

**MINUTES OF MEETING**  
**CAVE ROCK ESTATES GENERAL IMPROVEMENT DISTRICT**  
**April 5, 2022**  
**2:00pm via electronic teleconference**

*In accordance with Gov. Sisolak's emergency declaration and the recommendation of the Federal Coronavirus Task Force, this meeting of the Cave Rock Estates General Improvement District Board of Trustees was held electronically on Tuesday, April 5, 2022 at 2:00 PM. Any member of the public was welcome to join the meeting using a computer, tablet or smartphone by going to <https://amherstcollege.zoom.us/j/97053609153>. Copies of the agenda were posted at the following locations at least 3 business days prior to the meeting day: Cave Rock Drive street sign near the Villas, Cave Rock/Winding Way street sign, and at the Corner of Wren/Pheasant Lane and Winding Way.*

**1. CALL TO ORDER:** Meeting called to order by Chairperson Ralph Miller at 2:00pm via Zoom electronic conferencing.

**2. ROLL CALL - Establish Quorum:** Ralph Miller, Marge Hauge, Dick Dernbach, Joanne Zerg,

**GUESTS:** Steve McVicar CPA , Karen Andrews, CPA, Cynthia Neihls

**3. PUBLIC COMMENT:** None

**4. APPROVAL OF AGENDA:** Joanne moved to approve the agenda, Marge seconded, all ayes.

**5. APPROVAL OF MINUTES of November 9, 2021:** Marge moved to approve the minutes, Dick seconded, all ayes.

**6. FINANCIAL: Annual Compilation Report & Financial Statement Petition for Resolution and Exemption 2022-2023**

Steve McVicar, CPA, presented the proposed 2022-2023 budget & financial reports to be signed & submitted to the state. The 'year to date' summary was discussed as well as the Profit & Loss Statement and check register report.

Marge made a motion to approve the tentative budget. Joanne seconded, all ayes.

**7. CREGID Board Elections**

Ralph discussed CRGID board vacancies and the election of officers for the current term and next years terms. Norm Hauge and Dick Dernbach have registered for the next election. They will become Board members. There will be 2 vacancies, as Joanne Zerg and Mike Rooney will be leaving the board. The

board will need to approve 2 additional trustees. Ralph is asking for suggestions as to whom we might approach to serve on the Board. Ralph will ask Jill Berlin and Perry Muhr.

**8. Demand Resolution**

Ralph has been working with Kerry Rosser of Douglas County to obtain payment for CRGID's 2020 road repair costs. Douglas County contests owing the CRGID any money for road repairs. Kerry requested a 'Demand Resolution' for payment of 2020 road repairs that followed the water line replacement by Douglas County. It will then go through the normal legal channels.

Written by Brett Tibbits, the Demand Resolution was viewed and reviewed by the Board members.

Dick moved to approve the Demand Resolution as written. Joanne seconded. All ayes.

**9. CRGID Records Storage**

Dick has confirmed the NV state library can scan the 5 boxes of CRGID records. The cost estimate is \$3000.00. The GID will need to purchase a hard drive or SSD drive (which degrade over time) or a 'M' disk, (which does not degrade over time) to store the scanned documents. Dick will research the process, availability and costs.

Marge moved to authorize Dick to move forward on having the documents scanned, with a budget not to exceed \$3000.00. Joanne seconded. All ayes.

**10. Establishment of Future Meetings** Tuesday, May 24, 2021 at 3:00pm

**11. Adjournment**

The motion was made to adjourn the meeting by Joanne with a second by Dick. All ayes.

The meeting was adjourned at 2:53pm.

Respectfully submitted,

Joanne Zerg, Secretary  
Cave Rock Estates General Improvement District

WHEREAS, the Cave Rock GID is responsible for maintenance and care of the roads within the GID;

WHEREAS, Douglas County is the owner and purveyor of the water district that serves the residents of Cave Rock;

WHEREAS, by 2020 the water line was well past its useful life:

WHEREAS, for well over a decade up and until the years 2020 – 2021, Douglas County purposely operated the Cave Rock water system by allowing hundreds of water leaks to occur year after year;

WHEREAS, the County found it more palatable to “band aid” repair each leak with clamps rather than fix portions of the water supply line;

WHEREAS, many of the leaks re-occurred year after year in the same places due to deterioration the outdated metal water pipe system;

WHEREAS, the original water system was built without the leak resistant road fill required by current County standards, and therefore these water leaks undermined the Cave Rock roads in numerous and large areas throughout the Cave Rock street system;

WHEREAS, the roads within Cave Rock started sinking in numerous places due to these leaks and their impact on the road fill, underbed and foundation;

WHEREAS, the time has come for serious road re-surfacing and repair within Cave Rock now that the water lines within the Cave Rock water system have been replaced by Douglas County during 2020 and 2021;

WHEREAS, it was agreed between Cave Rock GID and the County that, in the interest of economy and efficiency, road repair should be done immediately after the water line replacement, while contractor equipment and personnel were already on site;

WHEREAS, Douglas County and Cave Rock GID representatives jointly surveyed the road damage in both years and jointly submitted reports to Douglas County as to the portion of the road repairs attributable to the continual water leaks over decades;

WHEREAS, the process followed in each of the two years was identical;

WHEREAS, Douglas County directly paid the contractor for its portion of the road repairs in 2021, but left Cave Rock GID to pay for all the repairs in 2020, denying any responsibility for the areas identified by the survey team;

WHEREAS, the percent of repairs identified in 2021 as County responsibility was 33.9%, and these were actually paid by the County without objection or dispute;

WHEREAS, the percent of repairs identified in 2020, on the same road, by the same process, as County responsibility was 33.4%;

WHEREAS, the County Director of Public Works claimed, in writing and before the 2021 repairs began, that its responsibility for 2021 would also be 0%, since, in his estimation, none of the road damage was due to water leaks;

WHEREAS, Cave Rock GID convened a meeting of local County Commissioners, the County Manager, the Assistant District Attorney and other senior County managers to review the reasons for rejecting the Director's allegations;

WHEREAS, the senior County officials walked the construction site with Cave Rock GID members, saw the extent of the water damage, concurred that a different County representative would be appointed to do the 2021 survey, and promised that the County would accept his findings – all of which subsequently occurred as agreed;

WHEREAS, the 2021 percent of damage attributed to the County by the new representative was identical to the percentage rejected by the County in 2020, and the full 2021 amount was accepted (as promised), without argument, by the County;

WHEREAS, it is inconceivable that the rejection of any and all County responsibility in 2020 can be justified by the facts, and senior County Management and legal representatives have already seen fit to intervene to assure a fair decision in 2021;

WHEREAS, Cave Rock GID incurred \$128,871 of expenses in 2020 for repairing the Cave Rock roads after the first phase of the water pipe replacement, partially due to normal wear and tear, but also due to the many, recurring and poorly repaired water leaks;

WHEREAS, 33% County responsibility was established in both years by survey teams following the same process in each year;

NOW THEREFORE, the Cave Rock GID Board of Directors hereby unanimously demands that Douglas County reimburse it for 33% of the 2020 road repair expenses, which payment would then equal \$42,527, and hereby approves any and all measures to collect these funds including the hiring of legal counsel, if necessary.