
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT January 28, 2009

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., January 28, 2009 in the Conference Room of the District Administrative and Operations Facility, Eagle-Vail, Eagle County, Colorado.

Attendance

In Attendance were Directors:

- Mike Balk
- Robert Gary
- Louis Kreig
- Ernie Elsner
- James Power

Also in Attendance were:

- Clyde Hanks, General Manager
- Jim Collins, Esq. District Counsel
- Ken Marchetti, CPA, Robertson & Marchetti, PC
- Kathy Lewensten, Recording Secretary
- Jenny Fancher, Administrative Assistant
- Bill Simmons, BC Operations
- Tony O'Rourke, BCRC
- Dawn Friedman, BCPOA
- Sam Parker, BC public Safety
- Susan Hoffman-LeBlanc, BC property Owner
- Ron Neville, G.M. Pines Lodge Hotel
- Scott Key, Pines Townhomes
- Frank Smith, BC Property Owner

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. Director Balk 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

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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 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 and the Vilar Center for the Arts Committee; and Dr. Louis Kreig is a member of the Board of Directors for 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 November 19, 2008 Regular Meeting and the December 10, 2008 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the November 19, 2008 Regular Meeting and the December 10, 2008 Special Meeting as presented.

Future Meetings

The Board reviewed the 2009 meeting dates schedule included in the packet. The regular meeting day will be the fourth Wednesday of the month except for November and December which will be the third Wednesday. Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the 2009 meeting schedule as presented.

Agenda

No changes were made to the agenda.

Public Input

Mr. Simmons introduced Mr. Parker to the Board explaining Mr. Parker was the new Director of Resort Services and Public Safety. The Board welcomed Mr. Parker to Beaver Creek.

General Manager Update

Holden Road Recreation Trail: Mr. Hanks described the matters of concern with the recreation/skiway trail that exists between 490 Holden Road and 502 Holden Road. He referred to the information that had been included in the packet regarding the history of the skiway, the easement and encroachment agreements.

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He explained there is a joint easement that is held by Vail Resorts and the District for this skiway. There are several concerns regarding the skiway, some of these include a boulder wall which constricts the width of the skiway, portions of a driveway that may extend into the skiway, improper grooming due to the narrow nature of the skiway and rocks that were placed for drainage purposes which do not become covered with snow without assistance. The Board reviewed the pictures in the packet and noted the bottom of the skiway appeared to be blocked by a windrow of snow from plowing the roadway. It was recommended the District could consider removing or shaping the windrow at the bottom of the skiway. If done, this would allow skiers to follow the skiway down to the roadway instead of having to remove their skis and walk down the driveway. The owner of the rock drainage has expressed a willingness to consider removing the rocks and replacing them with a more appropriate material. The Board noted an engineer would need to confirm this would not compromise the drainage function. It was suggested better signage along the skiways, such as "No Exit" would be beneficial as skiers become disoriented and do not realize the skiways will not bring them back to the resort area, leaving them stranded along the road. Mr. Simmons offered to follow up with Vail Resorts to see what type of signage can be utilized. It was suggested a hiking path with wood chips for the summer months would be a nice addition. An update on the matter will be presented at a future meeting.

Pines Townhomes Road Discussion

Mr. Hanks stated the Pines Townhomes has asked the District to consider assuming their roadway, Pines Lane. He explained a similar request was made in 2001, at that time the District declined to assume Pines Lane due to the fact that it did not meet district standards and had several other non-conforming issues. He referred to information that had been included in the packet. Mr. Hanks had asked Alpine Engineering to update the 2001 report. The updated report confirms the same issues remain, with the added complication of deterioration of the roadway. It is estimated it would cost at least \$178,000 to bring the roadway up to standard which would still not address the non-conforming matters such as drainage, or snow storage. Mr. Hanks reported he had met with the Pines Townhomes Board regarding the request and had shared the updated study. They had requested time at today's Board meeting to informally discuss the matter further. Mr. Hanks

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introduced Mr. Neville, General Manager of the Pines Lodge and Mr. Key, President of the Pines Townhomes Board. They explained they wished to see if the District would be able to help them address the issues with Pines Lane. Mr. Key explained other taxpayers of the District use the roadway and expressed hope the Board would consider offering some assistance in paying for improvements or snow removal. Currently they hire an independent contractor to plow and haul off the snow. Mr. Hanks stated the District has received other requests from private properties for help with removal or hauling off of snow and does not provide this service. The operations crew tries to be of some assistance by plowing the snow off District roadways in a different direction when they are aware of snow storage issues. The Board suggested a list of specific requests be drawn up which could be considered by the Board. Mr. Hanks was directed to meet with Mr. Key, Mr. Neville and their respective Boards to offer input on behalf of the District.

Wayne Creek Commons Report: Mr. Hanks explained the report on the Wayne Creek Commons area was not available for today's meeting.

Lot 7 Wayne Creek Commons: Mr. Hanks reported he had received a request from DRB to review proposed landscaping on Lot 7 at Wayne Creek Commons that would be within the District easement. The original design included landscaping and boulder structures within the easement. Mr. Hanks requested the boulder structures be removed from the design. No action is needed at this time.

Beaver Creek Beautification "Resortscape"

Mr. Hanks reported Design Workshop had presented the "Resortscape" slide show at the BCRC and the BCPOA annual meetings. The plan has also been posted on the Districts website. There has been a generally favorable response to the plan. A meeting of the committee is scheduled in one week at which time the cost estimates and phases of the project can be reviewed and prioritized. The entry way and signage portions of the project would be aspects that may be considered for this year as they would help present a good first impression. Ms. Hoffman-Leblanc suggested the District consider replacing or upgrading the guardrail

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along Village Road and look at the intersection of Village and Prater Roadways for safety improvements for traffic making a left turn from Village Road. Mr. O'Rourke reported BCRC does not anticipate having any funds available for the project in this fiscal year. The Board discussed the pros and cons of continuing to move forward with implementing improvements from the project this year without financial support from BCRC. Director Elsner stated he was hesitant to provide District funds before receiving assurances that BCRC would be able to match the funds noting the project was not essential to maintain the community. Director Power noted the project may benefit from competitive pricing due to the slow economy and suggested the District may wish to consider spending to help stimulate the economy. After the committee meeting next week more information will be available as to the cost of the improvements. The Board tabled the matter.

**General
Manager
Update**

Snowmelt System Leak: Mr. Hanks reported a leak was discovered in the snowmelt system in late December. After investigation it was found a C.M.E. van had accidentally pushed a cover plate into a underground utility box on the driveway by the Beaver Creek Lodge. The cover plate had dropped down onto a snowmelt line which caused the line to crack. There are several witnesses to the incident. A temporary fix was put in place however this spring a permanent repair will need to be made. Unfortunately the line is located directly above a high voltage power line and enters into the concrete side of the box. It is estimated the cost of the repair will be up to \$60,000. C.M.E. has been contacted with the pertinent information to allow them to file an insurance claim. Mr. Hanks will keep the Board updated on the matter.

Odor Issue: Mr. Hanks reported the Vilar has noticed an odor that comes and goes. It builds up during the day and seems to dissipate when the fans are turned on. It is similar to an odor that was present in 2005 that eventually was traced to a glycol leak. At this time the Vilar is checking on the odor regularly to monitor any changes. Mr. Hanks noted the snowmelt in front of the Vilar was not functioning properly yesterday but cannot say if it is related.

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Speeding: Mr. Hanks reported receiving complaints regarding excessive speed and the lack of visibility for pedestrians in certain areas of the District. One area of concern with pedestrians is at the intersection of North Holden and Village Road. Another is along Avondale Road by Oxford Court where pedestrians are crossing under the skier bridge on a blind corner. It was noted the marked crosswalks are not always visible in the winter months. He has been working with representatives from Oxford Court to help route pedestrians to the crosswalk further up Avondale. It was suggested better signage, such as “Do Not Cross, Blind Corner” or something similar may be useful. Mr. Hanks stated the District has been planning crosswalk improvements but had delayed implementing them until the “Resortscape” plan was completed. The Board suggested the crosswalk portion of the project could be looked at for this year as it would be an appropriate expenditure for the District. Ms. Hoffman-Leblanc asked whether the maps of Beaver Creek note the crosswalks stating these would help guests locate them. Mr. O’Rourke agreed to update the maps with this information.

It was pointed out Dial a Ride buses are among the vehicles that are speeding. Mr. Simmons and Mr. O’Rourke stressed the drivers for the DAR and bus services are constantly reminded of safe driving practices in the staff meetings. They are encouraged to set a good example and follow the speed limits to help control speed on the roadways. Ms. Hoffman-Leblanc shared several instances of DAR buses stopping on curves or blind corners and requested they be instructed to find safer stopping spots. The discussion continued noting several more intersections and sections of roadways that are of concern. Mr. Hanks noted trees limbs have been trimmed and snow piles have been removed at some intersections to help with the line of sight. The matter of enforcement was discussed it was noted Public Safety has the ability to write warning tickets, but the Sheriffs office would be the agency that can write tickets for speeding.

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

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RESOLVED to post notices of the District's 2009 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.

Financial Statements

The Board reviewed the December 2008 preliminary financial statement included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the December 2008 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.

Other Business

The Board asked Mr. Hanks if any new information is available regarding alternate locations that may be available for a fire station. Mr. Hanks reported he has spoke with Ms. Arnold and is reviewing an area up by the VR maintenance center to see if it may be viable. It would be necessary to modify the PUD and there are other technical issues. He will continue review of the matter and have more information at a future meeting.

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. and §24-6-402(4)(f) C.R.S. for the

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purpose of determining positions related to matters that may be subject to negotiations and personnel matters. The Board entered into executive session at 10:20 a.m. and returned at 11:40 a.m.

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

RESOLVED to renew the annual employment contract of Mr. Hanks.

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 28, 2009.

Respectfully submitted,
/s/ Kathy Lewensten

Kathy Lewensten
Secretary for the meeting