
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT March 23, 2005

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., March 23, 2005 in the Conference Room of the Beaver Creek Club, Beaver Creek, Colorado.

Attendance

In Attendance were Directors:

- Stephen Friedman
- John Wells
- Al Mielcuszny
- John Forstmann
- Tommie Campbell

Absent and excused was Director:

Also in Attendance were:

- Larry Grafel, General Manager
- Ken Marchetti, CPA, Secretary
- Kathy Lewensten, Robertson & Marchetti, P.C.
- Bill Simmons, Village Operations
- John Garnsey, COO Beaver Creek
- Tony O'Rourke, BCRC
- Ginny Forstmann, BCPOA
- Don Cohen, Cimmaron Vail
- Jim Funk, BC Public Safety

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Director Wells, Chairman of the Board, noting that a quorum was present. Director Wells 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. Stephen Friedman is a board member of the Beaver Creek Arts Foundation which operates the performing arts facilities within Beaver Creek; Ms. Beatrice "Tommie" Campbell is a member of the Beaver Creek

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Communications Committee; and Mr. John Wells is President of The Pines Townhomes at Beaver Creek Condominium Association; Mr. John Forstmann is a board member of the Beaver Creek Club. 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 23, 2005 Regular Meeting. A clarification was made under Tract Q Reimbursement Payment. Upon motion duly made and seconded, it was, unanimously,

RESOLVED to approve the minutes of the February 23, 2005 Regular meeting as revised.

Future Meetings

No changes were made to the meeting schedule; the next meeting will be Wednesday, April 27, 2005.

Agenda Changes

No changes were made to the agenda.

Public Input

No public input was offered.

General Managers Update

Web Site Proposal: Mr. Grafel introduced Mr. Cohen of Cimmaron Vail to the Board. He explained that Mr. Cohen had been asked to provide a proposal to help develop a web site for the District. The proposal had been included in the board packet. Mr. Cohen gave a brief description of his background explaining he had developed a web site, "Inside Singletree", for Berry Creek Metropolitan District which was proving to be a good communication tool. He reviewed the information as described on the proposal noting a District site could be developed using technology available through a provider called "Association Voice". Once the site was set up, staff would be able to enter information and update it with relative ease. The ongoing costs would be in the \$175 per month range. There are different levels of security available which would allow the District to set up

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information sections for the general public and other information sections for board members. Director Friedman asked what percentage of Singletree homeowners used the Berry Creek website. Mr. Cohen thought that approximately 50% of homeowners had visited the site. He acknowledged that use of the site required education of the constituents of the availability of the site and the information; this had been done through postcards and in newsletters as well as e-mail. The Board discussed the importance of education regarding the availability of a site and expressed a desire to address the need to reach constituents who may not be comfortable using the internet by alternate means of communication. The Board asked about the costs and timeframe associated with setting up the site. Mr. Cohen stated he felt comfortable with the \$5,725 estimate provided in the proposal noting the project would be billed on a time and material basis. He felt that the site would be accessible within 60 days. The Board thanked Mr. Cohen for his presentation.

After Mr. Cohen's departure the Board discussed the expectations for a website noting there was a desire to get more information readily available to the board members and constituents and that a web site was a good tool to accomplish this. The Board asked Mr. Grafel to coordinate with Mr. Cohen regarding the site. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the proposal from Cimarron Vail for setting up a web site for the District on a not to exceed basis of \$6,000 without prior authorization from the Board.

Eagle-Vail Admin/Maint Facility: Mr. Grafel reported that he and Director Forstmann had met and reviewed the proposals regarding the Eagle Vail facility. Mr. Grafel had been working with the two contractors to value engineer the project and had been able to reduce the bid to \$1.948 million. The Board discussed the changes needed to reduce the price to this amount. The discussion then turned to negotiations that may be undertaken to see if the price could be reduced further. The matter was tabled for further discussion in executive session.

Parking Lot Bus Service: It was reported that the Town of Avon had requested the opportunity to continue providing the parking lot bus service. Mr. Garnsey stated that TOA has agreed to address the

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issue of quality of the service to the guests by more training. Vail Resorts was willing to allow the TOA this opportunity. The Board did not have any objections.

BC Landing Lot 4 Access: Mr. Grafel informed the Board that he wanted them to be aware of the possibility that the District may be approached regarding access for BC Landing Lot 4 off of Prater Lane. He referred to the sketch plans included in the board packet. The developer is currently working with Bachelor Gulch Metropolitan District (BGMD) regarding the access. The Board briefly discussed the different access plans noting BGMD needed to act on all but the last option which would need to come before the District. The Board asked about safety issues regarding the last plan and pointed out several concerns regarding parking along Prater Road and the unfinished appearance of the roundabout. Mr. Garnsey explained that the roundabout will be improved and finished this season as time had run out last fall before completion. Mr. Funk explained that cars were being booted for parking along the roadway and that signage would be put in place. The Board asked to be kept informed regarding the access. No action was needed by the Board at this time.

Odor Issue: Mr. Grafel reported that an odor issue was under investigation around the Vilar-Market Square storm sewer area and referred to the correspondence regarding the matter in the packet. The odor seems to be from some propylene glycol that is present. It appears the propylene glycol came from a BCRC snowmelt system under the village plaza, this system has been shut down and BCRC is aware of the issue. He explained that steps were being taken to monitor the situation and alleviate the odor such as increasing the air circulation. He is researching other methods and will report back. The Board asked that any costs for remediation be cost shared with any other responsible parties.

Wild land
Fire Mitigation:

Mr. Grafel drew the Boards attention to the memo included in the packet regarding the Wildland Fire Mitigation Plan. Mr. O'Rourke explained he was looking for input from the District prior to submitting the Beaver Creek Wildfire Mitigation Plan to Eagle County. In particular he was seeking input on the following items: the fire hazard risk rating reassignment appeal process; defensible

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space; design guidelines; the fiscal year 2005 mitigation maintenance plan and plan enforcement. The Board asked about the draft resolution amending Eagle County land use regulations that had been presented at last months meeting, and whether the comments provided by Mr. Collins had been incorporated into the resolution included in the packet. Mr. O'Rourke stated BCRC was willing to modify the resolution in response to the majority of the comments provided by Mr. Collins; however the issue regarding additional review by the District was one that needed to be discussed to determine whether it was of added value. The Board expressed concern that the District now appears to be placed in the position of defending its rights and authority regarding input and participation in the plan and regulations; it was noted that this is quite a departure from the original approach of a jointly prepared and presented plan. Director Forstmann suggested that a joint meeting between the BCRC Board and the District Board may be needed to re-establish the joint approach. At the meeting the boards can review the documents as they stand now to see which issues remain for discussion and whether a consensus can be reached. Mr. Garnsey stated he would facilitate a meeting between the boards.

It was reported that Anchor Point was working on a final rating and mitigation analysis of the Beaver Creek Drive area. Anchor Point has not been asked for a formal report on the Strawberry Park area as initial feedback from them indicated that due to the lodge pole pine stands and the slope it would be a hard area to mitigate enough to lower the rating. Mr. O'Rourke continued with a discussion of the definition of defensible space. He explained that the defensible space definition and criteria needed to allow for all ratings, this meant they would be somewhat general. The Board expressed the opinion that the definition needed to be as clear as possible to they can be enforced fairly. The issue of who would enforce the plan was debated. The BCRC counsel has recommended that enforcement be left up to the County, the District does not necessarily agree. Liability remains one issue related to enforcement that needs to be more clearly understood. The Board tabled the matter.

Legal

No legal update was presented.

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UERWA

Director Friedman reported that UERWA was considering allowing Bachelor Gulch and Cordillera as additions to the Board. In order for the Districts to be included a unanimous vote would be necessary or they will not be accepted. At this point in time it does not appear a unanimous vote is likely.

The amount of snow pack appears adequate for the upcoming season however a lot still depends on the rate of the melt. The matter of calls from the lower basins, such as Lake Powell remains a possibility.

Financial Statements

Mr. Marchetti reviewed the February 2005 preliminary financial statement included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the February 2005 preliminary financials as presented.

Accounts Payable

The Accounts Payable listing was reviewed. By motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable list as presented.

Executive Session

Upon motion duly made and seconded, it was unanimously

RESOLVED to enter into executive session citing §24-6-402(4)(e) C.R.S. for the purpose of discussing legal matters and negotiations regarding the Eagle-Vail Administration and Operations facility and the Tract Q Reimbursement request. The Board entered into Executive session at 11:25a.m. and returned at 12:25p.m.

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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 March 23, 2005.

Respectfully submitted,

Kathy Lewensten
Secretary for the meeting