

RECORD OF PROCEEDINGS

HOLLAND HILLS METROPOLITAN DISTRICT

May 28, 2009

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, May 28, 2009 at 6:00 pm at the Basalt Community United Methodist Church, 0167 Holland Hills Rd, Basalt, Colorado with the following Board members present:

Kent Schuler, President
Tom Misner, Vice President
Todd Emerson, Director
Barbara Hanrahan, Director
Taline Isberian, Director

Members Of the Public

Michael Kiernan, Associate District Manager, and Landis Greathouse, District Administrator / Recording Secretary, and approximately 12 members of the public.

Call to Order

Dir. Schuler called the meeting to order at 6:06 p.m. and a quorum of Directors was declared present.

Approval of Agenda

Dir. Hanrahan moved, and Dir. Misner seconded, to approve the meeting agenda. The motion passed unanimously by voice vote.

Approval of December 10, 2008 Meeting Minutes

After a brief recap of the Kris Cox Exclusion minutes, which would be discussed later in the meeting, and upon a motion made by Dir. Emerson, and seconded by Dir. Misner, the meeting minutes from December 10, 2008 were approved by unanimous voice vote.

Ratification of Auditor Engagement Letter

Dir. Hanrahan moved, and Dir. Emerson seconded, to ratify the approval of the auditor's engagement letter. The motion passed by unanimous voice vote.

Approval of Designation of Official Posting Location

Dir. Schuler moved, and Dir. Hanrahan seconded the approval of Official Posting Location as presented. The motion passed by unanimous voice vote.

Approval of December 31, 2008 Audit

Mr. Kiernan invited Board and public to review 12/31/08 audit and commented that everything on audit was found to be compliant with government accounting practices.

Pres. Schuler moved, and Dir. Isberian seconded the approval of the December 31, 2008 Audit as presented. The motion passed by unanimous voice vote.

1st Quarter 2009
Financial Report

Mr. Kiernan invited Board and public to review financial report and commented that everything was in line with projections for the year. He pointed out the contingency use, which was a one-time line item for attorney fees relating to state's challenge of conditional water rights. Dir. Emerson asked why this cost arose. Dir. Schuler explained that every 6 years the water rights are challenged. Dir. Emerson asked that if we know this, can District budget for it in the future.

Mr. Kiernan stated that due to switching to Groundskeepers, the District is under budget on snow removal. The all-around feeling was that service and response time was good this winter.

Notices have been sent out to past due water accounts and the District will continue to pursue these outstanding balances.

Approval of Resolution
to Approve Petition for
Exclusion from Metro
District

After brief review of the Resolution document, Dir. Emerson asked whether Kris Cox would be exempt from Debt Service taxing. Mr. Kiernan replied that no, he would still be responsible for that tax.

Pres. Schuler moved, and V.P. Misner seconded to approve the Resolution to Approve Petition for Exclusion from the Metro District as presented. The motion passed by unanimous voice vote.

Road Crack Sealing

Mr. Kiernan reported that District road sealing is projected to be about \$1.50/ft. but he will get an estimate mid next week from Lyons Construction. Price will depend on how many cracks need patching. Dir. Emerson asked if Mr. Kiernan would also get estimate for chip and seal. Sealing should take place in the fall when the temperature is optimal and asphalt contracts.

Manager's Report

Mr. Kiernan reported that overall things are going well and there are no issues to report.

Other Business

Ms. Anglin asked if, in light of Pitkin County's recent property evaluations, whether the District would be lowering the tax mill levy? Dir. Emerson replied that yes, the mill levy should drop, if assessments increase across the board.

Dir. Emerson asked what the District pays annually for trash service and does Beach bid out to other providers to find lowest costs? Mr. Kiernan replied that Waste Solutions was lowest provider and that bids are gathered every year. Dir. Emerson asked whether bids could be emailed to BOD and decided on at preliminary budget meetings?

Ms. Longworth asked if BOD could get breakdown of taxes for each lot in District. She feels there is inequity among lots. Dir. Emerson stated that although there isn't anything to be done about taxes, District could raise its fees to get the tax levy to zero, which would appear to be more equitable. Ms. Anglin pointed out that fees are not tax deductible. Could Beach run quick analysis of individual costs with raised fees and "zeroed out" levy?

Mr. Hutchinson asked BOD and public if they felt that meeting notice posting locations were adequate. He would like to get more people involved at meetings and wondered if Board member would be willing to email homeowners reminders of meetings. Dir. Hanrahan replied that she would look into creating an email contact list and send email reminders.

Mr. Hutchinson expressed concern that no one from the BOD is overseeing the bids and the work contracted by the District to ensure quality. Dir. Emerson explained that the reason a management company, such as Beach, was brought on is to act as advocate for the District and he has been satisfied with how they have overseen things. Mr. Kiernan asked that if anyone has concerns or issues to please call so Management can respond appropriately.

Dir. Emerson asked if BRM would email a copy of the service plan to BOD.

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

Adjournment: A motion to adjourn the meeting was made by Dir. Schuler seconded by Dir. Hanrahan, and by unanimous voice vote, the meeting was adjourned at 7:10 p.m.

Gary Beach, Manager
Holland Hills Metropolitan District

Date of Approval

Seal: