

**SPRING CREEK ASSOCIATION BOARD OF DIRECTORS
REGULAR MEETING MINUTES
WEDNESDAY, MAY 25, 2016, 5:30 P.M.
SPRING CREEK ASSOCIATION OFFICE
451 SPRING CREEK PARKWAY, SPRING CREEK, NV 89815**

CALL TO ORDER: Chairman McFarlane called the Meeting to order at 5:30 p.m.

DIRECTORS PRESENT: Vice Chair Travis Mahlke, Director(s) Paddy Legarza, Pat Plaster, Jim Jefferies, Josh Park, Paul McAnany

DIRECTORS ABSENT: None

CORPORATE OFFICERS PRESENT: Jessie Bahr – SCA President
Kristine Preston – SCA Treasurer

CORPORATE OFFICERS ABSENT: None

ATTORNEY PRESENT: Katie Howe McConnell

PLEDGE OF ALLEGIANCE:

I. COMMENTS BY THE GENERAL PUBLIC: None

II. REVIEW, DISCUSSION AND POSSIBLE ACTION TO FORMULATE A VISION STATEMENT FOR SPRING CREEK ASSOCIATION AND MATTERS THERETO. FOR POSSIBLE ACTION. President Bahr introduced the item and read the proposed vision statement draft to the Board and meeting attendees. She suggested that changes could be made if the Board so desired any revision to the proposed statement. No public comment was offered. Vice Chair Mahlke moved to accept the vision statement proposed and read by President Bahr as is with no revision. Director Jefferies seconded the motion. The vote was called: motion carried 7-0.

III. REVIEW, DISCUSSION OF PROPOSED POLICY 16-001, CONFLICT OF INTEREST POLICY. NON-ACTION ITEM. Proposed Policy 16-001 was introduced by Attorney Katie McConnell. She indicated that Eide Bailey, the Association Auditors and the LP Insurance Services, the SCA insurers suggested that Tax Form 990 poses the question of whether a Conflict of Interest policy is in place for the SCA. The need for this policy should be considered. Discussion ensued with respect to: the types of conflict of interest, who may be affected by conflicts of interest, the need for full disclosure by Board members if potential conflict of interest may occur and the requirement for Board of Director members to abstain from voting on matters where a conflict of interest is apparent with respect to their position on the Board. Chair McFarlane stated no action would be taken at this time pending the possibility of further discussion at the next meeting if revisions to the policy are suggested.

IV. REVIEW, DISCUSSION AND POSSIBLE REVISIONS TO POLICY 07-001, BOARD OF DIRECTORS' AND PRESIDENT'S CODE OF CONDUCT IN REGARD TO ETHICS, DIRECTORS' AND PRESIDENT'S ACTIVITIES AND ACCESS TO INFORMATION. NON ACTION ITEM. Attorney McConnell provided background information on the agenda item. It was noted that the Code of Conduct was presented to and signed by all Board of Director Members on April 30, 2016. The purpose of the item at this meeting is for review of the policy format and content as it is currently presented; if changes are to be made to the existing Code of Conduct Policy suggested revision should be presented at the July, 2016 Board meeting. Chair McFarlane indicated that the sentence structure

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be changed under Item 2. Policy Content, Section A -General Conduct and Ethics, Subsection 6. A period should be inserted after the word "Chairman" to end the sentence. The last two lines of verbiage should be eliminated: ("...and ask for and obtain discussion of the matter during an appropriate executive session of the Board of Directors") because *executive sessions* are no longer held by the SCA Board of Directors. No public comment was offered.

V. REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF A BID FOR 3/8" CHIP ROCK FOR THE 2016 CHIP SEAL ROAD PROJECT AND MATTERS RELATED THERETO. FOR POSSIBLE ACTION. Treasurer Preston introduced the item noting which roads are to be chip sealed this year and she reviewed the bid presented by Vega Construction calling attention to the cost comparison from 2015 to 2016. Vega Construction is the only bid that was received and SCA has obtained the chip rock material from this same company the past two years. No public comment was offered. Director Jefferies moved to accept the bid from Vega Construction for Chip Rock. Motion seconded by Vice Chair Mahlke. Vote was called; the motion carried 7-0.

VI. REVIEW, DISCUSSION AND POSSIBLE APPOINTMENT TO FILL THE VACANCY ON THE COMMITTEE OF ARCHITECTURE. FOR POSSIBLE ACTION. The agenda item was introduced by President Bahr. She stated that Jim Moore currently is the only applicant to submit for the position. He is a Security employee of SCA and in light of the conflict of interest policy that is being considered, he would not be able to serve on the COA. The Association will continue to seek additional applicants for the position and has posted the opening on Facebook and other media outlets. A decision was made to revisit this appointment at the July, 2016 BOD meeting when the possibility of additional applicants can be considered. No public comment was offered. No action was taken.

VII. COMMITTEE OF ARCHITECTURE:

A. REPORTS: President Bahr commented that she was not present at the COA meeting and referred the agenda item to Treasurer Preston for introduction. Treasurer Preston presented the COA report. Public comment was offered by Steve Traynor (Tract 100) who had a question about violations, their status and how they are handled. Treasurer Preston explained the process: that concerns by neighboring property owners about properties in violation should be brought to the SCA Office and inquiry made to the COA Secretary about properties in violation. Discussion also ensued by the Board members about the different types of structures that are built in the warmer months and whether the COA maintains a list of what projects have been approved and whether the rules are being followed. Treasurer Preston explained the proposed COA pre and post inspection process. Discussion ensued on the fact that many homeowners in the Association seem unaware of the fact that permits for construction must be presented and approved to the COA as outlined in the SCA DOR's. Many homeowners buying existing homes and are totally unaware of or simply ignore the building permit process completely, paying no attention to the DOR's. Discussion ensued on what projects require Elko County permits, what permits require COA approval and what types of projects require permits from both entities. Treasurer Preston explained that the COA maintains a file on every property in the Association and details what has been approved and permitted as well as any potential violation information.

VIII. STAFF REPORT: President Bahr updated the Board and public on:

- A.** The Schuckmann's Sports Complex Master Plan.
- B.** The Fairway Community Center – Pictures are available on footings and walls along with reports on the project's progress by Robert Howard, the project manager.
- C.** COA – The COA pays close attention to pre and post inspections of building projects and to the timeliness of road repairs being made following utility company work. The Elko County Building Dept. will be at the next COA meeting to explain the permitting and inspection process from the

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County perspective. Workshops are being planned for COA volunteers so that each member is clear on what the DOR's say and how those rules are to be enforced.

- D. Road maintenance is progressing but not on a consistent schedule. The ability to obtain road repair product from the hot plant varies: the road crew obtains the repair product when they can but there's only one hot plant available in town. The road crew is doing the best they can with patching and crack repair depending on when they get material to work with from the hot plant.
- E. Saturday, April 30th was the Board of Director Retreat. With respect to the SCA General Plan, the Community Forum was held May 24th. The Focus Groups will be convened on June 21st followed by the Community Surveys in July.
- F. SCA Staff – President Bahr stated she put a draft performance document in place. It is an online document which will automatically calculate specific objective and subjective metrics based on the weight given to each performance area and establishing agreed upon, measureable goals for each staff member's areas of performance. A performance baseline will be defined and at the end of the year she will be able to consider the degree of success in achieving the goals. Goals will be measured on a scale of 1-5 and the scale defined so that each staff member clearly understands the level of achievement to their respective goals. After meeting with each staff member to identify, agree on and signing off on their goals, a progress report in achieving the goals will be reviewed at six months and then again at one year. Incentives and pay scales will also be given consideration in performance evaluation process.
- G. Municipalities - An RFQ was sent out for analysis and special information services about the pros and cons of becoming a municipality versus other possible community structure. The proposals will be due on June 6th. The Board can then begin to see what options are available for consideration based on who returns proposals.
- H. An RFQ has been sent out for a Horse Palace design study and a walk through at the Horse Palace is scheduled for 10 A.M. on May 26th in order to identify the issues.
- I. Water Committee –Staff is working on putting together packets for legislators which will include the hierarchy at the PUC, the history of documents and the annual reports with the Public Utility Commission. The information will be helpful so that legislators won't have to do the research that SCA and the Water Committee has already done and will outline clearly what the SCA would like the legislators to do and what steps we would like them to take on our behalf. We want the Water Committee to be the group taking the lead on this legislation but is assisting in coordinating and assembling with the packet content and presentation. We have also received project updates from Tim Scheidt at Spring Creek Utilities on wells that are being rehabilitated.
- J. Events – Take Pride Day was bigger, we had greater participation than in prior years. Take a Kid Fishing appears to have been more popular with more families participating this year. July 4th is our next big event and we will have a pancake breakfast in the morning at the Marina, followed by a 5K fun run/walk, the parade, horseshoe tournaments, canoe racing, a band, canoe races, pony rides, a chili cook off, home run derby, and fireworks. The goal is to build the event making it bigger and better each year with increased participation by the community.

No public comment was offered on any of the aforementioned topics.

IX. APPROVAL OF MINUTES: The correction of a typo to the spelling of Director Jefferies last name was noted in the May 25, 2016 Regular Meeting Minutes transcription. Director Plaster moved to approve minutes of the April 27, 2016 Board of Directors Regular Meeting with corrections and to approve the April 30, 2016 BOD Special Meeting Minutes as presented. Director Jefferies seconded the motion for the April 27th Regular Meeting Minutes and Vice Chair Mahlke seconded the motion to accept the April 30th Special Meeting Minutes. Vote was called; both motions passed 7-0.

X. ACCEPT APRIL, 2016 SPRING CREEK ASSOCIATION ASSESSMENT AND LEGAL RECEIVABLE REPORT: Treasurer Preston commented that delinquent assessments are down. No public comment was offered. Vice Chair Mahlke moved to accept the April, 2016 SCA Assessment and

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Legal receivable report as presented. Director Plaster seconded the motion. Vote was called. Motion carried 7-0.

XI. ACCEPT APRIL, 2016 FINANCIAL REPORT: Treasurer Preston commented on the April Financial Report. Questions and discussion followed on some aspects of the report: specifically, the Capital Budget Outlay, Eide Bailey Audit Services which were budgeted in May, 2016, not April, 2016, comment on the Ranch Rodeo and clarification of the Fairway Community Center project costs. Public comment was offered by Charlie Ekberg (Tract 200) who asked if the LP Insurance Services six figure number under Bills Paid was correct. Treasurer Preston explained the amount was correct and is due to the complete renewal cost of all policies including the SCA Umbrella policy. The insurance quote was shopped to other agencies which were quoted higher than the current LP Insurance Services cost. Director Plaster sought clarification on the cost of the Umbrella policy and the liability limit on that policy. Vice Chair Mahlke moved to accept the Financial Report for April, 2016 as presented. Director Park seconded the motion. Vote was called; motion carried 7-0.

XII. MEETING SCHEDULE: The Annual Property Owner Meeting is scheduled for Saturday, June 18, 2016 at the Marina. The Focus Group Meeting is scheduled for Tuesday, June 21, 2016 at the Spring Creek Elementary School's Multi-Purpose Room at 6:00 p.m. The next Regular Board of Director Meeting is scheduled for Wednesday, Jul 27, 2016 at 5:30 p.m. at the SCA Offices.

XIII. BOARD OF DIRECTOR COMMENTS: Director Legarza asked if the COA could send reminders to homeowners not to clear cut their entire lot or to review the DOR's stating that if a lot is totally clear cut, the homeowner is responsible for replanting vegetation. Treasurer Preston stated that information is already sent about this subject to homeowners. Appreciation was also expressed by Board members about the detailed information presented in legal and financial reports. Chair Mike McFarlane commented on the White Top weed infestation and asked what information is provided by Elko County and the State of Nevada on what those agencies are doing to control the infestation problem on government controlled property and roadways. Chair McFarlane stated he is retiring in June from his day job and may not always be able to attend every BOD meeting but that he would be at most of them. He requested the Board consider utilizing the Vice Chair position more frequently if he is absent from any future meeting. Director Plaster suggested working with the Lamoille District for Weeds and attendance at their meetings in order to foster a cooperative effort in addressing the invasive weed problem. She volunteered to participate. No public comment was offered.

XIV. MEETING ADJOURNED: 6:27 PM