

Hamilton Creek Homeowners Association
Annual Meeting
June 27, 1998

Vice President Dennis Archer called the meeting to order at 10:15AM. All homeowners attending introduced themselves. Owners from 28 properties were in attendance and an additional 8 were represented by proxy for a total of 36 properties in attendance.

Minutes. The minutes from the June 1997 Annual Meeting had been mailed to all owners. A motion to accept the minutes as presented was unanimously approved.

President's Report. Vice President Dennis Archer read a letter from Kolbjorn Tenfjord, who is out of the country and sorry that he is not able to attend, which said that the introduction of natural gas to the area was a good move. The cost per house was \$2455 but had dropped to \$1827. When additional gas hook ups are made, each owner will receive a rebate from Public Service.

He also wanted to make sure that all owners knew that all exposed metal on the houses should be painted and not to have outside lights that blind and annoy your neighbors.

Election. Three positions on the Association Board of Directors were available. Nominated and unanimously elected to two year terms were Kolbjorn Tenfjord, Hans Zimmer and Bruce Bartow.

Financial Review. A financial summary was included in the mailing to all owners. Treasurer Tom Hand reviewed the summary, which was for the period of May 1, 1997 through April 30, 1998. He stated that the cash balance is less this year due to higher attorney fees on development issues in the lower subdivision and work that was done on the subdivision entrance. The dues will be raised from \$50 to \$100 for the new fiscal year.

Metro District Report.

Operations. Bob Polich, Administrator of the Hamilton Creek Metropolitan District provided a summary of the operations of the District. The District's overall water quality should be better this year. There was a taste problem in late December and January that has been taken care of, which was caused by the chlorinator failing in October 1997 while feeding the storage tank. In February some owners experienced pressure surging and the devices that control this were rebuilt. There was some sediment in the water around June 18th, which was due to the hydrants in the area being flushed and tested. Septic pumping for 24 owners this year will begin on Thursday, July 2nd and will continue Tuesdays and Thursdays throughout July. B&B Excavating has completed the asphalt road patching.

Snow Removal. The main object of the District is to keep the main road plowed. The paved driveways are to be plowed only for the owner to be able to get in and not a full removal. Some driveways are more complicated than others are and the owners may wish to contract out the snow removal with someone else.

Fluoride. The water has a fluoride level of 4.0 mg/l to 5.6 mg/l with 4.0 mg/l the cut off for maximum level set by the EPA. The ideal level is 1.25 mg/l for dental care and over 2.0 mg/l could cause problems with adolescent teeth spotting. Other health problems are not a concern

unless the fluoride level is over 10 mg/l. There does not appear to be any evidence that the high fluoride levels are a real health concern at this time. Owners may wish to install individual treatments in their homes if they are concerned. The District is researching the use of a system wide treatment with chemicals or the purchase of a new source of water which is located at the bottom of the District and could be pumped up to our storage tanks. The State of Colorado has issued an enforcement order to the District that requires it to lower the fluoride level below 4.0 mg/l.

Legal. An offer to settle with the bondholders was made back in June 1996. 99 out of 110 bondholders approved the settlement. Eight bondholders could not be located and three did not accept the offer. The offer needed to be accepted by 100% of the bondholders. The District attempted to have the offer approved in Bankruptcy Court in September 1996, but the Court ruled the District did not meet the legal definition of bankruptcy. This decision was appealed to Federal District Court, which also concurred the District did not meet the legal requirements to file. A final appeal was heard by the 10th Circuit Court of Appeals in March 1998. While the Appeals Court also ruled the District did not have legal standing to enter bankruptcy court, it also stated that the nature of the plan the District operated under was the District could make no payments as long as they were in conformity to the plan. The fluoride problem has complicated the issue. The District has filed a declaratory judgement action in Summit County District Court requesting a ruling regarding use of revenues to correct the fluoride problem.

Forestry. A Cut Above Forestry toured the forested areas in the District. It was determined that a forest fire probably swept the area between 125 to 150 years ago. Most of the trees in the subdivision are approximately this age. There are some older trees that survived the fire. The age of the trees in Hamilton Creek do not make them as susceptible to pine beetle as other trees in the area. Attempting to treat pine beetle and other forest disease is not very successful. The best plan is to take preemptive action to create a healthy forest not prone to disease. The District is having a plan developed that will identify problem areas and begin a long-term forest management program. Owners would be notified prior to any forest work near their property.

Development Update.

Hamilton Creek. Eddie O'Brien reported real estate sales are good. He feels that Hamilton Creek is a desirable area to live in and everything has sold within the asking prices. The Colorado School of Mines is here conducting a study of subdivisions that use septic systems. They have sent a letter requesting to do a study of our systems. He suggested that all owners sign up to be a part of this study. He is also obtaining bids for landscaping and bringing in water for the entrance sign area, which he should have by the end of summer.

Ponds at Blue River. Tom Hand has been following the progress of the 60 acres around the ponds to be developed by Western Skies. A summary of this was included in the mailing to all owners. The early proposal was denied due to too high of a density. The Silverthorne Town Council has been sensitive to all the owners' comments and letters. The Town of Silverthorne did pass a moratorium on all development for six months, which will be lifted July 28th. The density now proposed is still the same, 600 units on the West Side of highway 9 and 280 units on the East Side on 21 of the 60 acres. Only 21 of the 60 acres are dry land and the developers want to fill in part of the flood plain for use. Tom recommended that owners still continue to attend meetings and write letters. The density is still too large. *Motion: To have the Hamilton Creek Homeowners go on record to support the Board in their attempt to alter development of the Eagles Nest PUD for the homeowners benefit. Passed unanimously.*

Other Business. There was mention that some owners may be willing to pay more to have better driveway snow removal done. Eddie O'Brien said that the District needs to be careful about how the money is spent while under the watch by the courts. The courts could determine that any money spent for snow removal by the District be disallowed. He suggested that owners could hire at their own expense for snow removal for their driveways if they would like more done. It was also mentioned that the snow plow drivers be more careful of the driveways and the trees around the driveway entrances. A notice will be sent out this fall to all owners asking if they want the District to do the snow removal of their driveway this winter. *Motion: To continue to keep the Hamilton Metro District involved in snow removal this winter. Passed unanimously.*

A request was made to remind all owners to drive slowly, there are people out walking, jogging and biking on the roads. Please use caution.

The meeting was adjourned at 12:00 PM. A cookout was held for all owners following the meeting. A thank you was made by all attending for the work of the Board and the food provided.