
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors of
Bachelor Gulch Metropolitan District
May 25, 2022**

A Regular Meeting of the Board of Directors of Bachelor Gulch Metropolitan District, Eagle County, Colorado, was held Wednesday, May 25, 2022 at 2:00 pm. MST, via Zoom video.

Attendance: The following Directors were present and acting:

- Russ Coburn
- Mike Leeds
- Blair Hayes
- Linda Flanders
- Michael DeMane

Absent and Excused:

- Paul Jardis

Also in attendance were:

- Hugh F Smith & Chief Bauer, Eagle Valley Wildland and Eagle River Fire Protection District
- Jasen Brown, Director of Engineering, Ritz Carlton
- Dan Dickhart, General Manger, Ritz Carlton
- Michael DeMane, Property Owner
- Lee Hoover, Village Operations
- Maureen Crofton, Bachelor Gulch Public Safety
- Sean Sprague, Bachelor Gulch Metro, Ops Asst Manager
- Dave Berg, Bachelor Gulch Metro, Manager
- Colleen McCroskey, Kissinger & Fellman
- 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 the Bachelor Gulch Metropolitan District was called to order by Director Coburn, noting a quorum was present.

Consideration of Agenda

The update from Eagle Valley Wildland was moved up on the Agenda.

Public Comment

There was no public comment.

Minutes

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

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RESOLVED to approve the April 27, 2022 meeting minutes with a correction on page 2.

Oaths of Office

Director Coburn's Oath of Office was administered in advance of the meeting in anticipation of Director Jardis' absence. Director Coburn administered the Oath of Office to Mike Leeds. Subsequently Director Leeds Oath of Office was sent to the Eagle County Clerk and Recorder.

Consideration of Board Member Vacancies and Appointment of Directors

There were no self-nomination forms submitted for two Director positions so after the May 3rd election those positions remain vacant. Upon consideration and by motion duly made and second it was unanimously

RESOLVED to appoint Linda Flanders and Michael DeMane to the vacancies. The Oaths of Office were administered and forwarded to the Eagle County Clerk and Recorder.

Election of Officers

After discussion and by motion duly made and seconded it was unanimously

RESOLVED to elect the following officers:

Mike Leeds-Chairman/President

Linda Flanders-Secretary

Russ Coburn-Treasurer

Michael DeMane-Assistant Treasurer

Fire Mitigation

Mr. Smith and Chief Bauer gave an update on the mitigation efforts and Mr. Berg provided a summary report in the meeting packet. Mr. Smith stated their priority in the mitigation efforts are as follows and once mitigation is done these conditions will be drastically improved.

1. Firefighter safety to get better access to the hillside.
2. Accessibility
3. Availability of retardant
4. Burn Severity
5. Alleviation of fuels critical to fire behavior

Mr. Smith stated they will continue to work with Mr. Berg on the mitigation efforts and will coordinate with him on days they should not be doing any

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mastication because of the fire risk. By motion duly made and seconded it was unanimously

RESOLVED to accept the Summary Mitigation Report in the packet and thank Mr. Smith, Mr. Berg and Operations for their efforts.

Mr. Smith and Chief Bauer left the meeting.

Appointment of Committee Members

There was discussion of what types of committees are needed and who would serve on them. Director Leeds stated Wildfire, Technology and a Cell Phone committee would be considered at a later date. Upon motion duly made and seconded it was unanimously

RESOLVED to appoint committees as follows:

Operations: DeMane and Leeds-Leeds Chair

Human Resources: Coburn and DeMane-Coburn Chair

Budget: Leeds and Flanders-Leeds Chair

Audit: Hayes and Flanders-Hayes Chair

Road Closure-Ritz Carlton

Mr. Brown shared a presentation of the remodel and exterior work being done at the Ritz. He stated they were unable to access the hotel from Daybreak Ridge for the log replacements because the slope of the road made the crane unstable when lifting big logs; therefore, closures have been limited. They will leave the signs up until the landscapers are done on Friday (May 27th). They still anticipate the exterior work will be done by the June 10th completion date and rooms will be released by floor into inventory the beginning of July. Director Leeds thanked Mr. Brown because the Ritz' success is important to the resort and this has been managed well.

Lee Hoover, Jasen Brown and Dan Dickhart left the meeting.

Operations Report

Mr. Berg reviewed the report and staff training with the Board.

Mr. Berg gave an update on the yard expansion, the additional concrete and electrical work they are having done while the contractors is there. He added they are adding an electrical vehicle charging station while Holy Cross Energy is providing them for free if you can provide proof of ownership of an electric vehicle.

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The west end of the Wolf Lot has been completed but they are waiting for inspections from Eagle County.

Compensation Strategy and Proposed Program

A summary was provided in the packet with an outline of research done by HR Plus along with the Personnel Committee and Mr. Berg's recommendation. The overall goal of this analysis is to be able to attract and retain employees. They ran through different scenarios but agreed they want highly skilled employees because they have high expectations. The memo outlines the reasons for the increase but basically because of COVID and inflation it is a highly competitive labor market. Based on the analysis they are recommending a pay increase for all current employees and raising the starting rate for new employees. Over sixteen payrolls this will increase the 2022 Budget by sixty-thousand dollars (\$60,000). Director DeMane asked how morale was. Mr. Berg stated they just did a mid-season review and understandably the crew is burnt out after the winter but overall moral is high. Mr. Sprague added Leadville used to be a cost-effective alternative to the high housing costs in Eagle County but that is not the case anymore. Mr. Berg stated they do not have a turnover problem though they have lost some employees who have moved. Currently four employees commute from Leadville. He's more concerned about other employers poaching the District's employees. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the proposed wage increases as recommended by the Personnel Committee and Mr. Berg.

Comcast Agreements

There is no update they are still waiting on Comcast.

2012 US Bank Principal Pre-Payment

Included in the 2022 Budget was a principal pre-payment of one-million dollars (\$1,000,000) which will be due on July 1st. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the 2012 US Bank Loan principal pre-payment of \$1,000,000 as presented in the 2022 Adopted Budget.

Financial Statements

Director Hayes asked if there were any estimates of how much the materials costs were for the Ritz remodel and could that possibly make up the difference

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in sales tax? Mr. Marchetti stated when another District had a big remodel they were able to get a list of subcontractors and materials suppliers to track the sales tax. He will look into that here because in that instance it did make up the loss in sales tax. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the April 30, 2022 Financial Statements.

Accounts Payable

There was discussion of approvers in Bill.com with the change in Board members and officer positions. It was agreed since Director Coburn is Treasurer now he should be the approver in Bill.com and in case he cannot then Director Leeds will. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to designate Director Coburn as the approver in Bill.com and approve and ratify the Accounts Payable list as presented.

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 May 25, 2022.

Respectfully Submitted,



Secretary to the Meeting