

Board of Directors General Business Meeting Minutes

Wednesday, January 24, 2024, at 6:00 p.m.

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	Michael Ginsburg, Vice President	
Drew Naccarato, Secretary	Allen Black, Director	
Steve Bremer, Treasurer	Michele Attaway, Director	Thomas Keiffer, Director

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

Lisa Nunley, General Manager	Randy Lisenby, L & M Superintendent
Sandy Wheeler, Asst. Manager/CAM	Shawn Oliphant, Legal Counsel

Guests:

Kelly Dodge, KD Sound
Seth Padovan, P.E., Padovan Consulting

1 Homeowner In Person; 0 Homeowners Virtual

1. **Call to order and establish quorum:** President Dennis called the meeting to order at 6:02p.m. A quorum was established with seven (7) Board Members present either in person, via teleconference and/or telephone.
2. **Member Comments.** President Dennis provided the information and guidelines regarding Member Comments to the Homeowners present. This item permits homeowners to give comments regarding items on the agenda.
 - There were no homeowner comments at this time.

*At this juncture, agenda items were moved up to accommodate guest vendors who were in attendance.

7.2 Review and Possibly Approve Proposal from KD Sound for Conference Room Acoustic Panels – Kelly Dodge with KD Sound to Attend

Kelly Dodge attended the meeting virtually via GoToMeeting. Kelly provided an overview on how the acoustic panels would lessen the “echoey” effects of the conference room; they would cut down on sound reflections which will make it easier to hear and understand one another during meetings (both in-person and virtually). He recommends positioning the panels in the rafters around the fans.

He has installed these types of panels in several churches in the area.

The Board was provided with a proposal for the installation of seven (7) acoustic panels in the amount of \$2,752.62.

Motion: Treasurer Bremer moved to approve Director Black moved to approve the proposal from KD Sound in the amount of \$2,752.62 for the installation of seven (7) acoustic panels in the large conference room. Director Black seconded. Motion carried by majority vote (A. Dennis, S. Bremer, M. Ginsburg, D. Naccarato, A. Black, M. Attaway in favor; T. Keiffer opposed).

5.7 A. Board Approval of Liquidated Damages and other Negotiations re 2023 Caughlin Creek Roadway Rehab Project

Attorney Oliphant provided a brief overview of the follow up pertaining to last year’s Caughlin Creek Unit 1-3 Roadway Rehab Project.

Seth Padovan, P.E., has been negotiating with Apex Grading regarding liquidated damages and other concessions due to Apex Grading’s work delays and unsatisfactory work performance (per the contract).

Specifically:

- Liquidated Damages for project delay of \$15,600.00;

- Mitigation of lack of asphalt thickness of \$19,278.30;
 - Mitigation for lack of compaction and general poor surface finish of 18,920.00 (this amount is not agreed upon by Apex);
 - Punchlist of concrete repair credit of \$10,188.20 (to be set aside for completion by another contractor);
 - Driveway repair credit of \$3,985.00 (this amount is not agreed upon by Apex);
 - Replace damaged gate loop (due to Apex asphalt patching repairs in Dec 2023) of \$2,532.36.
- Total amount recommended to be withheld from final billing is **\$70,503.56**.

Seth Padovan provided additional information. The compaction item reflects a compromise amount of 50% of the total cost of the price to re-slurry the area. He can provide documentation that well exceeds that amount.

Motion: President Dennis moved to withhold amounts agreed upon from Apex Grading's final invoice (once it is received) and pay balance, and direct Seth to negotiate balance of items not agreed upon. VP Ginsburg seconded.

Discussion ensued. Attorney Oliphant clarified that the areas noted for lack of compaction will be re-inspected and reverified by Seth Padovan.

Motion unanimously carried.

6.2 Update Status of Bridge/Creek Crossing on Alum Creek/Possibly Review/Approve Contractor Proposals

Seth Padovan answered questions regarding the total costs of the project to date. \$167,669.00 for the contractor (Huston Excavating) to do the work, design fees roughly \$21K, inspection and testing \$14K. Discussion ensued regarding why the original estimates for construction were significantly less than the actual bid costs. Seth acknowledged that those estimated original, verbal, estimates should never have been provided. Per Seth, the Association came out ahead on the design costs as bids for that were originally \$60K.

In December we were notified that the project required additional testing and inspection services (per the building permit). WESTEX Consulting Engineers provided their proposal for these services at a not-to-exceed price of \$14,090.00. The Board provided unanimous approval of the proposal via email. Both the proposal and email approvals (and Unanimous Consent form) are provided.

Motion: Treasurer Naccarato moved to ratify the agreement with WESTEX Consulting Engineers as presented and approved by Unanimous Consent in Lieu of a Meeting. Treasurer Bremer seconded. Motion unanimously carried.

An email update from engineer, Kent Hanford, with current project timelines was provided to the Board in their meeting packet. It is anticipated that the completion date (with the exception of finishing the walking path due to asphalt not being available until spring) will be Feb. 29.

6.6 Review and Consider Homeowner Request to Landscape and Irrigate Floodway

Motion: Director Keiffer moved to deny the request and cost to regrade the parcel. Treasurer Bremer seconded.

Discussion ensued regarding the costs which would include staff time, engineer consulting, materials, possible permits similar to the Alum Creek bridge project, and on-going maintenance. Engineer, Seth Padovan, provided input regarding the potential challenges of changing the existing floodway design that has been in place for the past 40 years.

Motion unanimously carried.

7.1 Review & Possibly Approve Proposal from Padovan Consulting for Bid Prep and Construction Management of 2024 Pavement Maintenance (Caughlin Creek/Deer Creek Trails/Streets & other CRHA Trails)

Seth Padovan P.E. provided an overview of the upcoming pavement maintenance needed for 2024. This is the last cycle of the three-year phased cycle for pavement maintenance, and Whispering Canyon is a new addition.

Attorney Oliphant stated he would need to recuse himself from any discussion as he drafted the agreements that are being presented by Seth Padovan.

The Board was provided with the proposals as follows:

Whispering Canyon

Preconstruction services & RFB Prep \$3,200.00

Construction Administration \$160.00/hr; NTE 10 hours (\$1,600.00)

Pavement Maintenance of Pathways

Preconstruction services & RFB Prep \$5,120.00

Construction Administration \$160.00/hr; NTE 24 hours (\$3,840.00)

TOTAL: \$13,760.00

Motion: Treasurer Bremer moved to approve the proposals as presented from Padovan Consulting for the 2024 Pavement Maintenance in the total amount of \$13,760.00. VP Ginsburg seconded.

Motion unanimously carried.

*The meeting resumed its ordered agenda.

3. Minutes:

3.1 Review & Approve Nov. 13, 2023, Board of Directors General Business Meeting Minutes

The November 13, 2023, Board of Directors General Meeting Minutes were provided for the Board's review and approval.

Motion: Treasurer Bremer moved to approve the Board of Directors General Meeting minutes from November 13, 2023, as presented. Director Black seconded. Motion unanimously carried.

3.2 Review & Approve Nov. 15, 2023, Board of Directors Organizational Meeting Minutes

The November 15, 2023, Board of Directors Organizational Meeting Minutes were provided for the Board's review and approval.

Motion: Director Black moved to approve the Board of Directors Organizational Meeting minutes from November 15, 2023, as presented. Treasurer Bremer seconded. Motion unanimously carried.

4. Finances:

4.1 Review & Accept (unaudited) Financial Reports dated Oct. 31, 2023 & Nov. 30, 2023

Treasurer Bremer presented the following report which was provided to the Board of Directors. The report includes bank balances for the operating and reserve accounts.

2023 CD Schedule was provided.

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 October 31, 2023, and November 30, 2023.

The bank statements are being reconciled and the financial reports reviewed and adjusted as needed monthly by the GL Accountant and Assistant Manager Wheeler to ensure CRHA is reporting on a true accrual accounting basis.

The Association's cash position through November 30th: Operating cash = \$895,367. Reserve cash and CD's: Mountainshyre = \$253,207; Caughlin Creek = \$329,197; Whispering Canyon = \$179,419; CRHA = \$696,959; Grand Total = \$2,354,151.

Through November 30th on an accrual basis, Total (Operating) Income was \$2,275,572; under YTD by \$7,060. All reserve transfers are being deposited on a quarterly basis due to positive cash flow.

Total (Operating) Expense was \$2,460,002; under YTD Budget by \$96,840.

Expense recap: Operating = \$6,122 over budget; Payroll = \$70,004 under budget; R&M = \$28,949 over budget (weed abatement/sheep grazing & replacement of trees/plants damaged during winter); Utilities = \$49,662 under budget.

Total Reserve Income was \$352,382; over budget by \$37,935. (Over budget due to insurance claim revenue and interest yield)

Total Reserve Expenses were \$1,027,773; 2023 Reserve Expense Budget = \$868,092.

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 unaudited financial reports dated October 31, 2023, and November 30, 2023, as presented. Director Black seconded. Motion unanimously carried.

4.2 Review & approve Bad Debt Write-offs. There are none at this time.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B); Treasurer Bremer

The Finance & Budget Committee will meet next on March 21, 2024, when they will review the draft 2023 audit. The Committee is looking for a new member as Vince Ames is no longer available to serve.

5.2 Landscaping and 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:

- Street sweepers are scheduled to be onsite in Mountainshyre and Caughlin Creek/DeerCreek on January 25 & 26. This is to perform follow up cleanup from the recent slurry seal applications.
- The crews are installing new led flood/monument sign lighting.
- The repair to the zipline in Village Green Park is still pending; waiting for parts.
- Holiday Lights will be removed by the end of January.
- Snowplows and snow blowers ready for action.
- Small equipment bridges repaired and waterproofed /on going.
- Small Monument Signs repaired and painted /on going.
- Small creek maintenance (clean out and widen).
- Small equipment inspected and repaired / on going.
- Trucks inspected and repaired / on going.
- Cleaning up some tree damage from high winds.
- Starting Alum Creek bridge project by Caughlin Glen.
- Safety meeting with crew covering ladder safety & heavy lifting.
- Graffiti removal throughout the ranch ongoing.
- All three (3) parks inspected and cleaned daily.
- Wildlife report: The Ranch is seeing many ducks, geese, coyotes, deer and birds.

5.3 Architectural Control Committee (ACC); Secretary Naccarato

Thirty-nine (39) applications were reviewed from 11/01/2023 through 12/31/2023. Of those, thirty-eight (38) were approved with standard conditions, one (1) was denied. 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 detailed list of submittals is provided to the Board in the Executive Session packet.)

5.4 Community Events/Caughlin Rancher; Director Attaway

The Events/Caughlin Rancher Committee will meet on January 26th to review potential topics and articles for the Mar/Apr Caughlin Rancher. Also planned for discussion are upcoming events for 2024. Most of the bands for the July concerts are confirmed.

A copy of the updated 2024 CRHA Community Events Schedule is provided to the Board in the meeting packet.

5.5 Branding / Signage Ad Hoc Committee; Director Attaway

The new logo is gradually being incorporated into CRHA. Office stationery, the For Rent/For Sale signage, banners, Landscape/Maintenance uniforms, CRHA vehicles have been updated, and HOA office building signage is on order. The Board was provided with a report listing the full update. The Branding/Signage Committee was provided with revised mockups of the Caughlin Creek and Seasons neighborhood signage as well as entry signage mockups designed by YESCo. GM Nunley will send out suggested dates for the committee to meet and review/discuss.

5.6 Strategic Plan Update; Secretary Naccarato

The Board met on Tuesday, December 19th for a Strategic Planning session to review the updated revisions to the 2020-2024 Strategic Plan as discussed at the September meeting. Additional updates included noting those items completed and those still outstanding. Another session will be scheduled, possibly in February, to discuss revamping the next plan for 2025-2029.

5.7 Executive Session Summary and Pending Legal Action against the Association; Attorney Oliphant

The following items were reviewed during the Executive Session Meeting held on January 24, 2024:

- Approval of the 11/13/2023 Executive meeting minutes.
- Pending legal action notices as follows:
- Discussion of the status of a homeowner complaint/dispute involving CRHA and Washoe County regarding potential easement deed associated with recent spur road abandonment.
- Discussion of easements for use of the common area by homeowner(s).
- Review the Violation Report & fines.
- Review the most recent Architectural Control Committee Report.
- There were no homeowner disputes, appeals or alleged violations to discuss.
- Review the Accounts Receivable Aging Report.
- There were no bad debt write-offs.
- There were no personnel items to discuss.

A. Board Approval of Liquidated Damages and other Negotiations re 2023 Caughlin Creek Roadway Rehab Project

This item was discussed earlier in the meeting.

5.8 Community (and other important) Information & Future Agenda Item(s); 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):

- In response to the meeting in October to discuss speeding and other traffic concerns with staff members from the City of Reno and Washoe County, crosswalks and approaches have been painted through the community on Caughlin Pkwy, and the button for the crosswalk signal at the bridge has been adjusted as requested. More traffic calming measures may be implemented.
- Board Orientation/Training Session was held on Friday, January 12th.
- New Homeowner Orientation is held (currently virtually only) on the 2nd Thursday of each month.
- CAI Classes attended since the last meeting: GM Nunley attended:
 - Roberts Rules of Order, Jan 17th.
- GM Nunley is a member of CAI's Education Committee as well as CAI's Legislative Action Committee for Nevada and attends the monthly meetings for each committee. Brief discussion ensued regarding the new Corporate Transparency Act which went into effect on 01/2024.
- Erlach Computer Consulting continues with their on-going Cyber Security Training Program. Regular emails have been sent out with training videos. Please let us know if you have questions.
- The Alum Creek bridge crossing project is set to begin on Jan 16th. Signs and fencing have been installed by Randy's crews, and Lisa and Randy have been communicating with the contractors and engineers about details. Email blasts have been sent out to the community, notices posted in the message boards and on the website.
- CCRK/DRCK roadway rehab project, while "completed," still has open items to address such as concrete repairs to be completed by another vendor in the spring, negotiations with Apex regarding liquidated and other damages, etc.
- The HOA office lobby area modification is nearly complete.
- A survey was sent to Whispering Canyon residents regarding whether they wanted the vehicle gates closed 24/7 or open during the day. As of this report, 38 of the 44 properties have returned the survey. 19 in favor of closing 24/7; 18 in favor of gates open during the day. An additional notice is being sent to those who have not yet responded.
- Possible Upcoming (non-routine) Agenda Items:
 - CRHA Office Bldg:
 - Possible Window Replacements; Upgrade Lighting Fixtures throughout;
 - Possible wireless mic system and acoustic improvements for large conference room
 - Cottages Fences: CRHA Painting
 - Gates: Surveillance Camera for Whispering Canyon Gate
 - Policies:
 - Events, Advertising and Caughlin Rancher Content Policy
 - Employee Handbook review/revisions

6. Old Business:

6.1 Review & Possibly Approve Easement and other Documents to Permit Construction of Sierra Front Trail Construction on Caughlin Ranch HOA Property and/or Progress Report

The land surveyor involved with this project discovered an issue with the legal description included with the prior deeds for APN 220-011-11. He forwarded the correct legal description and associated

deeds and maps which, in turn, was forwarded to Attorney Oliphant who will work with the land surveyor to coordinate the recording of the deed correction. There will likely be some costs associated with the completion of this task.

6.2 Update Status of Bridge/Creek Crossing on Alum Creek/Possibly Review/Approve Contractor Proposals

This item was addressed earlier in the meeting.

6.3 Review/Consider Request from Eaglesnest HOA to Install Locked Gate at Pedestrian Path

GM Nunley has contacted Chet Mallory, Board President with Eaglesnest HOA (ENA), with a reminder that the CRHA Board is requesting a legal opinion from ENA's legal counsel on whether it is legally possible to close the walking path given the agreements with the City and County about allowing pathways/trails to remain open to the public.

Per Chet, they are waiting to hear back from the County and then the legal opinion can be completed. It is anticipated that this will be forwarded to CRHA prior to the March General Meeting.

Attorney Oliphant commented regarding the provisions of the 1987 agreements; specifically, that the agreements require the Association to keep the paths open.

6.4 Discuss & Consider Revision to Rules & Regulations: Flags/Signs/Yard Art, etc

President Dennis relayed that some ideas and progress has been made on moving forward with this item, but the Board is not ready to make a decision today. Attorney Oliphant agreed that this can be carried forward until the ACS&G's are also completed, then everything can be mailed out at the same time.

Motion: President Dennis moved to postpone this item until the next regular meeting. Treasurer Bremer seconded. Motion unanimously carried.

6.5 Review & Approve Revision to ACS&G's (to update various items)

There are a variety of proposed revisions to the ACS&G's, some of which still need additional work.

Motion: Director Black moved to postpone this item until the next regular meeting. Treasurer Bremer seconded. Motion unanimously carried.

6.6 Review and Consider Homeowner Request to Landscape and Irrigate Floodway

This item was addressed earlier in the meeting.

7. New Business:

7.1 Review & Possibly Approve Proposal from Padovan Consulting for Bid Prep and Construction Management of 2024 Pavement Maintenance (Caughlin Creek/Deer Creek Trails/Streets & other CRHA Trails)

This item was addressed earlier in the meeting.

7.2 Review and Possibly Approve Proposal from KD Sound for Conference Room Acoustic Panels – Kelly Dodge with KD Sound to Attend

This item was addressed earlier in the meeting.

7.3 Review and Discuss how to proceed re Vista Pointe HOA Common Area

GM Nunley reported that Caughlin Ranch HOA has been providing irrigation and regular landscape maintenance on Vista Pointe HOA-owned common areas (APN 041-311-01 and a portion of APN 041-310-05) on an annual basis. There is no agreement in place with Vista Pointe HOA for this

service; it has just been an on-going, from the beginning of time, service. Additionally, CRHA provides irrigation and once-every-3-years defensible space clearing to a portion of APN 041-310-05. All the foregoing property is owned by Vista Pointe HOA, yet CRHA has never been reimbursed for the cost of irrigation and landscape maintenance.

This information is provided to the Board for their information in the event they wish to change the existing practice of providing these services to Vista Pointe HOA. Options include 1) requiring Vista Pointe HOA to arrange for their own services, 2) offer an annual Landscape Services Agreement to Vista Pointe HOA as is done with other subassociations, or 3) continue to provide services no charge.

Attorney Oliphant recommends checking to make sure there is no obligation to provide services on these parcels. It was confirmed that the parcels in question are owned by Vista Pointe HOA.

Discussion ensued regarding irrigation reimbursement method as is currently done for another subassociation; that model could be applied, or research if irrigation could be separated.

Further discussion took place regarding the 2019 settlement agreement with Vista Pointe HOA.

Motion: President Dennis moved to notify Vista Pointe HOA that landscape and irrigation services as currently being provided to Vista Pointe HOA-owned common area parcels by Caughlin Ranch HOA will discontinue effective immediately. Vista Pointe HOA is to arrange for their own services, or Caughlin Ranch HOA is willing to provide a Landscape Services Agreement upon request, as well as a separate contract for landscape irrigation reimbursement for the McCarran hillside area. VP Ginsburg seconded. Motion unanimously carried.

7.4 Ratify Proposal from WESTEX for Materials Testing & Inspection Services for Alum Creek Bridge Crossing project as Approved via Unanimous Email Consent
This item was addressed earlier in the meeting Item 6.2.

7.5 Review/Approve Renewal of Quarterly Maintenance Agreement with Michael's Plumbing
The Board was provided with a proposal for consideration for the Quarterly Maintenance Agreement with Michael's Plumbing for the HOA office HVAC system. Cost is \$373.00 per visit, or \$1,492.00 per year. This Agreement is for two years (through Fall 2025). There is no price increase from the last Agreement.

Motion: Treasurer Bremer moved to approve the Quarterly Maintenance Agreement with Michael's Plumbing for \$1,495.00 per year for 2024 and 2025 as presented. Director Black seconded. Motion unanimously carried.

7.6 Review & Approve 2024 Rate Increase from Viloría, Oliphant, Oster & Aman LLP
Effective 01.01.2024, Viloría, Oliphant, Oster & Aman LLP increased their hourly rates as outlined below. They have not increased their rates since 2019.
A brief discussion ensued regarding the rate schedule.

	New Rates	Old Rates
Partner:	\$425	\$350
Associate:	\$325	\$250
Paralegal:	\$225	\$150

Motion: Treasurer Bremer moved to accept the hourly rate increase as notified by Viloría, Oliphant, Oster & Aman LLP. Director Keiffer seconded. Motion unanimously carried.

7.7 Review & Approve (4) Proposals from Browning Reserve for Financial Updates without Site Visit for: Caughlin Ranch HOA, Caughlin Creek/DeerCreek, Mountainshyre and Whispering Canyon

The Board was provided for consideration the following proposals from Browning Reserve Group for completion of Financial Updates without a Site Visit:

- Caughlin Ranch HOA	\$1,400.00
- Caughlin Creek/DeerCreek	\$ 500.00
- Mountainshyre	\$ 500.00
- Whispering Canyon	\$ 300.00
TOTAL AMT:	\$2,700.00

Motion: Treasurer Naccarato moved to approve the four (4) proposals from Browning Reserve Group for completion of Financial Updates without a Site Visit for the total amount of \$2,700.00 as presented. Treasurer Bremer seconded. Motion unanimously carried.

7.8 Review & Approve Contract Amendment from ESI – Hourly Rate Increase

ESI Security Services is proposing an increase in the hourly rate from \$24.19/hour to \$27.73/hour (a \$3.54/hour increase), effective 02.01.2024. Their rates have not increased since their original contract was signed with CRHA in 2016. The annual increase amount is \$7,363.20. (For 2024 the increase will be \$6,751.00 because of the Feb start date.) A brief discussion ensued.

Motion: Director Keiffer moved to approve the contract amendment increasing the hourly rate for ESI Security Services to \$27.73 as presented. Director Black seconded. Motion unanimously carried.

8. Member Comments: There were no comments.

9. Announce Future Meeting Dates & Adjourn (or Recess):

- 2023 Audit Review with Board/Finance & Budget Comm., Thursday, March 21, 2024, at 2:00p.m.
- Board Agenda Workshop on Monday, March 25, 2024, at 4:00 p.m.; Executive Session Workshop will immediately follow.
- Board of Directors Executive Session on Wednesday, March 27, 2024, at 5:00 p.m. and General Business Meeting at 6:00 p.m.

Motion: Secretary Naccarato moved to recess the meeting at 7:36p.m.; VP Ginsburg seconded. Motion unanimously carried.

Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association