

SPRING CREEK HOMEOWNER ASSOCIATION BOARD
3rd Quarter Board Meeting Agenda
June 21, 2016

Attendees:

Directors present: Bob Pisano, Dave Conine, Ron Harris, Stephen Price, Stuart Lang
Other Officers present: Derek Goodson
Others: Virginia Nowicki, Jackson Brandenburg, Frank Hess, Kent Van Riper, Karen Van Riper

1. Opening – Call to Order, Determination of Quorum, and Agenda Review

The meeting was called to order at 9:00 am MDT. The presence of a quorum was established. There was agreement to proceed with the agenda as previously distributed.

2. Review and Approval of Minutes

- A. **January 5, 2016 – 1st Quarter Board Meeting** – Motion to approve the minutes. M/S/U
- B. **March 18, 2016 – 2nd Quarter Board Meeting** – Motion to approve the minutes. M/S/U

3. Committee and Operating Reports

A. Finance Committee

1. Treasurer's Report

Derek Goodson presented the Treasurer's Report as of the end of May 2016, which he had previously distributed to the members of the Board (report dated June 21st). He commented that year-to-date operating costs through the end of May are running very close to budget projections overall, not counting (i.e., ignoring) the \$3,000 per month contingency margin and recognizing timing issues for certain expenditures. Derek noted that there are presently no homeowners who have dues which are significantly delinquent. Cash flow at this point appears to be satisfactory, now that the previously delinquent homeowners are current.

Derek reported that the overall reserve fund balance is approximately \$2.4 million (after reserve expenditures, addressed in the section below). He noted that certain expenses associated with tree trimming and removal will be reallocated to specific site reserves.

Discussion ensued, and Derek fielded a number of questions from the members of the Board.

2. Approval of reserve expenditures

Derek Goodson requested that thirty (30) reserve expenditure items, each documented in the June 21st Treasurer's Report, be approved. They total \$263,178.

Motion to approve the 30 reserve expenditure items enumerated in the June 21st Treasurer's Report and totaling \$263,178. M/S/U

3. Accounting Review/Audit of 12/31/2015 financial statements

Derek Goodson reminded the Directors that the Board, at its January meeting, authorized the appointment of Thompson Palmer to conduct an accounting review of the Association's financial statements for 12/31/15. He reported that documents and other information needed by Thompson Palmer to conduct its review of the Association's yearend financial statements have been provided, and the accounting review is underway.

4. Delinquent homeowners (executive session) – Foregone, since there presently are no significant delinquencies.

B. Architectural Committee – Tom Taylor reported that there are no new building projects being reviewed or commencing.

C. SCISD

1. District Board report

Stephen Price made a brief oral report on the status of District projects. He discussed the circumstances surrounding the emergence of the sink hole on Lot 3 beside East Butte Road, as

best they can be determined; an unused, buried phone vault may have been a contributing factor.

Steve also noted that water usage reports for single family homes are now being prepared monthly by Kent Van Riper and distributed to those homeowners. He and Bob Pisano both thanked Kent for his work on this project. Kent noted that he believes it important for someone to carefully and promptly monitor the reported usage of all metered units, including the townhomes and other locations, in order to spot potential problems (leaks, etc.).

2. Budget for FY 2017

Derek Goodson reviewed a summary of the proposed budget for the SCISD, which he had previously distributed to the Association Directors. It calls for a very small reduction in assessments for FY 2017.

Derek noted that the financial condition of the District is strong. The current cash position is approximately \$325,000. It was noted that certain significant costs, such as chip sealing of the roads, recur at regular multi-year intervals; some of the accumulated funds will be required for these types of expenditures.

- D. Managers' Reports** – Stephen Price made a brief oral report on activities as the SCHOA Manager, and both Stephen Price and Stuart Lang made brief oral reports related to their respective commercial entities.

4. Old and New Business

A. Infrastructure, Property, and Other Project Issues

1. Project management status

a. Gruen fireplace repairs/replacements

Jackson Brandenburg reported that the needed fireplace repair and replacement work has been completed in all but one unit, which is presently underway but not yet completed. Overall, the total project cost has been close to the initial estimate.

b. Harvest Dance roof repairs

Jackson Brandenburg reported that roof replacement has been completed by Fortress Roofing for the Upper Harvest Dance units. It is anticipated that Lower Harvest Dance unit roofs will be replaced next spring (proceeding in annual phases to Spirit Dance units after that). Jackson indicated that he has been fully satisfied with Fortress on this project.

c. Status of other 2016 projects

Jackson Brandenburg provided an oral report on other open and ongoing projects for this year.

One such project is the 2nd phase of fire strip cutting. It was agreed by the Board that this next phase should proceed from the Amangani Hotel to the edge of Elk Dance Lot 1. Jackson was directed to pursue this in the same general fashion as the 1st phase. This includes identifying and staking the location of the fire strip, communicating plans with adjacent homeowners, identifying access points for cutting, soliciting vendor quotes, and executing before late fall weather jeopardizes completion of the work.

2. First responder – Steve Price reported that he is still waiting to hear from the local fire department on the matter.

3. Tree trimming and regulations

Bob Pisano reported that the 1st phase of the townhome view corridor tree trimming project has been completed. He thanked Karen Van Riper for all of her and her ad hoc committee's efforts to direct the trimming to be done, solicit bids and recommend a contractor for the work, and oversee completion of the project. Karen indicated that she planned to undertake the 2nd phase of the project in the fall.

The 2nd phase will focus on pruning and removal associated with trees that are close to foundations, sidewalks, etc. where infrastructure damage might be expected. Since some of these trees are close to individual units, the Board asked that they be tagged in a visible way as soon as possible, and that affected homeowners be contacted in advance to let them know about the

planned work. The Board also asked that she and her committee develop or oversee the development of a landscaping plan to address screening needs resulting from the tree removals and around utility boxes, including irrigation needs.

The matter of regulating plantings so as minimize future blocking of view corridors was discussed. Tom Taylor indicated that the Architectural Committee closely reviews landscape plans for any new homes, with one of the specific intents being to avoid potential problems with view corridors and excessive use of water. He opined that attempting to prohibit on a blanket basis certain types of native trees was not a prudent approach to take; instead, he believes that the current process for strictly reviewing new home plans is the more effective and productive course of action.

The potential issue that remains is with existing homes where trees currently obstruct views, or likely will in the future. The Directors agreed that the height restrictions adopted many years ago need to be reviewed for appropriateness and clarity. Then these restrictions need to be communicated to owners of single family homes and documented in a reasonably accessible and prominent place. It had been suggested that the Architectural Guidelines where an appropriate place for this. Tom suggested that this was not an adequate site, since most or all of the obstructions come from existing homes where the Architectural Guidelines are not otherwise applicable. Bob Pisano agreed to consider placement in connection with his redrafting of SCR's Rules and Regulations.

In terms of enforcement, the sense of the Board is that such matters are best resolved neighbor-to-neighbor. In cases where one or more homeowners refuse to address problem trees, then Association action may be required. Ron Harris agreed to locate and distribute to the Directors material that he and Frank Hess had developed some time back regarding action on private land.

4. Signage

Steve Price reported that he is awaiting a report from the vendor with whom he is working on a signage plan overall. He indicated that, in the meantime, he has ordered replacement "Whoa" signs.

It was noted that the physical address used by the Ranch House is actually a location in or near the Gruen units (an apparent carryover from the prior location of the SCR administrative offices). Steve

Price agreed to look into changing the address used to one that is specific to the present location of the Ranch House.

5. Website upgrade – Steve Price reported that the Association’s web design company has indicated it expects to complete the SCHOA website update in August. He is also looking with them at including a homeowner directory, with an individual homeowner opt-in provision for including contact information.

6. Reclamation of unused horse trails – Steve Price reported that no further reclamation is required at this time.

7. Sewer system

Steve Price reported that the Airport is considering as an option connecting its sewer line into the Golf and Tennis sewer line along Spring Gulch, which in turn connects to the portion of the SCR line on the valley floor. He has been meeting on an ad hoc basis with the various parties involved. It is the sense of the Board that the Association and Improvement District would like to remove themselves from the sewer transfer business.

8. Service dogs

Frank Hess reported on ADA requirements and the significant prohibitions that it imposes in connection with limitations on service dogs. He had previously distributed material on the topic, as had Steve Price. Considerable discussion ensued. Frank agreed to draft a possible set of regulations for the Board to consider.

9. Access and utility easement for service road

Around the time of the last quarterly Board meeting, Frank Hess distributed a proposed Agreement regarding use of the access and service road, which was prepared by outside counsel for the Jackson Hole Land Trust. Ron Harris and Bob Pisano agreed to work with Frank Hess to access where we are with this matter.

10. Pathways – Deferred.

11. Employee housing and Lot 4 planning update

Stephen Price reported that buildout of the employee housing area in the upper level of the maintenance building has been completed; however, he is awaiting the certificate of occupancy. He confirmed that SCRMM intends to remove the temporary mobile home used for housing before the end of fall 2016.

12. Impediments to townhome bank financing

Derek Goodson reported that a number of financial institutions continue to view the SCR townhomes as resort condominiums, and therefore decline to provide financing to purchasers. Discussion ensued as to potential ways of addressing this matter. One would be to amend certain covenants. As a near-term step, Frank Hess agreed to prepare an affidavit that might be used by a potential townhome purchaser in dealing with his/her lending institution.

13. General updating/upgrading of facilities – Deferred.

B. Governance and Related Issues

1. New homeowner communications, services/entities information

Bob Pisano reported that he had distributed a draft letter, which would be accompanied by the services/entities chart that Derek Goodson had previously prepared and distributed. Derek agreed to distribute the chart again. Final editing of both the letter and the chart, and then Board approval via email, is to be forthcoming.

2. Updating of SCR rules/regulations – Deferred.

C. Other Business – None.

V. Conclusion – Next Scheduled Meeting and Adjournment

The next regularly scheduled meeting is the 4th Quarter Board Meeting to be held on October 4, 2016, beginning at 9:00 am.

Upon completion of the business at hand, the meeting was adjourned.