

**MINUTES OF MEETING
CAVE ROCK ESTATES GENERAL IMPROVEMENT
DISTRICT**

Tuesday, September 9, 2025

1:30pm

This meeting of the Cave Rock Estates General Improvement District Board of Trustees was held Tuesday, September 9, 2025 at 1:30pm at 1317 Winding Way, Glenbrook NV 89413. The on line Teams login was:

https://teams.microsoft.com/dl/launcher/launcher.html?url=%2F_%23%2F%2Fmeetup-join%2F19%3Ameeting_ZGZjMWNkM2QtMTk5Yi00Y2YxLWlwZmEtYzE1ZjYyMDdhNGZl%40thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%2522f7e124e1-3cbb-4714-b90e-d08652874b65%2522%252c%2522Oid%2522%253a%25224fe9cf07-e903-465a-9024-0d13b2e6f3e2%2522%257d%26anon%3Dtrue&type=meetup-join&deeplinkId=4a8df050-56fc-4d60-8179-ea7e97499ed9&directDl=true&msLaunch=true&enableMobilePage=true&suppressPrompt=true

; Meeting ID: 324 193 765 555 4; Passcode: b6EM6JH6
Phone in: 213-282-5258,
ID: 790 138 987#

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 1:32 pm. There were no objections to recording the meeting.

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

ABSENT: Perry Muhr

GUESTS: Marge Hauge (in person) and Jim McCanna (via Teams)

3. **PUBLIC COMMENT** - None

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

4. **Approval of Agenda**

Dick made the motion to approve the agenda with a second by Mike. All Ayes.

5. **Approval of minutes of regular meeting on July 17, 2025**

Dick made the motion to approve the minutes of the regular meeting on July 17, 2025 with a second by Mike. All ayes.

6. Discussion and approval of road maintenance

Entrance gate update and tribal conversations

Discussion: Mark provided an update related to correspondence with the Washoe Tribe. Mark spoke with the General Counsel for the Tribe. A letter of support was received by the Trustees, who requested that CREGID coordinate construction with the Tribal Monitor. The Tribe has commended the Board for understanding the sacredness of the Cave Rock site and the need for the Tribe to be involved as this project continues to move forward.

Dick noted that the survey is completed. The roadway is wider than originally believed as it extends into the parking area above the professional building. There is also a right of way which would also allow for greater space for the gate equipment. Rick Robelard provided the water project “as built” details which show all of the construction under the road such as a water line and sewer line. Dick is also working with Janet Murphy to obtain additional details. Southwest Gas has also been contacted via its 811 hotline to ensure that the GID has the available information to ensure compliance with digging issues. Dick reviewed the details related to the use of roadway to accommodate the entrance gate and control systems.

Summary and Action Steps:

\$6,000 has been spent to date related to the survey and \$5,500 for original design. The Board had originally approved \$16,000 for preparing for the design and plans that can be submitted to Douglas County for approval. The vertical or single arm gates are preferred by Rory Keeney, the GID's snow plow contractor. Mark discussed and showed a video of the Clear Creek gate along with issues and resolutions. Dick is researching the possibility of using a single arm vertical gate.

Next steps include selecting the most appropriate gate for the location. Dick noted that the vertical gate would be preferable due to the slope of the road and avoidance of and minimizing the possible damage that could be done in the future. Mark noted that it is essential that the gate is aesthetically pleasing.

Next step: Dick will continue to seek and receive all underground prints which will be studied by the Trustees. Mike and Dick will review the materials received.

Mark noted that he has not heard any negative comments about installing a gate. The concern of the residents is that this is taking such a long time to accomplish the goal. The GID maintains responsibilities for roadways. Mark addressed the issue of extending into the parking area for the project. Notification to the owners of the professional building is necessary as the project moves forward as the gate equipment will encroach upon the areas that are currently roped off by the owners.

Dick will follow-up with Southwest Gas and Tahoe Douglas District to ensure that the “as built” prints are received. Future discussions will take place with the engineering firm once the information is received. It is the Board's intent to move as quickly as possible with a stated

deadline as the end of the summer, 2026. However, the GID cannot move forward until it has received all the required information from the utilities and government entities.

NDSL snow storage permit

Discussion:

Mark submitted the \$250 application fee. The cost is \$250 per year for the annual permit. Heather at NDSL requested a certificate of liability insurance from the GID and Buckeye Construction. Mark was asked by Heather whether the GID would be requesting permits for other NDSL lots besides the one at the bottom of Chukkar Drive. His conclusion is that signing the document for the permit may raise more questions and issues related to other areas within the GID. He expressed concern about moving forward.

Summary and Action Steps:

Mark recommended the GID not sign the permit due to the responsibilities that may be assigned to the GID and the expense associated with those responsibilities.. The Trustees will ensure that Rory Keeney (the snow removal contractor) understands that no snow can be pushed onto NDSL lots. Language should be included in the snow removal contract for the coming and subsequent years to memorialize this issue. It is expected that the contract will be received by late October. Marge will contact Rory to request a draft contract for the GID review prior to approval. Mark will edit the contract, as needed, prior to submitting it for approval.

The motion was made by Dick that the CREGID Board declines to approve and sign the Nevada Division of State Lands contract for snow storage at the end of Chukkar with a second by Norm. All ayes.

Crack sealing

Discussion:

Mark spoke with Rory Keeney who noted that there were more cracks than expected when the job was performed. Dick was very impressed with the work that was done. The Trustees had approved the project not to exceed \$18,000.

Summary and Action Steps:

No action taken

Road Sweeping

Discussion:

Dick clarified that the Spring clean-up is to address the needs as summer approaches, including drain issues. The Fall clean-up prepares the areas for the coming of Winter. The Fall cleaning should be completed by Bi-State Sweeping by late October. The total for both Fall and Spring was \$18,000 in the recent past years.

Summary and Action Steps:

A motion was made by Mike to authorize Dick to move forward with working with Bi-State Sweeping to complete the project by late October. not exceed \$13,000. The motion was seconded by Mark. All ayes.

Drain cleaning

Discussion:

Mark reviewed and personally observed several of the drains in the area, noting that many are blocked. Gray Mar Environmental completed the project last year. The actual invoice was lower than their estimate and perhaps some of the drains were not addressed last year.

Summary and Action Steps:

The Trustees discussed the option of not cleaning the drains this year. There was discussion related to meeting with the contractor to point out each of the drains to be addressed. Dick will seek the drainage print to provide to the contractor which may come from Tahoe Douglas District. Dick is also concerned about erosion from run-off as winter approaches. The US Forest Service and NDSL own much of the property from which the run-off comes. Straw waddles could be added to address the issue at the base of Winding Way. Robin Circle has a problem where a ravine is increasing each year. Perhaps additional waddles would be appropriate for this area. There is a concern related to damage to the road in the future.

A motion was made by Dick for the approval, not to exceed \$18,000, for a project by Gray Mar Environmental to clean all necessary drains with a second by Mike. All ayes.

Mark will contact Gray Mar to arrange a meeting to specifically address the areas of concern that need to be cleaned.

Mark will speak with Matt Hurst regarding mitigation for the run-off issues on Winding Way and Robin Circle. The costs would be covered by the landscaping budget for the straw waddles and other mitigation steps.

7. Update of NDSL grant application

Discussion:

Mark reported on a letter received by the CREGID from NDSL denying the application. It cited historical background details and suggested that erosion issues created by trespassing on NDSL lands within Cave Rock Estates were one reason for denying the application. Mark noted that since discussions began with NDSL approximately a year ago (August of 2024), this issue has never been brought up, nor were any trespassing issues identified by the report done by NTCD (Nevada Tahoe Conservation District) which was presented to the GID trustees in January, 2025. The letter did reference pursuing cooperative efforts with other local government agencies and seeking additional financial contributions from the CREGID.

Summary and Action Steps:

Mark sent a letter of termination of the consulting arrangement between CREGID and NTCD following the receipt of the non-funding of the application. Dominique Fellers from NTCD indicated that she will pursue other funding sources that may be available to the CREGID. Mark indicated there may be a need to pursue this further related to concerns over the denial of the application, and suggested that the GID may need to seek the advice of outside counsel. The ultimate goal would be to reinstate the grant application and submit it again for approval.

The motion was made by Dick to approve up to \$1,000 for Mark to pursue legal advice related to the grant application issues. The motion was seconded by Norm. All ayes.

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

Discussion:

Mark summarized the lack of progress with Wells Fargo Bank to invest the GID's savings account in a CD. The bank is requesting IRS documents. Marge provided the IRS with the GID's EIN number in effort to obtain those documents, but the IRS did not recognize it. Marge contacted the GID's accountant, Steve McVicar, who spoke with the IRS. He was told that it would require more than two months for the IRS to provide a new EIN number.

Summary and Action Steps:

Marge will ask Steve to speak with Ella (who previously owned the accounting practice) to determine if and when any IRS documentation was provided to Wells Fargo.

Separately, Mark will confirm that the transfer of \$2000 from Wells Fargo to the Bank of America savings account (to increase the balance and avoid a monthly service fee) was completed. The GID's checking account will remain with Wells Fargo for the time being.

Mike and Marge will work toward identifying a new bank which can provide greater service to the CREGID for savings accounts, CDs, and other investment options.

Discussion of replacement CREGID insurance carrier and policy

Discussion:

No discussion

Summary and Action Steps:

9. Entrance tree and monument lighting

Discussion:

Mark mentioned that Perry has purchased a powerful light but is waiting for it to arrive to test it for tree illumination. Dick noted that the door was left open and needs to be addressed.

Summary and Action Steps:

Mark will work with Matt Hurst to ensure that the door is secured. Progress on the tree lighting will be discussed at the next meeting.

10. Present five year expense projection

Discussion:

Mark provided historical related to the GID's prior balance sheets and income statements from Fiscal Year 2020-Fiscal Year 2025. Mark will work with Cheryl/Steve McVicar to further clarify the information on the financial statements. Dick explained the large expenditures for projects in fiscal years 2021 and 2022, specifically the the water line project which damaged the pavement.

Summary and Action Steps:

The Trustees discussed recurring budgeted items, both annual and those to be scheduled on a less frequent basis, including snow removal, street sweeping, crack sealing, striping of the streets, slurry sealing the road, miscellaneous road repair, landscape maintenance of the monument and retention pond, drain cleaning, and the Spring dumpster.

One time issues include repairing/replacing failing retaining walls and the entrance gate.

Given the annual revenue of approximately \$130,000 per year, the trustees estimated an adequate reserve for the GID to maintain to be between \$200,000 and \$250,000.

Without a grant from NDSL or other governmental agencies, a bond could be considered for a funding source.

Mark will work with Steve McVicar to ensure that the Trustees fully understand the budget realities.

11. General discussion not to be acted on

Chairman's Remarks:

Mark suggested the agenda items for the next meeting: Snow Removal Contract, updating the GID's By-Laws, Document Retention (including the use of the State Library and other strategies), welcome letter to new residents, Trustee compensation, entrance gate update, Teams Meeting connection issues (two residents had problems participating in this meeting due to their inability to access it via the Teams link).

The next meeting was scheduled for October 31, 2025 at 1:30pm. If necessary, an additional meeting will be scheduled for November to address the budget at a time when Steve McVicar is available.

12. ADJOURNMENT

The motion was made by Dick to adjourn the meeting with a second by Mike. All ayes. The meeting was adjourned at 3:46pm.

Respectfully submitted,

Dick Dernbach, Secretary
Cave Rock Estates General Improvement District