

HAMILTON CREEK HOMEOWNERS ASSOCIATION
Annual Meeting
June 24, 2000

President Kolbjorn Tenfjord called the Annual Meeting to order at 11:30 AM. Owners from 34 properties attended and 13 owners were represented by proxy for a total of 47 properties in attendance.

Minutes. The minutes from the June 26, 1999 Annual Meeting had been mailed to all owners. A motion was made to accept the minutes after a change per Tom Hand regarding the agenda item, The Ponds at Blue River. The change should be *the Town of Silverthorne has approved 84 town homes and 21 multi family units.*

President's Report. President Kolbjorn Tenfjord mentioned that Bob Polich of Mountain Systems, Inc. was retained as Administrator to take care of all the work to be done for the Association. He also wanted to thank Dennis Archer for all his hard work on the entry sign lights and to the Paluska's and Christensen's for cleaning up and planting around the entry sign. Also thank you to the Christensen's for arranging the caterer and tent for our Annual meeting.

Election. Three positions on the Association Board of Directors were available. Nominated and unanimously elected to two-year terms were Toni Graves 0038 Blue Moon Trail, Hans Zimmer 0062 Crescent Moon Trail and Roger Paluska 0033 Crescent Moon Trail.

Financial Report. A financial summary was included in the mailing to all owners. Treasurer Niel Christensen reviewed the summary, which was for the period of May 1, 1999 through April 30, 2000. Niel mentioned that the finances are in good order with a balance of \$19,000 in the bank. The dues this year would continue to be \$100, but the Board would consider reducing them next year. He also wanted to encourage any owners that may have a project or projects in mind to submit them for consideration.

Metro District Report. Bob Polich, Administrator of the Hamilton Creek Metropolitan District presented a summary of the operations of the District. The quarterly billing along with the water quality report and an owners address book will be sent out next week. The billing will be for multiple quarters.

Septic Tank Pumping. The District has 21 septic tanks scheduled for pumping this year by Snowbridge. Owners are reminded that the tank lids need to be exposed for pumping. Snowbridge had indicated Summit County might soon be requiring annual inspections of all septic tanks. A suggestion was made by Eddie O'Brien for the Metro District to write a letter to the County requesting an exemption to this rule due to our pumping schedule.

Water Quality. Matt Willitts, the new water system operator for the District since January 1, 2000, was introduced. Matt has put a lot of effort into improving the water treatment, flow, safety, and tank levels in the District. Matt is available to answer any owners questions regarding the water system and quality. The water continues to exceed the EPA maximum for fluoride. Other minerals in the water, particularly sulfates lead to the taste and odor problems, but are not health concerns. Owners were reminded the area has limits to its water supply and

pumping capacity. Please be aware of this when planting and follow natural landscaping techniques.

Legal and Bond. The current court case involves the District asking the State District Court to determine if the repair of the water system to remove fluoride is within the maintenance cash flow requirements of the Bankruptcy. Also asked were additional questions regarding the validity of the fluoride regulation and questions on the interest accrual. The Court issued a partial summary judgment in November 1999 that stated that the interest does accrue on the interest, but no longer accrues after the principal payment in December 2004. A settlement was made with the State of Colorado allowing the District 18-months to correct the fluoride problem. While not clear, the District assumes the 18-month period begins when the court case concludes. The State would assist in obtaining the loan for the construction cost which could be one to two million. A one-day negotiation session was held in November 1999, with a retired Denver District Judge acting as mediator, to try and settle with the bondholders. Although a substantial settlement offer was made, Colorado Bond Shares, represented by Fred Kelly, did not accept the settlement. A two-day trial began February 22nd. The Judge has indicated that he would rule in our favor, but no ruling has been received at this time. [Subsequent note: A ruling in favor of the District was issued by the Court on June 22, 2000, but not received by the District until after the Annual Meeting].

Water Repair. The District obtained rights to a new source of water located at the bottom of the hill. Known as the Hankin's well, most of the cost of developing the new water source would be to move it to the top of the hill. Cost estimates are between one and two million. The plan would involve a water line from the new well to near the "Cabins". A new pump station would be built for treatment and to boost the water through another new water line installed from this point to the existing water tank. A water connection with the Town of Silverthorne is still an option, but due to higher connection and operating costs, is not the first choice at this time.

Roads. The roads were scheduled to have a seal coat this summer. Most likely this work will be postponed due to the potential road cutting to install new water lines. When the seal coat is contracted for, owners would be given an opportunity to separately contract to have their driveways sealed at the same time.

Forest Maintenance. The late spring snowstorm cause substantial tree damage. The District has had some of the clean up completed, but quite a bit more remains. A long-term forest maintenance program is still viable, but has been deferred pending the resolution of the water quality issues.

Snow Removal. The snow removal program remains the same as past years for the District. Following plowing of the roads, a "maintenance" plow is made of the driveways. The purpose of the driveway plowing is to provide access to the property, not to completely remove all snow from the driveway. Many of the driveways, due to elevation changes and odd shapes are very difficult to do. Some have limited areas to push and store the snow. The District has been unable to find a separate contractor to plow only the driveways. Owners have the options to not have their driveways plowed and to contract with another party to do the plowing.

Development Update.

Hamilton Creek. Eddie O'Brien reported that the work on the Benches has started and the values in Hamilton Creek are still doing great. Eddie brought along some pamphlets to hand out to everyone present regarding Hamilton Creek.

Buffalo Mountain, Public Service substation, other. Tom Hand has spent a lot of time attending meetings with all the various officials. Last year he reported that Cordillera was proposing a high-end community east of the Blue River. They have since pulled out, possibly due to money and planned development elsewhere. New partners, Seminole Land Company, are planning to develop these properties now along with the Smith Ranch land. They are out of Minnesota and have more funding and are looking forward to moving on as soon as they have the permission from the Town of Silverthorne. They are planning a low density, golf course community that would go in south of Hamilton Creek. Tom feels that this project should be encouraged because it best matches us. This would not be a gated community and there is a road proposed for better fire protection access into our area. Tom feels that this access should be reviewed and could be a concern since it is in an area that is quite steep. We don't mind a road coming through but we mind where it comes through. Also instead of a road, they could put in a crash gate for emergencies only. Please remember, input from owners is very important during the planning period. Be sure your concerns are heard. A thank you and a round of applause from all attending to Tom Hand for all his hard work.

There have been a number of public hearings regarding the Public Service substation location. At the latest meeting, the final group of four sites was discussed. A thank you to the many Hamilton Creek homeowners who attended. Out of the four sites, one site, which is located on the property owned by Seminole Land Company, appears to be the best and most popular choice by all those attending but not by Public Service. The land for this site would be paid for by Seminole and an access provided. Public Service has yet to make a definite decision on this matter.

Other Business. A request was made by Eddie O'Brien for the Metro District to write a letter to Summit County on the behalf of all the Hamilton Creek homeowners to return the taxes paid towards the maintenance of the roads that we pay for but are not maintained by the County. This will be discussed at a regular Metro Board meeting. [Subsequent information: Summit County indicates the 2000 amount of County property taxes collected from Hamilton Creek properties allocated to road maintenance in the County was \$6,204.]

The meeting was adjourned at 12:45 PM. A catered lunch was provided for all owners following the meeting. All attending thanked the Board for all their efforts during the year and for the food at the meeting. Eddie O'Brien presented outgoing President Kolbjorn Tenfjord a plaque acknowledging all his hard work on behalf of the Association.