting date: July 22, 2016

Attendees
- Committee: Chairman: George Parker, John Froning, Tom Heau
- Dept. Reps: Darwin Klingenberg, Brad Meredith, Stacey Hoover, Beverly Ellison
- Observers: John Weidert, Mike Medica, Bob Cunningham

1. Minutes of July 15, 2016 meeting were unanimously approved.
2. Tax update. George and Lesley met with tax consultants.
   a. Each year we complete revenue and expense testing under Section 528, to determine if we will be taxable for that particular year.
   b. If we are taxable, we may be able to manage operating loss carryforwards to minimize any taxable impacts.
   c. The general advice was that we do not need to consider taxation as a limiting factor in our decisions at this time.
   d. Even if we were taxable, it would mean we were profitable, so the news would not be all that bad anyway.
3. Tom Heau’s “Strawman – Fee decision framework” memo.
   a. The general idea of the memo was to try to build a framework to address the issue of: Who gets what and why.
   b. It attempts to create a framework in which standards were created for the various lines of business, and to have some consistency of treatment and decisionmaking between our numerous activities.
4. Recommendations to the Management Team. There were two:
   a. The CPI should be implemented every year, starting 1/1/17, unless the membership has voted on a significant increase through regular or special assessment avenues.
   b. Create a high level 5 year financial plan to fund reserves, deferred maintenance, and growth initiatives, in order to make and implement fee change decisions over this time period.
   c. George will present these.
5. Lesley and John’s analysis comparing fee discount percentages
   a. We discussed the inconsistency of how fee schedules are constructed. For instance, the PO fee/NPO fee for the fitness center (FC) is 67%, but for golf the same ratio is 32% at Cortez and 38% at Granada. Examples such as this are numerous. In addition, FC has only two paying categories: PO, NPO. Golf has NPO, member, family, reciprocal, accompanied guest, and more. We also discussed annual memberships and usage by category.
   b. With regards to the large number of categories of golf paying categories, some of these were probably driven by membership demands. We do not know Ray’s or Troon’s opinion of the paying categories.
   c. We discussed lakes.
      i. “Lakes” can be divided into two categories. The lakes department focuses on the health of the lakes (water, fish, etc.). The recreation
department manages the facilities (craft rentals, marinas, cabanas etc.) The latter probably drives more fee activity than the former.

ii. There was a lot of discussion about compliance. Purchasing stickers was one issue. Displaying stickers were another. There are similar compliance issues with P/I.

d. We discussed what is or should be the value of member? What privileges should inure to the members? Should only members be allowed to buy annual passes?

6. We briefly touched on the concept of consolidating many different recreational fees into a single annual fee. This concept of course could be applied to more than just recreation. We also touched on the concept of flexibility in charging fees, especially in the context of group pricing.

7. Action assignments. George will discuss with Lesley and Ray the concept of reviewing golf fees and the discount model.

8. Next meeting. There are no further scheduled meetings. George will contact us to schedule the next meeting.
Notes from Meeting on Friday 9/9

tom heau <tkheau@yahoo.com>

Tue 9/20/2016 10:10 AM

To: George Parker <gparker@hsvoa.org>; John Froning <jpfroning@gmail.com>; Lesley Nalley <lnalley@hsvoa.org>; Renee Haugen <RHeaugen@hsvoa.org>; Ray Metz <rmetz@hsvoa.org>; tom heau <tkheau@yahoo.com>; Tom Heffer <Theffer@hsvoa.org>

Notes from meeting Friday 9/9/16.

Attendees: George Parker, John Froning, Tom Heau, Tom Heffer, Ray Metz, Renee Haugen

A. George had talked to John Paul about grandfathering private carts in 2011 for the 2012 year. John had been trying to raise the cart registration annual golf fees and was not succeeding as he was facing protests. The grandfathering was a concession to be able to chart increased. Other than the verbal agreement, there appears to be nothing that documents this or sets any limits on what can be done. The agreement was for the grandfathering to apply to the people and not to the carts.

B. Renee handed out a schedule of users for various annual golf passes. There were some data oddities, so Tom Heffer and Renee will examine the report and data sources to clarify the report. We discussed employee golf discounts, and how for golf they were an integral part of compensation, and we needed them to attract and retain part time help on an economic basis.

C. We continued the prior week's discussion regarding annual golf cart fees. Ray proposed we start to raise fees in 2017 and proposed a schedule, particularly addressing regular annual cart passes, private registration with daily fees, private annual registrations, and private grandfathered cart registration. The general idea was to take fairly significant increases with the aim of eliminating the difference between the private annual and private grandfathered annual registration fees in about 3 years and move more toward market rates. He would discuss this with Lesley, as we are fairly deep into the budget process.

Lesley has since responded and stated that for this year's budget process, we will proceed with the prior fee proposal that did not have the significant increases in fees.

C. We discussed the 6 month rates - these are primarily targeted to snowbirds. There are about 15 users in this category and only in July-Dec. Out of this discussion came the concept that for new residents, maybe we should allow pro rata of annual rates across all activities. We also touched on weekly passes that are targeted toward rentals which is another buyer group. I think this might be the same concept as golf packages.

D. We touched on categories with very low usage. For example, various super senior annual passes had 2 users. Another, the member/spouse pass equalled 2 member passes, so why did the category exist?

E. We discussed town hall meetings and focus groups.

1. We seemed to agree that focus groups at this time might serve our purposes better than town hall meetings. We can probably more effectively control the conversation better and better collect information.

2. We discussed the difference between between focus groups and our committee - can our committee serve as a focus group of sorts? Focus groups would bring in a wider and different perspective than our committee who to a great degree are insiders. We could test how effective our communications on an external group. We generally know where we want to go, and asking the public for input on how we might proceed could be viewed positively and could tell us things we don't know or create new perspectives.

3. We discussed the timing of having focus groups. Relative to this year's budget process, having groups when large fee increases had already been recommended would probably be poorly received. If we don't have large fee increases, then we would have a time line that extended for almost a year, so we would have more time to think about it.

4. Focus group construction. Can we use our relationship with the PR firm and/or prior experience with the Lifelong Learning focus groups to help us with execution?

5. Agenda construction. We touched on a general fee-centric agenda (where golf is one of the topics) groups rather than a golf-centric agenda.

F. We discussed encouraging the use of annual fees and perhaps it being some sort of goal. We looked at a chart that listed various annual pass usage. In several categories, usage trended up from 2004-2009, then has roughly halved since them. Other categories have somewhat stable usage. The thought was that the heavy decreases was driven mainly by demographics. Fitness was heavily impacted by Silver Sneakers, but the downward trend had preceded Silver Sneakers.
G. Next meeting: Friday, Sept. 23, 9 am, Coronado Rm. 3
Minutes from the 9/23/16 Fees Committee meeting.

Attendees: George Parker, Lesley Nalley, John Froning, Tom Heau, Ray Metz, Renee Haugen

1. Prior minutes were approved.

2. For future discussion: Formation of Focus Groups. Who/how to compose the groups, agenda, moderator, size (10-12?), more than one (per topic, multiple topics). We need to research prior focus groups sponsored by the POA (Lifelong Learning) and use of our PR firm as resources for focus group management.

3. Golf course management.
   a. The POA recent met for several days with Troon executives. The meetings were very detailed, discussing each course for items such as costs, revenues, ADR, rate structure, inside and outside usage.
   b. The discussions started with Balboa as we have been deferring the replacement of the watering system for several years, and will probably continue to do so. We would also do other deferred maintenance work at the same time (ie cart paths etc.), so the cost would be at least several million. Is there a way to determine the return on investment of upgrading Balboa vs. spending less on Balboa and more on other courses? Are there alternatives (used equipment) to reduce the cost?
   c. We briefly reviewed stats comparing the eight golf courses. They all had somewhat different profiles when analyzed by inside/outside usage, ADRs, maintenance costs, food service etc., and each had a different cost recovery profile. Each golf course could theoretically have a different target market (neighborhood, senior, beginner, outside etc.).
   d. For 2016, the owner fee structure has rates by course, month and time of day. An evolution would be to just have maximum rates by course and to have added flexibility to manage rates below that for month and time of day.

4. The committee will likely decrease its focus on golf and start to work on P/I. The POA intends on rolling out a sales program in January and our P/I fees may impact that.
   a. Our P/I rate structure is viewed to be high (perhaps even excluding the $4500 grinder cost) and complex. We need to benchmark comparables from other municipalities and like communities. External feedback (builders, contractors, service providers, title companies etc.) may also be helpful. Our overall goal would be to have processes that are simpler, far more friendly to expansion, but also to maintain standards. We need to consider both residential and commercial.
   b. There is a compliance and enforcement aspect that should be considered. What are the processes for identification, communication, tracking, reporting, etc.? Do we have adequate fining authority? Are we missing things (private businesses)?
   c. To further this discussion, we will make sure Beverly Ellison attends.

5. We had a discussion about what our needs would be if our housing stock expanded from the current 8700 to a much bigger number, say 12,000. The answer (focusing on golf) would entail knowing the profile of new entrants. We discussed the possibility of using the Newcomer's Coffee as a source of information to better understand new entrants and perhaps gain insight as to both behavior and expansion. Of course, future marketing may draw in others of a different profile as historical. We should consider proposing that the POA pursue this.

6. Renee and Tom Heffer will work on the report presented previously that needed data clarification.

7. Our next meeting is Friday 9/30, 9 am, Coronado 3, unless otherwise notified.
Minutes 9/23/16 Revised

tom heau <tkheau@yahoo.com>

Tue 9/27/2016 9:42 PM

To: George Parker <gparker@hsypoa.org>; John Froning <jfroning@gmail.com>; Lesley Nalley <lnalley@hsypoa.org>; Renee Haugen <RHaugen@hsypoa.org>; Ray Metz <rmetz@hsypoa.org>; tom heau <tkheau@yahoo.com>; Stacy Hoover <SHoover@hsypoa.org>; Beverly Ellison <BEllison@hsypoa.org>

Revisions to 3b and 3d per comments.

Minutes from the 9/23/16 Fees Committee meeting.

Attendees: George Parker, Lesley Nalley, John Froning, Tom Heau, Ray Metz, Renee Haugen

1. Prior minutes were approved.

2. For future discussion: Formation of Focus Groups. Who/how to compose the groups, agenda, moderator, size (10-12?), more than one (per topic, multiple topics). We need to research prior focus groups sponsored by the POA (Lifelong Learning) and use of our PR firm as resources for focus group management.

3. Golf course management.
   a. The POA recent met for several days with Troon executives. The meetings were very detailed, discussing each course for items such as costs, revenues, ADR, rate structure, inside and outside usage.
   b. The discussions started with Balboa as we have been deferring the replacement of the watering system for several years, and will probably continue to do so. We would also do other deferred maintenance work at the same time (ie cart paths etc.), so the cost would be at higher. Keep in mind that estimates were very high level without benefit of a specific plan or proposals. Discussions with Troon brought up the issue that given current and expected usage of Balboa, how can we determine the return on investment of upgrading Balboa vs. vs. investments in other courses vs. other nongolf investments (such as the pool, pickleball etc.)? Are there alternatives (used equipment) to reduce the cost?
   c. We briefly reviewed stats comparing the eight golf courses. They all had somewhat different profiles when analyzed by inside/outside usage, ADRs, maintenance costs, food service etc., and each had a different cost recovery profile. Each golf course could theoretically have a different target market (neighborhood, senior, beginner, outside etc.). This might suggest different management or investment approaches.
   d. For 2016, the owner fee structure has rates by course, month and time of day. An evolution for 2017 would be to just have owner maximum rates by course and to have added flexibility to manage rates below that for month and time of day.

4. The committee will likely decrease its focus on golf and start to work on P/I. We intend on rolling out our sales program in January and our P/I fees may impact that.
   a. Our P/I rate structure is viewed to be high (perhaps even excluding the $4500 grinder cost) and complex. We need to benchmark comparables from other municipalities and like communities. External feedback (builders, contractors, service providers, title companies etc.) may also be helpful. Our overall goal would be to have processes that are simpler, far more friendly to expansion, but also to maintain standards. We need to consider both residential and commercial.
   b. There is a compliance and enforcement aspect that should be considered. What are the processes for identification, communication, tracking, reporting, etc.? Do we have adequate fining authority? Are we missing things (private businesses)?
   c. To further this discussion, we will make sure Beverly Ellison attends.

5. We had a discussion about what our needs would be if our housing stock expanded from the current 8700 to a much bigger number, say 12,000. The answer (focusing on golf) would entail knowing the profile of new entrants. We discussed the possibility of using the Newcomer’s Coffee as a source of information to better understand new entrants and perhaps gain insight as to both behavior and expansion. Of course, future marketing may draw in others of a different profile as historical. We might consider proposing that the POA pursue this, although we should determine how this fits our scope.

6. Renee and Tom Heffer will work on the report presented previously that needed data clarification.

7. Our next meeting is Friday 9/30, 9 am, Coronado 3, unless otherwise notified.
Minutes from the 9/30/16 Fees Committee Meeting

Attendees: George Parker, Beverly Ellison, John Froning, Tom Heau, Renee Haugen
Observer: Maxine Klein

1) Prior meeting minutes were approved.
2) George started by saying how Permits and Inspections (PI) works with the Architectural Control Committee (ACC).
   Generally, PI is administration and ACC is technical, such as: PI receives applications and assigns ACC the inspections, and
   after resolution, PI then issues the permits. PI is staff (roughly 4) and ACC is volunteers (roughly 5). PI collects fees, ACC
   does not.
3) The perception is that our fees are too high, complex, our processes need to be more customer-friendly, and should support
   our goals of selling lots and increasing new home building. One initiative is to have our various POA departments work
   effectively together; the various departments have been engaged in mapping processes. Comprehensive checklists may be a
   helpful tool for employees and customers.
4) One project is to have a certification process for new builders to make it easier to receive permits. Recently, 9/10 of homes
   are on spec by a relatively smaller number of builders; 1/10 are done by individuals who find the process complex. We
   are working on an abbreviated description, describing to new home candidates a brief overview of permit application
   requirements.
5) We reviewed a sample permit application form.
   a) The permit fee for $600 is mostly for inspections. This goes to the PI department.
   b) $7570 goes to other departments: public works, water, sewer, electrical, water tank. This is not part of the PI process;
      it intends to charge for work being done by the POA for construction.
   c) While the POA does the work and charges for it, if the builder does the work then the fee would not be charged. For
      instance, if the buyer builds and installs the tank per our standards, then no $4500 charge would occur, but builder/buyer
      would still pay it. We generally felt that the $7570 is generally consistent with expenses of builder in other areas, so such expenses
      would be borne by the builder/buyer one way or another. It may be a matter of presentation vs. substance.
6) Beverly is working on studying comparables with other municipalities or developments similar to HSV.
7) We examined the bimonthly PI report that goes into the monthly GM/Board report.
   a) 2016 counts may be far down from 2015 due to high activity with Mount Carmel in '15.
   b) Inspections may exceed permits because of multiple inspection.
   c) A new house generates multiple permits, a simplification target.
   d) A single housing alteration may generate multiple permits, similarly, a target for simplification. We discussed the need
      that when an alteration may reasonably require multiple permits, the process and/or checklist need to catch all required
      permitting up front; if not, the buyer may think that the first permit is all that is needed. Otherwise, additional required
      permits/inspections either don’t happen or causes inconvenience.
   e) In terms of customer education, many permits are driven by statutory requirements. In some cases, we may want try
      to demonstrate the value of the service we provide and not just compliance and fees.
   f) Complaints generate activity but not fees. The current process should be examined to require identification and
      specificity (ie address of the complainer and the target) by the complainer. A smaller number (guess estimate of maybe 5%) of
      complaints generate permitting actions.
   g) Roof activity is high this year. We are receiving requests from insurance company for information about when roofs
      have been replaced historically. What should our role be?
   h) Separation of process – new homes, alterations, complaint. Different processes have different requirements, but they
      do need to be coordinated. What are the roles of our employees, property owners, contractors and/or service providers? For
      new homes, there may be at least 3 separate processes: spec builders, build to suit, and individual builders. For alterations,
      how do we manage the property owners versus the contractors?
8) Compliance is a big issue both for PI/ACC and other processes.
a) Compliance should start with education, perhaps of our employees who may be the first point of communication. Do they have the knowledge/tools to educate the requester?
b) We need process to help ensure that the property owner is informed of what his obligations are. He is ultimately responsible.
c) What is the role of contractors/service providers in compliance?
d) We need good monitoring systems – how is noncompliance identified and tracked?
e) Given a violation, effective communication must be appropriate. The POA is currently looking at its notification process, particularly a violation letter.
f) Resolution. A necessary compliance tool is some form of punishment, such as fines, liens, or loss of privileges. Again, the POA is examining its options.
g) Are we not charging where we could/should be? Example: home businesses.
9) Certification. We discussed the idea of tying in certification to compliance, that is, trying to certify service providers and trying to increase compliance. This idea would be difficult to implement for a variety of reasons: communication, the appearance of recommendation, maintaining certification, etc.
10) At the end of the meeting, we circulated but did not discuss a list by John regarding HSV Fee Structure Guidelines.
11) Fee committee action items
   a) Beverly to work on an analysis of comparables
   b) Continue to review PI fee structure and other reports
   c) Think about the Guidelines list
12) Other actionable items, but maybe not the committee
   a) Design a general compliance process, particularly the back end (communication)
   b) Certification of new builders
   c) PR for PI/ACC – Village Values (was this done already?)
   d) Mapping processes relative to fees and alterations, new building, sales
13) Next meeting – Friday 10/7, 9 am, Coronado 3.
Minutes from the 10/07/16 Fees Committee Meeting

Attendees: George Parker, John Froning, Beverly Ellison, Tom Heau, Renee Haugen, Stacey Hoover

1) Prior meeting minutes were approved.

2) We discussed the “Fee Structure Guidelines” that had been previously circulated. This document is preliminary and for discussion purposes.
   a) We discussed “some amenities may not be available to non-property owners” — this may encourage property ownership and make clearer the value and benefits of ownership. We identified several issues centering on legal ownership.
      i) In some cases, the occupant may be (for instance) the parent of the true owner, but when issues arise, we aren’t able to deal with the occupant directly.
      ii) Upon death of the true owner, there may be issues with those inheriting the property. For instance, probate may take a while before true ownership is passed on.
      iii) There may be issues with multiple generations in a single house.
      iv) It might be helpful to clarify how many of such issues exist and how urgent/critical they are. We might assume that issues such as these may become more frequent in the future.
   b) Annual fees vs. daily fees
      i) Lump sums may not be affordable to some; monthly, quarterly draws may have more appeal.
      ii) The fitness center is an issue due to heavy usage of Silver Sneakers/Silver and Fit.
      iii) One way to encourage annuals is to significantly raise dailies; this discussion has occurred in Recreation, but we are not yet ready to try to implement.
      iv) Packages – there might be interest in a total recreation package including golf and one excluding golf. Not sure how we get there.
   c) Simplicity – we all agreed that if we can reduce categories that would be good.
   d) Special assessments – the cost of going to vote could be a significant barrier.

3) We reviewed the P/I action items list.
   a) In home business permit fee. We already issue permits and have a list of requirements for in home businesses, why not charge a fee?
   b) Repainting. We require samples for new homes, why not repainting? Monitoring compliance is an issue, as well as how to judge what is ok/not ok.
   c) Permit packages with checklists – I believe we agreed that this was a good idea, it appeared to be mostly an issue of implementation, and that the current permits forms/processes were accommodating to that idea.
   d) New home fees; separating P/I from Public Works/Utilities. There is an issue of a “one stop” process versus handing off a process, as well as interdepartmental coordination. Is this one unresolved?
   e) Comparables – Beverly is working on this, and has since put together some information for review.
   f) Noncompliance. A process to aggressively pursue some noncompliance items is currently in legal review. This may be a first step as various infractions may have different punishments or resolutions available. It may be helpful to quantify categories.
g) Church/civic club special events permit – we need a list of names/contacts. I think such is available, but it wasn't clear.

h) Notify commercial entities/realtors to obtain sign permits with follow up procedures – do we have a process?

4) George handed out a definition of process mapping, which we did not review. It seems like some of the above would benefit from having formal mapping, if they don’t already exist or are WIP.

5) We will continue to focus on PI over the coming weeks and come up with specific recommendations. We need to think about how to prioritize the many ideas that we have discussed. We suggested that a white board might help. Some criteria to think about.

   a) Most bang for the buck
   b) Improve finances
   c) Efficiency
   d) Help achieve our growth goals
   e) Benefit owners
   f) Enhance lifestyle

6) Our next meeting is Friday, October 21, 9 AM, Coronado 3.
Minutes from the 10/21/16 Fees Committee Meeting

Attendees: George Parker, Lesley Nalley, John Froning, Brenda Cameron, Tom Heau, Renee Haugen, Stacey Hoover
Guests: John Weidert, Mike Medica

1) Prior meeting minutes were approved.
   George had a handout illustrating administrative fines. This notification process is work in progress.
   a) Automated tracking and reporting will enhance the process, and this is being worked on.
   b) While the homeowner is the subject of violation notification and resolution, communication with
      the contractor could help with compliance. If contractors are fully aware of this activity, it could
      increase compliance, reduce complaints and violations.
   c) Per the August PI report, there were 338 complaints; violation letters might go out on 30-40% conservatively. Anonymous complaints will not be accepted in the future which would impact those numbers. We hope that as the process ramps up, violations will decrease.
   d) The process may take a while to be fully functional. The current list of fines may expand as the process takes hold.

2) How our fee related processes operate is an important part of our growth goals. All aspects of the organization need to consider how we can attract and encourage building, both property owners and builders.
   a) Beverly has provided packages from 5 organizations: Hot Springs, Bella Vista, Fairfield Glade, Big Canoe and Bucking Horse. The POA is developing a “certification” process aimed at repeat new home builders. This is viewed as an integral part of our upcoming Sales Program, and should make it easier for such builders to do business here and expedite approvals. Other learnings: Would making more of a distinction between “permits” and “inspections” be helpful? What other things can we learn from studying outside practices?
   b) We posted a list of possible “things to recommend to the Management Team” on a white board. The “before” list was amply photographed by those with phones. Below is the “after” list. The after list items were things we thought was within the purview of the Fee Review Committee. The unedited list: builder certification/guild, Reinspection fees, free permits/no permit (propane tank, exterior painting, home business/visual impairment), streamline procedures/fees, fee bundling, timing of new fees, simplify applications, fee management to control subsidies, owner as general contractor, cancellation fees/refunds.
   c) Here is the revised list with an attempt to group them.
      i) Builder certification, owner as general contractor (GC), cancelation fees, refunds, fee bundling, timing of payment. The builder certification process itself is outside our scope, but fee bundling and timing of payment would probably be associated with certified builders and not owner as GC.
      ii) Free permits/no permits – what should we charge for, what should we not? What things should be subject to permits and what things should not?
         (1) We issue permits because of aesthetics, safety, and legal requirements.
         (2) With home businesses, the issues seemed to revolve around: does the business impact visually impact the neighborhood – parking, traffic, signs, outside storage. Could this issue be addressed via violations?
         (3) We also discussed roofs – do we require a permit other than color, what do we inspect, how much help should we provide the homeowner in terms of “best practices”, what historical information should we provide (example: on sale of house), etc?
iii) Streamlined procedures and fees. Some of the external documents indicate simpler fee structures, fewer permitting activities, more bundling etc. An example was tiered fees based on square footage vs. a formula charge. A specific example centered on docks because of separate functions (dock, electricity, seawall, plumbing). There seemed to be some tension between the concept of expanding the application form to try to address multiple activities (i.e. docks and electrical) vs. simplicity (tried it, resistance, went back to simpler forms).

iv) Reinspection fees.

v) Reduce subsidy. A new house might bring in $800/year in assessments and $2000 in fees/year plus new building fees (about $600 in P/l fees plus $7000 mostly for the grinder but also for Public Works etc.). The lifetime value of all that could be $25,000 or more.

3) We discussed contractors who provide alteration services. Can they somehow help us in increasing compliance rates? Can some discussion forum, like focus groups, help us in formulating our processes or bring them into the process? Do we have the ability to influence their behaviors? Are there legal ramifications if they perform work without a permit or resulting inspection?

4) Going forward. A question was “what should the fee committee be working on/thinking about for next week”?

a) First, think about the list – additions, modifications. Second, how to prioritize.

b) One angle was to think about what how our success might look, what might our product or output be?

i) Some things that we have produced: a look at 5 similar organizations and usage rates of various functions.

ii) Criteria for prioritization: Support or drive growth; Enhance lifestyle; Improve Finances; Simplify procedures. Consideration should be given to the size of the impact, of which volume might be one dimension.

5) Our next meeting is Friday, October 28, 9 AM, Coronado 3.
Minutes from the 10/28/16 Fees Committee Meeting

Attendees: George Parker, John Froning, Beverly Ellison, Tom Heau, Renee Haugen

1) Prior meeting minutes were approved.

2) Recommendations.
   a) In-home business permits. We recommend stopping issuing in-home business permits. If external violations occur (signs, outside storage, parking issues, etc.) these can be addressed via complaints.
   b) Propane cylinders (100 lbs.) – specifically excludes tanks above or below ground, or the small ones used for grills.
      i) We recommend permitting and inspecting all installations (current permits only are required for 3 or more cylinders. ACC should consider how it wants to address aesthetics. PI has an issue with being licensed to do inspections.
      ii) Existing cylinder refills are outside the committee’s scope; however, homeowner education may be a way to address existing code violations.
   c) External modifications to existing houses. We recommend that the P and I (ACC) consider requiring permits on all external modifications and how to define them, including but not limited to landscaping, re roofing and repainting. Permitting should require submission of plans and/or samples; some inspections may be minimal or nonexistent. We should consider having two fees tiers: higher for inspections, lower if no/minimal inspections are required.
   d) Streamline procedures. We recommend reviewing existing processes for streamlining. If the foundation of PI/ACC processes is limited to the principles of aesthetics and adherence to code (there may be other principles to be considered), do processes try to cover other (and perhaps extraneous) issues such as design and construction detail? If so, are they necessary or can they be streamlined?

3) Other discussions.
   a) For electricity, hvac, and plumbing, we are pretty much required by law to issue permits and inspect. If inspection failures occur, our recourse is to the property owner; if they continue, we may report a contractor to the appropriate authority. We are licensed to do inspections.
   b) The builder preapproval process is continuing and is outside the scope of our committee.
   c) We do charge for reinspections.
   d) Right now, PI’s only free permits are for in-home business, which we recommend eliminating. Within the Village, other permits may be free, such as those done by the Fire Department. As a generality, all PI permits should have a fee – in short, no more free permits.
   e) Fee bundling. Not sure if we came to any conclusion. When we deal directly with the homeowner, we may be able to have a direct discussion about what services are included. If we deal with a contractor, it may be hard to clarify the total extent of the project or the involvement of other service providers.

4) Our next meeting is Friday, Nov. 4, 9 AM, Coronado 3.
Minutes from the 11/04/16 Fees Committee Meeting

Attendees: George Parker, Lesley Nalley, Beverly Ellison, Tom Heau, Renee Haugen, Stacey Hoover
Guest: John Weldert

1) Prior meeting minutes were approved.

2) Chairman’s comments.
   a) After discussion with the LP Gas Board, the Committee will drop its former recommendation regarding inspecting LP installations as the Board felt strongly that it and its members should essentially be self-regulating.
   b) Lesley and counsel are researching and clarifying the requirement of inspecting to code.

3) Recommendations
   a) New housing permit. Consider changing the permitting fee to $x (example: 25 cents) per square foot (total footprint – heated plus nonheated/garage, patio, deck etc.). This would cover all necessary basic inspections, but might exclude items like a seawall or fence (to be clarified). Reinspection would trigger additional fees per reinspection.
      i) We believe about something in the area of 25 cents/SF would reasonably reproduce the current formula.
      ii) We discussed trying to validate this by looking at prior plans and comparing the former fees and the proposed fee.
      iii) We discussed trying to see if the proposed fee level was adequate to cover actual costs (ie what the fee should be, not reproducing the former fee). At this time, we don’t have an estimate for what an inspection costs – the value of an inspection should include ACC time and resources, even though they are volunteers.
   b) Additions and alterations. Consider changing the permitting fee to $x (example: 50 cents) per square foot (total footprint). This would probably apply to only certain activities like an addition to a house or perhaps a kitchen remodel.
   c) Do not investigate anonymous complaints.
   d) P and I should create a new house cancellation and refund policy.

4) Other discussions.
   a) Bundling. The issue was primarily driven around “are we missing things” mostly concerned with alterations/additions and less on new houses. We tried to break down various services into broader categories and generally observed that the analysis was pretty complex; in short, it defied our efforts to come up with some bundling methodology. I think the gist of the conversation was that P/I are pretty sensitive to the issue, its processes should catch a lot of stuff, dealing with contractors make it difficult, and homeowner education would be helpful. With respect to new houses, we may expect a volume builder (guild/precertified – maybe we should have standard terminology) to negotiate terms.
   b) John’s suggestion regarding charging on a “per inspection” basis. With respect to new houses, there was some concern that substantial variance in new house inspection activity that might make this too difficult, so we went with the $x/SF total formula.
   c) Public work fees, timing. These would include the grinder and connection services (water, sewer, electrical). All of these may be done by the builder (maybe not electrical). For a single house builder, it seems easiest to do pay these up front. For a volume builder, timing may become a point of negotiation, depending on the builder, fact, and circumstance.
   d) Cancellation/refunds. We currently have no policy. We recommend (above) a policy to be created.
e) Subsidy. The current subsidy is about $300k expenses minus $200k fees = $100k subsidy. In the future, the fining process may substantially increase compliance and reduce complaints, and increased building activity should increase fees without an equivalent increase in expenses. These may substantially reduce the subsidy in the near future. No specific actions were proposed.

f) Fee schedule cosmetics versus substance (capturing vital business information). The current schedule may be reviewed in future years with an eye on its appearance, such as grouping items and the order of presentation. Capturing valuable management data, such as indicators of economic vibrancy is another issue. Are there specific activities that are indicators of growth that we should capture and how?

5) Next week, we will try to start working on our recommendations list. Attached is a draft based on our prior work.

6) Our next meeting is Friday, Nov.11, 9 AM, Coronado 3.
Fees Review Committee – Recommendations to the Management Team on Permits and Inspections

1. In-home business permits. Stop issuing in-home business permits. If external violations occur (signs, outside storage, parking issues, etc.) these can be addressed via complaints.

2. External modifications to existing houses. P/I and ACC should update policies for permitting of all external modifications and how to define them, including but not limited to landscaping, reroofing and repainting. Permitting should require submission of plans and/or samples; some inspections may be minimal or nonexistent. We should consider having two fees tiers: higher for inspections, lower if no/minimal inspections are required.

3. Streamline procedures. Review existing processes for streamlining and consistency with broad principles. If the foundation of P/I/ACC processes is limited to the principles of aesthetics and adherence to code (there may be other principles to be considered), do processes try to cover other (and perhaps extraneous) issues such as design and construction detail? If so, are they necessary or can they be streamlined?

4. New house permits. [Note: items in brackets indicate things that I think are reasonable but I am not sure the committee actually agreed upon]
   a. Change the current new house permitting fee to $x per square foot (total footprint, heated or unheated, including but not limited to the garage, patio, deck etc.). The current permitting fee is $200 on the first 1000 SF plus $.30 for each additional SF (heated only). [As part of this change, eliminate the HVAC inspection fee and the water meter deposit].
   b. This formula is simpler to administer and [based on a study of prior permits.] is expected to reasonably reproduce the current permitting fee formula.
   c. This does not include public works services (impact fee, sewage tank, connection of water, sewer and electricity).

5. Develop a policy to address cancellations of new house development and refunding of fees. Currently, we have no policies or procedures but we have experienced cancellations and requests for refunds. Policy considerations may include things like timing, condition of the lot, or services that have been rendered. There may be a specific cancellation fee, or the permit fee may be held in whole or in part depending on services rendered.

6. Additions and alterations. Consider changing the permitting fee to $x per square foot and define what circumstances this is applicable.

7. Complaints. Require identification and specifics before investigating complaints. Currently, anonymous complaints are investigated, as well as complaints with vague targets.

8. Currently, management is reviewing with counsel the POA’s obligations to perform licensed inspections (plumbing, electricity and HVAC). Depending on the outcome, we need to consider how we might adjust our activities accordingly.
Minutes from the 11/04/16 Fees Committee Meeting

Attendees: George Parker, Lesley Nalley, Beverly Ellison, Tom Heau, John Froning  
Guest: Mike Medica

1) Prior meeting minutes were approved.

2) Chairman’s comments.
   a) We circulated several handouts: LP Gas Board comments, an estimate of the cost to us of  
      permitting and inspections, and notes about the requirement that the POA perform inspections.
   b) Re: POA inspections – these are self-imposed, are required by the POA’s documented policies;  
      POA inspections are not required externally.

3) Recommendations to the Management Team – see Draft Document below, which is revised from the  
   prior week.
   a) The recommendations below, particularly permitting and inspection fees, do not necessarily  
      accommodate large residential projects or large commercial developments. If these occur, they  
      should be identified and negotiated, and project specific pricing may occur.
   b) The fee schedule, in the future, may be revised for cosmetic reasons – items in a different order,  
      different groupings, etc., and may be easier to read and understand.

4) Our next meeting is Friday, Dec. 9, 9 AM, Coronado 3. We hope to wrap up our P/I fee review.

Happy Thanksgiving everyone!
DRAFT (REVISED) FOR DISCUSSION ON DEC. 9

Fees Review Committee – Recommendations to the Management Team on Permits and Inspections

1. In-home business permits. Stop issuing in-home business permits. If external violations occur (signs, outside storage, parking issues, etc.) these can be addressed via complaints.

2. External modifications to existing houses. P/I and ACC should update policies for permitting of all external modifications and how to define them, including but not limited to landscaping, reroofing and repainting. Permitting should require submission of plans and/or samples. Certain permits may require no or minimal inspections.

3. Streamline procedures. Review existing processes for streamlining and consistency with broad principles. If the foundation of P/I/ACC processes is limited to the principles of aesthetics and adherence to code (there may be other principles to be considered), do processes try to cover other (and perhaps extraneous) issues such as design and construction detail? If so, are they necessary or can they be streamlined?

4. Permit and inspection fees for new houses, home improvements, alterations and additions, commercial.
   a. P/I should revise the fee schedule to be in the form of $X per permit plus $Y per inspection; the X and Y might vary by activity (commercial vs. housing). In setting $X and $Y, a consideration should be recovering, in total, at least as much as the current fees. In addition, it should consider the cost to us to provide the service, as well as the value of the service. We believe this approach is simpler to understand and reduces complexity.
   b. The above approach may cause a loss of information. If keeping certain types of information is deemed important, revisions to data collection processes should be established.
   c. The above does not include public works services (impact fee, sewage tank, connection of water, sewer and electricity) for new houses. For these services, we make a distinction between permits/inspections and public works services.

5. Develop a policy to address cancellations of new house development and refunding of fees. Currently, we have no policies or procedures but we have experienced cancellations and requests for refunds. Policy considerations may include things like timing, condition of the lot, or services that have been rendered. There may be a specific cancellation fee.

6. Complaints. Require identification and specifics before investigating complaints. Currently, anonymous complaints are investigated, as well as complaints with vague targets.

7. POA inspections. Given that POA inspections are self-imposed, the Management Team may wish to reconsider its position.

8. Eliminate the current $300/$100 ACC fees. These are not currently in use, and situations will be addressed using the new Violations procedure.

9. Accommodating new housing activity – P/I and the Real Estate Department should develop processes to maintain close contact and coordinate activity appropriately. P/I should consider developing a staffing strategy to quickly react to a possible rapid increase of new housing activity.
Minutes from the 12/09/16 Fees Committee Meeting

Attendees: George Parker, Lesley Nalley, Beverly Ellison, Tom Heau, John Froning, Beverly Ellison, Stacey Hoover

1) Prior meeting minutes were approved.
2) We discussed and revised the Recommendations to Management. See attached.
3) Our next meeting is Friday, January 6, 9 AM, Coronado 3. We hope to finalize the Recommendations.
Fees Review Committee – Recommendations to the Management Team on Permitting and Inspections

Recommendations Primarily Focused on Fees

1. All permits should indicate, on the permit form, that a fine will result if permit parameters are not followed. Under “Administrative Fines, Board Policy Ch. 5, Art. 1 – Violation of ACC procedure”, add the category: Failure to comply with parameters of issued permit, applicable code or Protective Covenants”.

2. Permit and inspection fees for new houses, home improvements, alterations and additions, and commercial.
   a. Permitting and Inspections should revise the fee schedule to be in the form of $X per permit plus $Y per inspection; the X and Y might vary by activity (commercial vs. housing). In setting X and Y, a consideration should be recovering, in total, at least as much as current fees. In addition, it should consider the cost to us to provide the service, as well as the value of the service. We believe this approach is simpler to understand and reduces complexity.
   b. Reinspections will be charged an additional inspection fee, and forms should clearly state this.
   c. Under this approach, identifying specific activities is not necessary, so it may cause a loss of information, especially for alternations. If getting information on certain activities is deemed important, such as key indicators of Village financial health, revisions to data collection processes should be established.
   d. For new houses, a base landscaping permit should be included.
   e. For new houses, the above does not include public works services (impact fee, sewage tank, connection of water, sewer and electricity) for new houses. For these services, we should continue to identify these items distinctly as services provided and not permitting items.
   f. For new houses, the Architectural Control Committee should do an initial lot and neighborhood inspection to ensure conformity to existing neighborhood aesthetics with an eye to enhancing neighborhood value.

3. Cancellations.
   a. For new house construction, develop a policy to address cancellations and refunding of fees. Currently, we have no policies or procedures but we have experienced cancellations and requests for refunds. Policy considerations may include things like timing, condition of the lot, or services that have been rendered. The permit should require that upon cancellation, the lot must be restored to its original condition. There may be a specific additional cancellation fee.
   b. For alterations and additions, the permit fee is not refundable. The inspection fee is refundable if no inspection has occurred.

4. In-home business permits. Allow in-home businesses with Architectural Control Committee approval and establish a permit fee; currently, no fee is charged. Consider creating a policy regarding in-home businesses that we allow or don’t allow. Consider a similar policy for commercial business establishment.

5. External modifications to existing houses. The Permitting and Inspections Department and the Architectural Control Committee should update procedures for permitting of all external modifications and how to define them, including but not limited to landscaping, reroofing and repainting. Permitting should require submission of plans and/or samples. Certain permits may require inspections.
6. Eliminate the current $300 ACC Administration Fee (complaint) line item; this fee is not currently in use. Have the current Appeals Committee review appeals for both violations and ACC denials. Consider refunding the appeals fee if the appeal is successful.

**Other Recommendations**

1. Streamline Permitting and Inspections Department and the Architectural Control Committee procedures. Review existing processes for streamlining and consistency with broad principles. The Permitting and Inspections Department and the Architectural Control Committee should work together to ensure appropriate distinctions and separations of areas of responsibility – the Architectural Control Committee generally focuses on aesthetics and Permits and Inspections focuses on adherence to code. Such review should consider simplicity for customer and staff, and encouragement of building activity.

2. Complaints. Require identification and specifics before investigating complaints. Currently, anonymous complaints are investigated, as well as complaints with vague targets.

3. POA inspections. POA inspections are driven by internal governance requirements and state code. The Management Team may wish to reconsider the POA’s role in providing inspections. We should consider investigating best practices to enhance community value.

4. Accommodating new housing activity. The Permits and Inspections Department and the Real Estate Department should develop processes to maintain close contact and coordinate activity appropriately. Permits and Inspections should consider developing a staffing strategy to quickly react to a possible rapid increase in new housing activity.
Minutes from the 01/27/17 Fees Committee Meeting

Attendees: George Parker, Lesley Nalley, Renee Haugen, Beverly Ellison, John Froning, Tom Heau, Bill Staggs
Guest: Bob Cunningham, John Weidert

1. Prior meeting minutes were approved.

2. Permits and Inspections. See attached for revised wording on our proposals.
   a) Item 2a - we expect Beverly to propose items X and Y in the next several weeks, well before the committee has any plans to submit our proposals
   b) Item 3, cancellations
      i) 3a, new houses. Changed “original condition” to “stable and marketable condition”
      ii) 3b – dropped “alterations and additions”. Added “or is required” at the end.
   c) Item 4. Changed “establish a permit fee” to “payment of permit fee”. The last sentence regarding commercial businesses - I revised the wording and added it as item 5 under “other business” as the new paragraph didn’t have much fee content.
   d) While discussing lakes, we discussed if renting might be considered an in home business. While we seemed to lean towards a “yes”, we did not discuss if this would impact our proposal.
   e) Similarly, while discussing lakes, Bill observed that in the process of building, residential or commercial, there is a risk of soil runoff or displacement, either after a rain or driving vehicles on and off the building site. For residential, we have an impact fee, but we probably don’t inspect after a heavy rain, or for things like silt fences. We did not discuss this in terms of how our PA (and hence fee) activity might change to address this risk. There seemed to be a jurisdictional issue, that is, another body (like the county) should be doing this inspection but probably isn’t.

3. Lakes. We discussed a wide variety of issues regarding compliance and purchasing stickers.
   a) General finance and budgetary status
      i) Fee sources by type. This is being analyzed. This would give us a much better idea of types of users and rates by type.
      ii) Other than the current boating fees (2016 budget was 85k), there wasn’t much other source of income. Expenses were budgeted at 220k operating plus 75k capital. Longer term, there isn’t a significant increase in budget. General discussion indicated a need for increased funds.
   b) Gatekeeping (access). We discussed points of entry and collecting fees at such points. Currently, we mostly use the honor system – voluntary purchase of stickers or put money in a box.
      i) Front gate. Stopping boats at the gate and checking for stickers. This would require new procedures, possibly more personnel and could either cause a gate reconfiguration or create traffic problems.
      ii) Boat ramps. Mechanical arm and electronic reader. Cost/benefit?
      iii) Renters. Rental agents appear to be willing to serve as a type of gatekeeper between either the visitors or the owners. There seemed to be traction for this from the Lakes committee.
   c) Identification of boat owners; creating and maintaining data
      i) Residents. A recent informal survey of a few lakes indicated that roughly 50% of boats on the lakes had stickers. For those lakes, this represented about $10k of fees, assuming that no sticker meant no payment of fees vs. payment was made but the sticker was not
displayed. The POA has recently tried to do more general notifications, such as email notifications requesting compliance with purchasing stickers.

ii) Dock owners. Docks need to be labeled with either the LBA or street address.

iii) Creating a complete list of boat owners. A complete list of craft owners would help in fee collection. Completing the data we have today is an issue. If we had such a list, it could be used for annual notification. There was some concern about mailing costs.

d) Jurisdiction. There appear to be a range of jurisdictions, including the POA, the counties, and the state (Department of Game and Fisheries). Fines from legal proceedings do not go to the POA. Can we fine for boating violations?

e) Monitoring and compliance. The POA has a boat that can be used for patrolling. Other than POA personnel, monitoring or enforcement resources may be volunteers, such as the current Beach Patrol, or an initiative such as an Auxiliary Coast Guard.

f) Comparables. Bella Vista was mentioned as having fewer lakes and a much larger budget. Do we know how they are financed? Do we have other comparables — budget, fees, patrols, compliance, etc.?

g) General

i) It is likely that expenses will continue to be largely subsidized from assessments.

ii) When evaluating the cost/benefit of solutions, there may be a nonfinancial benefit of positive impressions resulting from visibility and the effort of enforcement.

iii) People may be willing to pay more if they feel they are getting more or if value is being created by their contributions. People may be less willing to pay if they feel that lakes have been or are being ignored or underserved.

iv) The POA is willing to take voluntary contributions.

v) Are penalties, such as late fees, added to reported revenues at the department level?

vi) Can we use special assessments to fund lake costs?

4. Our next meeting is Friday, February 3, 9 am (back to our regular time), Rm 1 (not the normal Rm 3)
Fees Review Committee – Recommendations to the Management Team on Permitting and Inspections – January 27, 2017 Meeting

Recommendations Primarily Focused on Fees

1. All permits should indicate, on the permit form, that a fine will result if permit parameters are not followed. Under “Administrative Fines, Board Policy Ch. 5, Art. 1 – Violation of ACC procedure”, add the category: Failure to comply with parameters of issued permit, applicable code or Protective Covenants”.

2. Permit and inspection fees for new houses, home improvements, alterations and additions, and commercial.
   a. Permitting and Inspections should revise the fee schedule to be in the form of $X per permit plus $Y per inspection; the X and Y might vary by activity (commercial vs. housing). In setting X and Y, a consideration should be recovering, in total, at least as much as current fees. In addition, it should consider the cost to us to provide the service, as well as the value of the service. We believe this approach is simpler to understand and reduces complexity.
   b. Reinspections will be charged an additional inspection fee, and forms should clearly state this.
   c. Under this approach, identifying specific activities is not necessary, so it may cause a loss of information, especially for alternations. If getting information on certain activities is deemed important, such as key indicators of Village financial health, revisions to data collection processes should be established.
   d. For new houses, a base landscaping permit should be included.
   e. For new houses, the above does not include public works services (impact fee, sewage tank, connection of water, sewer and electricity) for new houses. For these services, we should continue to identify these items distinctly as services provided and not permitting items.
   f. For new houses, the Architectural Control Committee should do an initial lot and neighborhood inspection to ensure conformity to existing neighborhood aesthetics with an eye to enhancing neighborhood value.

3. Cancellations.
   a. For new house construction, develop a policy to address cancellations and refunding of fees. Currently, we have no policies or procedures but we have experienced cancellations and requests for refunds. Policy considerations may include things like timing, condition of the lot, or services that have been rendered. The permit should require that upon cancellation, the lot must be restored to a stable and marketable condition. There may be a specific additional cancellation fee.
   b. Permit fees are not refundable. The inspection fee is refundable if no inspection has occurred or required.

4. In-home business permits. Allow in-home businesses with Architectural Control Committee approval and payment of a permit fee; currently, no fee is charged. Consider creating a policy regarding in-home businesses that we allow or don’t allow.

5. External modifications to existing houses. The Permitting and Inspections Department and the Architectural Control Committee should update procedures for permitting of all external modifications and how to define them, including but not limited to landscaping, reroofing and repainting. Permitting should require submission of plans and/or samples. Certain permits may require inspections.
6. Eliminate the current $300 ACC Administration Fee (complaint) line item; this fee is not currently in use. Have the current Appeals Committee review appeals for both violations and ACC denials. Consider refunding the appeals fee if the appeal is successful.

**Other Recommendations**

1. Streamline Permitting and Inspections Department and the Architectural Control Committee procedures. Review existing processes for streamlining and consistency with broad principles. The Permitting and Inspections Department and the Architectural Control Committee should work together to ensure appropriate distinctions and separations of areas of responsibility – the Architectural Control Committee generally focuses on aesthetics and Permits and Inspections focuses on adherence to code. Such review should consider simplicity for customer and staff, and encouragement of building activity.

2. Complaints. Require identification and specifics before investigating complaints. Currently, anonymous complaints are investigated, as well as complaints with vague targets.

3. POA inspections. POA inspections are driven by internal governance requirements and state code. The Management Team may wish to reconsider the POA’s role in providing inspections. We should consider investigating best practices to enhance community value.

4. Accommodating new housing activity. The Permits and Inspections Department and the Real Estate Department should develop processes to maintain close contact and coordinate activity appropriately. Permits and Inspections should consider developing a staffing strategy to quickly react to a possible rapid increase in new housing activity.

5. Commercial businesses. Consider creating a policy regarding what types of business may or may not be allowed. In doing so, clarify the appropriate roles of the Board and the Architectural Control Committee – approval of building, allowance of a business, external appearance.
Minutes from the 02/03/17 Fees Committee Meeting

Attendees: George Parker, Liz Mathis, Renee Haugen, John Froning, Tom Heau, Bill Staggs, Brad Meredith

1. Prior meeting minutes were approved.
2. We welcomed Liz Mathis to the committee.
3. For future consideration under Public Works: should we have a fee associated with the deer hunt?
4. Lakes — revenue streams. Line item analysis by fee category will be produced for committee analysis. We didn't foresee other revenue streams other than the current boat registration fees, possibly enhanced by future enforcement efforts. The ability to levy fines is geared more toward compliance and not revenue generation.
5. Stopping boats at gates. While this may address certain problems, it may create others. Some people may pay at the ramp via the box systems. We need to address how short term renters would be impacted. If you have a village decal, you would just drive through the right lane. If you are a property owner, you can use the electronic gates. Unclear how traffic is impacted. For the time being, perhaps we can just count boat traffic at the gates.
6. Late fees. These are not currently being enforced. Should we recommend enforcement of late fees or should we eliminate this and rely on the enforcement/fining process?
7. Budget. It is not within the committee's purview to recommend budget actions.
8. Comparable lake fees. Brad handed out some information on other organizations similar to us. Bella Vista's fees were notably higher than ours and there was a scale relative to boat size. We hope to see more comparables (Cherokee, Tellico?) in the future.
9. Coast Guard Auxiliary. If we could establish this activity, it would add to safety and enforcement capability in a highly visible manner. George will continue to investigate.
10. Enforcement.
   a) Homeowner docks. Display of street addresses or LBA would be helpful at all docks; street addresses would be preferred. Could be a safety enhancement issue; police and fire might support this concept. For future lakeside constructions, consider requiring posting addresses as part of the construction process; existing construction is another issue. Upon identification of a violation and the homeowner, how to establish first contact: leave a notice vs. mail?
   b) Parking lots. While we can identify lack of stickers at parking lots, we would need to clarify what you do to notify the violator.
   c) Marinas. Enlist marina operators as gatekeepers to collect fees; some operators may be more amenable to helping than others. Patrol the marinas and report violations.
   d) Compliance at payment boxes is uneven. Some people fill out the forms, some don't, some people pay, some don't.
11. Bill and Brad left the meeting but we continued to discuss various lakes topics.
   a) Lakes committee charter. Charter should be reviewed for enforcement.
   b) Enlisting rental agencies help. It seems that the Lakes Committee has made progress in this area, and it sounded worthy of further pursuit.
   c) Fee schedule. We discussed some concepts.
      i) Three year registration. This is what the state does. The general idea is that collecting up front is better than collecting later. This concept could be used for other POA fees.
      ii) Fee increases for larger boats.
iii) Site licensing or package registration vs. individual boat registration.

iv) Monthly ACH vs. one time annual fee. Currently in use for Fitness and Tennis. Use for other annual fees?

v) 6 month pass – how often is this used? Can we get rid of it?

vi) Rentals as a permitted in-home business. If all rentals were permitted, this could possibly help in identifying boats associated with renters.

vii) Temporary slips. Should we provide and charge?

12. Action items: Invite Chief Middleton to discuss enforcement; Continue to research Auxiliary Coast Guard; collect lake fee comparables from other places; produce revenue by line analysis.

13. Next meeting: Friday, Feb 10, Coronado 3, 9 am.
Minutes from the 02/10/17 Fees Committee Meeting

Attendees: George Parker, Liz Mathis, Renee Haugen, Tom Heau, Bill Staggs, Brad Meredith
Guests: Ricky Middleton, Bob Cunningham, Mike Medica, John Weidert

1. Prior meeting minutes were approved.

2. We engaged in a dialog with Chief Middleton about enforcement.
   a) The police enforce laws but not POA policy. POA personnel may enforce POA policy, but not laws; POA personnel may not detain people. Volunteers may have less authority; they may identify situations and report information and situations to POA personnel; unsure if they can make contact. An Auxiliary Coast Guard would also have limits in what it can do.
   b) POA personnel can check for decals, engage, collect certain information, issue warnings, but follow up may be difficult. How much and what identification can be gathered or required?
   c) Much of what we discuss revolves around POA policy, so there is a limit to what the police may do to assist our issues.
   d) Gathering information from people or from vehicles may be possible. This would help us identify potential violators, especially repeat violators. Using license plate numbers for identifying boat registration violations didn't seem allowable but Village decals would be ok.
   e) General proviso: roles need to be clarified; before instituting procedures about enforcement, we need to run things by counsel. Once clarity is attained, training and education may be developed for enforcement personnel.

3. We discussed the Auxiliary Coast Guard. What such an organization can or cannot do needs to be researched and clarified. If they are uniformed, they project an image of authority that impacts standards of behavior.

4. We discussed a draft hand-out of possible recommendations to management.
   a) Display home addresses on docks, post electrical hazard signs. Agreed. There was mention of making signs available.
   b) Enforce late boat registration fee. Agreed, but take out grace period.
   c) Work with marina operators. Agreed, but change to POA owned operators.
   d) Enlist rental property agencies etc. Agreed. This led to a discussion of rentals as in-home businesses which would then require ACC approval and permitting. In addition, we discussed permitting of home alarm systems.
   e) Amend Lakes Committee charter. Agreed. We discussed the need for clarification of what constitutes a water craft.
   f) Auxiliary Coast Guard. Agreed.
   g) Other item for consideration
      i) Dock enforcement. A general process might be: 1. a violation is identified, 2. the associated property is identified, 3. the PO is notified, 4. the case is remedied. Step 2 can be accomplished if lakeside addresses were present, but without it, this process may be difficult. Can this process be useful today, are there various workarounds, or do we have to wait for dock addresses?
      ii) Parking lot enforcement. The general process above may work if the car can be traced back to the owner via a car sticker. Otherwise, the process becomes more complex. The car owner may or may not be a lot owner. If a volunteer, POA employee, police officer makes contact, what actions can be taken (PO vs guest vs renter); what information can be collected?
iii) Guest passes. This seemed more for beach usage and may not be a boating fee issue. Can homeowners get coupons that they can give to guests to be used as ID's at beaches?

5. Fee schedule. We discussed some concepts regarding the fee schedule.
   a) Revenue generation. We discussed selling naming rights. This did not garner much support.
   b) Optional 3 year registration, package registration, site registration. These ideas not garner much support.
   c) Boat registration based on boat size. We expressed preference for length vs. horse power.

6. Action items: continue to research Auxiliary Coast Guard; gather comparables from other places; produce revenue by line analysis.

7. Next meeting: Friday, Feb 17, Coronado 3, 9 am.
Minutes from the 02/10/17 Fees Committee Meeting

Attendees: George Parker, Liz Mathis, Renee Haugen, Tom Heau, John Froning, Bill Staggs, Brad Meredith
Guests: Bob Cunningham, Mike Medica, John Weidert

1. Prior meeting minutes were approved.
2. Attached is a draft of Recommendations to the Management Team on Lakes.
3. Other than Bella Vista, we were unable to obtain much in useful comparables.
4. We reviewed a handout of usage and fees by user category. Fee categories for "nonproperty owners" are for renters, not the general public. Based on reviewing this schedule, we are recommending eliminating the 14 day and 6 month fees. While we generally agreed that fees should be raised, we felt our primary concern at this time is a focus on compliance, and we did not have any suggestion for any specific increase. The budgeting process will address the level of fees in its normal course.
5. We reviewed various fee concepts that we had previously discussed, particularly boat registration based on length or horsepower. Either had some problems with verification and HP can be changed over time. Such a change would be viewed as more complex. We agreed on the status quo, choosing to focus primarily on enforcement and simplicity.
6. We discussed electric hazard signs. A quick reading of the state law drew various observations: the law requires posting of electric hazard signs; it appears to focus on docks with power; the law applies to us; it may not apply to other sources electricity such as submersible pumps. This topic may require further consideration.
7. We touched on a variety of old topics: nickels and dimes, a la carte fees versus general assessments, need for broad philosophies, rentals as in home businesses.
8. Next meeting: There is no meeting scheduled for next week (Fri., Feb 24). The next scheduled meeting will be Friday, March 3, Coronado 3, 9 am.
Minutes from the 02/10/17 Fees Committee Meeting

Attendees: George Parker, Liz Mathis, Renee Haugen, Tom Heau, John Froning, Bill Staggs, Brad Meredith
Guests: Bob Cunningham, Mike Medica, John Weidert

1. Prior meeting minutes were approved.
2. Attached is a draft of Recommendations to the Management Team on Lakes.
3. Other than Bella Vista, we were unable to obtain much in useful comparables.
4. We reviewed a handout of usage and fees by user category. Fee categories for “nonproperty owners” are for renters, not the general public. Based on reviewing this schedule, we are recommending eliminating the 14 day and 6 month fees. While we generally agreed that fees should be raised, we felt our primary concern at this time is a focus on compliance, and we did not have any suggestion for any specific increase. The budgeting process will address the level of fees in its normal course.
5. We reviewed various fee concepts that we had previously discussed, particularly boat registration based on length or horsepower. Either had some problems with verification and HP can be changed over time. Such a change would be viewed as more complex. We agreed on the status quo, choosing to focus primarily on enforcement and simplicity.
6. We discussed electric hazard signs. A quick reading of the state law drew various observations: the law requires posting of electric hazard signs; it appears to focus on docks with power; the law applies to us; it may not apply to other sources electricity such as submersible pumps. This topic may require further consideration.
7. We touched on a variety of old topics: nickels and dimes, à la carte fees versus general assessments, need for broad philosophies, rentals as in home businesses.
8. Next meeting: There is no meeting scheduled for next week (Fri., Feb 24). The next scheduled meeting will be Friday, March 3, Coronado 3, 9 am.
Minutes from the 03/03/17 Fees Committee Meeting

Attendees: George Parker, Liz Mathis, Renee Haugen, Tom Heau, John Froning, Bill Stagg
Guests: Bob Cunningham, Mike Medica, John Weidert

1. Prior meeting minutes were approved.

2. We were updated on a few items.
   a) Renee showed us the parking lot (red box) envelopes for paying. We agreed that redesigning them into 3 parts (envelope for money, dashboard ticket and personal ticket) is a worth pursuing.
   b) Just to make us aware, George shared with us an existing Lake Patrol Proposal (undated) and a Sep. 2015 Safety Compliance Task Force summary memo.
   c) Others will continue to pursue the formation of a Coast Guard Auxiliary Flotilla.

3. Attached are our Recommendations to the Management Team on Lakes. Unless new items are brought up, we appear to be close to finished with this topic.
   a) We added Item 1 regarding fee levels and reviewed all other items.
   b) A topic that could flow into other fee categories was the issue of fee length, that is, daily, one week, two week, one month, six month, and annual. We are recommending the elimination of the 14 day and 6 month fees for lakes. It appears that daily and annual fees are basics our fee structures in general, but what should our general attitude be toward other time periods?
   c) We discussed employee discounts. As they are part of compensation, we decided to not address this fee category.

4. We discussed construction of golf fees focus groups.
   a) It is likely to draw a strong response.
   b) The general topics will focus on the structure of fees, and fee levels (or subsidy).
   c) Group construction should attempt to draw in a wide variety of representatives. Input from staff, such as Tom Heffer, will be requested.
   d) When the focus groups meeting, a starting point would be to establish a common viewpoint, such as a summary of Village finances and some historical perspective of golf finances and usage. This would help put the coming discussion into some perspective.
   e) We will continue this discussion next week. George will invite the appropriate golf staff to participate.

5. Next meeting: The next scheduled meeting will be Friday, March 10, Coronado 3, 9 am.
Recommendation from the Ad Hoc Fee Review Committee to the Management Team Regarding Lakes Fees – March 3, 2017

1. While we generally agreed that fees should be raised, we felt our primary concern at this time is a focus on compliance.

2. To support enforcement of boat registration, ensure that Lakes Policy enables the POA to levy Administrative Fines by adding this category to the Administrative Fines list.

3. Enforce the $20 late boat registration fee.

4. Display home addresses on the lake side of each dock. While this should be done primarily for safety reasons, it would assist the POA in enforcing policies.

5. Research and establish policy regarding posting Electric Hazard signs on the land and lake sides of properties where electric hazard exists.

6. Work with marina operators to gain access to dock facilities to inspect water craft for registration stickers and request a name and address list of boat owners by slip.

7. Enlist rental property agencies and individual rental property owners help to include in their rental package Lakes water craft registration requirements.

8. Include water craft registration requirements and fining capability in the Public Works Village Compliance Division.

9. Where appropriate, ensure that the term water craft is properly defined.

10. Continue efforts to form a Coast Guard Auxiliary Flotilla.

11. Rules and enforcement surrounding Lakes is covered by a variety of jurisdictions. The POA needs to research and clarify who (the policy, staff, volunteers, etc.) may do what (observe, report, engage, request or obtain information, exert authority, etc.). Research should be reviewed by counsel. Once clarified, appropriate training should take place.

12. Dockside compliance. The Lakes Committee and staff should work together to create a process to increase compliance for lakeside properties. The process should include: patrolling by staff or volunteers to identify noncompliance, gather information to identify the property, communicate the information to appropriate staff; staff will identify the property owner and communicate with the property owner to remediate the situation.

13. Fee Schedule.
   a) Eliminate 6 month fees.
   b) Eliminate 14 day fees.
Minutes Ad Hoc Fees Review Committee Meeting – 03/10/2017

Attendees: Liz Mathis, Renee Haugen, Tom Heau, John Froning, Ray Metz, Tom Heffer
Guests: Bob Cunningham, Mike Medica

1. Prior meeting minutes were approved.
2. Lakes Recommendations were approved. We discussed the recommendations regarding 14 day and 6 month fees. As there will be other “non-daily, non-annual” fees in our future, we may have to revisit this recommendation for consistency.
3. We discussed the future formation of golf roundtables. We talked about “what are we trying to accomplish” and “what success would look like”. The white board summary below condenses our discussion and sets forth a future preliminary agenda to be discussed with representation from the Golf Committee.
4. We agreed that we needed to invite the Golf Committee (GC) into the process. The GC generally meets monthly and will meet next Thursday. Without such representation we may not meet next Friday.
5. Next meeting: The next scheduled meeting will be Friday, March 10, at 9 am, depending on GC response. Meeting place to be announced, but it will be either the same place or possibly at the POA Administration Offices. We will try to teleconference in John, who will be travelling.
6. After our meeting, George and I discussed status and action. I and Renee will discuss this with the GC Chair, Grover Scarborough to put us on the Thursday agenda. The general idea is to update the GC on where we are and invite them into the process, using the White Board Summary as an illustration. In addition, George has asked that I continue to lead our discussions on golf.

Tom Heau, Secretary Ad Hoc Fees Review

White Board Summary

1. Overall goals
   a) Listen, understand
   b) Get ideas
   c) Engage owners, create buy in, increase credibility
2. Topics/Agenda
   a) Fact sheet
   b) Fee structure, subsegments
   c) Fees/rates levels
   d) Revenue focus, not golf in general
3. Who should participate
   a) Golfers (subsegment)
   b) Nongolfers
4. How to select participants
5. Roundtable structure
   a) When
   b) Where
   c) How many
   d) Times
   e) Facilitation
6. Overall goals
   a) Listen, understand
   b) Get ideas
   c) Engage owners, create buy in, increase credibility