
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of the Holland Creek Metropolitan Districts June 15, 2015

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, June 15, 2015 at 8:25 a.m., in the conference room at the Red Sky Ranch Sales Center, 376 Red Sky Road, Wolcott, Eagle County, Colorado.

Attendance

The following Directors were present:

- Karen Braden-Butz
- William Simmons
- Tim Baker
- Doug Lovell

The following Director was absent and excused:

- William Kennedy

Also in attendance were:

- Bill Ankele, Esq White Bear Ankele Tanaka & Waldron (via phone)
- Ken Marchetti, CPA, Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Fred Hudoff, RSRMD Director
- Mike Connell, RSRMD Director (via phone)
- Don Odell, VR Operations

Call to Order

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 8:25 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: [William M. Kennedy](#) is Director of Land Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., all of which have significant business interests within the Districts; [Karen Braden-Butz](#) is a Financial Analyst for Village Operations of Beaver Creek, a subsidiary of Vail Resorts, Inc, which both have significant business interests within the Districts; [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 Districts and [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 Districts.

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Minutes The Board reviewed the minutes of the May 18, 2015 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the May 18, 2015 Regular Meeting as presented.

Public Input Mr. Connell reported Centurylink has completed their on site visit for the high speed internet connections. He is waiting for the final cost estimate and timeline. It is expected work will begin the next month. Ramsey will assist in coordinating the work.

Water Matters **Water Rights:** The Board discussed appointing a committee to continue discussions related to water rights matters. Mr. Connell, Mr. Marchetti and Directors Baker and Lovell were appointed. Director Kennedy will be an alternate as his availability allows. Director Baker offered to coordinate a meeting of the committee.

The discussion moved on to water professionals that may be able to provide relevant information. Mr. Porzak is familiar historically with RSR water rights matters however he officially represents VR interests. It was suggested the committee work with Mr. Porzak until a memo of understanding or similar agreement is drafted at which point the District could engage outside counsel for an impartial review.

Mr. Hudoff reiterated his concern over the requirement that HC debt be paid off prior to the District being able to purchase the water rights which had been reported at a prior meeting. Mr. Connell agreed stating the committee will need to discuss this new development as part of the review and negotiations.

Water Report: Mr. Odell reported water production continues to increase due to irrigation needs. The leak detection company will be on site this week. He continues to work on meter replacements as time and budget allows. They are operating the plant to allow sufficient turnover of water within the tanks in such a way that the need to flush the system is kept to a minimum to avoid wasting water.

Water Plant Upgrade: Mr. Odell reported the installation of the new skid may be delayed until fall due to the current production requirements. He explained the skid is ready however due to the current water needs of the District and the unknown elements of changing the skids over it would be beneficial to delay the changeover until there is less demand.

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Legal Mr. Ankele stated there were no additional legal matters for discussion at this time.

Financial Statements Mr. Marchetti presented the preliminary May 2015 financial statements. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the preliminary April 2015 financial statements.

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.

Construction Update

Mr. Odell reported several lots are proceeding through various phases of construction including Lot 1, Lot 66, Lot 28, Lot 77 and Lot 3. The member clubhouse waste water control panel and main pump failed and are being repaired. It is expected the repair will cost approximately \$20,000. United Companies has been contacted to provide cost estimates for roadway repairs including manholes, utility trenches and chip seals.

Meeting Schedule The next regular meeting is scheduled for July 20, 2015 at the same time and location.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the June 15, 2015 Regular Meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten
Recording Secretary