
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT April 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., April 25, 2012 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Mike Balk
- Louis Kreig
- Ernie Elsner

Absent and Excused were Directors:

- Jim Power
- Bob Gary

Also in Attendance were:

- Clyde Hanks, General Manager, BCMD
- Eric Jorgenson, Esq, District Counsel
- Ken Marchetti, Robertson & Marchetti, PC
- Jennie Fancher, BC Admin Assistant, BCMD
- Samuel Parker, Director of Beaver Creek Public Safety
- Tim Baker, BCRC Executive Director
- Bill Simmons, Vail Resorts
- Karl Bauer, Fire Chief, ERFPD
- Jennifer Cartmell-Hays, ERFPD Board Member
- Rick Fields, Alpine Mountain Builders
- Alex Coleman, Alpine Mountain Builders

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Mike Balk, 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

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Association; Mr. Michael Balk is a member of the Board of Directors for Beaver Creek Property Owners Association; Mr. 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 March 28, 2012 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the March 28, 2012 Regular Meeting.

Agenda

Changes were made to the agenda. Director Kreig requested discussion of the Red Phone system and BC evacuation planning be added to the agenda.

Future Meetings

The next regular meeting is scheduled for Wednesday, May 23, 2012 at the same time and location.

Public Input

Karl Bauer, fire chief for the ERFPD, presented the Board with a wildfire protection plan. Dry weather is expected, promoting a higher propensity for wildfires. Fire mitigation continues in Beaver Creek with a 50/50 split with BCRC to remove beetle kill. Anchor Point is returning to update the mitigation plan. ERFPD is beefing up initial attack forces, cementing relationships with mutual aid partners. BCMD offered assistance, including use of signage to warn residents and visitors of fire danger. Chief Bauer noted the most important thing BCMD can do to participate is exactly what is being done, following mitigation plan and staying on top of areas with fallen timber. Mr. Parker noted personnel are being trained to drive fire trucks in the event fire station staff is called to emergencies elsewhere. Staff has annual training on tapping into the snowmaking system as well. Mr. Hanks noted the Unimog is equipped with a water tank in summer months and can be used if needed.

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General Manager Update

Encroachments: Rick Fields and Alex Coleman, Alpine Mountain Builders, presented the Board with an easement encroachment request for the Dennis Property, Lot 27, Strawberry Park at Beaver Creek, known by street address as 313 Strawberry Park Court. The Easement Improvement Plan that was presented proposes permanent landscape improvements being placed in the BCMD utility and drainage easement where utilities already exist. Mr. Fields and Mr. Coleman requested approval for a log structure ("Cabin Ruins") to be built around the transformer box and a driveway to be expanded within the BCMD utility and drainage easement area. In addition, a water feature will overlap a small section of the BCMD easement area in question. Mr. Fields and Mr. Coleman were informed by the Board that if any issues arise in the easement area which require destruction of these improvements, all replacement costs would be at the expense of the property owner. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the encroachment agreement for 313 Strawberry Park Court subject to the owner's acknowledgement that all costs associated with any installations in the easement, or replacement thereof, will be at the homeowner's expense.

Mr. Hanks updated the Board on encroachment issues involving both Lot 6 and Lot 5 on Elk Track Court. A plat has been prepared for the owner of Lot 5 showing landscape improvements constructed within the BCMD utility and drainage easements by owner of Lot 6 without authorization from BCMD. Some of these landscape improvements extend beyond the BCMD easements onto Lot 5. The owner of Lot 5 now plans to construct a home on that property and certain improvements are expected to extend into the BCMD utility and drainage easement, for which prior approval will be requested by the owner of Lot 5 because of the slope of the Lot. Landscape Improvements on Lot 5 made by the owner of Lot 6 is an issue that must be resolved by these private property owners. However, it may be necessary for the District to demand removal of the landscape improvements that have been placed within the BCMD utility and drainage easements as those easements border both Lot 6 and Lot 5 before it can authorize any

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encroachments to be made by the owner of Lot 5. The skiway between Lot 6 and Lot 5 has not been conveyed to, nor is it maintained by BCMD, but some of the landscape improvements made by the owner of Lot 6 also impede the use and maintenance of the skiway which overlaps the BCMD utility and drainage easements. Jim Collins has been requested to prepare a letter to the owner of Lot 6 explaining the problems and demanding removal of the landscape improvements which encroach upon the District's easements.

Project Legacy: The front entrance monument will be installed in September. Lead time involved with its manufacturing does not allow for it to be installed prior to July 4th as originally planned.

Cost estimates will be obtained for guardrails, which will follow the Euro-Alpine design of Beaver Creek. The sample guardrail will be installed after Labor Day.

Insurance Claims: The Board referred to the report included in the packet. All costs associated with incidents to-date have been recovered.

Legal

No legal issues were presented.

2011 Audit

Mr. Marchetti presented the 2011 Audit. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the 2011 Audit.

Financial Statements

The Board reviewed the March 2012 preliminary financial statement included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the March 2012 preliminary financials as presented.

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.

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Other Business

Red Phone: Mr. Parker informed the Board that there will be a test of the Red Phone system when the resort has a higher occupancy.

Evacuation Plan: Mr. Parker noted the Red Phone system will be used to conduct a test of the resort's evacuation plan as well.

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 §24-6-402(4) (e) to discuss positions related to negotiations with the BCRC related to the 1999 Transportation Agreement. Board entered into executive session at 9:45 a.m. and adjourned the executive session at 11:10 a.m.

Fire Station

Discussion ensued regarding the proposal from Dominic Mauriello and the land currently occupied by the Beaver Creek Fire Station. The estimated cost for the PUD process could be up to \$75,000. Mr. Hanks offered to approach Mr. Mauriello to lower his rates. The estimate is open-ended, as the time involved is unknown. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept Mr. Mauriello's proposal subject to a discussion of his fees.

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 April 25, 2012.

Respectfully submitted,



Jennie Fancher
Secretary for the meeting