

# **SPRING CREEK HOMEOWNER SPRING ASSOCIATION**

## **1<sup>st</sup> Quarter Board Meeting Minutes**

**January 5, 2011**

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### **Attendees:**

Directors in person:	Stephen Price, Stuart Campbell, David Conine, and Ron Harris
Director via phone:	Hank Stifel
Directors absent:	None
Other officers present:	Derek Goodson and Sharon Kuehn
A/C Committee:	Tom Taylor (via telephone)
Advisor:	Bob Norton, Nelson Engineering

### **I. Opening**

#### **A. Call to Order**

The meeting was called to order at 9:05 AM. The presence of a quorum was established.

#### **B. Agenda Review – No changes.**

### **II. Review and Approval of Minutes**

- A. September 3, 2010 – 4<sup>th</sup> Quarter Board Meeting – M/S/U.**
- B. October 2, 2010 – Annual Homeowner Meeting – Review deferred.**
- C. October 2, 2010 – New Board Meeting – M/S/U.**
- D. November 3, 2010 – Special Board Meeting – M/S/U.**
- E. November 24, 2010 – Special Board Meeting M/S/U.**

### **III. Committee and Operating Reports**

#### **A. Finance Committee**

The Treasurer's Report was presented by Derek Goodson (copy attached). Discussion followed on his report, including any implications for the 2011 budget adopted in November.

#### **B. Architectural Committee** – An oral report was provided by Tom Taylor.

#### **C. Spring Creek Ranch and Amangani Managers** – Oral reports were provided by Stephen Price and Stuart Campbell.

### **IV. Old Business**

#### **A. Liens for Nonpayment of Assessments and Foreclosures** – Derek Goodson presented an oral update as to the status.

#### **B. Choate Deck Support Repairs**

The support pillars for some of the Choate units have experienced rotting; this affects the decks and overhang roofs on them. Nelson Engineering had been asked to inspect the damage and report back to the Board. Bob Norton from Nelson Engineering described the nature and extent of the damage detected during his company's inspection. He gave a general indication of what might be needed to repair the damage. The Board concluded that it would be appropriate to have Nelson Engineering prepare a proposal for repair.

Motion to request Nelson Engineering to prepare a proposal for repair.

M/S/U.

### **C. Water System Infrastructure Repairs and Replacement**

Bob Norton of Nelson Engineering provided a detailed review of the analysis and report that he had prepared on the Spring Creek water system. Highlights of his report include:

- The two wells that we have on the valley floor continue to produce an adequate supply of water. The pumps at the wells are relatively new and are in good condition (both were replaced within the past couple of years). The two wells are projected to produce sufficient water to take SCR to full build-out, although developing additional well capacity may be prudent at some point in the future.
- Our water lines and water storage tank appear to be in good condition, requiring only periodic maintenance at this time.
- The booster pumps to get water from the valley floor to our tank have been serviced and repaired over the 28 years that they have been in operation, but they are becoming unreliable and parts are not stocked by the manufacturer (requiring custom fabrication, a slow and expensive process). They simply need to be replaced.
- Two major electronic systems control and operate the pumps. One controls the filling of the water tank; that system is currently not functioning. It is obsolete and beyond repair, requiring temporary control of the pumps to be handled manually. The other electronic system runs the pumps themselves; while continuing to function, it is worn out, technologically obsolete, and economically inefficient.
- Certain pump control valves and other components need to be rebuilt or replaced.
- SCR has almost no water metering in place, so we cannot detect leaks or determine sources and amounts of usage.

A copy of the full study has been made available to each of the Directors.

Bob identified the priority improvements needed. He estimates that the entire scope of needed work would be expected to run from \$800,000 to nearly \$1 million.

Many questions were raised and a great deal of discussion followed Bob's report. It was clear to the Directors that failure to address the most pressing of the needs identified in the Nelson Engineering report could jeopardize the continued flow of water at SCR.

There was also considerable discussion regarding the financing of such a major undertaking. Derek Goodson reported that the Area Common Reserve balance is approximately \$1 million. Bob Norton is familiar with a State loan program that offers long-term debt financing with low fixed interest rates (or 0% interest rates in the case of certain "green" projects)

to Improvement and Service Districts. He provided an overview of how these State loan programs work and of the loan conditions generally. He noted that the State programs require detailed applications, that the approval process is time-consuming, and that there is less flexibility with such financing than under private bank loans.

There was discussion among the Directors of the feasibility of re-activating the Spring Creek Improvement and Service District (SCISD) within the timeframe required. Ron Harris reported on the status of the effort currently underway, but not fully completed, to draft the organization documents needed (Rules and Regulations and Bylaws). It became apparent that State loan funding for any spring work would not be feasible.

After all of the deliberation, the Board concluded that it must proceed with all haste to rebuild or replace worn-out components of the water system infrastructure, so that we minimize the prospects of facing a serious water emergency. The Directors also concluded that the SCISD should be requested to expedite its re-activation work and to begin immediately to explore the feasibility of pursuing a State loan for improvements that could prudently be delayed until after the summer season.

Motion to proceed immediately, for spring 2011 completion where feasible, with the following components (estimated cost of \$150,000 - \$175,000):

- i. Retain Nelson Engineering to prepare the necessary engineering information and specifications for the work needed;
- ii. Authorize proceeding with replacement of the electronic control system (telemetry), so that tank levels can be maintained electronically and pumps can be activated automatically as the water level in the water tank drops;
- iii. Authorize proceeding with rebuilding the control valves that prevent the backflow of water; and
- iv. Develop a water emergency contingency plan.

M/S/U

Motion to authorize actions to be taken in the fall of 2011 (estimated cost of around \$750,000):

- A.** Replacement of our four booster pumps;
- B.** Replacement of the electronic system which operates all of the pumps; and
- C.** Purchase and installation of water meters throughout SCR.

M/S/U

Motion to request the SCISD to explore the feasibility of State loan funding for the fall 2011 portion of the improvements.

M/S/U

**D. Update of SCR Rules & Regulations** – Deferred.

**E. Other** – None.

**V. New Business**

**A. Trees and View Corridors** – Deferred.

**B. Conflict Avoidance Policy** – Deferred.

**C. Deer Collaring** – Stephen Price described a request and program by Teton Science School to monitor Mule Deer on the Butte.

**D. Other** – None.

**VI. Conclusion**

**A. Next Meeting** – March 29, 2011.

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

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