

SEP 25 2023

Maria Gallo

From: Donna Zanetti <dzanetti@lkglawfirm.com>
Sent: Monday, September 25, 2023 3:21 PM
To: Maria Gallo
Cc: Jacquelyn Leuener
Subject: Commission on Common Interest Communities/September 26-28 2023/Agenda Item 4.B Sierra Ranchos Case 2018-1663

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

mgallo

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Ms. Gallo

Below please find public comment on the above referenced agenda item for distribution to the Commissioners.

Dear Commissioners:

This law firm represents the Sierra Ranchos Property Owners Association ("Association") Board of Directors ("Board"). The Board is seeking a more specific order from the Commission on the above referenced matter and thanks the Commission for adding this case to its September meeting agenda. As the Commission no doubt realizes, there is a great deal of division in the community as to how it should approach the maintenance, repair and replacement of its dirt road and drainage channel system.

Association Board members serve a one-year term which commences at the annual meeting held in November. As a consequence, control over the Board – and therefore control over road maintenance practices and reserve funding – can and has changed yearly. The current Board consisting of Loren Pierce, Pauline Murray and Toni Hilliard, requests that the Commission issue an order which would ensure that its work, which began with the appointment of these directors in April and May 2023, is completed and the outstanding Washoe County citations closed. For the reasons explained below, this work will not be completed before the annual meeting in November when control of the Board may change yet again.

To briefly recap, on May 31, 2022, the Commission found that the Association was in default of the Commission's Order filed September 26, 2019. The 2019 Order required the Association to accomplish a number of things, but relevant to this request was the requirement to correct issues with maintenance and repair of its dirt road system and to resolve the open Washoe County citations pertaining to certain unpermitted road work on Wrangler and Panhandle Roads. These tasks would require updating the reserve study and levying a special reserve assessment sufficient to pay for the work to correct the outstanding violations and then adequately fund reserves for the roads and adjacent drainage system.

At the Commission's September and December 2022 meetings, then Board member William Roth made certain representations to the Commission that progress was being made to come into compliance with the Commission's Orders including that the Association had received and approved a bid from Nortech Engineering. The Commission's December 15, 2022 order states that "based on the representations from Roth, the Commission ordered that the Association work with Nortech to determine the work necessary to repair and maintain the roads." On March 7, 2023, Roth again represented the Association before the Commission and "assured the Commissioners that once Nortech completed its analysis regarding the road base and work, it would proceed to obtain proposals for road repairs." Shortly thereafter Roth resigned from the Board.

Nortech delivered its report in late March 2023 and it was not usable for the represented purposes: specifically, it could not be used to obtain either Washoe County permits or contractor bids for road repairs. It was a soils report. The unsuitability of the Nortech report forced the Board to retain the services of a professional engineer who started by contacting Washoe County to determine exactly what would be required to resolve the open violations. The answer was a grading plan. This in turn led to the Board contracting with a surveyor. Together these professionals are producing a grading plan which will form the basis for applying to Washoe County for a grading permit; bidding out the job to qualified contractors, and finally having the road work on Panhandle and Wrangler Roads completed and the citations resolved. The Association spent \$7000 on the Nortech soils report which it could not use. It has had to spend another \$20,000 to date on further engineering and surveying work to move the project of repairing Wrangler and Panhandle Roads forward. It is now the end of September 2023: four years from the date the Commission issued its Order.

Based on the most recent status report from the engineer, it appears that the engineer may be able to submit for the permit and disseminate a request for bid to qualified contractors in October 2023. As a practical matter, it is unlikely that this Board will have bids to open and approve or an opportunity to update the reserve study in order to levy a special reserve assessment before the November annual meeting. Further, unless the winter is particularly mild, it is unlikely that the actual work could commence prior to Spring 2024. Therefore, to ensure that the Association does not waste more time or money to resolve these outstanding Washoe County citations, the Board requests that the Commission issue a more specific order as follows:

1. SRPOA shall obtain a permit from Washoe County for the work on Panhandle and Wrangler Roads necessary to resolve the open Washoe County citations based on the work product of Padovan Consulting and DK Survey ("Work").
2. SRPOA shall bid the Work to appropriately licensed insured contractors based on the scope of work provided by Padovan Consulting and DK Survey.
3. SRPOA's Board of Directors shall select among the contractor(s) returning bids to carry out the Work and award a contract to the bidder which represents the best combination of price, skill, and availability to complete the Work.
4. SRPOA shall levy a special reserve assessment in the amount necessary to fund the Work.
5. SRPOA shall provide evidence to the Commission that the Work is complete and the County citations resolved on or before September 2024. As it completes each task in paragraphs 1-3, SRPOA shall submit to the Commission (a) a copy of the issued County permit; (b) a copy of the request for proposal; (c) minutes of the Board meeting levying the special reserve assessments to fund the Work; (d) a copy of the signed contract for the Work; and (e) a copy of the County's final passed inspection report.

Thank you for your consideration.



Donna A. Zanetti., Esq.

Our Reno office is currently closed to the public. We are open to clients with an appointment. The best way to contact us is by e-mailing the applicable team member. For general HOA matters, please email my assistant, Jacquelyn Leuener, at jleuener@lkglawfirm.com and for collection matters you may also email accountquestions@lkglawfirm.com.

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