

**Board of Directors General Business Meeting Minutes
6:00PM Wednesday, January 25, 2023**

Meeting held in-person at the Caughlin Ranch HOA conference room & virtually via GoToMeeting

Board Members in attendance in-person or via teleconference and/or telephone:

Al Dennis, President	Michele Attaway, Vice President
Drew Naccarato, Secretary	Steve Bremer, Treasurer
Michael Ginsburg, Director	Thomas Keiffer, Director Allen Black, Director (left early @6:45pm)

Others in attendance in-person or via teleconference and/or telephone:

Lisa Nunley, General Manager Randy Lisenby, L & M Superintendent
Sandy Wheeler, Assistant Manager/CAM Shawn Oliphant, Legal Counsel
Guest Speakers: Kevin Joell, local trails advocate & Joanne Lowden, Natural Resource Planner with Washoe County (for Item 6.3)
Guest Speaker: Kent Hanford, Engineer (for Item 6.4)

2 Homeowners In Person; 0 Homeowner Virtual

- 1. Call to order and establish quorum:** President Dennis called the meeting to order at 6:06p.m. A quorum was established with seven (7) Board Members present either in person, via teleconference and/or telephone.

1.1 Board Recognition of Outgoing Board Member, Margaret Getz

President Dennis presented outgoing Board Member, Margaret Getz, with a special plaque, flowers and gift card as a thank you for her service to the Board of Directors from 2018 through 2022. All present said “thank you!” and gave Margaret a round of applause.

- 2. Member Comments.** President Dennis provided the information and guidelines regarding Member Comments to the Homeowners present. There were no comments at this time.

*At this point in the meeting, the Board agreed to move Old Business Items 6.3 and 6.4 up on the agenda to accommodate guest speakers who were in attendance to address those items.

6. Old Business

6.3 Review & Consider Request to Permit Construction of Sierra Front Trail on Caughlin Ranch HOA Property – Guest Speaker: Kevin Joell, Local Trail Advocate & Joanne Lowden, Natural Resource Planner with Washoe County

Kevin Joell greeted the Board and presented a PowerPoint presentation of the proposed hiking trail to be constructed on the upper western slope area of CRHA common area property.

The presentation included photos and mapping of the proposed trail’s path, as well as how it would be constructed using materials available in the field.

Mr. Joell answered questions regarding liability. Specifically, that liability would be assumed by Washoe County.

Other questions about signage, funding, and maintenance were addressed. All items to be the responsibility of Washoe County.

If approved to move forward by the Board, CRHA and Washoe County would enter into a Trail Maintenance Agreement and Easement Agreement.

The timetable for starting the project would be Spring/Summer of 2023.

Mr. Joell and Ms. Lowden are available to present this to CRHA residents via a community meeting, date to be determined.

The Board thanked Mr. Joell and Ms. Lowden for attending and presenting the project to the Board.

6.4 Review & Approve Creek Crossing (Caughlin Glen) Final Design Proposal

Recap: At the November 16, 2022, General Board Meeting, the Board reviewed and selected Design Option #3 for the Alum Creek Crossing structure. As a result of that decision, Kent Hanford (Seth Padovan's associate) was then able to solicit proposals for the engineering and permitting proposals for the design build.

Kent Hanford, Engineer working with Seth Padovan, was in attendance to review the following three proposals presented to the Board for their consideration at this meeting.

- 1) Regulatory Permitting for work within the Alum Creek Channel (Nevada Environmental Consulting) in the amount of: \$6,842.50;
- 2) Engineering Design Services – Pedestrian Bridge Design (Westex) in the amount of: \$15,000.00; and
- 3) Structural Engineering Services (Shields Engineering Inc) in the amount of \$10,000.00.

Total cost of all three proposals is: **\$31,842.50**

Kent clarified that the design is to create a new structure that replaces the existing, failing, culverts. Also, the costs that were approved at the November 2022 meeting were for construction of the new bridge, not the pre-construction costs. The proposals presented here are over and above the actual construction costs. Kent apologized for not making that clear originally.

It is not expected that the full \$31K amount will be spent; this is T&M and it should come in under \$31K.

In answer to the question about how the new bridge will affect waterflow, it is expected it will accommodate a higher flow with less overflow.

The Board thanked Kent for attending and for answering the Board's questions.

Motion: Secretary Naccarato moved to approve the three (3) proposals as presented for the Design, Permitting and related Engineering services for the Alum Creek Crossing bridge in an amount not-to-exceed \$32,000.00. Director Ginsburg seconded. Motion carried unanimously.

3. Minutes:

3.1 Review & Approve November 16, 2022, Board of Directors General Meeting Minutes

The Board was provided with draft minutes from the November 16, 2022 Board of Directors General Meeting.

Motion: Director Black moved to approve the November 16, 2022 Board of Directors General Meeting Minutes. Treasurer Bremer seconded. Motion carried unanimously.

3.2 Review & Approve November 16, 2022, Board of Directors Organizational Meeting Minutes

The Board was provided with draft minutes from the November 16, 2022 Board of Directors Organizational Meeting.

Motion: Director Black moved to approve the November 16, 2022 Board of Directors Organizational Meeting Minutes. Treasurer Bremer seconded. Motion carried unanimously.

4. Finances:

4.1 Review & accept (unaudited) Financial Reports dated Oct. 31, 2022 and Nov. 30, 2022

The following report was provided to the Board of Directors which includes bank balances for the operating and reserve accounts:

- 2022 CD Schedule enclosed.
- Treasurer Bremer has been provided with a copy of all the bank/investment statements and associated reconciliations along with the supporting financial reports.
- The Board Members have been provided copies of the GL Balance Sheet by Fund and the Statement of Revenues and Expenses as of November 30, 2022.
- The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed monthly by the GL Accountant and by Assistant Manager Wheeler to ensure CRHA is reporting on a true accrual accounting basis.
- The Association's cash position through November 30th: Operating cash = \$1,090,177.97. Reserve cash and CD's: Mountainshyre = \$296,930; Caughlin Creek/Deer Creek = \$657,393; Whispering Canyon \$34,153, CRHA = \$806,136; Grand Total = \$1,794,612.
- CRHA continues to accrue for the Whispering Canyon reserve contributions based on the 2020 Draft Reserve Study.
- Through November 30th on an accrual basis, Total (Operating) Income was \$2,058,156.; under YTD Budget by \$8,457. At this time, all reserve transfers are being deposited on a quarterly basis due to the positive cash flow.
- Total (Operating) Expense was \$2,208,286; under YTD Budget by \$120,732.
- Expense recap: Operating = \$41,306 under budget; Payroll = \$79,310 under budget; R&M = \$29,936 over budget; Utilities = \$30,051 under budget.
- Total (Operating) Excess Revenue / Expense = \$120,732 under budget YTD
- Total Reserve Income was \$348,721; over budget by \$49,608. Additional revenue resulted from Developer Contributions to the Whispering Canyon Reserve fund and insurance claim funds (to reimburse reserve expense).
- Total Reserve Expenses were \$345,872; 2022 Reserve Expense Budget = \$280,813.

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

Motion: Secretary Naccarato moved to accept the un-audited Financial Reports dated October 31, 2022 and November 30, 2022; Director Ginsburg seconded. Motion unanimously carried.

4.2 Review & approve Bad Debt Write-offs There were none to present at this time.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B)

Treasurer Bremer read the report provided by F&B Chair Mike Heffner. It was reported that the Finance and Budget Committee met December 8th, along with the Association's Accountant, Tim Cleary, and CRHA staff, to preview the upcoming year end audit by McClintock Accountancy. There were no issues of concern from the last audit and none expected again this year. McClintock will be on site in February and plan to issue a draft report on March 9th, followed by an F&B review on the 16th at 2pm after which the final report will be sent to the Board in advance of the March 22nd Board Meeting.

Final audited year end cash balances will also be available for F&B review at that time. These will form the basis for the first draft of cash flow projections for the next five years which will provide a very preliminary indication of possible assessment increases in 2024 and beyond. Three cash flow risk factors were identified last year – landscape labor costs, paving expenses and water flow from Steamboat for irrigation. We will have a better handle on landscape and paving costs in the second quarter, but it now seems certain that we can eliminate the water risk in 2023.

5.2 Landscaping & Maintenance; L&M Superintendent Lisenby, NV Contractor's Lic. #0081131 **Miscellaneous Projects / Weekly Maintenance**

In addition to the daily landscape maintenance tasks, the following projects were addressed.

- SNOW !!!!! (Plowing and trails/sidewalks clearing) Paths are mostly clear as of this meeting.
- RAIN !!!!! (Assess any flood possibilities)
- SNOW !!!!!
- Remove fallen trees resulting from the storms. Crews started the removal in Village Green Park and will work their way through the community.
- Remove tree branches resulting from the storms.
- Assist with removal of wayward vehicle in Village Green Park after first snowstorm in January; plan for follow up landscaping repairs.
- Refurbishing some of the smaller monument signs.
- Repairing the maintenance trailers.
- Inspect head gates off Steamboat Ditch for proper water flow to the pumps for irrigation season.
- Pruning trees throughout the ranch.
- Plowing snow from the paths when needed.
- New memorial bench to be installed in Caughlin Ranch.
- Holiday lights will be removed end of January or beginning of February (depending on weather)
- In January the maintenance trucks are inspected bumper to bumper and any problems repaired. Inspections have begun and will be completed in February.
- In January the maintenance equipment is inspected and any problems are repaired. This year it will be completed in February.
- Parks are inspected and cleaned daily.
- Working with Seth and Kent (engineers) on Caughlin Glen creek crossover planning.

5.3 Architectural Control Committee (ACC); Secretary Naccarato

There were 28 projects reviewed from 11/01/2022 through 12/31/2022. Of those, 25 were approved with the standard conditions, 2 were returned unapproved, and 1 was returned with a request for more information and a resubmit. The ACC meets twice per month on the 2nd and 4th Thursdays, except for November and December when they meet once per month. (A copy of the detailed list of submittals was provided to the Board in their Executive Session packet.)

5.4 Community Events; Vice President Attaway

The Events/Caughlin Rancher Committee met on January 11th and discussed topics and plans for the March edition of the Caughlin Rancher. 2023 Events and fundraisers were briefly discussed.

Vice President Attaway provided a recap of the November/December events, specifically the successful Angel Tree program and the Annual Meeting.

The committee will be reviewing videos of a variety of bands for the July Artown Concerts in the Park. Beatles Flashback is confirmed as the closing band on the last Sunday in July.

Some upcoming event highlights include:

- Spring Wine Event in April (date/location to be determined);
- Spring Bird Walk, Sat June 10th;
- Shredding Event, Sat June 24th;
- CRHA Annual BBQ, Sat. Aug 26th

A copy of the updated 2032 CRHA Community Events was provided to the Board and is located on the association's website.

5.5 Branding / Signage Ad Hoc Committee; Vice President Attaway

The new logo is gradually being added. Office stationery and the For Rent/For Sale signage has been updated. Monument signage changes will begin this month. Lisa has reached out to SignCrafters and has scheduled an appointment to look at the three entry monument signs. The signage changes are considered reserve expenses.

5.6 Executive Session Summary and Pending Legal Action against the Association

The following items were reviewed during the last Executive Session Meeting held on January 23, 2023:

- Approved the 11/14/2022 Executive meeting minutes.
- Pending legal action notices as follows:
- Workers' compensation claim made by a former employee. Discussed the status of the reopened claim. No pending litigation. This item can be closed.
- Discussed the status of the Eastridge common area deeds, communication with attorneys regarding pending turnover(s), and action on how proceed.
- Discussed the status of a homeowner complaint/dispute involving CRHA and Washoe County regarding potential easement deed associated with recent spur road abandonment.
- Discussed license to use common area by homeowner.
- Discussed Common Area Turnover of Tim Lewis Community, Whispering Canyon
- Discussed Alternative Dispute Resolution (ADR) claim filed by homeowner with the Real Estate Division. This item is now closed.
- Discussed two property boundary/encroachment issues by two homeowners.

The following items will be discussed when the Executive Session reconvenes following this meeting:

- Reviewed the Violation Report & fines.
- Reviewed the most recent Architectural Control Committee Report.
- Reviewed Homeowner disputes, appeals and alleged violations.
- Reviewed the Accounts Receivable Aging Report.
- There were no bad debt write-offs.
- Discussed Personnel items.

5.7 Community (and other important) Information; GM Nunley

In addition to the items on this agenda, below are some other highlighted items and projects being addressed by management and staff since the last meeting (the list is not all-inclusive):

- Staff spent much time and energy during the month of November in support of the Angel Tree Program and Senior Blanket Drive. Many thanks to all homeowners who contributed to this annual fundraising event and to the entire staff who shopped, wrapped presents, delivered the gifts. Special thanks to Sandy who was the driving force behind its success.
- Caughlin Creek HOA has successfully transitioned to a new management company and homeowners are becoming familiar with how to contact the new company with their requests and inquiries. We are continuing to assist with facilitating the landscaping requests.
- As a follow up to a recent meeting with Commissioner Alexis Hill regarding speeding concerns on Caughlin Parkway, we have not received any update on the field data collection efforts from the County. We hope to have an update by the March meeting.
- During December, the Board and Staff gathered for an enjoyable holiday luncheon.
- On December 28th, the Board met together in the conference room for a Board Orientation session.
- Maura (Full-time Front Desk Admin) is scheduled to return from maternity leave on Feb. 6th.
- Randy and his crew have been extremely busy with snow/ice removal during the past month. Their hard work is very much appreciated!
- During the first week of January there were two vehicle incidents. 1) On January 2nd a Toyota 4-Runner was found stuck in the mud/snow half-way up the walking path in Village Green Park. The vehicle was towed away by Milne Tow on January 3rd (no cost to the association). Discussion ensued regarding compliance with state statute with respect to towing. 2) An unknown vehicle hit the concrete fence/wall on McCarran at Caughlin Glen. An insurance claim was filed on January 6th and we are working with the concrete vendor to facilitate the repairs.
- Sandy, Kim and Lisa will be taking continuing education classes during January and February. Topics include insurance coverages for HOA's and CIC Commission Orders.
- Lisa recently wrote an article for the CAI publication Community Interests. This edition's focus was on Teamwork. A copy of the article was provided to the Board.
- Lisa has volunteered to participate on CAI Northern Nevada Chapter's Education Committee.
- Upcoming Agenda Items:
 - CRHA Office Bldg:
 - o Paint Main Bldg/Maint Bldg/Shed/Fence;
 - o Possible Window Replacements;
 - o Upgrade Lighting Fixtures throughout;
 - o Repair (install?) HVAC in small conference room
 - Cottages Fences: CRHA Painting
 - Policies:
 - Events, Advertising and Caughlin Rancher Content Policy
 - Employee Handbook review/revisions

6. Old Business:

6.1 Review & possibly accept common area turnover of Ridge Hollow neighborhood (aka: Whispering Canyon)

The following is the most recent update since the last meeting regarding the common area turnover efforts with Tim Lewis Communities (TLC) for Ridge Hollow / Whispering Canyon.

In accordance with the Improvement Agreement:

- TLC has submitted payment to fund the reserves per the Reserve Study that was approved at the November 16, 2022, General Board Meeting;
- On November 29, 2022, representatives from TLC and CRHA met onsite to conduct a turnover inspection. There were five (5) items needing to be addressed/repared. A follow up letter was sent to Tina Cruce at TLC noting those items. After some resistance, all five (5) items were agreed to be addressed by TLC. As of this date, two (2) items still require repair; the hillside erosion remediation and curb painting by the vehicle gates.

Next steps are: Confirmation that all repairs are completed and acceptance of the common area by the Board. Notification to the Developer of the acceptance of the common area. The Developer to record a Notice of Completion of the Common Areas. 45 days after recording of the Notice of Completion, the Developer to deed each Common Area Parcel to the Association by Grant Bargain and Sales Deed.

On January 18th, TLC issued the following be placed on the agenda as a request to the Board:

TLC proposes:

- TL Whispering Canyon, LP to pay the HOA the cost of the work outlined in item 4 and also in the attached EPS proposal (\$5,859 attached) to allow the Board to have the work done when snow melts.
- EPS has guaranteed the quote for 60 days to allow for the weather to improve (see attached emailed). The Board can also confirm this directly with Jeremy Kunter, Environmental Protection Services, LLC, General Manager, (775) 220-5272
- The Board can retain our remaining deposit on hand of \$4,750 until after the work is performed. Per my conversation with Jeremy the work primarily consists of labor only which does not typically change.
- TL Whispering Canyon will work with the HOA and title company to transition the 4 parcels into the name of the HOA once approval is received at the cost of TL Whispering Canyon, LP.

Discussion ensued regarding risks involved in altering the process outlined in the Improvement Agreement.

Motion: Director Ginsburg moved to follow the process as outlined in the Improvement Agreement and not grant the request from Tim Lewis Communities as stated above, thereby postponing this item to the next regularly scheduled Board Meeting. Treasurer Bremer seconded. Motion carried unanimously.

6.2 Review & possibly approve License Agreement for common area adjacent to Lot JT-449

At a previous meeting, Attorney Oliphant presented the Board with a Common Area Encroachment policy for consideration. The Board approved the policy which has been presented to the

homeowner and his counsel along with a draft easement agreement and price for the easement based on the past two years' raw land sales.

Per the homeowner's counsel, the homeowner would like to postpone this item until the next meeting as he is waiting for information from his insurance carrier.

Motion: Secretary Naccarato moved to postpone this item to the next regularly scheduled General Board Meeting. Treasurer Bremer seconded. Motion carried unanimously.

6.3 Review & Consider Request to Permit Construction of Sierra Front Trail on Caughlin Ranch HOA Property *This item was moved forward in the meeting, after Item 2.**

**6.4 Review & Approve Creek Crossing (Caughlin Glen) Final Design Proposal
***This item was moved forward in the meeting, following the above item.**

6.5 Review & Approve Revision to Village Green Park Use & Special Event Permit Application
Attorney Oliphant has drafted a revised Village Green Park Use & Special Event Permit Application. Staff is in the process of reviewing and providing feedback to Attorney Oliphant. A final draft will be presented to the Board at the March 22, 2023 General Board Meeting.

Motion: Director Ginsburg moved to postpone this item to the next General Board Meeting; Treasurer Bremer seconded. Motion unanimously carried.

6.6 Ratify 2023 Workers Compensation Premium Amount

At the November 16, 2022, General Board Meeting, the Board approved a not-to-exceed amount of \$23,000.00 (amount budgeted for 2023) for the Workers Compensation Premium for 2023. The actual premium amount is \$16,624.00

Motion: Treasurer Bremer moved to ratify the 2023 Workers Compensative Premium amount of \$16,624.00. Director Ginsburg seconded. Motion carried unanimously.

7. New Business:

7.1 Review & Possibly Approve Proposal from Padovan Consulting for Bid Preparation and Construction Management of 2023 Pavement Maintenance (Caughlin Creek/Deer Creek Trails/Streets, Mountainshyre Roadways & other CRHA Trails)

The Board was provided with three (3) proposals from Padovan Consulting for the following:

- RFP Preparation & Construction Administration of Caughlin Creek Roadway Pavement Maintenance Project: \$9,780.00 RFP Process; T&M for Construction Management NTE \$9,000.00
 - RFP Preparation and Construction Administration of Mountainshyre Roadway Pavement Maintenance Project: \$3,200.00 RFP Process; T&M for Construction Management NTE \$1,500.00
 - RFP Preparation and Construction Administration of Path Pavement Maintenance Project: \$5,700.00 RFP Process; T&M for Construction Management NTE \$3,600.00
- Total cost for all three (3) proposals (includes both RFP process and Construction Management):
\$32,870.00

Discussion ensued regarding the proposals and related pavement maintenance.

Motion: Treasurer Bremer moved to approve the three (3) proposals from Padovan Consulting for Bid Preparation and Construction Management of 2023 Pavement Maintenance projects for a total amount not-to-exceed \$32,870.00 as presented. Secretary Naccarato seconded. Motion carried unanimously.

7.2 Review & Possibly Approve Not-to-Exceed Cost for L&M Truck Purchase *

GM Nunley reported that the 2006 Ford Ranger did not pass its smog test this year, and the cost to make repairs is estimated to exceed the value of the vehicle. This vehicle is also scheduled for replacement in 2023 per the most recently approved reserve study.

Superintendent Lisenby recommends replacement with a larger truck (example: Ford F150) as a larger truck is needed for use with projects requiring towing and hauling.

Research indicates that the cost for a preowned vehicle (approximate year 2018-2021) with low mileage is in the \$50-60K range.

Discussion ensued.

Motion: Secretary Naccarato moved to approve the purchase of a truck to replace the 2006 Ford Ranger at Superintendent Lisenby's discretion at a cost not to exceed \$55,000.00, and the contract to be authorized by the Board President. The actual cost will be ratified during a regularly scheduled General Board Meeting.. Director Ginsburg seconded. Motion carried unanimously.

7.3 Discuss and Possibly Schedule 2023 Strategic Planning Session(s)

In response to requests from Board Members about revisiting the association's Strategic Plan, the Board was provided with the most recent update to the Strategic Plan (as planned during August 2020) and a recap of the Strategic Planning meeting held on April 21, 2021. Also provided were suggested meeting dates.

Motion: VP Attaway moved to continue with the Strategic Planning for CRHA and set a date to meet on March 30, 2023 at 2pm. Treasurer Bremer seconded. Motion carried unanimously.

8. Member Comments: There were no member comments.

9. Announce Future Meeting Dates & Adjourn:

- Finance & Budget Meeting, Thursday, March 16, 2023 at 2:00 p.m.
- Board Agenda Workshop on Monday, March 20, 2023 at 4:00 p.m.; Executive Session Workshop will immediately follow.
- Board of Directors Executive Session on Wednesday, March 22, 2023 at 5:00 p.m. and General Business Meeting at 6:00 p.m.
- Board Strategic Planning Session on Thursday, March 30, 2023 at 2:00 p.m.

Motion: Secretary Naccarato moved to adjourn the meeting at 7:49p.m.; Treasurer Bremer seconded. Motion unanimously carried.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association