

# RECORD OF PROCEEDINGS

## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT

March 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., March 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
- Barry Parker, BCPOA
- Jim Kelley, BC homeowner
- Jerry Hensel, Beaver Creek Village Operations
- Elizabeth Jones, BCRC
- Jen Brown, Executive Director, BCRC
- Todd Goulding, Evans Chaffee
- Jim Clancy, BCPS
- Tim Baker, VR Village Operations

### 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.

# RECORD OF PROCEEDINGS

## Beaver Creek Metropolitan District March 25, 2015 Meeting Minutes

---

### 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;

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 February 25, 2015, Regular Meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the minutes of the February 25, 2015 Regular Meeting.

### Agenda

Chairman Kreig requested discussion of Project Legacy be moved to the top of the Agenda, and noted the Fire Station Update topic on the agenda will include consideration of the pre-construction contractor agreement with Hyder Construction; Director Friedman requested the topics of parking on Prater Road and the wrapping of buses and Dial-A-Ride vehicles be added to the agenda. Mr. Simmons requested the addition of capital projects, bids for road projects and the Strawberry Park Bridge to the agenda.

### Future Meetings

The next regular meeting for the District is scheduled for April 22, 2015, at the same time and location. Director Friedman noted he will not be in town for the meeting but will be available to call in.

### Public Input

There was no public participation.

### Project Legacy

Tim Baker discussed improvements to the entrance to Beaver Creek related to Project Legacy, requesting the \$100,000 budgeted for 2015 be used for the project. The Project is broken into four parts. 1) the main gate entrance and creek enhancements; 2) the gatehouse islands at the main gate; 3) the Village Road islands just past the Beaver Creek Drive intersection; 4) the landscape bed on the south side of Village Road, across from the 2015 World Championships monument. Director Friedman noted the creek appears more like a ditch and is

# RECORD OF PROCEEDINGS

Beaver Creek Metropolitan District March 25, 2015 Meeting Minutes

---

not a focal point to most people entering the resort. Mr. Baker acknowledged this, noting the creek will be landscaped to help it become a focal point. The secondary entrance along Prater Road was also discussed. Director

Fraser requested Bonnie Vogt of the BCPOA Beautification Committee be included in discussions and plans related to the improvements. Upon motion duly made and seconded, it was with a vote of four (4) ayes and one (1) nay, (Director Friedman)

**RESOLVED** to approve up to \$100,000 toward half of the costs of the discussed improvements for the entrance of Beaver Creek.

## General Manager Update

**Fire Station:** Mr. Goulding updated the Board on the new fire station. Three companies were interviewed for the pre-construction construction management contract. Hyder Construction is being recommended for approval. Mr. Collins reminded the Board of the previously approved Integrated Project Delivery Resolution, enabling the General Manager the ability to make approvals that will keep the fire station moving forward in a timely manner. The contract is a fixed price amount of \$15,000. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to enter into an agreement with Hyder Construction for pre-construction general contracting, construction management services for a fixed price of \$15,000.

The recent geothermal testing was discussed. Implementing geothermal technology into the project will add \$68,000 to the original capital cost of the project. The savings of using geothermal are expected to be \$,000 per year. The \$68,000 was presented with no facts or information and Mr. Simmons and Mr. Goulding have requested more information to back up the amount prior to the Board making a decision between a conventional boiler system and a geothermal heating system. The decision should be made soon, so as not to delay the design process or final construction documents set to be drafted on or around April 9. Analysis of the payback time frame is an important factor in the decision as to whether to choose geothermal. Answers should be available by the end of the week. A decision was made to continue the meeting until Wednesday, April 1, to determine the heating system that will be implemented for the fire station.

**Capital Projects:** Mr. Simmons noted two bidders submitted bids for road repairs and improvements, B & B and Elam. The lowest bid came in at \$479,000 with a budgeted amount of \$498,000. Mr. Simmons noted the amount could be less if the

# RECORD OF PROCEEDINGS

Beaver Creek Metropolitan District March 25, 2015 Meeting Minutes

---

project is changed, possibly eliminating work on Wayne Creek Road. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to enter into an agreement with B & B for 2015 road work in the resort with Mr. Simmons reporting back to the Board with a summary of all work to be completed.

Mr. Simmons informed the Board of two bids received for work on the Strawberry Park Bridge. Bids were received from McBoyd Construction and Matsen Construction, whose bid was received late. The budgeted amount was \$115,000 and the lowest bid, received from McBoyd Construction, was \$98,000. The work was advertised in the bidding process to be completed by Memorial Day. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to enter into contract with McBoyd Construction for repairs to the Strawberry Park Bridge.

**Architectural Selection Process:** A settlement has been reached with Poss/LEA.

**Insurance Claims:** The Board referred to the incident report spreadsheet in the packet. One new incident has occurred, an ECO Transit bus knocking down a lamp post and information is being gathered.

**Fire Station Sale Update:** Mr. Simmons informed the Board the buyer of the site is having reservations due to the access easement, claiming no prior knowledge of this issue. Director Friedman questioned whether the selling process should be conducted the same way should this contract fall apart.

## Legal

Mr. Collins informed the Board The RETT exemption application was filed and the District has an excellent case for the exemption. Mr. Collins noted the most recent version of the Water Authority Agreement will be discussed tomorrow at the UERWA meeting. A release and settlement agreement with Poss/LEA has been drafted. Upon motion duly made and seconded, it was with a vote of four (4) ayes and one (1) nay, (Chairman Kreig)

**RESOLVED** to approve the settlement of claims brought by Poss/LEA with a payment of \$20,000 subject to an agreement and release that satisfies counsel.

**Bus Lease/Purchase** Mr. Marchetti referred to the bus lease/purchase information presented in the packet, noting 1.78% interest on a 60 month loan for \$250,000. Upon motion duly made and seconded, it was unanimously

# RECORD OF PROCEEDINGS

Beaver Creek Metropolitan District March 25, 2015 Meeting Minutes

---

**RESOLVED** to approve the lease/purchase resolution with U.S. Bancorp Government Leasing and Finance, Inc.

## Long Range Financial Plan

Mr. Marchetti discussed the long range financial picture for the District, noting the need to look at options to make up the shortfall created by a reduction in property tax collections. Referring to the four steps outlined in the memo in the packet, discussion centered around conducting a thorough analysis of income and expenses as well as the pros and cons of implementing a sales tax or a mil levy increase, both of which will require voter approval. A work session will be scheduled to look at the issue in depth with information being available prior to the BCPOA June meeting.

## Financial Statements

Mr. Marchetti referred to the February 2015 preliminary financial statements in the packet, noting the fire station cash-flow projections are based on the current contract price for the purchase of the site where the current station sits. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to accept the February 2015 preliminary financials as presented.

## Accounts Payable

The Board reviewed the Accounts Payable listing. Mr. Marchetti noted the A/P listing doesn't include a check to Evans Chaffee for \$4,161.95. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve and ratify the accounts payable list including the additional check to Evans Chaffee.

## Other Business

Director Friedman discussed parking along Prater Road and the fact that it appears to occur more often than expected, inquiring as to whether this is monitored by the District. Mr. Simmons noted that no formal request was received for parking along Prater Road for the 2014/15 season. The issue will be examined.

Director Friedman informed the Board that he noticed one of the Dial-A-Ride vehicles is wrapped with an advertisement for Audi Quattro and inquired when the buses will be unwrapped from their 2015 wraps. Ms. Brown informed the Board the Audi wrapping is a one year commitment and the 2015 wraps will come off at the end of the season. More information will be provided to the Board for the April meeting.

# RECORD OF PROCEEDINGS

Beaver Creek Metropolitan District March 25, 2015 Meeting Minutes

---

## 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

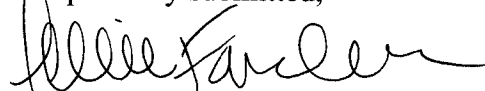
of property where the current fire station is located. The Board entered into executive session at 10:30 a.m. and adjourned the executive session at 11:12 a.m.

## Continuation

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

**RESOLVED** to continue the Regular Meeting of the Beaver Creek Metropolitan District Board of Directors held on March 25, 2015 to Wednesday, April 1, 8:30 am at the same location.

Respectfully submitted,



Jennie Fancher

Secretary for the meeting