

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

CASCADE VILLAGE METROPOLITAN DISTRICT

Held: Friday, May 5, 2023, at 11:00 a.m. at 1300 Westhaven
Drive, Vail, Colorado.

Attendance

The regular meeting of the Board of Directors of the Cascade Village Metropolitan District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Douglas Kirkpatrick
Joan Kirkpatrick
Peter Dunning

Absent: John D'Angelo (absence excused)

Also present were Kim J. Seter, Esq., Seter & Vander Wall, P.C.; Ken Marchetti and Erin McCauley (via zoom) of Marchetti and Weaver, Julie Grimm-Reeves attended by phone.

Rachel and Scott Wagner, residents of the District, also attended in person.

Call to Order

Director J Kirkpatrick noted that a quorum of the Board was present and called the meeting of the Board of Directors of the Cascade Village Metropolitan District to order at 11:10 a.m.

Disclosure Matters

Mr. Seter confirmed that no changes have occurred to any of the Directors' interests that warrant amending the written disclosures on file with the Secretary of State's Office regarding any potential conflicts of interest. Pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member disclosed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

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Approval of Agenda

Upon motion made and seconded, the proposed agenda was amended to add a presentation by Mr. Tom Warzecha of Warzecha Enterprises regarding Lift 20 Stair replacements.

Lift 20 Stair Replacement
Report/ Tom Warzecha

Director Doug Kirkpatrick noted that the skier stairs are treacherous, particularly in the winter and present a legal and medical hazard. The lift operators have been helpful in assisting skiers up and down the stairs.

Mr. Warzecha noted that he had been maintaining the stairs for more than 10 years with yearly repairs. The stairs do not meet code but are grandfathered into compliance. Any significant repairs or replacements will require code compliance for the entire set of stairs.

The wooden structure and stair treads are constantly in need of attention. The tread nosing is worn and needs replacement. A new steel structure will require redesign, engineering, and a survey. Those 3 items would cost around \$15,000.00. Replacement would likely be around \$200,000.00.

In response to a question from Director Joan Kirkpatrick, Mr. Warzecha noted that Trex could not be used because the spans are too large.

Director Dunning noted that the standards were set in 1987. Maintaining a steel structure and treads would be much less costly in the future.

Mr. Seter noted that the Board had been postponing the project for many years because of the repeated prospects of new development on the property and promises of replacement or relocation by the developers.

Director Dunning noted that the added cost of needing a new permit and meeting new standards may not be worth it if the stairs only remain in place for a few years. The new stairs would likely not fit with any developer's plans. Director Doug Kirkpatrick countered that it could be many more years before there is any development.

Director Dunning suggested looking into a new maintenance/shoveling contractor to replace Vail Residences. Erin McCauley will check into new contractors for snow maintenance and Rachel Wagner will talk to the contractor that

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clears snow on the South side of the Cascade bridge.

Director Dunning moved to 1. Obtain evaluation of the stairs from an engineer or architect; 2. Approve contract to repair in the meantime; and 3. Obtain proposals for new winter maintenance contractor. The motion was approved unanimously.

Minutes of November 4,
2022

Upon motion made, seconded and unanimously carried, the minutes of November 4, 2022 were approved as presented.

Director Matters/Vacancies

Director Doug Kirkpatrick opened the discussion of filling the vacant board seat. Scott Wagner introduced himself and gave a history of moving to Colorado in 1976 as a construction equipment dealer in his family's business. He has owned properties in Vail since 1980. The Wagner's live in Westhaven having retained property in East Vail. Scott understands the importance of the lift to Cascade Village and has previously served on the water board in BowMar in Englewood. He would be glad to serve.

Rachel Wagner also introduced herself. She has worked with real estate including mixed use buildings in Denver and Vail. She has served on 2 boards in Bowmar and an HOA.

Director Joan Kirkpatrick noted that Bob Rosen will also be calling her to express his interest.

Annual Administrative
Matters

Mr. Seter presented the Annual Administrative Resolution which was approved as presented.

Mr. Seter was directed to add to the legal status report that the Board will change its posting places in 2024 to the newly created website and change the Annual Administrative Resolution Accordingly.

Director qualification forms and Disclosure Matter forms were presented for execution after the meeting.

Financial Report and
payment of claims

Mr. Marchetti presented the March 1 financial statements. Mr. Marchetti noted the \$1.6 million dollars in cash and CD's in reserve assets and that VA is holding \$204,270 in Lift Reserve Funds earning 2%. The estimate for accrued lift operations costs is \$377,000.00. Bond payments continued as shown on the bottom of page 1 of the Combined Balance Sheet. The Bonds

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will be paid in 5 years at 2.49%.

The Statement of Revenue and Expenses was discussed. Director Dunning noted that, with respect to the proposed legislation to reduce valuations and assessment ratios CVMD would have the option to lower its temporary mill levy reduction to make up for any revenue losses. Mr. Seter confirmed that is the case, but there many other proposals in the legislation that will have to be evaluated. Mr. Marchetti requested the Board to focus on the amount of money needed and then we can adjust the levy to meet that need.

Upon motion made, seconded and unanimously carried the Disbursements were ratified and approved as presented from November 1, 2022 through April 25, 2023.

The 2022 Audit Exemption application was approved for execution on behalf of the Board and its filing was authorized.

Mr. Seter presented his written legal status report.

Legal Matters

See the first item in these minutes.

Adjournment

There being no further questions or business before the Board, the meeting was adjourned at 12:40 p.m.

Doug Kirkpatrick

Secretary for the Meeting






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Final Audit Report

2023-08-26

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