MINUTES OF MEETING
CAVE ROCK ESTATES GENERAL IMPROVEMENT DISTRICT
Thursday, May 22, 2025
1:30pm

This meeting of the Cave Rock Estates General Improvement District Board of Trustees was held Thursday, May 22, 2025 at 1:30 pm at 1317 Winding Way, Glenbrook NV 89413. The on line Teams login was:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_M2ZmYjQ0YmUtN2UyNy00NjY0LWI2ZjEtNjRiMTdmN2I3Zjhh%40thread.v2/0?context=%7b%22Tid%22%3a%22f7e124e1-3cbb-4714-b90e-d08652874b65%22%2c%22Oid%22%3a%224fe9cf07-e903-465a-9024-
; Meeting ID: 333 133 434 149 7 ; PW: HF2gQ7yh
0d13b2e6f3e2%22%7d Phone in: 213-282-5258
ID: 518443490#

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 below the Cave Rock Villas, Cave Rock Winding Way street sign, and the street sign at the corner of Wren/Pheasant Lane and Winding Way. Electronic copies of the agenda can be found at https://NoticeNV.gov and https://www.CaveRockGID.org

1. **CALL TO ORDER**: Meeting called to order by Mark Holmlund at 1:35 pm. There were no objections to recording the meeting.

2. **ROLL CALL - Establish Quorum**: Mike Smart, Norman Hauge, Dick Dernbach, Perry Muhr and Mark Holmlund

GUESTS: Marge Hauge and Jim McCanna

3. PUBLIC COMMENT - None

DISCUSSION AND ACTION MAY TAKE PLACE ON ANY OF THE FOLLOWING ITEMS:

4. Approval of Agenda
Mike made the motion to approve the agenda with a second by Dick. All Ayes

5. Approval of minutes of regular meeting on April 2, 2025
Mike made the motion to approve the minutes of the regular meeting on April 2, 2025 with a second by Dick. All ayes.

6. Financials- Steve McVicar, Presenter
Petition and resolution for exemption

Compilation report and financial statements FYE June 30, 2025
Financial Reports this fiscal year-to-date
Grant funding accounting
Discussion:

Steve reviewed the process of developing the tentative budget in April, with approval in May at today's meeting. The Tentative Budget was approved. Purpose of development of the budget is to allot expenditures in specific categories. The ending fund balance was reviewed for the Board along with the estimated taxes to be received. $508,068 is the projected ending fund balance for the Reserve Budget. The total ending fund balance will be over $600,000. $299,000 is anticipated as expenditures which avoids an audit but requires a compilation, as this is considered a "small GID" by the State of Nevada. If the grant is received, an audit will be required which could be an expenditure of $25,000-$30,000 per year. Timing will be essential in the receipt of the grant funds. Steve will serve as a resource/liaison related to the receipt of the grant funding and the requirements for the CREGID.

Summary and Action Steps:

The motion was made by Dick to approve the Final Budget as presented for 2025-26 with a second by Perry. All ayes. All Trustees signed the Budget materials following the passage of the motion.

Steve reviewed the Balance Sheet which is in a strong position with a surplus of $3,000. He reviewed the Profit and Loss Report for the current year to date. He explained and reviewed the transaction records for Trustee review and understanding including the expenses incurred since the last meeting. The Trustees clarified the process for receipt and processing of the billings.

7. Discussion and approval of Letter Of Intent between NTCD and CREGID for drainage design and work
Discuss Grant applications for drainage work
Agenda Item #7 was moved for discussion following Agenda Item #13
Discussion:

Domi Fellers of NTCD spoke with Mark about the GID's grant application to NDSL, and recommended not submitting it due to disagreements NDSL has with CREGID. In her opinion there was little chance the grant would be approved. Mark prepared a draft letter to NTCD requesting that the contract between it and CREGID be canceled, but after discussion with the trustees, it was recommended that Mark ask Domi to go ahead and submit the application, however unlikely its approval might be. The board discussed the need to find ways to improve the relationship between NDSL and Cave Rock Estates and its residents."

Summary and Action Steps:

Mark will call Domi and ask for her to submit the application. The board also approved paying an invoice of $2006 to NTCD for the work associated with the presentation NTCD made to CREGID in December, 2024.

8. Discuss progress of CREGID bank account(s) changes for increased returns and changes to signatories
Discussion:

There continues to be an issues with the bank account changes. Marge reported on past history when participating in the State of Nevada Pool Fund. Steve McVicar recommended that the GID receives assurances from the Nevada State Pool Fund. He suggested moving slowly into the system after reviewing with the Trustees.

Summary and Action Steps:

Marge has added Dick, Mike and Norm as signatories on the Wells Fargo Accounts (checking and savings). There needs to be further clarification related to public agencies holding CDs at Wells Fargo. She will seek details related to specific criteria for joining the State Pool Fund prior to making any decisions. The GID also holds a CD at Bank of America. She will seek clarification for the GID's eligibility for both banks. Marge will need Trustees to be added as signatories on the Bank of America account. Wells Fargo Checking Account is approximately $60,000 and the CD at Bank of America is approximately $200,000.

Mike Smart indicated that all necessary signatories are in place at Wells Fargo.

Discussion of replacement CREGID insurance carrier and policy

Marge Hauge reported that the current carrier is no longer issuing insurance for the bonds. Discussion:

The GID is included in the Nevada State Pool Fund and Marge will continue to pursue options for such insurance. Philadelphia Insurance will continue with the regular insurance for Errors and Omissions, Directors and Officers, and ancillary policies.

Summary and Action Steps:

Marge will continue to keep the Trustees informed of developments in the future.

9. Entrance tree and monument lighting

Discussion:

Matt (Landscaper) is now addressing the timer and adding a box to drive the spotlights. The five lights are operational but are not strong enough to show the colors that are installed currently. The lower limbs have been trimmed and the lighting wires on the lower trunk have been removed. Matt recommends that the lawn in the monument area is removed and replaced with rock and other dry landscape.

Summary and Action Steps:

Mark noted that the cost could be $1,200 for the project. Perry will continue to work with Matt and the Trustees to perfect the lighting of the tree and the illumination of the monument.

The motion was made by Dick with a second by Mike Perry to give Perry the authority to receive bids, work with contractors which will lead to the allocation of up to $5,000 for the replacement of the lawn with dry landscaping. All ayes.

10. Discussion and approval of road maintenance

Entrance gate

Discussion:

Dick's plan was to seek approvals for the installation of the gate. TRPA noted that there would need to be clarification on the size of the roadway to allow an appropriate right of way for the commercial property along Cave Rock Drive. If additional space is needed, TRPA would require a permit for additional coverage. The proposal has been verbally cleared without formal objection.

Summary and Action Steps:
A surveyor is needed at this point to determine the size of the roadway followed by working with design company for the pursuit of the required building permits. Approvals have already been made with the design and engineering firm. It is the Trustees' general understanding that the owners agree with the installation of the gate.

A motion was made by Mark to allocate up to $30,000 for the survey to determine the location of the gate and the size of the roadway (edges of the road) from the intersection of Hwy. 50 to above the proposed location of the gate and the additional cost for the design and engineering continued work to be done following the completion of the survey, including the necessary permitting fees. The motion was seconded by Perry. All ayes. Mike will also explore possible surveyors who would be available for this project.

Street Sweeping
Discussion:
Dick spoke with Bi-State Sweeping which has been acquired by others. He requested up to $12,000 for sweeping in the next two weeks.
Summary and Action Steps
Mark made the motion to approve up to $12,000 for Street Sweeping with a second by Mike. All ayes.

Striping
Discussion:
Dick reviewed the history of the standards for striping for county standards. With the use of a double stripe, the cost will be increased. It is also possible that striping could also be needed in the installation of the gate.
Summary and Action Steps:
Dick recommends that the Trustees wait one year to allow the deterioration of the lines and consider re-striping next year. The Trustees supported this recommendation. This issue will be tabled to further discuss and review at a future meeting. Mike and Dick will further pursue possible contractors, including Douglas County, for other opportunities for the CREGID.

11. Use of Settling Pond paved area by Douglas County Utilities
Discussion:
Dick reported on a meeting resulting in the use of paved parking area to store soil collected from each water meter in the CREGID per a State requirement. A vacuum truck will store the soil on the GID property until it can be transported to Gardnerville. Dick is concerned about the insurance needs for such a project. Mark noted that the Plat Map shows that this area is the property of Douglas County.
Summary and Action Steps:
Since the area to be used is owned by Douglas County, it is possible to approve this subject to the liability issue. A letter was sent to the GID with this specific request. Brush and tree removal concerns expressed by the Villas will be addressed at a later date. Mark has been working with Fire Chief as an issue of fire mitigation.

Mike made the motion to take no objection of the request by Douglas County regarding the placing the soil on the paved portion of the lot with a second by Perry. All ayes.

12. Spring cleanup dumpster

Discussion:

Dick reported that South Tahoe Refuse has been contacted via an on-line form with a follow-up call noting that a dumpster could be available as early as Saturday, May 25th.

Summary and Action Steps:

Mark will send an e-mail to the residents to indicate prohibited items and dates for usage once the dates have been finalized by Dick.The cost of the each dumpster is approximately $700.00 per week. It is intended that there will be a two week period for owners' usage.

A motion was made by Dick to approve up to $2,000 for the Spring Dumpsters with a second by Perry. All ayes.

13. NDSL tree planting in CREGID area and tree removal on Cave Rock Drive

Discussion:

Mark discussed the 2020 trespassing incident on NDSL lot APN 1418-27-810-014 . In 2021 TRPA reached a monetary settlement with a CRE resident and in 2024 NDSL reached a monetary settlement with the same resident. Unbeknownst to that resident or anyone in CRE, NDSL made a unilateral decision to plant 20 Ponderosa pines on that lot (located at the end of Wren Circle) and an additional 6 Ponderosa pines on lot APN 1418-27-711-007 (290 Robin Circle). Several CRE residents wrote to James Settelmeyer, Director of the Nevada Department of Conservation and Natural Resources, expressing their opposition to this action, citing the increased fire risk the new trees posed. In conversations with Mark, both Scott Lindgren, TDFD fire chief, and Ben Johnson, TDFD board member, expressed their opposition to NDSL's intentions. Mark spoke with Settelmeyer in early May asking him to postpone the tree planting and inviting NDSL staff to attend the GID meeting to explain its rationale. Settelmeyer responded that the request for a delay was a stall tactic and said he would see if any NDSL staff were available to attend the meeting. No one accepted the invitation, and, in spite of this united opposition, NDSL proceeded with the planting of the trees.

Mike provided further information the tagging of a tree which was allegedly located on his property. It has been determined to be on another owner's property which remains unknown. Mark noted that NV Energy will remove the tree if it is in danger of impeding power lines. Perry has notified the Cave Rock Villas Management Company to provide notification regarding the tagging of the tree.

14. General discussion not to be acted on

Mark will provide an update e-mail to the residents with information related to the Spring Dumpsters, updating the contact list, encouraging removal of trees and other homeowner measures to mitigate fire risk, the entrance gate, and other issues for owner information.

15. ADJOURNMENT

The motion was made by Mike to adjourn the meeting with a second by Perry. All ayes.
The meeting was adjourned at 3:41pm.

Respectfully submitted,

Dick Dernbach, Secretary
Cave Rock Estates General Improvement District