
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of
Bachelor Gulch Metropolitan District
June 23, 2021**

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, June 23, 2021 at 2:00 pm. MST, via Zoom video.

Attendance: The following Directors were present and acting:

- Paul Jardis (via video)
- Dale (Dutch) Stortz (via video)
- Blair Hayes (via video)
- Stephanie Zilberman (via video)

Absent and Excused:

- Russ Coburn

Also in attendance were:

- Maureen Crofton, Bachelor Gulch Public Safety (via video)
- Mike Trueblood, Village Operations (via video)
- Sean Sprague, Bachelor Gulch Metro, Ops Asst Manager (via video)
- Dave Berg, Bachelor Gulch Metro, Manager (via video)
- Ken Fellman, Kissinger & Fellman (via video)
- Colleen McCroskey, Kissinger & Fellman (via video)
- Ken Marchetti, Marchetti & Weaver, LLC (via video)
- Debbie Braucht, Marchetti & Weaver, LLC Secretary for the Meeting (via video)

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

Consideration of Agenda

No changes were made to the Agenda.

Public Comment There was no public comment.

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

RESOLVED to approve the May 26, 2021 meeting minutes with a spelling correction and changes.

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Maureen Crofton joined the meeting.

Public Safety Report

Ms. Crofton stated she had nothing to add, it was a very quiet month.

Bachelor Gulch Village Association

Mr. Trueblood was asked by the Bachelor Gulch Village Association (BGVA) Board to bring a couple of items to the attention of the Bachelor Gulch Metro District Board.

Prater Road Sidewalk -BGVA is still interested in partnering if the project came up for consideration again. Director Jardis stated they could discuss it again but the District lost interest when neither the Beaver Creek Resort Company nor the Beaver Creek Metro District (BCMD) was interested in partnering. It was clear to the Board that a great deal of the pedestrians on Prater Road were skiers and snowboarders so were benefiting the Resort Company and BCMD but they declined to participate in the project.

Cell Phone Service-the BGVA Board is interested in improving cell phone service within the District's boundaries. Director Jardis stated he had conversations with Brian Kushner and then Verizon with Mr. Berg and Mr. Sprague. Verizon's proposal was to install sixteen forty-foot cell towers and bring in 5G however; 5g does not enhance cell service. It was determined the cost could not be justified because they are just not sure where the cell service is that bad? The District did clear conduit space and added conduit when the asphalt was dug up in a couple places for the overlay project. The District now has the capacity to run fiber optic lines and add towers if someone wanted to do that.

Operations Report

Fire Mitigation

Mr. Berg stated he has been working with Mr. Kenny, Mr. Trueblood and Old Growth Tree Service on fire mitigation. They have wrapped up their mitigation efforts but have one more small area they would like to complete this fall if they can.

Fire Mitigation and Evacuation Information

Information on fire mitigation and evacuation plans were sent to the Bachelor Gulch Resident's Association and BGVA for distribution to property owners. The District's website has been updated and

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additional information was added. Eagle River Fire Protection District is updating the evacuation map with a secondary access map so more to come on that.

After the July 4th holiday they will begin work on the stream restoration and sediment pond project. The contractor will be onsite July 6th to begin the work that is projected to last three weeks.

The employee out on work comp has returned to work with restrictions.

Cyber Security

Mr. Berg reported he has set up an appointment with Yarmony Technologies to evaluate their systems and hardware. If they recommend substantial replacements he will budget for those in 2022.

Retirement Plan Administrator Change

Mr. Berg met with Mr. Hooper of Edward Jones, Mr. Marchetti and Ms. Braucht to review a recommendation by Mr. Hooper to change the 3rd Party Administrator for the employee retirement plans. Mr. Hooper setup the meeting because the retirement plans have reached a certain dollar threshold and because of that there are more plan options available. Mr. Hooper reviewed several plans and upon review recommended One America. He stated if the District moved to One America the employees would have the option of an Individual Retirement Account (IRA) and a Qualified Default Investment Account (QDIA). Currently if an employee does not choose investments their funds are put into a money market account. The current interest rate may seem high now because interest rates are so low but over time it is not enough to replace social security. A QDIA is invested in funds with a target date of retirement based on the employee's age. Finally One America will cost the employee less money. These points and more were circulated to the Board in a Memo included in the meeting packet. Mr. Berg stated based on all of the information he would recommend changing the 3rd Party Administrator to One America. Director Stortz and Mr. Marchetti agreed. Mr. Marchetti added the move will likely take place in the 4th quarter of this year. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the change in the 3rd Party Administrator and Record Keeper for the employee retirement plans to One America.

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Upper Eagle Regional Water Authority Lease

Mr. Porterfield has not turned the matter over to Mr. Fellman after he had a conversation with Mr. Collins regarding the nuances of ownership. Director Jardis stated there are two ways this can go; a meaningful agreement with a zero (\$0) dollar lease in perpetuity or go to the County to prove ownership. He believes a meaningful agreement can be reached.

2020 Audited Financial Statements

Director Hayes met with the auditors and Mr. Marchetti to review the 2020 Audited Financial Statements. Everything looks good and he would recommend approval. Upon motion duly made and seconded it was unanimously

RESOLVED to adopt the 2020 Audited Financial Statements.

Financial Statements

Per a conversation at the last meeting Mr. Marchetti updated the long-range forecast. He saw no issues and created a reasonable forecast to pay off the District's debt in the next couple years. Big picture the model shows the mill levy going down, major expenses and Capital Equipment replacements covered, while still maintaining the fund balance.

Director Hayes had asked at the last meeting what was a sufficient fund balance. Mr. Marchetti created a report, that was included in the meeting packet. The report shows the Town of Vail's fund balance is 131% of annual expenditures, Town of Avon is 80.8% of annual expenditures and Eagle County is 69.5% of annual expenditures. The average of these is 98% and Bachelor Gulch Metro is 74%. Director Hayes stated this is great information and in his opinion nobody could say the District is out of range. Director Jardis briefly reviewed the 2022 Budget calendar.

Accounts Payable

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

RESOLVED to approve and ratify the accounts payable list as presented.

General Counsel

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Mr. Fellman thanked the Board for the opportunity and the vote of confidence to serve as District general counsel. The District's files will be transferred to his office by the end of the day today. Marchetti & Weaver (MWLLC) should have all of the same files so they do not plan to digitize them but they will if needed. Director Jardis stated there have been occasions where MWLLC did not have a copy so it's good to have with both.

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 June 23, 2021

Respectfully Submitted,



Secretary to the Meeting