
RECORD OF PROCEEDINGS

**Minutes of the Special Meeting
of the Board of Directors
Holland Creek Metropolitan District
October 19, 2020**

Attendance

The following Directors were present:

- Mike Trueblood
- Greg Willis
- Gary Shimanowitz
- Kevin Hopkins
- Bill Kennedy

Also in attendance were:

- Bill Ankele, Esq White Bear Ankele Tanaka & Waldron PC
- Ken Marchetti, CPA Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Jerry Hensel, VR Operations
- John Volk, Water Quality Control Professionals
- Beth McGregor, President, Red Sky Ranch Metro District
- Tom Zancanella, Zancanella & Associates
- Patrick Churchillo

Call to Order

The Special Meeting of the Board of Directors of the Holland Creek Metropolitan District was called to order at 2:00 p.m. by Director Trueblood noting a quorum was present.

Due to Executive Order D 2020 044 Safer at Home issued by Governor Polis on April 26, 2020, and Public Health Order 20-28 implementing the Executive Order, issued by the Colorado Department of Health and Environment (CDPHE) on April 26, 2020, this meeting is being held in a teleconferencing format.

**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: **Mike Trueblood** is the Senior Director of Village Operations for Beaver Creek Resort; **Greg Willis** is the Senior Director of Ski and Snowboard Schools for Beaver Creek; **Gary Shimanowitz** is the Vice President of Mountain Operations at Beaver Creek; **Kevin Hopkins** is Senior Finance Manager for Vail Resorts Development Co., 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.

RECORD OF PROCEEDINGS

Holland Creek Metropolitan District October 19, 2020 Meeting Minutes

Minutes

The Board reviewed the minutes of the July 20, 2020 Special Meeting. Upon motion duly made and seconded, it was by a vote of three (3) ayes and two (2) abstain (Directors Trueblood and Willis)

RESOLVED to approve the minutes of the July 20, 2020 Special Meeting.

Public Input

Mr. Zancanella introduced himself to the Board, explaining he is the water engineer and consultant who provided a request from Chartrand COP QPR which had been included in the packet. The request is for water service to a 35.5 acre parcel which is adjacent to four lots (Lot 51 through 54) within the Red Sky Ranch Metro District. He stated those lots water service is provided by Holland Creek Metro District. The request is for consideration of the transfer of water service SFE's currently available to Lot 54 to the parcel.

The request states the owners are seeking to receive only water service from the District. They would prefer the parcel remains governed under Eagle County for building codes, not RSR DRB. They would provide their own ISDS system for the wastewater using Eagle County requirements which do meet the HCMD standards. The property would need to petition for inclusion into RSRMD and would pay property taxes to RSRMD, and water tap and usage fees to HCMD. The potential for out of district water service was mentioned as an alternative. Access to the property was discussed, as was the location of the distribution pipe for water. The District would not be responsible for costs related to extension of the water line from the curb stop to the parcel.

The Board discussed the request noting it seems awkward for the parcel to just receive water service and not be subject to the other requirements of the Districts. Unanswered questions remain such as the potential for the parcel to be subdivided in the future, how to ensure the parcel complied within the limits of the water usage requested, or why they were requesting exemption from the RSR DRB review process. Mr. Zancanella stated their intent was to have a zero-net impact for water services. He stated they were hoping to receive an indication as to whether the District would be supportive of the request noting they were open to discussing conditions. Or if opposed they would withdraw the request.

The Board explained the request will need to be reviewed by RSRMD and RSRPOA to obtain their input before any direction will be provided. The Board tabled the matter.

RECORD OF PROCEEDINGS

Holland Creek Metropolitan District October 19, 2020 Meeting Minutes

Mr. Zancanella & Mr. Churchillo left the meeting at 2:45 p.m.

Water/Wastewater

Update:

Mr. Volk reported there have been two water line breaks in the past month. The cost of repairs was high due to location and extent. The water tank inspections were done this year instead of next, and the tanks look good. The radio control upgrades project continues. A solar panel and repeater will need to be installed on the trail peak above Elk Bugle as part of the control upgrade. At the water plant a back-wash line has a crack, it will need to be dug out and repaired. This year's water usage was the highest recorded due to the dry conditions.

The inspections of the residential wastewater systems continue. The replacement of the Fazio system components is expected to happen this fall.

2021 Water/WW

Rates:

The Board considered an inflationary increase to the water and waste water rates as presented in the Board Packet. The public notice of a fee change had been posted as required. The 2021 budget reflects a 3% inflationary increase in water and wastewater usage fees effective January 1, 2021. Concern was expressed regarding the WW tap fees not covering actual costs to install the WW systems. Various alternatives were discussed. The matter was tabled for consideration at the next meeting.

Supplemental Water

Lease Agreement

Director Trueblood reported a one-year extension of the Supplemental Water Lease Agreement is being drafted by VR. The matter was tabled until a draft agreement is available for review.

Legal

Gatehouse O & M Agreement: The draft agreement for continuation of the gatehouse operations is under review by the various entities legal counsel.

Annual Administrative Resolution: Tabled to the next meeting.

Extension of Operations and Maintenance Agreement: Tabled to the next meeting

Extension of AmCoBi

Independent Contractor

Agreement:

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

RECORD OF PROCEEDINGS

Holland Creek Metropolitan District October 19, 2020 Meeting Minutes

RESOLVED to approve the Extension of American Conservation Billing Independent Contractor Agreement (2021).

Extension of Water Quality Control Professionals LLC Independent Contractor

Agreement: The Board reviewed the Extension of Water Quality Control Professionals LLC (WCQP) 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 (2021).

Financial Statements

Mr. Marchetti reviewed the September 2020 preliminary financial statements which included the 2021 budget column. The Board offered revisions in the 2021 budget expenses.

2021 Budget

Today's meeting had been noticed for the public hearing on the 2021 budget. The public hearing for the 2021 budget was opened, no comment was offered and the public hearing was continued to the next meeting. Consideration of the 2021 Budget was tabled to a special meeting scheduled for Thursday, October 29, 2020.

2020 Audit

The Board considered the 2020 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 2020 Audit Engagement Letter with McMahan and Associates

Accounts Payable

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable listing.

Operations

Mr. Hensel reported weed control is complete. Staff is preparing for the winter months

Future Meetings

A Special Meeting was scheduled for Thursday, October 29, 2020 at 1:00 p.m.

Adjournment

Upon motion duly made and seconded, it was unanimously

RECORD OF PROCEEDINGS

Holland Creek Metropolitan District October 19, 2020 Meeting Minutes

RESOLVED to adjourn the October 19, 2020 special meeting of the Holland Creek Metropolitan District Board of Directors.

Respectfully submitted,
Kathy Lewensten
Recording Secretary