DVCA Community Outreach Committee Minutes for July 09, 2024, 2:00pm

ATTENDEES

1. Carla Cole, BOD president
2. Dennis Drury, BOD Vice-president
3. Sandy Mass, BOD, Treasurer, Secretary
4. Ron McRae, BOD, Committee Liaison
5. Russ Olmo, Homeowner
6. Lynda Marz, Homeowner
7. Chris Hansen, Homeowner
8. Mitch Feather, Homeowner

CALL TO ORDER – INNAGURAL COMMITTEE MEETING

Meeting called to order July 9, 2024, 2:03pm

LIASON REPORT by Ron

1. RED LTD. and Silverado Homes are different companies with different developments but we must make agreements that bind both to be successful in our negotiations.
2. The one-time impact fees charged to RED LTD can't be a profit center for DVCA. DVCA must have infrastructure improvements that are earmarked for these funds.
3. Lakemont Homes promised us gates, cul-de-sacs and other infrastructure improvements. We will never be a secured neighborhood unless we address all the boundary issues.
4. Kyle, at Sierra Gate, is quoting a ball-park figure of $130,000 per gate. Recently quoted Xeriscape landscaping for the Palmer median is $158,000. Replacing the fire road on La Costa Cir calls for a 260' long, 30' wide road and is estimated at ????$100k???
5. If the funds are not used for specific infrastructure improvements, they may have to be returned.
6. There is a variance in the number of new homes with access to Palmer. Silverado is building from 200-330. RED is not committed to placing the 129 senior homes on Palmer.
7. RED would prefer a $1,000 lot fee but this is simply not enough as this amount would not cover the necessary improvements to our infrastructure. We estimate DVCA improvements covered by the fees at $720,000.
8. RED seems to be contractually obligated to build two gates.
9. Silverado is NOT obligated to build anything. They need our public support when they enter the planning phase for Village #10 & #14. They also have easement issues to our Palmer Dr and access issues to our Palmer gate.
10. New agreements will replace all old agreements and failed payments.
11. RED and Silverado can enter into agreements that are deed restricted on the APN. When the deed restrictions are recorded Legado HOA (through their

property management company) must collect the fees and distribute accordingly.

MEMBER REPORTS

1. Russ Olmo to speak to the committee about his conversation with Jaimee Yoshizawa from RED LTD:
    a. Russ doesn't think it's appropriate for an HOA to ask for their financials. Personal information. The County would be the organization that might ask for a bond for items to revert to the county.
    b. Silverado is same…. The advent of the LLC has changed things; called protecting your tail… Silverado is doing it. Lakemont did it.
        i. Each phase becomes a different LLC to protect against the ``` developments that are part of the overall subdivision.
    c. Talked about Senior community – 55+ where only one person has be 55 or older? Or 62+ where both individuals must be older. What do we want to suggest.
2. Lynda Marz to speak to the committee about her conversation with Jaimee Yoshizawa from RED LTD:
    a. Linda noted that new subdivisions in general do not want to build gated communities because gates cost money to build and maintain.
        i. Per Ron: Gates will be included in the Legacy 49 development. All the Legado Villages are already gated or will be. We want to be consistent with our immediate neighbors.
        ii. Per Russ: Perception of buyers is gates is of status, etc.
    b. Jaime is phoenix rising again.
    c. Using hard money capital – Battle Creek Capital Corp. Investors pool money and organize into mortgages on individual parcels of land. High percentage usually.
    d. Went under in 2008. Rising again. Honest and true. Highly motivated. Managing partner but has several partners.
    e. Wants audited financial statements may need to give to Lyon County…..
        i. Sandy – not sure we have that right…. Russ Olmo approached Sandy after meeting and indicated that he did not believe we had the right to ask.
    f. Carla asked why Jaime didn't go through when she originally started the development plan 4-5 years ago.
        i. Sandy indicated that Covid hit.
        ii. Ron brought up the additional Lyon County requests for Drainage and extending/improving Dayton Valley Rd, not the additional bridge.
        iii. I
3. Ron McRae to speak to the committee about any recent, relevant conversations with Jaimee Yoshizawa from RED LTD or Mike Evans from Silverado Homes.
    a. Discussion to determine exactly what DVCA is responsible for:

i. DVCA will not be responsible to maintain other association's gates or property. We are NOT extending out beyond our existing boundaries.

b. Per Carla: ALL of this will be reviewed and approved by the attorney.

OLD BUSINESS

1. None

NEW BUSINESS

1. REVIEW CHARTER:
   a. Charter was reviewed by committee.
   b. Committee name changed to "Community Outreach Committee", commonly abbreviated to "COC".
   c. Sandy explained her concern is the long-term responsibilities which is the "Auditing" part.
      i. Goal is to verify Road Fees are paid. Management Company will be responsibility, but the Board (COC) will 'follow-up' and make sure homes don't slip thru the cracks.
   d. Discussion on how the funds will be managed, projects completed. Discussion is included Committee Report to be given during 7/1/2024 meeting.
   e. **Action Item: Committee agreed Sandy will make changes to charter and send to Stephanie at FSR for her review then Brooke to add to agenda for July 24, 2024 Board meeting.**
2. Should the committee recommend to the BOD that we support RED LTD's Legacy 49 project and that the committee should discuss issues with the developer?
   a. Based on current information - Yes. Discussion. Linda not comfortable with current wording. The board will be the determinant of any final decision.
   b. Committee agrees. with some caveats.
   c. Dennis notes that everything will need to be reviewed by Stephanie at FSR and legal counsel.
3. Should the committee recommend to the BOD that we support Silverado's Village #10 & #14 and the committee should discuss with the developer?
   a. Need information of from developer to make any recommendations about providing support.

4. Should the committee DRAFT a "letter of support" to be referred to the attorney (i.e. Casino to Homes & subdividing the lot) requested by Jaimee Yoshizawa from RED LTD.
   a. The letter is contingent on equitable discussions stemming from the upcoming developer negotiations.

   b. Letter will explicitly exclude Silverado if discussions cannot be reached with them individually.
      i. Discussion: Conditions:
      ii. Who is going write it? And will have to be sent to the attorney for review.
      iii. Action Item: Ron will draft letter and Sandy will edit. Will need to be sent to the attorney after meeting with RED LTD and approval from the board.
      iv. After meeting with RED.
5. Should the committee recommend that a BOD member attend the various official meetings, speaking for the entire BOD and community, in accordance with the recommendation letter?
   a. Per Dennis – he believes the entire board has to be present, a single board member cannot do this. A committee member (not board member) can be assigned to represent.
6. Should the committee recommend that the "old casino footprint" (aka "RED's Senior Homes") have access to Palmer Dr? This would add 129 homes to Palmer. Goes to board for approval.
   a. Access to Palmer from the senior homes is not a necessity for DVCA to collect fees from this lot to install two (2) gates
      i. Ron/Russ/Sandy – for reason that 129 homes are driving past the Golf Club.
         1. Access to the senior homes already has a stub on roundabout.
      ii. Dennis – we are mandated to support the Golf Club and this is a way to do that.
      iii. Lynda opposed.
7. Should the committee recommend that Silverado's Village #10 & #14 have access to Palmer? This would add 200-330 homes to Palmer Dr.
   a. Existing Village #9 has 90 homes. Really 100 homes. Landlocked.
   b. Wait until discussion w/ Mike.
8. Does the committee recommend a "one-time fee" be assessed on any NEW home with STREET access to Palmer?
   a. Dennis / Ron -
   b. Lynda not sure we have the right to say that. We own the asphalt. If Tour Specs owned the road they would have to pay for the maint. NRED lawsuit clarified that Tour Specs own the land, WE OWN the road (asphalt)
   c. Opposed – Lynda / Carla
9. How will the funds be used?
   a. A gate at La Costa Ave - $156k
   b. A gate at Cypress Point Dr - $147k
   c. A gate at Lakeview Dr - $167k
   d. A gate, to be locked open until Lakeview is complete, at Lakeview Dr near the roundabout /lot line - $24k-$95k.

   e. **Llandscaping at the Palmer median be replaced with Xeriscape - $175k.**
   f. **The the road at La Costa Cir be rebuilt to connect to Stonehaven. - $99k**
      i. Dennis believes the road might have to go to homeowners to approve.
10. What order should the improvements be built?
    a. Discussion – TBD.
11. What is the fee, per lot, that the committee should discuss with RED?
    a. Ron suggests RED is responsible for the La Costa gate and the Cypress Point Gate. This totals $311,000.
    b. $311,000 / 129 lots = $2,414 per lot. **This would generate $311,000**.
    c. I recommend this is the ask: $2,500 which would generate $322,500
12. What is the fee, per lot, that the committee should negotiate with SILVERADO?
    a. Ron suggests SILVERADO is responsible for the Lakeview gate, The Airpark gate, a 216 ft. expansion of La Costa Cir and 100% of the Palmer Landscaping. This totals $541k.
    b. $2,500 (per lot) x 200 homes would generate $450,000.
    c. $2,500 (per lot) x 130 additional homes would generate $325,000 extra if 330 homes are built.
    d. Fee collection would **generate between $450,000 – $775,000** depending on homes built.
    e. I recommend we vote for to match the RED fee of $2,500.
13. What is the compounded annual increase to the “One-Time Fee" that the committee should discuss with RED and Silverado?
    a. Ron suggests 2.5%
       i. Russ: believes that 2-2.5%
       ii. Disussed that an special interest bearing capital account will be created that will hold the Road Fees.
14. What is the range of the compounded annual increase that we will accept?
    a. Ron suggests 2.0% - 2.5%
    b. Discussion Russ – 2.0-2.5% will they take???
15. If RED refuses the compounded annual increase, what should we do?
16. If SILVERADO refuses the compounded annual increase, what should we do?
17. When should the annual compounded increase in the fee begin?
    a. Ron recommends January 1st, 2026.
18. When should the fees be paid?
    a. Ron recommends we allow fees to be paid at close of escrow for each home but try for earlier.

19. How will the one-time fee be enforced?
    a. Ron suggests a deed restriction on RED's APNs 016-361-65, 016-361-66 and 016-361-71 and Silverado / LD Lots APN 016-361-68.
    b. Sandy proposes the Inter-Community Co-Op Committee is responsible for tracking all one-time fees and annual maintenance fees paid by lots outside of DVCA.
    c. The committee is not responsible for accounting - only compliance with the developer agreements.
20. Should the committee recommend that the builders report homes sold quarterly to DVCA Board/Management Company?
21. What percentage of our actual costs for “Palmer Annual Road Maintenance” (from DVR to Cypress Point) should the committee recommend for RED LTD?
    a. Ron suggests 33% of half of the annual cost.
22. What percentage of our actual costs for “Palmer Annual Road Maintenance” (from DVR to Cypress Point) should the committee recommend for SILVERADO HOMES?
    a. Ron suggests 67% of half of the annual cost.
23. If RED or Silverado feel they should not pay for Palmer *annual road maintenance,* should we drop the “Palmer Dr annual road maintenance fee?”
    a. Cost estimate to Legado HOA for road maintenance is $9k per year.
    b. Ron recommends NO
24. If RED or Silverado feel they should not pay for Palmer *annual landscaping maintenance*, because of our free access to the parks, trails and paths of the new development, should we drop the “Palmer Dr Annual landscaping maintenance fee?”
    a. Our access to the amenities of Legado are more important than reimbursement for Palmer’s landscaping. Especially if they pay half the cost of replacing the Palmer median with Xeriscape.
    b. Ron suggests YES
25. What percentage of our actual costs for Palmer’s Landscaping should the committee recommend for RED LTD
    a. Ron suggests 33% of half the annual costs
26. What percentage of our actual costs for Palmer’s Landscaping should the committee recommend for SILVERADO HOMES
    a. Ron suggests 67% of half the annual costs
27. How should the “Palmer Dr Annual Maintenance Fee” and the “Landscaping annual maintenance fee” be enforced?
    a. I suggestd recorded deed restriction with Lyon County.
28. Should the committee request that no heavy machinery use Palmer during the building of roads as they cause undue damage to a residential road?

29. Should the committee recommend the board ask Silverado to transfer the drainage lots - parcels 029-271-08 (740 Grayhawk), 029-272-08 (502 Lytham) at their expense?
    a. Ron recommends YES
30. Should the committee recommend the board ask Silverado to transfer the drainage basin – parcel 016-361-52 (947 Lakeview) at their expense?
    a. Ron recommends NO
31. Should the committee recommend the board ask Silverado to create a landscaping easement on a small part the drainage basin - parcel 016-361-52 (947 Lakeview) - at their expense?
26. Should the committee recommend the board ask Silverado for any “as-built” plans for our community including streets, gutters and drainpipes?
27. How should DVCA handle gate access in the interim between the homes built and enough funds received to install new gates?
    a. Ron recommends we issue temporary remotes using a different facility code (and unique 5-digit gate codes) that allow access to both gates. When the Palmer gate is removed the remotes would be invalidated.
    b. Ron DOES NOT suggest that we lock the PALMER gate open because it would be open for at least a year.
28. Should the committee recommend the board ask RED LTD about the plans for Moore Ave in accordance with Lyon County Recorded document #379117 which states “Temporary turn-around easement to be extinguished upon future development which provides alternate turn-around or through access”.
29. Should the committee recommend the board ask RED LTD about direct access from the Moore Ave “turn-around” to the adjacent Legacy 49 cart paths and parks?
30. Should the committee recommend the board ask that RED guarantee DVCA access to all parks, trails and cart paths of Legacy 49?
31. Should the committee recommend the board ask that SILVERADO guarantee DVCA access to all parks, trails and cart paths for Village 10 & 14?
    a. Does DVCA desire access to all sidewalks accessible from the Palmer Roundabout?
32. Should the committee recommend the board ask Jaimee Yoshizawa at RED LTD to use her civil engineering skills to create official drawings for four gates (and a road) at no cost to us? This is a necessity for Sierra Gate to give us a hard quote and properly quote La Costa Ave gate.
33. Should the committee attend a meeting between Jaimee Yoshizawa of RED LTD and Mike Evans from Silverado Homes along with Jim Kepler to discuss maintenance issues with the course and its impact on the 1,500 new suggestd homes?
    a. Ron recommends NO
34. Should a committee representative approach Silverado, RED LTD and Tour Specs and suggest they make contact with each other to collectively solve their mutual problems?
    a. Ron recommends YES
35. When should the representative make contact?

   a. Ron suggests after agreements have been finalized with RED and Silverado.
36. Should the committee recommend that LKG to review all agreements?
   a. Yes.
37.

SET NEXT MEETING DATE

- Friday, July 12th – 10AM at the Golf Course Sierra Room.
  - Jaimee Yoshizawa from RED LTD will be in attendance.
  - Mike Evans from Silverado Homes will be in attendance

REVIEW TASK ASSIGNMENTS FOR FRIDAY MEETING WITH RED LTD

COMMITTEE ASSIGNMENT

ADJOURNMENT

Adjourned at 4pm