
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of the Holland Creek Metropolitan Districts January 16, 2017

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, January 16, 2017, in the two elk conference room, 137 Benchmark Lane, Avon, Eagle County, Colorado.

Attendance

The following Directors were present:

- Tim Baker
- Doug Lovell
- Greg Johnson

The following Director was absent and excused:

- Graham Frank

Also in attendance were:

- Bill Ankele Esq. White Bear Ankele Tanaka & Waldron (via phone)
- Ken Marchetti, CPA Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Mike Connell, RSRMD
- Beth McGregor, RSRMD
- Fred Hudoff, RSRMD
- Beth Howard, Beaver Creek Resorts
- Jerry Hensel, VR Operations
- John Volk, Water Quality Control Professionals, LLC

Call to Order

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 10:05 a.m. by Director Baker, noting a quorum was present.

Potential Conflicts

The Board noted that it has received certain written disclosures of potential conflicts of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: [Tim Baker](#) is Sr. Director of Base Area Operations for Vail Resorts Management Company, an indirect operating subsidiary of Vail Resorts, Inc., which both have significant business interests within the District; [Doug Lovell](#) is Vice President and C.O.O of Beaver Creek Resorts a subsidiary of Vail Resorts, Inc which has significant business interests within the District; [Eric Pottorff](#) is Sr. Director of Food and Beverage for Beaver Creek Resorts a subsidiary of Vail Resorts, Inc which has significant business interests within the District; [Greg](#)

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Johnson is Sr. Director of Mountain Operations for Beaver Creek Resorts a subsidiary of Vail Resorts, Inc which has significant business interests within the District; and **Graham Frank** is Vice President of Real Estate for Vail Resorts, Inc. which has significant business interests within the District.

Minutes The Board reviewed the minutes of the December 5, 2016 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the December 5, 2016 Special Meeting as presented.

Public Input Mr. Connell requested consideration of a long term reserve study including a review of annual expenditures. He welcomed Ms. Howard.

Mr. Connell, Mr. Hudoff and Ms. McGregor left the meeting.

Water/Wastewater Update:

Mr. Volk reported he was delaying the upgrade to a redundant skid. He explained a recent concern has arisen with the current skid head blocks. They have been working to see if installing o-rings would be a sufficient fix, but are concerned as they observed hairline cracks in some of the head blocks due to age and the repeated pressure they experience. He estimated approximately \$13,000 in parts and three days labor to completely replace the head blocks. The Board agreed the prudent action is to replace the head blocks, directing Mr. Volk to do so.

Other water and waste water operations are running as expected.

Legal **Posting Notice Resolution:** Mr. Ankele noted each year the District is asked to approve a posting notice resolution. The location of the 24 hour posting will remain the same. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2017 Resolution Designating the District's 24-hour Posting Location.

Financial Statements

The Board reviewed the preliminary December 2016 financial statements. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the preliminary December 2016 financial statements.

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Water Matters Director Lovell asked about the water fund operations shortfall. Director Baker explained this matter will be discussed as part of the 2018 budget planning process.

The option to purchase the water rights under the current lease was discussed. There is a deadline of April 30th to provide notice of the intent to purchase the water rights to VR. Director Baker will work with Mr. Ankele to prepare for the District to exercise the option to purchase water rights under the current water lease, to draft a delivery agreement for those water rights and for matters related to the additional water rights needs for build out. It is expected Mr. Porzak will be engaged to help draft any agreements related to these matters.

Accounts Payable The Board reviewed the accounts payable list included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable listing as presented.

Operations Update Mr. Hensel reported the \$5,000 roadway deposit will be returned for Lot 66 as the work was performed as required. He is reviewing an application from Lot 1 for a driveway curb cut. Other operations are running smoothly with snow removal being the primary task.

**Resignation/Appointment
Of Director**

Mr. Pottorff had resigned from the Board prior to today's meeting. Mr. Ankele stated a notice of vacancy had been published as required. Ms. Howard has been selected to fill the vacancy. Upon motion duly made and seconded, it was unanimously

RESOLVED to appoint Ms. Howard to fill the vacancy.

Ms. Howard took her oath of office.

Future Meetings The Board discussed whether it would be possible to hold the HCMD meeting before RSRMD meetings. They also expressed a preference to change the schedule to quarterly, meeting in the first month of the quarter. It was decided to cancel the February and March regular meetings. Director Baker will check with RSRMD to see if a time change is possible.

It was noted a special meeting will need to be called to discuss matters related to the water rights and lease as they become available. At this time the

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next regular meeting is scheduled for April 17, 2017 at the same time and location.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the January 16, 2017 regular meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten
Recording Secretary