

NEIGHBORHOOD ADVISORY COMMITTEE MEETING SUMMARY
Conference Room at Caughlin Club at 7pm
April 14, 2011

IN ATTENDANCE:

Norman Huckle – Caughlin Creek	Manuel Wedge – Alum Creek
Millie Burke – Promontory Pointe	Paul Hershey – General Manager
Gina Pedrini – Eaglesnest	Mike Chern – Caughlin Glen
Larry Morris – Deer Creek in Caughlin Creek	Wayne Wiswell - Heritage

CAUGHLIN CREEK: (1) Representatives from Caughlin Creek asked if new shrubs would be planted in their common areas where dead plants were removed last season. They would like to request a particular shrub that flowers and has small apple-like fruit. (2) A request is made of CR Staff to send out reminders to homeowners to add another secured, lidded trashcan instead of cramming trash into overflowing cans. The wind is blowing over-stuffed, open-lid trashcans around & covering the neighborhood with trash. This is an ongoing problem and is again making a mess of the area. An email to homeowners and a note in the Caughlin Rancher reminding people of this issue would be appreciated. (3) A homeowner requests that landscape maintenance staff address the common area debris behind the residences on Cedar Creek Court in that it has become unsightly and is having a negative impact on the appearance of the area and the overall view.

ALUM CREEK: A homeowner from Alum Creek indicated that he wants to make sure that Caughlin Ranch staff responds to his previously discussed concerns about rocks and flowers. Also, will more rock be placed where it has washed out? It is a large improvement from where it was, but dirt has washed away and erosion is a problem.

ROCK WALLS: Millie Burke stated that it would be a good idea to recognize the gentleman that has been an instrumental part of the beautiful rock wall design & installation behind Caughlin Club. Perhaps Randy Lisenby can acknowledge him at the next board meeting.

WEATHER STATIONS: A homeowner concern has been brought to Paul Hershey's attention about how the new weather station is negatively affecting his view. Paul stated that UNR is collecting data and will give us a copy of the reports from the info received from the weather stations. One data item we'll receive pertains to water consumption – how much water our soil holds and the duration that the soil will hold that water. This will help us with water conservation efforts going forward.

DEER CREEK: (1) The streets look much better with the new asphalt & crack-filling project completed. (2) Note to Caughlin Ranch Staff that there is a trend of homeowners making exterior improvements to their homes since the weather is getting nice. However, the problem is that some homeowners are not getting permission from the ACC for changes and they aren't in compliance. (i.e. shutter colors, mailbox changes, door style changes.)

CAUGHLIN RANCH STAFF: A new administrative person has been hired for the CR office. Her name is Autumn Cruz and she will start on or around May 1st. Katrina will now be responsible for organizing the Architectural Control Committee and the ACC documentation, as well as CC&R Compliance and CC&R tracking.

SUB-ASSOCIATION PROPERTY MANAGEMENT PROPOSAL: Paul Hershey plans to present the CR sub-associations with a business plan and proposal for management of those sub-associations. Currently all the sub-associations are managed independently by outside property management organizations. They pay fees to those property management companies, in addition to the fees they pay to Caughlin Ranch. The goal is to streamline management and CC&R enforcement and give homeowners a better value for their property management dollars, as well as to create a new cost center for Caughlin Ranch.

CAUGHLIN RANCHER MAGAZINE: Add to Caughlin Rancher a reminder to homeowners to seek approval from the ACC for any changes to paint colors, the addition of structures, etc. Also add a reminder about securing trashcans and adding additional trashcans to prevent spillage. Paul Hershey mentioned he would like to see the Rancher become more of an informative and communicative tool, rather than an advertising tool.

CC&R's: A homeowner noted that CR board members and staff had previously discussed composing a very condensed CC&R document that would be mailed to all homeowners. This document would be 1-2 pages at most, something that would be a quick reference guide that people are more likely to read and understand and adhere to, and would include a synopsis of common issues facing homeowners and staff. Paul indicated that this project is in the works, and that additionally, CR Staff is starting to send out a welcome package for people who move into the area.

EMAIL & COMMUNICATION: (1) A suggestion was made to incorporate subsets of neighborhoods into our current email system for more effective and detailed communication. Not all messages need to go to all homeowners. Some emails are very neighborhood specific. (2) Paul would eventually like to have a dedicated television channel to broadcast Caughlin Ranch information to homeowners.

COMMUNITY: We need more involvement from the community in meetings, committees, communications, projects & social events. How do we get more people to show up? Paul will consider options to increase attendance and involvement. Only 273 people accepted the invitation to Alert ID. The Rancher reaches everyone here, but we are not using it effectively. Millie Burke stated that one thing that has been helpful in Juniper Trails is having a monthly social event within each person's neighborhood. It's held in a different person's home each month. The result is a feeling of camaraderie between neighbors and increased communication within Caughlin Ranch.

OPEN DOOR POLICY & OPEN LINE OF COMMUNICATION: Paul Hershey encourages an open door policy and makes himself available to homeowners for anything they may be concerned about. He stated that when homeowners have issues they'd like to discuss, homeowners are feeling comfortable enough to call him at the office directly or to just walk right into the office. This is a good thing! It indicates that people feel that there is an open line of communication.

ADVISORY COMMITTEE MEMBERS: There are currently approximately 25 Advisory Committee Members. They represent each of the individual neighborhoods within Caughlin Ranch. However, there is not adequate participation. Only 7 neighborhoods are represented at tonight's meeting, with only 5 of those 7 being actual NAC representatives. A suggestion was made that we consider changing some of the NAC members if the current

members choose not to participate going forward. Even if there are no issues in a particular neighborhood, we still need representatives from each neighborhood to attend meetings and participate to keep communication lines open and keep information flowing throughout the entire community. The NAC meetings are held in a relaxed environment with a very casual structure to promote open discussion. The NAC is a great forum for discussing issues that affect every single one of us. You don't have to be an NAC "representative" to be able to attend. All Caughlin Ranch residents are welcome!

NEIGHBORHOOD WATCH: Do all neighborhoods have a Neighborhood Watch program? The answer is no. It has definitely been encouraged, but the challenge has been getting people to get involved, participate & take charge of organizing their own neighborhoods.

EAGLESNEST: (1) Eaglesnest HOA recently added signage to each entrance to the development stating "Residents and Invited Guests Only". To be very clear, the signs are not directed at Caughlin Ranch residents or walking groups. The signs are meant to deter people who are not residents of Caughlin Ranch and to give warning that non-Caughlin Ranch residents may not enter this private property. The signs are targeting trespassers who have been taking temporary shelter just behind the homes on the hillside of Eaglesnest, trespassers who are accosting homeowners on their own personal property, and trespassers who are soliciting goods & services illegally. The homeowners would like to take measures to deter door-to-door salespeople and other more serious criminal behavior. All Eaglesnest property and all Eaglesnest roads and sidewalks are privately owned and maintained and are paid for solely by Eaglesnest residents. (2) Washoe County recently placed "No Parking" signs along Caughlin Parkway along the Eaglesnest fence line. While the signs are very much appreciated, homeowners would like to know why they have been placed at such an out of the ordinary height. They appear to be much higher than any other similar sign in Caughlin Ranch. Can they be adjusted & placed lower on the metal stake so that they are more noticeable and more likely to be adhered to?

IRRIGATION & WATER RIGHTS: There is a n abundance of important information to familiarize yourself with as respects water rights in Caughlin Ranch and our irrigation needs and potential for savings moving forward. Paul Hershey would like all homeowners to have a thorough understanding of these issues and states, "We are not going to do anything that's going to have a negative impact on the aesthetics of Caughlin Ranch." See attachment below dated March 14, 2011 and authored by Caughlin Ranch Manager, Paul Hershey.

END

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March 14, 2011

Title: A Proposal to verify existing Caughlin Ranch water rights and explore the feasibility of utilizing them for common area irrigation.

Introduction: I, the Board and Staff have investigated the possibility of utilizing Steamboat Ditch (SD) water as a possible source for irrigating portions of the common areas in Caughlin Ranch (CR). If SD water can be economically accessed to replace some of the treated water from Truckee Meadows Water Authority (TMWA) the potential cost savings to the residents of CR could be very substantial. Initial meetings with consultants, TMWA, and SD officials as well as other government authorities have been encouraging. This paper summarizes for the CR Board the background, conclusions and recommendations regarding this issue so that a decision can be made on the next step to further evaluate the opportunity.

Summary/Conclusions: Based on the historical record below and the previously mentioned meetings, I have concluded that the CRHOA has the water rights from SD for approximately 164 acre foot which can be used for irrigation. Furthermore, it may be possible to obtain additional water rights from Washoe County and the City of Reno for the maintenance of parks and green belts which CR has the responsibility to maintain. I and the CR Board should investigate all options to maintain the areas within our duty of care at the lowest cost possible. Based on preliminary findings, it appears that CR has existing water rights amounting to approximately 53 million gallons that have not been utilized. This is more than half the Ranch's total water needs currently purchased from TMWA at a cost of over \$400,000 annually. Given the very significant potential cost savings, this project merits a thorough evaluation.

Recommendations to the CR Board:

1. Approve retaining the service of a water rights attorney and a water rights expert to confirm the volume and permitted use of water rights held by CR.
2. Approve conducting an engineering study to assess the feasibility, options, costs and potential savings associated with the utilization of SD water so that the CR Board can make an informed decision before committing to the full project. Estimated costs are in the range of \$20,000 to \$30,000 and can be accommodated within the 2011 operating budget.

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HISTORY:

Caughlin Ranch offers a unique balance between man-made and natural environments. Caughlin Ranch includes 2,185 homes, a variety of recreational features with supporting amounts of commercial and service space.

Recreational facilities are located in the more central portions of the Ranch in two areas – the Village Green Park and the privately-owned Caughlin Club. The Village Green Park provides a baseball/soccer/ football field, tennis courts, a picnic area, and playground facilities. Other smaller Caughlin Ranch park areas and open space round out the recreation areas.

The Association’s common areas and park facilities are unique because of the fact that the general public uses these facilities but the maintenance costs are borne strictly by the members of the Association. As such, the park facilities of Caughlin Ranch are quasi-municipal.

Water requirements and rights were purchased from the Orr Ditch Decree for 405.1 acre feet on Claims 230, 150, 150 ½. (Orr Ditch Decree is the title of the legal document)

In 1987, an agreement was formed with Washoe County and the City of Reno to maintain the parks and green belt facilities with specific guidelines.

BACKGROUND & DISCUSSION:

The following is a chronological over view of legal documents and agreements in my initial research.

1. Water rights were purchased from the Orr Ditch for 405.1 acre feet.
2. The Association has two permits: Permit 49295 - Certificate 13269 for 117.12 acre feet and Permit 49296 - Certificate 13270 for 46.79 acre feet for a total of 163.91 acre feet. Both permits were for LANDSCAPING, FISH PONDS, and RECREATIONAL USE within Caughlin Ranch.
3. Steamboat Ditch notified Caughlin Ranch that the acre feet allotment was to be reduced to 16.99 acre feet IN 2006. While our letter dated November 9, 2006 was not totally accurate in the paragraph summary, the letter from the U.S. District Court Water Master’s office dated November 20, 2006, validates the position of the amount of acre feet of water allotted to Caughlin Ranch was to be 163.91 acre feet to irrigate 40.96 acres of land.
4. In the agreement by both Washoe County and the City of Reno, additional water acre feet are held in reserve for the maintenance of the parks and green belts within Caughlin Ranch. This was validated at a meeting with TMWA representative Mark Foree, General Manager and John Erwin, Director, on March 1, 2011. With the approval of the Federal Water Master, TMWA can release additional acre feet that can then flow through the Steamboat Irrigation Ditch. With a continuing resolution agreement with TMWA, Caughlin Ranch can reserve additional amounts of water from them as needed before Steamboat Ditch begins

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and ends the season. With this agreement it will ensure water procurement during periods of drought.

5. Letter from Steamboat Canal and Irrigation Company, dated August 5, 2009, Subject: "Head gates 20, 21, 22, 23, and 24" states the information verifies the amount of water to be delivered to the head gates. Also the requirement to notify any other users on the flow for the gates. The water delivery list from each gate only listed Caughlin Ranch HOA as the sole source for all five head gates and concluded with the Water Master's position that CRHA is allocated 163.01 acre feet of water which will irrigate 40.96 acres of land. Under NRS 207.225 and NRS 533.460, no other party is able to use the water without authorization.
6. Letter dated July 13, 2007 was a settlement agreement between Steamboat Canal and Irrigation Company and Caughlin Ranch Homeowners Association states in the recitals "Whereas CRHA is a customer of Steamboat Canal and Irrigation Company and receives irrigation water conveyed through the Steamboat irrigation ditch."

Paul Hershey, Community Manager