
RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT August 8, 2005

The Special Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., August 8, 2005 in the Conference Room at the offices of Robertson and Marchetti, P.C., 28 Second Street, Suite 213, Edwards, 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:

- Ken Marchetti, Robertson & Marchetti, P.C.
- Debbie Braucht, Robertson and Marchetti, P.C.
- James Collins, Esq. District Counsel (via phone)
- Jim Telling, East West Partners

Call to Order

The Special 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 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

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are restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Lot 4
Construction
Access:

Director Wells explained the main issue to be discussed is the construction traffic and related activity terms for Beaver Creek Landing (Lot 4) to accommodate East West Partners (EW) and Vail Resorts (VR) timeline. The Board expressed concern that construction work has already begun at the site without these terms and conditions being agreed upon. Director Friedman asked why a resolution was prepared instead of an agreement. Director Wells explained how the process had evolved. He explained Mr. Dickhens (VR) had contacted him to request a meeting due to the closing on the lot. Directors Wells and Forstmann met with Mr. Dickhens to explain what was expected and wanted regarding the construction activities. A resolution was prepared and presented to Director Wells for review. Director Wells modified the resolution which was then revised by both VR and EW attorneys. This process was used to get the resolution to a point all parties could then review and comment further, no approval was given by any entity.

The Board reviewed the draft resolution presented at today's meeting for consideration. The resolution intends to address construction traffic and related activity including hours of operation, traffic control, construction conditions in the area, and related matters. The Board expressed skepticism that the terms would be followed unless proper enforcement was included due to the ongoing concerns with the Village Walk project and the manner in which the construction issues had been handled there. The Prater Road traffic and potential for safety concerns and disruptions to normal traffic flow were brought up. Mr. Telling explained it was his intention to attend the monthly Board meetings to provide updates and address any concerns. The Board stated that parking along Prater would not be tolerated. The area around the round a bout which has been utilized as a construction staging area should be moved away from the round a bout entrance at Bachelor Gulch. The appropriate landscaping project at the round a bout should be completed prior to November 15, 2005. Mr. Telling explained VR was paying to extend the sidewalk/path from the Tarnes to the round a bout. Director Wells asked whether it would be possible to extend a path to the lower bus stop area.

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After further discussion the Board provided direction to Mr. Collins regarding several revisions in the draft resolution. Mr. Collins will make the revisions and provide a clean copy of the resolution to Director Wells for review. The Board asked that all other entities execute the resolution prior to having it presented to the District. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution Approving Construction Matters subject to the revisions discussed and final review by counsel after acknowledgement and execution by all other parties, a copy of which is hereby attached and made part of these minutes.

General Manager

The Board reviewed the process for reviewing the candidates for General Manager. Directors Campbell and Friedman will review candidate's qualifications and do the first interview, the selected candidates will then have a second interview with another Director. In the meantime, Mr. Simmons has agreed to help the District and Mr. Schlegel is available for any operations matters. Mr. Boyd is the Districts owner representative on the Eagle-Vail project. He will report to Director Wells on minor issues as needed, and appear at the monthly Board meetings.

Adjournment

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

RESOLVED to adjourn the Special Meeting of the Beaver Creek Metropolitan District Board of Directors held on August 8, 2005.

Respectfully submitted,

Debbie Braucht
Secretary for the meeting