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# RECORD OF PROCEEDINGS

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## Minutes of the Regular Meeting of the Board of Directors of the Holland Creek Metropolitan Districts November 17, 2014

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, November 17, 2014, at 9:40 a.m., in the conference room at the VR offices located at 135 Benchmark Rd, Avon, Eagle County, Colorado.

### Attendance

#### The following Directors were present:

- Karen Braden-Butz
- William Kennedy
- Cody O'Kelly
- William Simmons
- Alex Iskenderian

#### Also in attendance were:

- Brent Butzin White, Bear, Ankele (via phone)
- Ken Marchetti, CPA, Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Mike Connell, RSRMD Director
- Fred Hudoff, RSRMD Director

### Call to Order

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 9:40 a.m. by Director Kennedy, 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; [William Simmons](#) is Director of Village Operations for Vail Resorts Management Company, an indirect operating subsidiary of Vail Resorts, Inc., which both have significant business interests within the Districts, [Karen Braden-Butz](#) is a Financial Analyst for Vail Resorts Management Company, a subsidiary of Vail Resorts, Inc, which both have significant business interests within the Districts; [Cody O'Kelly](#), is a Senior Project Manager for Vail Resorts Development Co., an indirect operating subsidiary of Vail Resorts, Inc and [Alex Iskenderian](#) is Sr. Vice President and C.O.O. of Vail Resorts Development Co., a wholly owned subsidiary of the Vail Corporation d/b/a Vail Resorts Management company which all have significant business interests within the Districts.

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**Minutes** The Board reviewed the minutes of the October 20, 2014 Regular Meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the minutes of the October 20, 2014 Regular Meeting as presented.

**Public Input** Mr. Connell provided an update regarding Centurylink's progress on improving internet capabilities in the area. They have determined fiber optic would be the preferable method to upgrade the service. A verbal estimate of approximately \$120,000 to install the fiber optic cable was discussed. Centurylink has not provided any written proposals or cost estimates at this point. He noted the POA may be willing to help fund the improvement.

### **Worker Compensation**

**Exclusion** The Board directed waiving worker's compensation coverage for 2015. This waiver must be done annually and the Board has historically approved the waiver in the past. By motion duly made and seconded it was unanimously

**RESOLVED** to approve waiving worker's compensation coverage for the Directors of the District.

**Water Matters** The Board reviewed the water report included in the packet. The improvements to the plant continue to move forward.

**Legal** **Annual Administrative Resolution:** Mr. Butzin reviewed the 2015 Annual Administrative Matters Resolution. The meeting date will remain the third Monday of the month. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the 2015 Annual Administrative Matters Resolution.

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

**RESOLVED** to approve the Public Records Request Policies as presented.

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**Records Retention Policy:** Mr. Butzin requested the Board consider adopting the Colorado Special District Records Retention Schedule developed by the State Archivists office. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adopt the Colorado Special District Records Retention Schedule developed by the State Archivists office.

**Public Disclosure §32-1-104.8 C.R.S.:** Mr. Butzin reported the legislature passed a new requirement related to additional Special District reporting. The District is required to record basic information with the County so it is readily available during a title search for property. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve recording of the public disclosure to comply with §32-1-104.8, C.R.S.

**WBA Engagement letter:** Mr. Butzin referred to the engagement letter from his office that had been included in the packet. He explained this would update the name of the firm and make several revisions that had been recommended by their insurance carrier. The fees will continue to be based on an hourly rate. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the engagement letter with White Bear Ankele Tanaka and Waldron.

### 2015 Budget

The Board reviewed the 2015 budget which was presented as part of the September 2014 preliminary financial statements. The public hearing was reopened, no public comment was offered and the public hearing was closed. The 2015 budget was presented two ways, first without refinancing the RSR debt and second assuming the RSR debt is refinanced. It was determined in the RSR meeting held earlier to use the assumption the RSR debt will be refinanced.

Mr. Marchetti reviewed the expenditures. The 2015 budget now contains the labor related to water and waste water operations in the water fund. The transfer from the general fund to the water fund covers the shortfall caused by the reclassification of the labor. There was concern expressed over the significant increase in labor cost. Budgeting for a second person does not require the District to hire them unless it chooses to do so. A discussion of the need for increases in water and waste water fees followed. A comparison of

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options for increases in the rates and the net effect the proposed increase would have on water bills based on the month of July was presented in the packet. The 2015 budget reflected an increase of 5% in the fees. The fee schedule will be brought back for discussion at the December meeting and any increase in fees will not be effective until adopted. Upon motion duly made and seconded it was unanimously

**RESOLVED** to adopt the Holland Creek Metropolitan District 2015 budget, and

**FURTHER RESOLVED** to appropriate the sums of money for 2015 for Holland Creek Metropolitan District, and

**FURTHER RESOLVED** to certify the mill levy at 45.000 mills.

### **2014 Amended Budget**

Director Kennedy opened the public hearing for the 2014 Amended Budget. Mr. Marchetti stated the amendment was necessary due to costs that exceeded the budget in the general and enterprise funds. No public comment was offered and the hearing was closed. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the 2014 Amended Budget.

### **Financial Statements**

Mr. Marchetti presented the preliminary October 2014 financial statements. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to accept the preliminary October 2014 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.

### **Meeting Schedule**

The next regular meeting is scheduled for December 15, 2014 at the same time and location.

### **Adjournment**

Upon motion duly made and seconded, it was unanimously

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**RESOLVED** to adjourn the November 17, 2014 Regular Meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,  
*/s/Kathy Lewensten*  
Recording Secretary