
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT January 23, 2008

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., January 23, 2008 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Stephen Friedman
- Mike Balk
- John Forstmann
- Robert Gary

Absent and excused was Director:

- Ernie Elsner

Also in Attendance were:

- James Collins, Esq. Collins Cockrel & Cole
- Ken Marchetti, CPA Robertson and Marchetti, P.C.
- Clyde Hanks, General Manager
- Kathy Lewensten, Recording Secretary
- Heather Nolan, Administrative Assistant
- Dawn Friedman, BC Property Owners Association
- Bill Simmons, BC Operations
- Tony O'Rourke, BCRC

Call to Order

The Regular Meeting of the Board of Directors of Beaver Creek Metropolitan District was called to order by Director Friedman, Chairman of the Board, noting that a quorum was present. Director Friedman 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; Mr. John Forstmann is a board member of the Beaver Creek Club; Mr.

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Ernest Elsner is a board member of the Beaver Creek Property Owners Association; Mr. Michael Balk is a director of the Beaver Creek Property Owners Association and a director of the Vilar Center for the Arts; and Mr. Robert Gary is a member of the Beaver Creek Property Owners Association and the Vilar Center for the Arts Committee. 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 December 19, 2007 Regular Meeting. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the minutes of the December 19, 2007 Regular Meeting as presented.

Agenda

No changes were made to the agenda.

Future Meetings

The Board reviewed the 2008 meeting dates schedule included in the packet. The regular meeting day will be the fourth Wednesday of the month except for March, November and December which will be the third Wednesday. Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the 2008 meeting schedule as revised.

The next regular meeting is scheduled for Wednesday, February 27 2008, at 8:30 a.m. in the same location.

Public Input

Ms. Friedman informed the Board the BCPOA representative for the "beautification committee" will be Ms. Forstmann and requested she be contacted once the committee begins meeting.

General Manager Update

Market Square: Mr. Hanks reported the Market Square conveyance matter is moving forward and expected to close in February. Mr. Collins stated the legal descriptions for the easements and conveyance items are being developed for inclusion

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into the documents. All entities are ready to execute the documents once they are available.

Snowplowing Matters: Mr. Hanks reported the BCRC Board and BC residents have expressed concerns regarding the driveway snow rows created by the snowplowing of the roadways. He referred to the BCRC letter included in the packet. They would like to have the snow rows removed by the District in a timely manner. He drew the Boards attention to a memo included in the packet which outlined the issue and possible remedies. He explained the crews have been instructed to be aware of this issue and to be proactive in removing the snow rows in a timely manner. He explained in the past the crews have not been asked to work overtime to clear driveways, they are now being asked to do so. The Board asked if clearing the parking lots takes priority over the clearing of the driveways. Mr. Simmons responded he did not believe this was the case as the parking lots are generally plowed early in the morning. Mr. Hanks noted a special exercise had been done after the last snow to determine the amount of time that may be needed to complete clearing the snow rows from driveways. Mr. Simmons explained staffing of the operations crew is being reviewed to see if “on call” personnel may work as part of the solution. He hopes to devise several plans for staffing and/or snow plow methods that can be tried during this season to help define a long term solution to the issue. The Board requested a conceptual plan be provided for review at the next meeting. The Board then directed Mr. Hanks to draft a response letter to BCRC explaining the steps being taken.

Roadway Easements: Mr. Hanks reported on the Roadway Easement project in which the District roadways and related easements are being reviewed. He explained the purpose of the project is to memorialize the District’s responsibilities for snowplowing or roadway maintenance within the District and to confirm the easements held by the District are correct and complete. He stated progress has been made and referred to the memo in the Board packet which outlines several issues which will need to be addressed. Currently the District provides sanding or plowing on some roadways which may have been provided in the past through a “handshake” deal. The Board asked to be provided the opportunity to decide which services will be continued and under what circumstances once the issues have all been

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determined. Mr. Hanks stated he thought the issues should be identified by April. The next step will be to memorialize and define the District service/maintenance responsibilities and to document the needed revisions to the easements.

Beaver Creek Beautification “Resortscape”

Mr. Hanks reported he had met with Mr. Kurz to narrow down the list of firms under consideration for heading up the beautification “resortscape” project. He and Mr. Kurz will each be doing a pre-interview with several of the firms to determine who should be sent a request to determine if the firm is interested in the project. Once the firms that are interested are determined the working committee of representatives from BCRC, BCPOA and the District will be asked to meet to choose the firms that will be sent requests for proposals and to ultimately choose the final firm. Mr. O’Rourke stated the BCRC representatives will be Mr. Donohue and Mr. Kaylor. The BCPOA representative is Ms. Forstmann. The District will choose its representative at a future Board meeting. It is anticipated the requests for proposals will be sent out in March.

General Manager Update, Cont.

Avondale Sidewalk: Mr. Hanks stated a request had been made from the Charter and BCRC to extend the sidewalk along Avondale Road to the intersection with Offerson Road. An engineering study of the project estimated the cost to be approximately \$236,000. The cost of the project is a bit higher than expected due in part to the shoring needed to mitigate the steep slope along the roadway. Mr. O’Rourke offered that BCRC is willing to fund one half of the cost. It was noted this sidewalk section appears to be a missing link in the sidewalk pathways in the area. Director Forstmann suggested the Charter should be approached to see if they would be willing to contribute to the project. The Board asked if the sidewalk would be located within the District right of way or easement. Mr. Hanks was uncertain but will follow up. The Board was open to discussing the project and requested information concerning the location as it relates to the District easements or right of way; a map of the sidewalks in the area; and options with estimated costs for mitigation of the steep slope for review at the next meeting.

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Encroachments: Mr. Hanks reported he had been approached about a potential encroachment for Lot 45 on Highline Drive. He explained the initial drawing had a structure on the District drainage easement. Mr. Hanks had explained to the owner no structures are allowed in District easements.

Fire Station: Mr. Hanks informed the Board the heating system repairs have been completed at the fire station. The drywall repair should be complete this week. Last year one of the garage doors had been replaced after the fire truck had hit and damaged it. This year a request was made to replace the other door, the 2008 budget includes this request so the door will be replaced.

UERWA

Director Friedman reported the settlement regarding Denver water rights has generated a fair amount of interest. He stated he had attended several meetings including the Town of Vail Board meeting and the Eagle County Commissioners meeting to discuss the matter. It has been favorably received. Negotiations will now continue regarding the details of the settlement. Part of the negotiations will deal with the proposed reservoir in Wolcott.

Director Friedman reported the clean up of the mine sites above the Town of Minturn are under review. The concern is whether the water quality can be improved more. The owner has stated the clean up is complete to the degree it is feasible. The Eagle River clean up committee feels there is more that could be done. An attainability study will be the next step.

Director Friedman reminded the Board it should begin considering who they would like to have represent the District on the UERWA Board as his term on the BCMD Board will be ending in May. He cautioned it will take some time for the new member to become familiar with the topics under discussion. Although the UERWA Board representative needs to be a BCMD Board member the alternate can be a private party. The Board asked if Director Friedman would be interested in continuing as the alternate. He responded that he would be willing to do so if asked. The Board noted having the continuity in representation would help during a transition period to a new representative. The Board will take the matter under consideration.

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Resolution for Posting Places

The Board reviewed the resolution to set posting places for notices. The posting places currently used are the First Bank in Beaver Creek, the Beaver Creek Club, and the District Office. Upon motion duly made and seconded, it was unanimously

RESOLVED to post notices of the District's 2008 meetings as follows:

Notices of meetings of the District's Board of Directors required pursuant to Section 24-6-401, et. seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

First Bank, 0026 Avondale Lane, Beaver Creek.

Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least 3 days prior to said meeting shall continue to be made pursuant to Section 32-1-903(2), C.R.S.

May Election

The Board discussed the May 6, 2008 Election. Mr. Collins reviewed the draft election resolution provided in the packet. Two four-year terms on the Board of Directors are up for election. The election will be a mail ballot election. Ms. Lewensten was appointed the designated election official. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Election Resolution hereby attached to become part of the minutes.

Financial Statements

The Board reviewed the December 2007 preliminary financial statement included in the packet. Mr. Marchetti noted the ending fund balance included approximately \$700,000 in transportation lease proceeds due to the delay in the delivery of the buses ordered. Upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the December 2007 preliminary financials as presented.

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

RESOLVED to approve the accounts payable list as presented.

ERFPD Director Friedman noted the District had been informed ERFPD would be considering the amendment the District had provided to them at their January Board meeting. ERFPD is concerned about ensuring the training of the public safety staff is up to standards so they can perform up to expectations. The Board agreed the public safety staff needs to be properly trained and certified. One issue under negotiation is whether ERFPD will accept training from other agencies. The Board questioned whether the training would be that different. It was noted some of the breathing apparatus or equipment may vary. The Board stated fully accredited training by other agencies should be acceptable unless the equipment is substantially different.

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 negotiations. The Board entered into Executive session at 10:15 a.m. and returned at 11:00 a.m.

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 January 23, 2008.

Respectfully submitted,

Kathy Lewensten
Secretary for the meeting

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