
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT July 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., July 23, 2008 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
- Ernie Elsner (via phone)
- Louis Kreig
- James Power

Also in Attendance were:

- Clyde Hanks, General Manager
- Kathy Lewensten, Recording Secretary
- Heather Nolan, Administrative Assistant
- Bill Simmons, BC Operations
- Kris Sable, Vilar Center/Vail Valley Foundation
- Jim Fraser, BC Property Owner
- Jim Kaylor, 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 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;

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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 June 25, 2008 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the June 25, 2008 Regular Meeting as presented.

Future Meetings

The Board reviewed the 2008 meeting dates schedule included in the packet. The next meeting will be Wednesday, August 20, 2008 at the same time and location.

Agenda

No changes were made to the agenda.

Public Input

Director Kreig stated he had received an email from Ms. Hoffman-LeBlanc which contained concerns regarding public safety matters. A copy of the email will be provided to Mr. Funk for review and comment.

DAR Bus Vehicle Request:

Mr. Hanks referred to the request from BCRC for transfer of two Dial-a-ride vehicles. The Board considered the request. BCRC wishes to dedicate the vehicles to the Vail Christian High School and the Snowboard Outreach Society. The Board discussed the matter noting the Resort Company is the primary financing partner in the transportation operation. The Board had no objection to the request and therefore authorized the conveyance of two Dial-a-ride vehicle titles to BCRC.

General Manager Update

BC Chapel request: Mr. Hanks reported the Beaver Creek Chapel has requested more information regarding the location and availability of snowmelt systems in their area. He explained it appears the snowmelt system is already in place but was not turned on. He will continue looking into the matter. The Board asked if

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any realistic options for a more environmentally friendly snowmelt system exist. Mr. Hanks has looked into geothermal options but they do not appear to be viable. Director Power offered to contact R & H Mechanical to see if they could provide information on alternatives. Mr. Hanks will continue to review the matter and report back if any alternatives appear worth pursuing.

Avondale Sidewalk: Mr. Hanks reported the Avondale Sidewalk project will be put out to bid next week. The work will be scheduled for this fall.

Mr. Hanks reported he had looked into the possibility of obtaining a waiver for the ADA requirements for the small missing segment of sidewalk on the north side of Oxford Court as directed at the last meeting. He explained it appears the cost associated with creating a sidewalk in this area would not be reasonable. He noted a waiver would also be needed from Eagle County requirements. He recommended this portion of sidewalk not be considered at this time. Mr. Simmons supported Mr. Hank's conclusion. The Board noted there is a sidewalk on the other side of the roadway and accepted Mr. Hank's recommendation to not proceed.

Wayne Creek Commons: Mr. Hanks informed the Board of a matter concerning Wayne Creek Commons. He explained the Wayne Creek Commons Home Owner Association had been dissolved and the roadway had been transferred to the District. The operations crew had received a call that one of the stone columns which are part of a fence along the roadway had a stone come off. The operations crew had responded and replaced the stone. Mr. Hanks reviewed the matter in more detail and has found the stone columns and fencing are not a District responsibility. He will send a letter to the Wayne Creek Commons property owners explaining the District will not be responsible for maintaining the stone columns or fencing.

Road Overlay and Asphalt Patch: Mr. Hanks stated the road overlay project in Strawberry Park that is scheduled for this fall will be done using a different asphalt mix. There is a shortage of the polymer needed to make the normal mix. The contractor will use a winter blend instead.

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Informational Matter: Mr. Hanks reported he had been contacted by Mr. Forbes regarding adding additional pull out and parking spaces along Avondale road by Base Mountain Sports. Mr. Forbes has purchased several units in the Villa Montane and is considering creating a private ski club and would like to be able to offer valet parking. To do so he would like to have a pull out/parking area by Base Mountain Sports. He was requesting the District consider this project. The Board noted it has discussed this same matter in the past and had concluded it did not object to the addition of parking spaces but was not comfortable paying for the project since it appears the spaces would benefit commercial concerns more than the constituents of the District. The Board directed Mr. Hanks to respond to Mr. Forbes explaining the District was open to discussing such a project with the understanding it was not willing to pay for the improvements. The District would also need to review the legal obligations.

Vilar Capital Projects

Annual Report

The Board turned its attention to the Vilar Center for the Arts Annual Report which had been included in the Packet. Mr. Sable was in attendance to present the information. He reviewed the expenditures made over the last year while referring to the report. He explained some of the projects have been completed out of sequence to take advantage of contractors that were on site or to mitigate unforeseen delays in projects that were planned. The orchestra pit platform and chairs was completed earlier than expected and have been sold out for each performance they have been available. He explained the importance of the improvements noting the Vilar is now able to attract a higher level of artists and events. Mr. Sable noted the contributions from the District and BCRC have allowed the Vilar to complete upgrades in a timely manner and thanked the District for its continued support.

The Board inquired about the proposed expenditure for signage in the budget. They explained the District and BCRC are currently reviewing "Resortscape" plans which will include new guidelines for signage within Beaver Creek. The Board requested Mr. Sable coordinate with Mr. Hanks and BCRC regarding the exterior signage so it is consistent with the new guidelines.

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The Board stated the projects presented are consistent with the intended use of the District funds. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the release of \$250,000 to the Vilar Center for use on projects as outlined in the annual report.

Encroachment

Mr. Hanks introduced Mr. Fraser to the Board. Mr. Hanks explained Mr. Fraser has presented a request for an encroachment which would place landscaping within the District easement at his new home on Beaver Creek Drive. Per the District guidelines plantings or structures are not allowed within the easement to allow for snow plowing and storage. Mr. Fraser explained his plan currently reflects a pull through driveway which was approved by BCDRB and Eagle County and landscaping close to the roadway. The District easement is 13 feet so he suggested he could remove the pull through driveway to allow approximately a 10 foot setback from the roadway for landscaping. He asked the Board to consider allowing him to move the landscaping 10 feet back from the roadway to allow a buffer between the house and the street. Mr. Hanks stated there are other areas in the District that are 8 feet from the roadway which works for snowplowing issues. Director Kreig stated he had walked the site to better understand what was being proposed. He noted other homes in the area do not have landscaping close to the roadway and would be hesitant to allow an exception if the plantings were to remain close to the road. The Board requested Mr. Fraser provide revised plans which reflect the landscape being moved back and the removal of the pull through driveway for consideration. The Board directed Mr. Hanks to review the plans and authorized him to approve the revised plan if it reflects the revisions discussed above. Upon motion duly made and seconded, it was unanimously

RESOLVED to give conditional approval to an encroachment for Mr. Fraser's home on Beaver Creek Drive subject to review and approval of the revised plan by Mr. Hanks.

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Beaver Creek Beautification “Resortscape”

Director Balk reported the Resortscape committee had met to hear the presentations from EDAW and Design Workshop. After the presentations the committee has decided to recommend approval of Design Workshop for the project. Copies of Design Workshops proposal were provided to the Board. The first phase of the project will be preparing a master plan for an estimated cost of \$165,000. The cost would be split in half between BCRC and the District. BCRC has approved a \$100,000 budget item for the master plan. Director Balk requested the Board consider allocation of \$100,000 for the master plan. Once the master plan is finished the cost estimates per phase/project for the improvements will be available. Depending on the nature of the phase/project the cost share portions will be allocated accordingly. The committee will continue to meet during the planning portion and will report back to their respective boards. It is anticipated the master plan will be complete by October to allow review of the potential projects for next year. One matter the Board will need to determine is the funding source for the projects. If the project is done in stages it may be possible for the District to fund a portion from reserves. Another alternative may be to issue bonds, however the Board expressed a desire to review all other alternatives to avoid a bond issuance if possible. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve choosing Design Workshop for the Resortscape project, and

FURTHER RESOLVED to approve a budget of \$100,000 for costs associated with the master plan.

Draft Emergency Plan

Director Kreig reported he had met with Mr. Funk individually and together with Ms. Friedman from the BCPOA to review the Draft Emergency Action Plan. He stated they had reviewed the general concept of the plan, the need for community coordination and communication and the need for cooperation between the various responding entities. He stated the plan is well thought out and will accomplish an orderly evacuation of the area but remarked it will need to be communicated to the public. Director Kreig expressed concern there appears to be a lack of command or control within

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the plan at this time but stated this is being reviewed. During their meeting Ms. Friedman had expressed concerns from the BC POA about the number of exit routes from the area, requesting consideration of development of additional roadways for evacuation purposes. The Board suggested the District would be happy to provide information to BCPOA for review to see if any options exist for additional roadways but expressed doubt that this would be a viable option. Mr. Simmons stated the plan anticipates evacuating the area by sections, so everyone would not be trying to leave at once which would help regulate the amount of traffic on the roadways.

Director Kreig has requested a half page summary on the draft plan from Mr. Funk. He suggested the District could add pertinent information to the summary and then provide it to BC Property Owners to help communicate the progress being made on the plan. Mr. Kaylor noted the plan is still in draft form and cautioned against making it public before it is complete.

Bond Refunding

Director Gary stated Mr. Marchetti has requested proposals from bond professionals regarding a potential refunding of the 1998 bonds. Two alternative methods for the refunding including a private placement loan or a bond issuance are being reviewed. More information should be available for the August meeting.

Bear Proof Trash Cans

Director Kreig expressed concern over violations of the trash can regulations in light of the number of bear incidents that have occurred in Beaver Creek. He noted there are still homeowners who do not use bear proof trash cans or leave bags of trash out for pick up. The Board concurred that it was an issue. He suggested the Board notify BCRC of its concerns and strongly encourage public safety to increase enforcement efforts. Mr. Simmons offered to follow up with Mr. Funk. Mr. Kaylor noted there has been an increase in bear problems within the village. The village trash containers are supposed to be emptied nightly and BCRC is looking for better trash receptacles with the hopes of replacing them within the month. Upon motion duly made and seconded, it was unanimously

RESOLVED to request more stringent enforcement of the trash regulations within Beaver Creek community.

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Financial Statements

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

RESOLVED to approve the June 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.

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 related to UERWA matters. The Board entered into executive session at 10:20 a.m. and returned at 10:40 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 July 23, 2008.

Respectfully submitted,

Kathy Lewensten
Secretary for the meeting