
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of
Bachelor Gulch Metropolitan District
July 25, 2018**

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, July 25, 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
- Michael Mossman
- Constance Irons-Malernee

The following Director was absent and excused:

- Jennifer Holzworth

Also in attendance were:

- Jim Clancy, Director of Resort Services & Public Safety
- Maureen Crofton, Bachelor Gulch Public Safety
- 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

After consideration changes were made to the order of the Agenda.

Minutes

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

RESOLVED to approve the June 27, 2018 Meeting minutes with changes.

Public Safety & Report

A homeowner sent a formal complaint stating bike riders should not be allowed in Bachelor Gulch. Director Jardis stated that bike riders are part of the Bachelor Gulch Community and there are speed limit signs. Being passed by a bike going down the hill is a bit ridiculous though. Director Mossman stated you do have to take extra precautions on the

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roads because of the bikes. The Board asked Mr. Berg to look at speed signs for bikes and update the Board.

Operations Report

Mr. Berg reported the guardrail replacement project was going very well in part because of the newly designed equipment and the traffic signals.

The milling and overlay project will start the day after Labor Day. The section of road being overlaid this year will be from Daybreak to the top of Horizon. Mr. Berg added this would be a good time to do some work on the vaults and conduits since the roads are already torn up. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to authorize up to one-hundred thousand dollars (\$100,000) for conduit installation and maintenance.

There was discussion at the last meeting of cleaning the conduits and pulling tape but the consensus then was to wait for CenturyLink or Comcast to do that. After taking into consideration some of the roads will be torn up maybe now is the time for the District to take on that task. Mr. Berg reviewed the cost estimates with the Board. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to authorize up to twenty-five thousand dollars (\$25,000) to proof the existing communication conduits on Bachelor Ridge Road.

Both of these projects will be done before Labor Day and the asphalt overlay begins.

A couple of issues at the tennis center. #1 there is a sewer smell that needs to be figured out and fixed #2 the hill on the right of the tennis center is a weed hill and is unsightly #3 the roof on the tennis center needs to be replaced-the Board said the roof replacement is the responsibility of the Bachelor Gulch Village Assoc (BGVA) #4 the dirt service road at the tennis center needs paving-Eagle River Water and Sanitation District and BGVA have discussed a cost sharing agreement. Elam could do the work while they are on-site for the overlays so Mr. Berg will talk to them.

Employee Handbook Changes

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Consideration of the Employee Handbook changes will be tabled to the next meeting so the Personnel Committee has more time to meet and discuss them.

Special Legal Counsel

Directors Jardis and Holzworth met with Ken Fellman of Kissinger & Fellman, PC. They were very impressed by his experience with telecommunication matters. He works exclusively with governmental agencies and is familiar with the issues the District is having with CenturyLink and Comcast. General legal counsel recommended Mr. Fellman but because of timing Fairfield and Woods was engaged instead. At this time Director Jardis would strongly recommend switching special legal counsel to Kissinger & Fellman, PC. Upon motion duly made and seconded it was unanimously

RESOLVED to engage the law firm of Kissinger & Fellman, PC as special legal counsel.

CenturyLink

Director Jardis added the Chief Operating Officer of CenturyLink has a home on Daybreak Ridge so he has reached out to him regarding some of the District's issues with CenturyLink.

Comcast

Director Jardis reported that BGVA is close to a bulk cable deal. Comcast would provide cable television and internet services for all of Bachelor Gulch. Comcast will only bill for extra services so the Associations will bill their respective property owners but that leaves the billings for the single-family homes. BGVA said it would be cost prohibitive for them to bill the single-family homes directly so Director Jardis would like to consider the possibility of the District billing the single-family homes. BGVA will pay Comcast but then the District would reimburse BGVA from the funds collected on the single-family homes. Mr. Marchetti stated they work with a separate billing company and have for a number of years. A proposal for billing from American Conservation & Billing Solutions was reviewed with the Board. Director Jardis reviewed the cost and options that the bulk deal would offer to property owners. The Board agreed this was a good deal and authorized Director Jardis to respond to BGVA and in particular Mr. Kushner with their approval of the deal.

Cell System Design

The deal with Jorge Hernandez is dead and the District is now working with consultants HR Green and Mr. Kushner.

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Financial Statements

Director Jardis stated the District intended to pay five-hundred thousand dollars (\$500,000) as additional principal on the 2012 US Bank Loan due July 1, 2021. Because the Amended Loan Agreement with US Bank had not been approved US Bank invoiced the District for \$500,000 for the July 1, 2018 principal payment. The Amendment to the Loan Agreement allowed the District to apply prepayments to future principal in the order the District chooses but because the Amendment was not approved prior to invoicing the principal amounts were added together and the total paid to US Bank was one million dollars (\$1,000,000). The District can choose to ask US Bank for five-hundred thousand dollars (\$500,000) back or apply the additional payment to the July 1, 2022 principal. Director Jardis noted that because of not only the additional capital projects approved today but other upcoming costs it would be in the District's best interest to request a refund of the \$500,000. Upon motion duly made and seconded it was unanimously

RESOLVED to request a refund of five-hundred thousand dollars (\$500,000) from US Bank paid in error on the 2012 US Bank Loan.

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

RESOLVED to adjourn the meeting of the Bachelor Gulch Metropolitan District Board of Directors held July 25, 2018.

Respectfully Submitted,



Secretary to the Meeting