

RECORD OF PROCEEDINGS

HOLLAND HILLS METROPOLITAN DISTRICT
December 9, 2010

A regular meeting of the Board of Directors of the Holland Hills Metropolitan District, in the County of Pitkin, State of Colorado, was held on Thursday, December 9, 2010 at 6:00 p.m. at the Basalt United Community Methodist Church, 0167 Holland Hills Road, Basalt, Colorado with the following people present:

Kent Schuler, President
Todd Emerson, Director
Barbara Hanrahan, Director
Monty Earl, Director

Absent but excused Taline Isberian, Director

Members

Of the Public Matthew Shmigelsky, district manager and approximately 10 members of the public

Call to Order Dir. Schuler called the meeting to order at 6:15 p.m. and a quorum of Directors was present.

Approval of Agenda Dir. Emerson moved, and Dir. Earl seconded, to approve the meeting agenda as presented. The motion passed unanimously by voice vote.

Approval of Prior Meeting Minutes Dir. Emerson moved, and Dir. Schuler seconded, to approve the meeting minutes from October 14, 2010 as presented. The motion passed unanimously by voice vote.

Final 2011 Budget Hearing Dir. Schuler opened the budget hearing at 6:25 p.m. and explained that the Board of Directors will first discuss the details of the budget and will ask questions, and then the hearing will be opened up to the public. Dir. Emerson asked if there are any significant changes to the proposed budget from the first presentation in October, and Mr. Shmigelsky reported that only minor assessed valuation changes occurred. The actual costs and projections for 2010 may have changed slightly, since they were updated with October numbers but the 2010 budget numbers have not changed. Mr. Shmigelsky then reviewed the budget line items and compared them to the prior year. A discussion ensued about the removal of a capital funding transfer of \$20,000 to pay down debt. This in essence is like keeping money in savings rather than dipping into savings to pay off your car loan. Questions arose pertaining to audit cost, audit firm choice, why

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electricity is substantially less than budgeted, ditch maintenance costs YTD, water quality costs. A discussion with public input regarding ditch maintenance and what costs comprise the year to date figure, what weeds and chemicals are used for treatment of weeds, roadway improvements at the three way intersection of Holland Hills Rd and Bishop, and a long discussion regarding the survey and drainage issues below the Arbaney Kittle trailhead.

The public portion of the hearing was opened at 6:55pm. All public questions were brought forward and answered during budget discussions. The public hearing for the 2010 budget closed at 6:58 p.m.

Budget Motions Dir. Hanrahan moved, and Dir. Earl seconded, to adopt the 2011 budget as proposed. The motion passed unanimously by voice vote. Dir. Emerson moved, and Dir. Hanrahan seconded, to certify the mill levy at 36.299 mills with Pitkin County. The motion passed unanimously by voice vote. Dir. Emerson moved, and Dir. Hanrahan seconded, to appropriate funds for the 2011 fiscal year as presented. The motion passed unanimously by voice vote. Dir. Earl moved, and Dir. Emerson seconded, to direct the Board to certify a copy of the Resolution to Adopt the 2010 Budget & Authorize the Certification of the Mill Levy, a copy of which will be submitted to the State's Division of Local Government. The motion passed unanimously by voice vote.

Managers Report Mr. Shmigelsky reported that the accounts receivable status is current with only two lot owners behind and that these would be followed up upon diligently. A discussion into the status of Arbaney Kittle roadway improvements and ongoing dialogue with the Pitkin County Open Space & Trails ensued. Dir. Schuler reported that he had been in contact with the Mr. Tenenbaum and that he made indication that long term plans were in the works pertaining to the possibility of paving the length of the road to the trailhead. Mr. Shmigelsky also stated that discussions with Mr. Tenenbaum on behalf of the District were productive and a good long term solution will be sought. Mr. Shmigelsky reported that the proposed Kester Ditch realignment project had been looked at by Planted Earth and he is awaiting a bid. Additionally, a letter to the adjacent landowner, Henry Booher had been drafted informing him as to the proposed work and will be sent out.

Other Business No items were brought forward at this time. The Hills at Roaring Fork HOA meeting began at this time.

Set Future Meeting An email will be sent to the Board of Directors to set a future Board meeting in early 2011.

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Adjournment A motion to adjourn the meeting was made by Dir. Emerson and seconded by Dir. Earl, and by unanimous voice vote, the meeting was adjourned at 7:15 p.m.

Matthew Shmigelsky, Manager
Holland Hills Metropolitan District

Date of Approval

Seal: