



SPRING CREEK ASSOCIATION BOARD OF DIRECTORS REGULAR MEETING MINUTES

Spring Creek Association (“SCA”) Board of Directors
Wednesday, November 8, 2023, 5:30 PM, PST
Fairway Community Center Meeting Room
401 Fairway Blvd, Spring Creek, Nevada

The meeting was held in person and telephonically through Zoom.com

PRESENT: Kelly DiLulo (Tract 100), Jody Atkin (Tract 200), Chair John Featherston (Tract 400)

At-Large Members: Vice Chair Tom Hannum and Molly Popp

ABSENT: Randy Maulin (Tract 300) – entered at 5:48pm, Jake Reed

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

CORPORATE ATTORNEY: Katie Howe McConnell

CALL TO ORDER: Chair Featherston called the meeting to order in person and telephonically at 5:36 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 public comment was received.

II. REVIEW, DISCUSSION AND POSSIBLE ACTION TO APPROVE AN UPDATED CONCESSIONAIRE AGREEMENT WITH KARR FOOD AND ENTERTAINMENT LLC FOR THE GOLF COURSE CONCESSIONS. FOR POSSIBLE ACTION

President Bahr provided background the current agreement with Karr Food ends in December 2023. Jon Karr was present and stated that he wished to extend the agreement for the Golf Course Concessions. He commented on a long-term design layout change as well as providing shade for the deck.

No public comment was received.

Member DiLulo moved/Member Atkin seconded to approve the updated concessionaire agreement with Karr Food and Entertainment through December 2025. Motion carried (5-0), Members Mauldin and Reed absent.

III. REVIEW, DISCUSSION AND POSSIBLE ACTION TO APPROVE AN AMENDED USAGE AGREEMENT FOR TARYN HARP, CARRY ON WITH STYLE. FOR POSSIBLE ACTION

President Bahr provided background that general changes were provided to the updated usage agreement with Carry on with Style.

Attorney McConnell provided specifics including a charge for utility usage at \$350 per month, the definition of the property was updated to clarify usage of the patio, and the agreement includes 10 black out dates for golf tournament use of the patio.

Taryn and Mike Harp were present and had agreed to the changes presented in the proposed updated agreement. There was general discussion on utilities and it was clarified that a separate meter would be installed for the natural gas.

No public comment was received.

Vice Chair Hannum moved/Member DiLulo seconded to approve an amended usage agreement for Taryn Harp, Carry on with Style. Motion carried (5-0-1), Member Mauldin abstained, Member Reed absent.

IV. REVIEW, DISCUSSION AND POSSIBLE ACTION TO APPROVE A REQUEST FROM TARYN HARP, CARRY ON WITH STYLE, FOR ADDITIONAL RENT ABATEMENT FOR THE OLD CLUBHOUSE USAGE AGREEMENT. FOR POSSIBLE ACTION

President Bahr provided background that the Harps are requesting additional rent abatement for the Old Clubhouse agreement.

Attorney McConnell stated that the current agreement expires in November 2025 and the Harps were asked to bring their proposal to the Board for an extension of the rent abatement.

Taryn and Mike Harp were presented and commented that they had put over \$200,000 into the old clubhouse renovation and they had a seven year bank loan. They also have approximately \$80,000 of personal property at the location. They stated that because of permitting and COVID issues, they were unable to open until June 2021. They are requesting that the current contract be extended to the end of the loan period which is January 2028. They stated they

would not be able to afford to pay for their loan and the rent payment at the same time. They agreed to \$1 per square foot rent after the extended rent abatement.

Chair Featherston commented that they are still not utilizing the full 3200 square feet of the space and they could consider subletting the open portions. He stated that if the extension is allowed, that SCA will not realize almost \$83,000 in rent.

There was general discussion on whether the unoccupied areas could be given back to SCA to manage to decrease the rent amount.

Attorney McConnell stated that the term could be extended to May 31, 2027, (an additional 18 months) to reflect the time they were unable to open.

No public comment was received.

Member DiLulo moved/Member Atkin seconded to abate the rent for the Old Clubhouse for an additional 18 months.

Member DiLulo moved/Member Atkin seconded to abate the rent for the Old Clubhouse for an additional 18 months ending on May 31, 2027. Motion carried (5-0-1), Member Mauldin abstained, Member Reed absent.

V. REVIEW, DISCUSSION AND SECOND READING TO REVISE BOARD OF DIRECTOR POLICIES TO INCREASE THE LIMIT FROM \$5,000 TO \$10,000 FOR NON-BUDGETED CAPITAL ITEMS, CHECK SIGNATURES, AND COMPETITIVE BIDDING PROCEDURES. FOR POSSIBLE ACTION

President Bahr introduced the item that this is the second reading of the proposed policy to increase the limit from \$5,000 to \$10,000 for non-budgeted capital items, check signatures, and competitive bidding procedures. No changes have been made to the proposed policy.

No public comment was received.

Vice Chair Hannun moved/Member DiLulo seconded to approve the second reading to revise the Board of Director policies to increase the limit from \$5,000 to \$10,000 for non-budgeted capital items, check signatures, and competitive bidding procedures. Motion carried (6-0), Member Reed absent.

VI. REVIEW, DISCUSSION AND POSSIBLE ACTION TO CONSIDER CHANGES TO THE HORSE PALACE RULES AND FEE SCHEDULE. FOR POSSIBLE ACTION

President Bahr stated that fees were brought back to the Board after the discussions in the October meeting.

Proposal:

Indoor Arena \$1000 – would include 12 hours of lights and sound system – each hour overage proposed at \$100 per hour.

Heaters:

Heaters (New configuration)

North Bleachers \$15/hour

South Bleachers \$15/hour

Pens (South End)	\$30/hour
Chutes (North End)	\$60/hour
Entrance	\$15/hour
Announcer Booth	\$15/hour
All Heaters	\$150/hour

A la Carte Fees:

Half Day Rate	\$500 for 6 hour blocks
Overage Rate	\$100 per hour

Remove Weekend Rate, Separate charge for Sound system, Round pen rental, Pole setup, Trailer cleanout location.

Special Preparations for Arena \$50 per hour (This will include any personnel needs by the event such as parking assistance, ticket booth assistance, stall setup & take down).

Food Truck/Vendors \$100 per day per vendor

No public comment was received.

Vice Chair Hannum moved/Member DiLulo seconded to approve the changes to the Horse Palace rules and fee schedule as presented and discussed. Motion carried (6-0), Member Reed absent.

VII. REVIEW, DISCUSSION AND POSSIBLE ACTION TO CONSIDER INCREASING THE CREDIT CARD CONVENIENCE FEE. FOR POSSIBLE ACTION

President Bahr provided a general overview of the credit card convenience fee and that not all property owners should have to pay the fees associated for those that wish to pay by credit card. The proposed increase to \$3.50 per transaction from \$2.50 per transaction would more closely cover the cost of the credit card fees incurred from payments.

Member Mauldin expressed that he was against additional fees to pay.

No public comment was received.

Member Atkin moved/Vice Chair Hannum seconded to increase the credit card convenience fees from \$2.50 to \$3.50 per transaction on credit card purchases. Motion carried (5-1-0), Member Mauldin against, Member Reed absent.

VIII. REVIEW, DISCUSSION AND POSSIBLE ACTION TO CONSIDER INCREASING BOTH TIERS OF RIGHT OF WAY FEES. FOR POSSIBLE ACTION

President Bahr provided background that staff spends a lot of time doing the right of way inspections, and this increase in fee would help cover the labor cost involved.

Vice Chair Hannum commented that the county does not provide inspections and charge a fee. These pre and post inspections help ensure that SCA funds are not used when a contractor damages a road.

Public Comment:

Kenny Kelly, Tract 100, asked how much the fees were going to increase.

Level 1

From \$100 to \$125 per permit by contractor, utility owner, or homeowner

Level 2

New utility line and/or repair/replacement of existing facilities.

From \$100 to \$150.00 per 1,000 lf of new or repaired/replace facilities and from \$50 to \$75.00 each per additional 1,000 lf or fraction of on new or repaired/replace facilities and/or

From \$100 to \$150.00 per cul-de-sac for new or repaired/replace facilities. Cul-De-Sac lengths not included in the total project lengths

From \$100 to \$150.00 per separate laydown facility/storage location not within project boundary if planned.

Vice Chair Hannum moved/Member Atkin seconded to increase both tiers of right of way fees as presented. Motion carried (5-0-1), Member DiLulo abstained, Member Reed absent.

IX. REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF THE 2024 SPRING CREEK ASSOCIATION BUDGET. *FOR POSSIBLE ACTION*

President Bahr commented on inflationary factors that have been passed onto SCA and that we are continuing to provide the same services with significant increase such as 25% for oil and freight, 20% for insurance, increased costs for an aging fleet. There is a proposal for the Board to consider doing 25 miles instead of 30 miles of roads that would require a \$7.50 per month increase in assessments. If the Board stayed with 30 miles of roads to be chipped, it would be a \$9.00 per month increase. Roads are the biggest and most expensive portion of the budget.

There was general discussion on whether the newly approved diesel tax by Elko County could bring additional funds to SCA.

Public Comment:

Kenny Kelly, Tract 100, commented that the national average for HOA dues in the US is \$170 per month. He suggested increasing the assessments to \$100 per month to get ahead and be able to purchase equipment.

Member Featherston moved/Member DiLulo seconded to fulfil the budgetary requirements for doing the allotted maintenance necessary for our roads to keep from going into further decline and for the operational budget to keep the Spring Creek Association able to provide the amenities to its member to increase the assessments by \$9.00 per month. Motion carried (6-0), Member Reed absent.

X. REVIEW, DISCUSSION AND POSSIBLE ACTION TO REALLOCATE PREVIOUS ASSESSMENT INCREASES FROM CAPITAL FUNDS TO OPERATING FUNDS. *FOR POSSIBLE ACTION*

Treasurer Austin-Preston provided background to the Board's previous discussions regarding reallocating certain assessment increases that were allocated to capital funds to balance the

capital and operation cash amounts. The following were the previous allocations to consider reallocating back to operating funds:

\$1 in 2017

\$2 in 2018

\$5 in 2019.

The total of these amounts is approximately \$517,000 per year.

No public comment was received.

Member DiLulo moved/Vice Chair Hannum seconded to reallocate previous assessment increases from capital funds to operating funds from 2017, 2018, and 2019 as presented. Motion carried (6-0), Member Reed absent.

XI. COMMITTEE OF ARCHITECTURE

A. COA REPORTS

NON-ACTION ITEM

Secretary Duncan provided background on the COA reports, violations, and revenues.

B. POSSIBLE APPROVAL OF APPOINTMENT TO THE COMMITTEE OF ARCHITECTURE FOR ONE-YEAR TERMS COMMENCING JANUARY 1, 2024. FOR POSSIBLE ACTION

President Bahr commented that we had received 5 applicants to serve on the COA for 2024. Bonnie Bawcom, Nick Czegledi, Kevin Martindale, Elex Vavrick, and Donna Stokes.

Donna Stokes stated that she had worked at Stewart Title for 25 years. Chair Featherston provided an outline of the COA Responsibilities and commitment to the position.

Elex Vavrick commented that a main focus of his was to protect the property values with continuing to serve on the committee.

No public comment was received.

Member DiLulo moved/Member Atkin seconded to appoint Elex Vavrick, Bonnie Bawcom, Nick Czegledi, Kevin Martindale, and Donna Stokes to the Committee of Architecture for a one-year term commencing January 1, 2024. Motion carried (6-0), Member Reed absent.

C. REVIEW, DISCUSSION AND POSSIBLE ACTION TO REFER COA VIOLATIONS AT 377 BUFFSIDE CT (201-004-036) TO LEGAL COUNSEL FOR FURTHER ACTION AND OR OTHER ACTION CONSISTENT WITH COA RULES. FOR POSSIBLE ACTION

Secretary Duncan stated that the property has been in violation since May 2023. The sheds have been painted and she recommends dismissing the violation.

No public comment was received.

Member DiLulo moved/Member Atkin seconded to dismiss the violations at 377 Buffside Ct (201-004-036). Motion carried (6-0), Member Reed absent.

D. REVIEW, DISCUSSION AND POSSIBLE ACTION TO REFER COA VIOLATIONS AT 301 BURNS DR (202-015-007) TO LEGAL COUNSEL FOR FURTHER ACTION AND OR OTHER ACTION CONSISTENT WITH COA RULES.

FOR POSSIBLE ACTION

Secretary Duncan stated that the property has been in violation since May 2023. The property has not been brought into compliance.

No public comment was received.

Member Atkin moved/Chair Featherston seconded to refer the violations at 301 Burns Dr (202-015-007) to legal counsel and uphold the fine. Motion carried (6-0), Member Reed absent.

XII. APPROVAL OF MINUTES: FOR POSSIBLE ACTION

A. October 25, 2023, Regular Meeting Minutes

Chair Featherston moved/Member Atkin seconded to approve the October 25, 2023 Regular Meeting Minutes as presented. Motion carried (5-0-1), Members Popp abstained, Member Reed absent.

XIII. ACCEPT OCTOBER 2023 ASSESSMENT AND LEGAL RECEIVABLE REPORTS. FOR POSSIBLE ACTION

Treasurer Austin-Preston provided general comment on the report.

Vice Chair Hannum moved/Member DiLulo seconded to accept the October 2023 Assessment and Legal Receivable reports as presented. Motion carried (6-0), Member Reed absent.

XIV. ACCEPT OCTOBER 2023 FINANCIAL REPORTS. FOR POSSIBLE ACTION

Treasurer Austin-Preston and President Bahr provided general updates.

Vice Chair Hannum moved/Member Atkin seconded to accept the October 2023 financial reports as presented. Motion carried (6-0), Member Reed absent.

XV. MEETING SCHEDULE NON-ACTION ITEM

The next Regular Board of Directors meeting is scheduled for Wednesday, December 13, 2023, at 5:30pm. The meeting may be held telephonically.

XVI. PUBLIC COMMENT ACTION SHALL NOT BE TAKEN

Vice Chair Hannum provided information on the power shut down at the HP to install the new switch gear. There was general discussion on rewiring the generator, Ryan Ranch Fence, and grazing proposals for the Ryan Ranch.

ADJOURNMENT

The meeting adjourned at 8:20 p.m.