
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of the Holland Creek Metropolitan Districts December 15, 2014

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, December 15, 2014, at 8:50 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:

- Bill Ankele, Esq White Bear Ankele Tanaka & Waldron
- Ken Marchetti, CPA, Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Mike Connell, RSRMD Director
- Fred Hudoff, RSRMD Director
- Don Odell, VR Operations
- Mike Miner, RSR Director of Golf Maintenance

Call to Order

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 8:50 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

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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.

Minutes

The Board reviewed the minutes of the November 17, 2014 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the November 17, 2014 Regular Meeting as presented.

Public Input

Mr. Connell reported the latest developments related to improving internet capabilities. Centurylink estimates approximately \$120,000 cost to install fiber optic cable. Improved internet would benefit property owners, the District's water plant and Vail Resorts properties and would offer positive marketing material for real estate sales. Discussion followed as to whether there are any benefits to having the District involved in this project. After discussion the POA will take the lead on the project. The Board had no objections to Mr. Odell overseeing the project if needed.

Water Matters

JVA Inc: Mr. Odell requested consideration of an Independent Contractor agreement with JVA Inc as a consulting engineer. He explained he would like to utilize JVA to facilitate the final approvals with the State of Colorado on the improvement project. Their fees would be charged on a T&M basis similar to the fees charged by SGM currently. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Independent Contract between the District and JVA, Inc.

Water/WW Rate Sheet: The Board began discussion of the proposed rate sheet included in the packet. The rate sheet reflected a roughly 5% increase across the board in fees. Mr. Marchetti explained this increase covers an inflationary increase in the fees. Even with an increase the water fund will continue to operate at a deficit. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve Appendix A as presented with an effective date of January 1, 2015.

Water Report: Mr. Odell reported the District produced more water in October and filled the tanks in anticipation of taking the plant off line

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intermittently in October and November while working on the upgrades. The year to date usage is up overall.

Water Plant Upgrade: Mr. Odell reported all parts for the upgrade have been received from Australia. The project continues to move forward. As noted above the final approval details are proceeding through the State. The upgrade will expand the modules at the plant from 30 to 48. It is anticipated the improvement will be substantially completed by April. Next fall work on the installation of the second skid will begin with a completion date in 2016.

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.

Extension of Operations and Maintenance Agreement:

The Board reviewed the Extension of Operations and Maintenance Agreement (2015). Services will be provided 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 (2015).

Extension of AmCoBi Independent Contractor

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

RESOLVED to approve the Extension of American Conservation Billing Independent Contractor Agreement (2015).

Financial Statements

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

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RESOLVED to accept the preliminary November 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 January 19, 2015 at the same time and location.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the December 15, 2014 Regular Meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten

Kathy Lewensten
Recording Secretary