

**Minutes of the  
Bachelor Gulch Village Association  
Board of Directors Meeting held  
July 8, 2019**

A meeting of the Bachelor Gulch Village Association (the “Association”) Board of Directors was held on July 8, 2019. In attendance were Board members Nadia Guerriero, George Bigley, Gary Shimanowitz, and Brian Kushner. In attendance by phone was Board member Nick Nichols. Also in attendance by phone was Lisa Mayer, Attorney for the Association. Those present were Mike Trueblood, Association Manager, Steve Nusbaum, Manager of Design Review Administration, Jerry Hensel, Director of Base Area Operations, Steve Janicek, General Manager of The Ritz-Carlton, Paul Jardis, President of the Bachelor Gulch Metro District, and Carol Floyd, Secretary to the Meeting. George Bigley called the meeting to order at 1:17 p.m., and it was noted that proper meeting notice was given and a quorum was present.

**Fire Safety Presentation**

Tracy LeClair with the Eagle River Fire Protection District (“ERFPD”) spoke about the importance of having a home ignition zone assessment to identify fire mitigation measures that can be taken to protect property. She cautioned anything that has the potential to burn should not touch a home, i.e., wood pile, fence, tall grass, or shrubbery. Roof materials were discussed. Steve Nusbaum stated initially that wood shake roofs were required in Bachelor Gulch and are now prohibited. He added if more than 25% of a roof is repaired, the roof must be replaced with a noncombustible product. Tracy talked about creating defensible space around a home with a five foot buffer zone where there is nothing combustible, watered and trimmed gardens 30 to 50 feet from the home, and larger trees spaced well apart further back from the home. She said this not only protects the home from embers and fire brands, but provides fire fighters with a safe environment to fight fires from the ground. Tracy explained ERFPD has worked with County dispatch to develop evacuation zones, whereby areas would be evacuated based on proximity to the emergency to avoid traffic jams and gridlock. Residents are encouraged to sign up for ECAAlerts. Tracy spoke about a Federal program, Integrated Public Alert and Warning System (IPAWS), a warning system to reach cell phones within a specified distance of a cell tower. Brian Kushner noted poor cell service in many areas of Bachelor Gulch interferes with ECAAlerts. Gary Shimanowitz mentioned alternative evacuation routes through the resort. Paul Jardis suggested revisiting the Evacuation Plan. Tracy informed the Board fire restrictions are no longer county-wide, and that County restrictions are separate from BLM and USFS, and are based on whether property is developed or undeveloped. When the National Weather Service issues a red flag warning, restrictions will automatically go up one level. She noted fire restrictions are enforced by the Sheriff and not by ERFPD. Mike Trueblood requested a representative from ERFPD make this presentation at the August 1<sup>st</sup> Bachelor Gulch Residents Association meeting. Paul Jardis added that Bachelor Gulch is a Firewise community.

**Introductions**

Mike Trueblood introduced Nadia Guerriero, and introductions were made by everyone present. Nadia gave a brief overview of her background, having been at Northstar California for 12 years, most recently the Vice President and General Manager of the resort. She grew up in Colorado and said she is excited to be back.

**Approval of Previous Board Meeting Minutes**

**Brian Kushner moved to approve the March 21, 2019 Board of Director meeting minutes as presented. Nick Nichols seconded the motion and it was unanimously approved.**

**Design Review Board**

Steve Nusbaum gave an activity update. The new construction on Lot 45 is wrapping up. Lot 5 is currently heavily under construction. Lot 30 has completed the preconstruction process and should commence with construction soon. There are two additional projects in the pipeline, and several remodels in progress. When asked about the status of the tree violation, Steve answered 95% of the settlement agreement has been completed. Mike Trueblood clarified a proposed home site amendment for this property, separate from the tree violation issue, has been tabled by the property owner. Gary Shimanowitz reported the resort has removed the hazard tree previously discussed on Buckhorn. Mike Trueblood gave an update on the set up for Design Review Administration (“DRA”) to receive credit card payments. DRA is working with Vail Resorts IT on a solution for PCI compliance.

**Public Safety**

Koby Kenny referenced the Public Safety Activity Report. He commented on variances to prior periods in the Firewatch category due to drier conditions last summer, and in Public Safety Services because of the number of vehicle assists provided based on road conditions and the amount of snow last winter. Koby informed the Board of an alert emailed to property owners

today pertaining to wildlife, particularly moose. He advised giving moose plenty of distance and keeping dogs away. Gary Shimanowitz shared some warning signs including a moose's hackles standing up and their ears pinned back.

### **Financial Update**

Mike Trueblood reviewed the Balance Sheet through May 31, 2019 noting a credit in Accounts Payable due to an adjustment made from the prior year related to a double billing. Mike said the draft financial audit has been received and will be reviewed by himself, BGVA financial analyst Erin McCauley and Brian Kushner before distribution to the Board. On the Income Statement, total revenue is \$185K ahead of budget year to date. Transfer fee revenue is negative, partially offsetting the favorable civic assessment. Mike explained transfer fees were budgeted based on a three-year average. He added that the variances as of May 31st will be carried forward in the financial forecast to the end of the fiscal year. Design Review fee revenue is slightly favorable because of several roof replacements and one new residence. The favorable variance in miscellaneous revenue was a result of more bus sales at auction than anticipated. In regard to expense, the variance in transportation is associated with providing service four days ahead of schedule at the beginning of the winter season. Savings in Public Safety is due to understaffing earlier in the year. On Operating Expenses, the negative variance for Legal primarily supports the Black Hills Energy rate case. Depreciation will be reconciled with the financial audit. Mike recommended reassessing the status of capital projects in August or September. Gary Shimanowitz commented on the Board's agreement to partner with Bachelor Gulch Metro District ("BGMD") and contribute \$13K toward the gate project. Mike stated he is awaiting receipt of an invoice for this project. Paul Jardis said BGMD is going to consult with an engineering firm in regard to installing a sidewalk on Prater Road from the circle down to Highway 6. Brian Kushner asked Paul Jardis if there are any plans for surface management to slow traffic near the flashing 15 mph sign coming down the hill near the gate. Paul answered temporary speed bumps could be a consideration.

### **Tennis Committee Update**

Mike Trueblood spoke highly of the new tennis pro, Ali Colak, and relayed positive feedback from the Tennis Committee. Ali is very knowledgeable, looks for ways to make the experience better, and is willing to attend social events to promote the program. Mike said there is one remaining challenge which is to employ an assistant tennis pro.

### **Black Hills Energy Update**

Mike Trueblood recapped the Black Hills Energy ("Black Hills") rate case. Black Hills is proposing to increase their rates across their footprint in Colorado. Brian Kushner added that in the Black Hills proposal, people in the western district would effectively be subsidizing people in the eastern district. The Association has filed as an intervener to influence the process in court hearings. The process was delayed when Black Hills requested \$1M additional revenue from their original filing. Two parties are currently giving counterpoints on what Black Hills has filed, the OCC, a consumer advocacy office, and PUC staff. They are advocating for a net zero increase. If the end result is no rate increase, this would not normally also result in a redistribution across service areas. PUC staff is not advocating to redistribute the rates. This is where the Association may cross-examine parties in the case after the July 19<sup>th</sup> deadline. Vail Resorts has also filed as an intervener. Jim Tarpey, the Association's legal counsel for this matter, is working with Vail Resorts' attorneys to leverage resources because BGVA interests are similar to Vail Resorts'. In addition, Red Sky Ranch Association, Arrowhead at Vail Association, and Village at Arrowhead Association have agreed to support the Association's case. The Administrative Law Judge will consider all input and testimony to make a recommendation, likely in the fall.

### **Snow Cloud Update**

Mike Trueblood announced that Bachelor Gulch Metro District (BGMD) is under contract with a private party for the proposed transfer of the Snow Cloud underground space. The original intent of the purchaser was to create employee housing. The Snow Cloud homeowner association did not support employee housing and voted against such use. The purchaser has continued with the purchase of this space for permitted uses. Paul Jardis clarified BGMD does not pay transfer fees.

### **Comcast Bulk Agreement**

Mike Trueblood reported BGMD has entered into an agreement with Comcast to serve the 104 single-family homes. Paul Jardis said the feedback has been excellent.

### **Colorado Cycling Challenge**

Mike Trueblood provided details on the route and timeline for the women's Colorado Classic pro cycling challenge, a four stage race in Steamboat, Avon, and Denver. On August 23<sup>rd</sup> at 1:00 p.m. there will be seven, five-mile circuits through Avon, before the route climbs up Village Road, turns right onto S. Holden Road, continues up through Strawberry Park, and down the Bachelor Gulch side, finishing with a half circuit through Avon. The race will be approximately 50 miles in total and is expected to finish by 3:30 p.m. A 30 to 45 minute hard road closure through Beaver Creek and Bachelor Gulch will occur. Outside of the hard closure, there will be a couple of areas to cross near the Reception Center, and one lane of Highway 6 open to travel west from Prater Road to Edwards. Steve Janicek asked for access to the Bear Lot for Ritz-Carlton guests arriving

during the race. Mike asked the Board if they would support moving Friday's trash pickup on August 23<sup>rd</sup> to Saturday, August 24<sup>th</sup>. The Board was in agreement. Maintenance of the construction road was discussed.

### **Other Business**

**Bachelor Gulch Summer Lift Cost Share:** Steve Janicek shared his viewpoint on the success of running Chair 16 for hotel guests and property owners on four Saturdays last summer. He asked the Board to consider sharing the expense for six Saturdays this summer beginning July 13<sup>th</sup>. At a cost of \$2,500 per event or \$15K for six events, Steve requested the Association contribute \$7,500.

**Gary Shimanowitz moved to approve \$7,500 to underwrite the operation of Bachelor Gulch chairlift 16 for six dates this summer, and to include this amount in the FY20 budget for operation of chairlift 16 on specified dates in the summer of 2020. Brian Kushner seconded the motion and it was unanimously approved.**

**Cell Service:** Paul Jardis spoke about a joint project between BGMD and the Association that began in August 2017 to look at upgrading cell service and internet speeds. BGMD has done an inventory of the conduit available. They have negotiated with Centurylink and Comcast, and now have space in their conduit to run their own fiber network. He noted when they are able to set up 5g they will be able to improve 4g. BGMD has received a quote in the amount of \$1.5M for a dark fiber network throughout the community including running to each building. Brian Kushner explained the 5g specification is not yet finalized. He said the bigger challenge with 5g is that it is a small cell system with average tower spacing of approximately 300 feet. Brian suggested considering an alternative until 5g is more stabilized. Gary Shimanowitz affirmed there will be cell service in the McCoy Park area. WiFi enhancement was discussed.

**The Ritz-Carlton Pool Deck:** Steve Janicek ask the Board to continue considering a solution for the capacity issue on The Ritz-Carlton pool deck. They currently have 60 chairs and could potentially add ten chairs. He said much more deck space is needed. Gary Shimanowitz recalled a previous proposal to expand the deck with a temporary structure that would encroach onto the ski run during the summer and be removed every fall. Steve and Mike Trueblood will recirculate drawings. Steve expressed his opinion that the design could be simplified. Gary suggested consulting with the company who built a temporary stage deck for a wedding at Spruce Saddle.

**There being no further business, Brian Kushner moved to adjourn the meeting. Gary Shimanowitz seconded the motion and the meeting was adjourned at 2:59 p.m.**

Respectfully submitted,

Carol Floyd  
Secretary for the Meeting