
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT January 25, 2012

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., January 25, 2012 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Jim Power
- Louis Kreig
- Ernie Elsner
- Bob Gary (on phone)
- Mike Balk (on phone)

Also in Attendance were:

- Clyde Hanks, General Manager, BCMD
- Jim Collins, Esq, District Counsel
- Kathy Lewensten, Robertson & Marchetti, PC
- Jennie Fancher, BC Admin Assistant, BCMD
- Bill Simmons, Director of Operations, Vail Resorts Village Operations
- Samuel Parker, Director of Beaver Creek Public Safety
- Tim Maher, President, BCPOA
- Tim Baker, BCRC Executive Director
- Suzanne Hoffman-LeBlanc, BC homeowner

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Director Kreig, acting Chairman of the Board, noting that a quorum was present. It was confirmed that prior to the meeting each of the Directors had been notified of the meeting and that written notice was duly posted at the Eagle County Clerk and Recorder's Office and at three public places within the District.

Conflicts

The Board noted that it had received certain disclosures of potential conflict of interest statements more than seventy-two hours prior to the meeting for each of the following Directors, indicating the following conflicts: Mr. Ernest Elsner is a member of the Board of Directors for Beaver Creek Property Owners Association; Mr. Michael Balk is a member of the Board of Directors for Beaver Creek Property Owners Association; Mr.

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Robert Gary is a member of the Board of Directors for Beaver Creek Property Owners Association, Vail Valley Foundation Board and the Vilar Center for the Arts Committee; Dr. Louis Kreig is a member of the Board of Directors for Beaver Creek Property Owners Association; and Mr. James Power is a Director of the Beaver Creek Property Owners Association. The Board noted for the record that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Minutes

The Board reviewed the minutes of the December 7, 2011 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the December 7, 2011 Special Meeting.

Agenda

No changes were made to the agenda.

Future Meetings

The Board reviewed the meeting schedule for 2012, and briefly discussed changing the meeting dates to accommodate the Beaver Creek Club Men's Ski Day. Citing scheduling conflicts it was decided to keep the 2012 meeting schedule as presented. The next regular meeting is scheduled for Wednesday, February 22, 2012 at the same time and location. Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the 2012 meeting schedule as presented.

Public Input

Ms. Suzanne Hoffman-LeBlanc presented a letter as requested at the December 2011 meeting, voicing her concerns regarding World Cup races held at the Beaver Creek Resort, as well as bicycle races that may be held within the Beaver Creek Resort. Ms. Hoffman-LeBlanc stressed to the Board the importance of appropriate compensation by third parties with regards to World Cup ski races, bike races, or other large events hosted within the Beaver Creek Resort. Ms. Hoffman-LeBlanc noted her concern toward High Mountain Taxi parking on private roads within Beaver Creek. Mr. Hanks directed Mr. Parker, director of Beaver Creek Public Safety to deliver a response as the taxi company falls under his purview. Mr. Parker informed the Board the topic was

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discussed at last week's Communications Committee meeting where it had been decided High Mountain Taxi will be allowed to use two spots at The Landing for staging purposes.

General Manager Update

Fire Station: Mr. Hanks noted BCMD is in receipt of a term sheet from Vail Resorts and noted there will be discussion of a response in Executive Session.

Village Road Trees: Mr. Hanks informed the Board of a request from BCPOA to cost share the radial trenching of trees along Village Road. Some of the trees are located in the BCMD right of way easement. Mr. Maher of the BCPOA informed the Board that radial trenching is expected to save the damaged trees, and would be less expensive than replacing the trees. BCPOA estimates the cost to be \$9,000 and is requesting participation of up to half the amount from BCMD. The Golf Course may participate as well. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve up to a maximum of \$4,500 toward radial trenching for damaged trees along Village Road.

Ms. Hoffman-LeBlanc inquired whether any of the trees in question would be replaced when the Prater Road curve redesign gets underway. The response noted these trees are not located within the Prater Road project. Ms. Hoffman-LeBlanc inquired why the Prater Road project hasn't been scheduled. She stated her opinion that the curve is dangerous and noted there are big events such as the World Cup looming on the horizon. The Board responded the District is not in a financial position to fund this project. BCRC is not financially prepared for its half of the project either.

Red Phone: BCRC implemented a Red Phone system in Beaver Creek three to four years ago. The cost of the system is split between BCMD and BCRC. The cost to each party is currently \$21,250 per year. Since the Red Phone was implemented the Eagle County Emergency Communication system has improved. Mr. Hanks suggested a review of the Red Phone system. Mr. Simmons noted the Red Phone system is much more detailed than the Eagle County system, allowing for notification of exactly who

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received the alert and other details. Evacuation of homes would occur regardless of whether home owners had signed up for the system or not. After discussion BCRC agreed to approach the company that implements the Red Phone system to see whether they would be willing to cut the cost. Mr. Baker said he would follow up and report back after the BCRC March meeting.

Guard Rails: Mr. Baker was reminded of his volunteering to price guardrail materials for the intersection of Village Road and South Holden Road. Mr. Baker will have the costs available at the March meeting.

Insurance Claims: The Board referred to the report included in the packet. Mr. Hanks informed the Board of one open claim from an incident on November 25, 2011, where a light post was hit causing roughly \$1,900 in damages. The incident report was incomplete and collection has been difficult but is moving forward. There have been some other small incidents not requiring claims, including one hit and run to a road sign which has been taken down for repairs.

Transportation: There was discussion regarding the negotiation related to future Dial A Ride agreements. BCRC has appointed two representatives, Doug Lovell and Ross Bowker, who are supposed to meet with the District representatives, Bob Gary and Ernie Elsner. Conflicting schedules and travel have pushed the meeting out to mid March.

UERWA Contract: Director Power informed the Board of the newly created UERWA contract and asked for approval to seek independent counsel for further review. Upon motion duly made and seconded, it was unanimously

RESOLVED to contract independent counsel to review the new UERWA contract.

**Resolution for
Posting Places**

The Board reviewed the resolution to set posting places for notices. The posting places currently used are the First Bank in Beaver Creek, the Beaver Creek Club, and the District Office. Upon motion duly made and seconded, it was unanimously

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RESOLVED to post notices of the District's 2012 meetings as follows:

Notices of meetings of the District's Board of Directors required pursuant to Section 24-6-401, et. seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

First Bank, 0026 Avondale Lane, Beaver Creek.

Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least 3 days prior to said meeting shall continue to be made pursuant to Section 32-1-903(2), C.R.S.

May 2012 Election

The Board discussed the upcoming May 8, 2012 Election. There are two (2) four-year terms on the Board of Directors up for election. The election will be a mail ballot election. Ms. Lewensten was appointed the designated election official. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the attached resolution regarding conducting a May 8, 2012 Election.

Legal

Election: Mr. Collins inquired of the Board whether there are any expected ballot issues for May 2012. If there is a ballot issue it needs to be filed by March 2, 2012. No ballot issues are expected.

Fire Station: Mr. Collins noted that a response to Vail Resorts will be discussed during Executive Session.

Financial Statements

The Board reviewed the December 2011 preliminary financial statement included in the packet. Director Elsner requested that the actual fund balance be reported for 2012 as opposed to the estimated number. Ms. Lewensten responded the actual fund balance will appear in the 2012 Forecast column in the January 2012 statement. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the December 2011 preliminary financials as presented.

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Accounts Payable The Board reviewed the Accounts Payable listing that had been included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable list as presented.

Executive Session Upon motion duly made and seconded, it was unanimously

RESOLVED to enter into executive session citing §24-6-402(4) (a) C.R.S. for the purpose of determining positions subject to negotiations related to the acquisition of property for a new fire station; and citing §24-6-402(4) (f) C.R.S. to discuss personnel matters related to the General Manager's employment contract renewal. The Board entered into executive session at 9:26 a.m. and adjourned the executive session at 11:25 a.m.

Upon returning from executive session the Board took the following actions. Upon motion duly made and seconded, it was unanimously,

RESOLVED to renew the annual employment contract of Mr. Hanks.

Adjournment There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Regular Meeting of the Beaver Creek Metropolitan District Board of Directors held on January 25, 2012.

Respectfully submitted,

Jennie Fancher
Secretary for the meeting