

**SPRING CREEK ASSOCIATION BOARD OF DIRECTORS
REGULAR MEETING MINUTES
WEDNESDAY, SEPTEMBER 28, 2016, 5:30 P.M.
SPRING CREEK ASSOCIATION OFFICE
451 SPRING CREEK PARKWAY, SPRING CREEK, NV 89815**

CALL TO ORDER: Chair Paddy Legarza called the Meeting to order at 5:32 p.m.

DIRECTORS PRESENT: Vice Chair Josh Park, Directors, Pat Plaster, Jim Jefferies, Mike McFarlane, Paul McAnany

DIRECTORS ABSENT: Travis Mahlke

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: David Stevens (Tract 200) brought up the issue of stray dogs that have caused property damage by slaughtering his chickens. He stated he has talked to some of his neighbors that have complained of the same experience with their chickens killed by dogs that roam the neighborhood. Comment was offered that similar damages have occurred in the 400 Tract. President Bahr discussed the relationship between Elko County Animal Control with Spring Creek Association property owners. She acknowledged that it is a problem in the Association and explained the steps to be taken by property owners to resolve the issue of stray dogs and associated property damage complaints and bring the evidence to the SCA BOD. James Cummins (Tract 400) suggested to the Board that newer ATV's are street legal and stated he would like to see the Board consider approving the use/driving of these types of ATV's on SCA streets/roadways provided the vehicles are appropriately licensed by Elko County/Nevada DMV and comply with safety related precautions like riding with helmets and protective restraints. President Bahr stated that based on the community survey that was recently completed and that issue being mentioned the SCA Board will be looking at the issue and considering further possible action.

II. REVIEW AND DISCUSSION AND POSSIBLE APPROVAL OF A LICENSE OR USAGE AGREEMENT WITH FRONTIER COMMUNICATIONS TO USE A PORTION OF THE TRAP & SKEET LAND FOR BURIED CABLE AND MATTERS RELATED THERETO. No representative of Frontier Communications was in attendance at the meeting to present the agenda item and details of their request. Chair Legarza tabled the item, moving the meeting focus to agenda item III.

III. REVIEW, DISCUSSION ON THE RUBY VISTA RANCH DEVELOPEMNT INCLUDING START OF CONSTRUCTION AND STATUS AND IMPACT ON GAS, WATER AND SEWER UTILITIES AND MATTERS RELATED THERETO. Ken Krater, one of the owners/developers of Ruby Vista Ranches presented the agenda item and detailed the project location as comprised of 1,460 acres across State Route 227 (Lamoille Highway) from the Spring Creek High School/Middle School Complex, with southern boundaries near the Jiggs Highway (State Route 228) and southeast to Licht Parkway and the baseball fields sports complex. The property was purchased approximately ten (10) years prior. The owners have been working since the purchase to put together the development plan and time frame for development and Mr. Krater indicated that before starting the planning phase, the owners had

BOD REGULAR MEETING MINUTES – SEPTEMBER 28, 2016

three neighborhood meetings; at the High School, at the Association Offices and at the Lamoille Women's Center to gather input from the community. He laid out some of the public features/amenities they plan for the development. He also detailed the issues the owners have faced with the Environmental Protection Agency (EPA). Additionally, the Spring Creek Master Plan has to be amended; the original SCA Master Plan had the development project main access aligning directly opposite the main access to the High School/Middle School. The original Master Plan access was part of the wetland area so Elko County Planning Commission and the owners worked together to establish an amended main access opposite Boyd/Kennedy Parkway incorporating a roundabout at that intersection with preliminary design approval by NDOT (Nevada Dept. of Transportation). Additional access to Lamoille Highway will occur in later phases of the project development at the Corral Lane area. They have also obtained a conditional letter of map amendment from FEMA and done all of the planning work required to assure compliance with the 100-year flood zone drainage requirements predicated on the existence of the wetland area. No building will occur in that area that would impact upstream or downstream flows that feed the wetland area. They have been making progress on working closely with Southwest Gas and there is a bill, S.B (Senate Bill) 151 that was introduced to the Nevada Legislature in the last session asking them to approve bringing natural gas to Spring Creek. The bill provides for legislative policy support for expansion of natural gas infrastructure; they never would have proceeded with Ruby Vista Ranches development without natural gas because propane does not make sense for a project of this size. He stated they have been working with Spring Creek Utilities on water supply planning with a goal of reducing overall cost for water consumption for the entire community as well as water flow between the 200, 300 and 400 Tracts. When the land was purchased from the prior owner, approximately 234 acre feet of water rights were dedicated to Spring Creek Utilities which is stated to be enough water to support the first phase of construction for development of Ruby Vista Ranches comprising 420 single family homes, 320 apartments and roughly about 33 acres of commercial space. Local builders will be part of the project development opportunity. More water rights will be required in order to expand future development after the initial phase is complete but Mr. Krater indicated the developers have been approached by several individuals willing to sell their water rights to the Ruby Vista Ranches for development of the project. He also stated that they will be implementing a waste water disposal system that could benefit the needs of the Elko County School District as well. He explained that the schools in the area, the Middle School, High School can't expand because of the engineered septic systems they now utilize cannot be built upon; connecting to a community waste water system with Ruby Vista Ranches would facilitate future school expansion and more classroom space and a larger student population. Zoning is in place for the entire northern area of the project; lot sizes will range from 6,000 sq. feet to ½ acre for single family homes in the \$200,000 price range is preferred initially. He discussed other aspects of the regional park, recreational and public safety facilities associated with the project. A 25 year build out is projected for the entire project. They would like to begin development in April, 2017. He detailed proposed impact fees for the project including public safety and road maintenance considerations. Director McFarlane questioned what is fueling the need for housing and raised the water issue and traffic issues because of the single highway for the community. Further explanation by Mr. Krater on the project and additional detail questions by Board Members ensued. Traffic matters and the highway system were discussed. Mr. Krater will work with President Bahr to place the project master plan on the SCA website. The project will have CC&R's, a HOA and associated dues. Public comment was offered by Theresa Murphy, a non-property owner who lives by Corral Lane, who stated concern with impact on the existing private wells and weed abatement. Ken Krater stated they have been very careful to assure water impact has been studied and preserved for existing private well users. Tom Whittle (Tract 100) asked about Elko County Special Improvement District Policy since no agreement is currently in place with the County for this project. Mr. Krater stated he was hopeful that the topic would be included in the Elko County Commission agenda. He stated that each stage of the development would be sustainable on its own. Further discussion ensued.

IV. REVIEW, DISCUSSION AND POSSIBLE APPROVAL TO MOVE FORWARD WITH PLANS TO SELL THE CURRENT ADMINISTRATION OFFICES AND MATTERS RELATED THERETO. President Bahr introduced the item. Information is included in each board members packet.

BOD REGULAR MEETING MINUTES – SEPTEMBER 28, 2016

Shecky Overholser and Karl Young of Elko Realty explained their overview of the property and marketing strategies. An inspection of the property was performed by Perry Inspections. It was suggested that money spent to improve the property before sale was not advisable and the property should be sold as is. Market range for the sale would be \$200k - \$225k. Further discussion ensued with respect to the two adjoining property sales which are landlocked and how to access the parcels because they don't have street access. No public comment was offered. Vice Chair Park moved to approve the listing of the administration building @ 451 Spring Creek Pkwy with Elko Realty. Director Jefferies seconded the motion. Vote was called; the motion carried 6-0.

V. REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF FUNDING FOR THE PAVING OF THE PARKING LOT AT THE FAIRWAY COMMUNITY CENTER AND MATTERS RELATED THERETO. *The agenda item was taken out of order and prior to agenda item IV.* Robert Howard, Fairway Community Center Project Manager, gave an update on the FCC building project status and introduced the agenda item. 16,500 sq. feet of asphalt needs to be paved for the FCC parking lot. Three options are available.

- Option #1 \$29,000 - the SCA Road crew would pave the area; the cost is for material.
- Option #2. \$44,800 – Stater Parson crew to do the work using our trucks.
- Option #3. \$61,000 for an outside crew to do the work.

Additional discussion and clarification ensued. Mr. Howard stated the Option #1 is cheapest and that the SCA Road crew could do the job and that our own equipment is well suited for the 8-inch compacted road base and 3-inch asphalt. No public comment was offered. Director McFarlane moved to approve Option #1 to perform the Fairway Community Center paving project utilizing the SCA Road Crew. Director Jefferies seconded the motion. The vote was called and motion carried 6-0.

VI. REVIEW, DISCUSSION AND POSSIBLE APPROVAL TO REPLACE THE FENCING AROUND THE MAINTENANCE YARD AND MATTERS RELATED THERETO. A comparison chart for all bids has been provided. Discussion ensued on the bids submitted. No public comment was offered. Director McFarlane moved to accept Bid E from Mountain States Fence for \$20,900. Director Plaster seconded the motion. Vote was called; motion carried 6-0.

VII. REVIEW AND DISCUSSION OF A PROPOSED AMENDMENT TO ARTICLE VI OF THE SCA BYLAWS REGARDING VOTING PROCEDURES AND MATTERS RELATED THERETO. Attorney McConnell talked about the possibility of allowing electronic voting for the SCA elections. This amendment to Article VI of the SCA Bylaws regarding voting procedures is the first reading of the proposed amendment to the SCA Bylaws and the agenda item is for discussion purposes only and no action will be taken at this time. It is important to remember that amendments to the Bylaws may only be approved by unanimous vote of the SCA Board of Directors. In this proposed amendment the proxy provision has also been removed. No public comment was offered and no action was taken at this time.

VIII. REVIEW AND DISCUSSION OF PROPOSED POLICY 16-002, BOARD OF DIRECTORS-COA RELATIONSHIP POLICY AND MATTERS RELATED THERETO. Attorney McConnell introduced the item and discussed both the COA & BOD duties and rights and how they relate to one another. Proposed changes have been made to the COA Rules and Regulations and there could be possibility of liability to SCA. Policy 16-002 provides for checks and balances with the goal being that the BOD should not micro-managing the COA but provide a second opinion. The proposed amendment was discussed. No public comment was offered and no action was taken at this time.

IX. REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF AMENDED POLICIES TO BE INCLUDED IN THE SCA EMPLOYEE HANDBOOK AND MATTERS RELATED THERETO. President Bahr introduced the agenda item which has been included in the BOD packets. Attorney McConnell has reviewed to amended policies and provided input. The various aspects of compensatory

BOD REGULAR MEETING MINUTES – SEPTEMBER 28, 2016

time and discretionary time and the definition of each was discussed as well as how to manage the policy. No agreement on how comp time or discretionary time should be managed by SCA was forthcoming during this meeting. The section on drugs and alcohol was also discussed and the question raised by Chair Legarza on how prescriptive medication is addressed when it has the potential to affect an employee's work performance. It was suggested by Chair Legarza that additional clarification/notification for an employee who takes prescriptive medication is "fit for duty" and can perform the duties of the job should be addressed in the policy. Proposed amended policies will be provided to the BOD at the next meeting. No public comment was offered. No action was taken at this time.

- X. REVIEW, DISCUSSION AND POSSIBLE APPROVAL TO PURCHASE ROAD SAND TO BE USED IN SCA SALT/SAND MIXTURE AND MATTERS RELATED THERETO.** Treasurer Preston introduced the agenda item and reviewed the bids received from three (3) companies who submitted bids. No discussion or public opinion was offered. Director McFarlane moved to accept Bid B and purchase the sand to be used in the SCA Salt/Sand Mixture from Staker & Parsons at the bid price of \$7.55/ton. Director Jefferies seconded the motion. Vote was called; motion carried 6-0.
- XI. COMMITTEE OF ARCHITECTURE.**
- A. REVIEW DISCUSSION AND POSSIBLE ACTION TO REFER COA VIOLATION AT 447 FOXRIDGE DRIVE (401-006-009) TO LEGAL COUNSEL FOR FURTHER ACTION AND MATTERS RELATED THERETO.** The agenda item was tabled due to the 30-day appeal right.
- B. REPORTS:** None.
- XII. STAFF REPORT:** President Bahr presented an updates on the following topics:
- A. Fairway Community Center:** President Bahr reviewed the progress on the FCC; the possible move in dates along with the transition plan for the administration offices and marketing plan.
- B. Horse Palace:** Design studies and an agreement with LCA; we have an initial review planned for the next BOD meeting.
- C. COA:** Some COA Rules & Regulations have been enacted and we have begun the use of our new violation tracking system software. About 200 properties are in violation.
- D. Road Maintenance:** The chip seal is completed. Maintenance is still on going with paving a part of the work needing to be done. Road cuts should be reported so we can follow up on the repair work. Work still needs to be done a Schuckmann's. Post Office cluster box maintenance is ongoing and road base needs to be implemented in those areas.
- E. General Plan:** Community Survey is complete. Results are on the website and a plan needs to be reviewed and finalized. Weed management plans for 2017 are in the works. The conservation group is taking the lead on the weed management project.
- F. Municipalities:** A timeline was received today. SCA sent Hansford some information on the Association and County and we had a conference call with Hansford to help resolve questions she had in order to continue with next steps.
- G. Water Committee:** Updates from Utilities Inc. are provided. Chair Legarza and President Bahr had a conference call the previous week with John Ellison and the LCB (Legal Counsel Bureau) to make a couple of changes to proposed legislation to be presented at next year's legislative session. LCB asked us to come back with a prosed draft legislation changes and Attorney McConnell was called on to assist. This may be the time to make significant impact on how water concerns and rate increase issues are addressed for the future so we want to make sure we can make significant impact and prepare the draft appropriately.
- H. Upcoming Events:** Trunk or Treat event is scheduled for October 31st at the Marina and then the Grand Opening of the FCC to follow.

BOD REGULAR MEETING MINUTES – SEPTEMBER 28, 2016

I. Robert Howard Reports: Progress reports from Robert Howard in included in the BOD packets.

Vice Chair Park asked if the community survey comments were shared with Hansford in conjunction with the Municipalities study. President Bahr stated the community survey input had been shared. No public comment was offered.

XIII. APPROVAL OF MINUTES:

- A. Director Plaster moved to approve minutes of the August 24, 2016 Board of Directors Regular Meeting as presented. Vice Chair Park seconded the motion. The vote was called; motion carried 5-1 (one abstention – Director McFarlane).
- B. Director Plaster moved to approve minutes of the September 14, 2016 Board of Directors Special Meeting as presented. Vice Chair Park seconded the motion. Vote was called; motion carried 6-0.

XIV. ACCEPT AUGUST 2016 SPRING CREEK ASSOCIATION ASSESSMENT AND LEGAL

RECEIVABLE REPORT: No public or Board comments were offered. Director Plaster moved to accept the August, 2016 SCA Assessment and Legal receivable reports. Director McFarlane seconded the motion. Vote was called. Motion carried 6-0.

XV. ACCEPT AUGUST 2016 FINANCIAL REPORTS: Treasurer Preston noted some changes. No Public or Board comments were offered. Director Plaster moved to accept the August, 2016 Financial Reports as presented. Director McFarlane seconded the motion. Vote was called; motion carried 6-0.

XVI. MEETING SCHEDULE: The next Regular Board of Director Meeting is scheduled for Wednesday, October 26, 2016 at 5:30 p.m. at the SCA Offices.

- A. The Regular Board of Directors meeting in November is scheduled for Wednesday, November 23, 2016. Due to the fact that the scheduled date is Thanksgiving Eve it is the Boards pleasure to consider changing the meeting to Wednesday, November 16, 2016 at 5:30 p.m. A motion to move the meeting to November 16th @ 5:30 p.m. was made by Director McFarlane; motion seconded by Director Jefferies. Vote was called and motion carried 6-0.
- B. The Regular Board of Directors meeting in December is scheduled for Wednesday, December 28, 2016. Due to the fact that the scheduled date falls in Christmas week, it is the Boards pleasure to consider changing the meeting to Wednesday, December 14, 2016 at 5:30 p.m. A motion to move the meeting to December 14th @ 5:30 p.m. was made by Vice Chair Park; motion seconded by Director McFarlane. Vote was called and motion carried 6-0.

XVII. BOARD OF DIRECTOR COMMENTS: None.

XVIII. MEETING ADJOURNED: 7:54 PM