
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan Districts January 18, 2016

The Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District, Eagle County, Colorado, was held Monday, January 18, 2016, at 9:00 a.m., in the conference room at 137 Benchmark Rd, Avon, Eagle County, Colorado.

Attendance

The following Directors were present:

- Karen Braden-Butz
- Michael Connell
- Frederick Hudoff
- William Kennedy

The following Director was absent and excused:

- 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
- Tim Baker, HCMD Director
- Doug Lovell, HCMD Director
- Don Odell, RSR Operations
- Beth Richie, RSR Property Owner
- Graham Frank, VR, VP of Real Estate

Call to Order

The Regular Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District was called to order at 9:00 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.

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Red Sky Ranch Metropolitan District January 18, 2016 Meeting Minutes

Minutes The Board reviewed the minutes of the December 10, 2015 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the December 10, 2015 Special Meeting.

Public Input Ms Richie was in attendance to observe today's meeting as she may have interest in running for the Board.

Old Business Director Connell reported the water committee will be meeting later in the week to discuss water rights matters, after which it will be able to report back to the Board. He reviewed background information related to water rights and debt matters for the benefit of Ms. Richie. The discussion turned to potential payoff alternatives for HC debt. It was noted the District has not built out as anticipated nor as the IGA contemplated which leaves the Districts in a unique situation. General consensus during discussion is the desire for the Boards to work together to obtain a mutually beneficial long term strategy. More analysis of the pros and cons of either issuing bonds regularly or using the excess funds from a set mill levy will need to be completed. Director Hudoff expressed a desire to also look at long term reserves for operational and capital needs such as major roadway improvements.

New Business After a brief discussion the election of officers was tabled, for now the slate of officers will remain the same.

Director Connell reminded the Board of the request for a letter to the property owners to help keep them informed of District financial matters, such as changes related to the assessed valuation and mill levies as discussed at the last meeting. He and Mr. Marchetti presented a draft letter for consideration and comment. The Board directed the letter be sent after final approval by Director Connell.

Legal **Posting Notice Resolution:** Mr. Ankele noted each year the District is asked to approve a posting notice resolution. The location of the 24 hour posting will remain at the member's clubhouse. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2016 Resolution Designating the District's 24-hour Posting Location.

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Red Sky Ranch Metropolitan District January 18, 2016 Meeting Minutes

**Financial
Statements**

Mr. Marchetti reviewed the preliminary December 2015 financial statements. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the preliminary December 2015 financial statements as presented.

Accounts Payable

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable listing as presented.

Meeting Schedule

The next regular meeting is scheduled for Monday, February 15, 2016, at the same time and location.

Adjourn

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the January 18, 2016 Regular Meeting of the Red Sky Ranch Metropolitan District Board of Directors.

Respectfully submitted,
/s/ Kathy Lewensten
Recording Secretary