

**Hoback Ranches Service and Improvement District**

P. O. Box 33

Bondurant, Wyoming 82922

**EARLY SUMMER BUDGET MEETING**

**June 13, 2020**

**Bondurant Fire Hall**

**1:00 p.m.**

**MINUTES**

**Directors in attendance:** Dave Nemetz, Sam Sumrall, Sally Ruosch

**Attendees:** Joe LeDuc, David Fellows, Chris Lacinak, Gary Ryan, Pete Teller, Molly Nemetz, Nancy Watsabaugh, Sam Clark, Gloria Thomas, Richard Thomas, Lucy Conley, Cecilia Karins, Gustella Vosburgh; six owners via Zoom

Chairman Nemetz called the meeting to order at 1:01 p.m. and welcomed owners present and those attending via Zoom. He thanked Chris Lacinak for hosting the Zoom meeting, and explained the purpose of the meeting was to present and review the July 1, 2020, through June 30, 2021 budget.

**APPROVAL OF OCTOBER 6, 2019 BOARD OF DIRECTORS' MEETING MINUTES**

Chairman Nemetz asked for a motion to approve the October 6, 2019, board meeting minutes. Director Ruosch made the motion, and Director Sumrall seconded. It passed unanimously.

## **ELECTION RESULTS**

Chairman Nemetz stated that 264 election ballots were mailed to owners and a record 114 ballots (43%) were cast.

David Fellows – 102 votes

Kevin Davidson – 10 votes

Write-in - 2 votes

## **ANNUAL PICNIC**

Chairman Nemetz announced that the potluck picnic which usually follows the annual meeting in July has been cancelled this year to prevent the spread of the Covid-19 virus. He said the chances for transmission of the Coronavirus in the course of a communal potluck buffet are too high for us to responsibly manage a gathering of this nature, which unfortunately outweighs the positive social benefits of hosting this event.

## **POST-FIRE UPDATES**

The **NRCS (Natural Resources Conservation Service)** has agreed to extend its emergency watershed mitigation grant through this summer. The NRCS will provide up to an additional \$180,000 to preserve roads that have sustained damage due to changes in drainage and vegetation. The HRSID will be responsible for a 25% match, half of which will be paid by the Roosevelt Fire Recovery Fund (Lion's Club donation). Cody Post, the contractor who performed the grant work last summer and fall, will be doing the work authorized by the NRCS this summer. Chairman Nemetz said Post is honest and his prices are reasonable.

The **HMGP (Hazard Mitigation Grant Program)** work will provide \$567,000 to install new and replace inadequate existing culverts. Sixty-one new culverts will be installed and 11 existing culverts will be replaced. FEMA will pay \$425,000, and the 25% match will be paid by Sublette County, for a total of \$567,000.

Sublette County will also manage the grant work, using Rio Verde as the engineer. The work has been put out to bid and is expected to start around August 1. The grant extends through the summer of 2021. This will necessitate roads being blocked, and owners will be notified when the road blockage is near their property.

## **FENCING**

Chairman Nemetz said there are three miles remaining in the northwest corner of the Ranches to complete the fencing project. Several owners have had cows on their property in the past week, and we were told by a rancher that the Forest Service granted him a 30-day grazing permit. The Forest Service had previously agreed not to allow grazing for two years following the fire, and District Ranger Don Kranendonk is looking into the situation.

The fencing grant obtained by Bill Conley requires a 25% match from the HRSID. If owners want to donate financially or with in-kind labor to the match, please call Bill Conley, (817) 296-1070.

## **WEEDS**

Sublette County Weed and Pest is donating \$10,000 in material and labor for three years to kill weeds on private property, 2020 being the second year. They are in the Ranches now, and owners who would like to have SCWP spray on their property should contact SCWP, [scwpoffice@gmail.com](mailto:scwpoffice@gmail.com) or (307) 367-4728.

HRSID owners may volunteer to spray along District roads by calling Bill Conley, (817) 296-1070. Milestone chemicals and spraying tanks are provided.

## **USFS EASEMENT ROAD 30961 MAINTENANCE**

The HRSID effort to turn the maintenance of the first three miles of the north access road to the Ranches (through the Forest Service) over to Sublette County has accomplished the first of two requirements stipulated by the County. The Forest Service increased the easement from 40 feet to 60 feet this year. The County also requires that the road be upgraded to Class I status. Director Sumrall

will continue negotiations with the County to hopefully accomplish this requirement. He said Sublette County Commissioners have had to slash their budget this year because of tax revenue shortfalls due to Covid-19. He said the county will not be taking on any new road work this year.

A question was raised by Pete Teller (retired engineer) regarding the exact manner in which our treatment of the road was being conducted, as he felt it may not have been done in a manner consistent with best practices previously. He agreed to consult with the board and the contractor who receives the bid in order to obtain the best results for our work. Additionally, an anonymous donor has offered to pay for the contractor to treat the first mile inside the HRSID gate with the same treatment.

### **PRESENTATION OF 2020-2021 BUDGET**

Director Sumrall reviewed the budget (attached) and said tax revenue has been down the last two years because of the fire, and the shortfall will be made up this year with Lion's Club donations.

He said the District's CDs were moved from Edward Jones to the Bank of Sublette County in order to maintain compliance with Wyoming statutory requirements for special district investment funds. The CD maturing 12/21/20 is at 1.45%, the one maturing 2/9/21, 1.09%, and the most recent CD maturing 4/29/21, .9%.

He reviewed the Lion's Club donation accounting, which has a remaining balance of \$58,000.

Director Sumrall asked for questions about the budget. There were no questions.

### **RESOLUTION OF INTENT 2020-02 TO ADOPT THE 2020-2021 BUDGET**

Chairman Nemetz asked for a motion to approve Resolution of Intent 2020-02 to adopt the 2020-2021 budget. Director Sumrall made the motion and Director Ruosch seconded. It passed unanimously. The budget will be voted on at the July 11, 2020, annual meeting after the Resolution of Intent is published in the Pinedale Roundup.

## **LEGAL UPDATE**

Director Nemetz addressed the legal issues surrounding the ongoing lawsuit filed in 2017 by the Winneys against the HRSID and how deeply it has affected our budget (over \$50K). The Sublette County District Court found in favor of the HRSID on all of the Winney's claims regarding taxation, fencing, fees, etc. However, Winney, through his attorney and Rock Springs legislator, filed a bill (HR89) last session in an attempt to circumvent the Court's ruling on taxation and fees. The bill died in the Senate on the last day but may return next session. The board will continue to monitor this legislation because it would have a negative effect on the HRSID's ability to provide residents with the level of road and fence maintenance they desire.

## **APPROVAL OF VOUCHERS PAID JULY 1, 2019 THROUGH JUNE 8, 2020**

Director Sumrall asked if there were any questions about the vouchers paid in the last fiscal year. There were no questions.

Director Ruosch thanked Director Nemetz for his three-year term on the Board of Directors, the last two requiring almost fulltime work at times to manage mitigation work from the Roosevelt Fire. She also noted that the District's Directors' and Officers' insurance increased in 2018 from \$900 per year to \$3,500 per year because of insurance company payouts for the Winney lawsuit. The insurance company then cancelled the D & O insurance in 2019, and no other company would insure us at any cost. Dave and Molly Nemetz then went to the Wyoming Insurance Commissioner in Cheyenne to ask for advice, and were directed to a government insurance pool that now provides D & O insurance for the District for \$500 per year. That saved us \$3,000 in one year, and will be an immense savings in future years.

Director Sumrall thanked David Fellows for running for the Board to replace Director Nemetz when his three-year term ends on July 1, 2020.

The meeting was adjourned at 1:48 p.m.

