

**CAUGHLIN RANCH HOMEOWNERS ASSOCIATION**  
**Approved Board of Directors Meeting Minutes**  
**Wednesday, July 27, 2016**

**Directors Present:**

Tony Termini, President  
Al Dennis, Secretary  
Pat Thorne, Treasurer  
Joan Mullen, Director  
Janice Browne, Director  
Mike Haley, Director

**Others Present:**

Lorrie Olson, Community/General Manager  
Randy Lisenby, L & M Superintendent  
Sandy Wheeler, ACC/CC&R Compliance  
Shawn Oliphant, CRHA Attorney  
5 Homeowners

**Director Absent:**

Michele Attaway, Vice President

**1. Call to Order, Roll Call, and Determination of Quorum:**

President Termini called the meeting to order at 6:00 p.m. at 1070 Caughlin Crossing, Reno, NV. A quorum was established with six (6) of seven (7) Board Members present.

President Termini advised that guest speaker Reno City Councilwoman Jenny Brekhus had not yet arrived; the meeting will proceed until she does then we will address item 2 on the Agenda.

**3. Member Comments:**

A homeowner wished to discuss an item that was not on the agenda. President Termini advised the homeowner that he will need to wait until the end of the meeting when Member Comments are open to any association matter.

There were no further comments.

**4. Minutes:**

**4.1. Review & approve May 25, 2016 Board of Directors Meeting Minutes.**

Prepared by Provisional Manager Wheeler, reviewed and edited by GM Olson and Secretary Dennis. Posted to CRHA website prior to 30-day deadline to make minutes available.

**Motion: Director Mullen moved to approve the May 25, 2016 meeting minutes as presented; Secretary Dennis seconded. Motion carried unanimously.**

**2. Guest Speaker:**

GM Olson introduced Reno City Councilwoman Jenny Brekhus who was present to read into record a City of Reno Proclamation recognizing Caughlin Ranch for receiving the 2015 Northern Nevada Master Association of the Year Award from CAI and for its education, volunteer and outreach efforts.

Council Woman Brekhus stated it was a pleasure for her to be here and to recognize CRHA for their accomplishments that benefit both the residents of the Association and the City of Reno. She proceeded to read the Proclamation from the City of Reno.

**5. Finances:**

**5.1. Accept (un-audited) Financial Reports dated May 31 and June 30, 2016**

- 2016 Updated CD Schedule was provided to the Board.
- The Board Treasurer was provided copies of all the bank/investment statements and associated reconciliations along with the supporting financial reports.
- The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed on a monthly basis by the General Ledger (GL) Accountant to ensure CRHA is reporting on a true accrual accounting basis.
- The Board has been provided copies of the GL Balance Sheet by Fund and the Actual vs. Budget Comparison through May 31st and June 30th.
- The Association's cash position through June 30th: Operating cash = \$939,971  
Reserve cash and CD's: Mountainshyre = \$225,569; Caughlin Creek = \$570,849; CRHA = \$848,651; Grand Total = \$1,631,287  
Capital funds set aside to purchase 1070 Caughlin Crossing = \$187,500
- Through June 30th, on an accrual basis, Total Operating Income was \$1,021,360; after CRHA Reserve and funds to purchase 1070 Caughlin Crossing were transferred (\$7,511 under budget)
- Total Operating Expenses were \$844,823 (\$82,622 under budget)  
Operating Expense = \$11,040 under budget; Payroll = (\$7,984) over budget  
Repairs and Maintenance = \$52,073 under budget; Utilities = \$27,493 under budget
- Total Operating Revenue over Expense = \$176,537 (\$75,111 over budget)
- Total Reserve Income was \$80,793. 2016 Budget = \$150,000 for CRHA Reserve transfers.
- Total Reserve Expenses were \$88,153; 2016 Reserve Budget = \$161,944

The Board is required to review the Association's financial information in accordance with NRS 116.31083. The Association is in compliance with paragraph (b) of subsection 2 of NRS 116.3115, and confirms that reserve funds have not been used for daily maintenance.

**Motion: Director Haley moved to accept the un-audited financial reports dated May 31 and June 30, 2016 as presented; Treasurer Thorne seconded. Motion carried unanimously.**

5.2. Approve Bad Debt write-off amount due to foreclosures: **None at this time.**

**6. Reports & Updates:**

**6.1. Landscaping, Irrigation/Conservation & Maintenance; Superintendent Lisenby provided the following updates:**

- Fertilization: Wild Flowers, Annual Flowers, & Shrubs
- Pruning:
  - 1<sup>st</sup> Pruning of shrubs has been completed
  - 2<sup>nd</sup> Pruning scheduled for October
- Wild Flowers at Bridge:
  - Spring flowers have been cut and removed
  - Re-seeded area for September/October flowers
- Updating Dog Waste Stations; 6 more station left to install.
- Defensible Space 90% Completed; normally completed twice per season.
- New Signage of the Rules and Hours have been posted at each of the 3 Parks:
  - Village Green Park

- Crest Park
- Eastridge Park
- Mowing; grass is being mowed at a higher level so that it does not dry out as quickly due to the high winds.
- Upcoming Projects:
  - Sprinkler head re-alignments in an effort to reduce the water that goes over the paths. It will involve removal of lawn and conversion to shrubs and other plants that will thrive on drip irrigation.
  - Water Conservation this year will be in Evergreen across the street from the new Pine Bluff subdivision.
  - Crest Park new play surface and playset
  - Plant Trees
- Herbicide to be applied to areas heavily affected by cheat grass where it is difficult to mobilize equipment. The areas to be treated are defensible space areas not greenbelt areas. Any cheat grass that may be in the greenbelt areas will be pulled by hand.

A homeowner asked if they would be removing thistle also. Superintendent Lisenby advised the crews are also working on removal of thistle and other offensive weeds.

### **6.2. Architectural Control Committee (ACC):**

ACC Liaison and Board Secretary Dennis conveyed that the ACC is here to assure that the standards of quality within Caughlin Ranch are upheld and continued. He emphasized the importance of having the homeowners submit their changes to the ACC for review to assure that the guidelines and policies are being followed.

Secretary Dennis advised that the number of ACC submissions are on the rise as is usual for this time of year. The ACC is seeing numerous requests for painting, new roofs and landscape redesign projects. It is the duty of the ACC to review each submission in detail to determine if it is an acceptable project.

Secretary Dennis advised that GM Olson is continuing to work on the Architectural Control Standards and Guidelines Handbook. Once it has been completed and approved, it will be a great tool for homeowners who are considering various projects.

### **6.3. Finance & Budget Committee (F&B):**

Treasurer Thorne advised that the next F&B meeting is scheduled for 3:00 pm on Monday, August 8th to review the Asphalt and Slurry seal bids that will be opened later in this meeting.

As soon as the contractor is chosen for the 2016 Phase of the Asphalt Patching and Slurry Seal Project, GM Olson will request a financial update of the 3 Reserve Studies from Browning Reserve Group. The update will be used to prepare the 2017 Budget which will include reserve transfers.

He further advised that at the F&B Meeting, the Committee will review the first draft of the 2017 Budget and the draft of the updated Reserve Studies. Salaries & Wages will be a challenge since the prevailing median range for landscapers in Reno increased over 44% from 2015 to 2016. Keep in mind that these are lower paid employees. He stressed the importance of being competitive with salaries in order to retain the current landscaping staff that makes the Ranch the premier association that it is.

#### **6.4. Community Events:**

President Termini provided the list of events as follows:

- Last of the Village Green Park Artown concert series is Sunday, July 31st
- Doggy Meet & Greet; meet behind the Caughlin Club on August 7th
- Cross Peak Hike; meet behind the Caughlin Club on August 20th
- Annual BBQ at the Caughlin Club on September 11th
- Garage Sales (individual lots) on October 1st & 2nd
- Holiday Share Your Wine at Garden Shop Nursery on November 10th
- Annual Member's Election and 2017 Budget Ratification Meeting on November 16th

President Termini encouraged all to go to the Village Green Park Concerts, if not this year then next. He shared that the entertainment at the concerts has been just wonderful, including the bands. He stated it is a family orientated and an all-around terrific event.

#### **6.5. General Manager:**

GM Olson advised that ESI is now conducting patrols Friday through Sunday nights from 10:00 p.m. until 4:00 a.m. 7-days a week they are responsible for locking the chain barriers up at the Village Green Park. At approximately 10:00 p.m. each night, an officer arrives to clear the vehicles out of the parking lots and to close and lock the chains to prevent vehicles from entering the parking lots. When they first began, the reports reflected a lot of activity in the park. Now ESI arrives and the park guests depart. There have been some minor vandalism and maintenance concerns. ESI provides photos with their nightly reports which are then given to Randy for follow-up repairs.

GM Olson advised the Washoe County Commissioners will consider accepting the amended franchise agreement with Waste Management on either August 9<sup>th</sup> or 23<sup>rd</sup>. GM Olson advised that she was assured that part of the agreement will include WM offering the Animal Resistant container to customers in bear-prone areas such as Caughlin Ranch.

GM Olson advised that when she was at a recent City Planning Meeting, she heard that each new home is assessed \$135.00 to contribute to a City of Reno fund for repairs within CR. She believes this is the reason why we have been able to get crosswalks and other street traffic controls added when we request them. She also discovered that there is a park fund; there will be more information provided later in the meeting when we discuss Crest Park.

Vice President Attaway is assisting GM Olson in researching the easements associated with the parcel numbers where parties gather on private property outside of the U.S. Forest land. We need to carefully craft proper signage that does not violate the existing easements but advises visitors to keep walking or they will be reported to local officials as trespassers.

GM Olson, Superintendent Lisenby, and President Termini are researching the possibility of creating a Dog Park in CRHA and how to utilize park funds to help pay for completing such a project. When inquiring with the City of Reno it was mentioned CRHA may want to install a Dog Park, the City Park Representatives responded favorably.

GM Olson is continuing the work on the Architectural Control Standards and Guidelines Book.

Director Haley inquired if the franchise agreement with WM will include using the recycle can instead of the two containers they have now. GM Olson advised that the agreement should be including the "single stream recycling" container that is in use by City of Reno residents.

**7. New Business:**

**7.1. Open sealed bids and consider approval of 2016 Phase of Asphalt Patching and Sealing Project:**

GM Olson introduced Seth Padovan of Padovan Consulting, LLC. Seth is an Engineer who was hired by CRHA to provide a complete evaluation of all the asphalt streets and trails that CRHA is responsible for maintaining. Streets are located in the Caughlin Creek/ Deer Creek and Mountainshyre neighborhoods. The homeowners in these neighborhoods contribute to separate reserve funds for the maintenance, repairs and replacements of the roads. The trails are located throughout CRHA. Seth has completed the evaluations, prepared the request for proposals (RFP's), issued the RFP's and acquired the sealed bids that will be opened tonight.

Seth advised that he is proposing to have one-third of the trails slurry sealed beginning in 2016, this is different from the seal coating that was done previously. A slurry seal is being recommended because seal coating does not last as long.

Seth further explained that part of his process is to provide all bidders with the same specific instructions so that the proposals that are received are apples-for-apples. The result will be uniform bids which will allow CR to choose a contractor tonight.

GM Olson asked why there are only two bids. Seth advised that there are only two contractors locally who do slurry seal work. He did break out the patching from the slurry seal and requested bids from four contractors, but only received two responses.

Director Mullen mentioned to Seth that when he coordinated the asphalt work in her Alum Creek subdivision, the project went smoothly and the workman ship was very good.

GM Olson asked if there will be a need to change methods for removing snow. Seth responded that the slurry seal product will be more resistant to the irrigation overspray as well as the plowing of snow. The one complaint is the shedding of the material which does occur but it can be cleaned-up easily.

GM Olson read the bid amounts:

Patching proposal amounts:

Vega Asphalt	\$ 92,019
SNC	\$ 79,668

Slurry Seal proposal amounts:

SNC	\$102,336
Intermountain	\$ 87,244

Seth recommended SNC to complete the patching work. When he checked with Intermountain in regards to their schedule, he was advised that most of their crews are not currently in Reno, they are working on a project in Truckee.

They advised if they get the bid they will be able to be on-site by the last week of September, that is only if their project in Truckee is completed on-time. Seth advised he is concerned with that time-line since the slurry seal product takes longer to cure in colder temperatures. SNC advised that they can complete the slurry seal in August. Seth advised if SNC is selected for both projects, the work will be seamless between their two crews.

GM Olson advised there is a \$15,000 difference between the SNC and Intermountain proposal for the slurry seal work, the Board will make the final determination.

Treasurer Thorne asked Seth if he had worked with both companies. Seth advised yes he has and that SNC is more of a local company and in his opinion has the more experienced crews. Seth's recommendation is to use SNC to complete the work and even more so due to the scheduling.

GM Olson asked Seth how he felt about splitting the work between the two contractors. Seth indicated that his greatest concern is if the slurry seal will have time to cure before the colder temperatures set-in.

The Board inquired if it would be possible to get a price break if they select SNC for both portions of the work to be completed.

Attorney Oliphant advised that there is nothing preventing the Board from negotiating with SNC on the cost to complete the work. The Statute requires them to obtain proposals when practicable and the bids must be sealed.

President Termini expressed that it is almost the first of August and the calendar is not going to be on our side, the Board should make a decision this evening.

**Motion: Director Mullen moved to approve SNC's proposal for both the Patching and the Slurry Sealing as presented; Director Haley seconded. Motion carried unanimously.**

**7.2. Review & approve bid for an accessible safety surface meeting ASTM standards in Crest Park and alternate playset:**

GM Olson advised that last November the Board approved the cost for replacement of the playset at the Caughlin Crest Park. In working with the City of Reno, who conducted a survey of the park and determined that the park and playset do not meet their standards and other safety concerns. CRHA has a fund with the City of Reno that has \$39,366 available to contribute to the necessary improvements. Randy obtained proposals from the local contractor that the City uses as well as out of state companies. The out of state companies did not provide comprehensive/complete bids. The total cost is \$67,165 of which \$39,366 the City of Reno will reimburse CRHA and the result will be \$5,249 over budget.

GM Olson advised that Director Haley proposed the possibility of donating the old structure and that she will work on seeing if that is possible.

Treasurer Thorne asked if the quote includes installation and was advised it does.

**Motion: Secretary Dennis moved to approve the proposal in the amount of \$67,165 as presented; Director Browne seconded. Motion carried unanimously.**

**7.3. Review & approve NAS Consent and Authorization for Assessment Collection Services:**

Prior to being advised that ATC sold to NAS, GM Olson requested an agreement from NAS. The agreement was reviewed by Attorney Oliphant who recommended revisions. NAS agreed to the revisions and revised the agreement accordingly.

**Motion: Director Mullen moved to approve NAS Consent and Authorization for Assessment Collection Services as presented; Director Haley seconded. Motion carried unanimously.**

**7.4. Review & approve Revised Subdivision Improvement Agreement and Rules and Regulations:**

GM Olson advised that with the impending new subdivisions, it was necessary to have these documents updated. Both documents were re-written by Attorney Oliphant to include the details from the Amended CC&R's as well as current Nevada Law.

Attorney Oliphant advised that the Subdivision Improvement Agreement primarily addresses the common areas to be completed by the Developer. It is patterned after what the City requires in posting a bond or letter of credit that will allow the Association to use such funds to complete the work should the developer fail to do so.

Attorney Oliphant further advised that the Subdivision Rules and Regulations address the individual lot's completion of improvements and incorporates the policies and procedures from the Amended CC&R's and the Rules and Regulations, Violation & Fine Policy and Construction Penalty Schedule.

Director Haley inquired if the project will include a trail or sidewalk adjacent to Caughlin Pkwy. Assistant Manager Wheeler advised that it does have a trail that will connect with the Eaglesnest trail and continue to the Seasons Neighborhood.

**Motion: Treasurer Thorne moved to approve the Revised Subdivision Improvement Agreement and Rules and Regulations as amended; Director Mullen seconded. Motion carried unanimously.**

**7.5. Appoint member to Finance & Budget Committee:**

President Termini advised that homeowner Wayne Frediani would like to join the F&B Committee. He was a lobbyist for the Northern Nevada Automobile Association and is well qualified.

**Motion: Treasurer Thorne moved to approve Mr. Frediani's appointment to the F&B; Director Browne seconded. Motion carried unanimously.**

**8. Member Comments:**

A homeowner identified himself as a 29-year owner of RRCHA, made reference to a letter that was issued by GM Olson and requested a meeting with the CRHA Board President and invited the remainder of the Board to attend. He also urged the Board of Directors to read this letter carefully. He stated that he denies the accusations and that he will be attending the RRCHA Board meeting that is scheduled for the next day to request a meeting with them.

Caughlin Ranch Homeowners Association  
Board of Directors Meeting  
July 27, 2016

President Termini advised the homeowner that no more than 3 Board Members would be able to meet with him without requiring a Notice of Meeting to be issued due to quorum rules. He did assure the homeowner that he will return a call to him the following day.

**9. Announce Future 2016 Meeting Dates & Adjourn:**

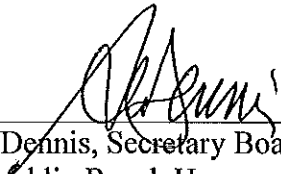
2017 Budget Workshop; 4:00 p.m., Monday, August 22nd

Board Agenda Workshop; 4:00 p.m., Monday, September 26th

Board of Directors Executive Session; 5:00 p.m. and General Business Meeting; 6:00 p.m.,  
Wednesday, September 28th

**Motion: Director Browne moved to adjourn the meeting at 7:07 p.m.; Director Mullen seconded.**

**Motion carried unanimously.**



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Al Dennis, Secretary Board of Directors  
Caughlin Ranch Homeowners Association

**Approved at a duly noticed Board of Directors Meeting on September 28, 2016.**