



SPRING CREEK ASSOCIATION BOARD OF DIRECTORS REGULAR MEETING MINUTES

Spring Creek Association (“SCA”) Board of Directors
Wednesday, November 10, 2021, 5:30 PM, PST
Fairway Community Center Meeting Room
401 Fairway Blvd, Spring Creek, Nevada

The meeting was held telephonically through Zoom.com due to the COVID-19 Pandemic

PRESENT: Chair Josh Park (Tract 100), Karl Young (Tract 200), and Randy Mauldin (Tract 300)
At-Large Members: Vice Chair Tom Hannum and Jake Reed

ABSENT: John Featherston (Tract 400), Mollp Popp (At-Large)

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 telephonically at 5:38 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 AND RECOGNITION OF GREG WALKER AND ALISSA WOOD, FROM NEVADA GOLD MINES, FOR THEIR CONTINUED SUPPORT AND BRINGING SPRING CREEK PROJECTS AND INITIATIVES FORWARD. *FOR POSSIBLE ACTION*

Chair Park recognized Greg Walker and Alissa Wood with NV Gold Mines as being one of the many outstanding partners in our community. He commended them on their continued support of Elko and Spring Creek. Mr. Walker was presented with a plaque recognizing their support of the community.

Mr. Walker thanked the Board for their recognition. He commented that NV Gold Mines wants to be good corporate citizens and give back to the communities. He commented that Ms. Wood also works tirelessly.

No public comment was received.

No action was taken

III. REVIEW, DISCUSSION AND POSSIBLE ACTION TO CONSIDER A REQUEST FROM H2GO WATER SPORTS TO EXTEND THE PAYMENT TERMS ON THE SHED FROM FULL PAYMENT IN OCTOBER 2021 TO HALF IN OCTOBER 2022 AND THE FINAL HALF TO OCTOBER 2023. *FOR POSSIBLE ACTION*

Chair Park commented that H2GO was requesting a deferred payment of the shed. Attorney McConnell stated that there is nothing in the agreement that supports a delayed payment for the shed and it is his responsibility. SCA was going to purchase the shed for storage and Floyd requested that he purchase the shed with payment in October 2021.

Chair Park asked whether they had provided their 10% gross revenue payment. Treasurer Austin-Preston responded that SCA has received payment for the 10% of gross proceeds of \$1000.

It was discussed that the agreement was for H2GO to be open from May 15 through September 15 with stipulations included such as walk throughs of the area and lifeguard type services. VP Kerr stated that they did not start the season until well into June.

Member Mauldin commented on his recollection that the shed was to be purchased for storage and then H2GO planned to include food services. They would not be able to use the shed for that purpose and wanted to purchase the shed in order to make the necessary changes.

Vice Chair Hannum commented that during the sports court construction, we had a pad built and provided electric, septic and water services for H2GO.

Chair Park commented on three possibilities to either allow the requested payment arrangement, require payment in full for the shed, or forgo the purchase and SCA would own the shed and it could be leased in the future.

Attorney McConnell stated that if the request is denied, H2GO would be in default of their agreement and further agenda items may be required.

No public comment was received.

Vice Chair Hannum moved/Member Reed seconded to deny the request from H2GO Water Sports to extend the payment terms on the shed from full payment in October 2021 to half in October 2022 and the final half to October 2023. Motion carried (5-0), Member Featherston and Member Popp absent.

IV. REVIEW, DISCUSSION AND POSSIBLE ACTION TO ACCEPT OR REJECT OFFERS RECEIVED ON THE OLD ADMINISTRATION BUILDING LOCATED AT 451 SPRING CREEK PARKWAY (102-010-086). *FOR POSSIBLE ACTION*

The Board has received 2 offers for the old administration building. One from Jacob Dalstra and Jennifer Whitaker for \$190,000 and one from the American Legion Reed-Gregory Post 7 for \$150,000.

Both of the bids remain unchanged from the previous meeting. After Board discussion, it was determined that it was fiscally responsible to the community to accept the higher offer for the building.

No public comment was received.

Vice Chair Hannum moved/Member Reed seconded to accept the offer from Jacob Dalstra and Jennifer Whitaker for \$190,000 for the old administration building. Motion carried (5-0), Member Featherston and Member Popp absent.

V. REVIEW, DISCUSSION AND UPDATES FROM GREAT BASIN WATER REGARDING CAPITAL PROJECTS, OPERATING AND MAINTENANCE, AND COMPARISON OF GREAT BASIN WATER RATES ACROSS FOUR DIVISIONS INCLUDING SPRING CREEK. *NON-ACTION ITEM*

Sean Twomey, Great Basin Water President, was present to provide updates to the Board. He outlined the current capital projects of approximately \$4.7 million, estimated to be complete by February 2022, such as 106 Tank, rehabbing Wells 5, 7, 101, SCADA updates, and pipe replacements. He also stated that all of the meters have been updated to AMR and that a set of 10 random meters, selected by SCA, were sent in for testing and there were no issues found.

He stated that the PUCN has denied their application for an upgrade to the sewer system stating that the system is not at capacity. He stated that currently there are 133 customers and it has a 50,000 gallon per day capacity.

He also commented that they are working on their bill timing as bills are going out very late.

Mr. Twomey commented on the customer survey that Spring Creek had a 74% detractor compared to 47% for the rest of the state.

Mr. Twomey commented on the rate study that was completed. He provided some reasons why the Spring Creek bills are higher which included arsenic treatment that is not needed elsewhere, capital investments needed in Spring Creek and not other areas, and age of the system.

Mr. Twomey stated that GBW intends to file a consolidated rate case for all NV divisions and all fees will be charged the same base rate and tiered rate for water. He stated that Spring Creek rates will remain flat with this scenario but could be as much as 15-20% increase if not

consolidated. He did state that capital investments in other areas could increase Spring Creek rates.

Chair Park commented on the survey and also the tariffs and escalation of the tiered rates making the price higher the more gallons that are used.

Mr. Twomey responded that the tiered rates drive conservation. He also encouraged the Board to support decoupling.

Vice Chair Hannum commented on the \$9 million in capital in the rate case and that \$4.7 million is in Spring Creek.

Member Reed asked whether they could apply to get more capacity for the sewer system. Mr. Twomey responded that the IRP requested 75,000 gallons and would be able to serve all current and potential customers.

Member Mauldin commented on the 74% detractor rate for Spring Creek, requested assistance for a customer, and asked for information on the recharge rate of the aquifer.

Chair Park thanked Mr. Twomey for the updates, better communication and contributions to community events.

No public comment was received.

No action was taken.

VI. REVIEW, DISCUSSION AND POSSIBLE ACTION TO APPROVE A CONCESSIONAIRE AGREEMENT WITH KARR FOOD AND ENTERTAINMENT LLC FROM DECEMBER 1, 2021 TO DECEMBER 31, 2023 TO PROVIDE RESTAURANT AND BAR SERVICES AT THE FAIRWAY COMMUNITY CENTER RESTAURANT AND BAR FACILITY.

FOR POSSIBLE ACTION

Attorney McConnell provided information on the proposed contract included additional provisions for prematurely vacating and other provisions.

Vice Chair Hannum commented on the hours of operation and whether any additional equipment may be needed. It was discussed that if they needed additional items, that would be up to the concessionaire.

No public comment was received.

Chair Park moved/Vice Chair Hannum seconded to approve a concessionaire agreement with Karr Food and Entertainment LLC from December 1, 2021 to December 31, 2023 to provide restaurant and bar services at the Fairway Community Center restaurant and bar facility. Motion carried (5-0), Member Featherston and Member Popp absent.

VII. REVIEW AND DISCUSSION OF THE 2021 SPRING CREEK GOLF COURSE REVENUES, EXPENSES AND STATISTICS. **FOR POSSIBLE ACTION**

Rick Longhurst, Golf Pro, was present to discuss the revenues and programs at the golf course including Monday Men's League, Wednesday Couples Night, JR Golf and Operation 36. He commented that the revenues for the golf course have been very good.

Member Mauldin asked whether the current cart storage area was full if more storage was needed.

Chair Park commended the team and stated he had received positive feedback.

Rick discussed that he would be retiring after next year and introduced Andrew Collins. He has completed his PGA apprentice program and is now a Class A professional. He recommends him to replace him as the head pro after his contract expires.

Andrew Collins commented that he would be honored to take over as the head pro and appreciated apprenticing under Rick.

Travis Mahlke, Golf Superintendent complimented both Rick and Andrew for the very busy year and supports Andrew as Rick's replacement.

Vice Chair Hannum commented on water usage at the golf course. Travis commented that he hopes to have saved approximately 10-15% this year.

No public comment was received.

No action was taken.

VIII. REVIEW, DISCUSSION AND POSSIBLE ACTION TO APPROVE FUNDS TO INSTALL A DOOR AT THE HORSE PALACE. *FOR POSSIBLE ACTION*

Vice Chair Hannum commented that we had received a quote from Ormaza Construction to install a vertical door with chain hoist to enter the arena from the south end.

Member Mauldin commented on the cold weather exclusion in the quote. Vice Chair Hannum commented that it would not be necessary.

No public comment was received.

Vice Chair Hannum moved/Member Mauldin seconded to approve funds to install a door at the Horse Palace. Motion carried (5-0), Member Featherston and Member Popp absent.

IX. REVIEW, DISCUSSION AND FIRST READING OF POLICY 21-001, POLITICAL CANDIDATES ENDORSEMENT POLICY. *FOR POSSIBLE ACTION*

President Bahr stated that a policy had been developed for the Board to review for and propose any additions or changes.

Attorney McConnell stated that this is the first reading of the policy. The policy would deal with local or statewide races that may affect SCA, not federal elections. The policy states that SCA may invite all candidates to be heard and it would need a board motion to endorse a candidate. It is not a requirement of the policy to endorse any candidates, but it does allow the possibility.

Vice Chair Hannum questioned if it was an SCA member, should they be in good standing with SCA? Attorney McConnell clarified that it not specifically in the policy but could be discussed if they attended a meeting.

Member Reed asked about campaign contributions. Attorney McConnell stated that if the Board chose to make a donation, it would have to be included in the motion to endorse.

No public comment was received.

Chair Park stated that this is the first reading and the second reading could be held in December.

No action was taken.

X. REVIEW, DISCUSSION AND POSSIBLE APPROVAL OF THE 2022 SPRING CREEK ASSOCIATION BUDGET. *FOR POSSIBLE ACTION*

Chair park discussed that the Board had received the proposed budget in October and \$3 per month was needed to balance the budget due to inflationary impacts for the current level of services. He commented that no adjustments can be made to the assessments by different classes because of the Declaration of Reservations.

President Bahr provided information on increases in insurance and overall inflation being projected at approximately 6%. She commented that the average HOA monthly dues are \$250 per month.

Elex Vavrck, Tract 100, commended the Board on the continued progress and kid programs.

Member Young reiterated the inflation amount and agreed that an increase of \$3-4 dollars would be needed.

Vice Chair Hannum commented on inflation, diesel and oil costs for the chip seal projects, insurance and competition for staffing to maintain competitive pay and would be in favor of a \$4 increase.

Member Reed commented that he did not want to raise the dues but felt it was necessary to operate.

Vice Chair Hannum moved/Member Young seconded to approve the 2022 Spring Creek Association Budget with a \$4.00 per month increase in assessments. Motion carried (5-0), Member Featherston and Member Popp absent.

XI. COMMITTEE OF ARCHITECTURE

A. REPORTS

NON-ACTION ITEM

VP Kerr commented on the COA reports and mentioned 27 new permits and 2111 current violations. SCA staff has met with the County regarding permitting issues and has agreed to a new system regarding items that the County requires a permit for that SCA does not require a permit.

No action was taken.

B. POSSIBLE APPROVAL OF APPOINTMENT TO THE COMMITTEE OF ARCHITECTURE FOR ONE-YEAR TERMS COMMENCING JANUARY 1, 2022.

FOR POSSIBLE ACTION

Nicholas Czegledi, Kelly Dilulo, Bonnie Bawcom, Bakary Kone, Kevin Martindale, Elex Vavrck, Cassandra Banuelos, and Stefanie Sisk provided requests for appointment to the Committee of Architecture.

Mr. Czegledi was present and stated that he had lived in SCA since 1994 and is currently a Deputy Sheriff for Elko County. He stated that he would work to diffuse property owner issues.

Ms. Dilulo was present and stated she had lived in Spring Creek for 31 years and would like to get more involved in the community.

Ms. Bawcom was present and stated that she had lived in Spring Creek since 1994 and has been in Real Estate for 18 years.

Mr. Vavrack was present and is a current COA member.

Vice Chair Hannum asked whether the applicants would commit to 12 meetings per year. Member Mauldin asked whether the applicants had attended any previous COA meetings.

Chair Park moved/Member Reed seconded appoint Kevin Martindale, Elex Vavrack, Nicholas Czegledi, Kelly Dilulo, and Bonnie Bawcom to the Committee of Architecture for a 1 year term commencing January 1, 2022. Motion carried (5-0), Member Featherston and Member Popp absent.

XII. APPROVAL OF MINUTES: FOR POSSIBLE ACTION

October 27, 2021 Regular Meeting Minutes

Vice Chair Hannum moved/Chair Park seconded to approve the minutes from the October 27, 2021 Regular Meeting as presented. Motion carried (5-0), Member Featherston and Member Popp absent.

XIII. ACCEPT OCTOBER 2021 ASSESSMENT AND LEGAL RECEIVABLE REPORTS. FOR POSSIBLE ACTION

Vice Chair Hannum moved/Member Reed seconded to accept the October 2021 Assessment and Legal Receivable Reports. Motion carried (5-0), Member Featherston and Member Popp absent.

XIV. ACCEPT OCTOBER 2021 FINANCIAL REPORTS. FOR POSSIBLE ACTION

Member Reed moved/Vice Chair Hannum seconded to accept the October 2021 Financial Reports. Motion carried (5-0), Member Featherston and Member Popp absent.

XV. MEETING SCHEDULE NON-ACTION ITEM

The next Regular Board of Directors meeting is scheduled for Wednesday, December 1, 2021 at 5:30pm. The meeting may be held telephonically.

XVI. PUBLIC COMMENT 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.

XVII. ADJOURNMENT

The meeting adjourned at 7:54 p.m.