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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District February 12, 2015 Meeting Minutes

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### **Minutes of the Special Meeting of the Board of Directors of the Eagle Ranch Metropolitan District February 12, 2015**

A Special Meeting of the Board of Directors of Eagle Ranch Metropolitan District, Eagle County, Colorado, was held Thursday, February 12, 2015 at 2:00 p.m., at the Eagle Ranch Golf Clubhouse, 0050 Lime Park Drive, Eagle, Colorado in accordance with State Law.

#### **Attendance**

The following Directors were present and acting:

- John Hollis, President
- Rick Dominick, VP and Secretary
- James Adams, VP and Treasurer
- Kent Rose, VP and Asst Sec/Treasurer
- Casey Bullock, VP and Asst Sec/Treasurer

The following Directors were absent:

- None

Also in attendance were:

- Jeff Boyer, General Manager
- Derek Rose, Superintendent
- Eric Weaver, Marchetti & Weaver, LLC
- James Martin, Marchetti & Weaver, LLC

#### **Call to Order**

The Meeting of the Board of Directors of Eagle Ranch Metropolitan District was called to order by Chairman Hollis, noting a quorum was present.

#### **Conflict Disclosure**

Mr. Weaver stated a disclosure of potential conflict of interest statement for Director Adams had been filed with the District and Secretary of State, and that the statements had been filed in accordance with state statute. This Board member disclosed he was either a current employee, past employee or sub-contractor of East West Partners, Inc, a sub-manager of West Eagle Ranch LLC, the original developer of Eagle Ranch. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

#### **Consideration of the Agenda**

No changes were made to the agenda.

#### **Public Comments**

There were no comments from the public.

#### **Minutes**

Upon discussion and by motion duly made and seconded it was

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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District February 12, 2015 Meeting Minutes

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unanimously

**RESOLVED** to approve the October 21, 2014 meeting minutes as presented.

**Posting Resolution** Mr. Weaver reviewed the 2015 Posting Resolution. Upon discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the Posting Resolution as presented.

**Meeting Dates** Mr. Weaver reviewed the proposed 2015 meeting calendar. Upon discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the 2015 meeting calendar.

**Manager Report** Mr. Boyer presented the manager report. He recommended a \$1 increase to all individual round prices, a \$25 increase in seasonal Full Memberships, a \$50 increase in Weekday Memberships, a \$10 increase on 10-round punchcards and a \$20 increase on 20-round punchcards. All Board members agreed with the proposed rate increases. Mr. Boyer championed the successes of the new marketing plan, specifically a greatly improved media presence and client database that helped drive Green Fee and Pass Revenue up 3% in 2014. Mr. Boyer stated his desire to explore the hiring of an in-house marketing professional for about the same annual budgeted amount that is currently going to Legendary Marketing (\$18,000). The Board recommended that Mr. Boyer also investigate potential synergies with the Town of Eagle for website linkage.

**Financial Review** Mr. Weaver reviewed the preliminary December 31, 2014 financial statements noting that the District ended the year favorable to both budget and forecast. The District's audit will be conducted beginning on March 9<sup>th</sup>, 2015 by Todd Beckstead. Mr. Weaver also reported that Standard & Poor's had recently completed their review and the District's rating remained constant at BBB+.

Mr. Weaver suggested a review of the location of District capital, expressing his opinion that the rate of return on District Certificates of Deposit could be improved if the duration was extended to three years. Chairman Hollis motioned to open an account at UMB bank for investment of District capital. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the opening of a District investment account at UMB bank for the purpose of reallocating funds into

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### Eagle Ranch Metropolitan District February 12, 2015 Meeting Minutes

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multiple CD's with durations out to three years, while maintaining FDIC coverage on all balances.

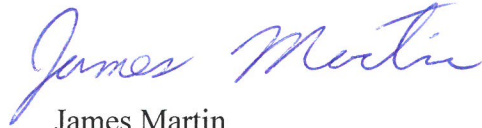
**Accounts Payable** Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve and ratify the accounts payable.

**Adjournment** There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Eagle Ranch Metropolitan District Board of Directors held February 12, 2015.

Respectfully Submitted,



James Martin  
Secretary to the Meeting

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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District May 19, 2015 Meeting Minutes

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### **Minutes of the Regular Meeting of the Board of Directors of the Eagle Ranch Metropolitan District May 19, 2015**

A Regular Meeting of the Board of Directors of Eagle Ranch Metropolitan District, Eagle County, Colorado, was held Tuesday, May 19, 2015 at 3:00 p.m., at 1143 Capital Street, Suite 208, Eagle, Colorado in accordance with State Law.

#### **Attendance**

The following Directors were present and acting:

- John Hollis, President
- Rick Dominick, VP and Secretary
- James Adams, VP and Treasurer
- Kent Rose, VP and Asst Sec/Treasurer
- Casey Bullock, VP and Asst Sec/Treasurer

The following Directors were absent:

- None

Also in attendance were:

- Jeff Boyer, General Manager
- Derek Rose, Superintendent
- Eric Weaver, Marchetti & Weaver, LLC
- James Martin, Marchetti & Weaver, LLC

#### **Call to Order**

The Meeting of the Board of Directors of Eagle Ranch Metropolitan District was called to order by Chairman Hollis, noting a quorum was present.

#### **Conflict Disclosure**

Mr. Weaver stated a disclosure of potential conflict of interest statement for Director Adams had been filed with the District and Secretary of State, and that the statements had been filed in accordance with state statute. This Board member disclosed he was either a current employee, past employee or sub-contractor of East West Partners, Inc, a sub-manager of West Eagle Ranch LLC, the original developer of Eagle Ranch. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

#### **Consideration of the Agenda**

No changes were made to the agenda.

#### **Public Comments**

There were no comments from the public.

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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District May 19, 2015 Meeting Minutes

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### Minutes

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

**RESOLVED** to approve the February 12, 2015 meeting minutes as presented.

### Manager Report

Mr. Boyer presented the operations report. He opened the discussion by pointing out that start date of the 2015 season was the earliest ever for Eagle Ranch, beginning March 20<sup>th</sup>. Mr. Boyer presented figures showing a 5% year-over-year increase in Value Season Pass sales due to the early start and the nice weather. Presented next was a preliminary review of the reserve study prepared by Borne Consulting. Mr. Boyer pointed out that the some of the assumptions and related costs need to be adjusted to reflect actual costs incurred in prior years for similar items. The largest expense anticipated by the study is for replacing the irrigation system in 2025, which is being further investigated and may be able to be pushed back by a few years. District staff and consultants will work jointly to see the report through to finalization so that it can be used in conjunction with the 2016 budget process.

The discussion then moved to a proposal by Wilcon Energy to convert seven vehicles to run on propane, with estimated fuel cost savings that could potentially recoup the initial conversion expense in two to three years. Chairman Hollis expressed concern that the conversion to propane could nullify the warranty on the vehicles. Derek Rose however noted that these vehicles were nearing the end of their two year warranty period. Derek Rose will check with the equipment dealer and other sources to gain feedback on if this is a good option to consider.

Mr. Dominic proposed researching an investment in solar panels for the cart barn. Mr. Boyer agreed he would research.

### Audit

Mr. Weaver presented the 2014 audit report, noting that the District had once again received an unqualified or “clean” opinion. Upon a motion duly made and seconded it was unanimously

**RESOLVED** to accept the 2014 audit performed by Beckstead & Co., LLC.

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## Eagle Ranch Metropolitan District May 19, 2015 Meeting Minutes

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**Financial Review** Mr. Weaver reviewed the preliminary April 30, 2015 financial statements. Mr. Weaver then reviewed the preliminary assessed valuation numbers for use in the 2016 budget, noting that he is expecting to see an increase the assessed value of the District by approximately thirty four percent in the coming year. The Board then entered into a broad discussion of the effects of this increase, and what if any changes should be considered to the current mill levy. Mr. Weaver will work to incorporate the results of the Borne engineering report to determine the annual funding requirements of the reserve to be incorporated into the 2016 budget.

**Accounts Payable** Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve and ratify the accounts payable.

**Board of Directors** Chairman Hollis noted that he has placed his home on the market and expressed his intention to resign from the Board of Directors, effective immediately. The Board thanked Mr. Hollis for his service over the past several years and upon a motion duly made and seconded it was unanimously

**RESOLVED** to accept Chairman Hollis's resignation.

**Adjournment** There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Eagle Ranch Metropolitan District Board of Directors held May 19, 2015.

Respectfully Submitted,



Eric Weaver  
Secretary to the Meeting

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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District August 25, 2015 Meeting Minutes

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### **Minutes of the Special Meeting of the Board of Directors of the Eagle Ranch Metropolitan District August 25, 2015**

A Special Meeting of the Board of Directors of Eagle Ranch Metropolitan District, Eagle County, Colorado, was held Tuesday, August 25, 2015 at 3:00 p.m., at 1143 Capital Street, Suite 208, Eagle, Colorado in accordance with State Law.

#### **Attendance**

The following Directors were present and acting:

- Kent Rose, VP and Asst Sec/Treasurer
- Rick Dominick, VP and Secretary
- James Adams, VP and Treasurer
- Casey Bullock, VP and Asst Sec/Treasurer

The following Directors were absent:

- None

Also in attendance were:

- Jeff Boyer, General Manager
- Derek Rose, Superintendent
- Dave Crawford, Metro District resident
- Eric Weaver, Marchetti & Weaver, LLC
- James Martin, Marchetti & Weaver, LLC

#### **Call to Order**

The Meeting of the Board of Directors of Eagle Ranch Metropolitan District was called to order by Chairman Rose, noting a quorum was present.

#### **Conflict Disclosure**

Mr. Weaver stated a disclosure of potential conflict of interest statement for Director Adams had been filed with the District and Secretary of State, and that the statements had been filed in accordance with state statute. This Board member disclosed he was either a current employee, past employee or sub-contractor of East West Partners, Inc, a sub-manager of West Eagle Ranch LLC, the original developer of Eagle Ranch. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

#### **Consideration of the Agenda**

No changes were made to the agenda.

#### **Public Comments**

There were no comments from the public.

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# RECORD OF PROCEEDINGS

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## Eagle Ranch Metropolitan District August 25, 2015 Meeting Minutes

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### Minutes

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

**RESOLVED** to approve the May 19, 2015 meeting minutes as presented.

### Appointment of New Board Member

Mr. Weaver stated that with the resignation of Chairman Hollis the District currently has a vacancy on the Board of Directors and that Dave Crawford has expressed interest in being on the Board in the past. After discussion with Mr. Crawford and upon motion duly made and seconded it was unanimously

**RESOLVED** to appoint Dave Crawford to the Board of Directors to fill the vacancy and;

**FURTHER RESOLVED** to appoint Kent Rose as the new Board President and Dave Crawford as VP/Assistant Secretary/Treasurer.

### Manager Report

Mr. Boyer presented the operations report. He opened the discussion by pointing out that green fee revenue is up significantly over last year, largely due to the early start to the season. Mr. Boyer then discussed the steep drop in merchandise sales through the end of July, and his corresponding decision to institute a 25% off sale beginning August 1<sup>st</sup>. As a result of the discount, sales have rebounded measurably but the projected margin on 2015 sales has been adversely affected. Lastly, Mr. Boyer mentioned that beverage cart food sales are down significantly this year compared to last, offering that much of the variance can be attributed to poor weather conditions in May.

### Solar Investment

The discussion then moved to a proposal by Active Energies Solar, LLC to install a roof mounted, grid-tied, photovoltaic system on the southwest facing roof of the cart barn. The complete system cost, net of rebates, would be \$56,690 with an estimated 9 year payback and \$123,900 estimated net gain over the 25 year warranty of the system, which is estimated to last as long as 50 years.. Mr. Dominick put forth that the estimated return on an investment in solar energy would be much higher than what the District currently realizes on its portfolio of CD's. Mr. Crawford suggested soliciting an energy-audit and bid from a competitor company before deciding.



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## Eagle Ranch Metropolitan District August 25, 2015 Meeting Minutes

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**Reserve Study** Mr. Weaver stated that he and the golf staff have nearly completed their recommended revisions to the reserve study prepared by Borne Consulting, LLC. President Rose inquired as to the possibility of increasing the District mill levy to augment District reserves in preparation for expected increases in infrastructure expenditures as outlined in the Reserve Study. Mr. Weaver responded that he is currently working on his recommendation for the Fiscal Year 2016 mill levy, informing the Board that the District's Assessed Valuation is going up 40% next year.

**SourceGas Pipeline Upgrade** President Rose provided the Board with a letter he had composed to the Bureau of Land Management on behalf of the District in opposition to the proposed route through the Eagle Ranch subdivision of a high pressure gas line by SourceGas, LLC. SourceGas has an easement to go through the golf course, but President Rose and other Board members agree that the disruption could have a serious adverse financial impact on the District, as well as concerns for the safety of District residents.

Mr. Boyer mentioned that he is also composing a letter, as well as posting a petition in the clubhouse lobby for other concerned residents to sign in support of alternate routes that would avoid the subdivision.

**Soleil Inclusion** The Board reviewed a map of the Soleil development currently under construction, in which some of the properties lie partially within District boundaries and partially outside District boundaries. Mr. Weaver stated that the developer has not responded to emails regarding requests for them to include the remaining property into the District, and that the burden to seek inclusion in the District is on the Developer.

**Financial Review** Mr. Weaver reviewed the preliminary July 31, 2015 financial statements. The discussion quickly moved to pending requests for capital purchases needed to replace aging machinery. Mr. Derek Rose provided his opinion that a new mower needed to be acquired this year, and that the total price tag for all requested purchases is \$162,000. Mr. Weaver pointed out that very little was budgeted in 2015 for equipment purchases but taking advantage of year end close out pricing is advantageous compared to paying 2016 prices next year.

The board directed Mr. Derek Rose to move ahead with immediate purchase of the new mower, and to shop for the other items in October

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## Eagle Ranch Metropolitan District August 25, 2015 Meeting Minutes

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when prices should be lower. The Board also approved funding for the sealing of parking lots this off-season.

**Accounts Payable** Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve and ratify the accounts payable.

**Adjournment** There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Eagle Ranch Metropolitan District Board of Directors held August 25, 2015.

Respectfully Submitted,



Eric Weaver  
Secretary to the Meeting

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# RECORD OF PROCEEDINGS

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Eagle Ranch Metropolitan District October 27, 2015  
Meeting Minutes

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**Minutes of the Special Meeting  
of the Board of Directors of  
Eagle Ranch Metropolitan District  
October 27, 2015**

A Special Meeting of the Board of Directors of Eagle Ranch Metropolitan District, Eagle County, Colorado, was held Tuesday, October 27, 2015 at 3:00 p.m., at 1143 Capital Street, Suite 208, Town of Eagle, Eagle County, Colorado in accordance with State Law.

**Attendance**

The following Directors were present and acting:

- Casey Bullock
- Rick Dominick
- Jim Adams
- Kent Rose

The following Directors were absent:

- Dave Crawford

Also in attendance were:

- Jeff Boyer, General Manager
- Derek Rose, Superintendent
- Eric Weaver, Marchetti & Weaver, LLC
- Nicole Hetzer, Marchetti & Weaver, LLC

**Call to Order**

The Meeting of the Board of Directors of Eagle Ranch Metropolitan District was called to order by Chairman Rose, noting a quorum was present.

**Conflict Disclosure**

Mr. Weaver stated a disclosure of potential conflict of interest statement will be completed by Director Crawford and filed by Collins Cockrel & Cole if necessary. This Board member disclosed he was either a current employee, past employee or sub-contractor of East West Partners, Inc, a sub-manager of West Eagle Ranch LLC, the original developer of Eagle Ranch. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

**Consideration of  
the Agenda**

No changes were made to the agenda.

**Public Comments**

There were no comments from the public.

**Minutes**

Upon discussion and by motion duly made and seconded it was

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# RECORD OF PROCEEDINGS

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Eagle Ranch Metropolitan District October 27, 2015  
Meeting Minutes

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unanimously

**RESOLVED** to approve the August 25, 2015 meeting minutes as presented.

## **Reserve Study**

Mr. Weaver presented the Reserve Study recently completed by Borne Consulting. He stated that the details of the study will be covered as the Board reviews the 2016 budget and encouraged them to review the study outside of the meeting.

## **2016 May Directors Election**

In May of even numbered years the District is required to have an election. The Resolution calls the election, lists the Directors whose terms are up, designates the election official and authorizes the Designated Election Official to cancel the election if there are no more candidates than seats to fill. Upon motion duly made and seconded it was unanimously

**RESOLVED** to adopt the Resolution Calling for the 2016 Regular District Election.

## **Other Business**

Director Rose asked Mr. Boyer if he had further investigated solar electric providers? Mr. Boyer reported that he still needs to follow up with other solar providers and will then provide an update to the Board.

## **Manager Report**

Mr. Boyer began by asking the Board to review and approve participation in the PGA Golf Retirement Plus Program and provided a brief overview on the details of the program. There were no potential conflicts cited by the Board, and it was determined that Chairman Rose will sign the participation form for 2016. Mr. Boyer noted that it is an annual renewal to participate in the program.

Mr. Boyer then presented the manager report. He reviewed sales data to date, noting that golf rounds and pass sales are ahead of budget. He also noted that merchandise sales have been weak due to lower than expected golf club sales. Mr. Boyer stated that F&B had a great 2015, however they have had continued staffing challenges this year and found it difficult to recruit and retain good employees.

He also updated the Board on the marketing contract with Legendary Marketing and the current POS system used at the facility. Mr. Boyer has looked into other POS options, which will be implemented in 2016

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Eagle Ranch Metropolitan District October 27, 2015  
Meeting Minutes

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and are included in the budget figures. He would like to switch to a vendor that would also be able to support the website and marketing efforts and is not happy with the support that Legendary Marketing has been providing. Mr. Boyer is currently talking with Vail Daily as well as AMT Radio to see if they could help with digital marketing efforts.

Lastly, Mr. Boyer shared the opportunity for Eagle Ranch to purchase a used fleet of golf carts from Maroon Creek. After some discussion, the Board agreed that management should pursue this purchase which would occur in the fall of 2016.

## **Audit Engagement Letter**

Mr. Weaver presented the audit engagement letter with Beckstead & Co, LLC. Upon motion duly made and seconded it was unanimously

**RESOLVED** to retain Beckstead & Co, LLC. to perform the audit of the 2015 financial statements.

## **Financial Statements**

Mr. Weaver presented the preliminary September 30, 2015 financial statements, noting that the District will need to adopt an amended budget due to additional capital expenditures to be incurred in 2015.

## **2015 Amended Budget Hearing**

Mr. Weaver stated today had been published as the public hearing to amend the 2015 budget. Mr. Weaver stated the budget in the golf fund will require amendment for additional capital expenditures to be made in 2015 to take advantage of year end pricing. Director Rose opened the public hearing to public comment. Hearing no public comment the hearing was closed. Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to adopt the 2015 budget amendment resolution.

## **2016 Budget**

Director Rose opened the public hearing for discussion of the 2016 budget. Mr. Weaver explained changes to various line items and also presented the list of proposed capital expenditures. After discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the resolution to adopt the 2016 Budget subject to several additional capital line items and minor

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## Eagle Ranch Metropolitan District October 27, 2015 Meeting Minutes

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modifications which may result from the final certification of assessed values; and

**FURTHER RESOLVED** to approve the resolution to certify the mill levy at 40.000, consisting of 25.000 mills for general operating expenses and 15.000 mills for debt service; and

**FURTHER RESOLVED** to approve the resolution to appropriate funds for expenditure in 2016, subject to several additional capital line items and minor modifications which may result from the final certification of assessed values.

Copies of the formal resolutions adopting the budget, certifying the mill levy and appropriating funds are incorporated herein by reference and shall be retained in the District's permanent records.

**Accounts Payable** Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve and ratify the accounts payable listing, as presented.

**Adjournment** There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Eagle Ranch Metropolitan District Board of Directors held October 27, 2015.

Respectfully Submitted,

Secretary to the Meeting