
RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT February 7, 2014

The Special Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., February 7, 2014 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Louis Kreig
- Mike Balk
- Jim Power
- Ernie Elsner
- Bob Gary

Also in Attendance were:

- Clyde Hanks, General Manager, BCMD (on phone)
- Ken Marchetti, Robertson & Marchetti, PC
- Jim Collins, ESQ, Collins Cockrel & Cole
- Jennie Fancher, BC Admin Assistant, BCMD
- Alex Iskenderian, Vail Resorts
- Kristin Williams, Vail Resorts
- Barry Parker, BCPOA President
- Tim Kelley, BC homeowner

Call to Order

The Special 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 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

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restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Agenda

No changes were made to the agenda.

Fire Station

A Memo of Understanding (MOU) was provided to the Board for comment. One revision requested was for the MOU to state that road signage be erected indicating fire trucks have priority when “running”. This traffic safety detail is not expected to be objectionable and will be added to the MOU. The easement across the current site is being examined and the MOU will be subject to the specifics of the easement as well as to the aforementioned road safety. The legal description of the parcel is a challenge with the snow but Mr. Collins will work out something preliminarily for the MOU to be firmed up when possible. The lot appears to be slightly larger than the current site.

Director Kreig referred to section 2A and questioned whether the lot needs to be subdivided. Per Mr. Collins, since BCMD is a government entity, BCMD can accept conveyance without it being subdivided but VR has the option to subdivide it at any time if they want. It appears as if the conveyance should be enough for the County. Director Kreig referred to section 3A, conveying a permanent non-exclusive easement, and it being given back on December 31, 2019. Mr. Collins explained this was a permanent non-exclusive easement with reverter provision. The easement in question is the original connector road. If VR needs the easement then it will be permanent. If VR determines they don't need the easement then it will be vacated. Mr. Collins will modify the language in 3A to clarify the easement conveyance language.

Section 4A was referred to. If the deal is so close why would it need another 45 days. The 45 days gives more time to work out the details. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Memo of Understanding subject to the specified conditions and language changes which Mr. Collins will prepare.

Mr. Hanks noted the timing for the vacation of easements needs to be clear and concise, requiring a clear understanding of conditions.

Restrictive Covenant

Aquisition

The Board referred to a copy of the Amended and Restated May 6 2014 Election Resolution and comments received. The resolution is in

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substantially complete form with the exception of actual numbers. The bond underwriter has been hired, Piper Jaffray. The Board acknowledged receipt of the Piper Jaffray disclosure. Bond counsel will be hired and campaigning policies will be explained. There will be a resolution stating no changes can be made to the Restrictive Covenant Agreement without a public hearing. The bond counsel engagement letter from Dee Wisor with Butler Snow was presented to the Board. Upon motion duly made and seconded, it was unanimously

RESOLVED to engage Dee Wisor as bond counsel for Beaver Creek Metro District, authorizing Jim Collins to sign the engagement letter on the district's behalf, and

FURTHER RESOLVED to approve the Amended and Restated Resolution Calling for the 2014 Regular District Election, and

FURTHER RESOLVED to approve the ballot language related to the agreement with Eagle River Fire and Protection District subject to approval of final numbers.

The Board discussed the wording of the May election Ballot issue related to the restrictive covenant. Mr. Parker inquired as to whether there is a way to change the first sentence of the ballot question. Mr. Collins responded that Tabor laws require the ballot question to read as it does. The Board discussed different lengths of terms for bonds. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve a 30 year bond with a 10 year continuous call option.

In 2009 369 ballots were mailed. The active voter list has 200 names on it.

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 the bond issue related to the restrictive covenant; The Board entered into executive session at 9:33 a.m. and adjourned the executive session at 11:05 p.m.

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

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RESOLVED to approve the ballot language for the Restrictive Covenant and Restrictive Agreement, with the understanding of a requirement for a final legal description of the Vail Resorts' property covered by the covenant and the USFS land referred to as the buffer zone area;

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 February 7, 2014

Respectfully submitted,



Jennie Fancher

Secretary for the meeting