
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of
Bachelor Gulch Metropolitan District
March 28, 2018**

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, March 28, 2018 at 2:00 pm., in the offices of Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, Eagle County, Colorado.

Attendance The following Directors were present and acting:

- Paul Jardis
- Dale (Dutch) Stortz (via telephone)
- Jennifer Holzworth (via telephone)
- Michael Mossman
- Constance Irons-Malernee

Also in attendance were:

- Bret Hooper, Edward Jones
- Maureen Crofton, Bachelor Gulch Public Safety
- Jim Clancy, Director of Resort Services & Public Safety
- Sean Sprague, Bachelor Gulch Metro District, Supervisor
- Dave Berg, Bachelor Gulch Metro District, Manager
- Ken Marchetti, Marchetti & Weaver, LLC
- Debbie Braucht, Marchetti & Weaver, LLC, Secretary for the Meeting

Call to Order The Meeting of the Board of Directors of Bachelor Gulch Metropolitan District was called to order by Chairman Jardis, noting a quorum was present.

Consideration of Agenda
Director Jardis would like to add “Discussion of Continental Towers Lease” to the agenda. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the changes to the Agenda.

Minutes
Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the February Meeting minutes with changes.

Mr. Hooper joined the meeting.

Retirement Plan Advisor

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Mr. Berg reported the current retirement plan advisor is not proactive and they are not satisfied with their current treatment. Based on a discussion between Mr. Berg, the Personnel Committee and MWLLC staff; Mr. Hooper with Edward Jones was contacted about being the District's Retirement Plan Advisor for the 401(a) Defined Contribution and 457 Deferred Compensation plans. Mr. Hooper stated he will be proactive with the employees and meet with them face to face at least annually. Edward Jones fees are slightly less and in his opinion, Edward Jones offers a better product with their "Target Date Funds". These will be a new addition to the employee's portfolio. There will be other changes because Edward Jones has only approved 50% of Mass Mutual funds because they do not meet the features Edward Jones requires. This may require the employee to make changes to their plan(s) so he will setup a meeting to go over them and answer any questions. Edward Jones also provides a "Watch Dog" service and if they see any underperforming funds they will change them. He wanted to make note that his service will be educating the employee and not advising them or making any formal recommendations. Additionally his office will be providing assistance with administration of the plans. For now, the plans investments will remain with Mass Mutual but if the Board decides differently later that can be changed. After a brief discussion and upon motion duly made and seconded it was unanimously

RESOLVED to approve Bret Hooper with Edward Jones as the District's Retirement Plan Advisor for the 401(a) Defined Contribution Plan and 457 Deferred Compensation Plan.

Director Irons joined the meeting.

Marijuana Sales Tax Collection

Director Jardis reported the State Legislature accidentally exempted Marijuana sales tax collection from the regular collection of sales taxes. Because of this the District has to pass a Resolution authorizing the Colorado Department of Revenue to collect sale tax on Marijuana sales within the District's boundaries. The Resolution was drafted by Mr. Pogue and even though there are currently no Marijuana sales in the District there could be in the future. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Resolution authorizing the Colorado Department of Revenue to collect sales tax on Marijuana sales within the District's boundaries.

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A copy of the formal resolution will be forwarded on to the Colorado Department of Revenue, Sales Tax Division.

Public Safety & Report

Bears are coming out of hibernation so it's time to get the sign out.

Mr. Clancy stated the wildfire regulation is on the agenda for the Bachelor Gulch Village Association meeting but the Design Review Board already has a regulation in place which they can enforce in the interim.

Operations Report

Mr. Berg stated because of the lack of snow they are already converting the equipment for summer use. As usual the crew will convert to their summer schedule on April 16th when ski season is over.

Mr. Clancy wanted to let the Board know that while Village Road in Beaver Creek is being paved the main Beaver Creek gate will be closed. Traffic will be re-directed through the Prater Gate for a period of four days beginning on April 23rd.

The engineering is being completed for the asphalt overlay then the overlay and installation of concrete at the Prater round-a-bout can go out to bid.

Mr. Berg stated the crew will take advantage of professional chainsaw training and so some fire mitigation in number of locations throughout the District that Anchor Point has prioritized for mitigation efforts.

Director Jardis made a motion that because of the District's desire to someday have all electric vehicles, future purchases will be evaluated as to the feasibility of the purchase of an electric vehicle. Director Stortz stated Frito Lay is currently using electric vehicles in their fleet. Mr. Berg stated the purchase of an electric vehicle will require the installation of a solar or charging system to support them. Mr. Sprague added they did have a charging station in mind when they designed the Gatehouse solar system. Future purchases could include Public Safety vehicles too if they recommended them. There was discussion of other entities such as Fed Ex, the Town of Vail and Eagle County also going to electric vehicles. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the evaluation of electric vehicles for future purchases.

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Continental Towers

Director Jardis and Mr. Berg met with Jorge Hernandez who is the CEO of Continental Towers the second largest privately held company in the America's, he claims. Mr. Hernandez stated their model is to partner with municipalities using their easements and right of ways to install a cell system. They are now interested in expanding to the United States to be the primary provider of 5G infrastructure. He is proposing Bachelor Gulch as a model system, one of three in the United States, to be used by them for marketing to other municipalities. There would be no cost to the District for design and build out excluding minor modification to light poles and address markers to accommodate miniature cell towers. Once completed Continental would own the system and lease it to cell providers. Director Jardis emailed a summarization of the meeting and the next steps. Mr. Berg had reached out to American Tower and they have been unresponsive. Director Holzworth wanted to know if this company has been vetted and Director Mossman stated he spent about an hour looking into them and couldn't really find anything. Director Jardis commented he couldn't find anything on them either. They have a system in Napa Valley and supposedly Goldman Sachs owns 45% of the American company, Illumination Technology, which would be the company doing the installation. Director Mossman stated he does not see at this stage why they shouldn't move forward and Director Stortz thought it was a good idea. Mr. Berg added they have been evaluating replacing the wood lot markers, light posts with concrete and Mr. Hernandez said they would pay for replacement and maintenance. Upon motion duly made and seconded it was unanimously

RESOLVED to move forward with Illumination Technology

Financial Statements

Mr. Marchetti stated there was nothing of note in the financial statements everything was on track. Director Jardis asked about the change in the residential assessment rate and the timing of collection of those taxes. Mr. Marchetti stated the rate is expected to go from 7.2% to 6.1% but increases in value should partially offset the decrease in the rate. The change will be for 2019 taxes collected in 2020.

Accounts Payable

An updated list was distributed to the Board. Upon review and by motion duly made and seconded it was unanimously

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RESOLVED to approve and ratify the updated accounts payable list.

Executive Session

Director Jardis stated he would like to call an Executive Session to discuss matters related to negotiations citing § 24-6-402(4)(e), C.R.S determining positions relative to matter that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators. Upon motion duly made and seconded it was unanimously

RESOLVED to enter into Executive Session.

The Board returned from Executive Session at approximately 3:15 pm.

Adjournment

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

RESOLVED to adjourn the meeting of the Bachelor Gulch Metropolitan District Board of Directors held March 28, 2018.

Respectfully Submitted,



Secretary to the Meeting