



## Skyland General Improvement District

### Board of Trustees

### Meeting Minutes May 26, 2022

Larry Sidney, President

Jon Herwig, Vice President.

Richard Nice, Treasurer

Cindy Richter, Secretary

Dana Englekirk, Trustee

Notice of Public Meeting Thursday, May 26, 2022, 3:30pm

*This meeting will be held at the Zephyr Cove Library, 233 Warrior Way, Zephyr Cove, NV 89448. It will also be broadcast electronically using Zoom, at the link below. It is not certain that Zoom attendees will have the ability to comment. Any member of the public is welcome to join the meeting on Zoom by going to*

<https://us06web.zoom.us/j/89124393275?pwd=ZjFGMGxzNCsyVFJVR24vYVQ3Y3VCdz0>

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- Pursuant to Section #241 of the NRS and laws of Nevada, the Skyland General Improvement District notifies all parties that the Board of Trustees will conduct business of the District at the above time and place.

- Items may not be heard in the order they are listed, items may be removed or delayed at any time, and two or more items may be combined for consideration.

Call to Order –

Roll Call – Present in person: Herwig, Engelkirk, Sidney, Richter, Via Zoom: Nice

Quorum established

**PUBLIC FORUM:** Any person wishing to address the Board on items of interest not listed on the agenda may do so at this time. It is requested comments be limited to three minutes since no action may be taken by the Board on items addressed under

Public Forum. Public comment on agenda items will be invited at the time action items are considered, before action is taken.

- Questions regarding fires in the forest. All fires are now prohibited.
- VP Herwig states that gas stoves are allowed but no open fires. He has advised everyone to dial 911 if they see a fire in the forest around Skyland. Tahoe Douglas will send someone out to advise people to put out the fire

## **1. ACTION ITEMS:**

### **A. Discussion and possible approval of April 21, 2022 meeting minutes.**

- No comments from the board. VP Herwig made a motion to approve the meeting minutes from April 21, 2022, Engelkirk seconded. Minutes approved 5-0.
- President Sidney commented that Treasurer Nice might not be permitted to vote since he was zooming in to the call.
- Secretary Richter commented that she called the Douglas County Manager's office and they advised that Douglas County does allow a board member to zoom in and their vote is still counted. She also sees this practice with the Vacation rental and Airport Authority Board.
- President Sidney states we should make a note that Treasurer Nice is voting from Zoom
- VP Herwig states that the Skyland By-Laws do not allow board members to vote if they are not present
- President Sidney asked if the By-laws define absentee voting.
- VP Herwig states that is a good question
- President Sidney states that the By-Laws were written before Zoom. We would call it distance
- VP Herwig feels we should have the GID Lawyer review and make a decision on whether a member who is not physically present can vote
- President Sidney also feels that the board can make a decision if we need to make a change to the By-Laws if necessary. It would be useful to us in this era

- David Nyre states that in the past, members who were not present physically but were on the phone listening to the meeting were considered part of the quorum and were allowed to vote. Suzie Patrizio did it multiple times
- Minutes approved by all members of the board

### **B. Discussion and possible approval of the budget of 2022/2023**

- Treasurer Nice states we have a budget of \$102,500.00 which is up a little bit from last year of \$94,000. Our budget will be modified when we know more about the construction of the fence. We have approx. \$589,000 available. He has reviewed all of the pages and it isn't much different from prior years
- Secretary Richter states that the proposed budget has been up on page 1 of the website for owners to review
- President Sidney states that other than the fence project there doesn't seem to be anything substantially different from other years
- Treasurer Nice said that the accountant did some reclassification but it did not change the specifics
- President Sidney states that the accountant mentioned that upgrades and recent solds in the neighborhood will increase our tax revenue to support the fence and other infrastructure in the neighborhood
- No comments from those at the meeting or by zoom
- Motion to vote on approval of the 2022/2023 budget made by Treasurer Nice, Engelkirk seconded. All members voted in favor to approve. Budget approved 5-0

### **C. Discussion and possible approval of bond for fence terms and conditions**

- VP Herwig talked with our Bond Council. The GID will be issuing a bond for the amount of the USDA loan, and the USDA will buy our bond. This is like a mortgage. This is a legal agreement with the terms and conditions of the (loan) bond that the USDA is buying. This is necessary to get the advance of the

money so we can start the construction process. Then over the next 20 years we will be paying off the bond in quarterly payments.

- President Sidney states that there is a little irony regarding our interest rates. The USDA thought the rates could go down but in effect they have gone up fast.
- Treasurer Nice states that the authorization specifically states that there is no personal liability to any of the board members or any owner of property in the Skyland GID, past, present, or future.
- A member of the audience asked what the payments would be.
- President Sidney commented it's a little over \$40,000 per year
- Treasurer Nice thinks it is about right and feels we will have additional funds for other projects in our budget
- Resident April Parrish asked what is the total amount of interest we will be paying on the life of the loan? \$650,000? Does the bond call out the total amount of the interest?
- VP Herwig states that we do have a document that calls it out but he does not have the document with him.
- Cathy Gibb asked if we had a pre payment penalty. VP Herwig states No
- VP Herwig states during the first year we only pay principle, no interest. Interest payments start the second year. During the first year we must accumulate a reserve fund of approximately 1/12<sup>th</sup> of each payment so if something happens and we miss a payment they have reserve funds to draw it from.
- Larry Lewis commented that we are borrowing approximately \$632,000 at 2% that's somewhere between 12 & 13,000 per year in interest. We will have the loan/bond for 20 years but it goes down progressively. We will pay about \$180,000 in interest over the lifetime of the loan. So the fence will eventually cost over \$800,000 between construction and the interest payments. He feels 2.125% interest rate is a deal.
- A zoom caller asked if a sale of the property impacts the bond.
- President Sidney states the sale of a property does not impact the bond, if anything it will increase our tax revenue.

- VP Herwig made a motion to approve the bond of \$652,000, Treasurer Nice seconded.
- Engelkirk, Sidney, Herwig, Richter voted yes. Nice voted yes via Zoom. Motion approved.

#### **D. Discussion and possible action regarding sewer district/beach property proposed settlement.**

- President Sidney reviewed the issue which is a proposed settlement between Tahoe Sewer District and the Bumb's regarding a property line adjustment. The sewer district held a meeting and discussed the issue. Before a potential settlement is reached they were gracious enough to allow our residents to gather some information.
- VP Herwig attended the meeting and about 10 Skyland residents attended and spoke to the board about their concerns. The outcome of the meeting was to continue to negotiate amongst the parties to avoid litigation. In the mean time the corner of the property was marked. There may be a discrepancy between where the property corner is located which is crucial to know regarding how much beach would be affected. He put a call into Janet Murphy at TDD regarding this discrepancy.
- President Sidney states it is a lot like our board where they receive input and then make a board decision. He also states that this is not a Skyland decision it is a TDD decision to make. We are here to listen to the questions and concerns of the community.
- Pat Wells 185 Ray Way would like to thank Jon for speaking. She was at the beach yesterday that she has never seen before and was wondering who owned them.
- Trustee Engelkirk feels they may be loose buoys.
- Pat Wells says they are in the middle of the beach area water
- Cathy Gibb 166 Myron Drive listened to the TDD meeting by Zoom. She is asking what the discrepancy is? Does it give us more or less beach?
- VP Herwig states there is a triangle of beach that could be claimed by the Bumb's, which is about 10 feet from the current fence. We have to go through Tahoe District to get specific information on the specific area of the beach that is affected. He asked John Peel where the true property corner is.

- John Peel 121 Willow Drive commented that he is a trustee on the Tahoe Douglas District Board and has been dealing with this for a year and a half. He states if we knew all of the details around this issue and they are still striving for a settlement. He hopes that the exhibits will be updated to reflect the true area. He is torn and has been to the beach also to try and make some sense out of it and that is what everyone is in the process of doing right now. Mike Johnson is representing TDD and Tom Hall who is representing the owner has been around Tahoe for a long time. He has dealt with this type of situation before along the east shore.
- Unable to hear additional comments due to people on the Zoom call not muting and talking
- President Sidney thinks it may be helpful if all parties actually meet at the beach and everyone knows exactly what area of the beach is at issue
- Larry Lewin is asking what the worst-case scenario is and how much beach would be affected.
- John states he really cannot discuss the specific since he is on the board of TDD
- Larry Lewin is asking the board what the worst-case scenario is for the residents of Skyland. He also says that TDD does not have a lot of money to fight this while the owner has plenty of money. We just want to know what part of the beach is affected.
- Jon Herwig thinks the rocks could be moved which would affect prime beach area. We have a lot of beach right now due to the low water level. There is also a value of approximately \$1,000 per square foot of the beach. Skyland residents are concerned about our property rights of the beach. There will be another meeting June 14<sup>th</sup> at 9:30 am at the TDD where he encourages Skyland residents to attend and give their opinion.
- Larry Lewin thinks it would be a good idea if prior to that meeting everyone knew the specifics of the request
- Jon Herwig states that the attorney for the TDD was trying to offer a compromise to the Bumb's.
- Larry Lewin is asking if Skyland has to pay for the movement of the rocks
- Jon Herwig states the plaintiff would have to pay for the move of the rocks.

- Larry Sidney states if we have any say so we would need to have a neighborhood opinion regarding where the rocks would move to
- The next meeting of TDD is at their offices near Cave Rock
- April Parrish asked if it makes sense for Skyland to hire our own surveyor
- Secretary Richter commented that we aren't even sure if we have any rights and Jon Herwig is continuing to gather information.
- David Brody 1064 Deer Cliff commented about a prescriptive easement and wonders if that has been looked in to. It could be a historical question and what the previous use was.
- Jon Herwig says our lawyer has brought up the concept of adverse possession.
- A zoom questions is asking about our rights to deeded access. Cathy Gibb says it would not affect our easement rights it would just affect the property line boundaries
- Nona at 158 Willow thanks John Peel for representing us on the TDD. She wants to remind everyone that Mike Johnson does not represent Skyland they represent TDD. She feels we should hire our own lawyer to do a review of Skyland's rights. She feels it would be well worth it if the GID would approve it. She feels there should be more comments by the board instead of just saying no comment and we shouldn't use the excuse of attorney fees.
- President Sidney states we have asked questions of our Skyland attorney and wonders how much we should consider regarding funds to hire a new attorney.
- Jon Herwig states we could consider a cap of \$5,000 to hire an attorney but that we would need to do a formal vote. Secretary Richter states we have gotten referrals for attorneys that do this kind of work but we are just now getting the information that we needed before we could go to an attorney
- John Peel is asking that if we spend the money to hire an attorney, and the attorney feels it is worth litigating, where are we going to get the money to pay for the attorney. We are already trying to do a fence project and that doesn't cover other parts of the Skyland entry or the roads
- Nona states we just want to know where we stand and what our rights are.
- Silvana feels if we have money it should be spend on fixing the roads

- Mary Ellen Hawkins feels it would be helpful if we could see the attachments and owners should also attend the TDD meeting.
- A comment from the audience feels that it is reasonable to spend the \$5000,
- John Peel states that on a high water year, the area of the beach they are talking about is actually under water. The issue is about the area from the low water mark to the high water mark. He states it will not affect the values of our homes in his opinion.
- Richard Nice doesn't think \$5000 is enough and thinks we should authorize to spend up to \$25,000
- Tom Hawkins 1020 Alpine said he recently had his property surveyed and they put stakes down. Under the stakes are the original steel markings as to the outline of the property and he feels there is one also at the beach
- John Peel says we need to know the whole picture. He feels our entry is more important. He doesn't think a settlement will change our easement rights
- Cathy Gibb 166 Myron drive feels we should stick to the \$5000 and the attorney is already knowledgeable on this subject and \$5000 should be enough
- Larry Sidney commented that the issue for residents is that we just don't have enough information and he doesn't know how to get around that. We wouldn't need to spend this money if we had information and a lot of the information is discussed in closed session.
- John Peel said we could do a little research. All of our old records are in the pump house.
- David Nyre 1037 Golden Mantle is asking if Douglas County has an original survey and thinks that it sounds like the original survey is being challenged
- John Peel wants to clarify that the issue is about the difference between the low water mark and the high water mark and all of these markings we are talking about don't represent the low and high water mark.
- VP Herwig made a motion that the GID can spend up to \$5000 to hire an attorney to do additional research. Secretary Richter wants to assure resident that the board is taking this issue seriously and that we have been doing behind the scenes work but the issue is this piece of property is owned by the TDD, not



Skyland and feels it would be informative to hire an attorney to see what our rights are and therefore seconded the motion.

- President Sidney commented that we may not be able to do anything if the TDD makes the decision to agree to a settlement
- Roll call vote, all members voted yes, motion approved 5-0
- **Discussion and possible approval of neighborhood parking strategy.- tabled to next meeting**

## **2. DISCUSSION ITEMS**

### **A. Fence project update.**

- VP Herwig states that NDOT has approved our permit although we haven't received it yet. Our TRPA permit has been fast tracked thanks to our county commissioner who covers this area. Commissioner Rice got them to fast track our permit and he wants to thank him for that. The TRPA came to the sight and did an additional survey and now we will not have to pay for additional coverage. Some of the existing hard scape will count for the coverage, which saves us approximately \$18,000. USDA loan -we did the bond resolution today but we continue to circle with the USDA to finalize things so we can complete our procurement documents. They constantly come back with "oh by the way" so our procurement document is not on the street so he is hoping to get it out by the end of next week.

### **B. Beach update**

- Trustee Engelkirk states our beach passes and stickers have been ordered and are on the way. There were 27 residents that applied for space on the kayak racks. We are thinking that the first Sunday in June, June 5<sup>th</sup> will be the day to meet at the beach and get everyone their passes.
- Larry will put an announcement out by email and Facebook
- VP Herwig wants to thanks everyone for the beach cleanup and putting together the kayak racks

### **C. Roads and infrastructure update: identifying areas in immediate need of attention**

President Sidney is asking residents to report in areas that need attention

### **D. VHR ordinance update and discussion**

- Moved to next meeting

### **E. Website update**

- work continues
- President Sidney states that Tahoe Fire District is looking for someone to take training on 4<sup>th</sup> of July fire cleanup and then lead an area cleanup of our neighborhood. He has the information so if anyone is interested please contact Larry directly
- President Sidney announced that due to personal reasons he needs to step down from the board. He will stay on through June and will continue on longer to assist with the fence if necessary. If anyone is interested in being a board member please let him know so we can discuss at the June meeting
- Mary Ellen Hawkins is asking about security for 4<sup>th</sup> of July.
- President Sidney states everything will be the same as last year.
- Motion to adjourn made by VP Herwig, Sidney seconded

Establishment of next meeting –TBD

**ADJOURNMENT:** (Agendas posted at Skyland Entrance, Skyland Beach & Myron Court, and on the GID website: <http://www.skylandgid.org>)

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