

**SPRING CREEK HOMEOWNER ASSOCIATION BOARD**  
**4<sup>th</sup> Quarter Board Meeting Agenda**  
**September 29, 2015**

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**Attendees:**

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

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

The meeting was called to order at 8:30 am MST. The presence of a quorum was established. There was agreement to proceed with the agenda as previously distributed.

**II. Review and Approval of Minutes**

- A. **June 22, 2015 – Special Board Meeting** – Motion to approve the minutes. M/S/U
- B. **June 23, 2015 – 3<sup>rd</sup> Quarter Board Meeting** – Motion to approve the minutes. M/S/U
- C. **August 10, 2015 – Special Board Meeting** – Motion to approve the minutes. M/S/U

**III. Committee and Operating Reports**

**A. Finance Committee**

**1. Treasurer's Report**

Derek Goodson presented the Treasurer's Report as of the end of August, which he had previously distributed to the members of the Board (dated September 29<sup>th</sup>). He commented that year-to-date operating costs are running close to budget overall. Reserve

expenditures, however, are higher than previously anticipated. He also noted the Association's D&O coverage has increased, and the Association has a new HUB agent with whom to work. Discussion ensued, and Derek fielded a number of questions from the members of the Board.

2. Approval of reserve expenditures M/S/U

Derek Goodson requested that twenty-three (23) reserve expenditure items, each documented in the September 29<sup>th</sup> Treasurer's Report, be approved. They total \$92,195. The majority of the reserve expenditure items are for Project Common.

Motion to approve the 23 reserve expenditure items enumerated in the September 29<sup>th</sup> Treasurer's Report and totaling \$92,195.  
M/S/U

3. Audit of 12/31/2014 financial statements

Derek Goodson presented a final draft of the audit report for the Association's 2014 SCHOA financial statements, which was prepared by Thompson Palmer. This had been previously distributed to the Directors. Bob Pisano reported that the Finance Committee has reviewed the draft audit report and recommends that it be accepted by the Board.

Motion to accept the draft 2014 yearend audit prepared by Thompson Palmer, subject to reconsideration if the final version of the audit report varies materially from the draft that was distributed.  
M/S/U

4. Delinquent homeowners (executive session)

The Board went into executive session to discuss the matter. Coming out of executive session, no new actions were taken.

**B. Architectural Committee**

Tom Taylor provided a summary of recent approvals and activities of the Architectural Committee, including the apparent resolution of certain disagreements between homeowners.

## **C. SCISD**

Stephen Price reported that overall the SCISD's infrastructure is in generally good shape; given its age, however, it will continue to require a significant ongoing level of maintenance, repairs, and improvements. He also reported that the financial condition of the District is sound.

Water system, roads, and sewer system are all functioning well. A new electronic well pump control system is in place and functioning. The District and SCRMM have continued to face a number of relatively minor problem areas with various aspects of the water system, but staff has been able to address them as they arose. The District is undertaking a full inspection and cleaning of the SCR sewer lines, over a 3-year period. The first two phases have been completed; relatively minor problems were identified in each phase and were addressed. The third phase is scheduled for completion next spring. Considerable time is being spent by the District Board, Association Board, and Manager in undertaking preventive maintenance and in maintaining aging infrastructure. Repair, replacement, and upgrading continues.

## **D. Managers' Reports – Deferred.**

# **IV. Old and New Business**

## **A. Infrastructure, Property, and Other Project Issues**

### **1. Project management status and approvals**

#### **a. Status update on projects**

Stephen Price and Jackson Brandenburg provided an overview of the status of the various Association and District projects underway or completed. Specific projects completed include:

- Installation of new signage and improved lighting at the SCR entrance at Spring Gulch Road;
- Printing of a new property map and a new map showing physical addresses;
- Resurfacing of tennis courts;
- Repainting of pool and staining of deck;
- Purchase of new pool furniture;
- Purchase of tent for the Stables area (SCRMM project);

- Removal of dead trees (new trees to be planted in the spring); and
- Sealing of Harvest Dance parking lots (Sprit Dance will be sealed in the spring).

He indicated that routine seasonal work is now underway.

b. Gruen fireplace repairs/replacements

Jackson Brandenburg reported on the status of inspections and repair/replacement estimates. The scope of the repair/replacement work includes demolition, installation of new fireboxes and flues, sheetrock repair and other carpentry work, and masonry work for replacement of decorative stone facing. A number of significant uncertainties exist regarding the extent of work effort and cost that will be entailed in the work throughout the Gruen units. Jackson indicated that having the work done by local contractors is likely to be the most cost effective and most responsive to scheduling issues. An initial, rough cost estimate is around \$30,000 for each fireplace. Jackson indicated that the approach he is following is to complete the first unit (3112), then reassess the process and potentially bid some or all of the work on the remainder of the units.

Considerable discussion ensued, with the Board comfortable with Jackson's approach. He agreed to draft a letter updating the Gruen homeowners of the status of this matter, for presentation at the upcoming Annual Meeting.

c. Firestrip cutting

Stephen Price reported that a letter and accompanying map was sent in August to Amangani homeowners, informing them that the first section of firestrip cutting would begin this fall. Stephen indicated that this effort is underway.

d. Harvest Dance roof repairs

Jackson Brandenburg reported that the Harvest Dance and Spirit Dance townhome roofs have been examined by an independent inspector. The inspector has concluded and reported that the Harvest Dance roofs will need to be

replaced in the next couple of years, and the Spirit Dance likewise in the next five years. It was noted that the costs of reroofing would be borne by the respective Site Common reserves.

- e. Project plan for 2016 – Jackson Brandenburg summarized new projects on the planning list for 2016.

- f. Tree trimming

Stephen Price reported that a couple of situations presently exist where trees may be interfering with neighbor homeowner views. He indicated that he is working to resolve these amicably.

## 2. Employee housing

- a. Temporary mobile home on Lot 4

Stephen Price reported he has contacted an individual about removing the mobile home; however, he indicated that he does not believe removing it is the best option at this time since it will be likely be needed again next summer. Stephen agreed to prepare a definite, specific plan for the mobile home, for presentation to the AC meeting on November 3, 2015.

- b. Permanent long term options

Stephen Price reported that SCRM received County permits to convert the upstairs of the maintenance building to dorm style rooms. It will house 16-18 employees. He indicated that SCRM intends to have this conversion completed and usable prior to next summer.

Additional options were brought up about the land that the SCHOA owns at the bottom of the Butte, which has water and electricity sources nearby. Stephen agreed to consider the various options and move forward with assessment and preliminary design work.

3. Water usage analysis and reporting

Derek Goodson reported that overall water usage was slightly lower this past summer than during the previous two summers, which is a positive development – especially in light of several new homes having been built. This reflects, at least in part, efforts by the two commercial operations and many individual homeowners to better control landscape irrigation usage; it is likely to have also benefited from fairly temperate weather this past summer. Regular monitoring and reporting to individual homeowners on water usage remains a work-in-progress.

The District made modest adjustments in its assessment schedule for FY 2016 to reflect differences in water usage by homeowner category (single family homes, townhomes, and commercial units). Adjustments were not yet made to reflect individual single family homeowner usage. As for reporting to homeowners, it was agreed that Ron Harris, Stephen Price, and Jackson Brandenburg should develop a reporting process, with initial and ongoing input from Derek Goodson.

4. Vision Committee suggestions & related

Stephen Price reported that Michael Lehman has forwarded to the Board a list of suggested items that the Vision Committee would like to see done. He and Virginia Nowicki have briefly gone over the list and added a status to each one. Virginia agreed to email this document to the Board.

5. JHLT matters – Deferred.

**B. Governance and Related Issues**

1. Homeowner communications

a. New Homeowner welcoming committee and materials

Dave Conine and Virginia Nowicki agreed to work on packages for new homeowners, one from the SCHOA and another from SCRM. The packages need, among other things, to make it clear to homeowners the entities involved and how they work together at Spring Creek Ranch.

b. Routine homeowner communication and alerts

Virginia Nowicki reported that, as various immediate issues have arisen, she has personally notified those homeowners who are in-house. She has also been sending email correspondence regarding homeowner socials and utilizing E-signature technology for obtaining signatures from homeowners when needed.

2. Updating of SCR rules/regulations – Deferred.

**C. Budget for 2016**

Derek Goodson presented the preliminary operating budget for 2016 that he had drafted and previously distributed to the Directors. He indicated that it is to be reviewed by the Finance Committee on Wednesday, September 30. Derek pointed out the numerous capital/reserve projects identified for 2016, which entail significant expenditures. He further noted that the pattern of changes this year in Teton County property assessments, with residential properties at SCR generally increasing significantly more rapidly than commercial properties, is causing some shift in homeowner dues. The result is greater percentage increases for residential homeowners than for commercial owners. Further, the Gruen fireplace repair/replacement project and increased townhome insurance costs are contributing to upward movement in Association dues for those respective sites. Once the budget is finalized it will be presented to the Board for final approval.

**D. Other Business**

1. Annual Meeting planning

Virginia Nowicki reported that at the present time she has 59 proxies and 30 attendee RSVP's to count toward meeting the quorum requirement for the Annual Meeting. She indicated that Thursday's President's cocktail reception will be held at the Proechel's home. Next year's meeting will be the 2<sup>nd</sup> weekend in October, the 8<sup>th</sup>, due to Rosh Hashanah.

2. Other – None.

**V. Conclusion – Next Scheduled Meeting and Adjournment**

The next regularly scheduled Board meeting is the New Board Meeting to be held on October 3, 2015.

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