

SPRING CREEK IMPROVEMENT AND SERVICE DISTRICT

Special Meeting Minutes

August 11, 2011

Attendees:

Directors Present: Ron Harris, Stephen Price and Derek Goodson
Advisors: Bob Norton, Nelson Engineering (attended by phone)

I. Opening

- A. Call to Order** – Meeting called to order at 10:30 am.
- B. Determination of Quorum** – Quorum established.
- C. Election of New Secretary** – Tabled to a later date.

II. Review and Approval of Minutes

A. 7/19/2011 Budget Hearing

Motion to approve the minutes.

Motion: Stephen Price
Second: Derek Goodson
Unanimous

B. 7/19/2011 Annual Meeting

Motion to approve the minutes.

Motion: Stephen Price
Second: Derek Goodson
Unanimous

III. Financial Report

Derek Goodson presented the financial report for the District. He reported that the annual F-32 report has been filed with the State. He also reported that the District received \$67,481 from the SCHOA to cover the invoices for the SCADA system work performed by Delcon and Wetco, and that payments have been made to Delcon (\$5,349)

and Wetco (\$62,473) for their services. When an invoice for the services of Qwest is received from Bob Norton, funds are to be transferred from the SCHOA and Derek will pay that invoice.

IV. Old and New Business

A. Water System Improvements – Controls, Pumps, & Related

1. SCADA system implementation (status)

Bob Norton reported that the SCADA system has been installed, and that it is online and operating. Training of SCR staff has been completed as well.

2. Access road construction (status)

The tree that was partially obstructing access to the water tank from the road has been removed, since it could not be salvaged. New trees have been planted in its place, in a nearby location that does not block access. A modest amount of grading is needed, and Bob Norton confirmed that he will work with Clint Guthrie to complete that work in short order. With the existing tree removed, access to the water tank is now possible if necessary.

3. Transfer of funds from SCHOA and payment of invoices (status)

See Financial Report (item III above).

4. Notifications of assessment schedule (status):

- Submission to Teton County Assessor – Derek Goodson reported that this task has been completed.
- Confirmation letter from County Assessor (for State loan) – Derek Goodson reported that a letter has been received from the County Assessor, and that it has been forwarded to the State.

5. Government approvals:

- DEQ permit – Stephen Price reported that he has received a copy of the permit and associated documentation. In addition, Bob Norton has a copy of the permit itself, which he will retain in his files.

- FCC radio frequency – Bob Norton agreed to confirm with Wetco that the radio frequency to be used for our water system has been received from the FCC and is being used.

6. Water emergency plan finalization

The basic plan is in place. Stephen Price needs to review and document procedures with Amangani for the hotel and the Amangani homes.

7. Bid process:

- Advertising, decisions/actions, and schedule

Bob Norton confirmed that an advertisement ran for three consecutive weeks, beginning on July 20, 2011. Bob indicated that interest in bidding has been expressed to him informally by certain vendors that he has seen or that have been in contact with him.

The opening of bids is scheduled for August 23, 2011 at 2:00 pm at Spring Creek Ranch in the Board Room. The bids are to be read aloud, then scanned and emailed to the State.

- Pre-bid conference (August 11, 2011)

Bob Norton confirmed that the pre-bid conference was scheduled for 2:00 pm today, to be held in the SCR Board Room. He will conduct this meeting on behalf of the District.

- Negotiation of contract terms and provisions

Bob Norton reviewed the bid opening and contract award process. All bids are to be scanned, with the apparent low bidder identified, and sent to the State for its review. The State will approve the awarding of the contract, most likely to the low bidder. After that, the SCISD can finalize scheduling issues and award the contract.

8. Payment issues:

- State loan drawing procedures and timeframes

Derek Goodson reported that he has discussed the procedures for drawing funds with Rebecca Webb of the SLIF. She indicated that checks are cut by the State twice per month, but that a District may have only one loan draw within the month; and the State generally needs 5-8 working days to process a draw, prior to cutting a check.

The State's Loan Draft Request form and procedures have been received by Derek. Ron Harris and Stephen Price are the designated signatories. Derek will check to see if he can be an authorized to sign, as well.

- Contractor payment timeframes

The Board discussed the overall timeframe involved in drawing loan funds and making contractor payments. Bob will need a few days to review an invoice and approve it for payment. The Board will need to then approve the loan draw and payment. Following that, SCR will need a few days to execute the loan draw request. These things must happen prior to the commencement of the State's review and approval process and the time that takes, and then the time required to receive the check and deliver payment to the contractor. Derek Goodson agreed to outline the timeline and process for all of this in detail, so that payment to contractors can be as timely as possible.

B. Water System Improvements – Water Meters

1. New State rules and regulations for “green” project 0% loans

Bob Norton reported that the State's draft new rules and regulations were on the agenda for adoption at its meeting last week. He agreed to confirm that they were approved at that meeting.

2. SCISD loan application:

- Loan application package

Bob Norton indicated that all supporting materials have been prepared. He agreed to compile the actual loan package within the next week. The SLIF application submission deadline is August 22, 2011 for consideration at the October 6, 2011 meeting.

- Resolution to apply for State loan

The Board agreed to proceed with the loan application and reviewed the draft resolution prepared by Bob Norton for this purpose.

Motion to approve a resolution authorizing the submission of an application to SLIF to borrow funds in the amount of \$350,000 to provide for the cost of purchasing and installing a water meter

system within the District, and to authorize Stephen Price and Ron Harris to sign the resolution on behalf of the district.

Motion: Derek Goodson
Second: Stephen Price
Unanimous

3. Water meter system features, choices, and considerations:
 - Options
 - Bid specification requirements

This agenda item was deferred, for consideration at the Special Meeting on August 30, 2011.

4. Inspection to determine meter locations and excavation requirements

Bob Norton reviewed the steps that need to occur before bid specifications can be released. He indicated that the actual locations requiring excavation will be determined in September.

5. Metering requirements for homeowners:
 - Architectural Guidelines
 - Notification of owners/contractors for homes under construction
 - Informing all homeowners

The changes in documents needed in order to recognize the new metering requirement for SCR homeowners was discussed briefly. Both SCHOA and SCISD bylaws may need to be amended, along with the SCHOA's Architectural Guidelines.

C. Timeline Update

Ron Harris agreed to update the timeline and then to distribute it for review at the Special Meeting on August 30, 2011.

D. Investment Policy and Finance Committee This topic was deferred to a future meeting.

E. Other Business – None.

V. Conclusion

- A. Next Meeting** – A Special Meeting will be held on Tuesday, August 30, 2011 at 9:00 am.
- B. Adjournment** – Upon completion of the business at hand, the meeting was adjourned.
