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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A May 26, 2022

The special meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A was held May 26, 2022 at 9:00 a.m. concurrent with the joint meeting of the Alpine and Breckenridge Mountain Metropolitan Districts via electronic Zoom meeting <https://zoom.us/join>, Phone Only US 1 253 215 8782, Meeting ID: 899 0768 0446.

### Attendance

**The following Directors were present and acting:**

**Subdistrict A:**

Trevor Maring  
Dustin Stokes  
Martin Allen  
Ryan Thomas  
David Little

**Also in attendance were:**

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Michael Lund, Piper Sandler
- Sydney Burnett, Piper Sandler
- Graham Frank, Breckenridge Grand Vacations
- Deb Norton, Breckenridge Grand Vacations
- Blake Davis, Breckenridge Grand Vacations

### Call to Order

Director Maring called to order at 9:48 a.m. the meeting of the Board of Directors of Breckenridge Mountain Metropolitan District Subdistrict A noting a quorum was present for the subdistrict.

### Potential Conflicts

Mr. Ankele noted that written conflict disclosures of potential conflicts of interest were not received from all directors in sufficient time to file at least seventy-two hours prior to the meeting. Since conflict disclosures could not be filed, actions of the Board were limited to administrative and time-sensitive business.

### Agenda

Consideration of the Market Study proposal from THK Associates was added to the agenda.

### Public Input

There was no public input.

### North Gondola/ Gold Rush Lots Project

Mr. Frank gave an update on the Gondola Project

- The Master Plan has been approved.

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## Subdistrict A, Breckenridge Mountain Metropolitan District May 26, 2022 Meeting Minutes

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- The subdivision has been approved by the Subcommittee with a Town Council call up at June 14<sup>th</sup> meeting.
- The property transfer with Vail Resorts has been pushed back to June 24.
- The Planning Application for the entire project is submitted and the first review meeting is June 24<sup>th</sup> for the gondola and garage portion of the plan. BGV will follow up with the District if any changes are requested.
- Approval is expected late fall 2022 with grading for the parking structure and construction to begin spring 2023.

There was general discussion on the Council call up for June 14<sup>th</sup> and that it was due to curved property lines which were requested from planning.

### **Funding Agreement**

Ms. Harris explained that the Funding and Reimbursement Agreement is a backstop for operation and administrative costs that the Subdistrict incurs before construction of improvements and property tax revenues increase. There is additional information needed on when the Subdistrict is expected to be self-sustaining, interest rates from Municap, anticipated costs to be incurred, and comments from BGV's attorney. There was general discussion with BGV on the preliminary budget for the Subdistrict and if it will be a standalone entity for construction and operation of the gondola. Discussion continued on anticipated expenditures and the lag of property tax collection, the projected high mill levy rate, developer advance funding versus a high mill levy rate and the effect on potential sales. Following discussion, and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the Funding and Reimbursement Agreement (Operations and Maintenance) with Breckenridge Grand Vacations pending completion of missing information and District accepted review by BGV legal counsel.

### **Subdistrict Formation**

Ms. Harris reviewed the election held on May 3, 2022 reporting that all questions were approved and the Subdistrict is authorized to move forward with the Bond transaction and other business.

### **Bond Issuance Update**

Mr. Lund gave an overview of the financial model explaining that the current financial market is challenging for non-rated debt, so, while the Subdistrict's bonds will still be marketable, the interest rate has been increased in the model. The timing of the bond issue later this year may allow for markets to stabilize. Discussion continued on changes to the interest rate and the effect on the amount available in the project fund, and timing for board action on the bonds and project.

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Subdistrict A, Breckenridge Mountain Metropolitan District May 26, 2022 Meeting Minutes

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## **Bond Engagement Letters**

The engagement letters for the Bond team are undergoing additional revisions and have been tabled until the next meeting. Discussion turned to the Market Study proposal submitted by THK Associates and the time sensitive nature of the study for the bond issue. Following discussion, the Board authorized moving forward with the proposal by THK Associates as presented.

Mr. Frank, Ms. Norton, Mr. Blake, Mr. Lund and Ms. Burnett left the meeting at 10:20 am.

## **Administrative Matters**

Ms. Harris reviewed the Administrative Matters Consent Agenda Items explaining they were housekeeping items necessary for the formation of the new Subdistrict. Following review, and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Resolution Designating the Subdistrict's 24 hour posting location; and

**FURTHER RESOLVED** to adopt the Public Records Request Policy; and

**FURTHER RESOLVED** to adopt the Resolution Adopting the Colorado Special District Records Retention Schedule; and

**FURTHER RESOLVED** to approve the Transparency Notice; and

**FURTHER RESOLVED** to acknowledge recording of the Special District Public Disclosure Document; and

**FURTHER RESOLVED** to adopt the 2022 Annual Administrative Resolution pending update of the officers as elected by the parent district; and

**FURTHER RESOLVED** to adopt the Resolution Providing Defense and Indemnification of Directors and Employees

## **Engagements of Consultants**

Ms. Harris and Mr. Marchetti reviewed the engagement letters for legal and accounting respectively included in the packet explaining they were the same terms as currently in place with the parent district. Following review and discussion, and by motion duly made and seconded, it was unanimously

**RESOLVED** to approve the engagement letter as presented for White Bear Ankele Tanaka and Walden; and

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## Subdistrict A, Breckenridge Mountain Metropolitan District May 26, 2022 Meeting Minutes

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**FURTHER RESOLVED** to approve the engagement letter as presented for Marchetti & Weaver LLC.

The engagement letter from Marchetti & Weaver LLC for s Special Project was tabled for consideration at the next meeting.

### **Financial Matters**

Mr. Marchetti recommended that investment and operating bank accounts be opened for the Subdistrict. There was general discussion on current bank accounts held by the parent district, types of accounts the Subdistrict may require, who should be signers on any accounts and which directors should serve as payables approvers. Following discussion, the Board requested that an investment account be opened with C-Safe and an operating checking account be opened at FirstBank. All Board members should be signers on all bank accounts and the President and Treasurer should be payables approvers utilizing a similar procedure that was already in place for Alpine and the parent districts.

### **2022 Budget**

Mr. Marchetti stated that the meeting had been published as the public hearing for adopting the 2022 budget for the Subdistrict and then opened the public hearing for comment. Mr. Marchetti reviewed the 2022 preliminary budget including the parent district funding, anticipated Developer advances and the Bond issue proceeds and cost of issuance. Mr. Marchetti also reviewed the preliminary 2023 budget showing construction costs and explained that it would be updated as more information became available. Mr. Ankele reviewed the pros and cons of running operations and maintenance of the gondola through Alpine Metro versus the Subdistrict. Following discussion, the public hearings were closed and, upon motion duly made and seconded, it was unanimously,

**RESOLVED** to approve the Resolutions to Adopt the 2022 Budget for Breckenridge Mountain Metropolitan District Subdistrict A, subject to minor adjustments; and

**FURTHER RESOLVED** to set the 2022 mill levy for Breckenridge Mountain Metropolitan District Subdistrict A at 0 mills; and

**FURTHER RESOLVED** to appropriate funds for Breckenridge Mountain Metropolitan District Subdistrict A, subject to minor adjustments.

### **EFT Procedures**

Ms. Johnston reviewed the verification procedures policy included in the packet explaining that the District's insurance carrier, Colorado Special District Property and Liability Pool (Pool), requires a policy be in place to cover any fraud or cybercrime incidents. Ms. Johnston explained that the policy requires telephone or in person verification for any wire or electronic

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## Subdistrict A, Breckenridge Mountain Metropolitan District May 26, 2022 Meeting Minutes

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funds transfer requests and that a log be kept for all verifications. Ms. Johnston also reviewed the procedures currently in place for all requests via DocuSign, including any cash transfer requests, including a separate email request and a personal note and full signature in the DocuSign request. Ms. Johnston also recommended that any Board member follow up with a phone call or separate email if there was any question on a DocuSign request, especially for cash transfers. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Electronic Fund Transfer Request Verification Procedures Policy as presented.

### **Future Meetings**

Ms. Johnston reviewed the proposed meeting calendar for 2022 explaining that the dates were the same as the joint Alpine and Breckenridge Mountain Metro Districts. Discussion continued on the need to add a meeting in June to follow up on actions not taken at this meeting. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the 2022 meeting calendar as presented with an additional meeting added on June 9 at 10:00 a.m.

### **Adjournment**

Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the Meeting of Breckenridge Mountain Metropolitan District, Subdistrict A Board of Directors this 26th day of May 2022.

Respectfully submitted,



Beth Johnston  
Recording Secretary

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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A June 9, 2022

The meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A was held June 9, 2022 at 10:00 a.m. via electronic Zoom meeting <https://zoom.us/join>, Phone Only US 1 253 215 8782, Meeting ID: 896 5733 1759.

### Attendance

**The following Directors were present and acting:**

**Subdistrict A:**

Trevor Maring  
Dustin Stokes  
Martin Allen  
Ryan Thomas  
David Little

**Also in attendance were:**

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Michael Lund, Piper Sandler
- Jonathan Heroux, Piper Sandler
- Graham Frank, Breckenridge Grand Vacations
- Blake Davis, Breckenridge Grand Vacations

### Call to Order

Director Maring called to order at 10:05 a.m. the meeting of the Board of Directors of Breckenridge Mountain Metropolitan District Subdistrict A noting a quorum was present for the Subdistrict.

### Potential Conflicts

The Boards noted that they have received certain written disclosures of potential conflict of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: **Dustin Stokes** is General Manager of Keystone Lodge and Spa for Vail Resorts Management Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Trevor Maring** is Director of Base Area Operations at Breckenridge Ski Resort a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Martin Allen** is Director of Resort Services for Keystone Ski Resort, Vail Summit Resorts Inc, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts. **Ryan Thomas** is Senior Manager of Fleet Maintenance for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business

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## Subdistrict A, Breckenridge Mountain Metropolitan District June 9, 2022 Meeting Minutes

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interests within the Districts. **David Little** is Senior Manager of Lift Operations for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.

**Agenda** There were no changes to the agenda.

**Public Input** There was no public input.

**Minutes** The Board reviewed the minutes included in the packet. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the May 26, 2022 minutes as presented.

**Bond Issuance Update**

Mr. Heroux reported that THK Associates has been engaged for the market study and the first draft of the Trust Indenture has been circulated for comment. Preparation for the issuance is tracking close to the timeline. There was general discussion on interest rates, the general condition of the market, and timeline for the issuance. Mr. Heroux explained that if interest rates continued to rise then available project funds would decrease. It was anticipated that the Bond Parameters Resolution would be presented to the Board for approval at the next meeting.

**Bond Engagement Letters**

Mr. Ankele reviewed the engagement letters included in the packet and each consultant's contribution to the Bond issuance. The engagement letters made up the bulk of the cost of issuance for the bonds however there would also be funds due to the Trustee and for producing aerial photographs of the property. All bond issuance costs would be paid from the bond proceeds. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the engagement letter from Piper Sandler as presented for bond underwriter; and

**FURTHER RESOLVED** to approve the engagement letter from Greenberg Traurig as presented for bond counsel to the District; and

**FURTHER RESOLVED** to approve the Special Disclosure of Costs for Legal Services in Connection with Bonds from White Bear Ankele Tanaka & Waldron as presented for general counsel to the District; and

**FURTHER RESOLVED** to approve the proposal from MuniCap Inc as presented for external financial advisor for the District; and

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## Subdistrict A, Breckenridge Mountain Metropolitan District June 9, 2022 Meeting Minutes

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**FURTHER RESOLVED** to approve the engagement letter from Marchetti and Weaver as presented for Cash Flow Projection; and

**FURTHER RESOLVED** to ratify the proposal from THK Associates.

**Insurance**

Ms. Johnston reported that the Subdistrict would need to obtain a separate insurance policy since the Subdistrict will be entering into contracts in its own name. In the meantime, to make sure the District had coverage, the Subdistrict was added as an additional insured on the parent District's insurance policy as of May 1, 2022. There was a minimal premium increase that was waived by the Pool. Ms. Johnston will work with WBA to submit the necessary applications to the Pool.

**Future Meetings**

The Board confirmed the next meeting for July 28, 2022 via remote meeting. Mr. Graham requested that he and Mr. Blake be added to the distribution list for future meetings.

**Adjournment**

Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the Meeting of Breckenridge Mountain Metropolitan District, Subdistrict A Board of Directors this 9th day of June 2022.

Respectfully submitted,



Beth Johnston  
Recording Secretary



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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A July 28, 2022

The meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A was held July 28, 2022 at 10:00 a.m. via electronic Zoom meeting <https://zoom.us/join>, Phone Only US 1 253 215 8782, Meeting ID: 896 5733 1759.

### Attendance

#### The following Directors were present and acting:

##### Subdistrict A:

- Dustin Stokes
- Martin Allen
- Ryan Thomas
- David Little

#### The following Director was absent and excused:

- Trevor Maring

#### Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Michael Lund, Piper Sandler
- Sydney Burnett, Piper Sandler
- Chris Noraka, Breckenridge Grand Vacations
- Blake Davis, Breckenridge Grand Vacations

### Call to Order

Director Stokes called to order at 10:03 a.m. the meeting of the Board of Directors of Breckenridge Mountain Metropolitan District Subdistrict A noting a quorum was present for the Subdistrict.

### Potential Conflicts

The Boards noted that they have received certain written disclosures of potential conflict of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: **Dustin Stokes** is General Manager of Keystone Lodge and Spa for Vail Resorts Management Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Trevor Maring** is Director of Base Area Operations at Breckenridge Ski Resort a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; **Martin Allen** is Director of Resort Services for Keystone Ski Resort, Vail Summit Resorts Inc, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts. **Ryan Thomas** is Senior Manager of Fleet Maintenance for Breckenridge Ski

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## Subdistrict A, Breckenridge Mountain Metropolitan District July 28, 2022 Meeting Minutes

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Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts. David Little is Senior Manager of Lift Operations for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.

**Agenda** The King and Associates proposal was added for consideration during the Bonds discussion.

**Public Input** There was no public input.

**Minutes** The Board reviewed the minutes included in the packet. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the June 9, 2022 minutes as presented.

**Bond Issuance Update**

Mr. Lund reported that the bond document review was successful and the market study was in process with a draft model expected next week. Discussion continued on the mill levy and the potential for accumulation of a surplus. An accelerated sinking fund was added to the Bonds to pay off the bonds early and does not affect the mill levy rate. Discussion continued on interest rates and projected available project funds.

Ms. Harris reviewed the King and Associates proposal explaining that it will be used with the Market Study to forecast assessed values for the new development. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the proposal from King and Associates for Special District Valuation Analysis.

**Insurance** Ms. Johnston and Mr. Marchetti reviewed the resolution, agreement and coverages proposed by the Insurance Pool. The premiums quoted are prorated for a partial year. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Resolution and Intergovernmental Agreement accepting membership in the Colorado Special Districts Property and Liability Pool.

**Financial Statement** Mr. Ankele started general discussion on the relationship between Alpine and Subdistrict A explaining that they will be coordinating services similar to the relationship currently between Alpine and Breckenridge Mountain. The Subdistrict expenses will be accounted for in the Alpine financial

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## Subdistrict A, Breckenridge Mountain Metropolitan District July 28, 2022 Meeting Minutes

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statements similar to the way the Breckenridge Mountain parent district expenses are. Following discussion, it was requested that the Subdistrict financial statements be reissued and presented at the next meeting.

**Accounts Payable** The Board reviewed the Accounts Payable list included in the packet. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Accounts Payable list as presented.

**Bank Accounts** Since the Subdistrict's expenses will be running through Alpine, there is no need at this time to open an operating checking account. The Subdistrict did need an account for holding the Bond proceeds and Ms. Johnston recommended opening a C-Safe account to be consistent with the parent district. Following discussion, and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Resolution to Join Colorado Surplus Asset Fund Trust and open an account.

Mr. Lund and Ms. Barnett left the meeting at 9:30 am.

**Agreements** Ms. Harris reviewed the three agreements included in the meeting packet. The Coordinating Services Agreement with Alpine states that Alpine will act as the coordinating district for the Subdistrict A. Alpine will own and operate the gondola once constructed with funding from the Subdistrict A.

The Funding Agreement between Subdistrict A and BGV entity addresses cost overruns for operation of the gondola with the Developer funding shortfalls during the first several years of operations until the Subdistrict revenues are sufficient to cover the costs. The Agreement designates a maximum annual contribution but provides that the Subdistrict will only request the amount actually needed to cover costs which may be less than the annual maximum. The Agreement provides either a fixed or variable interest rate reimbursement option. The Municap analysis shows that both rate options provide similar repayment amounts. There was general discussion on the rate option and term of agreement. Mr. Marchetti recommended the variable rate option for the long term with discussion continuing on why he recommends the variable rate option.

The Prior Costs and Construction Overrun Agreement states that the Developer will be responsible for construction costs that exceed the bond proceeds. Following discussion and upon motion duly made and seconded, it was unanimously

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## Subdistrict A, Breckenridge Mountain Metropolitan District July 28, 2022 Meeting Minutes

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**RESOLVED** to approve the District Coordinating Services Agreement between Alpine Metropolitan District and Breckenridge Mountain Metropolitan District Subdistrict A; and

**FURTHER RESOLVED** to approve the Prior Costs and Cost Overrun Funding Agreement (Subdistrict Gondola Project) between Breckenridge Mountain Metropolitan District Subdistrict A and Parking Structure LLC with the variable interest rate option; and

**FURTHER RESOLVED** to approve Funding and Reimbursement Agreement (Operations and Maintenance) between Breckenridge Mountain Metropolitan District Subdistrict A and a BGV entity to be determined.

**Future Meetings** Due to a scheduling conflict, the Board cancelled the regular meeting for September 22 and set a special meeting for September 15 via remote meeting.

**Adjournment** Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the Meeting of Breckenridge Mountain Metropolitan District, Subdistrict A Board of Directors this 28th day of July 2022.

Respectfully submitted,



Beth Johnston  
Recording Secretary

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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A September 15, 2022

The meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A was held September 15, 2022 at 10:00 a.m. via electronic Zoom meeting <https://zoom.us/join>, Phone Only US 1 253 215 8782, Meeting ID: 896 5733 1759.

### Attendance

#### **The following Directors were present and acting:**

##### **Subdistrict A:**

- Trevor Maring
- Dustin Stokes
- Martin Allen
- David Little

#### **The following Director was absent and excused:**

- Ryan Thomas

#### **Also in attendance were:**

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Jason Bretz, Breck Blades
- Michael Lund, Piper Sandler
- Chris Noraka, Breckenridge Grand Vacations

### Call to Order

Director Maring called to order at 9:07 a.m. the meeting of the Board of Directors of Breckenridge Mountain Metropolitan District Subdistrict A noting a quorum was present for the Subdistrict.

### Potential Conflicts

The Boards noted that they have received certain written disclosures of potential conflict of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: Dustin Stokes is General Manager of Keystone Lodge and Spa for Vail Resorts Management Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Trevor Maring is Director of Base Area Operations at Breckenridge Ski Resort a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Martin Allen is Director of Resort Services for Keystone Ski Resort, Vail Summit Resorts Inc, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts. Ryan Thomas is Senior Manager of Fleet Maintenance for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business

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## Subdistrict A, Breckenridge Mountain Metropolitan District September 15, 2022 Meeting Minutes

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interests within the Districts. **David Little** is Senior Manager of Lift Operations for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.

- Agenda** Add discussion on Joint Resolution to Opt Out of FAMLI Program.
- Public Input** There was no public input.
- Minutes** The Board reviewed the minutes included in the packet. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the September 15, 2022 minutes as presented.

**Bond Issuance Update**

Mr. Lund reported that the market study was completed and has been reviewed by the Bond Team. The timing of the Bond issue was still being worked out and is dependent on the project timeline. Mr. Marchetti giving background on the project and the progression from initial talks of the project being financed by the Parent District with the expiration of the voter authorized debt driving the timeline to the formation of the Subdistrict that allows the project construction to drive the timeline. Construction of and operating costs for the Gondola will be financed by the Subdistrict with ownership and construction costs run through Alpine Metro District. The current Bond issued is expected to be \$10,000,000 with the project fund being determined by the interest rate received. Mr. Noraka reported that they were working with POMA on the contract and should have an update within a few weeks. Mr. Ankele requested to be included in the negotiations with POMA. Engineering on the gondola would start in the first quarter of 2023, possibly in January. Contracting will be for the entire project from engineering to construction and discussion continued on breaking out the contract for the different components to coincide with issuance of the Bonds. There was discussion on the public bidding process required from Districts versus sole source suppliers. Mr. Marchetti explained the monthly interest cost on the Bonds would be significant and recommended having separate contracts for Engineer and Construction so that the bonds could be issued closer to actual construction. Mr. Lund recommended that the bonds be issued in December 2022 if funds were needed in January of 2023 otherwise to wait until 2023 if the funds were needed later in the year. Following discussion, it was decided to prepare the Bond Parameters Resolution for consideration at the next meeting with the closing date set at a later date once information on the project timeline and contract was more set. Discussion continued on extra proceeds being used for other eligible public improvements in the Subdistrict.

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## Subdistrict A, Breckenridge Mountain Metropolitan District September 15, 2022 Meeting Minutes

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Mr. Lund left the meeting at 9:40 am. Mr. Bretz left the meeting at 9:56 a.m.

**Financial Statement** Mr. Marchetti explained that the Subdistrict financial statements were reissued as requested at the previous meeting and would be presented along with the Alpine and Breckenridge Mountain financial statements.

**2023 Budget** Mr. Marchetti stated the meeting had been published as the public hearing to adopt the 2023 Budget and Amend the 2022 Budget, if needed. Following discussion and pending receipt of further information, the budget hearings were continued until the next meeting.

**Accounts Payable** Ms. Johnston explained that the Accounts Payables for the Subdistrict A would be included on the joint Accounts Payable list for Alpine and Breckenridge Mountain going forward.

**2022 Audit** Mr. Marchetti explained that the District was expected to fall within the thresholds to file an application for exemption from audit for 2022. Following discussion, the Board requested that Marchetti and Weaver, LLC, prepare an Application for Exemption from Audit for 2022.

**Opt Out of FAMILI** Mr. Ankele reviewed the Resolution and requirements for reporting. Since the District does not have any employees, no action is needed by the Board at this time. The Board tabled the Resolution until such a time that action may be required.

**Future Meetings** The next meeting was confirmed for November 3, 2022 at 9:00 am to be held concurrent with the joint Alpine and Breckenridge Mountain Metro Districts meeting.

**Adjournment** Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the Meeting of Breckenridge Mountain Metropolitan District, Subdistrict A Board of Directors this 15th day of September 2022.

Respectfully submitted,



Beth Johnston  
Recording Secretary

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# RECORD OF PROCEEDINGS

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## Minutes of the Meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A November 3, 2022

A meeting of the Board of Directors of Breckenridge Mountain Metropolitan District, Subdistrict A was held November 3, 2022 at 9:00 a.m., concurrent with the joint Alpine & BMMD meeting, in the Board Room of Mountain Thunder Lodge, 50 Mountain Thunder Drive, Breckenridge, Colorado with an option to attend via electronic Zoom meeting <https://us02web.zoom.us/j/89557331759>, Phone Only US 1 253 215 8782, Meeting ID: 895 5733 1759.

### Attendance

#### The following Directors were present and acting:

- Dustin Stokes
- Martin Allen
- David Little
- Ryan Thomas

#### Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- William Ankele, White Bear Ankele Tanaka & Waldron PC
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- Michael Lund, Piper Sandler
- Michael McGinnis, Greenberg Traurig
- Kennan Rice, Municap
- Graham Frank, Breckenridge Grand Vacations
- Chris Noraka, Breckenridge Grand Vacations
- Blake Davis, Breckenridge Grand Vacations

### Call to Order

Mr. Marchetti called to order at 9:04 a.m. the meeting of the Board of Directors of Breckenridge Mountain Metropolitan District Subdistrict A noting a quorum was present for the Subdistrict.

### Potential Conflicts

The Boards noted that they have received certain written disclosures of potential conflict of interest statements from each of the Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: [Dustin Stokes](#) is General Manager of Keystone Lodge and Spa for Vail Resorts Management Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; [Martin Allen](#) is Director of Resort Services for Keystone Ski Resort, Vail Summit Resorts Inc, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts. [Ryan Thomas](#) is Senior Manager of Fleet Maintenance for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.



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## Subdistrict A, Breckenridge Mountain Metropolitan District November 3, 2022 Meeting Minutes

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[David Little](#) is Senior Manager of Lift Operations for Breckenridge Ski Resort, a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts.

**Agenda** Add Election of Officers after Public Input.

**Public Input** Mr. Frank gave an update on the Gold Rush/North Gondola Lots Project. Things were moving along and the final planning meeting will be in January. If approved, BGV will submit for a building permit. BGV will give an update on the project at the February meeting once they have more solid information.

**Election of Officers** Ms. Harris confirmed that the Breckenridge Mountain parent district Board governs Subdistrict A. Following discussion and upon motion duly made and seconded, it was

**RESOLVED** to elect the following officers for Subdistrict A:

Dustin Stokes	President/Chairman
Martin Allen	Treasurer/Secretary
Ryan Thomas	Asst Secretary/Asst Treas
David Little	Asst Secretary/Asst Treas

**Minutes** The Board reviewed the minutes included in the packet. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the September 15, 2022 minutes as presented with the minutes and meeting date updated.

**Updated Bond Engagement Letters** Mr. Marchetti gave background on the bonds explaining that the closing originally expected to be in fourth quarter 2022 had been delayed to first quarter 2023. Due to the extended timeline, new engagement letters for general and bond counsels were included with updated fees. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the updated engagement letter from Greenberg Traurig as presented for bond counsel to the District; and

**FURTHER RESOLVED** to approve the Revised Special Disclosure of Costs for Legal Services in Connection with Bonds from White Bear Ankele Tanaka & Waldron as presented for general counsel to the District.

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# RECORD OF PROCEEDINGS

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## Subdistrict A, Breckenridge Mountain Metropolitan District November 3, 2022 Meeting Minutes

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### Issuance of Limited Tax

#### General Obligation

#### Bonds

Mr. Marchetti reviewed the background for the bond issuance. Mr. Lund explained that the Resolution is flexible so that the Subdistrict A can issue up to \$10 million but the amount can be adjusted down once costs and a timeline are better known. Interest rates were raised last week and it's anticipated that there will be additional rate increases in the coming weeks. Mr. McGinnis reviewed the parameters resolution that provides an outline of the terms for the bond issue but the actual terms will be determined once the bonds are ready to be issued. The final issue amount will be based on the proceeds needed for the project. The Resolution outlines that the issue will not exceed \$10 million with maturity of the bonds set for December 1, 2033. The Resolution delegates the powers to determine the final provisions and execution of the final documents to the Board President and Secretary. The uncertainty of the project timeline was also discussed and it was requested that the Delegation of Authority be increased from 90 to 180 days. Mr. McGinnis reviewed the other financing documents related to the bond issue explaining that they would be updated prior to final issue as well. Mr. Marchetti explained that the documents would be fully vetted by the District's Bond and General legal counsels and feels comfortable with the Board approving the Resolution.

There was general discussion on what voter authorized category the funds will be issued against and the District's ability to allocate the category of authorization. Mr. Marchetti requested that Bond Counsel and the Bond team determine the authorization categories. Upon motion made by Director Martin and seconded by Director Little, it was unanimously

**RESOLVED** to approve the execution of the bond resolution for the Breckenridge Mountain Metropolitan District Subdistrict A, Limited Tax General Obligation Bonds, not to exceed \$10.0 Million with the delegation of authority increased to 180 days.

Ms. Harris introduced Mr. Rice with Municap and explained he is reviewing the Bond issue to be sure the issue and terms are in the Subdistrict's best interests. Mr. Rice reviewed his position and gave an overview of his experience and explained his role for the District on the Bond team.

Mr. McGinnis and Mr. Lund left the meeting at 9:31 a.m.

**Financial Statement** Mr. Marchetti noted that the Subdistrict financial statements were presented along with the Alpine and Breckenridge Mountain financial statements.

**2023 Budget** Mr. Marchetti stated that the meeting was a continuation of the public hearing for adopting the 2023 budgets and amending the 2022 budgets, if

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# RECORD OF PROCEEDINGS

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## Subdistrict A, Breckenridge Mountain Metropolitan District November 3, 2022 Meeting Minutes

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needed, for Subdistrict A as well as Alpine and Breckenridge Mountain Metro Districts, and reopened the public hearings for comment. Mr. Marchetti reviewed that the Subdistrict has minimal expenses so far and there is no budget amendment for 2022 needed. Since the Bond issue has been delayed to 2023, related proceeds and expenditures have been moved to the 2023 budget. The 2023 general fund budget mimics the parent District to levy an Operating property tax which will be transferred to Alpine to cover all overhead services for the Subdistrict. There was general discussion on the Developer Funding Agreement to cover the Subdistrict costs. The Subdistrict is budgeting to issue up to \$10 million in bonds to cover cost of issuance, the gondola construction and other qualifying projects if funds allow. The Debt Service Fund includes a levy of 65 mills to be split 1.5 mills for Services and 63.5 mills for future gondola operations which will be transferred to Alpine less the Treasurer's fees. Mr. Marchetti reviewed the assigned funds and how they are accounted for on the financial statements. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to assign the surplus property tax collected in 2023 for Gondola Operations to be assigned for future gondola operations use; and

**FURTHER RESOLVED** to approve the Resolutions to Adopt the 2023 Budget for Breckenridge Mountain Metropolitan District, Subdistrict A, subject to minor adjustments; and

**FURTHER RESOLVED** to set the mill levy for Breckenridge Mountain Metropolitan District Subdistrict A to 65.00 mills; and

**FURTHER RESOLVED** to appropriate funds for Breckenridge Mountain Metropolitan District Subdistrict A, subject to minor adjustments.

### **Joint Administration Resolution**

Ms. Harris reviewed the Joint Annual Administration Resolution for 2023 explaining it designated compliance measures and responsibilities for the Districts, including the Subdistrict A. She reviewed the online posting of meeting notices, 24-hour posting locations and noted that the Resolution would be updated with the new officers. Upon motion duly made and seconded, it was unanimously,

**RESOLVED** to approve the Alpine, Breckenridge Mountain, and Breckenridge Mountain Subdistrict A Metropolitan Districts Joint Annual Administrative Resolution for 2023 subject to the revisions as discussed.

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# RECORD OF PROCEEDINGS

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## Subdistrict A, Breckenridge Mountain Metropolitan District November 3, 2022 Meeting Minutes

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**Future Meetings**      The board reviewed the 2023 Proposed Meeting Calendar included in the packet and upon motion duly made and seconded, it was unanimously,

**RESOLVED** to approve the 2023 Meeting Calendar with the February meeting moved from the 23rd to the 16th.

**Adjournment**      Upon motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the Meeting of Breckenridge Mountain Metropolitan District, Subdistrict A Board of Directors this 3rd day of November 2022.

Respectfully submitted,



Beth Johnston  
Recording Secretary