



Facilities:

Community Center: Jerman's, the golf course and the pro shop are all up and running. The POS system is now up and running and we are working through the operations of this. The Association Offices are also moved. The power box has been ordered and should be in within two weeks so that we can finalize the old building and new building power. There are also quite a bit of items that is on the Association to complete including landscaping which will take place once the trench and power is finalized.

Horse Palace Design Study Follow-up: No additional action regarding this item. We are currently in the research phase of understanding what types of flooring is needed and sent out samples for testing. We are putting in liquid Mag. Sulfate to help with dust in the meantime. The board at future meetings will need to decide on funds to designate for this improvement which will take many years to save for. The board will need to make a decision regarding the HP next steps after reviewing the Municipalities Study before we put this as an agenda item.

Shooting Range: The grant for the shooting range was submitted and we are currently waiting a response. I did speak with the local grant person at NDOW who forwarded it on to the federal level which is good news. Once we hear, we will regroup with our committee and staff and get a plan for next steps. During Clean Up Day, many residents helped cleanup that area.

Schuckmann's Complex: The SCA has met with a large, private foundation to review the possibility of funding updates at the Schuckmann's Sports Complex. These could include lights, a concession stand with bathrooms, a football field, and updates to the grounds. The SCA will continue to meet with the youth sports organizations who use these facilities and continue planning. We will now develop a case statement, funding plan, and prospect list and move to a capital campaign with board approval. This will likely be in September for the planning phase.

School District: The ECSD has interest in putting a school on 106D property. This was updated at the last board meeting. The school will now get an estimate on cost for that property and the board will need to decide if they want to move forward. We will likely hold a community meeting to get feedback as well at this time.

Read more here: http://elkodaily.com/news/local/spring-creek-association-supports-location-for-new-school/article_95a47689-06ac-5796-94b2-b243df8e3f75.html

Commercial Properties: The SCA voted to rezone two parcels located near Little Khoury's. We are waiting on direction from our legal on next steps to have these properties up for sale. We still have our property for sale at 451 Spring Creek Parkway and on Country Club.

Operations:

COA: There is one vacancy on the COA, we have been saturating our Facebook page to try and draw interest, we have had no interest at this time.

A ROW Permit/Building Permit requirements meeting with Contractors was conducted on May 25th. We had two different times, 9:00 am and Noon. We had a very good turnout from Home contractors and sub-contractors for utility work, as well as representatives from Water, Power and Phone companies. The information we presented and the reasoning behind the changes and requirements was well received. We have implemented our new requirements effective immediately May 25, 2017.

SmartWebs reports will continue to be provided for COA and BOD.

D'Ann has completed a blanket baseline review of the entire Association, letters continue to go out to all properties in violation, this is a continuous process of noticing the PO. Second Notices go out sight unseen/contact not made. Many properties have begun to call with reports of having corrected the issues.

D'Ann has a huge list of reviews prepared for Security in the coming weeks, so that people who have called stating correction can be marked off the list. We have approximately 1, 200 – 1,500 properties in some stage of the violation process at this time, we have had about 200 call in claiming they have fixed the issues and security will just need to review them.

Jessie is planning a follow up review around mid to late July, and the COA members will then conduct their review in September/October.

D'Ann is now preparing to send out letters to all SCA businesses of the new requirement for Commercial Business Permits. There are approximately 33 commercial businesses in SCA.

Roads and Maintenance: The Association is currently focusing on road sweeping, pot holes, shouldering, and mowing sides of roads and spraying weeds. There are some holes IE Palace Ct. that will need hot mix and the plant has not yet opened. We have just received the skid steer that was approved which will allow us to do additional work and help with shouldering of the roads. We have assigned the roads that will be chipped this year which was supplied last month. We are also working on the bids for covering our sandpile and foundation.

Animal Control: Katie has supplied the DA and Sheriff's office with a version and is still waiting to hear back. I contacted the City of Elko to see if we can get a record (since it is public record) each week of the animals who were taken to the shelter who are SCA PO's and have loose dogs so we can follow-up on our end to help with this major issue in Spring Creek. I also spoke to the Sheriff regarding what more they can do to help fix this issue in Spring Creek as it is out of hand. The SCA has met with the City of Elko and Elko County Sheriff to review their animal control plans as well as see what Elko County can do for animal control in the SCA. Sheriff Pitts has provided a proposal regarding costs for this position and is noted below from his email. We would like to first present a plan to the County and ask them for funding. If no funding is provided, we would approach the board for a vote. Katie and Sheriff Pitts are working on a contract to present to the County and we will move forward from there.

Sheriff Pitts Email: Here is the cost break down of an animal control officer this chart shows the starting pay as a step one. (chart attached) There are ten steps in our pay scale over ten years. The Sheriff's office will provide a vehicle which will be an old canine vehicle until we can budget a new animal control vehicle at \$45,000 by the time we outfit it with an animal control box on the back. We will provide the radios both one in the vehicle and a hand held one for them to carry while on duty at a cost of \$10,000. We will also pay the annual fee for dispatch and to the state for the radio (to be on the system) dispatch fees \$8,232.50 and \$395 per radio or \$790 a year to the state. The annual fuel bill for our one animal control officer is approximately \$4,000 a year. We would also cover the auto insurance which I don't have the cost but it should not be much.

Weed Management: The SCA is currently out spraying many roads and amenities in SC with the brush beater and sprayer combination which we hope will save time and be more efficient in dealing with the weeds. We have hired Sam Sanders as a full time employee as noted on the employee structure to help with many areas including weeds since he has a strong background in this area.

Municipalities Study: The community meeting for the final results will be on June 15th at 6 PM at SCE. We will have handouts for all attendees as well as the presentation and information is posted on the website and attached in this email.

Geese Management: The geese management plan is currently taking place and almost complete for this year. We will start with the dog and drone training in a few weeks to help maintain the population until next year. We encourage the property owners to not feed the waterfowl or tamper with any of the devices we are using. We have placed new signs at the Marina stating this. We are working with FWS, NDOW and Humboldt Wildlife Services to finalize other aspects of the plan including trapping of 150 geese. If there are questions on this, please refer them to the Geese Management Plan on the website.

Water Issues:

Water Meter Reading: The PUCN Commission had their final hearing yesterday regarding the water meter issues we are facing in Spring Creek. The PUCN staff and BCP really put in the time to understand the issues and express their continued concerns to the Commission that there is likely more customers effected in this case, as well as pointed out there are really no strong programs for staff training and policies and procedures in place as well as the lack of customer service and satisfaction in our area.

The next steps are Commissioner Pongracz will write a draft order. In the last section, there will be Commission Discussion & Findings and then it will say "it is ordered that.." & that's where you'll want to look for the outcome. Then the Draft Order will go on an agenda to be voted on by the Commission. Upon an approval by the entire Commission, the order will come out which will order the company to do whatever it entails. So we have to wait for that draft order to become an item on an agenda.

Overall this is a step in the right direction to help our Spring Creek community deal with the

water issues we have been facing for years. This is only one small step in a large process to fix the problem once and for all.

Key Highlights:

Lila Glaser Testimony: Q: Does staff agree with refund methods that GBWC has proposed as resolution in this matter. A: No. Staff believes that any refund amount should be calculated and potentially refunded to every Spring Creek customer...

Yasuji Otsuka Testimony: Q: What are you recommendation to the Commission regarding the issues outlined.. A: I recommend that the Commission find that the BBWC's two comparative analyses of field technicians' meter reading practice do not provide conclusive evidence to support its assertion that the meter reading problems: (1) are limited to only on particular field tech; and (2) started in June 2016.

Yasuji Otsuka Testimony Page 12: ...GBWC should have investigated if there were any process, procedure and control issues related to the claimed fraud practice. However it appears that GBWC did not even try to do. This is disconcerting and does not demonstrate serious management attention towards identifying the root cause(s) of this problem.

<http://pucweb1.state.nv.us/puc2/Dktinfo.aspx...>
Docket 16-12006

AB 109:

As introduced AB 109 did two things: Required the staff of the Public Utilities Commission of Nevada to travel to Elko at least once a year and conduct a consumer session. Second, it required the Bureau of Consumer Protection in the Attorney General's office to intervene in all Spring Creek rate cases. In the Assembly Commerce and Labor Committee testimony by rate payers, the Chairman of the PUCN, Joe Reynolds and Eric Witkowski, and the Administration of BCP was well received. BCP did submit a fiscal note for \$40,000 which Mr. Witkowskii told the committee was added because the Governor's budget had cut some of his funding for travel and hiring expert witnesses. Mr. Witkowski also assured the committee that his office had sufficient reserves to cover anticipated costs associated with any Spring Creek rate cases. There was no opposition to the bill. The bill was voted out of committee and sent to the Assembly floor for approval. During the floor testimony Assemblywoman Maggie Carlton moved the bill be referred to her committee on Ways and Means.

The bill was finally heard in Ways on May 1st with no concerns expressed by the committee members except Chair Carlton who repeated the same questions she asked in the commerce and labor committee of both PUCN and BCP and received the same answers. AB 109 has no fiscal impact on the state general fund or either of the two agencies. Despite all the repeated efforts of Assemblyman Ellison, Senator Goicoechea and myself, Chairwoman Carlton would not allow the bill forward into a work session (which is the final hearing on a bill before it is moved out of committee).

After repeated pleas to Speaker Frierson, Majority Leader Teresa Benitez Thompson and Senate Majority Floor Leader Ford to process the bill word was received that the BCP fiscal note was still a problem. Within a few hours Senator Goicoechea and Assemblyman Ellison had the fiscal note officially withdrawn by the Attorney General's office. Remember that during all previous

hearing all legislators including Carlton were satisfied there was not a fiscal impact on the 2017-2019 State Budget. I remain convinced that the fiscal note was a smoke screen for Carlton not to process the bill ever. Because of the efforts of Ellison and Goicoechea, Republican leadership in both the Senate and Assembly made AB 109 a top priority. Despite daily and sometimes twice daily contacts with democrat leadership the bill was not moving.

Sunday afternoon, I met in person with Assembly Majority Leader Teresa Benitez-Thompson and asked point blank why 109 had not moved. She told me democrat leadership will not process the bill under any circumstances. I pressed the issue as to why and was told because rural republicans would not support tax increases. Then she told me it was because of the fiscal note which I quickly reminded her was withdrawn. Then she said it was that the BCP would have to use reserves. Monday night at midnight the 79th legislative session ended, AB 109 was not processed and it died.

You asked about next steps: While I cannot speak for Senator Goicoechea or Assemblyman Ellison the consensus among all three of us is that both PUCN and BCP will voluntarily carryout the terms of the bill. I would suggest you contact PUCN ask if they are still willing to come to Spring Creek voluntarily at least once a year for a consumer session. Also contact BCP and ask upon your request that BCP intervene in SCA rate cases.

For our part Capitol Partners is available to continue to represent the SCA on an as needed basis on a rate we can negotiate. I want to assure you that we left no stone unturned in our efforts to win passage of AB 109 and as I indicated on several occasions we remained optimistic until last Sunday when Benitez-Thompson told me in person that the democrat leadership would not process the bill.

As always, I am available for questions and if you would like I am able to travel to Elko to meet with you and your members under the terms of our original contact.

Safety: We are starting to implement many items from our safety plan including training, checklists, monthly meetings etc. We will continue to evolve our safety plan over the year to ensure compliance.

Neighbor 2 Neighbor: We are developing a N2N program which will work with volunteers in SC to help their neighbors who are elderly, disabled, or a vet in need with property work like weeds or even snow removal. We are finalizing paperwork and qualifications on this program and hope to roll it out soon.

Soliciting and Business License:

The COA has enacted a business license to help the SCA manage the business environment in Spring Creek including the impacts these businesses generate on roads and other areas. The fee schedule is quite similar to the City of Elko's if you review it. The COA secretary made an error when publishing the first version which has caused quite a stir. She is certainly upset about this and we do apologize. She has since updated with the correct chart and posted this as well. Spring Creek is not a small HOA, it is one of the largest HOA's in the Country and is starting to rival the City of Elko's population who has many of these permits and management tools. The DOR's require that all lots are accessed the same in the Association regardless of zoning. In order to equalize the impact that businesses have in Spring Creek, this license will help level this field. It will also, as stated above, be a

management tool when there are issues. As you know, we are looking at the options of being something other than the HOA since managing all of these areas has become quite a large task. We have been asked to clarify, which is great feedback for us if it did not appear clear, what is considered home and what would be considered commercial. We use the same standards as the City of Elko does on this as well so in general Home Based is anything operated out of your home and commercial is anything on a commercial or industrial zoned parcel and or has a storefront or office.

Please review the website for the updated information.

Regarding the Elko Daily Article on Business Licenses:

As noted in the paper, there was discussion at the County regarding the issues we are seeing in Spring Creek with soliciting. The goal of updating our County with this issue (of which we update them monthly on what is happening in the SCA) is to brainstorm how we can work together on finding a solution for the specific soliciting issue since the Sheriff's office is our law enforcement. After speaking with the Sheriff, he is having a hard time enforcing this rule since it is just an HOA rule. We do have an HOA rule regarding No Soliciting which many outside companies seem to ignore. Outside companies are the ones we would like to try and target and put a strategy in place to limit them from continued soliciting. We do not want or intend to punish those companies or business who are doing what they are supposed to do and this is why we would like to look at a targeted approach to the issue. I would highly doubt the County would want to have a business permit as was stated in the meeting although I do think there would be much support for targeting these solicitors who come from the outside and are an issue. There is research happening behind the scenes on what could be put in place to help with this issue. Another suggestion was to put in an ordinance that references these temp and outside solicitors that could say no soliciting specific to the SCA similar to the rule with the County regarding no ATV's on roads in the SCA. There have been no decisions and only simply exploring what options could be, this is the very start of these conversations. We also would not want to add more regulations, paperwork and headache so would hope to target the issue as much as possible. More to come on this in the upcoming weeks.

As a final note, all COA and Board meetings follow open meeting law which means agendas are posted in accordance to these rules and the meetings are open to the public. We encourage people to come to the meetings to keep up to date on issues and provide feedback to the volunteers helping run the SCA.

2017 Focus Areas

Although this is not an all-inclusive list, below are some of the key initiatives we will be tackling this upcoming year:

Roads: Association roads, like many other areas in our HOA, have had years of deferred maintenance which is why we are in need of repairing so many over the next few years. Additional patch and shoulder work is needed on most roads as well as chip-sealing many of the roads and paving mailbox areas.

Water: The Association is pursuing legislative changes in regards to water and has set aside funds to see this through as well as any other water related issues we may need to pursue on behalf of our residents including a possible rate increase hearing.

Geese: We have over 500 resident geese at the Marina which are causing many issues for our members. We are working on a plan with USDA, NDOW, and other local agencies to humanely remove some of the population.

Amenities: Like the roads, many amenities are in a state of disrepair. We are receiving input from the amenity users and will be updating facilities although most will need to be in phases and funds saved up.

Animal Control: A large issue for many is animal control and specifically dogs. We are working on a plan to implement specific animal control measures in the Association to help alleviate these continued issues.

Weeds: Noxious weeds are very prevalent in the Association and need to be controlled. Many local agencies have come together to attack this problem County wide including the Association.

Capital Reserves: Implementation of a strong capital reserve program will help us be on top of repairs and additions for years to come instead of being in a state of crisis when a large issue.

Events:

Municipalities Meeting: June 15th @ Spring Creek Elementary

Annual Meeting: June 17th @ Fairway Community Center

Freedom Festival 4th of July Event: July 4th @ Spring Creek Marina

Trunk or Treat: October 31st @ Spring Creek Marina

Respectfully Submitted,

Jessie Bahr, Spring Creek Association President/ General Manager