

Minutes of the Spring Creek Homeowners Association Board of Directors Meeting
October 13, 2021
Via Zoom Teleconference

Call to Order: The Meeting was called to Order shortly after 3:00 pm

In Attendance: George Kallop, Marc Segal, Leslie Schilling, Stephen Price, Stuart Lang, Derek Goodson

I. Appointment of Officers

Appointment of Officers and Directors: The first order of business was appointment of Officers for coming year. Suggested list of Officers and Directors was distributed by Mr. Kallop. Mr. Kallop asked for questions from the Board.

It was inquired whether Tim Gardner should be a Vice President for business purposes. A motion was made to accept slate as distributed by Mr. Kallop adding Mr. Gardner as VP.

Director Segal asked about the Committee that Michael Lehmann has been on. Board stated this was the Vision Committee. Mr. Price stated it was started as an ad hoc/guidance committee to get more people involved.

Mr. Goodson noted that neither the Vision nor the Finance Committee have any decision-making authority. It makes sense to appoint Mr. Gardner as a Vice President because he is running trades.

Mr. Segal emphasized that there were issues of concern related to the fire study that highlighted problems with the Vision Committee as a whole. Concerns are that certain voices are not being heard and the work of the committee does not reflect the views of all committee members. There was a suggestion that a Board Member be a Chair of the Vision Committee so that it can be better structured and so the Board is regularly aware of what is happening. It was decided to appoint Ms. Schilling to the post.

Motion made to approve the slate of Officers and Directors previously distributed to the Board with the addition of Tim Gardner as a VP. Seconded. Motion passed unanimously.

II. Conflict of Interest Policies.

Mr. Kallop noted that there have been conflict of interest concerns raised at the Annual Meeting. This is especially important given the work of the Transition Committee and the upcoming review of the Management Agreement with SCRMC.

Mr. Kallop noted that a previous policy was developed in 2011 and was presented to the Board but not approved. It was noted that without an adopted policy the rules, issues related to Conflicts of Interest are governed by Wyoming Statute.

Attorney Nicole Krieger confirmed that neither the SCRHOA Bylaws nor the Spring Creek Ranch CCRs address conflicts of interest. The 2011 Conflict of Interest Policy provides a roadmap of how to determine whether a conflict of interest exists and a process for recusal. The 2011 policy was brought before the Board but not adopted at that time.

Mr. Short further explained that the statute is broad and sets forth procedures for recusal but does not provide guidance to help a Director determine whether a conflict of interest exists. The 2011 Policy is very helpful to helping Board members determine when a conflict exists and how to proceed in such an instance.

The Board inquired whether the Conflict of Interest Policy is preferred over the statute and Mr. Short stated that it is a superior policy than the statute alone because it provides more detail as to whether there is a conflict of interest and what one should do about it.

History on the 2011 policy was provided and it was noted that it was driven by Bob Pisano and Ron Harris. When it was presented at a meeting in 2011 there was not a quorum for vote; there was back and forth and some level of disagreement and it was ultimately not approved.

It was confirmed by the Board and attorneys that approval of the Conflict of Interest policy can be approved by the Board and does not need to go to member vote. It was clarified that the yellow highlighted items in the distributed draft were more relevant/pertinent to the discussion to be had by the Board.

It was requested that the policy be reviewed by counsel, and that the final version be circulated to the Board, and then it can be voted upon. Mr. Kallop asked whether the Board feels comfortable adopting the Conflict of Interest Policy now, or whether it should be reviewed and approved at a later date.

Further history was provided regarding 2011 history.

Stuart Lang asked for more time to review policy. Mr. Kallop stated that this is a matter that should be agreed upon unanimously so the matter was postponed to November meeting for vote.

III. Transition Committee.

This matter was introduced as a discussion of the Transition Committee and then the release of the Transition Committee Report which was requested by certain Owners at the Annual Meeting.

A. Additions to Transition Committee:

- It was noted that Steve Price is recused from this matter.

- Mr. Kallop inquired to Leslie Schilling as to whether she has any conflict of interest and Ms. Schilling advised that she does not and is happy to be on the Committee. Ms. Schilling noted that in the interest of continuity it is recommended that Paul Pescatello remain involved. This was agreed upon by the remainder of the Board.
 - A Motion was presented to appoint Leslie Schilling as additional member of Transition Committee and to have Paul Pescatello continue as a member. The Motion was seconded and approved with Stephen Price recused.
- B. Question was presented to Board as to whether the Memo prepared by Attorney Robbin Levy for the Board related to SCRMC should be distributed to Owners. Mr. Kallop stated that there were concerns about the document being released and used improperly.
- Ms. Schilling advised that upon reading the Amended and Restated Bylaws it appeared that the records of the Association should be released to requesting members.
 - Mr. Short opined that depending on the Bylaws it may be necessary to release the report. There was further discussion of whether there is a requirement to release for inspection. Mr. Short advised that under Wyoming Law there is an explanation of what corporate records include and what utilization of the record is allowed. Mr. Short is inclined to agree that there is concern about releasing the records. The information in the Memo is available in the land and development records for Spring Creek Ranch. Mr. Short noted risks of disclosure. The document is work-product.
 - Questions ensued regarding risk were addressed. Risks of claims of interference with SCRMC; if not released may cause claims by owners. There was further discussion of what the Memorandum includes and whether there was legal opinion regarding SCRMC.
 - Mr. Price noted that he is recused from this matter and then stated that he did not believe that this was a corporate record as contemplated by the disclosure requirements. There is no matter at issue until after a sale when there is a proposal for further development. Noted that release of records would put Association at great risk.

The Board requested a legal memo regarding what records non-profit corporations must release prior to meeting in November to ensure the Board is releasing records in compliance with the non-profit corporation act and the Association's Bylaws.

IV. Review of SCRMC Management Agreement.

- A. Agreement must be reviewed ASAP due to expiration date of December 31. Inquiry regarding whether Stuart Lang desired to recuse. Mr. Lang was asked whether he would recuse himself on matters related to the Management Committee Agreement and he stated he would provide a response in the near

future. Ms. Schilling advised that she does not have a conflict with respect to the Management Agreement.

- B. Stephen Price advised that Derek Goodson should be involved on some level as a result of claims from certain Owners that SCRMC is receiving 800K from owners whereas the funds are largely passthrough.
- C. Director Segal requested a Memo to the HOA regarding how funding works.
- D. Mr. Kallop advised that the Committee needs to work separate and apart from SCRMC but there will be dialogue. Follow up discussion occurred regarding the need for owners to have further information regarding the costs of management. It was noted that the financial reports contain the information that is being questioned and that all the information is available.
- E. Counsel noted that the Management Agreement review should proceed with only the Board to ensure that there are no questions regarding conflict of interest. The Board decided that Paul Pescatello should remain involved because he had already been working on this matter.

V. Audit. Derek Goodson reported on Audit. Motion to approve audit and financial statements. Motion seconded and unanimously approved. Derek requested legal review of Manager Rep letter. Director will sign for release.

VI. Litigation Update: (Redacted)

VII. Wildfire Defense Issues.

- A. Y2 has been requested to write a letter regarding the decreased width of green strips in certain areas on hill below the Aman units (Sections 2 and 3).
 - 1. Letter has not yet been provided. Y2 was not aware that irrigation was occurring in the green strips. Frequency of irrigation has been increased and vendor has been asked to better distribute water in the area. There was confirmation that the irrigation system is functioning. Just getting shut down for the season.
 - 2. Director Kallop inquired about whether the Aman owners should be required to sign off on a departure from the 30-foot standard.
 - 3. Follow up discussion ensued regarding the possible use of fire retardant that is being used in CA as well as regarding fire protection options and fire risk more generally. Follow up will occur with Y2.
- B. Brush Removal. Reports that 40-50 truckloads of sagebrush has been removed
- C. Fire Hydrant Study: 4-5 hydrants have been blocked by contractors. All others have been studied and Nelson Engineering is reviewing. Bob Norton will follow up with mapping and then there can be a discussion regarding the need for any additional hydrants.
- D. Fire Retardant: Issue may be that it may impact JHLT property. Question about whether County will undertake spraying. Noted that land that likely creates the most exposure for fire risk is the land owned by the Meads.

VIII. Trees. Report from Nelson Engineering has been distributed. Conversation occurred with Wells who will take photos from deck and lawn.

A. Ms. Wells has agreed to work with owner of lot blocking views to address trees that are higher than 35 feet. A number of trees are over 35 feet. Mr. Price advised that there needs there should be a formal procedure to follow regarding requests for/compliance with tree trimming so that Board and AC are aware. Right now being managed on a case by case basis. There may be further issues related to Stieffel trees because neighbor views are still blocked. Wells and Stieffel are intending communicate with one another to address trees that remain in violation.

B. Trees on Calliope also need to be addressed. Mr. Price and Tom Taylor have walked the property and reviewed past plans. AC will reach out to McKenzies in writing to discuss how to come into compliance with view corridors.

C. Soderstrom Lot. Need to verify that only one tree exceeds 35 feet. Need to determine whether there are any Aspen trees that exceed 35 feet and move forward to have any trees that exceed height limit trimmed. Request that Nicole Krieger draft letter to Soderstrom demanding tree trimming.

IX. Entrance Road Shoulders. Owner at last meeting inquired about softening of road shoulders used by trucks. Nelson Engineering has reviewed, and roads were looked at with Owner. Plan is to obtain gravel to fill in road edges. Some gravel will be stockpiled for future use and repairs will be made periodically to ensure no further damage to roads.

X. Dates for Future Meetings. Board set future meeting schedule

November: 11/17 at 9 am

March: 3/16 at 9 am

July: 7/6 at 9 am

September: 9/14 at 9 am

Annual Meeting is scheduled for 10/8/2022.

XI. Other Issues/Adjournment

There were no other issues and the meeting was adjourned at 4:52 upon motion, second and unanimous vote