MINUTES OF MEETING - DRAFT
CAVE ROCK ESTATES GENERAL IMPROVEMENT DISTRICT
Wednesday, May 27, 2026
1:30pm

This meeting of the Cave Rock Estates General Improvement District Board of Trustees was held Wednesday, May 27, 2026 at 1:30 pm at 1317 Winding Way, Glenbrook NV 89413. The on line Teams login was:

https://teams.microsoft.com/meet/334623038086286
?p=FzdaiJyMsk525IyRc3
Meeting ID: 334 623 038 086 286; Passcode: uq7fE2

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 could be found at https://NoticeNV.gov and https://www.CaveRockGID.org

1. **CALL TO ORDER**: Meeting called to order by Mark Holmlund at 1:29pm. There were no objections to recording the meeting.

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

GUESTS: Marge Hauge, Jim McCanna and Steve McVicar, Bjorn Thalor (joined at 1:36pm/exited at 3:00pm)

3. PUBLIC COMMENT - none

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

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

5. Approval of Minutes of Regular Meeting on April 6, 2026
Richard made the motion to approve the minutes of the regular meeting on April 6, 2026 with a second by Perry. All ayes.

6. Financials
Steve McVicar noted that there were no changes from the preliminary budget presented at the previous meeting. The Balance Sheet included changes as a result of recent investments and small invoices that have been received since then. The Balance Sheet and Profit/Loss reports

were reviewed by the Trustees. Categories for expenditures were reviewed for further clarification and details. It is recommended that categories are more clearly described for specific projects and expenditures. This would be including the “recurring” costs for Trustee review. Mark noted a need to provided greater visibility for developing financial understanding for Trustees. Steve agreed that this could be very helpful and will work with the Trustees to modify the current listing of expenditures.

Balance Sheet was reviewed by the Trustees with $516,000 total cash to date. Tax revenue was increased since the last meeting. Steve will work toward a decrease in his fees which will diminish costs in the near future.

Steve reviewed the need for a transition from “Desktops” vs. “QuickBooks on line” due to new requirements. This transition will be supported by Cheryl who will create the sign-in for the Trustees which will include the set-up of all bank accounts so that this will allow for full access for all Trustees on a daily basis.

The motion to approve the final budget for 2026-27 was made by Perry with a second by Richard. All ayes.

8. Annual Cleanup Dumpster
Richard noted that the first dumpster was picked up and replaced today for one more week of availability. It is being appropriately used by neighbors.

9. Discussion and approval of road maintenance
Entrance gate update
Discussion:
The presentation was made to reflect the newest updated information. Richard indicated that the approval authority is the community development division of Douglas County. TRPA has placed the project on a wait list to submit. Tahoe Douglas Fire’s approval was given by the previous Fire Chief, but now has been declined by the new leadership. The problem involves having two entrances per the Federal requirements. A presentation was made including gate standards with no response. The request was to re-submit. The Director of Community Development recognizes a safety problem following the presentation. It was pointed out that the roads are “public” however found information within a very old document showing that there was a declination of “county” ownership as they did not wish to be responsible. More information is being gathered regarding the actual approval of the installation of a gate. Mike presented to the Trustees the presentation that was given to the above-mentioned agencies demonstrating the parking issues creating the safety problems with the roadway access. A two page narrative was prepared for TRPA which he provided to the Trustees. Signage was added during the Memorial Day holiday, which may have been effective. This was posted as “test” for possible future signage.
Summary and Action Steps:
More improved signage and road striping are in the process of being installed and completed. These projects have been approved by the Trustees. Being able to determine the greatest times of traffic and parking challenges may be effective prior to the gate installation. Managing the area at critical times, possibly charging “tolls” for use if there would be authority to do so pending the

status of the ownership of the road and hiring a firm/vendor to collect the revenue, closing the trail head entrance area are possible ideas for crowd management. Determining the actual property ownership of the land including the non-paved area at the trailhead and the trail will need to be formally determined. It could be on Douglas County and private properties. The Douglas County Development staff is working together to develop a response to the presentation. Douglas County Community Planning is the entity to provide the permit which requires direct approval from TRPA. Approximately $16,000-$17,000 has been committed to date. No further authorization is required for the gate project at this point.

The installation of mirrors and/or yield signs at the intersections of Winding Way/Wren Circle and Winding Way/Robin Circle was discussed. Richard also noted that "no parking signs" are now missing and need to be replaced. He provided pricing costs not to exceed $350 for the replacement of these signs. Adding a "yield sign" at the hairpin turn adjacent to the trailhead was also discussed which would include a required pole and costs of installations.

A motion was made by Mike not to exceed $1,000 to include replacement of no parking signs, yield signs and installation posts at the hairpin turn/trailhead with a second by Perry. All ayes.

Richard made the motion not to exceed $700 for installation of yield signs at Winding Way/Wren Circle and Winding Way/Robin Circle with a second by Mike. All ayes.

Striping
Discussion:
A bid has been received for $5,500 **w**hich has been accepted. The striping will be done following the road sweeping which is yet to be scheduled (within 2-3 weeks).
Summary and Action Steps:
The funds have already been approved for the street striping.
The motion was made by Richard not to exceed $12,000 for street sweeping with a second by Mike. All ayes.

Drain cleaning
Discussion:
$4,800 was previously approved for this project, which was done in November.
Summary and Action Steps:
None

Road erosion mitigation and retaining walls
Discussion:
$43,000 was the estimate received for the Robin Circle retaining wall repair. It is unknown as to the need for permits and other required documents. Richard noted that the change in building codes does not allow boulders to be higher than 10'. The shielding would put the boulders at an angle but would need to be less than 10'. The wall would be 4'. Repairing the existing wooden retaining walls might be another alternative which may circumvent the permitting process.
Summary and Action Steps:
Mark will follow up with Domi Fellers regarding re-submission of the grant application. A discussion with the building department will be conducted to determine the process given the

photos of the project at Robin Circle. F & B (Flipper) will need to provide further clarification of on the scope of the project. This is a priority for 2026 although it may not be realistic for completion this year. It may be a good time to discuss the concrete valley along the Winding Way as a future project including the need for permits and estimated costs.

Chukkar road grate repair
Discussion:
Mark indicated that the snow plow caught the grate causing significant damage. This repair will allow for a permanent fix that will last for 30 years. This project will be completed by Buckeye Excavation.
Summary and Action Steps:
The motion to approve the amount not to exceed $15,000 for the grate repair by Buckeye Excavation was made by Perry with a second by Richard . All ayes.

10. Discussion and Approve Retaining Reese Ring Velto, PLLC
Discussion:
Mark held a discussion related to the retention of counsel, including the history of considering this option. Regarding the issue of whether the roads are public or private, retaining counsel may be useful. Mark presented options for retaining counsel. Dick noted that it is essential that counsel for the GID understands the local issues. At this point, the GID may not need to retain counsel. Other attorneys in the neighborhood may be contacted to consider options for opinions on particular issues. Mark clarified that the retainer would be a "deposit" for the services that would be charged at $250 per hour against this retainer of $5,000.
Summary and Action Steps:
This decision is deferred at this point pending more discussion and the determination of the need for immediate legal support. This item will be added to a future agenda.

11. Update bank and brokerage accounts
Discussion:
A Schwab investment account was set up in conjunction with the Wells Fargo account.
Summary and Action Steps:
This will assist in management of the finances. There may be on-line access which will allow for a much smoother process.

12. Discuss/approve Nevada Pool/Pact Insurance Policy for FY 2026-27
Discussion:
Mark discussed the relationship with Ron Wright and is knowledgeable regarding the Pool/Pact. He indicated that the GID does not not require the Philadelphia Insurance liability policy as it is duplicative. The current coverage is adequate which includes the monument as the only asset. Retaining walls would not be covered for wear and tear, but may be covered for accidents that would cause damage. Pact is related to employees, which there are none. "Additional insured" is for vendor coverage, which should be listed for vendor with/without insurance. The premium of $1,092 effective July 1, 2026 was recommended.
Summary and Action Steps:
Perry made the motion not to exceed $1,100 for the premium for insurance with a second by Mike. All ayes.

13. Discuss/approve Western Surety Performance Bond for FY 2026-27
Discussion:
There is also a surety bond that is required for Trustee insurance at $100 premium. The bond should be not to exceed $10,000 for Trustees and $50,000 for the Treasurer.
Summary and Action Steps:
Perry made the motion to approve the $100 premium for the surety bond with a second by Richard. All ayes.

14. Street parking on Lark Circle by construction vehicles
Discussion:
Some improvement has been made to improve street parking.
Summary and Action Steps:
No action taken

15. General discussion not to be acted on

Mike attended a meeting which discussed fire retardant new concepts and products. Mike's understanding is that the product is approved by the EPA for use and is now available. Although sprinklers are available for houses, coatings are available for wood homes, the GID would be concerned with spraying the product on the brush and trees on the GID lands. Roadway brush may be the most appropriate areas to address initially. There are options for application of the "fertilizer" product which would deter the spread of fire. He recommends that the next agenda include a presentation by this company for the Trustees. Mike will invite the representatives to the next meeting.

Another promising development includes the Firewise concepts which are in place at the Villas. Mark requested volunteers from GID owners for the Firewise team, with no response. There is no proof that Firewise will assist with lowering homeowner insurance costs. Mark will send a notification to the neighbors following this meeting reminding them of the need to limb up trees, clear brush around the property, and following through with policing the fire hazards on their properties.

Subsequent to the meeting Mike spoke with Mary Banfield, a resident in the Villas, who has volunteered to take the lead in getting CREGID Firewise certified. Mary has already gotten the Villas Firewise certified. Mark will email CRE residents requesting the necessary information to include in the application, which is not due until November.

Richard recalled the abatement of cheat grass with a spray-on product which would not completely eliminate it. There are many state lands that would need to be included in this abatement project within the GID.

Richard discussed the concept of approaching Douglas County regarding the application of a "pre-emergence" to be applied in the Fall to discourage the emergence/growth of cheat grass in the Spring. Perry will call the County Parks Department to inquire about applying this spray on the GID property.

The next meeting has been scheduled for Thursday, July 23 at 1:30pm.

16. ADJOURNMENT

The motion was made by Richard to adjourn the meeting with a second by Perry. All ayes. The meeting was adjourned at 4:02pm.

Respectfully submitted,

Richard Dernbach, Secretary
Cave Rock Estates General Improvement District