
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District August 22, 2018

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, August 22, 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 (via telephone)
- Constance Irons-Malernee
- Jennifer Holzworth

Also in attendance were:

- Jim Clancy, Director of Resort Services & Public Safety
- Maureen Crofton, Bachelor Gulch Public Safety
- Sean Sprague, Bachelor Gulch Metro Ops 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 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 July 25, 2018 Meeting minutes as amended.

Public Safety & Report There was discussion of a couple of the Stage II Fire Restriction violations at Anderson's Cabin by Ritz Carlton staff and/or guests. Mr. Clancy stated he has had a conversation with the Ritz regarding the matter.

Operations Report

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At the last meeting the Board approved up to one-hundred thousand dollars (\$100,000) plus twenty-five thousand dollars (\$25,000) for installation, cleaning and taping of conduit along the same route as the asphalt overlay project. Because of issues and concerns with Comcast and CenturyLink Mr. Berg priced the cost of performing the same work throughout the District. The same project throughout the District would cost two-hundred and nineteen thousand dollars (\$219,000) of previously unbudgeted monies. Additionally, it would cost another thirty-two thousand dollars (\$32,000) to install conduit up to the Cinder Barn. Currently there is no conduit up to the Cinder Barn so they had to use wireless to check the weather. Upon discussion and by motion duly made and seconded it was unanimously

RESOLVED to authorize an additional two-hundred and fifty thousand dollars (\$250,000) to install lateral conduit, clean and tape conduit and install conduit up to the Cinder Barn.

Director Holzworth asked why the District was watering the roadways during a drought? Mr. Berg stated that they are watering the shoulders to mitigate the chance of a fire starting because of a cigarette being thrown out of a car. They will need to continue to do this if it doesn't rain.

The guardrails project is going well with about 20% left. They are working on next years order so they can acclimate the timber for installation next summer. Replacement of all the guardrails will be seven to eight years. Mr. Berg intends to use Adarand for installation of some posts and rails with Operations staff doing all the rest.

Elam is unavailable to asphalt the service road by the tennis center so Mr. Berg is working with another company to get it completed this year.

Employee Handbook

Director Stortz, Mr. Berg and Ms. Braucht met to discuss the proposed changes to the Employee Handbook. Some changes were made because of changes in the law and suggestions from the District's insurance company. A few minor changes were made to clarify a District policy and to solidify the On-Call Schedule which was being tested last season. The biggest proposed change was to combine the vacation, holidays and personal time into one category called Paid Time Off. This does not add any financial obligation to the District. The number of days are capped and the proposed accrual rate for vacation leave was used as a basis then

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personal time and holidays were added. Director Storz was concerned that since the accrual rate will about double that this could leave operations short-staffed during critical times. Mr. Berg stated it will not change because all time off has to be scheduled and approved in advance. Mr. Stortz and Mr. Berg recommend approval of the changes to the Employee Handbook. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the changes to the Employee Handbook as presented.

Comcast Bulk Deal

Director Jardis stated that they have discovered that conduit owned by the District is used for discriminatory pricing for similar services in the whole community. There are approximately one-hundred single family homes purchasing services from Comcast in excess of what the bulk deal would cost each of them. To facilitate the deal Bachelor Gulch Metro District agreed to do the billing for the single-family homes. Bachelor Gulch Village Association has been working on this deal since May and are stuck in negotiations. Director Jardis proposed that the District become a counterparty to the bulk agreement to move the process along. Director Holzworth asked how could the District do this any faster? Director Jardis stated the agreement is not compulsory in BGVA's minds. Director Holzworth asked if there should also be a timely waiver, Director Jardis agreed that October 1, 2018 should be the deadline. Upon discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the District stepping in to be a counterparty with Comcast in the bulk agreement with the same terms and conditions as Bachelor Gulch Village Association if Bachelor Gulch Village Association can not accomplish the deal by October 1, 2018.

Cell System Design

Mr. Berg stated they toured the District with Tom Foster of Elevation Wireless to identify cell tower micro systems. Mr. Foster is not an installer but he can help coordinate services for design and installation. He has identified four phases on the project with the first phase costing as estimated nine-thousand dollars (\$9,000). Upon discussion and by motion duly made and seconded it was unanimously

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RESOLVED to approve an amount not to exceed ten-thousand dollars (\$10,000) for Phase I.

Financial Statements

Mr. Marchetti discussed the Assessed Valuation for 2018 and 2019 in regards to the Ritz Carlton's protest of the value which has concluded.

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.

Executive Session

The Board discussed the need for Executive Session in regards to CenturyLink and the work Mr. Fellman is doing with them. Upon motion duly made and seconded it was unanimously

RESOLVED to enter in Executive Session at 2:50 pm citing §24-6-402(4)(e), C.R.S., determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

The Board returned from Executive Session at 3:07 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 August 22, 2018.

Respectfully Submitted,



Secretary to the Meeting