
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of the
Holland Creek Metropolitan Districts
April 21, 2014**

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District, Eagle County, Colorado, was held Monday, April 21, 2014, at 8:30 a.m., in the two elk conference room, 137 Benchmark Road, Avon, Eagle County, Colorado.

Attendance

The following Directors were present:

- William Simmons
- Karen Braden-Butz
- Alex Iskenderian
- William Kennedy

Also in attendance were:

- Bill Ankele, White, Bear & Ankele, PC (via phone)
- Ken Marchetti, CPA Robertson & Marchetti, PC
- Kathy Lewensten, RMPC Recording Secretary
- Fred Hudoff, RSRMD Director
- Mike Miner, RSR Director of Golf Maintenance
- Don Odell, VRDC Operations
- Cody O'Kelly, VR

Call to Order

The Regular Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 8:30 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 Project Accountant for Vail Resorts Development Company a subsidiary of Vail Resorts, Inc, which both have significant business interests within the Districts; 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

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Resorts Management company which all have significant business interests within the Districts.

Minutes

The Board reviewed the minutes of the February 3, 2014 Special Meeting and the March 17, 2014 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the February 3, 2014 Special Meeting and the March 17, 2014 Regular Meeting as presented.

Water Service Agreement

Director Kennedy reported ERW continues to move forward with matters related to the Wolcott development. The need for any agreements has been delayed until later this year. ERW has expressed interest in continuing to work with the District regarding water service independent of the development moving forward but no specifics of what that may look like are available. From the District's point of view the matter has been tabled until the developer closes on the land or more specific information is known or presented.

Water Ops

Mr. Odell reported the leak detection service will be coming next week. Work on the expansion of the skids has been delayed pending the ERW Wolcott discussions.

Legal

Mr. Ankele reported he has worked with ERW counsel on the draft water agreements but will be deferring any further revisions until necessary.

Financial Statements

Mr. Marchetti presented the preliminary March 2014 financial statements. He reported there were no new developments related to potential refinancing of the District's and RSR debt. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the preliminary March 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

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

Meeting Schedule The next regular meeting is scheduled for May 19, 2014 at the same time. The location will return to Red Sky Ranch Sales Center conference room until September.

Construction Status Mr. Odell reported there are three lots that are moving forward with construction plans.

Director Kennedy reported he, Director Simmons and Mr. Odell had met and drove the roadways. The 2014 budget of \$141,000 was based on estimates to chip seal Wildflower and Lost Bear and slurry seal a portion of Red Sky Road. While driving the roadways it becomes apparent there are issues with drainage, settling, manholes and gate valves that should be addressed prior to any sealing or overlays. In particular the Aspen Bluff intersection has issues with settling, drainage and manholes.

Director Kennedy expressed concern that seal coating will not address the problems in the structure of the roadway and will prove to only be a temporary fix as it generally has a life of 3 to 5 years. He explained any seal coating would then need to be milled off before any future overlays could be done. He estimated the District would be spending \$140,000 this year for seal coating that would provide aesthetics alone, just to spend at least \$300,000 within 5 years to correct the drainage and settling problems, mill off the chip seal and overlay the road.

With this in mind he had requested an estimate for correcting the problems found and overlaying Red Sky Road from the gatehouse to Aspen Bluff Rd this year. The estimate reflected approximately \$200,000 in costs for improvements and an overlay which would have a 20 year life. He suggested the overlay work could be shortened to only go up to the guest clubhouse which may adjust the price to closer to the \$140,000 budget. The work could be completed by the first week of June if the agreement is put in place in the next few weeks.

The Board discussed the pros and cons of an overlay versus seal coating, and whether additional funding is available to cover the

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additional \$60,000 that would be needed to do the work up to Aspen Bluff. Mr. Marchetti stated the District had the available funds in the unrestricted fund balance. After discussion it was determined to be in the Districts best interest to perform roadway improvements and the overlay along Red Sky Road from the gatehouse to the intersection of Aspen Bluff. Upon motion duly made and seconded, it was unanimously

RESOLVED to authorize Alpine Engineering to solicit public bids for road improvements and overlay of Red Sky Road from the gatehouse to the intersection of Aspen Bluff up to a maximum contract amount of \$200,000, and

FURTHER RESOLVED to authorize Director Kennedy to execute an agreement for the roadway improvements and overlay after bids are received subject to final review by District counsel.

Operations

Mr. Miner reported staff will be sweeping the roadways in the next week. He noted there has been water running over the roadway near the wetlands due to the spring runoff. The water intake pump was rebuilt.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the April 21, 2014 Regular Meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten

Kathy Lewensten
Recording Secretary