

IN THE SUPREME COURT OF THE STATE OF NEVADA

MEI-GSR HOLDINGS, LLC, a Nevada Limited Liability Company, GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION, a Nevada nonprofit corporation, GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a Nevada Limited Liability Company; AM-GSR HOLDINGS, LLC, a Nevada Limited Liability Company,

Appellants,

vs.

ALBERT THOMAS, individually; JANE DUNLAP, individually; JOHN DUNLAP, individually; BARRY HAY, individually; MARIE-ANNE ALEXANDER, as Trustee of the MARIE-ANNE ALEXANDER LIVING TRUST; MELISSA VAGUJHELYI and GEORGE VAGUJHELYI, as Trustees of the GEORGE VAGUJHELYI AND MELISSA VAGUJHELYI 2001 FAMILY TRUST AGREEMENT, U/T/A APRIL 13, 2001; D' ARCY NUNN, individually; HENRY NUNN, individually; MADELYN VAN DER BOKKE, individually; LEE VAN DER BOKKE, individually; ROBERT R. PEDERSON, individually and as Trustee of the PEDERSON 1990 TRUST; LOU ANN PEDERSON, individually and as Trustee of the PEDERSON 1990 TRUST; LORI ORDOVER, individually; WILLIAM A. HENDERSON, individually; CHRISTINE E. HENDERSON, individually; LOREN D. PARKER, individually; SUZANNE C. PARKER, individually; MICHAEL IZADY, individually; STEVEN TAKAKI, as Trustee of the STEVEN W. TAKAKI & FRANCES S. LEE REVOCABLE TRUSTEE AGREEMENT, UTD

Supreme Court No. 88065

District Court Case No. CV12-02222

Electronically Filed
Apr 05 2024 03:12 PM
Elizabeth A. Brown
Clerk of Supreme Court

JANUARY 11, 2000; FARAD TORABKHAN, individually; SAHAR TAVAKOLI, individually; M&Y HOLDINGS, LLC; JL&YL HOLDINGS, LLC; SANDI RAINES, individually; R. RAGHURAM, as Trustee of the RAJ AND USHA RAGHURAM LIVING TRUST DATED APRIL 25, 2001; USHA RAGHURAM, as Trustee of the RAJ AND USHA RAGHURAM LIVING TRUST DATED APRIL 25, 2001; LORI K. TOKUTOMI, individually; GARRET TOM, as Trustee of THE GARRET AND ANITA TOM TRUST, DATED 5/14/2006; ANITA TOM, as Trustee of THE GARRET AND ANITA TOM TRUST, DATED 5/14/2006; RAMON FADRILAN, individually; FAYE FADRILAN, individually; PETER K. LEE and MONICA L. LEE, as Trustees of the LEE FAMILY 2002 REVOCABLE TRUST; DOMINIC YIN, individually; ELIAS SHAMIEH, individually; JEFFREY QUINN, individually; BARBARA ROSE QUINN individually; KENNETH RICHE, individually; MAXINE RICHE, individually; NORMAN CHANDLER, individually; BENTON WAN, individually; TIMOTHY D. KAPLAN, individually; SILKSCAPE INC.; PETER CHENG, individually; ELISA CHENG, individually; GREG A. CAMERON, individually; TMI PROPERTY GROUP, LLC; RICHARD LUTZ, individually; SANDRA LUTZ, individually; MARY A. KOSSICK, individually; MELVIN CHEAH, individually; DI SHEN, individually; NADINE'S REAL ESTATE INVESTMENTS, LLC; AJIT GUPTA, individually; SEEMA GUPTA, individually; FREDERICK FISH, individually; LISA FISH, individually; ROBERT A. WILLIAMS, individually; JACQUELIN PHAM, as Manager of Condotel 1906 LLC; MAY ANNE HOM, as Trustee of the MAY ANNE HOM TRUST;

MICHAEL HURLEY, individually; DUANE WINDHORST, as Trustee of DUANE H. WINDHORST TRUST U/A dtd. 01/15/2003 and MARILYN L. WINDHORST TRUST U/A/ dtd. 01/15/2003; MARILYN WINDHORST, as Trustee of DUANE H. WINDHORST TRUST U/A dtd. 01/15/2003 and MARILYN L. WINDHORST TRUST U/A/ dtd. 01/15/2003; VINOD BHAN, individually; ANNE BHAN, individually; GUY P. BROWNE, individually; GARTH A. WILLIAMS, individually; PAMELA Y. ARATANI, individually; DARLEEN LINDGREN, individually; LAVERNE ROBERTS, individually; DOUG MECHAM, individually; CHRISTINE MECHAM, individually; KWANG SOON SON, individually; SOO YEU MOON, individually; JOHNSON AKINBODUNSE, individually; IRENE WEISS, as Trustee of the WEISS FAMILY TRUST; PRAVESH CHOPRA, individually; TERRY POPE, individually; NANCY POPE, individually; JAMES TAYLOR, individually; RYAN TAYLOR, individually; KI NAM CHOI, individually; YOUNG JA CHOI, individually; SANG DAE SOHN, individually; KUK HYUN (CONNIE) YOO, individually; SANG SOON (MIKE) YOO, individually; BRETT MENMUIR, as Manager of CARRERA PROPERTIES, LLC; WILLIAM MINER, JR., individually; CHANH TRUONG, individually; ELIZABETH ANDRES MECUA, individually; SHEPHERD MOUNTAIN, LLC; ROBERT BRUNNER, individually; AMY BRUNNER, individually; JEFF RIOPELLE, as Trustee of the RIOPELLE FAMILY TRUST; PATRICIA M. MOLL, individually; DANIEL MOLL, individually,

Respondents.

**APPENDIX TO ANSWER TO PETITION FOR WRIT OF PROHIBITION
OR, IN THE ALTERNATIVE, MANDAMUS**

VOLUME 4 OF 9

Submitted for all respondents by:

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ATTORNEYS FOR RESPONDENTS ALBERT THOMAS, et al.

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CERTIFICATE OF SERVICE

I hereby certify that I am an employee of Robertson, Johnson, Miller & Williamson, over the age of eighteen, and not a party to the within action. I further certify that on April 5, 2024, I electronically filed the foregoing **APPENDIX TO ANSWER TO PETITION FOR WRIT OF PROHIBITION OR, IN THE ALTERNATIVE, MANDAMUS, VOLUME 4 OF 9** with the Clerk of the Court by using the ECF system which served the following parties electronically:

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Hon. Elizabeth Gonzalez
Senior Judge, Dept. 10
Second Judicial District Court
75 Court Street
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/s/ Teresa Stovak
An Employee of Robertson, Johnson, Miller
& Williamson

EXHIBIT "5"

EXHIBIT "5"

Grand Sierra Resort - Common Area

Annual Review Without Site Visit

Start Date: 01/01/2020



Better Reserve Consultants

RSS Mari Jo Betterley, RSS 0000025



January 15, 2020

Grand Sierra Resort - Common Area
Grand Sierra Resort

Reno, NV 89502

Grand Sierra Resort - Common Area Executive Board of Directors,

Thank you for this opportunity to complete a Reserve Study for your Association. A Reserve Study is the most important document that determines where “hundreds of thousands or millions” of your assessment dollars will be spent. The Study is a planning tool that will plan the maintenance of your Association and affect your property value now and in the future.

A Study with a Site Inspection is required every 5 years. The Reserve Study should be reviewed at least annually and any adjustments to the Association’s funding plan should be made to provide adequate funding for the required reserves. It is important to complete a Reserve Study Update each year to ensure adequate funding of the Reserves while keeping the assessments as low as possible.

Reserve Study with Site Inspection and Annual Updates

Most Recent Reserve Study with Site Inspection: January 1, 2017

Next Reserve Study with Site Inspection: January 1, 2022, should be completed in the fall of 2021, prior to 2022 Budget

Reserve Study Update: Should be completed each year in the Fall, prior to Budget

NRS 116.31152 Study of Reserves; Duties of Executive Board Regarding Study:

1.The executive board shall:

- (a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements;
- (b) At least annually, review the results of that study to determine whether those reserves are sufficient; and
- (c) At least annually, make any adjustments to the association’s funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

The Grand Sierra Resort- Common Area includes the Building Exterior and Roofs, Traffic Areas, Security and Fire Upgrades, Signage, Roads and Parking Lots, Utilities and Mechanical Systems, Heating and Cooling and Water Systems.

What is a Reserve Study?

A Reserve Study is a financial planning tool that identifies the current status of the Reserve Fund and provides a Funding Tool for Repair, Replacement, Restoration or Maintenance of the Major Components of the Common Elements. A Major component of the common elements is any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system or equipment, that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine annual maintenance which is included in the annual operating budget of an association.

Why have a Reserve Study?

A Reserve Study is required by the State of Nevada.

*A Reserve Study provides important annual disclosures to association members and prospective buyers regarding the condition of common area components.

* If you are selling your property or if you are a potential buyer, many financial institutions will not lend money on a property in an association without a properly funded Reserve Study.

* A Reserve Study focuses on ensuring that the property is in good condition, yet "reserves" your Association's money properly so that there are no needs for "Special Assessments" or huge increases in assessments in the future.

*And most important, a Reserve Study ensures that your Association will be a better place to own, now and in the future.

The Reserve Study is prepared by an outside independent consultant for the benefit of the Board of Directors of a property with multiple owners, such as Homeowners Associations, Time Shares, Resorts, Hotels, Apartment Buildings, Office Parks, Worship Facilities, Swimming Pools, Private (golf/social) Clubs, Lodges (Elks, Masons) Nursing Homes, Sororities, Fraternities and Private Schools.

The Reserve Study contains an assessment of the Estimated Useful Life and Replacement Costs of the commonly owned property components as determined by the particular association's CC&Rs and bylaws. This Study evaluates the current condition of the Components and the Estimated Remaining Useful Life. The Replacement Cost is based on actual historical costs from Invoices or Bids or Estimates from Experts in the Field.

NRS 116.2115 Assessments for common expenses; funding of adequate reserves; collection of interest on past due assessments; calculation of assessments for particular types of common expenses; notice of meetings regarding assessments for capital improvements....

(a) All common expenses, including the reserves, must be assessed against all the units in accordance with the allocations set forth in the declaration pursuant to subsections 1 and 2 of NRS 116.2107.

(b) The association shall establish adequate reserves, funded on a reasonable basis, for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore. The reserves may be used only for those purposes, including, without limitation, repairing, replacing and restoring roofs, roads and sidewalks, and must not be used for daily maintenance. The association may comply with the provisions of this paragraph through a funding plan that is designed to allocate the costs for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore.

Levels of Service:

There are three types of a Reserve Study:

1. Full Reserve Study:

Component Inventory-- An actual field inspection of the common elements with representative sampling;

Condition Assessment (based upon on-site visual observations)

Life and Valuation Estimates

Fund Status

Funding Plan

2. Update, With-Site-Visit/On-Site Review: (May be an update on a Reserve Study

Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).

Component Inventory (verification only, not quantification)

Condition Assessment (based on on-site visual observations)

Life and Valuation Estimates

Fund Status

Funding Plan

3. Update, No-Site-Visit/Off Site Review: (May be an update on a Reserve Study Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).

Life and Valuation Estimates

Fund Status

Funding Plan

For updated reserve studies, quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

In many cases, it is better to complete a new, Full Study rather than ask the Reserve Study Specialist to update a Study prepared by another company. The Reserve Study Specialist must rely on the previous Study's information, measurements, estimated useful life and replacement costs.

Future Utility Line Major Repairs and Replacement such as Water Lines, Sewer Lines and Electrical Upgrades should be included in the Study. Expert evaluation of all Utilities is strongly recommended to ensure the accurate Repair or Replacement Costs as well as the Estimated Remaining Useful Life of each Component. If there is Asbestos present in the property, the Asbestos Abatement Costs and Time Frames should be included in the Study. Because a Reserve Study is not a Structural or Property Inspection, the Reserve Specialist may not be aware of Utility Line Issues or Asbestos. The Board of Directors and the Community Manager must inform the Specialist of any issues that may be present.

Reserve Study Specialist Experience and Qualifications

Mari Jo Betterley, RSS. 0000025

*National Association of Professional Reserve Analysts Certified RS #2331

*Community Association Institute Certified RS #169

*Community Association Institute Business Partner

*Association of Professional Analysts PRA#2331

*Over 5000 Reserve Studies and Reserve Study Updates completed worldwide.

*Reserve Study Specialist 2004-Present

*Graduate- University of Nevada Reno- 1983

*Attendance 800+ Homeowner Association Executive Board Meetings and HOA Meetings

* Instructor Continuing Education Classes:

"Reserve Studies - Working With the Experts in the Field -Pavement Engineer" - CE.0166500-CAM "

"Manager's Role/ How to Read and Interpret a Reserve Study"- CE.0166000-CAM

" Reserve Studies- Meet the Experts- Painting and Surface Treatment"- C.E.0166600-CAM

"Reserve Studies From Start to Finish- Fundamentals" – CE.0166400-CAM

Conflict of Interest

There is no relationship with this Association that could result in actual or perceived conflicts of interest. The Reserve Study Specialist does not expect to receive any direct or indirect compensation or profits from any person who will perform services for the client.

There is no affiliation with, or financial interest in the association for which the reserve study specialist will prepare the reserve study; and The Reserve Study Specialist does not have a personal relationship with any unit's owner, member of the executive board of the association for which the reserve study specialist will prepare the reserve study.

Sources Relied Upon in Determining the Component Estimated Useful Life, Remaining Useful Life and today's cost

Better Reserve Consultants uses "real costs and numbers" whenever possible. We rely on the Management Company and the Board of Directors to provide actual bids, invoices and estimates for the Component Measurements, Replacement Costs and Estimated time frames. If the Management Company does not have the "history" of the component information, we may ask a third party Contractor to evaluate and measure the property. Any consultants and other persons with expertise used to assist in the preparation of the reserve study names have been included in this Study.

The Beginning Reserve Balance for this Reserve Study has been provided by the Management Company/ Board of Directors. If the Reserve Study Site Inspection Date is not the date that the Reserve Study was prepared, the Initial Reserves may be an estimation of a future Reserve Bank Account Balance.

Board of Directors Responsibility

The Board of the Directors, the Management Company and the Reserve Study Specialist must work hand in hand to complete an accurate Reserve Study.

The Board of Directors must take full ownership in the Reserve Study. They should be involved in the process every step of the way. The Board of Directors or Manager should walk the property with the Reserve Study Specialist and discuss the “history” of the components as well as the Board’s future plans for the Association. If the walkthrough is not possible, then a phone conversation to discuss the details of the Association may be adequate.

When the preliminary Study is provided, the Board of Directors should read it carefully and ensure that all information is correct. The Board of Directors should attend a Workshop or Board Meeting to discuss the Study in detail with the Reserve Study Specialist to ensure accuracy and understanding.

When the Study is adopted by the Board, the Board of Directors should think of it as a real tool to plan the future condition of the Association. Some Board Members say that they carry the Study with them to every meeting, reviewing the plans and updating the study at each meeting. By NRS requirements, the Study is to be reviewed on an annual basis. I always tell the Board of Directors to think of themselves as "Pioneers" for their Association. It doesn't matter if the Association is 3 years old or 30 years old. What you do now will affect the future condition of the Association.

Calculations

This Study Fully Funded Balance is based upon the National Standards set forth through the Community Association Institute. The Fully Funded Balance (FFB) is defined as: Total Accrued Depreciation-An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association total. Two formulas can be utilized depending on the provider’s sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.
$$FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$
 or
$$FFB = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate})^{\text{Remaining Life}}] - [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate})^{\text{Remaining Life}}]$$

Threshold Funding Method

This Reserve Study is based on the Threshold Funding Method: Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Other Funding Methods include the Baseline Funding and Full Funding Methods.

An Update or a Full Reserve Study should be completed at least every year or if any of the following situations occur: If there are changes in the Management Company, Interest Rates, Changes in Inflation, or the Economy, after any major project completion or prior to beginning a major project (such as Roofing, Painting, Overlay, etc.), after a catastrophic event such as a fire or flood. The Study is a "working tool" or "living document" that should evolve and be updated with real costs and numbers.

NRS 116.31144--Audit and review of financial statements. 1.Except as otherwise provided in subsection 2, the executive board shall: (a)If the annual budget of the association is \$45,000 or more but less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152. (b)If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year. (c)If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.

Disclosures

The Initial Reserve Fund Bank Account Balance and Interest Rate was provided by the Management Company or Board of Directors. The Reserve Study Specialist did not verify or audit this fund.

There are no guarantees, expressed or implied, with the predictions of the cost or life expectancy of any of the major components. Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer.

A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited. A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality or structural inspection.

Material issues which (including Defects in Design or Construction), if not disclosed, would cause the condition of the association to be misrepresented. The Client Inventory List is based on the Site Inspection, Previous Reserve Study and Information provided by the Community Manager and Board of Directors. It is the responsibility of the client to verify that all components are listed correctly.

The Reserve Study Specialist will not perform invasive testing. The Condition of the Components may be based on Representative Sampling.

The projected life expectancy of the major components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components and dramatically increase the funding needs of the reserves of the association.

The Reserve Study Funding Plan is based on the assumption that there are no unforeseen circumstances that would alter the components Repair, Replacement, Restoration or Maintenance Costs and Estimated Remaining or Useful Life. The Recommended Reserve Contribution and Funding Levels chart, included in this Study, must be followed.

Funding Status

The Grand Sierra Resort Common Area is adequately funded as long as the Recommended Reserve Contribution Funding Chart is followed and there are no unforeseen circumstances that would affect the components useful life.

"Adequately Funded"

Nevada Revised Statute requires that the Association Reserve Fund is "Adequately Funded." NAC 116.425 Reserve study: Contents. (NRS 116.31152, 116.615)

2. ... "adequately funded reserve" means the funds sufficient to maintain the common elements:

- (a) At the level described in the governing documents and in a reserve study; and
- (b) Without using the funds from the operating budget or without special assessments, except for occurrences that are a result of unforeseen catastrophic events.

A Reserve Study is considered a "working tool" and should be re-evaluated every year. What is accurate this year, may not be accurate in future years. Each year the Reserve Study should be updated with recent history and actual costs along with future costs and revised plans. The Reserve Study should "evolve" and change so that it is a "living document" that the Board of Directors follows and believes in.

Thank you for this opportunity to EARN your business. It has been our pleasure to complete this Reserve Study for your Association. Better Reserve Consultants takes pride in completing an accurate Reserve Study that is very "customized" to your Association. We are happy to attend Board Meetings, Workshops or Conference Calls at no additional cost. It is our goal that you have a Reserve Study that you will actually use as a tool - a Study that you will believe in!

Thank you,

Mari Jo Betterley, RSS
Better Reserve Consultants

Important Information

Reserve Study / Fiscal Year Start Date: 01/01/2020

Number of Assessment Paying Members/ Units: 1

Reserve Bank Accounts Interest Rate and Balance as of: 01/01/2020

Reserve Bank Account	5.0%	<u>\$1,820,970.58</u>
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Total: \$1,820,970.58

Inflation Rate: 2.50% (Based on the average over the last 20 years)

Income Tax Rate: 30.00% on Reserve Bank Account Interest Only

Current Annual Reserve Contribution/ Transfer From Operating: \$2,600,000.00

Total estimated current replacement costs of the major component inventory: \$29,430,665.70

Special Reserve Assessment Recommended: \$6,500,000.00



The Pool Area is considered a Hotel Common Area. Future Renovation has been included in this Study.



The Casino, Restaurants, Stage, Nightclub, Movie Theatre, Banquet Rooms, etc. have not been included in the Study because they are not provided by the Hotel, any customer may pay to use them.



The Hotel Front Desk Area Maintenance Has been included with the "Hotel Halls and Elevators" Full Study. The Traffic Area in front of the Desk is considered Hotel Common Area.



"Traffic Areas" around the Casino are considered Hotel Common Area because they are shared with Hotel Guests and Casino Customers.



Doors 8- Spa, 9-South, 1-Main, and 2-NW Entrances are considered Hotel Common Area. Most surfaces such as the Tile Flooring and Columns, have an estimated useful life of more than 30 years. Painting and Electrical and Lighting have been included in the Study.



The Hallways and Elevators have been included in a Separate Study because they are for Hotel Guests only.



The Pond and Golf Arena is not included as a Hotel Common Area because it is an amenity that the public must pay for and is not restricted to Hotel Customers only.



All Utility, Mechanical and Systems have been included in the Study including the Water Pumps, Condensing Pumps, Elevators, Escalators, Boilers, Power Systems, Cooling Towers, etc.



The Estimated Replacement Costs and Useful Life was provided by Mike Gilbert, Director of Property Operations, Grand Sierra Resort, Reno, Nevada.



The Asphalt Road Maintenance Schedule includes the Surface Maintenance Treatment, Overlay, Crack Seal, Concrete Curbing Repairs and Striping and Curb Painting. This Schedule is an estimation only and should be updated when work is done.



The Asphalt Roads and Parking are considered Hotel Common Area because they are used by Hotel Guests as well as Casino Guests.

Component Evaluation - Concepts

Common Element

The Association CC&Rs typically define what a common element is. Usually, this is property owned in common by all the unit owners (rather than by an individual unit owner).

Component

A Major Component of the common elements is any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system or equipment, that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine annual maintenance which is included in the annual operating budget of an association.

Units

A quantity chosen as a standard in terms of measurement. For Example, Square Footage, Linear Footage, a Condominium Unit, a Roof, etc.

Date Last Repaired/ Replaced:

Estimated date when the Component was last Replaced, Repaired, Restored or Maintained

Cost Per Unit

How much each unit of measurement costs to repair, replace, restore, or maintain

Today's Cost:

Total Estimated Cost to Repair, Replace, Maintain or Restore the Component
This may be a calculation of Costs per Unit x Number of Units or it may be a set value.

Estimated Life When New

Estimated Time Frame that the Component should last before it is Repaired, Replaced, Restored or Maintained. This may be based on a Warranty, Historical Life Span, Manufactures/ Contractors opinion, location, etc.

Estimated Remaining Useful Life:

The Estimated amount of time that the component will actually last from today
This may be a calculation based on Estimated Useful Life When New minus the actual age or it could be based on other factors such as wear, condition, climate etc.



Building Exterior

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Building Exterior - Painting	2021	all	2,500,000.00	2,500,000.00	1	20
2.	Building Exterior - Roof 27th Floor	2021	1 unit	100,000.00	100,000.00	1	20
3.	Building Exterior - Roof Ballroom	2021	1 unit	330,000.00	330,000.00	1	20
4.	Building Exterior - Roof Casino	2022	1 unit	750,000.00	750,000.00	2	20
5.	Building Exterior - Roof East Roof	2023	1 unit	250,000.00	250,000.00	3	20
6.	Building Exterior - Roof Front Desk VIP (Done 2019)	2039	1 unit	210,000.00	210,000.00	19	20
7.	Building Exterior - Roof Main Dock (Done 2018)	2038	1 unit	80,000.00	80,000.00	18	20
8.	Building Exterior - Roof Main Entrance Capopy	2020	1 unit	125,000.00	125,000.00	0	20
9.	Building Exterior - Roof Main Summit Pavilion	2021	1 unit	300,000.00	300,000.00	1	20
10.	Building Exterior - Roof North Way Roof	2024	1 unit	35,000.00	35,000.00	4	20
11.	Building Exterior - Roof Restaurant Row Done 2019)	2039	1 unit	300,000.00	300,000.00	19	20
12.	Building Exterior - Roof South Entrance Capopy	2020	1 unit	130,000.00	130,000.00	0	20
13.	Building Exterior - Roof South Roof (Done 2018)	2038	1 unit	70,000.00	70,000.00	18	20
14.	Building Exterior - Roof Theatre (Done 2019)	2039	1 unit	150,000.00	150,000.00	19	20

Building Exterior (Continued)

Component		Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
15.	Building Exterior - Window Replacement Allowance	Annual	as needed	25,000.00	25,000.00	0	1



Common Area

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Common Area - Component: Airport Vehicles	2022	1 unit	120,000.00	120,000.00	2	5
2.	Common Area - Component: Equipment Contingency Allowance	Annual	as needed	20,000.00	20,000.00	0	1
3.	Common Area - Component: Exterior Entrance Area Painting/ Renovation (Doors 1, 2, 8 and 9) (Done 2016)	2026	4 units	10,000.00	40,000.00	6	10
4.	Common Area - Component: Interior Equipment Contingency (EVS)	Annual	as needed	3,000.00	3,000.00	0	1
5.	Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	Annual	as needed	50,000.00	50,000.00	0	1
6.	Common Area - Concrete Entrance (Main to North)	2020	as needed	250,000.00	250,000.00	0	30
7.	Common Area - Concrete North Entrance (Done 2019)	2049	as needed	250,000.00	250,000.00	29	30
8.	Common Area - Landscaping Rehab Northwest	2020	as needed	275,000.00	275,000.00	0	10

Common Area (Continued)

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
9.	Common Area - Landscaping Rehab Southwest (Done 2019)	2020	as needed	225,000.00	225,000.00	0	10
10.	Common Area - Landscaping Renovation Contingency Ongoing	Annual	as needed	20,000.00	20,000.00	0	1
11.	Common Area - Lighting and Electrical Contingency	Annual	as needed	10,000.00	10,000.00	0	1
12.	Common Area - Security Fire System Upgrade	2021	1 unit	3,500,000.00	3,500,000.00	1	30
13.	Common Area - Security Monitoring System	2022	1 unit	1,000,000.00	1,000,000.00	2	30
14.	Common Area - Signage - Directional Exterior (Done 2018)	2028	as needed	60,000.00	60,000.00	8	10
16.	Common Area - Signage Marquis at Freeway (Done 2017)	2027	as needed	1,300,000.00	1,300,000.00	7	10
15.	Common Area - Signage - On Building (Done 2016)	2026	as needed	1,200,000.00	1,200,000.00	6	10



Roads and Parking

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Roads and Parking - Removal and Reconstruction Area 1 (Pink)	2021	117050 sq ft	2.50	292,625.00	1	20
2.	Roads and Parking - Removal and Reconstruction Area 2 (Red)	2023	211463 sq ft	2.50	528,657.50	3	20
3.	Roads and Parking - Removal and Reconstruction Area 3 (Blue)	2024	326799 sq ft	2.50	816,997.50	4	20
4.	Roads and Parking - Removal and Reconstruction Area 4 (Orange)	2033	176167 sq ft	2.50	440,417.50	13	20
5.	Roads and Parking - Removal and Reconstruction Area 5 (White)	2023	363282 sq ft	2.50	908,205.00	3	20
6.	Roads and Parking - Removal and Reconstruction Area 6 (Yellow)	2023	239143 sq ft	2.50	597,857.50	3	20
7.	Roads and Parking - Removal and Reconstruction Area 7 (Brown)	2024	70432 sq ft	2.50	176,080.00	4	20

Roads and Parking (Continued)

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
8.	Roads and Parking - Removal and Reconstruction Area 8 (Green)	2022	189749 sq ft	2.50	474,372.50	2	20
9.	Roads and Parking - Removal and Reconstruction Area Ring Road (Purple)(Done 2016)	2037	630606 sq ft	2.50	1,576,515.00	17	20
10.	Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	2021	117050 sq ft	0.20	23,410.00	1	5
11.	Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	2024	211463 sq ft	0.20	42,292.60	4	5
12.	Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	2021	326799 sq ft	0.20	65,359.80	1	5
13.	Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	2024	176167 sq ft	0.20	35,233.40	4	5
14.	Roads and Parking - Surface Maintenance Treatment Area 5 (White)	2022	363282 sq ft	0.20	72,656.40	2	5
15.	Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	2022	239143 sq ft	0.20	47,828.60	2	5
16.	Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	2022	70432 sq ft	0.20	14,086.40	2	5
17.	Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	2021	189749 sq ft	0.20	37,949.80	1	5
18.	Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	2023	630606 sq ft	0.20	126,121.20	3	5



Utilities/ Mechanical/ Systems

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Utilities/ Mechanical/ Systems - Boiler	Annual	1 unit	15,000.00	15,000.00	0	1
2.	Utilities/ Mechanical/ Systems - Boiler Replacement Unit 1	2021	1 unit	100,000.00	100,000.00	1	30
3.	Utilities/ Mechanical/ Systems - Boiler Replacement Unit 2	2022	1 unit	100,000.00	100,000.00	2	30
4.	Utilities/ Mechanical/ Systems - Boiler Replacement Unit 3	2023	1 unit	100,000.00	100,000.00	3	30
5.	Utilities/ Mechanical/ Systems - Boiler Replacement Unit 4	2024	1 unit	100,000.00	100,000.00	4	30
6.	Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	Annual	as needed	100,000.00	100,000.00	0	1
7.	Utilities/ Mechanical/ Systems - Component: Building Management System (Done 2016)	2036	1 unit	90,000.00	90,000.00	16	20
8.	Utilities/ Mechanical/ Systems - Component: Chiller 1	2027	1 unit	1,800,000.00	1,800,000.00	7	30
9.	Utilities/ Mechanical/ Systems - Component: Chiller 2	2028	1 unit	1,800,000.00	1,800,000.00	8	30

Utilities/ Mechanical/ Systems (Continued)

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
10.	Utilities/ Mechanical/ Systems - Component: Chiller 3	2023	1 unit	1,800,000.00	1,800,000.00	3	30
11.	Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	2021	1 unit	170,000.00	170,000.00	1	5
12.	Utilities/ Mechanical/ Systems - Component: Cooling Towers Pump Valves	2021	1 unit	300,000.00	300,000.00	1	10
13.	Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps (Replaced 2011)	2023	1 unit	130,000.00	130,000.00	3	10
14.	Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps Back Up	2021	3 units	125,000.00	375,000.00	1	20
15.	Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Elevator	2023	1 unit	150,000.00	150,000.00	3	30
16.	Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Tower 01and 02	2020	2 units	175,000.00	350,000.00	0	30
17.	Utilities/ Mechanical/ Systems - Component: Power Feed Phase 1 & 2	2047	1 unit	43,000.00	43,000.00	27	30
18.	Utilities/ Mechanical/ Systems - Component: Power Feed Phase 3	2021	1 unit	18,000.00	18,000.00	1	30
19.	Utilities/ Mechanical/ Systems - Component: Power Transfer Switches for Emergency (Done 2016)	2047	1 unit	50,000.00	50,000.00	27	30
20.	Utilities/ Mechanical/ Systems - Component: Soft Water System	2021	1 unit	40,000.00	40,000.00	1	12
21.	Utilities/ Mechanical/ Systems - Component: Thermostats (Done 2016)	2036	1 unit	600,000.00	600,000.00	16	20
22.	Utilities/ Mechanical/ Systems - Component: Water Pumps- Chilled, Left, 2 Riser Pumps, Soft Starters on 2 Chillers	2036	1 unit	450,000.00	450,000.00	16	20

Utilities/ Mechanical/ Systems (Continued)

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
23.	Utilities/ Mechanical/ Systems - Component: Water Pumps- Condensing (Done 2016)	2046	1 unit	750,000.00	750,000.00	26	30
24.	Utilities/ Mechanical/ Systems - Water Domestic VFD`s Replacement	2032	1 unit	45,000.00	45,000.00	12	15

Recommended Reserve Contribution and Funding Levels - Concepts

Beginning of the Year Balance	Reserve Bank Account(s) Balance as of the Beginning of the year
Annual Transfer	Recommended Transfer or Annual Contribution to the Reserve Account
Monthly Contribution per Unit	An example of the amount of money that each unit owner would contribute to the Reserve Bank Account each month
Annual Expenditures	Estimated Expenditures based on the Component Evaluation
Investment Earnings	Dollar Amount of Interest contributed to the Reserve Account based on the percent interest rate on the Reserve Bank Account - Provided by the Management Company or Board of Directors.
Income Tax	Estimated Income Tax - 30% of the Reserve Bank Account(s) earned interest
End of the Year Balance	Recommended Reserve Bank Account Ending Balance at the end of the Fiscal Year
% Funded	A Measure of the financial health of the Association based on funding the depreciation of each Component. The chart below indicates the financial position based on the Percent Funded.
Fully Funded- 100% Funded	Funding of 100% of the depreciation of each Component.

0% - 40% Funded is considered to be a "weak" financial position. Associations that fall into this category must take action to bring the funding levels to a proper level by raising the monthly/ annual contribution or a Special Reserve Assessment.

40% - 74% Funded is considered to be a "fair" financial position. This does not represent financial strength and stability. The likelihood of a Special Assessment is still possible. The Association should make every effort to continue strengthening the financial position of the Reserve Fund.

75% - 99% Funded is considered a "strong" financial position. This indicates financial strength of a Reserve Fund and every attempt to maintain this level should be a goal of the Association.

100% Funded or Greater is the "ideal" financial position. This means that the Association has the funds in the Reserve Account in order to repair, replace, restore or maintain the Common Elements based on their depreciation. Some Reserve Studies will fund the Reserves up to 130% Funded. In some instances, the Reserve Fund may be over the 100% funding mark in order to prepare for larger costs that will impact the Reserve Account in the future.

Grand Sierra Resort - Common Area

Recommended Reserve Contribution

Year Funded	Beginning of Year Balance	Spc Rsv Assessmt	Annual Transfer	Member Mo Pmt	Annual Expenditures	Interest Earned	Income Tax	End
2020	\$1,820,970.58	\$0.00	\$2,600,000.00	\$216,666.67	\$1,598,000.00	\$91,049.00	\$27,314.70	\$2,88
2021	\$2,886,704.88	\$3,500,000.00	\$2,700,000.00	\$225,000.00	\$8,605,228.23	\$144,335.00	\$43,300.50	\$58
2022	\$582,511.15	\$3,000,000.00	\$2,800,000.00	\$233,333.33	\$2,964,804.82	\$29,126.00	\$8,737.80	\$3,43
2023	\$3,438,094.53	\$0.00	\$2,800,000.00	\$233,333.33	\$5,205,518.28	\$171,905.00	\$51,571.50	\$1,15
2024	\$1,152,909.75	\$0.00	\$2,800,000.00	\$233,333.33	\$1,598,987.21	\$57,645.00	\$17,293.50	\$2,39
2025	\$2,394,274.04	\$0.00	\$2,800,000.00	\$233,333.33	\$274,932.18	\$119,714.00	\$35,914.20	\$5,00
2026	\$5,003,141.66	\$0.00	\$2,800,000.00	\$233,333.33	\$2,063,929.10	\$250,157.00	\$75,047.10	\$5,91
2027	\$5,914,322.46	\$0.00	\$2,800,000.00	\$233,333.33	\$4,276,381.90	\$295,716.00	\$88,714.80	\$4,64
2028	\$4,644,941.76	\$0.00	\$2,800,000.00	\$233,333.33	\$2,715,967.73	\$232,247.00	\$69,674.10	\$4,89
2029	\$4,891,546.93	\$0.00	\$2,800,000.00	\$233,333.33	\$400,293.05	\$244,577.00	\$73,373.10	\$7,46
2030	\$7,462,457.78	\$0.00	\$2,800,000.00	\$233,333.33	\$951,102.81	\$373,123.00	\$111,936.90	\$9,57
2031	\$9,572,541.07	\$0.00	\$2,800,000.00	\$233,333.33	\$1,101,784.89	\$478,627.00	\$143,588.10	\$11,60
2032	\$11,605,795.08	\$0.00	\$2,900,000.00	\$241,666.67	\$729,698.22	\$580,290.00	\$174,087.00	\$14,18
2033	\$14,182,299.86	\$0.00	\$2,900,000.00	\$241,666.67	\$1,350,304.92	\$709,115.00	\$212,734.50	\$16,22
2034	\$16,228,375.44	\$0.00	\$2,900,000.00	\$241,666.67	\$452,894.86	\$811,419.00	\$243,425.70	\$19,24
2035	\$19,243,473.88	\$0.00	\$2,900,000.00	\$241,666.67	\$351,936.44	\$962,174.00	\$288,652.20	\$22,46
2036	\$22,465,059.24	\$0.00	\$2,900,000.00	\$241,666.67	\$4,334,340.15	\$1,123,253.00	\$336,975.90	\$21,81
2037	\$21,816,996.19	\$0.00	\$2,900,000.00	\$241,666.67	\$5,134,071.48	\$1,090,850.00	\$327,255.00	\$20,34
2038	\$20,346,519.71	\$0.00	\$2,900,000.00	\$241,666.67	\$903,231.43	\$1,017,326.00	\$305,197.80	\$23,05
2039	\$23,055,416.48	\$0.00	\$2,900,000.00	\$241,666.67	\$1,567,518.06	\$1,152,771.00	\$345,831.30	\$25,19
2040	\$25,194,838.12	\$0.00	\$2,900,000.00	\$241,666.67	\$1,635,339.21	\$1,259,742.00	\$377,922.60	\$27,34
2041	\$27,341,318.31	\$0.00	\$2,900,000.00	\$241,666.67	\$7,956,758.04	\$1,367,066.00	\$410,119.80	\$23,24
2042	\$23,241,506.47	\$0.00	\$2,900,000.00	\$241,666.67	\$2,964,449.36	\$1,162,075.00	\$348,622.50	\$23,99
2043	\$23,990,509.61	\$0.00	\$2,900,000.00	\$241,666.67	\$4,912,395.91	\$1,199,525.00	\$359,857.50	\$22,81
2044	\$22,817,781.20	\$0.00	\$3,000,000.00	\$250,000.00	\$2,439,254.15	\$1,140,889.00	\$342,266.70	\$24,17
2045	\$24,177,149.35	\$0.00	\$3,100,000.00	\$258,333.33	\$524,666.16	\$1,208,857.00	\$362,657.10	\$27,59
2046	\$27,598,683.09	\$0.00	\$3,100,000.00	\$258,333.33	\$4,807,207.70	\$1,379,934.00	\$413,980.20	\$26,85
2047	\$26,857,429.19	\$0.00	\$3,100,000.00	\$258,333.33	\$3,770,106.00	\$1,342,871.00	\$402,861.30	\$27,12
2048	\$27,127,332.89	\$0.00	\$3,100,000.00	\$258,333.33	\$856,738.35	\$1,356,367.00	\$406,910.10	\$30,32
2049	\$30,320,051.44	\$0.00	\$3,100,000.00	\$258,333.33	\$1,167,528.62	\$1,516,003.00	\$454,800.90	\$33,31
Total:		\$6,500,000.00	\$86,600,000.00		\$77,615,369.26	\$22,868,748.00	\$6,860,624.40	

Reserve Budget Summary

Homeowners,

This Summary meets the NRS 116.31151 requirement of the Annual distribution to units' owners of operating and reserve budgets. It is provided to all individual homeowners as a recap of the Reserve Study that has been adopted by the Board of Directors.

A Full Reserve Study with a site inspection is required at least every 5 years by Nevada law. The Reserve Study should be updated each year with the estimated Reserve Bank Account Balance, Real Component Costs and actual time frames. Adjustments to the Association's funding plan should be made to provide adequate funding for the required reserves.

NRS 116.31152 Study of reserves; duties of executive board regarding study; person who conducts study required to hold permit; contents of study; submission of summary of study to Division; use of money credited against residential construction tax for upkeep of park facilities and related improvements identified in study.

1. The executive board shall:

(a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements;

(b) At least annually, review the results of that study to determine whether those reserves are sufficient; and

(c) At least annually, make any adjustments to the association's funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

A copy of the entire Reserve Study is available by contacting the Community Management Company (or Board of Directors of Self Managed Associations).

Reserve Study Start Date: 01/01/2020

Reserve Bank Balance as of Fiscal Year Start Date: \$1,820,970.58

Recommended Annual Contribution to the Reserve Account: \$2,600,000.00

Estimated Expenditures: \$1,598,000.00

Projected Reserve Bank Balance at the End of the Fiscal Year: \$2,886,704.88

Planned Special Reserve Assessments: \$6,500,000.00

Study Method: Threshold Funding

Reserve Study Completed By: Reserve Study Specialist: RSS Mari Jo Betterley, 0000025, Better Reserve Consultants

**Major Components of the Common Elements to be
Repaired, Replaced, Restored or Maintained**

Component	Today's Cost	Estimated Remaining Useful Life	Estimated Life When New
<u>Building Exterior</u>			
Building Exterior - Painting	2,500,000.00	1	20
Building Exterior - Roof 27th Floor	100,000.00	1	20
Building Exterior - Roof Ballroom	330,000.00	1	20
Building Exterior - Roof Casino	750,000.00	2	20
Building Exterior - Roof East Roof	250,000.00	3	20
Building Exterior - Roof Front Desk VIP (Done 2019)	210,000.00	19	20
Building Exterior - Roof Main Dock (Done 2018)	80,000.00	18	20
Building Exterior - Roof Main Entrance Capopy	125,000.00	0	20
Building Exterior - Roof Main Summit Pavilion	300,000.00	1	20
Building Exterior - Roof North Way Roof	35,000.00	4	20
Building Exterior - Roof Restaurant Row Done 2019)	300,000.00	19	20
Building Exterior - Roof South Entrance Capopy	130,000.00	0	20
Building Exterior - Roof South Roof (Done 2018)	70,000.00	18	20
Building Exterior - Roof Theatre (Done 2019)	150,000.00	19	20
Building Exterior - Window Replacement Allowance	25,000.00	0	1
<u>Common Area</u>			
Common Area - Component: Airport Vehicles	120,000.00	2	5
Common Area - Component: Equipment Contingency Allowance	20,000.00	0	1
Common Area - Component: Exterior Entrance Area Painting/ Renovation (Doors 1, 2, 8 and 9) (Done 2016)	40,000.00	6	10
Common Area - Component: Interior Equipment Contingency (EVS)	3,000.00	0	1
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	50,000.00	0	1
Common Area - Concrete Entrance (Main to North)	250,000.00	0	30
Common Area - Concrete North Entrance (Done 2019)	250,000.00	29	30
Common Area - Landscaping Rehab Northwest	275,000.00	0	10
Common Area - Landscaping Rehab Southwest (Done 2019)	225,000.00	0	10
Common Area - Landscaping Renovation Contingency Ongoing	20,000.00	0	1
Common Area - Lighting and Electrical Contingency	10,000.00	0	1
Common Area - Security Fire System Upgrade	3,500,000.00	1	30
Common Area - Security Monitoring System	1,000,000.00	2	30
Common Area - Signage -Directional Exterior (Done 2018)	60,000.00	8	10
Common Area - Signage Marquis at Freeway (Done 2017)	1,300,000.00	7	10
Common Area - Signage -On Building (Done 2016)	1,200,000.00	6	10
<u>Roads and Parking</u>			
Roads and Parking - Removal and Reconstruction Area 1 (Pink)	292,625.00	1	20
Roads and Parking - Removal and Reconstruction Area 2 (Red)	528,657.50	3	20
Roads and Parking - Removal and Reconstruction Area 3 (Blue)	816,997.50	4	20
Roads and Parking - Removal and Reconstruction Area 4 (Orange)	440,417.50	13	20

Roads and Parking - Removal and Reconstruction Area 6 (Yellow)	397,837.50	3	20
Roads and Parking - Removal and Reconstruction Area 7 (Brown)	176,080.00	4	20
Roads and Parking - Removal and Reconstruction Area 8 (Green)	474,372.50	2	20
Roads and Parking - Removal and Reconstruction Area Ring Road (Purple)(Done 2016)	1,576,515.00	17	20
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	23,410.00	1	5
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	42,292.60	4	5
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	65,359.80	1	5
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	35,233.40	4	5
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	72,656.40	2	5
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	47,828.60	2	5
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	14,086.40	2	5
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	37,949.80	1	5
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	126,121.20	3	5

Utilities/ Mechanical/ Systems

Utilities/ Mechanical/ Systems - Boiler	15,000.00	0	1
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 1	100,000.00	1	30
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 2	100,000.00	2	30
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 3	100,000.00	3	30
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 4	100,000.00	4	30
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	100,000.00	0	1
Utilities/ Mechanical/ Systems - Component: Building Management System (Done 2016)	90,000.00	16	20
Utilities/ Mechanical/ Systems - Component: Chiller 1	1,800,000.00	7	30
Utilities/ Mechanical/ Systems - Component: Chiller 2	1,800,000.00	8	30
Utilities/ Mechanical/ Systems - Component: Chiller 3	1,800,000.00	3	30
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	170,000.00	1	5
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pump Valves	300,000.00	1	10
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps (Replaced 2011)	130,000.00	3	10
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps Back Up	375,000.00	1	20
Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Elevator	150,000.00	3	30
Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Tower 01and 02	350,000.00	0	30
Utilities/ Mechanical/ Systems - Component: Power Feed Phase 1 & 2	43,000.00	27	30
Utilities/ Mechanical/ Systems - Component: Power Feed Phase 3	18,000.00	1	30
Utilities/ Mechanical/ Systems - Component: Power Transfer Switches for Emergency (Done 2016)	50,000.00	27	30

30 Year Planned Expenditures

This is where you will spend your money in the next 30 years

2020

Building Exterior - Roof Main Entrance Capopy	\$125,000.00
Building Exterior - Roof South Entrance Capopy	\$130,000.00
Building Exterior - Window Replacement Allowance	\$25,000.00
Common Area - Component: Equipment Contingency Allowance	\$20,000.00
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,000.00
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$50,000.00
Common Area - Concrete Entrance (Main to North)	\$250,000.00
Common Area - Landscaping Rehab Northwest	\$275,000.00
Common Area - Landscaping Rehab Southwest (Done 2019)	\$225,000.00
Common Area - Landscaping Renovation Contingency Ongoing	\$20,000.00
Common Area - Lighting and Electrical Contingency	\$10,000.00
Utilities/ Mechanical/ Systems - Boiler	\$15,000.00
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$100,000.00
Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Tower 01and 02	\$350,000.00
Total	\$1,598,000.00

2021

Building Exterior - Painting	\$2,562,500.00
Building Exterior - Roof 27th Floor	\$102,500.00
Building Exterior - Roof Ballroom	\$338,250.00
Building Exterior - Roof Main Summit Pavilion	\$307,500.00
Building Exterior - Window Replacement Allowance	\$25,625.00
Common Area - Component: Equipment Contingency Allowance	\$20,500.00
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,075.00
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$51,250.00
Common Area - Landscaping Renovation Contingency Ongoing	\$20,500.00
Common Area - Lighting and Electrical Contingency	\$10,250.00
Common Area - Security Fire System Upgrade	\$3,587,500.00
Roads and Parking - Removal and Reconstruction Area 1 (Pink)	\$299,940.63
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$23,995.25
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$66,993.80
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$38,898.55
Utilities/ Mechanical/ Systems - Boiler	\$15,375.00
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 1	\$102,500.00
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$102,500.00
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$174,250.00
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pump Valves	\$307,500.00
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps Back Up	\$384,375.00
Utilities/ Mechanical/ Systems - Component: Power Feed Phase 3	\$18,450.00
Utilities/ Mechanical/ Systems - Component: Soft Water System	\$41,000.00
Total	\$8,605,228.23

2022

Building Exterior - Roof Casino	\$787,968.75
Building Exterior - Window Replacement Allowance	\$26,265.63
Common Area - Component: Airport Vehicles	\$126,075.00
Common Area - Component: Equipment Contingency Allowance	\$21,012.50
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,151.88
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$52,531.25
Common Area - Landscaping Renovation Contingency Ongoing	\$21,012.50
Common Area - Lighting and Electrical Contingency	\$10,506.25
Common Area - Security Monitoring System	\$1,050,625.00
Roads and Parking - Removal and Reconstruction Area 8 (Green)	\$498,387.61
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$76,334.63
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$50,249.92
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$14,799.52
Utilities/ Mechanical/ Systems - Boiler	\$15,759.38
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 2	\$105,062.50
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$105,062.50
Total	\$2,964,804.82

2023

Building Exterior - Roof East Roof	\$269,222.66
Building Exterior - Window Replacement Allowance	\$26,922.27
Common Area - Component: Equipment Contingency Allowance	\$21,537.81
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,230.67
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$53,844.53
Common Area - Landscaping Renovation Contingency Ongoing	\$21,537.81
Common Area - Lighting and Electrical Contingency	\$10,768.91
Roads and Parking - Removal and Reconstruction Area 2 (Red)	\$569,306.31
Roads and Parking - Removal and Reconstruction Area 5 (White)	\$978,037.45
Roads and Parking - Removal and Reconstruction Area 6 (Yellow)	\$643,827.14
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$135,818.74
Utilities/ Mechanical/ Systems - Boiler	\$16,153.36
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 3	\$107,689.06
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$107,689.06
Utilities/ Mechanical/ Systems - Component: Chiller 3	\$1,938,403.13
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps (Replaced 2011)	\$139,995.78
Utilities/ Mechanical/ Systems - Component: Emergency Power Generator Elevator	\$161,533.59
Total	\$5,205,518.28

2024

Building Exterior - Roof North Way Roof	\$38,633.45
Building Exterior - Window Replacement Allowance	\$27,595.32
Common Area - Component: Equipment Contingency Allowance	\$22,076.26
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,311.44
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$55,190.64
Common Area - Landscaping Renovation Contingency Ongoing	\$22,076.26
Common Area - Lighting and Electrical Contingency	\$11,038.13
Roads and Parking - Removal and Reconstruction Area 3 (Blue)	\$901,812.37
Roads and Parking - Removal and Reconstruction Area 7 (Brown)	\$194,359.37
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$46,683.12
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$38,891.08
Utilities/ Mechanical/ Systems - Boiler	\$16,557.19
Utilities/ Mechanical/ Systems - Boiler Replacement Unit 4	\$110,381.29
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$110,381.29
Total	\$1,598,987.21

2025

Building Exterior - Window Replacement Allowance	\$28,285.21
Common Area - Component: Equipment Contingency Allowance	\$22,628.16
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,394.22
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$56,570.41
Common Area - Landscaping Renovation Contingency Ongoing	\$22,628.16
Common Area - Lighting and Electrical Contingency	\$11,314.08
Utilities/ Mechanical/ Systems - Boiler	\$16,971.12
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$113,140.82
Total	\$274,932.18

2026

Building Exterior - Window Replacement Allowance	\$28,992.34
Common Area - Component: Equipment Contingency Allowance	\$23,193.87
Common Area - Component: Exterior Entrance Area Painting/ Renovation (Doors 1, 2, 8 and 9) (Done 2016)	\$46,387.74
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,479.08
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$57,984.67
Common Area - Landscaping Renovation Contingency Ongoing	\$23,193.87
Common Area - Lighting and Electrical Contingency	\$11,596.93
Common Area - Signage -On Building (Done 2016)	\$1,391,632.10
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$27,148.42
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$75,797.33
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$44,010.13
Utilities/ Mechanical/ Systems - Boiler	\$17,395.40
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$115,969.34
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$197,147.88
Total	\$2,063,929.10

2027

Building Exterior - Window Replacement Allowance	\$29,717.14
Common Area - Component: Airport Vehicles	\$142,642.29
Common Area - Component: Equipment Contingency Allowance	\$23,773.72
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,566.06
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$59,434.29
Common Area - Landscaping Renovation Contingency Ongoing	\$23,773.72
Common Area - Lighting and Electrical Contingency	\$11,886.86
Common Area - Signage Marquis at Freeway (Done 2017)	\$1,545,291.48
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$86,365.63
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$56,853.18
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$16,744.30
Utilities/ Mechanical/ Systems - Boiler	\$17,830.29
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$118,868.58
Utilities/ Mechanical/ Systems - Component: Chiller 1	\$2,139,634.36
Total	\$4,276,381.90

2028

Building Exterior - Window Replacement Allowance	\$30,460.07
Common Area - Component: Equipment Contingency Allowance	\$24,368.06
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,655.21
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$60,920.14
Common Area - Landscaping Renovation Contingency Ongoing	\$24,368.06
Common Area - Lighting and Electrical Contingency	\$12,184.03
Common Area - Signage -Directional Exterior (Done 2018)	\$73,104.17
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$153,666.44
Utilities/ Mechanical/ Systems - Boiler	\$18,276.04
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$121,840.29
Utilities/ Mechanical/ Systems - Component: Chiller 2	\$2,193,125.22
Total	\$2,715,967.73

2029

Building Exterior - Window Replacement Allowance	\$31,221.57
Common Area - Component: Equipment Contingency Allowance	\$24,977.26
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,746.59
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$62,443.15
Common Area - Landscaping Renovation Contingency Ongoing	\$24,977.26
Common Area - Lighting and Electrical Contingency	\$12,488.63
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$52,817.66
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$44,001.69
Utilities/ Mechanical/ Systems - Boiler	\$18,732.94
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$124,886.30
Total	\$400,293.05

2030

Building Exterior - Window Replacement Allowance	\$32,002.11
Common Area - Component: Equipment Contingency Allowance	\$25,601.69
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,840.25
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$64,004.23
Common Area - Landscaping Rehab Northwest	\$352,023.25
Common Area - Landscaping Rehab Southwest (Done 2019)	\$288,019.02
Common Area - Landscaping Renovation Contingency Ongoing	\$25,601.69
Common Area - Lighting and Electrical Contingency	\$12,800.85
Utilities/ Mechanical/ Systems - Boiler	\$19,201.27
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$128,008.45
Total	\$951,102.81

2031

Building Exterior - Window Replacement Allowance	\$32,802.17
Common Area - Component: Equipment Contingency Allowance	\$26,241.73
Common Area - Component: Interior Equipment Contingency (EVS)	\$3,936.26
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$65,604.33
Common Area - Landscaping Renovation Contingency Ongoing	\$26,241.73
Common Area - Lighting and Electrical Contingency	\$13,120.87
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$30,715.95
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$85,757.72
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$49,793.43
Utilities/ Mechanical/ Systems - Boiler	\$19,681.30
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$131,208.67
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$223,054.73
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pump Valves	\$393,626.00
Total	\$1,101,784.89

2032

Building Exterior - Window Replacement Allowance	\$33,622.22
Common Area - Component: Airport Vehicles	\$161,386.66
Common Area - Component: Equipment Contingency Allowance	\$26,897.78
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,034.67
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$67,244.44
Common Area - Landscaping Renovation Contingency Ongoing	\$26,897.78
Common Area - Lighting and Electrical Contingency	\$13,448.89
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$97,714.78
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$64,324.15
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$18,944.64
Utilities/ Mechanical/ Systems - Boiler	\$20,173.33
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$134,488.88
Utilities/ Mechanical/ Systems - Water Domestic VFD's Replacement	\$60,520.00
Total	\$729,698.22

2033

Building Exterior - Window Replacement Allowance	\$34,462.78
Common Area - Component: Equipment Contingency Allowance	\$27,570.22
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,135.53
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$68,925.55
Common Area - Landscaping Renovation Contingency Ongoing	\$27,570.22
Common Area - Lighting and Electrical Contingency	\$13,785.11
Roads and Parking - Removal and Reconstruction Area 4 (Orange)	\$607,120.39
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$173,859.47
Utilities/ Mechanical/ Systems - Boiler	\$20,677.67
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$137,851.10
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps (Replaced 2011)	\$179,206.44
Utilities/ Mechanical/ Systems - Component: Soft Water System	\$55,140.44
Total	\$1,350,304.92

2034

Building Exterior - Window Replacement Allowance	\$35,324.35
Common Area - Component: Equipment Contingency Allowance	\$28,259.48
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,238.92
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$70,648.69
Common Area - Landscaping Renovation Contingency Ongoing	\$28,259.48
Common Area - Lighting and Electrical Contingency	\$14,129.74
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$59,758.34
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$49,783.87
Utilities/ Mechanical/ Systems - Boiler	\$21,194.61
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$141,297.38
Total	\$452,894.86

2035

Building Exterior - Window Replacement Allowance	\$36,207.45
Common Area - Component: Equipment Contingency Allowance	\$28,965.96
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,344.89
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$72,414.91
Common Area - Landscaping Renovation Contingency Ongoing	\$28,965.96
Common Area - Lighting and Electrical Contingency	\$14,482.98
Utilities/ Mechanical/ Systems - Boiler	\$21,724.47
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$144,829.82
Total	\$351,936.44

2036

Building Exterior - Window Replacement Allowance	\$37,112.64
Common Area - Component: Equipment Contingency Allowance	\$29,690.11
Common Area - Component: Exterior Entrance Area Painting/ Renovation (Doors 1, 2, 8 and 9) (Done 2016)	\$59,380.22
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,453.52
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$74,225.28
Common Area - Landscaping Renovation Contingency Ongoing	\$29,690.11
Common Area - Lighting and Electrical Contingency	\$14,845.06
Common Area - Signage -On Building (Done 2016)	\$1,781,406.74
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$34,752.28
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$97,026.99
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$56,336.69
Utilities/ Mechanical/ Systems - Boiler	\$22,267.58
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$148,450.56
Utilities/ Mechanical/ Systems - Component: Building Management System (Done 2016)	\$133,605.51
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$252,365.96
Utilities/ Mechanical/ Systems - Component: Thermostats (Done 2016)	\$890,703.37
Utilities/ Mechanical/ Systems - Component: Water Pumps- Chilled, Left, 2 Riser Pumps, Soft Starters on 2 Chillers	\$668,027.53
Total	\$4,334,340.15

2037

Building Exterior - Window Replacement Allowance	\$38,040.46
Common Area - Component: Airport Vehicles	\$182,594.19
Common Area - Component: Equipment Contingency Allowance	\$30,432.37
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,564.85
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$76,080.91
Common Area - Landscaping Renovation Contingency Ongoing	\$30,432.37
Common Area - Lighting and Electrical Contingency	\$15,216.18
Common Area - Signage Marquis at Freeway (Done 2017)	\$1,978,103.74
Roads and Parking - Removal and Reconstruction Area Ring Road (Purple)(Done 2016)	\$2,398,854.01
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$110,555.31
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$72,776.87
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$21,434.12
Utilities/ Mechanical/ Systems - Boiler	\$22,824.27
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$152,161.83
Total	\$5,134,071.48

2038

Building Exterior - Roof Main Dock (Done 2018)	\$124,772.70
Building Exterior - Roof South Roof (Done 2018)	\$109,176.11
Building Exterior - Window Replacement Allowance	\$38,991.47
Common Area - Component: Equipment Contingency Allowance	\$31,193.17
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,678.98
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$77,982.94
Common Area - Landscaping Renovation Contingency Ongoing	\$31,193.17
Common Area - Lighting and Electrical Contingency	\$15,596.59
Common Area - Signage -Directional Exterior (Done 2018)	\$93,579.52
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$196,706.03
Utilities/ Mechanical/ Systems - Boiler	\$23,394.88
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$155,965.87
Total	\$903,231.43

2039

Building Exterior - Roof Front Desk VIP (Done 2019)	\$335,716.54
Building Exterior - Roof Restaurant Row Done 2019)	\$479,595.06
Building Exterior - Roof Theatre (Done 2019)	\$239,797.53
Building Exterior - Window Replacement Allowance	\$39,966.25
Common Area - Component: Equipment Contingency Allowance	\$31,973.00
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,795.95
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$79,932.51
Common Area - Landscaping Renovation Contingency Ongoing	\$31,973.00
Common Area - Lighting and Electrical Contingency	\$15,986.50
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$67,611.07
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$56,325.88
Utilities/ Mechanical/ Systems - Boiler	\$23,979.75
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$159,865.02
Total	\$1,567,518.06

2040

Building Exterior - Roof Main Entrance Capopy	\$204,827.06
Building Exterior - Roof South Entrance Capopy	\$213,020.14
Building Exterior - Window Replacement Allowance	\$40,965.41
Common Area - Component: Equipment Contingency Allowance	\$32,772.33
Common Area - Component: Interior Equipment Contingency (EVS)	\$4,915.85
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$81,930.82
Common Area - Landscaping Rehab Northwest	\$450,619.52
Common Area - Landscaping Rehab Southwest (Done 2019)	\$368,688.70
Common Area - Landscaping Renovation Contingency Ongoing	\$32,772.33
Common Area - Lighting and Electrical Contingency	\$16,386.16
Utilities/ Mechanical/ Systems - Boiler	\$24,579.25
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$163,861.64
Total	\$1,635,339.21

2041

Building Exterior - Painting	\$4,198,954.63
Building Exterior - Roof 27th Floor	\$167,958.19
Building Exterior - Roof Ballroom	\$554,262.01
Building Exterior - Roof Main Summit Pavilion	\$503,874.56
Building Exterior - Window Replacement Allowance	\$41,989.55
Common Area - Component: Equipment Contingency Allowance	\$33,591.64
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,038.75
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$83,979.09
Common Area - Landscaping Renovation Contingency Ongoing	\$33,591.64
Common Area - Lighting and Electrical Contingency	\$16,795.82
Roads and Parking - Removal and Reconstruction Area 1 (Pink)	\$491,487.64
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$39,319.01
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$109,777.13
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$63,739.80
Utilities/ Mechanical/ Systems - Boiler	\$25,193.73
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$167,958.19
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$285,528.91
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pump Valves	\$503,874.56
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps Back Up	\$629,843.19
Total	\$7,956,758.04

2042

Building Exterior - Roof Casino	\$1,291,178.55
Building Exterior - Window Replacement Allowance	\$43,039.28
Common Area - Component: Airport Vehicles	\$206,588.57
Common Area - Component: Equipment Contingency Allowance	\$34,431.43
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,164.71
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$86,078.57
Common Area - Landscaping Renovation Contingency Ongoing	\$34,431.43
Common Area - Lighting and Electrical Contingency	\$17,215.71
Roads and Parking - Removal and Reconstruction Area 8 (Green)	\$816,666.13
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$125,083.18
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$82,340.35
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$24,250.74
Utilities/ Mechanical/ Systems - Boiler	\$25,823.57
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$172,157.14
Total	\$2,964,449.36

2043

Building Exterior - Roof East Roof	\$441,152.67
Building Exterior - Window Replacement Allowance	\$44,115.27
Common Area - Component: Equipment Contingency Allowance	\$35,292.21
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,293.83
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$88,230.53
Common Area - Landscaping Renovation Contingency Ongoing	\$35,292.21
Common Area - Lighting and Electrical Contingency	\$17,646.11
Roads and Parking - Removal and Reconstruction Area 2 (Red)	\$932,874.67
Roads and Parking - Removal and Reconstruction Area 5 (White)	\$1,602,628.24
Roads and Parking - Removal and Reconstruction Area 6 (Yellow)	\$1,054,985.73
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$222,554.82
Utilities/ Mechanical/ Systems - Boiler	\$26,469.16
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$176,461.07
Utilities/ Mechanical/ Systems - Component: Cooling Towers Pumps (Replaced 2011)	\$229,399.39
Total	\$4,912,395.91

2044

Building Exterior - Roof North Way Roof	\$63,305.41
Building Exterior - Window Replacement Allowance	\$45,218.15
Common Area - Component: Equipment Contingency Allowance	\$36,174.52
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,426.18
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$90,436.30
Common Area - Landscaping Renovation Contingency Ongoing	\$36,174.52
Common Area - Lighting and Electrical Contingency	\$18,087.26
Roads and Parking - Removal and Reconstruction Area 3 (Blue)	\$1,477,724.58
Roads and Parking - Removal and Reconstruction Area 7 (Brown)	\$318,480.47
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$76,495.72
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$63,727.56
Utilities/ Mechanical/ Systems - Boiler	\$27,130.89
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$180,872.59
Total	\$2,439,254.15

2045

Building Exterior - Window Replacement Allowance	\$46,348.60
Common Area - Component: Equipment Contingency Allowance	\$37,078.88
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,561.83
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$92,697.20
Common Area - Landscaping Renovation Contingency Ongoing	\$37,078.88
Common Area - Lighting and Electrical Contingency	\$18,539.44
Utilities/ Mechanical/ Systems - Boiler	\$27,809.16
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$185,394.41
Utilities/ Mechanical/ Systems - Component: Soft Water System	\$74,157.76
Total	\$524,666.16

2046

Building Exterior - Window Replacement Allowance	\$47,507.32
Common Area - Component: Equipment Contingency Allowance	\$38,005.85
Common Area - Component: Exterior Entrance Area Painting/ Renovation (Doors 1, 2, 8 and 9) (Done 2016)	\$76,011.71
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,700.88
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$95,014.64
Common Area - Landscaping Renovation Contingency Ongoing	\$38,005.85
Common Area - Lighting and Electrical Contingency	\$19,002.93
Common Area - Signage -On Building (Done 2016)	\$2,280,351.24
Roads and Parking - Surface Maintenance Treatment Area 1 (Pink)	\$44,485.85
Roads and Parking - Surface Maintenance Treatment Area 3 (Blue)	\$124,202.75
Roads and Parking - Surface Maintenance Treatment Area 8 (Green)	\$72,115.73
Utilities/ Mechanical/ Systems - Boiler	\$28,504.39
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$190,029.27
Utilities/ Mechanical/ Systems - Component: Cooling Towers Media	\$323,049.76
Utilities/ Mechanical/ Systems - Component: Water Pumps- Condensing (Done 2016)	\$1,425,219.53
Total	\$4,807,207.70

2047

Building Exterior - Window Replacement Allowance	\$48,695.00
Common Area - Component: Airport Vehicles	\$233,736.00
Common Area - Component: Equipment Contingency Allowance	\$38,956.00
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,843.40
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$97,390.00
Common Area - Landscaping Renovation Contingency Ongoing	\$38,956.00
Common Area - Lighting and Electrical Contingency	\$19,478.00
Common Area - Signage Marquis at Freeway (Done 2017)	\$2,532,140.02
Roads and Parking - Surface Maintenance Treatment Area 5 (White)	\$141,520.14
Roads and Parking - Surface Maintenance Treatment Area 6 (Yellow)	\$93,160.55
Roads and Parking - Surface Maintenance Treatment Area 7 (Brown)	\$27,437.49
Utilities/ Mechanical/ Systems - Boiler	\$29,217.00
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$194,780.00
Utilities/ Mechanical/ Systems - Component: Power Feed Phase 1 & 2	\$83,755.40
Utilities/ Mechanical/ Systems - Component: Power Transfer Switches for Emergency (Done 2016)	\$97,390.00
Utilities/ Mechanical/ Systems - Water Domestic VFD's Replacement	\$87,651.00
Total	\$3,770,106.00

2048

Building Exterior - Window Replacement Allowance	\$49,912.38
Common Area - Component: Equipment Contingency Allowance	\$39,929.90
Common Area - Component: Interior Equipment Contingency (EVS)	\$5,989.49
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$99,824.75
Common Area - Landscaping Renovation Contingency Ongoing	\$39,929.90
Common Area - Lighting and Electrical Contingency	\$19,964.95
Common Area - Signage -Directional Exterior (Done 2018)	\$119,789.70
Roads and Parking - Surface Maintenance Treatment Ring Road (Overlay Done 2016)	\$251,800.35
Utilities/ Mechanical/ Systems - Boiler	\$29,947.43
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$199,649.50
Total	\$856,738.35

2049

Building Exterior - Window Replacement Allowance	\$51,160.18
Common Area - Component: Equipment Contingency Allowance	\$40,928.15
Common Area - Component: Interior Equipment Contingency (EVS)	\$6,139.22
Common Area - Component: Traffic Areas Remodel Contingency/Concert And Tile	\$102,320.37
Common Area - Concrete North Entrance (Done 2019)	\$511,601.85
Common Area - Landscaping Renovation Contingency Ongoing	\$40,928.15
Common Area - Lighting and Electrical Contingency	\$20,464.07
Roads and Parking - Surface Maintenance Treatment Area 2 (Red) (Done 2018)	\$86,547.89
Roads and Parking - Surface Maintenance Treatment Area 4 (Orange) (Done 2018)	\$72,101.89
Utilities/ Mechanical/ Systems - Boiler	\$30,696.11
Utilities/ Mechanical/ Systems - Component: Air Handlers Allowance	\$204,640.74
Total	\$1,167,528.62

EXHIBIT "6"

Grand Sierra Resort - Hotel Related Components

Annual Review Without Site Visit

Start Date: 01/01/2020



Better Reserve Consultants

RSS Mari Jo Betterley, RSS 0000025

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January 15, 2020

Grand Sierra Resort - Hotel Related Components
Grand Sierra Resort
2500 East Second Street
Reno, NV 89502

Grand Sierra Resort - Hotel Related Components Executive Board of Directors,

Thank you for this opportunity to complete a Reserve Study for your Association. A Reserve Study is the most important document that determines where “hundreds of thousands or millions” of your assessment dollars will be spent. The Study is a planning tool that will plan the maintenance of your Association and affect your property value now and in the future.

A Study with a Site Inspection is required every 5 years. The Reserve Study should be reviewed at least annually and any adjustments to the Association’s funding plan should be made to provide adequate funding for the required reserves. It is important to complete a Reserve Study Update each year to ensure adequate funding of the Reserves while keeping the assessments as low as possible.

Reserve Study with Site Inspection

Most Recent Reserve Study with Site Inspection: January 1, 2017

Next Reserve Study with Site Inspection: January 1, 2022, should be completed in the fall of 2021, prior to 2022 Budget

Reserve Study Update: Should be completed each year in the Fall, prior to Budget

NRS 116.31152 Study of Reserves; Duties of Executive Board Regarding Study:

1.The executive board shall:

- (a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements;
- (b) At least annually, review the results of that study to determine whether those reserves are sufficient; and
- (c) At least annually, make any adjustments to the association’s funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

The Grand Sierra Resort - Hotel Related Components include the Fitness Center, Hallways, Elevators and Lobby. Other areas of the Casino and Hotel have been listed on Separate Reserve Studies.

What is a Reserve Study?

A Reserve Study is a financial planning tool that identifies the current status of the Reserve Fund and provides a Funding Tool for Repair, Replacement, Restoration or Maintenance of the Major Components of the Common Elements. A Major component of the common elements is any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system or equipment, that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine annual maintenance which is included in the annual operating budget of an association.

Why have a Reserve Study?

A Reserve Study is required by the State of Nevada.

*A Reserve Study provides important annual disclosures to association members and prospective buyers regarding the condition of common area components.

* If you are selling your property or if you are a potential buyer, many financial institutions will not lend money on a property in an association without a properly funded Reserve Study.

* A Reserve Study focuses on ensuring that the property is in good condition, yet "reserves" your Association's money properly so that there are no needs for "Special Assessments" or huge increases in assessments in the future.

*And most important, a Reserve Study ensures that your Association will be a better place to own, now and in the future.

The Reserve Study is prepared by an outside independent consultant for the benefit of the Board of Directors of a property with multiple owners, such as Homeowners Associations, Time Shares, Resorts, Hotels, Apartment Buildings, Office Parks, Worship Facilities, Swimming Pools, Private (golf/social) Clubs, Lodges (Elks, Masons) Nursing Homes, Sororities, Fraternities and Private Schools.

The Reserve Study contains an assessment of the Estimated Useful Life and Replacement Costs of the commonly owned property components as determined by the particular association's CC&Rs and bylaws. This Study evaluates the current condition of the Components and the Estimated Remaining Useful Life. The Replacement Cost is based on actual historical costs from Invoices or Bids or Estimates from Experts in the Field.

NRS 116.2115 Assessments for common expenses; funding of adequate reserves; collection of interest on past due assessments; calculation of assessments for particular types of common expenses; notice of meetings regarding assessments for capital improvements....

(a) All common expenses, including the reserves, must be assessed against all the units in accordance with the allocations set forth in the declaration pursuant to subsections 1 and 2 of NRS 116.2107.

(b) The association shall establish adequate reserves, funded on a reasonable basis, for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore. The reserves may be used only for those purposes, including, without limitation, repairing, replacing and restoring roofs, roads and sidewalks, and must not be used for daily maintenance. The association may comply with the provisions of this paragraph through a funding plan that is designed to allocate the costs for the repair, replacement and restoration of the major components of the common elements and any other portion of the common-interest community that the association is obligated to maintain, repair, replace or restore.

Levels of Service:

There are three types of a Reserve Study:

1. Full Reserve Study:

Component Inventory-- An actual field inspection of the common elements with representative sampling;

Condition Assessment (based upon on-site visual observations)

Life and Valuation Estimates

Fund Status

Funding Plan

2. Update, With-Site-Visit/On-Site Review: (May be an update on a Reserve Study

Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).

Component Inventory (verification only, not quantification)

Condition Assessment (based on on-site visual observations)

Life and Valuation Estimates

Fund Status

Funding Plan

3. Update, No-Site-Visit/Off Site Review: (May be an update on a Reserve Study Completed by this Reserve Study Specialist or an Update to another Reserve Study Specialist's report).

Life and Valuation Estimates

Fund Status

Funding Plan

For updated reserve studies, quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

In many cases, it is better to complete a new, Full Study rather than ask the Reserve Study Specialist to update a Study prepared by another company. The Reserve Study Specialist must rely on the previous Study's information, measurements, estimated useful life and replacement costs.

Future Utility Line Major Repairs and Replacement such as Water Lines, Sewer Lines and Electrical Upgrades should be included in the Study. Expert evaluation of all Utilities is strongly recommended to ensure the accurate Repair or Replacement Costs as well as the Estimated Remaining Useful Life of each Component. If there is Asbestos present in the property, the Asbestos Abatement Costs and Time Frames should be included in the Study. Because a Reserve Study is not a Structural or Property Inspection, the Reserve Specialist may not be aware of Utility Line Issues or Asbestos. The Board of Directors and the Community Manager must inform the Specialist of any issues that may be present.

Reserve Study Specialist Experience and Qualifications

Mari Jo Betterley, RSS. 0000025

*National Association of Professional Reserve Analysts Certified RS #2331

*Community Association Institute Certified RS #169

*Community Association Institute Business Partner

*Association of Professional Analysts PRA#2331

*Over 5000 Reserve Studies and Reserve Study Updates completed worldwide.

*Reserve Study Specialist 2004-Present

*Graduate- University of Nevada Reno- 1983

*Attendance 800+ Homeowner Association Executive Board Meetings and HOA Meetings

* Instructor Continuing Education Classes:

"Reserve Studies - Working With the Experts in the Field -Pavement Engineer" - CE.0166500-CAM "

"Manager's Role/ How to Read and Interpret a Reserve Study"- CE.0166000-CAM

" Reserve Studies- Meet the Experts- Painting and Surface Treatment"- C.E.0166600-CAM

"Reserve Studies From Start to Finish- Fundamentals" – CE.0166400-CAM

Conflict of Interest

There is no relationship with this Association that could result in actual or perceived conflicts of interest. The Reserve Study Specialist does not expect to receive any direct or indirect compensation or profits from any person who will perform services for the client.

There is no affiliation with, or financial interest in the association for which the reserve study specialist will prepare the reserve study; and The Reserve Study Specialist does not have a personal relationship with any unit's owner, member of the executive board of the association for which the reserve study specialist will prepare the reserve study.

Sources Relied Upon in Determining the Component Estimated Useful Life, Remaining Useful Life and today's cost

Better Reserve Consultants uses "real costs and numbers" whenever possible. We rely on the Management Company and the Board of Directors to provide actual bids, invoices and estimates for the Component Measurements, Replacement Costs and Estimated time frames. If the Management Company does not have the "history" of the component information, we may ask a third party Contractor to evaluate and measure the property. Any consultants and other persons with expertise used to assist in the preparation of the reserve study names have been included in this Study.

The Beginning Reserve Balance for this Reserve Study has been provided by the Management Company/ Board of Directors. If the Reserve Study Site Inspection Date is not the date that the Reserve Study was prepared, the Initial Reserves may be an estimation of a future Reserve Bank Account Balance.

Board of Directors Responsibility

The Board of the Directors, the Management Company and the Reserve Study Specialist must work hand in hand to complete an accurate Reserve Study.

The Board of Directors must take full ownership in the Reserve Study. They should be involved in the process every step of the way. The Board of Directors or Manager should walk the property with the Reserve Study Specialist and discuss the “history” of the components as well as the Board’s future plans for the Association. If the walkthrough is not possible, then a phone conversation to discuss the details of the Association may be adequate.

When the preliminary Study is provided, the Board of Directors should read it carefully and ensure that all information is correct. The Board of Directors should attend a Workshop or Board Meeting to discuss the Study in detail with the Reserve Study Specialist to ensure accuracy and understanding.

When the Study is adopted by the Board, the Board of Directors should think of it as a real tool to plan the future condition of the Association. Some Board Members say that they carry the Study with them to every meeting, reviewing the plans and updating the study at each meeting. By NRS requirements, the Study is to be reviewed on an annual basis. I always tell the Board of Directors to think of themselves as "Pioneers" for their Association. It doesn't matter if the Association is 3 years old or 30 years old. What you do now will affect the future condition of the Association.

Calculations

This Study Fully Funded Balance is based upon the National Standards set forth through the Community Association Institute. The Fully Funded Balance (FFB) is defined as: Total Accrued Depreciation-An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association total. Two formulas can be utilized depending on the provider’s sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent. $FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$ or $FFB = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate})^{\text{Remaining Life}}] - [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate})^{\text{Remaining Life}}]$.

Threshold Funding Method

This Reserve Study is based on the Threshold Funding Method: Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Other Funding Methods include the Baseline Funding and Full Funding Methods.

An Update or a Full Reserve Study should be completed at least every year or if any of the following situations occur: If there are changes in the Management Company, Interest Rates, Changes in Inflation, or the Economy, after any major project completion or prior to beginning a major project (such as Roofing, Painting, Overlay, etc.), after a catastrophic event such as a fire or flood. The Study is a "working tool" or "living document" that should evolve and be updated with real costs and numbers.

NRS 116.31144--Audit and review of financial statements. 1.Except as otherwise provided in subsection 2, the executive board shall: (a)If the annual budget of the association is \$45,000 or more but less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152. (b)If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year. (c)If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.

Disclosures

The Initial Reserve Fund Bank Account Balance and Interest Rate was provided by the Management Company or Board of Directors. The Reserve Study Specialist did not verify or audit this fund.

There are no guarantees, expressed or implied, with the predictions of the cost or life expectancy of any of the major components. Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer.

A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited. A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality or structural inspection.

Material issues which (including Defects in Design or Construction), if not disclosed, would cause the condition of the association to be misrepresented. The Client Inventory List is based on the Site Inspection, Previous Reserve Study and Information provided by the Community Manager and Board of Directors. It is the responsibility of the client to verify that all components are listed correctly.

The Reserve Study Specialist will not perform invasive testing. The Condition of the Components may be based on Representative Sampling.

The projected life expectancy of the major components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components and dramatically increase the funding needs of the reserves of the association.

The Reserve Study Funding Plan is based on the assumption that there are no unforeseen circumstances that would alter the components Repair, Replacement, Restoration or Maintenance Costs and Estimated Remaining or Useful Life. The Recommended Reserve Contribution and Funding Levels chart, included in this Study, must be followed.

Funding Status

The Grand Sierra Resort - Hotel Related, is adequately funded as long as the Recommended Reserve Contribution Funding Chart is followed and there are no unforeseen circumstances that would affect the components useful life.

A Reserve Study is considered a "working tool" and should be re-evaluated every year. What is accurate this year, may not be accurate in future years. Each year the Reserve Study should be updated with recent history and actual costs along with future costs and revised plans. The Reserve Study should "evolve" and change so that it is a "living document" that the Board of Directors follows and believes in.

Nevada Revised Statute requires that the Association Reserve Fund is "Adequately Funded." NAC 116.425 Reserve study: Contents. (NRS 116.31152, 116.615)

2. ... "adequately funded reserve" means the funds sufficient to maintain the common elements:

- (a) At the level described in the governing documents and in a reserve study; and
- (b) Without using the funds from the operating budget or without special assessments, except for occurrences that are a result of unforeseen catastrophic events.

Thank you for this opportunity to EARN your business. It has been our pleasure to complete this Reserve Study for your Association. Better Reserve Consultants takes pride in completing an accurate Reserve Study that is very "customized" to your Association. We are happy to attend Board Meetings, Workshops or Conference Calls at no additional cost. It is our goal that you have a Reserve Study that you will actually use as a tool - a Study that you will believe in!

Thank you,

Mari Jo Betterley, RSS
Better Reserve Consultants

Important Information

Reserve Study / Fiscal Year Start Date: 01/01/2020

Number of Assessment Paying Members/ Units: 1

Reserve Bank Accounts Interest Rate and Balance as of: 01/01/2020

Reserve Bank Account	.5%	<u>\$1,468,235.43</u>
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Total: \$1,468,235.43

Inflation Rate: 2.50% (Based on the average over the last 20 years)

Income Tax Rate: 30.00% on Reserve Bank Account Interest Only

Current Annual Reserve Contribution/ Transfer From Operating: \$3,900,000.00

Total estimated current replacement costs of the major component inventory: \$43,481,200.00

Special Reserve Assessment Recommended: \$16,000,000.00



The Elevator Modernization has been included in the Study to be done in Phases beginning 2017.



The Fitness Center Components include the Flooring Replacement, Painting, Equipment Replacement, TV's and Lighting and Electrical.



Maintenance of the Stairway area is considered an Operational Expense and has not been included in this Study.



A complete Renovation of the Pool Area will be completed in the years 2016-2017. Future maintenance costs have been included as an estimation only.



The Casino Area, Restaurants, Theatre, Spa, Bowling Alley, Movie Theatre, etc. are not considered part of the Hotel Related Components.



The Front Desk Area Remodel has been included in this Study because it relates directly to the Hotel. This includes TV Replacement, Remodel, and Lighting and Electrical.



"Traffic Areas" have been included in the Common Area Reserve Study.



The Tile and Marble used at the Entrance Area to the Elevators are "life time" products that have an estimated useful life of more than 30 years. Replacement has not been included in this Study. Other products such as the veneer and furnishings have been included in the Study as a Renovation.



The Elevators Modernization has been included in the Study in Phases beginning in 2017.



The Hallway Renovation includes Painting, Wallpaper, New Furnishings, New Carpeting, Decorations and Lighting.



The Driving Range and Lake are not considered part of the Hotel. It is an amenity that is paid for separately by the customers.



Computer Equipment, Desks and Remodel of the Switchboard Room are considered and Operating Expense and have not been included in the Study.

Component Evaluation - Concepts

Common Element

The Association CC&Rs typically define what a common element is. Usually, this is property owned in common by all the unit owners (rather than by an individual unit owner).

Component

A Major Component of the common elements is any component of the common elements, including, without limitation, any amenity, improvement, furnishing, fixture, finish, system or equipment, that may, within 30 years after its original installation, require repair, replacement or restoration in excess of routine annual maintenance which is included in the annual operating budget of an association.

Units

A quantity chosen as a standard in terms of measurement. For Example, Square Footage, Linear Footage, a Condominium Unit, a Roof, etc.

Date Last Repaired/ Replaced:

Estimated date when the Component was last Replaced, Repaired, Restored or Maintained

Cost Per Unit

How much each unit of measurement costs to repair, replace, restore, or maintain

Today's Cost:

Total Estimated Cost to Repair, Replace, Maintain or Restore the Component
This may be a calculation of Costs per Unit x Number of Units or it may be a set value.

Estimated Life When New

Estimated Time Frame that the Component should last before it is Repaired, Replaced, Restored or Maintained. This may be based on a Warranty, Historical Life Span, Manufactures/ Contractors opinion, location, etc.

Estimated Remaining Useful Life:

The Estimated amount of time that the component will actually last from today
This may be a calculation based on Estimated Useful Life When New minus the actual age or it could be based on other factors such as wear, condition, climate etc.



Common Area

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Common Area - Camera System Security Camera	2020	as needed	56,000.00	56,000.00	0	10
2.	Common Area - Camera System Surveillance (Area Rehab 2019)	2029	as needed	53,000.00	53,000.00	9	10
3.	Common Area - Camera System Surveillance (Area Rehab)	2020	as needed	38,000.00	38,000.00	0	10
4.	Common Area - Elevator Modernization Phase 01A Mid Rise (Done 2018)	2043	as needed	250,000.00	250,000.00	23	25
5.	Common Area - Elevator Modernization Phase 01B Mid Rise (Done 2019)	2044	as needed	1,000,000.00	5,000,000.00	24	25
6.	Common Area - Elevator Modernization Phase 02 (High Rise)	2021	5 units	250,000.00	1,250,000.00	1	25
7.	Common Area - Elevator Modernization Phase 03 (Low Rise)	2022	3 units	334,000.00	1,002,000.00	2	25
8.	Common Area - Escalator Refurbishment Phase 01	2023	as needed	500,000.00	500,000.00	3	30
9.	Common Area - Escalator Refurbishment Phase 02	2024	as needed	500,000.00	500,000.00	4	30
10.	Common Area - Escalator Refurbishment Phase 03	2025	as needed	500,000.00	500,000.00	5	30



Fitness Center

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Fitness Center - Component: Cabinet-Water, Towels, Laundry	2035	1 unit	2,500.00	2,500.00	15	15
2.	Fitness Center - Component: Carpet Replacement	2025	160 sq ft	15.00	2,400.00	5	5
3.	Fitness Center - Component: Ceiling Fans, Electrical and Lighting Contingency	2030	1 unit	2,500.00	2,500.00	10	10
4.	Fitness Center - Component: Door Replacement	2040	1 unit	2,000.00	2,000.00	20	20
5.	Fitness Center - Component: Elliptical Trainer with Touch Screen	2025	6 units	4,500.00	27,000.00	5	5
6.	Fitness Center - Component: Fitness Center, Spa Gym Expansion	2020	as needed	450,000.00	450,000.00	0	20
7.	Fitness Center - Component: Interior Painting	2025	1 unit	2,500.00	2,500.00	5	5
8.	Fitness Center - Component: Key Fob Security System	2023	1 unit	2,500.00	2,500.00	3	3
9.	Fitness Center - Component: Precore Benches	2023	2 units	500.00	1,000.00	3	5

Fitness Center (Continued)

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
10.	Fitness Center - Component: Precore Exercise Bike with Touch Screen	2025	2 units	3,500.00	7,000.00	5	5
11.	Fitness Center - Component: Sound System	2030	1 unit	1,500.00	1,500.00	10	10
12.	Fitness Center - Component: Stairmaster with Touch Screen	2025	1 unit	3,500.00	3,500.00	5	5
13.	Fitness Center - Component: Treadmill with Touch Screen	2025	4 units	4,500.00	18,000.00	5	5
14.	Fitness Center - Component: TV Replacement	2025	4 units	450.00	1,800.00	5	5
15.	Fitness Center - Component: Weight Machine	2035	1 unit	10,000.00	10,000.00	15	15
16.	Fitness Center - Component: Weights and Stand	2035	1 unit	2,000.00	2,000.00	15	15



Hallways

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Hallways - Renovation Phase 01 (Per Floor)	2020	3 units	1,000,000.00	3,000,000.00	0	7
2.	Hallways - Renovation Phase 02 (Per Floor)	2021	5 units	1,000,000.00	5,000,000.00	1	7
3.	Hallways - Renovation Phase 03 (Per Floor)	2022	3 units	1,000,000.00	3,000,000.00	2	7
4.	Hallways - Renovation Phase 04 (Per Floor)	2023	5 units	1,000,000.00	5,000,000.00	3	7
5.	Hallways - Renovation Phase 05 (Per Floor)	2024	5 units	1,000,000.00	5,000,000.00	4	7
6.	Hallways - Renovation Phase 06 (Per Floor)	2025	5 units	1,000,000.00	5,000,000.00	5	7



Lobby

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Lobby - Component: Checkin Desk	2028	1 unit	1,500,000.00	1,500,000.00	8	10
2.	Lobby - Component: Elevator Lobby/Walkways	2029	1 unit	1,800,000.00	1,800,000.00	9	10
3.	Lobby - Component: Equipment Registration/PBX	2020	1 unit	440,000.00	440,000.00	0	5
4.	Lobby - Component: Front Desk Ceiling	2029	1 unit	1,500,000.00	1,500,000.00	9	10
5.	Lobby - Component: IP (LMS Interface to Infinium)	2020	1 unit	10,000.00	10,000.00	0	10
6.	Lobby - Component: Lobby Entrance	2029	1 unit	1,800,000.00	1,800,000.00	9	10



Pool Area

	Component	Year Scheduled	Quantity	Cost Per Unit	Today's Cost	Estimated Remaining Useful Life (Years)	Estimated Life When New (Years)
1.	Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	Annual	as needed	10,000.00	10,000.00	0	1
2.	Pool Area - Component: Ice Rink Replacement (Future)	2032	1 unit	500,000.00	500,000.00	12	15
3.	Pool Area - Furniture Replacement Allowence	2022	as needed	40,000.00	40,000.00	2	3
4.	Pool Area - Pool Resurface (Future)	2027	2 units	25,000.00	50,000.00	7	10
5.	Pool Area - Restroom Remodel (Future)	2027	2 units	15,000.00	30,000.00	7	10
6.	Pool Area - Shade Structure - VIP Bar	2020	1 unit	100,000.00	100,000.00	0	5
7.	Pool Area - Spa Resurface (Future)	2023	2 units	8,000.00	16,000.00	3	6

Recommended Reserve Contribution and Funding Levels - Concepts

Beginning of the Year Balance	Reserve Bank Account(s) Balance as of the Beginning of the year
Annual Transfer	Recommended Transfer or Annual Contribution to the Reserve Account
Monthly Contribution per Unit	An example of the amount of money that each unit owner would contribute to the Reserve Bank Account each month
Annual Expenditures	Estimated Expenditures based on the Component Evaluation
Investment Earnings	Dollar Amount of Interest contributed to the Reserve Account based on the percent interest rate on the Reserve Bank Account - Provided by the Management Company or Board of Directors.
Income Tax	Estimated Income Tax - 30% of the Reserve Bank Account(s) earned interest
End of the Year Balance	Recommended Reserve Bank Account Ending Balance at the end of the Fiscal Year
% Funded	A Measure of the financial health of the Association based on funding the depreciation of each Component. The chart below indicates the financial position based on the Percent Funded.
Fully Funded- 100% Funded	Funding of 100% of the depreciation of each Component.

0% - 40% Funded is considered to be a "weak" financial position. Associations that fall into this category must take action to bring the funding levels to a proper level by raising the monthly/ annual contribution or a Special Reserve Assessment.

40% - 74% Funded is considered to be a "fair" financial position. This does not represent financial strength and stability. The likelihood of a Special Assessment is still possible. The Association should make every effort to continue strengthening the financial position of the Reserve Fund.

75% - 99% Funded is considered a "strong" financial position. This indicates financial strength of a Reserve Fund and every attempt to maintain this level should be a goal of the Association.

100% Funded or Greater is the "ideal" financial position. This means that the Association has the funds in the Reserve Account in order to repair, replace, restore or maintain the Common Elements based on their depreciation. Some Reserve Studies will fund the Reserves up to 130% Funded. In some instances, the Reserve Fund may be over the 100% funding mark in order to prepare for larger costs that will impact the Reserve Account in the future.

Grand Sierra Resort - Hotel Related Components

Recommended Reserve Contribution

Year Funded	Beginning of Year Balance	Spc Rsv Assessmt	Annual Transfer	Member Mo Pmt	Annual Expenditures	Interest Earned	Income Tax	End
2020	\$1,468,235.43	\$0.00	\$3,900,000.00	\$325,000.00	\$4,104,000.00	\$73,412.00	\$22,023.60	\$1,31
2021	\$1,315,623.83	\$8,000,000.00	\$3,900,000.00	\$325,000.00	\$6,416,500.00	\$65,781.00	\$19,734.30	\$6,84
2022	\$6,845,170.53	\$8,000,000.00	\$3,900,000.00	\$325,000.00	\$4,257,132.50	\$342,259.00	\$102,677.70	\$14,72
2023	\$14,727,619.33	\$0.00	\$4,000,000.00	\$333,333.33	\$5,954,666.72	\$736,381.00	\$220,914.30	\$13,28
2024	\$13,288,419.31	\$0.00	\$4,000,000.00	\$333,333.33	\$6,082,009.03	\$664,421.00	\$199,326.30	\$11,67
2025	\$11,671,504.98	\$0.00	\$5,000,000.00	\$416,666.67	\$6,960,649.60	\$583,575.00	\$175,072.50	\$10,11
2026	\$10,119,357.88	\$0.00	\$5,000,000.00	\$416,666.67	\$14,496.16	\$505,968.00	\$151,790.40	\$15,45
2027	\$15,459,039.32	\$0.00	\$6,000,000.00	\$500,000.00	\$3,673,038.98	\$772,952.00	\$231,885.60	\$18,32
2028	\$18,327,066.74	\$0.00	\$6,000,000.00	\$500,000.00	\$7,981,757.39	\$916,353.00	\$274,905.90	\$16,98
2029	\$16,986,756.45	\$0.00	\$6,500,000.00	\$541,666.67	\$10,217,572.40	\$849,338.00	\$254,801.40	\$13,86
2030	\$13,863,720.65	\$0.00	\$6,500,000.00	\$541,666.67	\$7,322,339.60	\$693,186.00	\$207,955.80	\$13,52
2031	\$13,526,611.25	\$0.00	\$6,500,000.00	\$541,666.67	\$6,626,037.63	\$676,331.00	\$202,899.30	\$13,87
2032	\$13,874,005.32	\$0.00	\$7,500,000.00	\$625,000.00	\$7,413,699.64	\$693,700.00	\$208,110.00	\$14,44
2033	\$14,445,895.68	\$0.00	\$7,500,000.00	\$625,000.00	\$15,163.62	\$722,295.00	\$216,688.50	\$22,43
2034	\$22,436,338.56	\$0.00	\$7,500,000.00	\$625,000.00	\$4,309,570.15	\$1,121,817.00	\$336,545.10	\$26,41
2035	\$26,412,040.31	\$0.00	\$8,000,000.00	\$666,666.67	\$8,175,932.83	\$1,320,602.00	\$396,180.60	\$27,16
2036	\$27,160,528.88	\$0.00	\$8,000,000.00	\$666,666.67	\$4,468,361.92	\$1,358,026.00	\$407,407.80	\$31,64
2037	\$31,642,785.16	\$0.00	\$8,000,000.00	\$666,666.67	\$7,805,901.68	\$1,582,139.00	\$474,641.70	\$32,94
2038	\$32,944,380.78	\$0.00	\$8,100,000.00	\$675,000.00	\$10,158,837.07	\$1,647,219.00	\$494,165.70	\$32,03
2039	\$32,038,597.01	\$0.00	\$8,100,000.00	\$675,000.00	\$16,247,081.83	\$1,601,930.00	\$480,579.00	\$25,01
2040	\$25,012,866.18	\$0.00	\$8,100,000.00	\$675,000.00	\$1,986,330.83	\$1,250,643.00	\$375,192.90	\$32,00
2041	\$32,001,985.45	\$0.00	\$8,100,000.00	\$675,000.00	\$5,086,613.63	\$1,600,099.00	\$480,029.70	\$36,13
2042	\$36,135,441.12	\$0.00	\$8,500,000.00	\$708,333.33	\$8,625,072.70	\$1,806,772.00	\$542,031.60	\$37,27
2043	\$37,275,108.82	\$0.00	\$8,500,000.00	\$708,333.33	\$5,824,979.87	\$1,863,755.00	\$559,126.50	\$41,25
2044	\$41,254,757.45	\$0.00	\$8,500,000.00	\$708,333.33	\$18,109,868.57	\$2,062,738.00	\$618,821.40	\$33,08
2045	\$33,088,805.48	\$0.00	\$8,700,000.00	\$725,000.00	\$10,404,705.06	\$1,654,440.00	\$496,332.00	\$32,54
2046	\$32,542,208.42	\$0.00	\$8,600,000.00	\$716,666.67	\$11,971,844.02	\$1,627,110.00	\$488,133.00	\$30,30
2047	\$30,309,341.40	\$0.00	\$8,800,000.00	\$733,333.33	\$3,136,931.93	\$1,515,467.00	\$454,640.10	\$37,03
2048	\$37,033,236.37	\$0.00	\$8,700,000.00	\$725,000.00	\$9,006,189.04	\$1,851,662.00	\$555,498.60	\$38,02
2049	\$38,023,210.73	\$0.00	\$9,000,000.00	\$750,000.00	\$20,879,494.64	\$1,901,161.00	\$570,348.30	\$27,47
Total:		\$16,000,000.00	\$209,400,000.00		\$223,236,779.04	\$34,061,532.00	\$10,218,459.60	

Reserve Budget Summary

Homeowners,

This Summary meets the NRS 116.31151 requirement of the Annual distribution to units' owners of operating and reserve budgets. It is provided to all individual homeowners as a recap of the Reserve Study that has been adopted by the Board of Directors.

A Full Reserve Study with a site inspection is required at least every 5 years by Nevada law. The Reserve Study should be updated each year with the estimated Reserve Bank Account Balance, Real Component Costs and actual time frames. Adjustments to the Association's funding plan should be made to provide adequate funding for the required reserves.

NRS 116.31152 Study of reserves; duties of executive board regarding study; person who conducts study required to hold permit; contents of study; submission of summary of study to Division; use of money credited against residential construction tax for upkeep of park facilities and related improvements identified in study.

1. The executive board shall:

(a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements;

(b) At least annually, review the results of that study to determine whether those reserves are sufficient; and

(c) At least annually, make any adjustments to the association's funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

A copy of the entire Reserve Study is available by contacting the Community Management Company (or Board of Directors of Self Managed Associations).

Reserve Study Start Date: 01/01/2020

Reserve Bank Balance as of Fiscal Year Start Date: \$1,468,235.43

Recommended Annual Contribution to the Reserve Account: \$3,900,000.00

Estimated Expenditures: \$4,104,000.00

Projected Reserve Bank Balance at the End of the Fiscal Year: \$1,315,623.83

Planned Special Reserve Assessments: \$16,000,000.00

Study Method: Threshold Funding

Reserve Study Completed By: Reserve Study Specialist: RSS Mari Jo Betterley, 0000025, Better Reserve Consultants

**Major Components of the Common Elements to be
Repaired, Replaced, Restored or Maintained**

Component	Today's Cost	Estimated Remaining Useful Life	Estimated Life When New
<u>Common Area</u>			
Common Area - Camera System Security Camera	56,000.00	0	10
Common Area - Camera System Surveillance (Area Rehab 2019)	53,000.00	9	10
Common Area - Camera System Surveillance (Area Rehab)	38,000.00	0	10
Common Area - Elevator Modernization Phase 01A Mid Rise (Done 2018)	250,000.00	23	25
Common Area - Elevator Modernization Phase 01B Mid Rise (Done 2019)	5,000,000.00	24	25
Common Area - Elevator Modernization Phase 02 (High Rise)	1,250,000.00	1	25
Common Area - Elevator Modernization Phase 03 (Low Rise)	1,002,000.00	2	25
Common Area - Escalator Refurbishment Phase 01	500,000.00	3	30
Common Area - Escalator Refurbishment Phase 02	500,000.00	4	30
Common Area - Escalator Refurbishment Phase 03	500,000.00	5	30
<u>Fitness Center</u>			
Fitness Center - Component: Cabinet- Water, Towels, Laundry	2,500.00	15	15
Fitness Center - Component: Carpet Replacement	2,400.00	5	5
Fitness Center - Component: Ceiling Fans, Electrical and Lighting Contingency	2,500.00	10	10
Fitness Center - Component: Door Replacement	2,000.00	20	20
Fitness Center - Component: Elliptical Trainer with Touch Screen	27,000.00	5	5
Fitness Center - Component: Fitness Center, Spa Gym Expansion	450,000.00	0	20
Fitness Center - Component: Interior Painting	2,500.00	5	5
Fitness Center - Component: Key Fob Security System	2,500.00	3	3
Fitness Center - Component: Precore Benches	1,000.00	3	5
Fitness Center - Component: Precore Exercise Bike with Touch Screen	7,000.00	5	5
Fitness Center - Component: Sound System	1,500.00	10	10
Fitness Center - Component: Stairmaster with Touch Screen	3,500.00	5	5
Fitness Center - Component: Treadmill with Touch Screen	18,000.00	5	5
Fitness Center - Component: TV Replacement	1,800.00	5	5
Fitness Center - Component: Weight Machine	10,000.00	15	15
Fitness Center - Component: Weights and Stand	2,000.00	15	15
<u>Hallways</u>			
Hallways - Renovation Phase 01 (Per Floor)	3,000,000.00	0	7
Hallways - Renovation Phase 02 (Per Floor)	5,000,000.00	1	7
Hallways - Renovation Phase 03 (Per Floor)	3,000,000.00	2	7
Hallways - Renovation Phase 04 (Per Floor)	5,000,000.00	3	7
Hallways - Renovation Phase 05 (Per Floor)	5,000,000.00	4	7
Hallways - Renovation Phase 06 (Per Floor)	5,000,000.00	5	7

Lobby - Component: Checkin Desk	1,500,000.00	8	10
Lobby - Component: Elevator Lobby/Walkways	1,800,000.00	9	10
Lobby - Component: Equipment Registration/PBX	440,000.00	0	5
Lobby - Component: Front Desk Ceiling	1,500,000.00	9	10
Lobby - Component: IP (LMS Interface to Infinium)	10,000.00	0	10
Lobby - Component: Lobby Entrance	1,800,000.00	9	10

Pool Area

Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	10,000.00	0	1
Pool Area - Component: Ice Rink Replacement (Future)	500,000.00	12	15
Pool Area - Furniture Replacement Allowence	40,000.00	2	3
Pool Area - Pool Resurface (Future)	50,000.00	7	10
Pool Area - Restroom Remodel (Future)	30,000.00	7	10
Pool Area - Shade Structure - VIP Bar	100,000.00	0	5
Pool Area - Spa Resurface (Future)	16,000.00	3	6

Total:	43,481,200.00		
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30 Year Planned Expenditures

This is where you will spend your money in the next 30 years

2020

Common Area - Camera System Security Camera	\$56,000.00
Common Area - Camera System Surveillance (Area Rehab)	\$38,000.00
Fitness Center - Component: Fitness Center, Spa Gym Expansion	\$450,000.00
Hallways - Renovation Phase 01 (Per Floor)	\$3,000,000.00
Lobby - Component: Equipment Registration/PBX	\$440,000.00
Lobby - Component: IP (LMS Interface to Infinium)	\$10,000.00
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$10,000.00
Pool Area - Shade Structure - VIP Bar	\$100,000.00
Total	\$4,104,000.00

2021

Common Area - Elevator Modernization Phase 02 (High Rise)	\$1,281,250.00
Hallways - Renovation Phase 02 (Per Floor)	\$5,125,000.00
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$10,250.00
Total	\$6,416,500.00

2022

Common Area - Elevator Modernization Phase 03 (Low Rise)	\$1,052,726.25
Hallways - Renovation Phase 03 (Per Floor)	\$3,151,875.00
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$10,506.25
Pool Area - Furniture Replacement Allowence	\$42,025.00
Total	\$4,257,132.50

2023

Common Area - Escalator Refurbishment Phase 01	\$538,445.31
Fitness Center - Component: Key Fob Security System	\$2,692.23
Fitness Center - Component: Precore Benches	\$1,076.89
Hallways - Renovation Phase 04 (Per Floor)	\$5,384,453.13
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$10,768.91
Pool Area - Spa Resurface (Future)	\$17,230.25
Total	\$5,954,666.72

2024

Common Area - Escalator Refurbishment Phase 02	\$551,906.45
Hallways - Renovation Phase 05 (Per Floor)	\$5,519,064.45
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$11,038.13
Total	\$6,082,009.03

2025

Common Area - Escalator Refurbishment Phase 03	\$565,704.11
Fitness Center - Component: Carpet Replacement	\$2,715.38
Fitness Center - Component: Elliptical Trainer with Touch Screen	\$30,548.02
Fitness Center - Component: Interior Painting	\$2,828.52
Fitness Center - Component: Precore Exercise Bike with Touch Screen	\$7,919.86
Fitness Center - Component: Stairmaster with Touch Screen	\$3,959.93
Fitness Center - Component: Treadmill with Touch Screen	\$20,365.35
Fitness Center - Component: TV Replacement	\$2,036.53
Hallways - Renovation Phase 06 (Per Floor)	\$5,657,041.06
Lobby - Component: Equipment Registration/PBX	\$497,819.61
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$11,314.08
Pool Area - Furniture Replacement Allowence	\$45,256.33
Pool Area - Shade Structure - VIP Bar	\$113,140.82
Total	\$6,960,649.60

2026

Fitness Center - Component: Key Fob Security System	\$2,899.23
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$11,596.93
Total	\$14,496.16

2027

Hallways - Renovation Phase 01 (Per Floor)	\$3,566,057.26
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$11,886.86
Pool Area - Pool Resurface (Future)	\$59,434.29
Pool Area - Restroom Remodel (Future)	\$35,660.57
Total	\$3,673,038.98

2028

Fitness Center - Component: Precore Benches	\$1,218.40
Hallways - Renovation Phase 02 (Per Floor)	\$6,092,014.49
Lobby - Component: Checkin Desk	\$1,827,604.35
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$12,184.03
Pool Area - Furniture Replacement Allowence	\$48,736.12
Total	\$7,981,757.39

2029

Common Area - Camera System Surveillance (Area Rehab 2019)	\$66,189.74
Fitness Center - Component: Key Fob Security System	\$3,122.16
Hallways - Renovation Phase 03 (Per Floor)	\$3,746,588.91
Lobby - Component: Elevator Lobby/Walkways	\$2,247,953.35
Lobby - Component: Front Desk Ceiling	\$1,873,294.45
Lobby - Component: Lobby Entrance	\$2,247,953.35
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$12,488.63
Pool Area - Spa Resurface (Future)	\$19,981.81
Total	\$10,217,572.40

2030

Common Area - Camera System Security Camera	\$71,684.73
Common Area - Camera System Surveillance (Area Rehab)	\$48,643.21
Fitness Center - Component: Carpet Replacement	\$3,072.20
Fitness Center - Component: Ceiling Fans, Electrical and Lighting Contingency	\$3,200.21
Fitness Center - Component: Elliptical Trainer with Touch Screen	\$34,562.28
Fitness Center - Component: Interior Painting	\$3,200.21
Fitness Center - Component: Precore Exercise Bike with Touch Screen	\$8,960.59
Fitness Center - Component: Sound System	\$1,920.13
Fitness Center - Component: Stairmaster with Touch Screen	\$4,480.30
Fitness Center - Component: Treadmill with Touch Screen	\$23,041.52
Fitness Center - Component: TV Replacement	\$2,304.15
Hallways - Renovation Phase 04 (Per Floor)	\$6,400,422.72
Lobby - Component: Equipment Registration/PBX	\$563,237.20
Lobby - Component: IP (LMS Interface to Infinium)	\$12,800.85
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$12,800.85
Pool Area - Shade Structure - VIP Bar	\$128,008.45
Total	\$7,322,339.60

2031

Hallways - Renovation Phase 05 (Per Floor)	\$6,560,433.29
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$13,120.87
Pool Area - Furniture Replacement Allowence	\$52,483.47
Total	\$6,626,037.63

2032

Fitness Center - Component: Key Fob Security System	\$3,362.22
Hallways - Renovation Phase 06 (Per Floor)	\$6,724,444.12
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$13,448.89
Pool Area - Component: Ice Rink Replacement (Future)	\$672,444.41
Total	\$7,413,699.64

2033

Fitness Center - Component: Precore Benches	\$1,378.51
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$13,785.11
Total	\$15,163.62

2034

Hallways - Renovation Phase 01 (Per Floor)	\$4,238,921.46
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$14,129.74
Pool Area - Furniture Replacement Allowence	\$56,518.95
Total	\$4,309,570.15

2035

Fitness Center - Component: Cabinet- Water, Towels, Laundry	\$3,620.75
Fitness Center - Component: Carpet Replacement	\$3,475.92
Fitness Center - Component: Elliptical Trainer with Touch Screen	\$39,104.05
Fitness Center - Component: Interior Painting	\$3,620.75
Fitness Center - Component: Key Fob Security System	\$3,620.75
Fitness Center - Component: Precore Exercise Bike with Touch Screen	\$10,138.09
Fitness Center - Component: Stairmaster with Touch Screen	\$5,069.04
Fitness Center - Component: Treadmill with Touch Screen	\$26,069.37
Fitness Center - Component: TV Replacement	\$2,606.94
Fitness Center - Component: Weight Machine	\$14,482.98
Fitness Center - Component: Weights and Stand	\$2,896.60
Hallways - Renovation Phase 02 (Per Floor)	\$7,241,490.83
Lobby - Component: Equipment Registration/PBX	\$637,251.19
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$14,482.98
Pool Area - Shade Structure - VIP Bar	\$144,829.82
Pool Area - Spa Resurface (Future)	\$23,172.77
Total	\$8,175,932.83

2036

Hallways - Renovation Phase 03 (Per Floor)	\$4,453,516.86
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$14,845.06
Total	\$4,468,361.92

2037

Hallways - Renovation Phase 04 (Per Floor)	\$7,608,091.31
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$15,216.18
Pool Area - Furniture Replacement Allowence	\$60,864.73
Pool Area - Pool Resurface (Future)	\$76,080.91
Pool Area - Restroom Remodel (Future)	\$45,648.55
Total	\$7,805,901.68

2038

Fitness Center - Component: Key Fob Security System	\$3,899.15
Fitness Center - Component: Precore Benches	\$1,559.66
Hallways - Renovation Phase 05 (Per Floor)	\$7,798,293.59
Lobby - Component: Checkin Desk	\$2,339,488.08
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$15,596.59
Total	\$10,158,837.07

2039

Common Area - Camera System Surveillance (Area Rehab 2019)	\$84,728.46
Hallways - Renovation Phase 06 (Per Floor)	\$7,993,250.93
Lobby - Component: Elevator Lobby/Walkways	\$2,877,570.33
Lobby - Component: Front Desk Ceiling	\$2,397,975.28
Lobby - Component: Lobby Entrance	\$2,877,570.33
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$15,986.50
Total	\$16,247,081.83

2040

Common Area - Camera System Security Camera	\$91,762.52
Common Area - Camera System Surveillance (Area Rehab)	\$62,267.42
Fitness Center - Component: Carpet Replacement	\$3,932.68
Fitness Center - Component: Ceiling Fans, Electrical and Lighting Contingency	\$4,096.54
Fitness Center - Component: Door Replacement	\$3,277.23
Fitness Center - Component: Elliptical Trainer with Touch Screen	\$44,242.64
Fitness Center - Component: Fitness Center, Spa Gym Expansion	\$737,377.40
Fitness Center - Component: Interior Painting	\$4,096.54
Fitness Center - Component: Precore Exercise Bike with Touch Screen	\$11,470.32
Fitness Center - Component: Sound System	\$2,457.92
Fitness Center - Component: Stairmaster with Touch Screen	\$5,735.16
Fitness Center - Component: Treadmill with Touch Screen	\$29,495.10
Fitness Center - Component: TV Replacement	\$2,949.51
Lobby - Component: Equipment Registration/PBX	\$720,991.23
Lobby - Component: IP (LMS Interface to Infinium)	\$16,386.16
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$16,386.16
Pool Area - Furniture Replacement Allowance	\$65,544.66
Pool Area - Shade Structure - VIP Bar	\$163,861.64
Total	\$1,986,330.83

2041

Fitness Center - Component: Key Fob Security System	\$4,198.95
Hallways - Renovation Phase 01 (Per Floor)	\$5,038,745.55
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$16,795.82
Pool Area - Spa Resurface (Future)	\$26,873.31
Total	\$5,086,613.63

2042

Hallways - Renovation Phase 02 (Per Floor)	\$8,607,856.99
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$17,215.71
Total	\$8,625,072.70

2043

Common Area - Elevator Modernization Phase 01A Mid Rise (Done 2018)	\$441,152.67
Fitness Center - Component: Precore Benches	\$1,764.61
Hallways - Renovation Phase 03 (Per Floor)	\$5,293,832.05
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$17,646.11
Pool Area - Furniture Replacement Allowence	\$70,584.43
Total	\$5,824,979.87

2044

Common Area - Elevator Modernization Phase 01B Mid Rise (Done 2019)	\$9,043,629.75
Fitness Center - Component: Key Fob Security System	\$4,521.81
Hallways - Renovation Phase 04 (Per Floor)	\$9,043,629.75
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$18,087.26
Total	\$18,109,868.57

2045

Fitness Center - Component: Carpet Replacement	\$4,449.47
Fitness Center - Component: Elliptical Trainer with Touch Screen	\$50,056.49
Fitness Center - Component: Interior Painting	\$4,634.86
Fitness Center - Component: Precore Exercise Bike with Touch Screen	\$12,977.61
Fitness Center - Component: Stairmaster with Touch Screen	\$6,488.80
Fitness Center - Component: Treadmill with Touch Screen	\$33,370.99
Fitness Center - Component: TV Replacement	\$3,337.10
Hallways - Renovation Phase 05 (Per Floor)	\$9,269,720.49
Lobby - Component: Equipment Registration/PBX	\$815,735.40
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$18,539.44
Pool Area - Shade Structure - VIP Bar	\$185,394.41
Total	\$10,404,705.06

2046

Common Area - Elevator Modernization Phase 02 (High Rise)	\$2,375,365.88
Hallways - Renovation Phase 06 (Per Floor)	\$9,501,463.50
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$19,002.93
Pool Area - Furniture Replacement Allowence	\$76,011.71
Total	\$11,971,844.02

2047

Common Area - Elevator Modernization Phase 03 (Low Rise)	\$1,951,695.62
Fitness Center - Component: Key Fob Security System	\$4,869.50
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$19,478.00
Pool Area - Component: Ice Rink Replacement (Future)	\$973,900.01
Pool Area - Pool Resurface (Future)	\$97,390.00
Pool Area - Restroom Remodel (Future)	\$58,434.00
Pool Area - Spa Resurface (Future)	\$31,164.80
Total	\$3,136,931.93

2048

Fitness Center - Component: Precore Benches	\$1,996.50
Hallways - Renovation Phase 01 (Per Floor)	\$5,989,485.06
Lobby - Component: Checkin Desk	\$2,994,742.53
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$19,964.95
Total	\$9,006,189.04

2049

Common Area - Camera System Surveillance (Area Rehab 2019)	\$108,459.59
Hallways - Renovation Phase 02 (Per Floor)	\$10,232,036.97
Lobby - Component: Elevator Lobby/Walkways	\$3,683,533.31
Lobby - Component: Front Desk Ceiling	\$3,069,611.09
Lobby - Component: Lobby Entrance	\$3,683,533.31
Pool Area - Component: Filters, Pumps, UV Sterilizer, Brominator, Controllers, etc. (Future)	\$20,464.07
Pool Area - Furniture Replacement Allowence	\$81,856.30
Total	\$20,879,494.64

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, et. al.,

Plaintiffs,

Case No. CV12-02222

Dept No. OJ37

v.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, AM-GSR
Holdings, LLC., a Nevada Limited Liability
Company, GRAND SIERRA RESORT UNIT
OWNERS' ASSOCIATION, a Nevada
Nonprofit Corporation, GAGE VILLAGE
COMMERCIAL DEVELOPMENT, LLC., a
Nevada Limited Liability Company, and DOES
I-X inclusive,

Defendants.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Presently before the Court is Defendants' January 1, 2021 MOTION FOR LEAVE TO FILE MOTION FOR RECONSIDERATION OF DECEMBER 24, 2020, ORDER GRANTING MOTION FOR CLARIFICATION AND REQUEST FOR HEARING ("the Motion for Reconsideration"). Plaintiffs filed their Opposition on January 21, 2021, and briefing closed upon Defendants having filed their February 4, 2021 Reply. Arguments took place on May 14, 2021.

Having reviewed the record before it, the Court makes the following Findings of Fact, Conclusions of Law and Order on the narrow issue of whether the December 24, 2020 Order grants relief to Plaintiffs exceeding the scope of relief they requested in their October 14, 2020, and November 13, 2020 Motions for Clarification¹.

I. FINDINGS OF FACT

1. During an October 30, 2019 hearing on a series of motions filed by both Plaintiffs

¹ To the extent that any findings of fact is more properly characterized as a conclusion of law, or vice versa, the Court adopts it as such.

1 and Defendants, the Court advised the Receiver, Mr. Teichner, that if he felt Mr. Proctor's
2 calculations were inaccurate, he had the authority to make that determination, but until that
3 happens, the parties are to operate under Mr. Proctor's analysis and calculations. The Court further
4 advised the Receiver, Mr. Teichner, that his recalculations would be effective on the day that he
5 makes the determination to make the modifications. (See Court's Minutes filed 10/31/2019).

6 2. On February 17, 2020, Mr. Teichner sent an email to Mr. McElhinney, Mr. Miller
7 and Mr. Tew setting forth his recalculations for the daily use fee, the hotel expenses and the shared
8 facilities unit expense which he noted were to be effective beginning the month of January 2020.
9 (A copy of this email is attached as Exhibit 2 to Plaintiffs Motion for Instructions to Receiver filed
10 02/21/2020)

11 3. On February 21, 2020, Plaintiffs filed their Motion for Instructions to Receiver.
12 Plaintiffs challenged Mr. Teichner's February 17, 2020 daily use fee recalculations. For the first
13 time via a Reply brief they filed on February 28, 2020, Plaintiffs expanded the scope of their
14 challenge to include Mr. Teichner's recalculations of the Shared Facility Unit Expense and Hotel
15 Expense. On page 15:4 of Plaintiffs' Reply, Plaintiffs requested the following relief from the Court:
16 "Until such time as new calculations are prepared in accordance with the Governing Documents
17 and with verified expenses, Mr. Proctor's calculations should be held in place."

18 4. The Court, on July 9, 2020, heard oral argument on several motions including
19 Plaintiffs' February 21, 2020 Motion for Instructions to Receiver. During the hearing Mr. Teichner
20 confirmed that he made the determination to modify Mr. Proctor's fees in January of 2020 and
21 applied his new fee calculations as of that month. He testified that in arriving at his calculations,
22 Mr. Teichner did not rely on Mr. Proctor's fees because he did not understand how Mr. Proctor
23 calculated the fees, stating, "I did not understand his calculations at all, and I didn't understand
24 what he was doing and the rationale for what he was doing." (See Exhibits 2 and 3, portions of
25 hearing transcript attached to Defendants January 7, 2021 Motion for Leave to File Motion for
26 Reconsideration of December 24, 2020 Order).

27 5. During the July 9, 2020 oral argument, Mr. Miller, counsel for Plaintiffs, argued that
28 "Until these [Teichner] fees are recalculated properly in accordance with the governing documents,

1 they should be unwound, and the plaintiff should be retroactively subject to the original [Proctor]
2 fee calculations...” (P.519:3-12, July 9, 2020 hearing transcript, attached as Exhibit 3 to
3 Defendants’ Motion for Leave to File Motion for Reconsideration of December 24, 2020 Order,
4 filed January 7, 2021).

5 6. On October 12, 2020, the Court entered its Order Granting Plaintiffs’ Motion for
6 Instructions to Receiver, ordering the Receiver to recalculate the DUF. That Order did not instruct
7 the Receiver to return to Mr. Proctor’s cost calculations pending new calculations nor did it order
8 any disgorgement of any costs to Plaintiffs. The Court’s Order, therefore, denied any other requests
9 for relief.

10 7. After the October 12, 2020 Order was entered, Plaintiffs filed two motions seeking
11 clarification of it. The first of the two motions was filed on October 14, 2020. Importantly, Plaintiffs
12 did not request any clarification or reconsideration of their previously denied request to apply Mr.
13 Proctor’s cost calculations retroactively to January 1, 2020, or to disgorge funds.

14 8. In response to Plaintiffs October 14, 2020 Request for Clarification, the Court issued
15 its November 2, 2020 Order wherein it noted the limited scope of the clarification sought by
16 Plaintiffs and granted it. Like the October 12, 2020 Order, the November 2, 2020 Order did not
17 issue instructions to retroactively apply Mr. Proctor’s cost numbers pending new calculations, nor
18 disgorgement of any costs to Plaintiffs.

19 9. On November 6, 2020, Plaintiffs’ counsel, Jarrad Miller e-mailed Defendants’
20 counsel, David McElhinney, and Mr. Teichner. In the e-mail, which is not a motion, Mr. Miller,
21 stated in part: “We would agree to the application of Proctor’s fees since January of 2020, until the
22 new fees are calculated, with a CPI adjustment to Proctor’s fees from January of 2017. The new
23 fees calculations prepared by Mr. Teichner would be applied from the date they are calculated
24 forward to prevent having to, again, adjust the calculations.” Mr. McElhinney responded the same
25 day stating in part: “... we will not voluntarily agree to return to Proctor’s numbers. Costs in the
26 labor market have increased substantially since Proctor provided his calculations and they do not
27 come close to covering our actual costs today ...” (See Exhibits 8 and 11 to Defendants’ November
28 20, 2020 Opposition to Plaintiffs’ Emergency Motion for Clarification of Orders).

1 10. On November 13, 2020, seven days after asking Defendants to voluntarily stipulate
2 to a return to Proctor's numbers retroactive to January, 2020, and Defendants rejecting that request,
3 Plaintiffs filed their second motion for clarification. This second motion for clarification, just like
4 the first, is silent as to any request for instruction to the Receiver to return
5 to Mr. Proctor's cost numbers retroactively pending new calculations, or about the disgorgement
6 of any costs to Plaintiffs.

7 11. Plaintiffs, in both their October 14, 2020, and November 13, 2020 Motions for
8 Clarification ("Motions"), failed to seek clarification or reconsideration of their prior denied request
9 to retroactively return to Proctor's cost calculations or to order disgorgement from Defendants. As
10 a result, these issues were never briefed by the parties nor were they properly before the Court for
11 its consideration.

12 12. Despite the issues never having been raised or briefed by Plaintiffs in either of their
13 Motions, in its Christmas Eve Order Granting Motion for Clarification (an order completely drafted
14 by Plaintiffs' counsel, see proposed order submitted to the Court by Plaintiffs on November 25,
15 2020) the Court ruled, for the first time, that "Until the DUF, the Hotel Expense Fees, and Shared
16 Facilities fees are recalculated by the Receiver, the fees calculated by the past receiver [Mr.
17 Proctor], shall be applied. Amounts charged since January of 2020 under the improper fee
18 allocations shall be disgorged to the Plaintiffs, and the new fee allocations shall not go into effect
19 until calculated (they will not be retroactively applied)."

20 13. The Christmas Eve Order offers no explanation as to why it would include such a
21 provision in its Order when Plaintiffs failed to request this relief in their Motions.

22 14. Plaintiffs offer an explanation for the Christmas Eve Order exceeding the scope of
23 the relief requested in their Motions, arguing that because they requested a return to Proctor's
24 numbers in their February 21, 2020 Motion for Instructions to Receiver, that was sufficient to
25 preserve the issue for the Court's consideration in its December 24th Order. Plaintiffs explanation,
26 however, fails because the Court's October 12, 2020 Order Granting their Motion for Instructions
27 to Receiver denied Plaintiffs' February, 2020 request by not affirmatively granting it. Plaintiffs
28 never timely filed a Motion for Reconsideration or Clarification on that particular issue.

15. There is no question the Christmas Eve Order to return to Proctor's numbers retroactively to January 2020 is a material provision beyond the scope of relief requested by Plaintiffs in their Motions. As such, the issues of whether or not to apply Mr. Proctor's cost numbers retroactively pending new calculations, or about the disgorgement of any costs to Plaintiffs, could not be addressed by Defendants.

II. CONCLUSIONS OF LAW

1. In its October 12, 2020 Order the Court was silent as to Plaintiffs' request that Proctor's calculations be applied retroactively to January of 2020. The Court's silence on the request is a denial of the requested relief. *Sicor, Inc. v. Sacks*, 127 Nev. 896, 900, 266 P.3d 618, 620 (2011); *Marmolejo v. Las Vegas Athletic Club*, 128 Nev. 915 n.1, 381 P.3d 637 n.1 (2012) (unpublished).

2. Plaintiffs failure to raise the issue regarding a return to Proctor's calculations retroactively to January 2020, by way of Motion for Clarification or for Reconsideration in a timely manner, constitutes a waiver. (D.C.R. 13(7) ("No motion once heard and disposed of shall be renewed in the same cause, nor shall the same matters therein embraced be reheard, unless by leave of court granted upon motion therefor, after notice of such motion to the adverse parties."); *Mahban v. MGM Grand Hotels, Inc.*, 100 Nev. 593, 596, 691 P.2d 421, 423 (1984).

3. Because the October 12, 2020 and November 2, 2020 Orders did not grant Plaintiffs' request to return to Proctor's cost numbers retroactively pending new calculations, or grant disgorgement of any costs to Plaintiffs, Plaintiffs failure to seek that relief in their Motions for Clarification meant those issues were not before the Court and Defendants could not address them. Therefore, the Court's granting of that relief went beyond the scope of what was requested and deprived the Defendants of due process on these issues. *Moroni Corp. Investments Int'l, Inc. v. Edgemon*, 128 Nev. 920, 381 P.3d 643 (2012) (citing *Callie v. Bowling*, 123 Nev. 181, 183, 160 P.3d 878, 879 (2007) (noting that procedural due process is satisfied where a party has notice and opportunity to be heard).

///

III. ORDER

Defendants Motion for Reconsideration on the narrow issue of whether the December 24, 2020 Order exceeded the scope of relief sought by Plaintiffs and therefore violated Defendants' right to procedural due process, is hereby GRANTED and the following language shall be stricken from the December 24, 2020 Order:

"Until the DUF, the Hotel Expense Fees, and Shared Facilities fees are recalculated by the Receiver, the fees calculated by the past receiver shall be applied. Amounts charged since January of 2020 under the improper fee allocations shall be disgorged to the Plaintiffs, and the new fee allocations shall not go into effect until calculated (they will not be retroactively applied)." (December 24, 2020 Order, p. 4:10-14)

IT IS SO ORDERED.

Dated this 29th day of September, 2021.


JUSTICE NANCY M. SAITTA

Submitted by:

LEWIS ROCA ROTHGERBER CHRISTIE LLP

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Attorneys for Defendants

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7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.

24 **ORDER DENYING AS MOOT DEFENDANTS' EMERGENCY MOTION TO EXTEND**
25 **STAY PENDING FINAL DISPOSITION OF THE MOTION TO RECONSIDER**
26

27 Presently before the Court is Defendants' Emergency Motion to Extend Stay Pending
28 Final Disposition of the Motion to Reconsider, filed June 10, 2021 ("Motion"). Plaintiffs filed
their Opposition to Defendants' Emergency Motion to Extend Stay Pending Final Disposition of
the Motion to Reconsider (Oral Argument Requested) on June 23, 2021. Defendants filed
Defendants' Reply in Support of Emergency Motion to Extend Stay Pending Final Disposition of
the Motion to Reconsider on June 30, 2021. The Motion was submitted for consideration on
July 1, 2021.

1 In the Motion, Defendants request the Court extend the stay of enforcement of the
2 disgorgement order within the Court's Order Granting Motion for Clarification, filed December
3 24, 2020 (the "December 24, 2020 Order") beyond June 10, 2021, such that the Court could
4 issue a ruling on Defendants' Motion for Leave to File Motion for Reconsideration of December
5 24, 2020, Order Granting Motion for Clarification and Request for Hearing ("Defendants'
6 Motion for Reconsideration"). (Motion at 2:13-22.) The December 24, 2020 Order ordered that:
7 (1) "[a]mounts charged since January of 2020 under the improper fee allocations shall be
8 disgorged to the Plaintiffs, and the new fee allocations shall not go into effect until calculated
9 (they will not be retroactively applied);" and (2) "the Defendants shall pay to the Plaintiffs the
10 reasonable attorneys' fees and costs they incurred in filing the Motion [for Clarification] and
11 Reply [in support thereof]." (December 24, 2020 Order at 4:12-16.)

12 Prior to enforcing the December 24, 2020 Order, the Court granted in part Defendants'
13 Motion for Reconsideration on September 29, 2021. (See Findings of Fact, Conclusions of Law
14 and Order, filed September 29, 2021 ("FFCLO").) In the FFCLO, the Court struck the portion of
15 the December 24, 2020 Order requiring the Defendants to disgorge the improper fee allocation
16 charges. (Id. at 6:2-11.)

17 **IT IS HEREBY ORDERED** that Defendants' Motion is denied as moot.

18 **IT IS SO ORDERED.**

19 DATED 12-21-21.



20
21
22 SENIOR JUSTICE
Nancy Saitta

23 Submitted by:

24 ROBERTSON, JOHNSON,
25 MILLER & WILLIAMSON

26 /s/ Jarrad C. Miller

27 Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
28 Attorneys for Plaintiffs

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7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
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10 ALBERT THOMAS, individually; *et al.*,

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16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
24
25

26 **ORDER GRANTING PLAINTIFFS' MOTION TO STAY SPECIAL ASSESSMENT**

27 Presently before the Court is Plaintiffs' Motion to Stay Special Assessment, filed August
28 20, 2021 ("Motion").¹ Defendants filed Defendants' Opposition to Motion to Stay Special
Assessment on September 3, 2021 ("Opposition"). Plaintiffs filed their Reply in Support of

¹ Plaintiffs filed an initial version of this motion on July 30, 2021. (Motion to Stay Special Assessment and Renewed Request to Replace Receiver, filed July 30, 2021.) Plaintiffs withdrew this motion without prejudice on August 17, 2021. (Notice of Withdrawal of Motion to Stay Special Assessment and Renewed Request to Replace Receiver, filed August 17, 2021.)

1 Motion to Stay Special Assessment on September 17, 2021. The Motion was submitted for
2 consideration on September 22, 2021.

3 Case-concluding sanctions were entered against the Defendants for abuse of discovery
4 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
5 Terminating Sanctions, filed October 3, 2014 at 12.) See also Young v. Johnny Ribeiro Bldg.,
6 Inc., 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
7 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
8 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

9 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
10 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
11 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). (See
12 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
13 implementing compliance, among all condominium units, including units owned by any
14 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the
15 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
16 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
17 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
18 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

19 The Appointment Order provides that the Receiver and his agents are to be "pa[id] and
20 discharge[d] out of the Property's rents and/or GSRUOA monthly dues collections. . . ."
21 (Appointment Order at 6:12-16.) It is thus clear that the Receiver's invoices are to be paid
22 through either (or collectively) the Property's rents collected or the GSRUOA monthly dues and
23 not from any other source of funds without approval of this Court.

24 On June 16, 2021, the Receiver provided notice to the Court that GSRUOA was insolvent
25 and requested a hearing to address this issue. (Motion at 1:2-4.) After the parties discussed
26 potential solutions to this issue, the Defendants, over Plaintiffs' objection, on July 12, 2021 voted
27 to impose a special assessment against all unit owners which would raise about \$100,000 to pay
28 the Receiver's invoices and other expenses ("Special Assessment"). (Opposition at 2:3-11.)

1 The Motion requests that the Court: (1) enforce the Appointment Order; (2) stay the
2 Special Assessment; (3) direct the Receiver to pay the expenses of the receivership through the
3 new receivership account; and (4) order the Defendants to stop interfering with the receivership
4 and the orders governing same. (Motion at 2:6-9.) The Opposition argues the Special
5 Assessment was appropriate under the Seventh Amendment to Condominium Declaration of
6 Covenants, Conditions, Restrictions and Reservations of Easements for hotel Condominiums at
7 Grand Sierra Resort (“CC&Rs”) and necessary in order to both fund the Receiver’s invoices as
8 well as the GSRUOA’s operations through the remainder of 2021. (Opposition at 2:24-3:6.)

9 To begin, the appointment of a receiver terminates the authority of an entity’s officers
10 and directors, and places all such authority in the receiver alone. Francis v. Camel Point Ranch,
11 Inc., 2019 COA 108M, ¶¶6-10, 487 P.3d 1089, 1092-9 (Colo. App. Sept. 19, 2019) (noting that
12 “[u]pon the receiver’s appointment, [Defendant’s] corporate officers and directors lost all
13 authority to control the corporation”); McDougal v. Huntingdon & Broad Top Mountain RR. &
14 Coal Co., 294 Pa. 108, 143 A.574, 577 (1928) (the receiver exercises the functions of the board
15 of directors, managers and officers, takes possession of corporate income, property, and assets,
16 directs not only in its operation, but, while in control, its policies on all lines”); see First Sav &
17 Loan Ass’n v. First Fed. Sav. Loan Ass’n, 531 F. Supp. 251, 255 (D. Haw. 1981) (“When a
18 receiver is appointed for a corporation, the corporation’s management loses the power to run its
19 affairs and the receiver obtains all of the corporation’s powers and assets”); see also U.S. v.
20 Powell, 95 F.2d 752, 754 (4th Cir. 1938). Thus, when the Appointment Order was issued, all
21 authority vested in GSRUOA’s Board of Directors, managers, the Declarant, and other decision
22 makers was transferred to the Receiver and the Board of Directors, managers, the Declarant, and
23 other decision makers were divested of such authority.

24 It follows then that any decision of GSRUOA’s Board of Directors since the
25 Appointment Order, including the July 12, 2021 decision to impose the Special Assessment, is
26 void as GSRUOA’s Board of Directors had no authority to make such a decision or impose such
27 an assessment. (Id.)

1 Defendants argue that because the Receiver apparently did not object to the GSRUOA's
2 Board of Directors' decision to impose the Special Assessment, the Special Assessment is
3 proper. (Opposition at 4:17-18 ("The Board voted unanimously to approve and implement the
4 Special Assessment and the Receiver agreed with the action.")) This argument falls flat,
5 however, in light of the Receiver's limited authority. Anes v. Crown P'ship, Inc., 113 Nev. 195,
6 201-02, 932 P.2d 1067, 1071 (1997) ("a receiver must not exceed the limits of the authority
7 granted by the court"). The Appointment Order specifically dictates the source of funds to pay
8 the Receiver's invoices: "the Property's rents and/or GSRUOA monthly dues." (Appointment
9 Order at 6:12-16.) The Appointment Order does not provide that the Receiver can be funded
10 from any special assessments imposed upon the unit owners. Accordingly, any such special
11 assessment imposed to fund the Receiver's invoices is improper and exceeds authority vested in
12 the Receiver alone. Anes, 113 Nev. at 201-02, 932 P.2d at 1071; Fullerton v. Second Jud. Dist.
13 Ct. in & for Cty. of Washoe, 111 Nev 391, 400, 892 P.2d 935, 941 (1995) ("a receiver must not
14 exceed the limits of the authority granted"); accord Clay Expl., Inc. v. Santa Rosa Operating,
15 LLC, 442 S.W.3d 795, 800 (Tex. App. 2014) (a receiver only has that authority conferred by the
16 Court's order appointing him); Price v. Howsen, 197 Iowa 324, 197 N.W. 62, 63 (1924) ("It is a
17 familiar rule that 'the extent of a receiver's authority is always to be measured by the order of
18 appointment'"); Citibank, N.A. v. Nyland (CF 8), Ltd., 839 F.2d 93, 98 (2d Cir. 1988)
19 ("[The receiver's] authority is wholly determined by the order of the appointment court"); In re
20 Lamplight Condo. Ass'n, Inc., No. 17-20078 (JJT), 2017 WL 184510, at *2 (Bankr. D. Conn.
21 May 5, 2017) ("The source of the Receiver's authority and the process by which it was bound
22 and governed is the Appointment Order, which, as a stipulation, is [] a . . . limitation of the
23 Receiver's power, authority and process.").

24 Moreover, the Receiver has now indicated that he intends to open a separate account to
25 collect rental revenues from the Property and distribute the same to the appropriate unit owners.
26 (Motion at Ex. 2 (email in which Receiver's counsel states "The Receiver is going to open a
27 separate account for the Receivership as soon as possible. . . . As of September 1st, all of the
28 revenue from the Summit Rooms (the units in the Hotel Condominium) will be deposited into

1 the account.”.) If the Receiver so opens this account to collect rental revenue, the Special
2 Assessment will become unnecessary to pay the Receiver’s invoices as Receiver will have access
3 to all rental revenue from the relevant units with which the Receiver may pay his invoices. The
4 Court finds this action by the Receiver is both necessary and allowed under the Appointment
5 Order. (See Appointment Order at 3:7-10, 3:15-18.)

6 Accordingly, the Court finds the Special Assessment exceeded the authority of the
7 GSRUOA’s Board of Directors as well as the authority of the Receiver. Thus, the Special
8 Assessment shall be rescinded and deemed void.

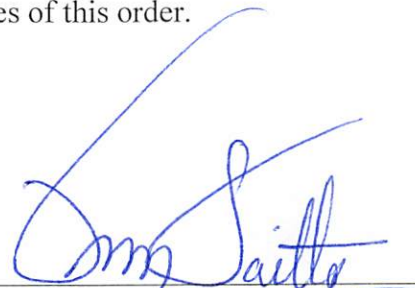
9 **IT IS HEREBY ORDERED** that Plaintiffs’ Motion is granted.

10 **IT IS FURTHER ORDERED** that Defendants shall rescind the Special Assessment and
11 refund any unit owners who have paid the Special Assessment within twenty (20) days of this
12 Order.

13 **IT IS FURTHER ORDERED** that the Receiver shall open a separate account into
14 which all rental revenue from the units in the Hotel Condominium (as defined in the CC&Rs) is
15 deposited and may be utilized to pay the Receiver’s invoices and otherwise operate the
16 GSRUOA. The Defendants are ordered to comply with the Appointment Order’s direction to
17 cooperate with the Receiver to effect the dictates of this order.

18 **IT IS SO ORDERED.**

19 DATED 12-21-21.



20
21 SENIOR JUSTICE
22 Nancy Saitta

23 Submitted by:

24 ROBERTSON, JOHNSON,
25 MILLER & WILLIAMSON

26 /s/ Jarrad C. Miller

27 Jarrad C. Miller, Esq.
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Attorneys for Plaintiffs

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15 RESORT UNIT OWNERS' ASSOCIATION,
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18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.

24 **ORDER GRANTING PLAINTIFFS' MOTION FOR INSTRUCTIONS TO RECEIVER**

25 Presently before the Court is Plaintiff's Motion for Instructions to Receiver, filed
26 September 28, 2021 ("Motion"). Defendants filed Defendants' Opposition to Plaintiffs' Motion
27 for Instructions to Receiver on October 12, 2021 ("Opposition"). Plaintiffs filed their Reply in
28 Support of Motion for Instructions to Receiver on October 25, 2021. The Motion was submitted
for consideration on October 25, 2021.

Case-concluding sanctions were entered against the Defendants for abuse of discovery
and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
Terminating Sanctions, filed October 3, 2014 at 12.) See also Young v. Johnny Ribeiro Bldg.

1 Inc., 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
2 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
3 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

4 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
5 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
6 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"), the
7 rental and other revenues from the condominiums, as well as other property of the non-
8 GSRUOA Defendants. (See Appointment Order at 1:23-26.) The receivership was implemented
9 "for the purpose of implementing compliance, among all condominium units, including units
10 owned by any Defendant in this action . . . with the Covenants, Codes and Restrictions recorded
11 against the condominium units, the Unit Maintenance Agreements and the original Unit Rental
12 Agreements (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25,
13 2019, Richard Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order
14 Granting Motion to Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed
15 January 25, 2019.)

16 Among the Governing Documents with which the Receiver is ordered to implement
17 compliance is the Seventh Amendment to Condominium Declaration of Covenants, Conditions,
18 Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort,
19 recorded June 27, 2007 ("Seventh Amended CC&Rs"). Defendants, however, after representing
20 to the Court that the Seventh Amended CC&Rs needed to be amended in order to comply with
21 NRS 116B, unilaterally revised and recorded the Ninth Amendment to Condominium
22 Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for
23 Hotel-Condominiums at Grand Sierra Resort to overhaul the fees chargeable to the unit owners.
24 ("Ninth Amended CC&Rs"). The Ninth Amended CC&Rs, according to Plaintiffs, substantially
25 increase the expenses to be included in fees charged to Plaintiffs – thus making ownership of the
26 units unviable. (Reply at 7:17-21.)

27 Additionally, the Defendants undertook to have a reserve study done by a third party,
28 which was then to be utilized by the Receiver to calculate those fees to be charged to Plaintiffs.

1 Plaintiffs argue this reserve study was not only done without proper authority, but also that it was
2 patently erroneous in that it includes a variety of expenses which are not chargeable to the
3 Plaintiffs under the Seventh Amended CC&Rs. (Motion at 4:3-13.)

4 The Motion requests the Court instruct the Receiver to (1) determine that the amendment
5 process was invalid and void actions improperly taken by the GSRUOA Board of Directors, (2)
6 maintain the status quo by enforcing the Appointment Order and apply the Seventh Amended
7 CC&Rs, and (3) disqualify the 2021 reserve study and prepare a new reserve study completed
8 with the Receiver's direction and input. (Motion at 2:27-3:4, 4:12-13.)

9 As this Court has stated previously, "[a] receiver is appointed to maintain the status quo
10 regarding the property in controversy and to safeguard said property from being dissipated while
11 the plaintiff is pursuing his remedy." (Order Denying Motion to Terminate Rental Agreement,
12 filed October 12, 2020 (citing Milo v. Curtis, 100 Ohio App.3d 1, 9, 651 N.E.2d 1340, 1345
13 (Ohio Ct. App. 1994).) This Court reiterated this premise in a subsequent order, stating that
14 "[o]ne of the purposes of the [Appointment] Order was to preserve the status quo of the parties
15 during the pendency of the action. Another purpose was to enforce [the] agreements." (Order,
16 filed November 23, 2015 at 1:22-23.) Nevada law supports this obligation of the Receiver. See
17 Johnson v. Steel, Inc., 100 Nev 181, 183, 678 P.2d 767, 678 (1984) (the appointment of a
18 receiver is a "remedy used to preserve the value of assets pending outcome of the principal case"
19 and is "a means of preserving the status quo"), overruled on other grounds by Shoen v. SAC
20 Holding Corp., 122 Nev. 621, 137 P.3d 1171 (2006); accord Dunphy v. McNamara, 50 Nev. 113,
21 252 P. 943, 944 (1927) (a court of equity has "ample authority" to utilize a receiver to preserve
22 the status quo).

23 In this case, the Receiver was specifically tasked with implementing compliance with the
24 Governing Documents, including the Seventh Amended CC&Rs. (Appointment Order at 1:27-
25 2:3.) Reading this obligation to implement compliance with the Seventh Amended CC&Rs with
26 the obligation to maintain the status quo, this Court finds that the Seventh Amended CC&Rs
27 cannot be amended, repealed, nor replaced until the Receiver is relieved of his duties by the
28 Court. The continuance of this specific Governing Document will ensure the status quo, as is the

1 purpose of a receivership and the Appointment Order. See Johnson, 100 Nev. at 183, 678 P.2d at
2 678; Dunphy, 50 Nev. 113, 252 P. at 944.

3 Furthermore, upon the appointment of the Receiver, all authority to manage and control
4 the GSRUOA was immediately transferred from the GSRUOA's Board of Directors, managers,
5 officers, the Declarant, and other agents to the Receiver. Francis v. Camel Point Ranch, Inc.,
6 2019 COA 108M, ¶¶ 6-10, 487 P.3d 1089, 1092-93, as modified on denial of reh'g (Colo. Ct.
7 App. Sept. 19, 2019) (noting that "[u]pon the receiver's appointment, [Defendant's] corporate
8 officers and directors lost all authority to control the corporation"); First Sav. & Loan Ass'n v.
9 First Fed. Sav. Loan Ass'n, 531 F. Supp. 251, 255 (D. Haw. 1981) ("When a receiver is
10 appointed for a corporation, the corporation's management loses the power to run its affairs and
11 the receiver obtains all of the corporation's powers and assets."). "Simply put, corporate
12 receivership is a court-mandated change in corporate management." Francis, 487 P.3d 1089 at
13 1092-93.

14 This automatic and immediate transfer of control over the GSRUOA to the Receiver
15 therefore divested the GSRUOA's Board of Directors from any authority it had to propose,
16 enact, and otherwise make effective the Ninth Amended CC&Rs. The Ninth Amended CC&Rs
17 are thus *void ab initio*, as they were enacted without proper authority.

18 Accordingly, the Ninth Amended CC&Rs are *void ab initio*, and even if they were not,
19 the Ninth Amended CC&Rs would be improper and thus subject to rescission or cancellation.¹

20 Next, Plaintiffs have moved the Court to instruct the Receiver to reject the reserve study
21 completed by Defendants without any input from Receiver, and order and oversee a separate
22 reserve study. (Motion at 11:25-14:19.) The Court has explicitly found that the Receiver "will
23 determine a reasonable amount of FF&E, shared facilities and hotel reserve fees." (Findings of
24 Fact, Conclusions of Law and Judgement, Filed October 9, 2015 at 22:25-26.) This implies that

25 _____
26 ¹ Defendants argue any challenge to the Ninth Amended CC&Rs must be brought pursuant to the ADR provision
27 therein. The Court rejects this argument *in toto* considering the Appointment Order, the purpose of the Appointment
28 Order, and binding Nevada law which all dictate the receivership is intended to maintain the status quo – not allow
for a key Governing Document to be unilaterally amended by Defendants. Further, the claim for a Receivership was
brought in the Second Amended Complaint and the Nevada Supreme Court has already found that the District Court
has subject matter jurisdiction over the action.

1 the Receiver will also be tasked with ordering and overseeing the reserve study – as that study
2 will dictate the FF&E, shared facilities, and hotel reserve fees. Thus, the Receiver alone has the
3 authority to direct and audit the reserve study, not the Defendants.

4 Moreover, the Defendants have acknowledged this reality to the Court:

5 Mr. McElhinney: Are you instructing the receiver to use the 2016
6 reserve study in rendering his calculation? The Court: I think he
7 can. Mr. McElhinney: Up to him? The Court: Yeah, it's up to
8 him. If there's some reason that Mr. Teichner believes that the
9 premise or the data that's collected therein is inappropriate, then
10 obviously he can just go back to the 2014 study, but if he wants to
11 use it and he believes that it's statistical or evidentiarily valid, then
12 he can use that in making those determinations.

13 (Motion at Ex. 3 at 141:24-142:11.)

14 Plaintiffs further object to the Defendants' reserve study because it has included expenses
15 which are clearly erroneous. (Motion at 4:6-13 (noting public pool expenses that were included
16 while the Governing Documents and Court orders exclude any revenue-generating expenses).)
17 The reserve study is to be limited as directed in previous Court orders and the Governing
18 Documents. The reserve study provided by Defendants clearly shows at least one basic,
19 elementary example of expenses which are included but should not be. (Id.) Accordingly, the
20 Court finds the Defendants' reserve study to be flawed and untrustworthy, and finds the Receiver
21 has the proper (and sole) authority to order, oversee, and implement a new reserve study.

22 **IT IS HEREBY ORDERED** that Plaintiffs' Motion is granted.

23 **IT IS FURTHER ORDERED** that the Ninth Amended CC&Rs shall be withdrawn and
24 the Seventh Amended CC&Rs shall be reinstated as though never superseded.

25 **IT IS FURTHER ORDERED** that Receiver shall not utilize the Defendants' reserve
26 study in calculating those fees which are to be assessed to Plaintiffs. Instead, the Receiver shall
27 order, oversee, and implement a new reserve study which is in accordance with the Governing
28 Documents.

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1 **IT IS SO ORDERED.**

2 DATED 12-21-21.

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5 _____
6 SENIOR JUSTICE
7 Nancy Saitta

8 Submitted by:

9 ROBERTSON, JOHNSON,
10 MILLER & WILLIAMSON

11 _____
12 /s/ Jarrad C. Miller

13 Jarrad C. Miller, Esq.
14 Jonathan Joel Tew, Esq.
15 Attorneys for Plaintiffs

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18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
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ORDER GRANTING RECEIVER'S MOTION FOR ORDERS & INSTRUCTIONS

21 Presently before the Court is the Receiver's Motion for Orders & Instructions, filed
22 October 18, 2021 ("Motion"). Plaintiffs filed Plaintiffs' Joinder to Receiver's Motion for Orders
23 & Instructions on October 22, 2021 ("Plaintiff's Joinder"). Defendants filed Defendants'
24 Opposition to Receiver's Motion for Orders & Instructions on October 22, 2021 ("Defendants'
25 Opposition"). The Receiver then filed Receiver's Reply in Support of Motion for Orders &
26 Instructions on October 25, 2021 ("Receiver's Reply"). The Motion was submitted for
27 consideration on October 25, 2021.

1 Case-concluding sanctions were entered against the Defendants for abuse of discovery
2 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
3 Terminating Sanctions, filed October 3, 2014 at 12.) See Young v. Johnny Ribeiro Bldg., Inc.,
4 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
5 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. See
6 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.

7 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
8 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
9 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). (See
10 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
11 implementing compliance, among all condominium units, including units owned by any
12 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the
13 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
14 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
15 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
16 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

17 In 2021, the Defendants undertook to have a reserve study done by a third party, which
18 was then to be utilized by the Receiver to calculate those fees to be charged to Plaintiffs
19 (including the Daily Use Fees ("DUF"), Shared Facility Use Expenses ("SFUE"), and Hotel
20 Expenses ("HE")). The Receiver states that various orders of this Court, including the
21 Appointment Order, provide authority solely to Receiver to order and oversee any reserve studies
22 done. (Reply at 2:27-3:5.) Defendants argue that no such orders nor the Governing Documents
23 provide the Receiver with such authority. (Defendants' Opposition at 3:19-24.) Instead,
24 Defendants argue that any attempt by the Receiver to order or oversee the reserve study would be
25 an "impermissibl[e] expan[sion] of his authority." (Id. at 3:20.)

26 The Court issued its Findings of Fact, Conclusions of Law and Order granting in part
27 Defendants' Motion for Leave to File Motion for Reconsideration of December 24, 2020 Order
28 Granting Motion for Clarification and Request for Hearing, on September 29, 2021. Therein, the

1 Court struck the disgorgement order granted in the December 24, 2020 Order Granting
2 Clarification (“December 24, 2020 Order”). Whereas the Court originally instructed that “[u]ntil
3 the DUF, the [HE], and [SFUE] are recalculated by the Receiver, the fees calculated by the past
4 receiver shall be applied,” the revised order struck this reversion to the prior receiver’s
5 calculations. Thus, the Receiver states he is now without direction as to which calculations are
6 to be applied until he is able to redo his own calculations. (See December 24, 2020 Order at
7 3:23-4:10 (where the Court informs the Receiver his calculations for 2020 are incorrect and
8 invalid under the Governing Documents and they must be redone).) Defendants argue the
9 Receiver’s prior calculations, which were in place until the December 24, 2020 Order was
10 issued, should be utilized. Notably, this directly contradicts the Court’s December 24, 2020
11 Order, is inequitable, and thus is denied outright. (Id.)

12 The Appointment Order provides the Receiver authority to take control of “all accounts
13 receivable, payments, rents, including all statements and records of deposits, advances, and
14 prepaid contracts or rents” (Appointment Order at 3:15-18.) Defendants are also ordered to
15 cooperate with the Receiver and not “[i]nterfer[e] with the Receiver, directly or indirectly.” (Id.
16 at 8:2-15.) The Receiver has informed the parties of his intent to open a separate account into
17 which all rents and other proceeds from the units will be deposited, and now requests the Court’s
18 permission to open such an account. (Motion at 11:19; Motion to Stay Special Assessment, filed
19 August 20, 2021 at Ex. 2.) Defendants have refused to cooperate with the Receiver’s request to
20 turnover various proceeds, in violation of the Appointment Order, and now object to Receiver’s
21 authority to open a separate account. (Appointment Order at 8:2-15; Defendant’s Opposition at
22 6:14-7:21.)

23 Pursuant to the Governing Documents, Defendants have implemented a room rotation
24 program whereunder bookings for the units owned by Plaintiffs and Defendants should be
25 equally distributed such that Plaintiffs and Defendants, as individual unit owners, are earning
26 roughly equal revenue. The Receiver contends this room rotation program is flawed and has
27 resulted in a greater number of Defendants’ units being rented than Plaintiffs’ units during
28 various periods through August 2021. (Motion at 14:14-17.)

1 Among the Governing Documents with which the Receiver is ordered to implement
2 compliance is the Seventh Amendment to Condominium Declaration of Covenants, Conditions,
3 Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort,
4 recorded June 27, 2007 (“Seventh Amended CC&Rs”). Defendants, however, after representing
5 to the Court that the Seventh Amended CC&Rs needed to be amended in order to comply with
6 NRS 116B, unilaterally revised and recorded the Ninth Amendment to Condominium
7 Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for
8 Hotel-Condominiums at Grand Sierra Resort (“Ninth Amended CC&Rs”) to overhaul the fee
9 structure and radically expand the fees chargeable to the Plaintiffs. The Ninth Amended
10 CC&Rs, according to Plaintiffs, substantially increase the expenses to be included in fees
11 charged to Plaintiffs – thus making ownership of the units unviable.

12 Finally, Defendants have communicated with Receiver *ex parte* through a variety of
13 individuals. The Receiver now requests that all communications be funneled through a single
14 individual: Reed Brady. (Motion at 17:4-8.)

15 The Motion requests the Court order (1) that the Notice of Special Assessments and the
16 Reserve Studies sent to the unit owners by Defendants on August 24, 2021 be immediately
17 withdrawn; (2) that the Defendants be ordered to send out a notice to all unit owners of said
18 withdrawal; and (3) that this Court confirm the Receiver’s authority over the Reserve Studies.
19 (Motion at 3:11-14.) The Motion further requests the Court order that the Receiver is to
20 recalculate the charges for the DUF, SFUE, and HE for 2020 based upon the same methodology
21 as has been used in calculating the fee charges for 2021, once the Court approves that
22 methodology. (*Id.* at 8:10-13.) The Motion further requests the Court approve the opening of an
23 account for the Receivership, with the Receiver having sole signatory authority over the account,
24 and order that all rents received by Defendants currently and in the future, generated from either
25 all 670 condominium units or the Plaintiff-owned units, net of the total charges for the DUF,
26 SFUE, and HE fees and for reserves combined, are to be deposited into the account, that the
27 receiver be authorized to make the necessary disbursements to the relevant unit owners at three
28 (3) month intervals, that any disgorgement amounts owed by Defendants be deposited into the

1 Receivership account to be distributed by the Receiver, and that, if the Court orders the current
2 credit balances in the Plaintiffs' accounts are to be deposited in to the Receiver's bank account
3 then, to the extent that such credit balances are to be disgorged, Defendants will pay such credit
4 balances to the Receiver for deposit, and the Receiver will distribute such funds appropriately.
5 (Id. at 11:21-12:13.) The Motion further requests the Court order Defendants to provide the
6 Receiver with the information and documentation he has requested relating to the room rotation
7 program within ten (10) days of this Order. (Id. at 14:20-24.) The Motion further requests the
8 court expedite the determination of the Plaintiffs' Motion for Instructions, filed October 18, 2021
9 and submitted for consideration on October 25, 2021. (Id. at 17:1-3.) Finally, the Motion
10 requests the Court instruct Defendants to funnel all communications to the Receiver through a
11 single individual: Reed Brady. (Id. at 7:5-8.)

12 As this Court has stated previously, "[a] receiver is appointed to maintain the status quo
13 regarding the property in controversy and to safeguard said property from being dissipated while
14 the plaintiff is pursuing his remedy." (Order Denying Motion to Terminate Rental Agreement,
15 filed October 12, 2020 (citing Milo v. Curtis, 100 Ohio App.3d 1, 9, 651 N.E.2d 1340, 1345
16 (Ohio Ct. App. 1994).) This Court reiterated this premise in another order, stating that "[o]ne of
17 the purposes of the [Appointment] Order was to preserve the status quo of the parties during the
18 pendency of the action. Another purpose was to enforce [the] agreements." (Order, filed
19 November 23, 2015 at 1:22-23.) Nevada law supports this obligation of the Receiver. See
20 Johnson v. Steel, Inc., 100 Nev 181, 183, 678 P.2d 767, 678 (1984) (the appointment of a
21 receiver is a "remedy used to preserve the value of assets pending outcome of the principal case"
22 and is "a means of preserving the status quo"), overruled on other grounds by Shoen v. SAC
23 Holding Corp., 122 Nev. 621, 137 P.3d 1171 (2006); accord Dunphy v. McNamara, 50 Nev. 113,
24 252 P. 943, 944 (1927) (a court of equity has "ample authority" to utilize a receiver to preserve
25 the status quo).

26 Furthermore, upon the appointment of the Receiver, all authority to manage and control
27 the GSRUOA was immediately transferred from the GSRUOA's Board of Directors, managers,
28 officers, the Declarant, and other agents to the Receiver. Francis v. Camel Point Ranch, Inc.,

1 2019 COA 108M, ¶¶ 6-10, 487 P.3d 1089, 1092-93, as modified on denial of reh'g (Colo. Ct.
2 App. Sept. 19, 2019) (noting that “[u]pon the receiver’s appointment, [Defendant’s] corporate
3 officers and directors lost all authority to control the corporation”); First Sav. & Loan Ass’n v.
4 First Fed. Sav. Loan Ass’n, 531 F. Supp. 251, 255 (D. Haw. 1981) (“When a receiver is
5 appointed for a corporation, the corporation’s management loses the power to run its affairs and
6 the receiver obtains all of the corporation’s powers and assets.”). “Simply put, corporate
7 receivership is a court-mandated change in corporate management.” Francis, 487 P.3d 1089 at
8 1092-93.

9 Thus, upon appointment of the Receiver, the GSRUOA’s Board of Directors was
10 divested of the authority it has errantly exercised to issue that Notice of Special Assessment and
11 the Reserve Studies which was sent to all unit owners on August 24, 2021. Accordingly, such
12 Notice of Special Assessment and any actual imposition of special assessment is *void ab initio*
13 and therefore invalid. Only the Receiver can impose special assessments.

14 Next, the Findings of Fact, Conclusions of Law and Judgement issued on October 9,
15 2015 (“FFCLJ”), explicitly ordered the Receiver to calculate “a reasonable amount of FF&E,
16 shared facilities and hotel reserve fees” and other necessary fees to be assessed against Plaintiffs.
17 (FFCLJ at 22:25-27.) Accordingly, the Receiver is to calculate the DUF, SFUE, and HE for
18 2020. Such calculations should be based upon the same methodology as used for the 2021 fees,
19 once the Court has approved of such methodology.

20 The Appointment Order expressly allows for the Receiver to open an account for the
21 Receivership. (Appointment Order at 6:26 (the Receiver is allowed to “open and utilize bank
22 accounts for receivership funds”).) Indeed, the Appointment Order also expressly calls for the
23 Receiver to collect proceeds from the Property (defined as the 670 condominium units),
24 including, but not limited to, rent earned therefrom. (Id. at 5:17-19.) It logically follows then
25 that the Receiver may open a separate account for the Receivership in which it may hold all rents
26 from the Property, as defined in the Receivership Order.

27 The Appointment Order also expressly calls for Defendants to cooperate with the
28 Receiver and refrain from taking any actions which will interfere with the Receiver’s ability to

1 perform his duties. (Id. at 8:2-15.) Accordingly, Defendants should supply the Receiver with all
2 information, explanation, and documentation the Receiver may request regarding the room
3 rotation program and apparent inadequacy thereof.

4 The Receiver was specifically tasked with implementing compliance with the Governing
5 Documents, including the Seventh Amended CC&Rs. (Appointment Order at 1:27-2:3.)
6 Reading this obligation to implement compliance with the Seventh Amended CC&Rs with the
7 obligation to maintain the status quo, this Court finds that the Seventh Amended CC&Rs cannot
8 be amended, repealed, nor replaced until the Receiver is relieved of his duties by the Court. The
9 continuance of this specific Governing Document will ensure the status quo, as is the purpose of
10 a receivership. Johnson, 100 Nev. at 183, 678 P.2d at 678; Dunphy, 50 Nev. 113, 252 P. at 944.
11 The automatic and immediate transfer of control over the GSRUOA to the Receiver therefore
12 divested the GSRUOA's Board of Directors from any authority it had to propose, enact, and
13 otherwise make effective the Ninth Amended CC&Rs. The Ninth Amended CC&Rs are thus
14 *void ab initio*, as they were enacted without proper authority. Accordingly, the Ninth Amended
15 CC&Rs are *void ab initio*, and even if they were not, the Ninth Amended CC&Rs would be
16 improper and thus subject to rescission or cancellation.

17 Finally, the Court finds it appropriate for Defendants to funnel all communication with
18 the Receiver through a single individual. For the time being, such individual shall be Reed
19 Brady. Mr. Brady may delegate tasks to others, however, only Mr. Brady should communicate
20 answers, conclusions, or other findings to the Receiver.

21 **IT IS HEREBY ORDERED** that Receiver's Motion is granted **in full**.

22 **IT IS FURTHER ORDERED** (i) that the Notice of Special Assessments and the
23 Reserve Studies sent to the unit owners by the Defendants on August 24, 2021 shall be
24 immediately withdrawn; (ii) that the Defendants shall send out a notice to all unit owners of said
25 withdrawal within ten (10) days of this Order; (iii) that any amounts paid by unit owners
26 pursuant to the Notice of Special Assessment shall be refunded within ten (10) days of this
27 Order; and (iv) that the Receiver has sole authority to order and oversee reserve studies related to
28 Defendants' property and under the Governing Documents.

1 **IT IS FURTHER ORDERED** that the Receiver shall recalculate the DUF, SFUE, and
2 HE based on the same methodology as has been used in calculating the fee charges for 2021,
3 subject to Court approval of such methodology. Those fees in place prior to the Court's
4 September 27, 2021 Order shall remain in place until the fees for 2020 are recalculated and
5 approved by this Court such that only a single account adjustment will be necessary.

6 **IT IS FURTHER ORDERED** that the Receiver shall open a separate account on which
7 Receiver has sole signatory authority, and into which all rents received by Defendants currently
8 for all 670 condominium units, net of total charges for DUF, SFUE, and HE fees and reserves,
9 are to be deposited. The Receiver shall disburse the revenue collected to the parties according to
10 the Governing Documents. In the event the Court requires a disgorgement by Defendants to
11 Plaintiffs, Receiver shall deposit such disgorgements into this separate account and disburse the
12 same to Plaintiffs appropriately.

13 **IT IS FURTHER ORDERED** that Defendants shall provide Receiver with any
14 information, explanation, and documentation he may request regarding the room rotation
15 program and any perceived discrepancies therewith, until Receiver is either satisfied with the
16 adequacy of the program or until Receiver deems it appropriate to seek judicial intervention.

17 **IT IS FURTHER ORDERED** that the Ninth CC&Rs are *void ab initio* and the Seventh
18 CC&Rs are to be resurrected as though they had not been withdrawn or superseded.

19 **IT IS FURTHER ORDERED** that Defendants shall funnel all communication with the
20 Receiver through Reed Brady. Defendants and Receiver may mutually agree to choose an
21 alternative representative through which communication shall be directed. Mr. Brady, and any
22 subsequent representative, may delegate requests, questions, or other tasks necessary to respond
23 to Receiver's communications, but any answers, conclusions, or other results shall be
24 communicated back to Receiver through only Mr. Brady and no other individual.

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1 IT IS SO ORDERED.

2 DATED 12.21.21.



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5 SENIOR JUSTICE
Nancy Saitta

6 Submitted by:

7 ROBERTSON, JOHNSON,
8 MILLER & WILLIAMSON

9 /s/ Jarrad C. Miller

Jarrad C. Miller, Esq.

10 Jonathan Joel Tew, Esq.

11 Attorneys for Plaintiffs
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7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
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20 **ORDER GRANTING PLAINTIFFS' SUPPLEMENTAL MOTION FOR FEES**
21 **PURSUANT TO THE COURT'S DECEMBER 24, 2020 ORDER GRANTING MOTION**
22 **FOR CLARIFICATION AND SANCTIONING THE DEFENDANTS**

23 Presently before the Court is Plaintiffs' Supplemental Motion for Fees Pursuant to the
24 Court's December 24, 2020 Order Granting Motion for Clarification and Sanctioning the
25 Defendants, filed April 7, 2021 ("Motion"). Defendants filed Defendants' Opposition to
26 Supplemental Motion for Fees Pursuant to the Court's December 24, 2020 Order Granting
27 Motion for Clarification and Sanctioning the Defendants on April 20, 2021 ("Opposition").
28 Plaintiffs filed their Reply in Support of Supplemental Motion for Fees Pursuant to the Court's

1 December 24, 2020 Order Granting Motion for Clarification and Sanctioning the Defendants on
2 April 30, 2021. The Motion was submitted for consideration by the Court on May 4, 2021.

3 The Motion sets forth Plaintiffs' supplemental request for fees incurred in (a) submitting
4 their motion for fees ("Fees Motion") pursuant to the Court's December 24, 2020 Order Granting
5 Clarification ("December 24, 2020 Order"), (b) filing a reply to Defendants' opposition to the
6 Fees Motion, and (c) opposing Defendants' Motion for Leave to File Motion for Reconsideration
7 of the Court's December 24, 2020 Order ("Defendants' Motion for Reconsideration"), which
8 largely attempted to rehash and relitigate previously rejected arguments. (Motion at 2:7-12.)
9 Plaintiffs' total requested fees for these tasks is \$17,885. Defendants argue the requested fees
10 are unreasonably excessive and that Nevada law does not permit recovery thereof. (Opposition
11 at 2:14-18, 3:3-10.) Defendants further argue that the Defendants' Motion for Reconsideration
12 may very well render Plaintiffs' Fees Motion and Motion moot.¹ (Id. at 3:3-10; see also
13 Defendants' Motion for Reconsideration, filed January 7, 2020.)

14 Case-concluding sanctions were entered against the Defendants for abuse of discovery
15 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
16 Terminating Sanctions, filed October 3, 2014 at 12.) See Young v. Johnny Ribeiro Bldg., Inc.,
17 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
18 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
19 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

20 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
21 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
22 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA") and
23 the rental revenue and certain other property interests relating to the other Defendants. (See
24 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
25 implementing compliance, among all condominium units, including units owned by any
26 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the

27
28 ¹ Defendants' Motion for Reconsideration stands fully briefed and submitted at the time of this Order.

1 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
2 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
3 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
4 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

5 The Court's December 24, 2020 Order includes two distinct portions: first, that the
6 Receiver was to recalculate certain fees in a specific way and that the improper fee allocations
7 were to be disgorged to Plaintiffs, and second, that the Defendants were to pay Plaintiffs'
8 attorneys' fees and costs incurred in briefing the motion which ultimately resulted in the
9 December 24, 2020 Order. This sanction was imposed as a result of "Defendants' attempt to
10 advance their interpretation of the Court's orders to the [R]eceiver [which] interfered with the
11 October Order taking effect and resulted in unnecessarily duplicative litigation." (December 24,
12 2020 order at 3:17-19.) Plaintiffs filed their motion for fees ("Fees Motion") pursuant to the
13 December 24, 2020 Order, to which Defendants filed an opposition. (See Motion for Fees
14 Pursuant to the Court's December 24, 2020 Order Granting Motion for Clarification, filed
15 January 4, 2021; Defendants' objection to Plaintiffs' Motion for Fees Pursuant to the Court's
16 December 24, 2020 Order Granting Motion for Clarification, filed January 14, 2021.)

17 The instant Motion requests a supplemental award of fees incurred in actions taking place
18 after the December 24, 2020 Order was issued. The Motion states Plaintiffs incurred a total of
19 \$17,885 in attorneys' fees as a result of (1) preparing the Fees motion, (2) preparing a reply to
20 Defendants' opposition to the Fees Motion, and (3) preparing an opposition to Defendants'
21 largely duplicative motion for reconsideration. (Motion at 6:9-12, 7:1-3.) Fees incurred as a
22 result of preparing a motion for fees are recoverable. See Rosenfeld v. United States DOJ, 903
23 F. Supp. 2d 859, 878 (N. D. Cal. 2012) ("Plaintiffs may recover attorney's fees for time
24 reasonably expended on a motion for attorney's fees and costs."). Furthermore, because the fee
25 award was a sanction for Defendants' attempt to convince the Receiver of their clearly inaccurate
26 interpretation of the Court's orders, and the motion for reconsideration largely furthered those
27 inaccurate arguments, the continued arguments, and Plaintiffs' fees incurred to address them, are
28

1 included by the December 24, 2020 Order's sanction. Accordingly, the Court finds such fees are
2 recoverable as a general matter.

3 Nevada uses the lodestar formula to determine the appropriate amount of attorney fees.
4 Hsu v. Clark County, 123 Nev. 625, 636, 173 P.3d 724, 732 (2007). The lodestar formula calls
5 for the number of hours reasonably spent on the motion to be multiplied by a reasonable hourly
6 rate. Id. at 637, 173 P.3d at 733.

7 Plaintiffs have provided that their counsel spent a total of 24.6 hours on the Fees Motion
8 briefing, including preparation of the Fees Motion, researching authority cited in Defendants'
9 opposition thereto, and preparing a reply in support of the Fees Motion. (Motion at 5:26-6:4.)
10 Defendants argue Plaintiffs' hours expended are excessive. (Opposition at 9:6-9.) The Court
11 finds the number of hours expended by Plaintiffs' counsel on the Fees Motion briefing to be
12 reasonable in light of the procedural history of this case and the issues raised by the Fees Motion
13 and Defendants' opposition thereto.

14 Plaintiffs have provided that their counsel spent a total of 31.6 hours on their opposition
15 to Defendants' Motion for Reconsideration. (Motion at 7:1-3.) Defendants, again, argue this
16 number of hours is excessive and not warranted. (Opposition at 9:9-21.) Although the
17 Defendants attempt to minimize the complexity of the issues set forth in the Defendants' Motion
18 for Reconsideration and the necessity to set forth the complex procedural background within
19 Defendants' opposition thereto, the Court does not agree that the Defendants' Motion for
20 Reconsideration, nor the Plaintiffs' opposition thereto, was as simplistic as Defendants state.
21 Instead, the Defendants' Motion for Reconsideration set forth a variety of fallacious legal
22 arguments and misconstrued the factual and procedural background of this case, therefore
23 requiring Plaintiffs to expend numerous pages refuting the same. Thus, the Court finds the
24 number of hours expended by Plaintiffs' counsel on this task reasonable.

25 Defendants also argue that Plaintiffs' time entries are inadequate. (Opposition at 10:17-
26 11:25.) Defendants argue the entries are "so vaguely generic that the [C]ourt cannot determine
27 with certainty whether the activities they purport to describe were necessary and reasonable."
28 (Id. at 11:21-23.) After reviewing the time entries in full, the Court finds the entries are adequate

1 and provide the Court sufficient information to determine that the tasks undertaken by Plaintiffs'
2 counsel were both necessary and reasonable.

3 Accordingly, the Court finds the number of hours expended by Plaintiffs' counsel on
4 those tasks for which Plaintiffs seek to recover attorneys' fees were reasonable.

5 Next, Plaintiffs have set forth their counsels' hourly rate. These rates range from \$425 to
6 \$335 for attorneys and are \$135 for paralegals.² (Motion at 6:9-12, 7:1-3.) Defendants do not
7 appear to dispute the reasonableness of such hourly rates. The Court therefore finds such hourly
8 rates are reasonable.

9 Under the lodestar formula, the Court finds the hours reportedly spent by Plaintiffs'
10 counsel and their hourly rates are reasonable, and thus the lodestar award is \$17,885.

11 The Court must next consider the Brunzell factors to determine the appropriateness of the
12 lodestar amount. Accordingly, to determine whether any adjustments to the lodestar amount are
13 necessary, the Court must consider:

14 (1) the qualities of the advocate: his ability, his training, education,
15 experience, professional standing and skill; (2) the character of the
16 work to be done: its difficulty, its intricacy, its importance, time
17 and skill required, the responsibility imposed and the prominence
18 and character of the parties where they affect the importance of the
litigation; (3) the work actually performed by the lawyer: the skill,
time and attention given to the work; (4) the result: whether the
attorney was successful and what benefits were derived.

19 Brunzell v. Golden Gate Nat'l Bank, 85 Nev. 345, 455 P.2d 31, 33 (1969). The Court finds all of
20 these factors weigh against any adjustment to the lodestar amount and in favor of awarding
21 Plaintiffs the full lodestar amount.

22 First, the Court is acutely aware of the high quality of Plaintiffs' counsel, and thus
23 concludes this factor is in favor of awarding Plaintiffs the entire lodestar amount.

24 Second, the Court finds the character of the work to be done to be especially important.
25 The Court's December 24, 2020 Order imposed sanctions upon Defendants for attempting to
26 mislead the Receiver into accepting a clearly faulty interpretation of the Court's previous orders.

27 _____
28 ² Plaintiffs note the hourly fees underwent a routine annual increase, which is why they are different from previous
fees applications. (Motion at 6, fn.2.)

1 (See Order Granting Clarification, filed December 24, 2020 at 3:17-19 (“The Defendants’
2 attempt to advance their interpretation of the Court’s orders to the [R]eceiver interfered with the
3 October Order taking effect and resulted in unnecessarily duplicative litigation. Therefore, the
4 Court exercises its inherent authority to require the Defendants to pay for the fees the Plaintiffs
5 were unnecessarily forced to incur in filing the Motion and the Reply.”).) Thus, the time spent in
6 drafting the Fees Motion – which was ordered by the Court – is certainly important. The
7 sanction within the December 24, 2020 Order was intended to penalize Defendants’
8 wrongdoings. If the Court were to limit the Plaintiffs’ recovery of their attorneys’ fees incurred
9 as a result of Defendants’ wrongdoings, the sanction would have no teeth. Accordingly, the
10 second factor also weighs in favor of awarding the entire lodestar amount.

11 Third, the work actually performed by Plaintiffs’ counsel is evidenced by the billing
12 records submitted with the Motion. (Motion at Ex. 1.) Each time entry reflects work which was
13 necessary and that the individual whose time is reflected dedicated ample skill, time, and
14 attention to the task at hand. Brunzell, 85 Nev. at 349, 455 P.2d at 33. This factor thus also
15 weighs in favor of awarding the full lodestar amount.

16 Fourth and finally, the Court must consider the result. The Court finds this factor weighs
17 in favor of awarding the entire lodestar amount as well. The Court clearly agreed with Plaintiffs’
18 positions taken in the briefing which resulted in the December 24, 2020 Order imposing
19 sanctions. (See generally Order Granting Reconsideration, filed December 24, 2020.) Thus,
20 Plaintiffs have obtained a successful result. This factor weighs in favor of granting the full
21 lodestar amount to Plaintiffs.

22 The Brunzell factors clearly indicate that the lodestar amount is appropriate and requires
23 no adjustments. The Court therefore finds an award of the entire lodestar amount is proper.

24 **IT IS HEREBY ORDERED** that Plaintiffs’ Motion is granted in full.

25 **IT IS FURTHER ORDERED** that Defendants shall pay to the Plaintiffs the sum of
26 \$17,885 within thirty (30) days of this Order.

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1 **IT IS SO ORDERED.**

2 DATED 12-21-21.

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5 _____
6 SENIOR JUSTICE
7 Nancy Saitta

8 Submitted by:

9 ROBERTSON, JOHNSON,
10 MILLER & WILLIAMSON

11 _____
12 /s/ Jarrad C. Miller

13 Jarrad C. Miller, Esq.
14 Jonathan Joel Tew, Esq.
15 Attorneys for Plaintiffs
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7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
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ORDER DIRECTING RECEIVER TO PREPARE REPORT ON DEFENDANTS'
REQUEST FOR REIMBURSEMENT OF 2020 CAPITAL EXPENDITURES

29 Presently before the Court is Defendants' Motion for Instructions Regarding
30 Reimbursement of 2020 Capital Expenditures, filed June 24, 2021 ("Motion"). Plaintiffs filed
31 their Opposition to Defendants' Motion for Instructions Regarding Reimbursement of 2020
32 Capital Expenditures on October 11, 2021. Defendants then filed Defendants' Reply in Support
33 of Motion for Instructions Regarding Reimbursement of 2020 Capital Expenditures on
34 November 2, 2021. The Motion was submitted for consideration on November 3, 2021.

1 Case-concluding sanctions were entered against the Defendants for abuse of discovery
2 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
3 Terminating Sanctions, filed October 3, 2014 at 12.) See also Young v. Johnny Ribeiro Bldg.,
4 Inc., 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
5 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
6 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

7 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
8 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
9 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). The
10 receivership was implemented "for the purpose of implementing compliance, among all
11 condominium units, including units owned by any Defendant in this action . . . with the
12 Covenants, Codes and Restrictions recorded against the condominium units, the Unit
13 Maintenance Agreements and the original Unit Rental Agreements (the "Governing
14 Documents"). (Appointment Order at 1:27-28, 2:1-3.) On January 25, 2019, Richard Teichner
15 was substituted in Mr. Proctor's place in the Order Granting Motion to Substitute Receiver.

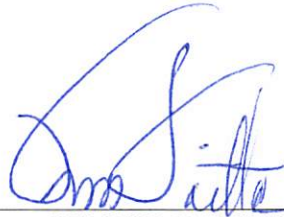
16 In the Motion, Defendants ask the Court to instruct Mr. Teichner ("Receiver") to
17 reimburse Defendants a total of \$1,614,505, comprised of \$1,409,637 from the Capital Reserves
18 for Common Area expenses and \$208,868 from the Hotel Reserves for Hotel Related expenses.
19 (Motion at 6:23-26.) The Motion further requests the Court instruct Receiver to impose any
20 special assessments necessary to bring the respective reserve accounts back to the required
21 levels. (Id. at 6:26-7:3.) Plaintiffs' Opposition argues the expenditures for which Defendants
22 seek reimbursement are not included in the Governing Documents which explicitly describe each
23 expense the Plaintiffs agreed to pay. (Opposition at 3:1-18.) Plaintiffs argue further that the
24 reserves study Defendants rely upon is fatally flawed as it also includes a variety of inappropriate
25 expenses and plainly obvious and elementary mistakes. (Id. at 2:14-26.)

26 The Court finds the Receiver is charged with implementing compliance with the
27 Governing Documents and was appointed for a reason. (See generally Appointment Order.)
28 Therefore, the Court orders the Receiver to provide a report to the Court within ninety (90) days

1 from the date of this Order recommending which items contained within Defendants' request for
2 reimbursement of capital expenditures can be reimbursed under the Governing Documents and
3 this Court's existing orders.

4 **IT IS SO ORDERED.**

5 DATED 12-21-21.



6
7
8 SENIOR JUSTICE
Nancy Saitta

9 Submitted by:

10 ROBERTSON, JOHNSON,
11 MILLER & WILLIAMSON

12 /s/ Jarrad C. Miller

13 Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
14 Attorneys for Plaintiffs
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1 CODE: 2777

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7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**

9 ALBERT THOMAS, individually; *et al.*,

10 Plaintiffs,

11 vs.

Case No. CV12-02222
Dept. No. OJ37

12 MEI-GSR Holdings, LLC, a Nevada limited
13 liability company, GRAND SIERRA
14 RESORT UNIT OWNERS'
15 ASSOCIATION, a Nevada nonprofit
16 corporation, GAGE VILLAGE
17 COMMERCIAL DEVELOPMENT, LLC, a
18 Nevada limited liability company; AM-GSR
HOLDINGS, LLC, a Nevada limited liability
company; and DOE DEFENDANTS 1
THROUGH 10, inclusive,

Defendants.

19 **ORDER APPROVING RECEIVER'S REQUEST TO APPROVE UPDATED FEES**

20 Before the Court is the Receiver's Receiver Analysis and Calculation of Daily Use Fee,
21 Shared Facilities Unit Expense Fee and Hotel Expense Fee with Request to Approve updated
22 Fees and for Court to Set Effective Date for New Fees, filed August 16, 2021 ("Receiver
23 Analysis"). Defendants filed Defendants' Objection to Receiver's Analysis and Calculation of
24 Daily Use Fee, Shared Facilities Unit Expense Fees and for Court to Set Effective Date for New
25 Fees on September 17, 2021. Plaintiffs filed Plaintiffs' Response to Receiver Analysis and
26 Calculation of Daily Use Fee, Shared Facilities Unit Expense Fee and Hotel Expense Fee with
27 Request to Approve Updated Fees and for Court to Set Effective Date for New Fees on
28

1 September 17, 2021. The Receiver Analysis was submitted for consideration on
2 September 22, 2021.

3 **IT IS HEREBY ORDERED** that (1) The Receiver's new fee calculations as submitted
4 to the Court should immediately be applied retroactive to January 2020 and going forward until a
5 subsequent order from the Court is issued; (2) the amounts owed to Plaintiffs under those fee
6 calculations should be paid to Plaintiffs within thirty (30) days in accordance with the Governing
7 Documents; (3) the Receiver should be permitted to calculate the 2020 fee calculation using the
8 same methodology – and once those calculations are completed, the Receiver can reconcile the
9 unit owner accounts to reflect the difference between the 2020 and 2021 fee calculations; and (4)
10 after Defendants produce to Plaintiffs all actual documents that support the Receiver's 2020 and
11 2021 calculations, and depositions are taken (limited in scope) to verify that the calculations are
12 based on actual expenses as provided for under the Governing Documents, the briefing on the
13 issue of the accuracy of the fees should recommence. Any adjustments to the fees as a result of
14 motion practice by the parties shall be credited or debited accordingly, but in the interim, rental
15 revenue shall be calculated based upon the Receiver's 2021 calculations.

16 **IT IS SO ORDERED.**

17 DATED 12-21-21.

18
19 

20 SENIOR JUSTICE
Nancy Saitta

21 Submitted by:

22 ROBERTSON, JOHNSON,
23 MILLER & WILLIAMSON

24 /s/ Jarrad C. Miller

25 Jarrad C. Miller, Esq.
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26 Attorneys for Plaintiffs
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Attorneys for Plaintiffs

SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, individually; *et al.*,

Plaintiffs,

vs.

Case No. CV12-02222
Dept. No. OJ31

MEI-GSR Holdings, LLC, a Nevada limited liability company, GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION, a Nevada nonprofit corporation, GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a Nevada limited liability company; AM-GSR HOLDINGS, LLC, a Nevada limited liability company; and DOE DEFENDANTS 1 THROUGH 10, inclusive,

Defendants.

PLAINTIFFS' MOTION FOR ORDER TO SHOW CAUSE AS TO WHY THE DEFENDANTS SHOULD NOT BE HELD IN CONTEMPT OF COURT

Plaintiffs, by and through their counsel of record, the law firms of Robertson, Johnson, Miller & Williamson and Lemons, Grundy & Eisenberg, hereby move this Court for an Order to Show Cause as to why the Defendants should not be held in contempt in accordance with NRS

1 22.010(3) for their willful refusal to comply with this Court's orders, including those issued on
2 January 4, 2022.

3 This motion ("Motion") is supported by the attached memorandum of points and
4 authorities, the concurrently-filed Affidavit pursuant to NRS 22.030(2) and WDCR 42, the
5 exhibits attached hereto, and all other documents on file before this Court pertaining to the
6 above-referenced matter.

7 DATED this 1st day of February, 2022.

8 ROBERTSON, JOHNSON,
9 MILLER & WILLIAMSON

10 By: /s/ Jarrad C. Miller

Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
Briana N. Collings, Esq.
Attorneys for Plaintiffs

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I. INTRODUCTION

As the United States Supreme Court has made abundantly clear, “**absent a stay**,” “all orders and judgments of courts **must be complied with promptly**.” Maness v. Meyers, 419 U.S. 449, 458, 95 S. Ct. 584, 591 (1975) (emphasis supplied).¹ While a party or attorney can disagree with an order, the party or attorney may **not** refuse to comply. Otherwise, such refusal constitutes contempt. Indeed, “[p]ersons who make private determinations of the law and refuse to obey an order generally risk **criminal** contempt even if the order is ultimately ruled incorrect.” Id., 419 U.S. at 458, 95 S. Ct. at 591 (emphasis supplied).

Two recent actions by Defendants prompt this Motion. First, Richard M. Teichner, the Receiver appointed over Defendants, noted in his December 2021 report that “during September GSR withdrew a total of \$3,562,441.28 from the reserve bank account for expenditures that it deemed reimbursable capital expenditures.” (See Receiver’s Report GSRUOA for the Period from December 1 through December 31, 2021, filed January 6, 2022 (“Receiver’s January 2022 Report”), at Ex. 1.) The Receiver stated that “this withdrawal had not been authorized” by the Receiver. (Id.) Defendants are abundantly aware that (1) they may not unilaterally withdraw funds from the reserve accounts and (2) the Receiver must approve any and all withdrawals. Despite this clear knowledge – evidenced by previous motions by Defendants wherein they request the Receiver be instructed to reimburse such expenditures – Defendants have disregarded this Court’s orders and the Receiver’s authority to authorize or not authorize all withdrawals.

Second, the Court issued eight (8) orders on January 4, 2022. Within those orders, the Court ordered, *inter alia*, that: (1) the notice of special assessments sent August 24, 2021 be “immediately withdrawn” and any amounts already paid be refunded within ten (10) days of the order (Order Granting Receiver’s Motion for Orders & Instructions at 7:22-28); (2) those fees submitted by the Receiver on August 16, 2021, be applied retroactively to January 2020 and

¹ If the Court is experiencing déjà vu reading this motion, it is because Defendants are, once again, choosing to baldly disobey the Court's orders. Plaintiffs are remiss to file yet another motion for order to show cause; however, the Defendants' complete disregard of the Court's orders continue to impede the Court's authority and Plaintiff's pursuit of justice in this case.

1 going forward until a subsequent order from the Court (Order Approving Receiver's Request to
2 Approve Updated Fees at 2:3-5); (3) the Ninth Amended CC&Rs are void *ab initio* and the
3 Seventh Amended CC&Rs are "resurrected as though they had not been withdrawn or
4 superseded" (Order Granting Receiver's Motion for Orders & Instructions at 8:17-18; Order
5 Granting Plaintiffs' Motion for Instructions to Receiver at 5:20-21); and (4) the special
6 assessment imposed in order to fund the Receiver's invoices be rescinded and any payments
7 made thereupon be refunded within twenty (20) days of the order (Order Granting Plaintiffs'
8 Motion to Stay Special Assessment at 5:10-12).

9 Notwithstanding these clear orders, Defendants issued January monthly statements which
10 include the now contemptuous (and substantially inflated) fees as well as the special assessments
11 which were ordered to be rescinded. (See Ex. 1, Owner Account Statement for Unit No. 1886
12 dated January 18, 2022.) Shortly after receiving these contemptuous statements, Plaintiffs
13 contacted the Receiver to clarify whether the Receiver had authorized the January 2022
14 statements. (Ex. 2, Email from Jarrad C. Miller dated January 24, 2022.) The Receiver indicated
15 he had not so authorized the statements. (Ex. 3, Email from Stephanie Sharp dated January 24,
16 2022.) Following this exchange, Defendants informed Plaintiffs they were "still deciphering the
17 7 Orders and their various requirements," despite the clear and unambiguous language of the
18 Courts January 4, 2022 orders. (Ex. 4, Email from David McElhinney dated January 24, 2022.)
19 Defendants requested Plaintiffs delay any motion practice relating to the January 2022
20 statements until January 26, 2022. (Id.) Plaintiffs granted this request; however, no further
21 communication has occurred, leading to the logical conclusion that Defendants intend to stand by
22 their contemptuous January 2022 statements.

23 Accordingly, Plaintiffs request this Court enter an order to show cause as to why the
24 Defendants should not be held in contempt of Court for willfully violating the Court's orders.

25 **II. LEGAL ARGUMENT**

26 The Nevada Revised Statutes provide this Court with clear authority to hold the
27 Defendants in contempt. The Nevada Revised Statutes specifically state in pertinent part that
28

1 “[d]isobedience or resistance to any lawful writ, order, rule or process issued by the court or
2 judge at chambers” “shall be deemed contempt[.]” NRS 22.010(3).

3 Accordingly, this Court has the authority to hold the Defendants in contempt for violating
4 its orders. See also NRS 1.210 (“Every court shall have power . . . (3) “[t]o compel obedience to
5 its lawful judgments, orders and process, and to the lawful orders of its judge out of court in an
6 action or proceeding pending therein.”).

7 Similar to Defendants’ previous actions in this case, Defendants have expressed their
8 disagreement with the Court’s orders by filing motions for reconsideration thereof and simply
9 refused to comply with the Court’s orders while those motions are pending. (See, e.g.,
10 Defendants’ Motion for Leave to file Motion for Reconsideration of Order Denying as Moot
11 Defendants’ Emergency Motion to Extend Stay Pending Final Disposition of the Motion to
12 Reconsider, filed January 18, 2022.) In doing so, the Defendants have been and continue to act
13 in contempt of Court. As the United States Supreme Court explained:

14 We begin with the basic proposition that all orders and judgments of courts must
15 be complied with promptly. If a person to whom a court directs an order believes
16 that order is incorrect the remedy is to appeal, but, **absent a stay**, he **must** comply
17 promptly with the order pending appeal. . . . The orderly and expeditious
18 administration of justice by the courts requires that ‘an order issued by a court
19 with jurisdiction over the subject matter and person **must be obeyed by the**
parties until it is reversed by orderly and proper proceedings.’ . . . Remedies
20 for judicial error may be cumbersome but the injury flowing from an error
21 generally is not irreparable, **and orderly processes are imperative to the**
operation of the adversary system of justice.”

20 Maness, 419 U.S. at 459–60, 95 S. Ct. at 591–92 (emphasis supplied) (internal citations omitted).

21 The Defendants’ continued conduct towards the Court impairs the dignity of the Court
22 and demonstrates an unacceptable disregard for the Court’s authority. Since there is no stay in
23 place, and given the Defendants are willfully refusing to comply with valid binding orders of the
24 Court, the Defendants must be held in contempt by law. See, e.g., Maness, 419 U.S. at 459–60,
25 95 S. Ct. at 591–92; accord, State v. Meyer, 375 So. 2d 372, 373 (La. 1979) (“The attorney’s
26 conduct was contumacious behavior toward the judge tending to impair the dignity of the court
27 and respect for his authority. All orders and judgments of courts must be complied with
28 promptly. If a person to whom a court directs an order believes that order is incorrect the remedy

1 is to apply for review, but absent a stay, to comply promptly with the order pending review.
2 ***Persons who make private determinations of the law and refuse to obey an order risk criminal***
3 ***contempt even if the order is ultimately ruled incorrect.***” (Emphasis supplied)).

4 It is against this background that Defendants’ two (2) most recent contemptuous actions
5 will be discussed.

6 **A. Defendants’ Unilateral Withdrawal of Over \$3.5 Million From the Reserve**
7 **Accounts Without Approval From the Receiver or the Court**

8 This Court’s Findings of Fact, Conclusions of Law and Judgment, filed on October 9,
9 2015, under “Non-Monetary Relief,” expressly stated that, “[t]he receiver will determine a
10 reasonable amount of FF&E, shared facilities and hotel reserve fees required to fund the needs of
11 these three ledger items.” Under the Order Appointing Receiver and Directing Defendants’
12 Compliance, the Receiver “is appointed for the purpose of implementing compliance, among all
13 condominium units, including units owned by any Defendant in this action (collectively, “the
14 Property”), with the Covenants Codes and Restrictions recorded against the condominium units,
15 the Unit Maintenance Agreements and the original Unit Rental Agreements (“Governing
16 Documents”).” (Order Appointing Receiver and Directing Defendants’ Compliance, filed
17 January 7, 2015, at 1:27 to 2:3.) Pursuant to these Court orders, the Receiver alone has sole
18 authority over the reserves – including withdrawals from the reserve accounts.

19 Disregarding the Court’s clear statements granting the Receiver sole authority over the
20 reserve accounts, Defendants took it upon themselves to withdraw over \$3.5 million for
21 expenditures Defendants unilaterally deemed reimbursable capital expenses. (Receiver’s Report
22 at Ex. 1.) Defendants are clearly aware that such a withdrawal requires Court approval. Indeed,
23 in May 2020, Defendants filed a motion requesting the Court instruct the Receiver to reimburse
24 Defendants for capital expenditures exceeding \$8 million. (See Defendants’ Motion for
25 Instructions to Receiver Regarding Reimbursement of Capital Expenditures, filed May 21,
26 2020.) It is inconceivable that, after recognizing the Receiver’s authority to provide
27 reimbursements to Defendants, Defendants now would reject such authority and unilaterally
28 withdraw over \$3.5 million from the reserve accounts for alleged reimbursements owed.

1 The Court has recently reaffirmed that such a withdrawal requires the Receiver and/or the
2 Court's approval. In one of its January 4, 2022 orders, the Court recognizes the Receiver's
3 authority to analyze and grant or deny Defendants' requests for reimbursements for capital
4 expenditures. (See Order Directing Receiver to Prepare Report on Defendants' Request for
5 Reimbursement of 2020 Capital Expenditures, filed January 4, 2022.) Specifically, the Court
6 stated that "the Receiver is charged with implementing compliance with the Governing
7 Documents and was appointed for a reason," and then went on to instruct the Receiver to issue a
8 report recommending which items in Defendants' request for reimbursement at issue could be
9 reimbursed under the Governing Documents. (Id. at 2:28-3:3.)

10 Defendants must thus be summoned before this Court to show cause as to why they
11 should not be held in contempt for blatantly violating this Court's orders and unilaterally
12 withdrawing over \$3.5 million from the reserve accounts.

13 **B. Defendants' January 2022 Account Statements Do Not Reflect the Court's**
14 **Orders that New Fees Be Imposed and the Assessments Be Rescinded**

15 Associa Sierra North ("Associa"), as GSR-UOA's agent, distributed January 2022 Owner
16 Account Statements to the Plaintiffs dated January 13, 2022, which contain inaccurate statements
17 on critical issues and directly violate the Court's January 4, 2022 orders. In the notice, Associa
18 falsely claims "[t]he special assessment due August 1, 2021, **only**, has been rescinded." (See Ex.
19 5, Associa Notice dated January 13, 2022 (emphasis supplied).) Associa further claims therein
20 that "the task to reverse the special assessment and late fees will take some time but is in process
21 and will be completed as soon as possible." (Id.)

22 As the Court is aware, there have been two (2) wrongfully imposed special assessments.
23 First, Defendants imposed the special assessment intended to cover the Receiver's invoices. The
24 Court has ordered this special assessment rescinded and ordered a refund to all owners who have
25 paid this assessment within *20 days of the January 4, 2022 order*. (See Order Granting
26 Plaintiffs' Motion to Stay Special Assessment.) Second, Defendants imposed the multi-million
27 dollar special assessments split over a three (3) year period. The Court has also ordered these
28 special assessments void and ordered the notice of special assessment be withdrawn, and any

1 amounts already paid be refunded within *10 days of the January 4, 2022 order*. (See Order
2 Granting Receiver’s Motion for Orders & Instructions.) Furthermore, the three-year special
3 assessment was imposed pursuant to the Ninth Amended CC&Rs, which, by Court order, have
4 been rescinded and replaced with the Seventh Amended CC&Rs as though the Seventh
5 Amended CC&Rs had never been superseded. (See id.) Thus, the three-year special assessments’
6 basis is also void. Finally, the Court ordered all decisions of the GSRUOA’s Board of Directors
7 since the order appointing the Receiver in 2015 are void, including but not limited to, imposing
8 the three-year special assessments. (See id. (“Only the Receiver can impose special assessments”
9 in accordance with the Governing Documents).)

10 Thus, no special assessments remain as the Court has now ordered them both rescinded.
11 The statement that “[t]he special assessment due August 1, 2021, only, has been rescinded” is
12 simply false and serves to misinform the Plaintiffs who have been deprived of any revenue from
13 their units for multiple years. By misstating the Court’s orders and attempting to enforce the
14 assessments the Court has ordered rescinded, Defendants are not fully complying with those
15 orders and therefore should be ordered to show cause as to why they should not be held in
16 contempt for failing to comply with the Court’s orders.

17 Furthermore, the statement that “the task to reverse the special assessment . . . will take
18 some time . . . and will be completed as soon as possible” also violates the Court’s orders that
19 these assessments be refunded within ten (10) or twenty (20) days of the January 4, 2022 orders.
20 (See Ex. 5; Order Granting Plaintiffs’ Motion to Stay Special Assessment; Order Granting
21 Receiver’s Motion for Orders & Instructions.) Notably, both of these deadlines have now
22 passed, but Defendants have not refunded all individuals who have paid either of the special
23 assessments, further violating this Court’s orders. Accordingly, Defendants should be ordered to
24 show cause as to why they should not be held in contempt for violating the Court’s orders.

25 **III. CONCLUSION**

26 The Defendants, after violating a variety of this Court’s orders and forcing Plaintiffs to
27 file a great number of motions for orders to show cause, are now continuing their pattern of
28 disdain towards this Court and its binding orders. Absent a finding of contempt with real teeth,

1 there is no reason to expect the Defendants to change the behavior they have exhibited for the
2 past ten (10) years.

3 Accordingly, Defendants should be summoned before this Court and ordered to show
4 cause as to why they should not be held in contempt.

5 **AFFIRMATION**

6 Pursuant to NRS § 239B.030, the undersigned does hereby affirm that the preceding
7 document does not contain the social security number of any person.

8 RESPECTFULLY SUBMITTED this 1st day of February, 2022.

9 ROBERTSON, JOHNSON,
10 MILLER & WILLIAMSON

11 By: /s/ Jarrad C. Miller

Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
Briana N. Collings, Esq.
Attorneys for Plaintiffs

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I hereby certify that I am an employee of Robertson, Johnson,
3 Miller & Williamson, 50 West Liberty Street, Suite 600, Reno, Nevada 89501, over the age of
4 18, and not a party within this action. I further certify that on the 1st day of February, 2022, I
5 electronically filed the foregoing **PLAINTIFFS' MOTION FOR ORDER TO SHOW**
6 **CAUSE AS TO WHY THE DEFENDANTS SHOULD NOT BE HELD IN CONTEMPT**
7 **OF COURT** with the Clerk of the Court by using the ECF system which served the following
8 parties electronically:

9 Daniel F. Polsenberg, Esq.
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/s/ Stefanie E. Smith
An Employee of Robertson, Johnson, Miller & Williamson

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Index of Exhibits

<u>Number</u>	<u>Description</u>	<u>Pages</u>
1	Owner Account Statement for Unit No. 1886 dated January 18, 2022	2
2	Email from Jarrad C. Miller dated January 24, 2022	2
3	Email from Stefanie Sharp dated January 24, 2022	2
4	Email from David McElhinney dated January 24, 2022	2
5	Associa Notice dated January 13, 2022	1
6	Affidavit of Jarrad C. Miller, Esq.	4

EXHIBIT “1”

EXHIBIT “1”

EXHIBIT “1”



OWNER ACCOUNT STATEMENT

Account Number: 50683
 Unit Number: 1886
 Invoice Date: January 18, 2022
 Period: 12/01/2021 - 12/31/2021
 ** Balance (to)/ from Owner: \$14,697.54

NADINES REAL ESTATE INVEST
 ATTN: NADINE SANDBERG
 PO BOX 191
 LIGNITE, ND 58752

****PAYABLE UPON RECEIPT****

Reservation Detail									
Arrival	Departure	Wing	Room	Nights	Gross Revenue	Daily Use Fee	Revenue Split	(Room Revenue) / Fees	Additional Revenue (If Any)
12/01/2021	12/03/2021	SH	1886	2	\$118.00	\$64.94	\$26.53	\$(26.53)	\$0.00
12/03/2021	12/06/2021	SH	1886	3	\$298.80	\$97.41	\$100.70	\$(100.70)	\$(52.43)
12/06/2021	12/08/2021	SH	1886	2	\$122.20	\$64.94	\$28.63	\$(28.63)	\$(34.95)
12/08/2021	12/09/2021	SH	1886	1	\$69.00	\$32.47	\$18.27	\$(18.27)	\$(17.48)
12/10/2021	12/11/2021	SH	1886	1	\$139.00	\$32.47	\$53.27	\$(53.27)	\$0.00
12/11/2021	12/12/2021	SH	1886	1	\$163.20	\$32.47	\$65.37	\$(65.37)	\$(17.48)
12/12/2021	12/13/2021	SH	1886	1	\$54.60	\$32.47	\$11.07	\$(11.07)	\$(17.48)
12/13/2021	12/15/2021	SH	1886	2	\$109.20	\$64.94	\$22.13	\$(22.13)	\$(34.95)
12/15/2021	12/17/2021	SH	1886	2	\$89.70	\$64.94	\$12.38	\$(12.38)	\$(34.95)
12/17/2021	12/19/2021	SH	1886	2	\$170.00	\$64.94	\$52.53	\$(52.53)	\$(34.95)
12/20/2021	12/21/2021	SH	1886	1	\$59.50	\$32.47	\$13.52	\$(13.52)	\$(17.48)
12/21/2021	12/23/2021	SH	1886	2	\$109.20	\$64.94	\$22.13	\$(22.13)	\$(34.95)
12/23/2021	12/24/2021	SH	1886	1	\$50.40	\$32.47	\$8.97	\$(8.97)	\$(17.48)
12/25/2021	12/26/2021	SH	1886	1	\$96.48	\$32.47	\$32.01	\$(32.01)	\$0.00
12/26/2021	12/29/2021	SH	1886	3	\$392.00	\$97.41	\$147.30	\$(147.30)	\$(52.43)
12/29/2021	12/31/2021	SH	1886	2	\$192.78	\$64.94	\$63.92	\$(63.92)	\$(34.95)
TOTAL				27	\$2,234.06	\$876.69	\$678.69	\$(678.69)	\$(401.93)

Misc. Credit/Expenses	
Description	Amount

Please Make Checks Payable to:

GRAND SIERRA RESORT
 ATTN: ACCOUNTS RECEIVABLE
 2500 EAST SECOND ST.
 RENO, NV 89595

R.App.0851

Statement Summary

(Room Revenue) / Fees:	\$(678.69)
Additional Revenue (if Any):	\$(401.93)
Contracted Hotel Fees *:	\$932.55
Misc. (Credits) / Expenses:	\$0.00
Previous Balance:	\$14,845.60
Payment Received:	\$0.00
Net Due to Owner:	\$0.00
Net Due from Owner:	\$14,697.54

* This is the Hotel Expenses (Hotel, Shared Facility and Cleaning Fee) and Hotel Reserves (Hotel, Shared Facility, FF&E).
Please refer to CC&R Article 6 and the Unit Maintenance Agreement Schedule A for definitions of these Expenses and Reserves.

** Expenses under review

Pursuant to Court Order we are rescinding the Special Assessment, effective immediately. If you have paid all or any portion of that Special Assessment you will be mailed a refund check in the amount of your payment on or before January 24, 2022. These orders are under Reconsideration and Unit Owners will be updated as the situation changes.

Please Make Checks Payable to:

GRAND SIERRA RESORT
ATTN: ACCOUNTS RECEIVABLE
2500 EAST SECOND ST.
RENO, NV 89595

R.App.0852

EXHIBIT “2”

EXHIBIT “2”

EXHIBIT “2”

Briana Collings

From: Jarrad Miller
Sent: Monday, January 24, 2022 2:32 PM
To: Stefanie Sharp
Cc: David McElhinney; Robert L. Eisenberg; Jon Tew; Briana Collings
Subject: GSR
Attachments: December 2021 Invoice.pdf; January 2022 Invoice.pdf; September 2021 Invoice.pdf

Dear Stefanie:

As you know, the Court issued multiple orders on or about January 4, 2022 ("January Orders"). While the Defendants have filed motions for reconsideration and an appeal of the January Orders, the January Orders have not been stayed and continue to dictate the Court's directives to the Receiver and the Parties.

Attached please find the September 2021, December 2021, and January 2022 Statements for unit 1886. As you may recall, it was after the September 2021 statement that the Defendants chose to willfully violate the Court's previous orders and unilaterally implement fees that resulted in more blatant theft, monthly, of Plaintiffs' rental revenue. The September 2021 statement demonstrates a balance owed to the unit owner in the amount of \$13,402.89. The December 2021 statement demonstrates a (false) balance owed to the GSR in the amount of \$14,845.60. Despite the clear directives from the Court in the January Orders, the subsequent January 2022 statement falsely claims a balance owed by the owner in the amount of \$14,697.54 and the Plaintiffs, again, were deprived of all rental revenue.

In summary, the January Orders have been willfully violated and the new January 2022 statements falsely reflect fees that violate the January Orders.

Given the willful violation of the January Orders, Plaintiffs are going to file a Motion for Order to Show Cause as to why the Defendants should not be held in contempt of Court.

Can you please advise if the Receiver authorized the January 2022 Statement without implementing the Court's directives? Your prompt response would be greatly appreciated because we intend to promptly file the motion.

Best regards,
Jarrad C. Miller, Esq.
Robertson, Johnson, Miller & Williamson
50 West Liberty Street, Suite 600
Reno, NV 89501
Telephone: (775) 329-5600
Facsimile: (775) 348-8300
Email: JARRAD@NVLAWYERS.COM
Website: www.nvlawyers.com

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EXHIBIT “3”

EXHIBIT “3”

EXHIBIT “3”

Briana Collings

From: Stefanie Sharp <ssharp@rssblaw.com>
Sent: Monday, January 24, 2022 5:33 PM
To: Jarrad Miller
Cc: David McElhinney; Robert L. Eisenberg; Jon Tew; Briana Collings
Subject: RE: GSR

Follow Up Flag: Follow up
Flag Status: Flagged

Good afternoon Jarrad. The Receiver did not authorize the issuance of the statements, including the January 16, 2022 statement.

Best regards,

Stefanie

From: Jarrad Miller <jarrad@nvlawyers.com>
Sent: Monday, January 24, 2022 2:32 PM
To: Stefanie Sharp <ssharp@rssblaw.com>
Cc: David McElhinney <David.McElhinney@meruelogroup.com>; Robert L. Eisenberg <rle@lge.net>; Jon Tew <jon@nvlawyers.com>; Briana Collings <briana@nvlawyers.com>
Subject: GSR

Dear Stefanie:

As you know, the Court issued multiple orders on or about January 4, 2022 ("January Orders"). While the Defendants have filed motions for reconsideration and an appeal of the January Orders, the January Orders have not been stayed and continue to dictate the Court's directives to the Receiver and the Parties.

Attached please find the September 2021, December 2021, and January 2022 Statements for unit 1886. As you may recall, it was after the September 2021 statement that the Defendants chose to willfully violate the Court's previous orders and unilaterally implement fees that resulted in more blatant theft, monthly, of Plaintiffs' rental revenue. The September 2021 statement demonstrates a balance owed to the unit owner in the amount of \$13,402.89. The December 2021 statement demonstrates a (false) balance owed to the GSR in the amount of \$14,845.60. Despite the clear directives from the Court in the January Orders, the subsequent January 2022 statement falsely claims a balance owed by the owner in the amount of \$14,697.54 and the Plaintiffs, again, were deprived of all rental revenue.

In summary, the January Orders have been willfully violated and the new January 2022 statements falsely reflect fees that violate the January Orders.

Given the willful violation of the January Orders, Plaintiffs are going to file a Motion for Order to Show Cause as to why the Defendants should not be held in contempt of Court.

Can you please advise if the Receiver authorized the January 2022 Statement without implementing the Court's directives? Your prompt response would be greatly appreciated because we intend to promptly file the motion.

Best regards,
Jarrad C. Miller, Esq.
Robertson, Johnson, Miller & Williamson

50 West Liberty Street, Suite 600
Reno, NV 89501
Telephone: (775) 329-5600
Facsimile: (775) 348-8300
Email: JARRAD@NVLAWYERS.COM
Website: www.nvlawyers.com

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EXHIBIT “4”

EXHIBIT “4”

EXHIBIT “4”

Briana Collings

From: David McElhinney <David.McElhinney@meruelogroup.com>
Sent: Monday, January 24, 2022 6:08 PM
To: Jarrad Miller; Stefanie Sharp
Cc: Robert L. Eisenberg; Jon Tew; Briana Collings
Subject: RE: GSR

Follow Up Flag: Flag for follow up
Flag Status: Completed

Jarrad, we are still deciphering the 7 Orders and their various requirements. We have meetings scheduled with the accounting team tomorrow and Wednesday. Please give us time to meet and I will communicate with you and Ms. Sharp no later than Wednesday afternoon at 4:00 about how we intend to handle the unit owner statements and what costs will be reflected therein. In the meantime I respectfully request you hold off on filing a Motion for Order to Show Cause. David



David McElhinney
Associate General Counsel
o:775.789.5330
c:562.413.8528
david.mcelhiney@meruelogroup.com

From: Jarrad Miller [mailto:jarrad@nvlawyers.com]
Sent: Monday, January 24, 2022 2:32 PM
To: Stefanie Sharp <ssharp@rssblaw.com>
Cc: David McElhinney <David.McElhinney@meruelogroup.com>; Robert L. Eisenberg <rle@lge.net>; Jon Tew <jon@nvlawyers.com>; Briana Collings <briana@nvlawyers.com>
Subject: GSR

Dear Stefanie:

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Attached please find the September 2021, December 2021, and January 2022 Statements for unit 1886. As you may recall, it was after the September 2021 statement that the Defendants chose to willfully violate the Court's previous orders and unilaterally implement fees that resulted in more blatant theft, monthly, of Plaintiffs' rental revenue. The September 2021 statement demonstrates a balance owed to the unit owner in the amount of \$13,402.89. The December 2021 statement demonstrates a (false) balance owed to the GSR in the amount of \$14,845.60. Despite the clear directives from the Court in the January Orders, the subsequent January 2022 statement falsely claims a balance owed by the owner in the amount of \$14,697.54 and the Plaintiffs, again, were deprived of all rental revenue.

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Can you please advise if the Receiver authorized the January 2022 Statement without implementing the Court's directives? Your prompt response would be greatly appreciated because we intend to promptly file the motion.

Best regards,

Jarrad C. Miller, Esq.
Robertson, Johnson, Miller & Williamson
50 West Liberty Street, Suite 600
Reno, NV 89501
Telephone: (775) 329-5600
Facsimile: (775) 348-8300
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EXHIBIT “5”

EXHIBIT “5”

EXHIBIT “5”



10509 Professional Circle, Suite 200, Reno, NV 89521 775.626.7333
Sparks South Lake Tahoe, CA

Delivering unsurpassed management and lifestyle services to communities worldwide. www.associaasn.com

Date: 1/13/21
GRAND SIERRA RESORT UNIT OWNERS ASSOCIATION (UOA)
Email: GSRservice@associaasn.com

Dear GSR Unit Owner,

Included with this letter is the Grand Sierra Resort UOA board meeting agenda for Monday January 31, 2022, 2:00 PM via Zoom. The Zoom invite information is on the agenda and is provided below:

Date & Time: Monday, January 31, 2022 | 2:00 p.m. | Via Zoom

Zoom Link: <https://us02web.zoom.us/j/86264681706>

Zoom Call in via phone: 1 669 900 6833 (US West Coast Local, or find your local number: <https://us02web.zoom.us/j/kVCYRpZxT>)

Zoom Meeting ID: 862 6468 1706

The Grand Sierra Resort UOA is in receipt of several court orders from the Albert Thomas et al case #CV12-02222 providing various instructions. The below are currently in process with the UOA:

1. The 9th Amended CCRs have been voided and the 7th Amended CCRs are reinstated.
2. The special assessment due August 1, 2021, only, has been rescinded. The task to reverse the special assessment and late fees will take some time but is in process and will be completed as soon as possible. Please do not submit individual requests for your specific account(s). The task will be handled as a project to address all unit accounts the same time.
3. Authority to manage and control the Grand Sierra Resort UOA has been transferred to the Receiver. As such, the Receiver has approved the January 31, 2022 meeting agenda and will run the meeting.

Following are the 2022 meeting dates. All meetings are scheduled at 2:00 PM via Zoom (dates & times may be subject to change): January 31, April 18, July 11, October 10 and December 1.

Copies of UOA documents included the 7th Amended CCRs, court orders of 1/4/21, meeting dates and other UOA information is posted on www.TownSq.io for owner review. If you have not already registered for TownSq, the instructions are below:

You can check your account real time, any time, online through our data platform called TownSq. On TownSq you can see your account from anywhere and you can make payments on line. Note that "Internet Explorer" does not support TownSq (a different browser should be selected). And, for phones and ipads, be sure to download the google app.

Please go to <https://app.townsq.io/login> and follow the steps below to register your account:

1. Click "Need to Register" on the lower right-hand corner of the page.
2. Enter your account number and property ZIP code (89595), first & last name.
3. Click "Continue."
4. Click on Sign up.
1. Once registered you can modify your 'profile' for how you want to receive notices (or not) from the HOA.
2. If you need further assistance, please contact TownSq Customer Service at 844-281-1728, or the Associa office at 775-626-7333.

Sincerely,

The Grand Sierra Resort UOA

EXHIBIT “6”

EXHIBIT “6”

EXHIBIT “6”

CODE: 1030
Jarrad C. Miller, Esq. (NV Bar No. 7093)
Jonathan J. Tew, Esq. (NV Bar No. 11874)
Robertson, Johnson, Miller & Williamson
50 West Liberty Street, Suite 600
Reno, Nevada 89501
(775) 329-5600
jarrad@nvlawyers.com
jon@nvlawyers.com
Attorneys for Plaintiffs

SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, individually; *et al.*,

Plaintiffs,

vs.

Case No. CV12-02222
Dept. No. OJ31

MEI-GSR Holdings, LLC, a Nevada limited liability company, GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION, a Nevada nonprofit corporation, GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a Nevada limited liability company; AM-GSR HOLDINGS, LLC, a Nevada limited liability company; and DOE DEFENDANTS 1 THROUGH 10, inclusive,

Defendants.

AFFIDAVIT OF JARRAD C. MILLER, ESQ. IN SUPPORT OF PLAINTIFFS' MOTION FOR ORDER TO SHOW CAUSE AS TO WHY THE DEFENDANTS SHOULD NOT BE HELD IN CONTEMPT OF COURT

STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

I, JARRAD C. MILLER, ESQ., being first duly sworn, depose and state as follows:

1. Except as otherwise stated, all matters herein are based upon my personal knowledge.

2. I am over the age of 18, competent to make this Affidavit, and if called to testify, my testimony will be consistent with the statements contained herein.

1 3. I am an attorney licensed to practice law in the State of Nevada.

2 4. I am a shareholder with the law firm of Robertson, Johnson, Miller & Williamson
3 and counsel for the Plaintiffs herein.

4 5. On October 9, 2015, the Court issued its Findings of Fact, Conclusions of Law
5 and Judgement, wherein the Court stated “[t]he receiver will determine a reasonable amount of
6 FF&E, shared facilities and hotel reserve fees required to fund the needs of these three ledger
7 items.” Under the Order Appointing Receiver and Directing Defendants’ Compliance, the
8 Receiver “is appointed for the purpose of implementing compliance, among all condominium
9 units, including units owned by any Defendant in this action (collectively, “the Property”), with
10 the Covenants Codes and Restrictions recorded against the condominium units, the Unit
11 Maintenance Agreements and the original Unit Rental Agreements (“Governing Documents”).”
12 (Order Appointing Receiver and Directing Defendants’ Compliance, filed January 7, 2015, at
13 1:27 to 2:3.) Pursuant to these Court orders, the Receiver alone has sole authority over the
14 reserves – including withdrawals from the reserve accounts.

15 6. The Court recently reaffirmed that such a withdrawal requires the Receiver and/or
16 the Court’s approval. In one of its January 4, 2022 orders, the Court recognizes the Receiver’s
17 authority to analyze and grant or deny Defendants’ requests for reimbursements for capital
18 expenditures. (See Order Directing Receiver to Prepare Report on Defendants’ Request for
19 Reimbursement of 2020 Capital Expenditures, filed January 4, 2022.) Specifically, the Court
20 stated that “the Receiver is charged with implementing compliance with the Governing
21 Documents and was appointed for a reason,” and then went on to instruct the Receiver to issue a
22 report recommending which items in Defendants’ request for reimbursement at issue could be
23 reimbursed under the Governing Documents. (Id. at 2:28-3:3.)

24 7. In September, 2021, Defendants unilaterally withdrew over \$3.5 million from the
25 reserve accounts which Defendants stated was to reimburse them for capital expenses. This
26 action violated the Court’s orders described above.

27 8. There have been two (2) wrongfully imposed special assessments. First,
28 Defendants imposed the special assessment intended to cover the Receiver’s invoices. The Court

1 has ordered this special assessment rescinded and ordered a refund to all owners who have paid
2 this assessment within *20 days of the January 4, 2022 order*. (See Order Granting Plaintiffs’
3 Motion to Stay Special Assessment.) Second, Defendants imposed the multi-million dollar
4 special assessments split over a three (3) year period. The Court has also ordered these special
5 assessments void and ordered the notice of special assessment be withdrawn, and any amounts
6 already paid be refunded within *10 days of the January 4, 2022 order*. (See Order Granting
7 Receiver’s Motion for Orders & Instructions.)

8 9. Furthermore, the three-year special assessment was imposed pursuant to the Ninth
9 Amended CC&Rs, which, by Court order, have been rescinded and replaced with the Seventh
10 Amended CC&Rs as though the Seventh Amended CC&Rs had never been superseded. (See id.)
11 Thus, the three-year special assessments’ basis is also void.

12 10. Finally, the Court ordered all decisions of the GSRUOA’s Board of Directors
13 since the order appointing the Receiver in 2015 are void, including but not limited to, imposing
14 the three-year special assessments. (See id. (“Only the Receiver can impose special assessments”
15 in accordance with the Governing Documents).)

16 11. A true and correct copy of the Owner Account Statement for Unit Number 1886,
17 dated January 18, 2022, is attached to the Plaintiffs’ Motion for Order to Show Cause as to Why
18 Defendants Should Not Be Held In Contempt of Court (“Motion”) as Exhibit 1.

19 12. Associa Sierra North (“Associa”), as GSR-UOA’s agent, distributed January 2022
20 Owner Account Statements to the Plaintiffs dated January 13, 2022, which contain inaccurate
21 statements on critical issues and directly violate the Court’s January 4, 2022 orders. In the
22 notice, Associa falsely claims “[t]he special assessment due August 1, 2021, **only**, has been
23 rescinded.” Associa further claims that “the task to reverse the special assessment and late fees
24 will take some time but is in process and will be completed as soon as possible.” A true and
25 correct copy of the Associa Notice is attached to the Motion as Exhibit 5.

26 13. Additionally, Associa makes the statement that “the task to reverse the special
27 assessment . . . will take some time . . . and will be completed as soon as possible,” which also
28 violates the Court’s orders that these assessments be refunded within ten (10) or twenty (20) days

1 of the January 4, 2022 orders. (See Ex. 5; Order Granting Plaintiffs' Motion to Stay Special
2 Assessment; Order Granting Receiver's Motion for Orders & Instructions.) Notably, both of
3 these deadlines have now passed, but Defendants have not refunded all individuals who have
4 paid either of the special assessments, further violating this Court's orders.

5 14. I communicated with the Receiver's counsel to confirm the Receiver did not
6 approve the January 2022 statements. A true and correct copy of my email to the Receiver's
7 counsel is attached to the Motion as Exhibit 2. A true and correct copy of the Receiver's
8 counsel's response is attached to the Motion as Exhibit 3.

9 15. Defendants' counsel also responded to this email chain to inform me that
10 Defendants were still reviewing the January 4, 2022 orders and the implications thereof. A true
11 and correct copy of this email is attached to the Motion as Exhibit 4.

12 **AFFIRMATION**

13 Pursuant to NRS § 239B.030, the undersigned does hereby affirm that the preceding
14 document does not contain the social security number of any person.

15 Executed this 1st day of February, 2022, at Reno, Nevada.

16
17 By: /s/ Jarrad C. Miller
18 Jarrad C. Miller, Esq.
19
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28

**DATE, JUDGE
OFFICERS OF
COURT PRESENT****Pg. 1****APPEARANCE-HEARING****CONT'D TO**

3/25/2022
HONORABLE
NANCY SAIITTA
DEPT. OJ37
K. Crawford
(Clerk)
N. Hansen
(Reporter)

HEARING ON MOTION FOR PRELIMINARY INJUNCTION

Jarrad Miller, Esq., Jonathan Tew, Esq., and Robert Eisenberg, Esq., present on behalf of the Plaintiffs. David McElhinney, Esq., and Daniel Polsenberg, Esq., present on behalf of the Defendants. GSR General Counsel Ann Hall, Esq., and Abran Vigil, Esq., were also present.

**4/8/2022
12:00 p.m.
Motion to
Dismiss
(Audiovisual)**

9:02 a.m. Court convened.
Appearances made for the record.
The Court reviewed the procedural history of the case noting this is the date and time set to hear arguments regarding Plaintiff's Motion for Preliminary Injunction and further noting Receiver's Ex Parte Notice of Intent Not to Appear at March 25, 2022 Hearing filed on March 18, 2022. Court stated no other matters will be heard.

**5/12/2022
9:00 a.m.
Status
Hearing
(In person)**

Counsel Miller presented argument in support of a granting a preliminary injunction.

Upon questioning by the Court regarding what is remaining in this matter to resolve it, counsel Miller informed the Court that Plaintiff's Motion regarding Punitive Damages is still outstanding, a hearing was needed and a final judgment.

Counsel McElhinney responded, noting a motion to dismiss was also pending. Discussion ensued regarding setting hearings for the motion to dismiss and the motion for punitive damages.

Counsel McElhinney presented argument in opposition of a preliminary injunction. Gayle Kern was called by counsel McElhinney. Counsel Miller objected. Discussion ensued regarding whether Defendants were allowed to call witnesses at this proceeding with Defendants being in default.

Counsel McElhinney provided offer of proof regarding Ms. Kern's qualifications and the scope of her anticipated testimony should her testimony be allowed.

COURT ORDERED: Ms. Kern may not testify at this proceeding and counsel McElhinney may file an affidavit or declaration of Ms. Kern as offer of proof by close of business on March 28, 2022 and provide to opposing counsel.

Counsel McElhinney presented further argument in opposition of a preliminary injunction.

Exhibit 1 offered by counsel McElhinney; objection made by counsel Miller for the document not being signed but no objection to its admittance; **ADMITTED**. Counsel McElhinney presented further argument.

Exhibit 2 offered by counsel McElhinney; no objection; **ADMITTED**. Counsel McElhinney presented further argument.

Exhibit 3 offered by counsel McElhinney; no objection; **ADMITTED**. Counsel McElhinney presented further argument.

Court took a brief recess.

Counsel McElhinney resumed presenting his argument.

Exhibit 4 was presented by counsel McElhinney, noting it was previously admitted as an exhibit in the prior hearing on March 11, 2022.

Shannon Keel was called by counsel McElhinney. Counsel Miller's same objection was noted by the Court.

COURT ORDERED: Ms. Keel may not testify at this proceeding and counsel McElhinney may file an affidavit or declaration of Ms. Keel as offer of proof by close of business on March 28, 2022 and provide to opposing counsel.

DATE, JUDGE OFFICERS OF COURT PRESENT	Pg. 2	APPEARANCE-HEARING	CONT'D TO
3/25/2022 N. Hansen (Reporter)		<p>Counsel McElhinney presented further argument; requesting if the preliminary injunction is granted that a bond be issued in the amount of \$17,000,000.</p> <p>Counsel Miller presented further argument in support of granting a preliminary injunction.</p> <p>Counsel Polsenberg provided information to the Court regarding a bond.</p> <p>Counsel Miller presented final argument.</p> <p>Discussion ensued regarding how to get the case resolved.</p> <p>Further discussion ensued regarding how to proceed on the outstanding motion regarding punitive damages and motion to dismiss.</p> <p>Court stated she was inclined to rule on the pleadings unless a hearing was requested. Counsel Polsenberg requested a hearing.</p> <p>COURT ORDERED: The Motion for Preliminary Injunction is taken under advisement pending counsel McElhinney filing affidavits/declarations of Ms. Kern and Ms. Keel by close of business Monday, March 28, 2022.</p> <p>COURT FURTHER ORDERED: A Status Hearing currently set for April 8, 2022, at 12:00 p.m., shall remain and be converted to a hearing for oral arguments on the pending Motion to Dismiss. This hearing will be held via audiovisual means.</p> <p>COURT FURTHER ORDERED: A Status Hearing shall be set on May 12, 2022, at 9:00 a.m. to discuss procedure on the pending Motion for Punitive Damages. This hearing shall be held in person. The Clerk shall notify respective counsel via email of the courtroom location.</p> <p>12:24 p.m. Court adjourned.</p>	

**DATE, JUDGE
OFFICERS OF
COURT PRESENT****Pg. 1****APPEARANCE-HEARING****CONT'D TO**

7/8/2022
HONORABLE
NANCY SAIITTA
DEPT. OJ37
K. Crawford
(Clerk)
J. Kernan
(Reporter)

ORAL ARGUMENTS ON MOTION IN SUPPORT OF PUNITIVE DAMAGES**AWARD**

Jarrad Miller, Esq., Jonathan Tew, Esq., and Robert Eisenberg, Esq., present on behalf of the Plaintiffs. David McElhinney, Esq., and Daniel Polsenberg, Esq., present on behalf of the Defendants. GSR General Counsel Ann Hall, Esq., and Abran Vigil, Esq., were also present.

9:04 a.m. Court convened.

Appearances made for the record.

The Court reviewed the procedural history of the case noting this is the date and time set to hear oral arguments on Plaintiffs' Motion in Support of Punitive Damages Award.

Counsel Eisenberg presented argument in support of punitive damages award. Discussion ensued regarding the \$8,000,000 judgment awarded previously by Judge Sattler and whether a bond was necessary.

10:29 a.m. Court stood in recess.

10:45 a.m. Court reconvened.

Court addressed counsel Eisenberg regarding whether he wanted the Transcript he referenced in his argument to be marked and admitted into evidence for this hearing. Counsel Eisenberg requested it be marked and admitted; no objection by counsel McElhinney; Transcript was marked as **Exhibit 1** and identified for the record and **ADMITTED** into evidence.

Counsel McElhinney presented argument in opposition of punitive damages.

Exhibit 2 marked for identification.

Counsel McElhinney presented further argument in opposition.

Exhibits 3 and 4 were marked for identification.

Counsel McElhinney presented further argument.

Court addressed marked **Exhibits 2-4** and asked counsel McElhinney for clarification of whether he wanted them admitted or just marked.

Counsel McElhinney requested the exhibits be marked and admitted; no objection by counsel Eisenberg; **Exhibit 2, 3, and 4 ADMITTED**.

Counsel McElhinney presented further argument.

Exhibit 5 was offered by counsel McElhinney; no objection, **ADMITTED**.

Counsel McElhinney presented further argument.

Exhibit 6 was marked for identification but not offered by counsel McElhinney; Court stated she wanted it admitted as part of the record; counsel McElhinney moved to admit Exhibit 6, **ADMITTED**.

Counsel McElhinney presented further argument in opposition.

Counsel McElhinney moved the Court, renewing Defendants' Motion to Dismiss, noting for the Court it has already been briefed, submitted and argued before the Court.

Court made notice of the renewed Motion to Dismiss.

Upon Questioning by the Court, counsel Eisenberg responded to the Court's questions asked during counsel McElhinney's arguments.

Counsel Eisenberg presented rebuttal arguments in support of punitive damages. Court denied counsel McElhinney's request to present sur-rebuttal arguments and made notice of counsel McElhinney's objections.

7/18/2022
9:00 a.m.
**Evidentiary
Hearing on
Motion for
Punitive
Damages
Award
(In person)**

DATE, JUDGE OFFICERS OF COURT PRESENT	Pg. 2	APPEARANCE-HEARING	CONT'D TO
7/8/2022 J. Kernan (Reporter)		<p>Court made clear for the record that Exhibit 1, referenced by counsel Eisenberg during argument is marked and ADMITTED into evidence, as well as Exhibits 2 through 7, referenced by counsel McElhinney during argument, are marked and ADMITTED into evidence.</p> <p>COURT ORDERED: Plaintiffs’ Motion in Support of Punitive Damages Award is taken under advisement. Respective counsel to each submit proposed findings, entitled Findings, limited to fifteen (15) pages or less, on today’s proceedings by 5:00 p.m., July 12, 2022.</p> <p>12:26 p.m. Court adjourned.</p>	

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6 IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
7 IN AND FOR THE COUNTY OF WASHOE
8

9 ALBERT THOMAS, et al.,

Case No. CV12-02222

10 Plaintiff,

Dept. No. 6

11 vs.

12 MEI-GSR HOLDINGS, LLC, a Nevada
13 Limited Liability Company, et al.,

14 Defendant.
15 _____/

16 **SUPREME COURT ADMINISTRATIVE ORDER 21-00267**
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**SUPREME COURT OF THE STATE OF NEVADA
ADMINISTRATIVE OFFICE OF THE COURTS**

IN THE MATTER OF THE ASSIGNMENT OF
A SENIOR JUSTICE

Order No. 21-00267

MEMORANDUM OF TEMPORARY ASSIGNMENT

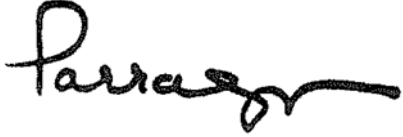
WHEREAS all district judges in the Second Judicial District have recused themselves from hearing any and all matters in *Albert Thomas, individually; et al., v. MEI-GSR Holdings, LLC, a Nevada Limited Liability Company; AM-GSR Holdings, LLC, a Nevada Limited Liability Company; Grand Sierra Resort Unit Owners' Association, Nevada Non-Profit Corporation; Gage Village Commercial Development, LLC, a Nevada Limited Liability Company; and Does I -X, inclusive, Case Number CV12-02222*, now therefore,

IT IS HEREBY ORDERED that the Honorable Elizabeth Gonzalez, Senior Judge, assigned to hear any and all matters in *Albert Thomas, individually; et al., v. MEI-GS Holdings, LLC, a Nevada Limited Liability Company; AM-GSR Holdings, LLC, a Nevada Limited Liability Company; Grand Sierra Resort Unit Owners' Association, a Nevada Non-Profit Corporation; Gage Village Commercial Development, LLC, a Nevada Limited Liability Company; and Does I - X, inclusive, Case Number CV12-02222*, and she shall have authority to sign any orders arising out of this assignment. The Court shall notify

1 the parties of the assignment and provide Elizabeth Gonzalez, Senior Judge with any
2 assistance as requested.

3 Entered this 19th day of September 2022.

4 NEVADA SUPREME COURT

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6 By: _____, Justice

7 Copy: The Honorable Elizabeth Gonzalez, Senior Judge
8 The Honorable Lynne Simons, Chief Judge, Second Judicial District
9 Alice Lerud, Court Administrator, Second Judicial District Court
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CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 29th day of September, 2022, I electronically filed the foregoing with the
Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.
