

RECORD OF PROCEEDINGS

HOLLAND HILLS METROPOLITAN DISTRICT

October 27, 2011

A regular meeting of the Board of Directors of the Holland Hills Metropolitan District, in the County of Pitkin, State of Colorado, was held at 6:00 p.m. on Thursday, October 27, 2011, at 0167 Holland Hills Rd, Basalt, Colorado with the following Board members present:

Kent Schuler, President
Barb Hanrahan, Director
Taline Isberian, Director

Absent but Excused Todd Emerson, Director
 Monty Earl, Director

Members
Of the Public Matthew Shmigelsky, District Manager and Bronwyn Anglin

Call to Order Pres. Schuler called the meeting to order at 6:01 p.m. and a quorum of Directors was declared present.

Approval of
Agenda Dir. Schuler moved, and Dir. Isberian seconded, to approve the meeting agenda as corrected, striking the approval of 12-09-10 minutes due to the lack of inclusion in the packet. The motion passed unanimously by voice vote.

Review and Discuss
Proposed 2012
Budget Dir. Schuler opened the discussion of the proposed 2011 budget and asked Mr. Shmigelsky to provide an overview of the budget and supporting spreadsheets. Mr. Shmigelsky did so and answered questions from the Board. A thorough discussion including the following subjects ensued: valuation decreases, allocation of funds from savings to pay down a portion of the debt and the changes to mill levy amounts, bond repayment schedules, interest vs principal on debt payments, election funding, audit fees, roadway maintenance, easement maintenance of trees and shrubs; intersection improvements at Kennel Ln & Holland Hills Rd., BLM ROW rental, water augmentation plan, increased costs for ditch maintenance, emailing of invoicing vs paper copies, Clean Energy Collective proposal. Dir. Schuler opened a public hearing on the budget at 6:25 pm. These items were discussed thoroughly. The board direct management to seek alternative investment opportunities for reserve funds, investigation of emailing of water billing to customers, installation of additional stop signs at Kennel Lane on the up hill crossing and on the west bound intersection of Holland Hills and Kennel Ln along with setting a date for review of the Clean Energy Collective proposal. Several additional questions were addressed regarding individual budget line items and the public portion of the meeting was closed at 6:40 p.m.

Ratify engagement
of 2011 Audit Mr. Shmigelsky reviewed, that the auditors, Chadwick, Steinkirchner, Davis & Co. , have been engaged by the Board for Audit of the 2011 books of the District.

