

**SPRING CREEK IMPROVEMENT AND SERVICE DISTRICT**  
**Special Meeting Minutes**  
**July 2, 2014**

---

**Attendees:**

Directors Present: Ron Harris, Stephen Price, and Derek Goodson

**I. Call to Order, Determination of Quorum, and Agenda Review**

The meeting was called to order at 3:30 pm. A quorum was established. There was agreement to proceed with the agenda that was distributed. It was noted for the record that notice of the meeting was waived by unanimous consent of all of the Directors.

**II. Review & Approval of Minutes – Deferred.**

**III. Standing Reports**

Deferred. It was noted for the record that Derek Goodson had previously distributed to the Directors a Treasurer's Report as of the end of March 2014.

**IV. Old and New Business**

**A. Water and Sewer System – Deferred.**

**B. Road System – Deferred.**

**C. Policies and Procedures – Deferred.**

**D. Financial Matters and Expenses**

**1. Invoices for professional or other goods and services**

Derek Goodson reported that a semiannual repayment on the District's bond held by Wells Fargo is due on July 15<sup>th</sup>, in the amount of \$53,853.19.

Motion to authorize payment on the District's bond held by Wells Fargo, which is due on July 15<sup>th</sup>, in the amount of \$53,853.19.

Motion: Derek Goodson  
Second: Stephen Price  
Unanimous

It was noted for the record that the Directors had previously approved via unanimous email votes of all of the Directors the following payments by the District:

\$360.00	SCRM – maintenance work on repair of auto accident damage to ISD sewer manhole (fall 2013)
9,651.25	Thompson Palmer – audit of FY 2013 financials
28,847.11	DWSRF – payment on water system loan with State
12,292.69	DWSRF – payment on water meter loan with State
895.00	CUSI – annual maintenance fee for water meter billing system software
2,941.00	Travelers – D&O coverage premium

## 2. Preliminary FY 2015 budget

Derek Goodson presented the latest version of the preliminary budget for the District for FY 2015 (v3 of the budget model). He noted that the District had previously approved via unanimous vote of all of the Directors the adoption of this preliminary budget and had authorized him to submit it to the appropriate State and County officials as the District's preliminary budget for the upcoming fiscal year.

Ron Harris indicated that he had reviewed the v3 model budget in detail and had submitted a number of questions for clarification to Derek. Detailed discussion ensued, questions were addressed, and certain changes were made which produced a new v4 of the budget model.

Motion to (a) adopt v4 of the budget model, reflecting the changes made by Derek Goodson, as the preliminary FY 2015 budget for the District to be presented at the District's upcoming Budget Hearing on July 17, 2014; and (b) authorize Derek to arrange for publication in the local newspaper of a summary of the preliminary FY 2015 budget as part of notice of the Annual Meeting and Budget Hearing on July 17, 2014.

Motion: Stephen Price  
Second: Derek Goodson  
Unanimous

### 3. Impact of water usage on FY 2015 assessments

Ron Harris led a discussion of water usage patterns during the peak water usage months of 2013 and implications for the District (a continuation of prior discussions by the Directors). Of particular note were the facts that water usage during the heavy irrigation months of July and August of 2013 were at a level that was very close to the maximum capacity of the District's smaller well (a situation which is not sustainable, in the event of temporary failure of the larger well), with build-out at SCR the level of water usage will only get higher, and water usage levels for some single family homes appears to be extremely high relative to median usage. He also noted that some realignment of assessments to reflect water usage by site was warranted.

The Directors agreed to a plan of action that includes four major components:

- Realignment of assessments – Adjustments to the District's assessment structure in order to recognize water usage by site, with an initial realignment to be considered for adoption at the Annual Meeting and Budget Hearing on July 17<sup>th</sup>.
- Reporting to single family homeowners – Monthly reporting to Homeowners with relatively high levels of summer water usage, with personal contact and follow-up where feasible.
- Surcharge for high levels of water usage – Development of a surcharge structure for single family Homeowners who use particularly high levels of water during summer months relative to the community median, not to be implemented in the District's FY 2015 assessment schedule but potentially implemented in either the SCHOA's dues and assessment schedule for CY 2015 or the District's FY 2016 assessment schedule.
- Planning for a new well #3 – Commencement of planning for an additional new well, with an estimate of the annual amortization amount included in the District's budget for FY 2015 (to be used as an initial accumulation toward the cost).

It was agreed that careful monitoring of water usage (and the water system generally) during the upcoming summer season needs to be given a high priority by everyone involved.

### **E. Other – None.**

## **VI. Meeting Schedule and Adjournment**

### **A. Meeting Schedule**

Special Meeting July 9, 2014 at 3:30 pm. It was noted that the District's Annual Meeting and the Budget Hearing are scheduled to begin at 11:00 am on Thursday, July 17<sup>th</sup>.

### **B. Adjournment** – Upon completion of the business at hand, the meeting was adjourned.