

RECORD OF PROCEEDINGS
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
BEAVER CREEK METROPOLITAN DISTRICT
February 25, 2015

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., February 25, 2015 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Louis Kreig
- Stephen Friedman
- Jim Fraser
- Jim Power
- Pam Elsner (on phone)

Also in Attendance were:

- Bill Simmons, General Manager, BCMD
- Ken Marchetti, Marchetti & Weaver, LLC
- Jim Collins, ESQ, Collins Cockrel & Cole
- Jennie Fancher, BC Admin Assistant, BCMD
- Dave Eickholt, BCPOA
- Jim Kelley, BC homeowner
- Jim Lee, BC homeowner
- Kerry Wallace, Goodman and Wallace, PC
- Todd Goulding, Evans Chaffee
- Jim Fennell, The Fennell Group

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Lou Kreig, 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: Dr. Louis Kreig is a member of the Board of Directors for Beaver Creek Property Owners Association; Mr. James Fraser is a Director of the Beaver Creek Property Owners Association; Mr. James Power is a member of the Board of Directors for the Upper Eagle Regional Water Authority;

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Mr. Stephen Friedman is a member of the Board of Directors for the Vail Valley Foundation and the Eagle River Water and Sanitation District. Ms. Pamela Elsner is a member of the Board of Directors for Vilar Guild Executive Board; and 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 January 28, 2015, Regular Meeting. Director Elsner requested the addition of her reasons for voting against the purchase and sale agreement of the fire station land into the minutes. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the January 28, 2015 Regular Meeting with the revision noted.

Agenda

Director Elsner requested discussion of taping meetings be added to the Agenda.

Future Meetings

The next regular meeting for the District is scheduled for March 25, 2015, at the same time and location.

Public Input

There was no public participation.

Fire Station

Design Process

Jim Fennell, architect, introduced the Board to the Fire Station design process, referring to the latest drawings and elevations. Plans for the station will be presented to the DRB as a courtesy. The current design is 9,600 square feet. Todd Goulding, Owner's Representative, discussed the timing of the design and construction process. Engineering and design will continue through March, followed by the development of construction documents, which should be finished by the first week in June. Building permits will be applied for and construction should start in July or August. An RFP is out for construction services/general contractor. The budget includes fixtures and furnishings, as well as landscaping. The sub committee will continue to review the design and construction process.

General Manager

Update

Fire Station Road: Mr. Simmons updated the Board on the road to the fire station. Ewing is scheduled for a May 1 start date. There will be some cost savings related to value engineering the retaining walls.

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Auto Accidents: Beaver Creek Public Safety has been contacted and asked to provide more detail in its reporting of auto accidents within the resort.

Legal

Mr. Collins informed the Board of minor changes made to the purchase and sale agreement for the fire station land, recommending re-approval. Upon motion duly made and seconded, it was unanimously

RESOLVED to re-approve purchase and sale agreement for the fire station.

Financial Statements

Mr. Marchetti referred to the January 2015 preliminary financial statements in the packet, going into detail on the fire station budget summary. The 2016 budget reflects an expected completion date for construction of the fire station of December 2016. 2014 ended with \$3.725 million in the general fund, 2015 is expected to end with \$1.809 million in the general fund. 2016 is expected to end with \$1.6 million in the general fund. Going to the voters for an increase in the mil levy rate or introducing a sales tax should be considered. Director Power expressed his desire to go to the voters sooner rather than later. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the January 2015 preliminary financials as presented.

Accounts Payable

The Board reviewed the Accounts Payable listing. Upon motion duly made and seconded, it was unanimously

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

Other Business

Director Elsner discussed the taping of meetings and executive sessions. Mr. Collins noted that recording of executive sessions need to be kept for 90 days. In situations where advice of counsel is necessary there is no need to record the executive session. Recordings of the executive sessions are available to people upon review in District Court. Recordings of general meetings is no longer necessary.

Mr. Collins noted Kerry Wallace had been present in the audience earlier in the meeting to represent Village Walk homeowners and get a feel for the BCMD Board.

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

RESOLVED to enter into executive session citing §24-6-402(4)(a) for the purpose of determining positions subject to negotiations related to the sale of property where the current fire station is located; §24-6-402(4)(e), C.R.S. for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to the architect selection process and the Village Walk HOA road access concerns. The Board entered into executive session at 9:20 a.m. and adjourned the executive session at 10:12 a.m.

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 February 25, 2015.

Respectfully submitted,



Jennie Fancher

Secretary for the meeting