

SPRING CREEK IMPROVEMENT AND SERVICE DISTRICT

Annual Meeting Minutes

July 19, 2011

Attendees:

Directors Present: Derek Goodson, Ron Harris
Directors Absent: Stephen Price
Other Officers: Sharon Kuehn, Secretary
Advisors: Bob Norton, Nelson Engineering
Frank Hess, Attorney for the SCISD

I. Opening

- A. **Call to Order** – Meeting called to order at 9:00 AM.
- B. **Determination of Quorum** – Quorum established.
- C. **Introductions, Purpose of the Meeting, and Process** – There were no homeowners or other members of the public present, so this agenda item was foregone.

II. Review and Approval of Minutes (6/22/2011 Special Meeting)

Motion to approve the minutes of the District's 6/22/2011 Special Meeting.

Motion: Derek Goodson
Second: Ron Harris
Approved 2/0

III. Financial Report

Derek Goodson presented the Treasurer's Report. He reported that there was very little financial activity in the District over the past fiscal year; this is expected to change dramatically during FY 2012.

The meeting was recessed at 9:25 AM, in order to hold the Budget Hearing scheduled to begin at 9:30. The Annual Meeting then reconvened at approximately 10:00 AM, following the conclusion of the Budget Hearing.

IV. Old and New Business

A. Status and Activities (review) – There were no homeowners or other members of the public present, so this agenda item was foregone.

B. Water System Improvements Project

1. Telemetry system (SCADA) replacement status

Bob Norton reported that (a) the poles for the telemetry antennas have been installed, and power has been supplied; (b) the correct new radio system has been received and installed; (c) the new components have been tested and appear to be operating correctly, with conversion to automatic operation expected to be activated later in the week; and (d) the DSL connection to Well #1 is currently being installed, which will enable internet-based monitoring and actions. This work completes the initial stage (spring 2011) of the water system improvements.

2. Access road construction status

A two-track road is necessary for access to the water tank as part of the Spring Creek Ranch water emergency contingency plan. Stephen Price and Bob Norton have walked the site in order to determine an appropriate location for the road. Stephen has met with Peter Warshaw, whose home is adjacent to the likely location of the access road, to review our plans with him. Bob Norton reported that a culvert will not be required. In order to do the necessary grading work a tree needs to be moved; Stephen has arranged for this to be done.

3. Requests for payment

Bob Norton reported that he has received invoices from three vendors regarding the work completed in connection with the SCADA system installation:

| | |
|----------|--------|
| \$62,742 | Wetco |
| 5,369 | Delcon |
| 500 | Qwest |

Bob confirmed that the work has been completed and that the invoice amounts are consistent with quotes and estimates.

Motion: Approve payment of the invoices from Wetco, Delcon, and Qwest, subject to the receipt of funds from the SCHOA per its resolution to reimburse the SCISD for costs associated with this project and recognizing that the

SCHOA reserves the right to request repayment of such funds by the District in the future should SCISD reserves be sufficient to do so.

Motion: Derek Goodson
Second: Ron Harris
Approved 2/0

4. Request to SCHOA for funds

In order for the SCISD to pay the invoices presented by Wetco, Delcon, and Qwest, as approved under Agenda item #3 above, the District needs to request and receive funds from the SCHOA.

Motion: Request that the SCHOA transfer sufficient funds to the SCISD to enable payment of the invoices from Wetco, Delcon, and Qwest described in Agenda item #3 above, per the SCHOA's resolution to reimburse the District for costs associated with this project.

Motion: Derek Goodson
Second: Ron Harris
Approved 2/0

5. Pump replacement issues and bid process status

Bob Norton reported that he has received a verbal approval from the Department of Environmental Quality regarding the District's application for a permit to construct the new water system; he is awaiting receipt of the actual permit. He also reported that WETCO expects to receive this week from the FCC the frequency to be used for the SCADA radio communications.

Bob also reported that the State has approved the bid specifications for advertising to prospective bidders. He noted that the bid specifications call for a pre-construction conference on August 11, 2011 at Spring Creek Ranch.

Motion: Authorize advertising the water pump and related work bidding process in the local newspaper, for publication on July 20, 2011.

Motion: Derek Goodson
Second: Ron Harris
Approved 2/0

The Directors discussed the scheduling of bid openings and contract award. Bids are scheduled to be opened publicly on August 23, 2011 under the bid specifications. It was agreed that a Special Meeting of the District would be held on August 30, 2011 to award a contract.

6. Water metering system and loan application issues

Bob Norton reported that the State appears to remain on track to finalize and adopt its new regulations for “green” project funds (0% interest rate) at its August 4, 2011 meeting. If this occurs and the District promptly submits an application for a loan under the program, the application should meet the 45-day advance filing required so that it can be acted upon by the State at its meeting on October 6, 2011.

Meeting this timetable should enable the submission of bid specification to the State for approval in time to advertise them by the end of October, award a contract in mid-December, and commence the indoor portion of the work in early January. Any outdoor work will need to be completed during the spring as weather permits.

7. Timeline

The Directors discussed the first draft of a timeline for the late summer and subsequent decisions and tasks under the water system improvements project. Bob Norton agreed to provide input as to what he thinks at this point would be realistic timeframes, and Ron Harris agreed to update the timeline accordingly.

C. Budget for FY 2012

1. Approval of budget and assessment schedule for FY 2012

The proposed FY 2012 budget and assessment schedule and the key assumptions underlying them have been discussed at length during previous meetings of the Board. Derek Goodson confirmed that there have not been any changes to them subsequent to the submission of the District’s loan application to the State. It was also noted that no homeowner or public input or comments have been received.

Motion: Approve and adopt the FY 2012 budget and assessment schedule, as proposed.

Motion: Derek Goodson

Second: Ron Harris

Approved 2/0

2. Submission of assessment schedule to Teton County Assessor

Motion: Authorize Derek Goodson to submit the District's FY 2012 budget and assessment schedule to the Teton County Assessor, and to verify that all necessary information is included.

Motion: Derek Goodson

Second: Ron Harris

Approved 2/0

3. Confirmation letter from County Assessor (for State loan)

A condition attached by the State to the District's loan is to provide a letter from the County Assessor's Office confirming that assessments not lower than those contained in the SCISD loan application will be made for FY 2012. Derek Goodson agreed to seek such a letter from the County Assessor and to coordinate its contents with the State so that the letter will satisfy their requirements.

D. Other Business – None.

III. Conclusion

A. Next Meeting

Special Meetings will be held on August 11, 2011 at 10:30 AM and on August 30, 2011 at 9:00 AM.

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