
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors of the Holland Creek Metropolitan Districts October 12, 2017

The Special Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, October 12, 2017, in the large conference room, 137 Benchmark Lane, Avon, Eagle County, Colorado.

Attendance **The following Directors were present:**

- Tim Baker
- Beth Howard

The following Director was absent and excused:

- Bill Kennedy

Also in attendance were:

- Bill Ankele, Esq. White Bear Ankele Tanaka & Waldron
- Kathy Lewensten, Recording Secretary
- John Volk, Water Quality Control Professionals, LLC
- Jerry Hensel, VR Operations
- Greg Willis, VR
- Gary Shimanowitz, VR

Resignations It was reported that prior to today's meeting Directors Rumford and Johnson had resigned from the Board.

Call to Order The Special Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 9:00 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; [Beth Howard](#) is Vice President and C.O.O of Beaver Creek Resorts; and [William M. Kennedy](#) is Director of Land Development for Vail Resorts Development Co., these entities are subsidiaries of the Vail Corporation and indirect operating subsidiaries of Vail Resorts, Inc., all of which have significant business interests within the Districts.

Minutes The Board reviewed the minutes of the August 21, 2017 Regular Meeting. Upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the minutes of the August 21, 2017 Regular Meeting as presented.

Public Input

No public input was offered.

Water

Director Baker stated work continues on options regarding supplemental water matters.

Water/Wastewater Update:

Mr. Volk reported the GAC system carbon change out project has not yet been completed. As reported at the last meeting an issue arose in removing the old carbon causing a delay in completing the change out. The old skid used for parts has been recycled.

The estimate for 2018 Norman System repairs to install a stainless steel wastewater line from the tank to the drain field are in the \$25K to \$30K range. Staff will continue inspecting the wastewater systems and retrofitting as necessary.

The Board directed Mr. Ankele to review the PUD as it relates to the engineering of the wastewater systems to review alternatives for the best interests of the District.

Water and Wastewater fees were discussed. Director Baker reported he had looked at the fee structure in detail comparing it to other water rates in the area. Due to the small number of properties the fees cannot reasonably be set to completely cover the operational costs. The operations will continue to be subsidized by a transfer from the general fund as done in the past. Mr. Marchetti brought up an “availability of service fee” for comment and discussion, no action was taken. The Board may consider an inflationary increase to the rates in the near future.

Extension of Operations and Maintenance Agreement:

The Board reviewed the Extension of Operations and Maintenance Agreement (2018). Services are provided by VR staff based on the budget attached as Exhibit “C” to the extension. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Extension of the Operations and Maintenance Agreement (2018).

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Extension of AmCoBi Independent Contractor

Agreement: The Board reviewed the Extension of American Conservation Billing Independent Contractor Agreement. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Extension of American Conservation Billing Independent Contractor Agreement (2018).

Extension of Water Quality Control Professionals LLC Independent Contractor

Agreement: The Board reviewed the Extension of Water Quality Control Professionals LLC Independent Contractor Agreement. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Extension of Water Quality Control Professionals LLC Independent Contractor Agreement (2018).

Legal

Annual Administrative Resolution: The Board reviewed the 2018 Annual Administrative Matters Resolution. Revisions were made to the slate of officers due to recent vacancies and a change to quarterly meetings in Feb, May, July and Oct. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2018 Annual Administrative Matters Resolution as revised.

Public Records Request Policy: Mr. Ankele reviewed the public records request policy resolution that had been included in the packet. He explained the policy presented meet current state statutes. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Public Records Request Policy Resolution as presented.

May 2018

Election: Mr. Ankele presented the May 8, 2018 Election Resolution noting it is a Board of Directors election. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the May 8, 2018 Election Resolution.

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Financial Statements

Mr. Marchetti presented the preliminary September 2017 financial statements including the 2018 budget. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the preliminary September 2017 financial statements.

2018 Budget

The Board discussed the 2018 budget which was presented as part of the September preliminary financial statements. The public hearing for the 2018 budget was opened.

Mr. Marchetti reviewed the 2018 expenditures and revenues. He pointed out a new revenue source for general fund roadway expenses in 2018. He explained RSRMD is requesting approval of a 5.5% sales tax in a November 2017 election which if passed is expected to provide approximately \$66,000 which will be transferred to HCMD.

The Board discussed the water fund. As noted above the fees charged in the water/wastewater fund are not adequate to cover operational costs, a transfer of property tax revenue from the general fund currently covers the shortfall. The public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the Holland Creek Metropolitan District 2018 budget as revised, and

FURTHER RESOLVED to appropriate the sums of money for 2018 for Holland Creek Metropolitan District, and

FURTHER RESOLVED to certify the mill levy at 45.000 mills.

2017 Audit

The Board considered the 2017 Audit Engagement Letter from McMahan and Associates which had been included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2017 Audit Engagement Letter with McMahan and Associates.

Accounts Payable

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

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

Construction/Operations

Update

Mr. Hensel reported crack sealing was completed. There were some soft spots which required a bit more work. Alpine engineering completed the 10 year road study. It does not anticipate any major overlays until 2019. He stated there will be three metal street lights installed this fall. The equipment is ready for winter with no new replacements anticipated.

Future Meetings

The October 16th meeting was cancelled. A special meeting was scheduled for Monday November 13, 2017 at 4:00 p.m. in the same locations.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the October 12, 2017 regular meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
Kathy Lewensten
Recording Secretary