
RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS BEAVER CREEK METROPOLITAN DISTRICT December 16, 2009

The Regular Meeting of the Board of Directors of the Beaver Creek Metropolitan District (the "District") was held at 8:30 a.m., December 16, 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
- James Power

The following Director was absent and excused:

- Ernie Elsner

Also in Attendance were:

- Clyde Hanks, General Manager
- Ken Marchetti, CPA, Robertson & Marchetti, PC
- Kathy Lewensten, Recording Secretary
- Tony O'Rourke, BCRC
- Sam Parker, BC Public Safety
- Dawn Friedman, BCPOA

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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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 November 18, 2009 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the November 18, 2009 Regular Meeting as presented.

Future Meetings

The Board reviewed the proposed 2010 meeting dates. The next regular meeting is scheduled for Wednesday, January 27, 2010 at the same time and location.

Agenda

Mr. Hanks requested time for several informational items under the general manager update.

Public Input

No public comment was offered.

General Manager Update

Turtle Bus: Mr. Hanks reported the providers of a service known as the "Turtle Bus" have approached the District requesting permission to use the bus turnaround. The Turtle Bus provides transportation services to individuals around the valley, such as from Vail to Beaver Creek and back for a per ride fee. The service can include liquor while on the bus. When ECO bus reduced its service hours Turtle Bus decided to increase its service to provide transportation at a reasonable cost. Mr. Hanks noted Mr. O'Rourke and Mr. Garnsey are aware of the service and have no objections to allowing them into Beaver Creek. Mr. Hanks stated an agreement is being drafted which would require Turtle Bus to have appropriate insurance and P.U.C licenses in place, and would set a fee of \$1,000 per month to be paid to the District for use of the turnaround. The fee would help cover the cost of the snowmelt and public safety personnel in the area. The agreement would

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allow cancellation with a 10 day notice. The Board did not object to the proposal.

Porzak Engagement Letter: Mr. Hanks reported the District has received an engagement letter from Mr. Porzak to continue his services for water matters related to UERWA. Director Power stated he was okay with the letter. The Board directed the letter be executed and returned to Porzak.

Kindle: Mr. Hanks reported he has purchased a Kindle to see if it would be viable to provide one to each Board member to use for the board packets. He had downloaded the packet for today's meeting onto the Kindle for viewing. He noted by providing a paperless board packet for future meetings there would be some cost savings to the District as well as the environmental benefit. Mr. O'Rourke noted BCRC will be trying paperless board packets in 2010 also. The Kindle could hold multiple packets. The Board was agreeable to trying Kindles.

Homeland Security Grants: Mr. Hanks reported Ms. Fancher will be attending a meeting this morning regarding the availability of grants from 2010 Homeland Security Federal funds. He handed out a notice from the SDA regarding this. He explained the District may be eligible to receive funds for the Wildland Fire Truck it expects to purchase in 2010. He has spoke with Chief Moore who is interested in joining with the District to apply for the funds since ERFPD will be purchasing a similar vehicle.

Lot 7 Wayne Creek: Mr. Hanks reported construction has resumed on Lot 7 in Wayne Creek. The damaged area has been repaired with compacted dirt and road base, shotcrete walls and micropiles. An improved drainage system has been installed around the house. The stream has not yet been restored, that work is being reviewed by the consultants the District recommended at the expense of the developer. At this time no issues are known related to the drainage pond further down the stream.

Snow Removal Chateau: Mr. Hanks reported the District was approached by the Chateau with a request to plow the lower half of the private driveway. The snowmelt system at the bottom of the private driveway has failed; they asked if the District could provide snowplow services until it could be fixed in the spring. Mr. Hanks

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stated he declined on behalf of the District to provide the service but did provide contact information for private companies which are available to provide snow removal services.

TARP funds: Mr. Hanks is looking into the possibility of TARP funds availability for the Village Road project. Director Gary stated to be eligible a project has to repair infrastructure or roadways and create jobs. A project also needs to be “shovel ready”. Mr. O’Rourke noted Eagle County has used lobbyists to assist in the process of applying for such funds, he offered to work with Mr. Hanks to help in the process. To meet the “shovel ready” requirement Mr. Hanks recommended the District move forward with creating the bid package for the Village Road project. It is expected it will cost approximately \$50,000 to prepare the documents which could be available by February. The Board discussed whether portions of project legacy would be included as part of the bid package. As with any construction project there may be some revisions to the bid package after the project begins depending on updated surveys or additional work that may be included after further consideration. After discussion the Board directed the bid package be prepared as discussed and for Mr. Hanks to work with Mr. O’Rourke in applying for the funds. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve up to \$50,000 for creation of the bid documents related to the Village Road project.

Build America Bonds: Mr. Hanks stated he had requested that Mr. Marchetti review the potential benefits related to issuance of Build America Bonds (BAB) for the Village Road project. Mr. Marchetti provided a hand out from Piper Jaffray which compared Tax Exempt bonds to BAB. Currently BAB will be available until the end of 2010. Mr. Marchetti explained if BAB were issued in 2010 there would need to be a reasonable expectation the proceeds will expended within three years. The pros and cons of BAB were presented and discussed. After discussion it appears the benefits of issuing BAB are not significant at this time. The matter will be monitored through 2010 for any changes that may make BAB more beneficial to the District.

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Financial Statements

The Board reviewed the November 2009 preliminary financial statement included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the November 2009 preliminary financials as presented.

Accounts Payable

An updated Accounts Payable listing was provided by hand out. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable list as revised.

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 related to Wayne Creek. The Board entered into executive session at 9:50 a.m. and adjourned the executive session at 10:10 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 December 16, 2009.

Respectfully submitted,

Kathy Lewensten
Secretary for the meeting