
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of
Bachelor Gulch Metropolitan District
May 30, 2018**

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, May 30, 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 (via telephone)

Also in attendance were:

- Kady Warble, Garden Concepts, Lot 60 Landscape Contractor
- Peyton Bowen, Lot 60 Landscape Contractor
- 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 Discussion of the District's conduit was added to the agenda.

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

RESOLVED to approve the April Meeting minutes with changes.

Ms. Warble & Mr. Bowen joined the meeting.

Lot 60 Encroachment Agreement Ms. Warble stated they are only remodeling the gardens by pulling out old plants and replacing the soil. She doesn't think they are encroaching into the easement and so she is not sure how they can comply. Director Jardis stated the District does not allow anything in

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the road right-of-way. Ms. Warble offered to move the boulders back and out of the road right-of-way. Mr. Berg stated if they are going to access the property over the Type C Skiway they have an agreement which states that if any damage is done to the skiway the contractor will repair it. There was discussion of the address marker and the landscaping blocking full view of it. It was agreed that some bushes need to be removed to provide a clear view of the address marker for emergency services. She reported their project will be done by the end of July. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Lot 60 Encroachment Agreement.

Ms. Warble and Mr. Bowen left the meeting.

Lot 31 Encroachment Agreement

Mr. Berg stated the landscaping plan shows the addition of five trees along the property line to screen it from the neighbors. They are 10-12 foot spruce trees which would encroach in the utility and drainage easement. Nothing encroaches into the road right-of-way nor the skiway. Director Mossman noted the signature page had been marked through so was not valid. Staff will contact the landscape company to correct it. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Lot 31 Encroachment Agreement.

Public Safety & Report

Mr. Clancy stated there was no report this month but they will include two months of reports for the June meeting.

Mr. Berg stated the work at the Gatehouse has been completed. They did not use the new conduit installed last year they pulled the wire through an old conduit which does not belong to the District.

District Utility Conduits

CenturyLink

There was discussion of conduit use and a motion was made; All utility supply contractors and their subcontractors can do no construction in the District's conduits without the express written consent of the Bachelor Gulch Metro District Board of Directors; further discussion

Director Jardis stated he has been talking with the District's special legal counsel about the conduits and before the meeting today he forwarded an email correspondence from CenturyLink's attorney. In the letter it states in 1997 references a Funding Document with Vail

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Associates whereby they paid them one hundred eighty-eight thousand one hundred seventy-one dollars and twenty-six cents (\$188,171.26) for the installation of conduit/cable for Bachelor Gulch Village and for use by US West (CenturyLink is successor in interest to US West). They also provided a copy of a letter from 2013 to legal counsel at the time (Jim Collins) as giving them permission to pull fiber through existing conduits in Bachelor Gulch. Finally, the letter states that replacing lines at the request of the District would be at the District's own expense. Director Jardis and special legal counsel have repeatedly sent them letters regarding a new agreement the District would like to enter into outlining the terms and conditions for the use of the District's conduits. In their opinion, CenturyLink is just giving the District the run around. Director Jardis would like to amend the motion to say; No one can do anything in the District's conduits without the express written permission and pursuant to an approved action by the Bachelor Gulch Metro District Board of Directors. The **RESOLUTION** passed unanimously.

Mr. Sprague and Mr. Berg both stated that a claim by CenturyLink that all the copper cable would have to be pulled out then replaced throughout the District is nonsense.

Director Jardis stated again, the primary goal of all this is to clean up the mess of lines in the conduit so they can run lines for upgraded cell service and internet for everyone in Bachelor Gulch but they have to have the conduit to do that. They will continue to propose an agreement which defines the terms and conditions for the use of the conduit with CenturyLink.

Comcast

Director Jardis stated he is reasonably certain Comcast has been collecting money from Bachelor Gulch subscribers and either keeping it or sending those funds to Beaver Creek Metro. There was discussion of the options and alternatives. Director Mossman stated he would like a face-to-face meeting with Comcast to go over a plan since the current form of communication is not working. The Board will discuss that more in depth at next month's meeting.

Operations Report

Mr. Berg stated the crews have been focusing primarily on fire mitigation. The crews and Old Growth Tree Service are doing fire mitigation with the goal of completing 20-30 acres. Total completed acres will depend on the topography and the extent of the work to be done.

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A shipment of three hundred (300) guardrails has been received which will now need a minimum of sixty days to cure before they can be stained and installed. It was suggested that next year's log guardrails be ordered so they can cure over the winter for use next summer.

Director Mossman stated the tennis center was finally setup yesterday. He asked about reports of a foul odor. It is possible the p-traps in the lines are dry and are letting sewer gas back up the lines. Mr. Berg and Eagle River Water and Sanitation are aware of the issue and are trying to find out more.

Mr. Berg reviewed a sketch plan with the Board for light poles and address markers made of concrete. It is spun concrete that is colored or stained with a wood grain to look very similar to natural logs. The light poles have a steel arm which can bend and break to meet safety standards. This company is currently manufacturing and using them in California. Mr. Berg stated he didn't want to proceed any further until he knew if the Board was interested so he does not have prices or a sample. He added that he believes they can do an animated rendering instead of producing a sample. The Board asked Mr. Berg to proceed because they are interested.

Review of Bids and Selection of Asphalt Overlay Contractor

The Board reviewed the bid tabulation worksheet and discussed the bids. The Board discussed their concern that there was such a big difference in price between the two bidders. Mr. Berg stated that Alpine Engineering compiles the bids and checks all the numbers so it is accurate for what was received. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to select the lowest responsive and responsible bidder and accept Elam Construction's bid.

Cancellation of Directors Election

Because there were no more nominees than there were seats available the May Directors election was cancelled and all nominees were elected by acclamation. Director Jardis administered the Oath of Office to Director Mossman. The other Director's Oaths were administered before the meeting.

Election of Officers

Upon motion duly made and seconded it was unanimously

RESOLVED to elect the following officer positions:

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Paul Jardis-Chairman/President
Constance Irons- Vice President and Secretary
Jennifer Holzworth-Vice President and Treasurer
Dale Stortz-Vice President and Human Resources
Michael Mossman-Vice President and Asst Secretary & Asst
Treasurer

Appointment of Committee Members

Upon motion duly made and seconded it was unanimously

RESOLVED to appoint the following committees:
Personnel-Dale Stortz and Constance Irons Malernee
Budget Committee-Jennifer Holzworth and Michael Mossman
Signage Committee-Constance Irons and Paul Jardis
Public Works- Dale Stortz and Paul Jardis

Consideration and Approval of the 2017 Audited Financial Statements

Director Holzworth stated she had a conference call with Mr. Marchetti & Chadwick, Steinkirchner, Davis and Co to review the 2017 Audited Financial statements. There were no issues and she would recommend approval. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2017 Audited Financial statements and authorize filing of same with the Office of the State Auditor.

Financial Statements

Upon review of the April financial statements a motion was duly made and seconded and it was unanimously

RESOLVED to prepay the 2012 US Bank Loan by five-hundred thousand dollars (\$500,000) on July 1, 2018.

Accounts Payable

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

RESOLVED to approve and ratify the updated accounts payable list.

Adjournment

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

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RESOLVED to adjourn the meeting of the Bachelor Gulch Metropolitan District Board of Directors held May 30, 2018.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Debbie Beach". The signature is written in a cursive, flowing style.

Secretary to the Meeting