
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT February 23, 2011

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., February 23, 2011 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
- James Power
- Robert Gary

Absent and Excused:

- Ernie Elsner

Also in Attendance were:

- Clyde Hanks, General Manager
- James Collins, Esq, Collins Cockrel & Cole
- Ken Marchetti, CPA, Robertson & Marchetti, PC
- Jennie Fancher, BC Admin Assistant,
- Kathy Lewensten, Recording Secretary
- Sam Parker, BC Public Safety
- Bill Simmons, Director of Operations
- Dawn Friedman, BCPOA
- Tim Baker, BCRC Executive Director

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Director 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 and a

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director of the Vilar Center for the Arts; 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 January 26, 2011 Regular Meeting. A revision to the fire station minutes was discussed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the January 26, 2010 Regular Meeting with revision discussed.

Agenda

Mr. Baker requested time to discuss project legacy signage and the Town of Avon.

Future Meetings

The next regular meeting is scheduled for Wednesday, March 23, 2011 at the same time and location.

Public Input

Mr. Baker stated BCRC has budgeted \$100,000 to invest in upgraded signage this year. He was hoping the District would be interested in matching these funds and moving forward with this portion of project legacy. He explained the majority of signs will be updated including the way finding signs and the signs in the core. The street posts will be painted in the new colors this year too. The Board directed Mr. Hanks to work with Mr. Baker to coordinate the project. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve moving forward with the signage project as discussed up to a maximum of \$100,000 from the District as matched by BCRC.

Mr. Baker reported he had attended the Town of Avon council meeting to request funding for the skier shuttle service. The TOA has agreed to help fund the service this season. The discussion

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also covered maintenance costs. He reported the TOA seems receptive to further discussions.

General Manager Update

Bachelor Gulch DAR service: Mr. Hanks reported the Bachelor Gulch Dial a Ride service has been returned back to Vail Resorts for management and operation of the service. It was a mutual decision between BGMD and the outside provider to discontinue their services. Mr. Lubbers has requested use of the District wash bay for the BGMD DAR vehicles. Mr. Hanks would like to allow the use with the understanding there will be a charge for the service. The Board agreed to the use of the wash bay for BGMD DAR vehicles.

Encroachments: Mr. Hanks stated requests for encroachments have started coming in for the upcoming construction season. He reminded the Board that he cannot approve any structures within the District easement. He has had a request for a structural change within a District easement that he did not approve. He informed the property owner the next step would be to present his plan to the Board for reconsideration if he so desires.

Fire Station: It was reported the fire station committee and Mr. Hanks had met with the construction team from the West Vail Fire Station and Ms. Carol Mulson, formerly of ERFPD. The construction team shared their experiences with the West Vail fire station construction. Ms. Mulson discussed ISO ratings and criteria. It does not appear the relocation of the fire station would reduce the ISO ratings in the District. Ms. Mulson will be looking to see if the District can do anything to improve the rating, such as different equipment. If a command center is included as part of the new fire station there is a possibility some federal grants may be available.

The Board asked Mr. Simmons if Vail Resorts has a position regarding the location by the water tank. Mr. Simmons stated they are not against the location but realize there may be some issues with access that would need to be addressed. VR is still reviewing the matter internally. As discussed at prior meetings the realignment of the roadway is looked upon favorably by VR.

Insurance Claims: There are no claims currently outstanding.

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Sales Tax: Mr. Hanks referred to the memo in the packet concerning the potential for the District to use sales taxes for transportation purposes. This had been included as an informational item. Mr. Marchetti explained the District has the ability to hold an election to impose a sales tax as a funding source for transportation related expenses. Bachelor Gulch Metro District put such a question on last November's ballot which passed and is now being collected. Discussion of the pros and cons of such a tax followed. This may be an option that could be considered to help make up any shortfall in property taxes if there is a reduction in assessed valuation. One question for Mr. Baker would be whether BCRC would consider a corresponding reduction in the civic assessment if the District took over all funding of the transportation function with the imposition of such a tax. The matter was tabled.

Financial Statements

The Board reviewed the January 2011 preliminary financial statement included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the January 2011 preliminary financials as presented.

Accounts Payable

The Board reviewed the revised Accounts Payable listing that had been handed out at the meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the revised 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 determining positions subject to negotiations. The Board entered into executive session at 9:40 a.m. and adjourned the executive session at 10:15 a.m.

Adjournment

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

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RESOLVED to adjourn the Regular Meeting of the Beaver Creek Metropolitan District Board of Directors held on February 23, 2011.

Respectfully submitted,
/s/ Kathy Lewensten

Kathy Lewensten
Secretary for the meeting