



## **SPRING CREEK ASSOCIATION BOARD OF DIRECTORS SPECIAL MEETING MINUTES**

Spring Creek Association ("SCA") Board of Directors  
Monday, April 23, 2018, 5:30 PM, PST  
Fairway Community Center Meeting Room  
401 Fairway Blvd, Spring Creek, Nevada

**PRESENT:** Chair Josh Park (Tract 100), Jim Jefferies (Tract 200), Pat Plaster (Tract 300), Vice Chair Paddy Legarza (Tract 400)  
At-Large Members: Tom Hannum, Jake Reed

**ABSENT:**  
At-Large Member: Molly Popp

**CORPORATE OFFICERS PRESENT:** SCA President Bahr, SCA Treasurer Austin-Preston

**CORPORATE ATTORNEY:** Katie Howe McConnell

**CALL TO ORDER:** Chair Park called the meeting to order at 5:30 PM.

**PLEDGE OF ALLEGIANCE.**

**NOTICE:**

1. **Items may be taken out of order**
2. **Two or more items may be combined**
3. **Items may be removed from agenda or delayed at any time**
4. **Restrictions regarding Public Comment:** Pursuant to N.R.S 241.020(c) (3), this time is devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item. Comments during this public comment period are limited to items NOT listed on the agenda, and shall be limited to not more than three (3) minutes per person unless the Board of Directors elects to extend the comments for purposes of further discussion. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Chair may prohibit comment, if the content of that comment is a topic that is not relevant to, or within the authority of, the Spring Creek Association or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

**I. COMMENTS BY THE GENERAL PUBLIC**

***ACTION SHALL NOT BE TAKEN***

No action may be taken on a matter raised under this item of the agenda until the matter itself has been included specifically on an agenda as an item upon which action will be taken.

No comments were made.

**II. PRESENTATION AND DISCUSSION REGARDING A PROPOSAL FOR A RECREATION CENTER AND BOYS AND GIRLS CLUB TO BE LOCATED NEAR SCHUCKMANN'S SPORTS COMPLEX.**

***NON-ACTION ITEM***

A presentation was given by Rusty Bahr, CEO of the Boys and Girls Club. It was noted that there are currently 94 children which are spring creek residents that attend the Elko Boys and Girls Club. The Boys and Girls Club is a non-profit. There was an overview of services provided at the Boys and Girls Club, including the literacy program, help with homework, exercise, healthy habits, stem program, art program, etc. Stories were shared of how the Boys and Girls Club has been able to help families in need in our area. A community assessment was done which showed the need for the club. It was noted that CEO of the Boys and Girls Club Rusty Bahr and the President of the Spring Creek Association Jessie Bahr are married, however that does not pose any conflict of interest. It was noted that Tom Hannum who sits on the Board for the Boys and Girls Club, also sits on the Board of Directors for the Spring Creek Association and has removed himself from voting on anything involving the Boys and Girls Club. The Boys and Girls Club will provide a fitness center for adults and children, there will be a food service concession area and an outdoor playground. There will be further research done to see if a spray pad will be an option at the club.

**Public Comment:**

Dorothy Noble (tract 300), noted that when she drove by the soccer fields they were filled with children. When soccer is over there is no place for children to go. She is in support of the Boys and Girls Club.

Sarah Ward (tract 300), spoke in favor of the Boys and Girls Club, has lived here for 17 years, has 4 kids and is single mom. It would allow her kids to have a safe and supportive place to be. It is a benefit for the community.

Laura Rogers noted she was in favor of the Boys and Girls Club and the amount of work that the Bahrs' have done for the community is amazing. She asked that people be respectful on social media.

Mary Ellen Burckhard (tract 400), stated that on May 28<sup>th</sup> the entire board voted to approve a letter of intent. She asked if the Board had made the letter public record. Rusty Bahr, CEO of the Boys and Girls Club, replied to the question and stated that the Board was given another month until after this meeting to vote. Chair Park clarified that the donor for the Boys and Girls Club wanted to see the temperament of the Board and the community in regards to the donation of land. Katie McConnell, Attorney for the Spring Creek Association, noted that no donation of money was discussed by the Board; only the donation of land was discussed.

Zane Negrych (tract 100), relocated here to raise his children. The only thing he misses from relocating from the city is a sports facility. He is in favor of the Boys and Girls Club and believes it will be a wonderful thing for the community.

Chris Ward (tract 400), agrees with everything stated. He wondered if it was possible to have the Boys and Girls Club in Spring Creek on a different property and without the donation of Spring Creek property. CEO, Rusty Bahr, noted there may be other opportunities to look at, however, they believe that this is the best opportunity because it's where the children are and it's the easiest place to transport the children. Chair Park asked if there is a reason why he doesn't support the donation of this property. Chris Ward stated that no matter how desirable a charity is or how deserving it is, it isn't the place of the HOA to donate. Chair Park noted that the DORs and articles of incorporation were reviewed by 2 attorneys and both determined it was a feasible project. Attorney Katie McConnell noted that the parcel in question is not part of the common recreation facilities. She went over which parts of the Nevada State Statute, specifically NRS 116, apply to the Spring Creek Association. SCA President Bahr went over the community survey, the strategic plan, getting community feedback, and noted the association is the only governmental agency trying to help the community.

Nichole Jackson (tract 100), is in favor of the Boys and Girls Club and noted it would be a positive thing for the community.

Tom Ingersoll (tract 100), is in favor of the Boys and Girls Club. If you donate the property, will it affect our dues? Is this a turn key project, will it affect the water in any way? CEO Rusty Bahr responded that they have a will serve letter, will have the water rights, and it will not affect anyone's water bill. They will not come back and ask Spring Creek for anything. SCA President Bahr noted that there may be considerations for snow removal, etc.; however, nothing has been decided. If that was going to come forward it would have to be on an agenda before the Board. Attorney Katie McConnell noted that if the Board decides to donate the land and the land is not used for a Boys and Girls Club, the land itself would come back to the association. If the Boys and Girls Club ceases to be in existence, the entire facility would become Spring Creek Association property.

Susan Nelson (tract 400), has lived in Spring Creek for 25 years and has seen a lack of recreation opportunities. She feels that adding this amenity would increase the value of our homes. To give children a place where they feel safe only benefits the community.

Terry Lister (tract 200), is in favor of the Boys and Girls Club. Getting a 4 million dollar facility for the donation of a 5 acre piece of land is a deal that can't be passed up.

Andrea Park (100 tract), is in favor of the Boys and Girls Club and noted her concerns of the roads in that area where the Boys and Girls Club would be located.

Bernard Addenbrooke (tract 200), was concerned with whether or not this would be an open vote of the association? Attorney Katie McConnell noted that a membership vote was not required.

Steve Trainer (100 tract), noted that it would be hard to get a 75% vote out of the community for anything and is in favor of the Boys and Girls Club.

Brien Park (100 tract), questioned if this was the same type of donation as the land donation for the school. Attorney Katie McConnell stated that the school district approached the Spring Creek Association and agreed to do improvements on the infrastructure in exchange for the lot. He stated he believes the Boys and Girls Club will be a good positive thing for the community.

A question was asked in regards to the houses next to the sports complex and whether they were a part of the association. Attorney Katie McConnell stated that there is a small section of houses that are not in the Spring Creek Association. Rusty Bahr noted that all property owners within a certain distance of the proposed Boys and Girls Club were sent a letter and they did not receive any letters back in opposition. He also noted that the parking lot, restrooms and concession stands would be used by the children using Schuckmann's Sport Complex and not just for the members of the proposed Boys and Girls Club.

Lisa Reed (tract 100), noted she is on the Boys and Girls Club Board in Elko. The club is a place where the kids feel at home and feel safe. The piece of land in Spring Creek is near the schools and the sports complex and would help our community and our kids.

Susan Nevins (tract 400), has lived in Spring Creek since 1986 and children are her passion. She is in favor of the Boys and Girls Club.

Chair Park noted that by his count the majority of the people were in favor of this discussion and noted that he would vote accordingly.

**III. REVIEW, DISCUSSION AND POSSIBLE ACTION OF AN AGENDA ITEM PROPOSED BY MARY ELLEN BURCKHARD THAT ANY FUTURE BOARD ACTION ON THE POSSIBLE DONATION OF LAND BY SPRING CREEK ASSOCIATION TO THE BOYS AND GIRLS CLUB AS A FUTURE SITE FOR A REC CENTER/BOYS AND GIRLS CLUB TO BE LOCATED ON A PARCEL OF LAND CURRENTLY LISTED AS 048-012-004, ZONED P – LAND USE CODE 440 – COMMERCIAL RECREATION (MARCH 19, 2018) OR SOME OTHER PARCEL CURRENTLY IDENTIFIED. THAT FUTURE BOD ACTIONS ON THIS AGENDA ITEM ARE TRANSPARENT AND ADHERE TO SCA ARTICLES OF INCORPORATION, DOR'S AND NEVADA REVISED STATUTES CHAPTERS 82 – NON-PROFIT CORPORATIONS, 116 – COMMON INTEREST OWNERSHIP AND ON ALL MATTERS RELATED THERETO.**

***FOR POSSIBLE ACTION***

Mary Ellen Burckhard provided handouts to the Board. She noted that although she might be recognized as not being in support of the Boys and Girls Club, she is in support of it and has done volunteer work with the youth in the past. She read the following statement: I do support the Boys and Girls Club in Spring Creek and my comments on this agenda are confined strictly to the elements of the SCA governance documents, the declaration of reservations, the articles of incorporation and the bylaws in conjunction with Nevada Revised Statutes 81, 82 and 116. How many of you have actually received a copy of the governing documents for Spring Creek and have you actually read them, and do you have a copy of them? She noted that not many hands were going up. SCA President Bahr noted that every homeowner receives a copy of the bylaws and the DORs for Spring Creek and signs off that they receive them in their

homeowner's packet. They are also available online. Mary Ellen stated that the purpose of this agenda item is to clarify what the process is for any current or future board of director action on any donation of land by the Spring Creek Association to the Boys and Girls Club. Nevada Revised Statute 81.410 details the Nevada law on the formation of the Spring Creek Association as a non-profit cooperative corporation without stock. Each member is a shareholder and as such has a voting right on transactions requiring a vote of the membership. NRS 81.410 refers to provisions in NRS chapter 82. Chapter 82 governs non-profit corporations, organized pursuant to NRS 81. Inclusive and as referenced in the SCA articles of incorporation, article 3. A quick read of the SCA articles of incorporation might give the board of directors the impression that they alone can simply vote the land away as a donation to the Boys and Girls Club. That idea seems to rest on a little bit of confusion about what common recreation facilities might mean. Normally when you see facilities that only means buildings on a common area and doesn't include raw land. If we were to read paragraph 8 of article 4 and assume that using the terms common recreation facilities meant buildings alone, then paragraph 8 would read that the Board only requires a 75% vote of the membership if they were selling or conveying an actual building to the Boys and Girls Club. A closer examination of the articles reveals something entirely different.

Chair Park noted that they have already gotten a legal opinion on the statutes Ms. Burckhard is referring to. The common recreation facilities that are detailed, i.e. the Horse Palace, the Marina, etc. would have to have a 75% vote of the membership. The piece of property in question is not a common recreation facility. Chair Park asked Ms. Burckhard directly where they have not been transparent in this.

Mary Ellen Burckhard responded by saying that she used to transcribe the minutes for the Board of Directors and the Committee of Architecture. After she received the notes from the February 28<sup>th</sup> meeting, which mentioned the letter of intent for a land donation, she raised questions with the Board, President, attorney, staff and etc. which is what brought this item to the agenda.

Chair Park noted that he relies heavily on the attorney to interpret the statute and the law. He noted that there wasn't anything done that hasn't been transparent.

Mary Ellen asked if the Chair would like to ask the audience if they care to hear the rest of her presentation.

Chair Park noted that since the Board would be voting and the Board has already got the interpretation of the NRS, articles of incorporation and the declaration of reservations, he was not sure it was in the best interest of anyone. Chair Park noted that he would be following the advice of the attorney that this is a lawful action that can be taken by this Board.

Mary Ellen Burckhard noted that she objects to that.

Katie McConnell responded that it is her legal opinion that the Board can legally donate the land if they decide in accordance with articles of incorporation, chapters 81 and 82 of NRS of which provisions are applicable to this association, very minimal provisions of chapter 116 which are applicable, and provisions of the bylaws. It was noted attorney Jim Copenhaver gave an independent opinion and it was the same.

Jim Jefferies read a portion of the articles of incorporation and gave his opinion that the association needs to be changed to something that works for the people. He stated that we need to work on this community. He noted the people have the power to change the articles of incorporation, but people must participate in order to do it. He noted that he was not against the Boys and Girls Club.

Mary Ellen asked Attorney McConnell to define common recreation facilities.

Attorney McConnell stated it was her opinion that common recreation facilities as defined in the declaration of reservations and the articles of incorporation include the Golf Course and Pro Shop, parking and fishing area, trap and skeet facilities, equestrian center and other common areas such as greenbelts and equestrian easements.

Attorney McConnell noted that the property is zoned public.

Chair Park thanked Ms. Burckhard for her comments and noted that the Board will continue to strive to be transparent.

Chair Park noted that he received 3 letters that were in support of this item. He also noted that they are at 17 in favor out of those who have spoken and 1 opposed to the possible land donation.

**IV. REVIEW, DISCUSSION AND POSSIBLE ACTION TO DONATE APPROXIMATELY 5 ACRES OF LAND, PARCEL NUMBER TO BE DETERMINED ONCE THE NEW PARCEL MAP IS COMPLETED, TO THE BOYS AND GIRLS CLUB OF ELKO TO BE USED FOR CONSTRUCTION OF A REC CENTER AND BOYS AND GIRLS CLUB, INCLUDING ANY CONTINGENCIES RELATED TO THE PROPOSED DONATION.**

***FOR POSSIBLE ACTION***

Mike Pappas (tract 200), noted that he is in support of the item.

Mary Ellen Burckhard, asked if this is the same agenda item that is scheduled on the April 25, 2018 agenda? Chair Park clarified that the Board decided to allow time for consideration to vote at the next meeting if that was necessary. He noted that at this time he sees no reason to put the vote off until the April 25, 2018 meeting.

Attorney McConnell recommended contingencies that if the Board is inclined to vote in favor of this donation and the Boys and Girls Club is not built in 5 years of the date of the donation, the

Boys and Girls Club will deed the property back to the association. Secondly, if the Boys and Girls Club ceases to operate, that the property revert back to the association.

Tom Hannum noted that he is the President of the Boys and Girls Club and will be abstaining from the vote.

Chair Park moved/Member Reed seconded to approve the donation of approximately 5 acres of land, parcel number to be determined once the new parcel is completed, to the Boys and Girls Club of Elko to be used for construction of a rec center and Boys and Girls Club with the following contingencies:

- 1) The construction must commence within 5 years
- 2) If the Boys and Girls Club ceases to exist all assets on the property will revert back to the Spring Creek Association, including the building and any improvements.

The motion carried (5-0-1) Hannum abstained.

## **V. PUBLIC COMMENT**

## ***ACTION SHALL NOT BE TAKEN***

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Steve Trainer thanked the Board.

## **VI. ADJOURNMENT**

The meeting adjourned at 7:57 p.m.