
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan Districts April 20, 2015

The Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District, Eagle County, Colorado, was held Monday, April 20, 2015, at 8:00 a.m., in the conference room at the VR offices located at 135 Benchmark Rd, Avon, Eagle County, Colorado.

Attendance

The following Directors were present:

- Karen Braden-Butz
- William Kennedy
- Michael Connell (via phone)
- Frederick Hudoff
- William Simmons

Also in attendance were:

- Bill Ankele, Esq White Bear Ankele Tanaka and Waldron (via phone)
- Ken Marchetti, CPA, Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Don Odell, VR RSR Operations
- Mike Miner, RSR Director of Golf Maintenance

Call to Order

The Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District was called to order at 8:00 a.m. by Director Kennedy noting a quorum was present.

Potential Conflicts

The Board noted that it has received certain written disclosures of potential conflicts of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: [William M. Kennedy](#) is Director of Land Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., all of which have significant business interests within the Districts; and [Karen Braden-Butz](#) is the Financial Analyst for Village Operations at Beaver Creek, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., all of which have significant business interests within the Districts.

Minutes

The Board reviewed the minutes of the March 16, 2015 Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the March 16, 2015 Regular Meeting as presented.

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Public Input No public input was offered.

Bond Refinancing Mr. Ankele reported the closing has been set for April 28th for the bonds whose net proceeds will refund the 2003 Bonds and provide \$650,000 to cover 3 years worth of HCMD capital costs. He stated no further action was needed by the Board.

Mr. Marchetti stated there was a strong demand for the bonds which resulted in lower interest rates. The bonds were priced on April 15th with the final amount of the bond set at \$7,140,000 with interest rates ranging from 3.875% to 5.000%. He reported the net present value savings is \$189,000 for the 2003 bond refinancing. The Bond Purchase Agreement was executed and returned last week. He provided a summary of the cost of issuance for review by the Board noting all costs were reasonable considering most of the professionals had been working with the District for the last two years to structure this issuance. The cost of issuance invoices will be provided to the District for payment upon closing of the bonds on April 28th. Director Hudoff asked if there were any concerns moving forward with the interpretation of the IGA that may restrict the District. Mr. Marchetti stated matters related to the water rights will need to be acted on next, but pointed out the bond documents addressed the potential funding that may be required. Director Connell stated the goal of refinancing the 2003 debt had been achieved pointing out the District had more clarity regarding the IGA. He and Director Hudoff thanked everyone for the efforts on behalf of the District.

Legal Mr. Ankele stated there were no separate legal matters at this time.

Financial Statements Mr. Marchetti handed out revised preliminary March 2015 financial statements which included the final bond information. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the preliminary March 2015 financial statement as presented.

Accounts Payable The Accounts Payable listing was reviewed. Mr. Marchetti asked the Board to include the payment of the cost of issuance upon closing of the bonds as discussed earlier in the meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable list as presented including the cost of issuance as discussed.

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**Future
Meetings**

The next regular meeting is scheduled for May 18, 2015 at 8:00 a.m. at the same time. The meeting location will move back to the conference room at the Red Sky Ranch Sales Center.

Adjourn

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the April 20, 2015 Regular Meeting of the Red Sky Ranch Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten

Kathy Lewensten
Recording Secretary