

---

# RECORD OF PROCEEDINGS

---

## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT December 7, 2011

The Special Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., December 7, 2011 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)

Director Absent and Excused:

- Mike Balk

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
- Kathy Lewensten, Robertson & Marchetti, PC
- Bill Simmons, Director of Operations, Vail Resorts Village Operations
- Tim Maher, BCPOA
- Tim Baker, BCRC Executive Director
- Chris Lubbers, Director of Transportation, BC
- Suzanne Hoffman-LeBlanc, BC homeowner

### Call to Order

The Special 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

---

# RECORD OF PROCEEDINGS

---

---

## Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

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. 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 October 26, 2011 Regular Meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the minutes of the October 26, 2011 Regular Meeting.

### Agenda

Mr. Hanks requested the personnel matters in the executive session portion of the agenda be moved to January's meeting. No other changes were made to the agenda.

### Future Meetings

The Board reviewed the meeting schedule for 2012. The next meeting is scheduled for Monday, January 23, 2012 at the same time and location.

### Public Input

Ms. Suzanne Hoffman LeBlanc voiced her concerns regarding any Metro District contributions toward World Cup races held at the Beaver Creek Resort. The cost of District contributions to the Beaver Creek community when the voters have no voice or opportunity to approve race related expenditures is her primary concern. Ms. Hoffman LeBlanc requested an analysis of the District's costs associated with World Cup races.

Mr. Hanks responded there would be no additional cost for transportation to the District, as transportation costs as a whole are set since BCRC funds additional costs above and beyond the set mill levy funds collected on behalf of transportation. Mr. Hanks reported that he would implement a study to discover the impact

---

# RECORD OF PROCEEDINGS

---

---

## Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

on roads resulting from race traffic. There is a nominal cost associated with plowing the service road for the races. Ms. Hoffman-LeBlanc responded that these costs add up to real dollars over time.

Mr. Hanks reported he expects the VVF to request support for the 2015 World Cup Championship races. Whether the requested support will be financial or service related is unknown. Director Elsner made a motion requesting Ms. Hoffman-LeBlanc submit her concerns to the Board in writing for further review. Upon motion duly made and seconded, it was unanimously

RESOLVED to direct Mr. Hanks to respond to Ms. Hoffman-LeBlanc's written concerns.

**Village to Village Survey:** Mr. Simmons and Mr. Lubbers presented the survey results related to the Village to Village transportation services. Mr. Simmons informed the Board this service has been cut back drastically in recent years, omitting the night service and providing one dedicated vehicle instead of two. Beaver Creek contributes 13% of the cost of this service. The survey showed 27% of the riders originate in Beaver Creek. It was suggested the Transportation Committee review this service prior to renewal next year. A more comprehensive survey was requested for this winter. Director Elsner made it clear the current survey numbers are unsatisfactory.

**Village to Village Agreement Renewal:**

The Village to Village transportation agreement was presented for renewal. The agreement was included in the packet. This is a standard agreement which needs to be reviewed and approved annually. After discussion it was agreed to approve this year but gather more information on ridership of this specific route before next year's renewal. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Village to Village Transportation Agreement.

**General Manager**

---

# RECORD OF PROCEEDINGS

---

---

## Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

### Update

**Fire Station:** Mr. Hanks reported Mr. Alex Iskenderian (Sr. Vice President & COO Vail Resorts Development Company) informed him the letter being drafted by VR's legal department regarding the conditions under which the transfer of a parcel of land by the water tank will be considered is not complete. One aspect of the letter is expected to cover indemnification of VR related to the transfer of the property. The letter will be a springboard for negotiation. Until a dedication and conveyance of the land to the District is completed, or a binding contract is in place, the County may not consider location and extent review of the District's application.

Mr. Hanks informed the board that he and Directors Kreig and Power toured the new West Vail Fire Station and were duly impressed. The Vail Fire Department is being extremely helpful sharing information related to its process of due diligence, which will save money for the District. Mr. Hanks and Directors Kreig and Power also toured the BC Fire Station and reported it is inadequate.

**Snow Melt Boiler Burners:** Mr. Hanks reported the manufacturer of the snow melt boiler burners went out of business one and a half years ago and parts are no longer available. The snowmelt system has three boilers. The majority of the time one boiler is needed, occasionally two are needed at the same time, and very rarely all three are needed to operate simultaneously. The maintenance contractor of the system, AMS, has suggested that one of the burners be replaced, leaving the burner taken out to be used for parts toward the remaining two. The cost to replace one burner is estimated to be \$25,000. The replacement would be scheduled during the summer. The Board requested bids be obtained for the burner replacement and directed Mr. Hanks to look into the matter further.

**Road Overlays:** Mr. Hanks informed the Board contingencies related to the overlays have been refunded. Mr. Hanks also noted the roads which received overlays have yet to be striped, and will not be until spring.

**Letter to Property Owners:** Mr. Hanks informed the Board the mailing of a letter to property owners regarding BCMD's portion of BC property taxes is complete. Very little response has been

---

# RECORD OF PROCEEDINGS

---

---

## Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

received, other than positive. The mailing cost roughly \$900 to complete.

**Pond Dredging:** The dredging of the golf course pond will begin any day. BCMD has agreed to split the cost with the Beaver Creek Golf Club as it is partially used for drainage management.

**Holiday Luncheon:** The annual BCMD holiday luncheon will be held on Tuesday, December 13, 2011, at noon.

**Insurance Claims:** The Board referred to the report included in the packet. Three new claims have been reported, all involving vehicles hitting lamp posts.

**Speed Sign:** There has been great feedback thus far of the speed sign that is currently located on Offerson Road at the curve above the Golf Club. Mr. Hanks informed the Board that he would like to purchase another sign, which would cost roughly \$6,000, and look into the possibility of solar power for one of the signs. One sign would be permanent at the Offerson Road location, the other would be moved around throughout the resort. The Board directed Mr. Hanks to look into the new sign and a solar pack.

### Legal

**Fire Station:** Mr. Jorgenson reported that in order to be in a position to request location and extent review of this project, the District must have a preliminary site plan and building concept for the new location. Although the location and extent process is much shorter than a rezoning or PUD amendment, a dedication and conveyance of the property, or at least a binding contract to dedicate the property to the District once the process is completed, is probably a prerequisite to making the application to the County. Once that process is started, notice should be given to property owners who may be impacted by the new fire station at this location. No statutory process is provided, but Eagle County has published a Location and Extent Guide.

**UERWA:** The Authority Board and Staff are continuing to review and comment on The Authority Agreement which has been prepared as a replacement for the 1984 Establishing Agreement. The Authority Agreement is expected to be presented to the Authority Board for its approval in early 2012. Provisions concerning distribution of Authority assets in the event of

---

# RECORD OF PROCEEDINGS

---

---

## Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

termination, Section 16, are being revised and circulated for comments.

### Financial Statements

The Board reviewed the October 2011 preliminary financial statement included in the packet. Mr. Marchetti reported the final assessments for Beaver Creek property are down 21% for the year. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to accept the October 2011 preliminary financials as presented.

### Vehicles Purchase/Lease

Mr. Marchetti requested the Board consider approval of two transportation leases from Wells Fargo which had been provided to the Board by Email prior to the meeting. Lease # 362219-401 is a 7 year lease at 2.89% for the parking lot bus; Lease # 362219-400 is a 4 year lease at 2.17% for the new DAR vehicles. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve Wells Fargo Lease Nos. 362219-400 and 362219-401 as discussed, and

**FURTHER RESOLVED** to authorize Mr. Hanks, General Manager to execute the necessary paperwork for the leases.

### 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.

### Adjournment

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

**RESOLVED** to adjourn the Special Meeting of the Beaver Creek Metropolitan District Board of Directors held on December 7, 2011.

Respectfully submitted,

---

# RECORD OF PROCEEDINGS

---

---

Beaver Creek Metropolitan District December 7, 2011 Meeting Minutes

---

Jennie Fancher  
Secretary for the meeting