

MINUTES OF MEETING
CAVE ROCK GENERAL IMPROVEMENT DISTRICT
May 28, 2019

1. **CALL TO ORDER:** Meeting called to order by Chair Ralph Miller at 1:06 at 275 Wren Circle, Cave Rock, NV

2. **ROLL CALL:** Ralph Miller, Marge Hauge, Dick Dernbach, Joanne Zerg, Michael Rooney (by phone)

GUESTS: Karen Andrews CPA, Steve McVicar CPA, Linda Rooney

3. **PUBLIC COMMENT:** Douglas County (DC) is replacing a neighborhood water pump. The area DC identified to install the new water pump is adjacent to Marge's next door neighbors at 1321 Winding Way. Due to TRPA regulations, the new water pump cannot be buried underground. As well, per Dick, the pump cannot be placed on any Nevada state lands, as laws prohibit change or modification of land in any way. Ralph asked Marge to speak with the residents about the pump location. They are not amenable to the pump being so close to their house because of potential noise issues. Dick is familiar with the water pump and stated it does not make noise. Ralph feels a representative of Douglas County needs bring the homeowners to the green water tank on Winding Way to show how quiet that pump is. Dick spoke with the county engineer, he is aware the homeowners need convincing. Because the home may go up for sale in the very near future, there may be a delay. Ralph wants us to arrange someone from the county to come up and show the current homeowners our newer water pump before sale of the house. DC is also in the process of completing drawing of how the pump will look. Dick will call DC to arrange a no noise demonstration and confer with Marge on scheduling.

Mike Rooney stated that on May 16, 2019, the Villas HOA, working with an attorney, created a policy eliminating shorter term rentals, anything less than 30 days. Per Mike, currently there is one shorter term rental in 'The Villas'. It is currently for sale. The sale fell through when the buyer was told of the new HOA policy.

Per Ralph, the CRGID By Laws, created in 1961, need updating. He will forward the original By Laws as well as his suggested 'improved By Laws' for the trustees to peruse and critique. The revision of the 'By Laws' will be put on the next meeting's agenda.

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

5. **APPROVAL OF MINUTES** of March 28, 2019: Marge moved to approve the minutes; Dick seconded, all ayes. (Deferred to allow 'Financial' report to begin)

6. **FINANCIAL:** Steve McVicar and Karen Andrews, representing 'Ella Laden CPA', presented the final GID budget report for 2019-2020. The state approved the CRGID budget. Current check register report was distributed. Marge moved to approve the final budget for 2019-2020. Dick seconded, all ayes.

7. **HYDROSEEDING:** Joanne was working with Mike Harris at National Landscaping fall 2018 to create a hydro seeding plan for the neighborhood. Mike convinced Joanne to seed in the early spring when the ground was wet from snowmelt. At this time, Joanne also worked with Ed at Comstock seed to create a TRPA approved blend of drought tolerant, hardy, low fire risk grasses and wildflowers.

Upon contacting Mike Harris this spring, Joanne requested an estimated cost, start date and seed required. For reasons unknown to her, Mike failed to respond to numerous requests via phone and text. She then contacted 2 other hydro seed contractors, both responded. Dick met with both contactors, then researched the 'acreage' amount that would require seed.

Contractor Tom Williams submitted a bid, Contractor Matthew Setty did not, but did estimate, based on our soil, hydro seeding would have about a 35-40% chance of success, as seeds will not germinate in our decaying granite soil, especially with no planned irrigation. Matthew suggested he send volunteer college students to study and assess what plants will grow. Dick said Matthew has the most knowledge and if we are going to work with anybody, it probably should be him.

Contractor Tom Williams bid was \$42,000. Our total budget for this project is \$30,000. Based on that bid, Dick thinks it might be smarter to use weed control once a year and accomplish the same thing for a lot less money. The permit for each of the 2 hydrants needed for the hydro seeding is \$125.00. The cost of using each hydrant is \$1,250.00. Additionally, rental cost per hydrant is \$125.00/month and \$4.00/1000 gallons used. Dick also was told the forest grant proposal John Pickett has been working on for additional funding fell through. There will be no financial help from other agencies for the hydro seeding. Ralph will contact John Pickett, asking him to speak with Matt Setty about Cave Rock seeding options. Marge noted there is so much area that does not need to be seeded and maybe we should wait and see what grows and re spray again this fall. Dick agreed we should keep up the weed control by spraying. Joanne suggested perhaps our neighborhood clean up contractor, Maury Hansen, could hand cast seeds in certain areas this fall. Ralph suggested we plant 'test areas.

8. NEW WATER RATES: Per Ralph, the water consolidation has been done. There is one water district now, combining the lake and the valley together. Rate study conducted; they recommended everyone in the county pay the same rate and to assess a flat charge to those homes that do not have water meters, which came to an increase of \$40.00/mo. The recommended rate for us is \$88.20/mo. For 5 years there will be a 6% yearly increase for all county homeowners. There will be 2-3 more County ordinance meetings before rates go into effect. We are watching the July deadline very carefully. Much thanks was given to Ralph and the Water Committee for an incredible and successful job. We are so grateful.

9. PROPOSED CHANGES TO SHARED DRIVEWAY/ALLEYWAY OF 1322 & 1326 WINDING WAY: Marge updated the Board on the request from Mark Holmlund, owner of 1322 Winding Way, to resurface his shared alleyway/driveway. Marge, working with talented people at Signature Title, looked at the plot maps with the original APN numbers (the current APN numbers being the same) and there was nothing to indicate a private driveway. Owner also provided a 1961 plot map, showing a drainage easement above the driveway, but no private ownership. Per Marge, the owner is asking the CRGID to approve their work proposal. Marge suggests granting approval, subject to the CRGID not being responsible in any way for any part of this project. Marge noted the sewer is below driveway; that concern was dealt with in the owners/engineers proposed plans. (Marge has emailed all trustees these proposed plans) The board questioned how the water would be directed into the drain inlets of the new driveway. Ralph said, "We have no objection to their improving the road, but we are not taking responsibility for their design. They remain responsible for assuring that the road functions properly and does not create a problem for our roads or properties downhill." Ralph will write a resolution and send to the owner. The resolution will say: We do not object to them improving that road. However, it remains their responsibility for the design and function. Any issues that are created for the GID or other properties are their liability. Marge moved to approve the resolution as proposed. Joanne seconded, all ayes.

10. GID INSURANCE POLICIES: Lessons learned about our GID insurance policy: While on GID business, Trustee Dick Dernbach accidentally backed into a Cave Rock resident's stone driveway post, damaging both the post and his truck. Cost to repair the post was approximately \$3,700.00 dollars, the truck repair at about \$800.00. Dick filed a claim with the CRGID insurance company only to be told our auto policy is for 'secondary insurance', covering only what Dicks own insurance company won't cover. He has since used his own personal auto insurance to resolve the issue. Dick asked if GID liability insurance (1million) coverage is high enough, should something more serious occur. He suggested a 5 million dollar policy might be safer. Ralph did not see the value of increasing the GID liability to 5

million dollars. Discussion followed regarding the value of obtaining primary auto insurance for Trustees and the terms of our secondary auto coverage and liability coverage. Dick then brought up building structure insurance. The 'Monument' area is insured for \$10,000.00. If damaged, replacement value may be \$30,000. Per Dick, 'co-insurance would give us \$3000 to repair it. So if we don't have full coverage on the monument, we won't get replacement cost. Ralph wants definitive answers on our amount of liability coverage.* He also wants to know how much increased liability insurance and primary auto insurance coverage would cost. Dick will pursue these questions with insurance agent Ron Wright:

Is 1 million dollar liability coverage enough?

What is cost to make auto insurance primary?

Is our liability really primary?

11. ADJOURNMENT: Marge moved for adjournment at 2:20, Joanne seconded. All ayes.

No future meeting is scheduled at this time. We will discuss a date in September. Marge noted the neighborhood dumpster is scheduled for mid June. Ralph will send a neighborhood email out when the dumpster is delivered. Ralph asked for help getting email addresses for 4 residents, saying he would send us their property addresses in case we know them and can get their email address.

- Subsequent to the meeting, Ralph contacted the insurance agent. The general liability insurance is primary, primary coverage for autos is not an option, and the cost for 5 million would be \$1,200.00 additional per year. The agent asked Ralph if he wanted a quote for 5 million coverage and Ralph suggested he wait until the Board considers the approximate cost.