

SPRING CREEK IMPROVEMENT AND SERVICE DISTRICT
Special Meeting Minutes
February 10, 2014

Attendees:

Directors Present: Ron Harris and Derek Goodson
Directors Absent: Stephen Price
Advisors: Bob Norton, Nelson Engineering

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

The meeting was called to order at 3:00 pm. A quorum was established. There was agreement to proceed with the agenda that had been previously provided.

II. Review & Approval of Minutes

A. September 10, 2013 Special Meeting – The minutes of this meeting were approved via unanimous email vote of all of the Directors subsequent to the time of the last Special Meeting.

B. December 17, 2013 Special Meeting

Motion to approve the minutes, as corrected.

Motion: Derek Goodson
Second: Ron Harris
Unanimous

III. Standing Reports

A. Financial

Derek Goodson reviewed the Treasurer's Report, which he had previously distributed. He reported that the overall finances of the District continue to be satisfactory and that the fiscal year 2014 operating results are emerging as expected. The District's bank account balance as of February 5th was \$107,472. A total of \$189,536 in assessments has been collected by the County and received by the District year to date in FY 2014 as of the end of January; this total includes just under \$14,000 applicable to the prior fiscal year. The remaining outstanding amount of assessments for fiscal year 2014 is estimated to be \$109,252. Derek noted that an insurance settlement in the amount of \$5,529 was received.

Although there are no major outstanding payment amounts at the time of the Treasurer's report, debt service payments will be due either before the end of this fiscal year or shortly thereafter. These are (1) the annual repayment under the State loan for the water system of \$28,866, which is due May 15th, (2) the annual repayment under the State loan for the water meters of \$13,132, which is due June 15th, and (3) the semiannual repayment under the Wells Fargo bond of \$53,853, which is due July 15th.

There were no invoices for approval. Beginning January 2014, by prior agreement between the District and the SCHOA, the Association pays for routine professional and service invoices associated with District activities and infrastructure, excluding special project items undertaken by the District (absent specific agreement otherwise, and subject to periodic requests for repayment to the Association).

Derek reported that he had received notice of non-renewal of the District's D&O coverage, as a result of past litigation against the District. He indicated that he has appealed this notice and expects, under the circumstances, that it will be reversed.

B. Operations

Bob Norton summarized the Operations Reports for December and January on the water and sewer systems, which he had previously distributed. He reported that overall the water and sewer systems continue to operate properly. There have been no major disruptions to water distribution since the last meeting.

Bob reported that average daily water production for December and January averaged about 2.4 million gallons per month, consistent with the same months a year ago. Bob also reported that unmetered water usage continues to represent a significant portion of the total water produced by the wells (34% and 47% for the two months, respectively). He noted several locations which do not show water usage, including one potentially high use location where a water meter was installed initially but was removed and apparently has not been reinstalled; attempts to follow up on this situation have been made, but the meter has not yet been reinstalled.

The Directors noted that construction on several new homes has recently been completed or will be completed in the near future. It was the consensus desire of the Directors that the Spring Creek Architectural Committee include checking for installation of an appropriate water meter as part of its inspection of completed new construction.

IV. Old and New Business

A. Water and Sewer System

1. Fire hydrant tag installation

Bob Norton reported that fire hydrant tags have been received and delivered to the SCR maintenance staff for installation. Derek Goodson agreed to check with staff for the status of installation.

2. Water usage, locations without readings, and unmetered locations – See Operations Report.
3. Metering for Amangani water feature – Deferred to the spring.
4. Pressure relief valve replacement insurance recovery – Derek Goodson reported that this matter has been resolved satisfactorily and that the insurance settlement for the full amount of the damage has been received.
5. Water tank membrane roof cover banding – Deferred.
6. Preventive maintenance schedule for spring 2014 – Deferred, due to the absence of Stephen Price.

B. Road System

1. Entrance area berm landscaping and irrigation – Deferred, due to the absence of Stephen Price.
2. Service road barriers, seeding, and irrigation – Deferred, due to the absence of Stephen Price.
3. Preventive measures – Deferred.
4. Service road utility easements – Deferred.
5. Preventive maintenance and repairs schedule for spring 2014 – Deferred, due to the absence of Stephen Price.

C. Policies and Procedures

1. Amendments to District Rules & Regs and Bylaws – Deferred.
2. Water system assessment structure for the future – General discussion.
3. Reporting of water usage to Homeowners – General discussion.

D. Financial Matters and Expenses

1. Invoices for professional or other goods and services – None (see Financial Report).
2. Payment of cost for acquisition of additional new well easement – It was noted for the record that the Directors approved unanimously by email vote of all of the Directors the purchase by the District of the additional new well easement and payment to the SCHOA in reimbursement thereof.

3. Audit of FY 2013 financial statements

Derek Goodson reported that the yearend audit of the District's FY 2013 financial statements, as required by the State of Wyoming in connection with the District's water system loans, was completed by Thompson Palmer and has been transmitted to the District.

Motion to receive the audit report for the District's FY 2013 financial statements, as prepared by Thompson Palmer.

Motion: Derek Goodson
Second: Ron Harris
Unanimous

It was noted for the record that Derek Goodson had been previously authorized by a unanimous email vote of all of the Directors to distribute a copy of the FY 2013 audit report to interested financial entities.

E. Other – None.

VI. Meeting Schedule and Adjournment

A. Meeting Schedule

Special Meeting April 8, 2014 at 3:00 pm. It was noted that the Annual Meeting and the Budget Hearing are scheduled for Thursday, July 17th.

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