
RECORD OF PROCEEDINGS

Minutes of the Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District February 23, 2017

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held February 23, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

Jeff Zimmerman
David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)
Norm Helm

Breckenridge Mountain:

Jeff Zimmerman
David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)
Norm Helm

Also in attendance were:

- William Ankele, Esq. White Bear Ankele Tanaka and Waldron, PC
- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka and Waldron, PC (via phone)
- Erik Peterson, OAC Management

Call to Order

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was called to order by Director Zimmerman noting a quorum was present.

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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating

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subsidiary of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Addition to Agenda

Director Zimmerman requested that an agenda item be added to section 6 Legal to authorize a designated Board member to execute the Xcel contract. There being no opposition, the agenda item was added.

Minutes

The Boards reviewed the minutes of the October 27, 2016 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the October 27, 2016 Joint Regular Meeting as presented in the Board packet.

Ski Hill Road Project Update

Mr. Peterson stated that comments from the Town of Breckenridge had been received. The SIA plans and exhibits were expected to be finalized within two weeks for final approval by the Town of Breckenridge.

Mr. Peterson reported he was in discussion with Xcel Energy and expected to have the final estimate and agreement by March 1, 2017. Although the District would have up to 60 days to sign the agreement and pay, Mr. Peterson advised that the agreement and payment be made as soon as possible after the final agreement was received to secure the District's placement on the Xcel schedule so as not to hold up other construction on the project.

Mr. Peterson presented a schedule outlining several upcoming coordination meetings to discuss phasing and timing for the commencement of the project. Mr. Peterson stated that the final drawings for the Ski Hill Road Project had been reviewed and approved by Vail Resorts, were currently being reviewed by Breckenridge Grand Vacations, and would be further circulated as necessary in the following weeks.

Leitner Poma Gondola Tower Relocation

Director Zimmerman reported that phase II of the Gondola Tower relocation was scheduled to be completed by May 12, 2017. Mr. Peterson stated that a coordination meeting between all parties was scheduled for March.

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OAC Addendum Ms. Johnston reported that the First Addendum to the OAC Management Independent Contractor Agreement was circulated via email to all Board members for review in December 2016. Upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the OAC Management First Addendum to Independent Contractor Agreement.

POMA Change Order

Director Zimmerman explained that Vail Resorts requested the fiber optics cable included in the Leitner Poma contract be upgraded to a 48 strand cable. Director Zimmerman reported that Vail Resorts agreed to pay Poma directly for the upgrade and that there would be no cost difference for the District. Upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the Leitner Poma contract change order sales quote 50901-174 to upgrade the fiber cable.

24-hour Posting Locations

The Board reviewed the 24-hour posting locations for the Districts. Director Zimmerman expressed concern that the location for the Alpine Metropolitan District was inaccessible during certain times of year. Upon motion duly made and seconded, it was unanimously,

RESOLVED by Alpine Metropolitan District to approve the Resolution designating the 24-hour posting location as presented; and

FURTHER RESOLVED by Breckenridge Mountain Metropolitan District to approve the Resolution designating the 24-hour posting location as presented.

Temporary Construction

Staging Agreement Ms. Harris reviewed the primary provisions of the agreement noting that the PCL Construction can have a construction trailer and parking on the property owned by Vail Resorts. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the Temporary Construction Staging License Agreement with Vail Summit Resorts.

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Temporary Construction Easements

Ms. Harris reviewed the primary provisions of the two temporary construction easements, one with Peak 8 Properties LLC and one with Vail Summit Resorts. Ms. Harris explained that each easement would allow Alpine Metropolitan District access to privately owned property as indicated in the exhibits attached to each easement. Ms. Harris noted that the Vail Summit Resorts easement differed because it excepted out the area of the Sprung Structure as well as included gondola non-interference language specifically requested by Vail Summit Resorts. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the Temporary Construction Easement with Peak 8 Properties, LLC; and

FURTHER RESOLVED to approve the Temporary Construction Easement with Vail Summit Resorts.

Xcel Energy Agreement

Acting on Mr. Peterson's advisement earlier in the meeting, Director Zimmerman suggested that a Board member be authorized to execute the Xcel contract and make payment when to the agreement was finalized. Upon motion duly made and seconded, it was unanimously,

RESOLVED to authorize David Habermas to enter into a contract agreement with Xcel Energy and approve payment to Xcel Energy in an amount not to exceed \$550,000.

Mr. Peterson left the meeting at 9:41 am

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain Metropolitan District financial statements ending December 31, 2016 noting they were unaudited. Mr. Marchetti explained the general fund and the debt services fund, noting the payment amount released by the Bond Trustee for transfer to Alpine Metropolitan District for construction costs incurred in 2016.

Mr. Marchetti then reviewed the Alpine Metropolitan District financial statements ending December 31, 2016 noting they were unaudited. Mr. Marchetti explained the general fund and the capital improvements fund, noting the fund balance was expected to be spent down by 2018. Mr. Marchetti reported that the Residential Assessment Rate was expected to decrease in 2017. He reviewed the history of the Residential Assessment Rate and the impact the decrease could have on the Districts.

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Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented in the Board packet.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 23rd day of February 2017.

Respectfully submitted,



Beth Johnston
Recording Secretary

RECORD OF PROCEEDINGS

Minutes of the Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District April 27, 2017

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held April 27, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)

Breckenridge Mountain:

David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)

The following Directors were absent:

Alpine:

Jeff Zimmerman
Norm Helm

Breckenridge Mountain:

Jeff Zimmerman
Norm Helm

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron, PC (via phone)
- Erik Peterson, OAC Management
- Jesse Meryhew, OAC Management
- Don Leinweber, Civil Insight

Call to Order

Director Habermas called roll for the joint regular meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting that he and Director Shimanowitz were in attendance in person and that Director Keown was in attendance by telephone. Recognizing that Colorado statutes are unclear regarding whether a director may attend a meeting by telephone, Director Habermas called the meeting to order noting that all actions taken at this meeting will be ratified at the next duly called meeting of the Districts at which a quorum of board members are in attendance in person.

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: David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice

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President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Ski Hill Road Project Update

Mr. Leinweber reported that construction on the Breckenridge Grand Vacations resort power infrastructure began on April 24 with PCL ready to begin mobilization for the Peak 8 Ski Hill Road Project as soon as the Notice to Proceed was received. Mr. Leinweber told the Board that there would be lots of overlap and coordination required between the Alpine Metropolitan District road project and Breckenridge Grand Vacations 804 Project.

Mr. Peterson and Mr. Leinweber reported that they were working with PCL on Change Order #1 due to some changes to the drawings that occurred between the drawings submitted in November and the final drawings approved in February. They reported that some storm sewer would not be needed however a fire hydrant was added as well as barriers for public safety required by the Town. Mr. Leinweber noted that the major factor determining the change order was the soil. Fill was expected to start next week and they would have a better idea of soil issues in the next thirty plus days.

Mr. Leinweber reported that Breckenridge Grand Vacations is requesting that an interim condition parking lot be moved more north than the current plans indicated. Mr. Leinweber reviewed the drawings stating that the move could actually save the District money due to needing less pavement for the interim condition lot. The Board directed Mr. Leinweber to work with Breckenridge Grand Vacations to come to a mutually acceptable plan for the parking lot.

Mr. Peterson stated that OAC would present an overview of the construction progress at each Board meeting with site visits and reports occurring regularly throughout the construction.

Leitner Poma Gondola Tower Relocation

Mr. Leinweber and Mr. Peterson confirmed that POMA would be on the construction site May 1 to May 8 to finish the Gondola Tower relocation.

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Mr. Leinweber left the meeting at 9:30 am

Minutes The Boards reviewed the minutes of the February 23, 2017 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the February 23, 2017 Joint Regular Meeting as presented in the Board packet.

CenturyLink Proposal

Mr. Peterson explained that the lines for CenturyLink and Comcast needed to be relocated as part of the Peak 8 Ski Hill Road project. Both utilities required an inspection upon completion of the work by PCL Construction. CenturyLink required a proposal and inspection fee payment while Comcast required only payment of the inspection fee. Mr. Peterson confirmed that both fees were included in the project budget and reviewed the CenturyLink proposal with the Board. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the CenturyLink Special Construction Proposal.

Notice to Proceed Ms. Harris reviewed the Notice to Proceed with the Board. Upon motion duly made and seconded, it was unanimously,

RESOLVED to issue the Peak 8 Ski Hill Road Project Notice to Proceed to PCL Construction.

Kumar & Associates Mr. Peterson reviewed the Agreement stating that the scope of work included necessary inspections required throughout the completion of the project. Ms. Harris informed the Board that the Agreement was written as an amount not to exceed agreement. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the Kumar and Associates Independent Contractor Agreement.

Change Order #1 Mr. Peterson told the Board that the change order was still being reviewed with PCL Construction and Civil Insight. The Change Order discussion was tabled until a future meeting.

Mr. Peterson left the meeting at 9:45 am

2016 Audit Reports Mr. Marchetti stated that the audits for 2016 for both Breckenridge Mountain and Alpine Metropolitan Districts were conducted by

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independent auditors and were required to be filed with the State by July 31. Drafts of both audits were included in the Board packet for the meeting. Mr. Marchetti reviewed the Breckenridge Mountain Metro District draft audit stating that the auditor offered a clean opinion. Mr. Marchetti pointed out that the auditor recommended moving the Project Funds issued with the 2016 Bonds from the Debt Service Fund to the General fund. Ms. Johnston distributed and read an addition to the Notes under section 4 Long Term Liabilities. Mr. Marchetti explained why this additional language should be added and asked the Board for feedback on the draft report.

Mr. Marchetti then reviewed the draft 2016 audit for Alpine Metropolitan District stating that the auditor offered a clean opinion, no recommendations, and no changes. After brief discussion, the Board requested that both draft audits be presented by the Auditor at the next Board meeting.

2016 Budget Amendment

Mr. Marchetti reported the meeting was published as the public hearing to amend the 2016 budget for Breckenridge Mountain Metropolitan District. The public hearing was opened to take comments on the proposed 2016 amended budget. Mr. Marchetti reviewed the Resolution to amend the 2016 budget stating that the budget needed to be amended due to the Project Funds being moved from the Debt Service Fund to the General Fund on recommendation of the Auditor. There being no further comments, the public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution to adopt the Amended 2016 budget for Breckenridge Mountain Metropolitan District.

Copies of the formal resolution adopting the amended budget and appropriating funds are incorporated herein by reference and shall be retained in the District's permanent records.

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain Metropolitan District financial statements ending March 31, 2017 noting they were unaudited. Mr. Marchetti pointed out the Project Funds being reported in the General Fund and that no expenses changed, just the Fund from which the Project Funds were being paid. Mr. Marchetti also noted that the Board should consider moving any surplus Debt Service fund balance to Alpine Metropolitan District to be used to start a replacement reserve fund or for construction, if needed.

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Mr. Marchetti then reviewed the Alpine Metropolitan District financial statements ending March 31, 2017 noting they were unaudited.

2017 Budget Amendment

Mr. Marchetti reported the meeting was published as the public hearing to amend the 2017 budget for Breckenridge Mountain Metropolitan District. The public hearing was opened to take comments on the proposed 2017 amended budget. Mr. Marchetti reviewed the Resolution to amend the 2017 budget stating that the budget needed to be amended due to the Project Funds being paid from the General Fund instead of the Debt Service Fund as originally budgeted. There being no further comments, the public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the resolution to adopt the Amended 2017 budget for Breckenridge Mountain Metropolitan District.

Copies of the formal resolution adopting the amended budget and appropriating funds are incorporated herein by reference and shall be retained in the District's permanent records.

Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented in the Board packet.

Future Meetings

The Board reviewed the 2017 meeting calendar confirming that the next meeting would be held on May 24, 2017 as scheduled.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 27th day of April 2017.

Respectfully submitted,



Beth Johnston
Recording Secretary

RECORD OF PROCEEDINGS

**Minutes of the Joint Regular Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
May 25, 2017**

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held May 25, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Gary Shimanowitz
Gabrielle Keown
Jeff Zimmerman
Norm Helm

Breckenridge Mountain:

David Habermas
Gary Shimanowitz
Gabrielle Keown
Jeff Zimmerman
Norm Helm

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC (via phone)
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC (via phone)
- Erik Peterson, OAC Management (via phone)
- Jesse Meryhew, OAC Management
- Don Leinweber, Civil Insight
- David DeZutter, Eide Bailly LLP

Call to Order

Director Zimmerman called roll for the joint regular meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present.

**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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have

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significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Minutes

The Boards reviewed the minutes of and all actions taken at the April 27, 2017 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the April 27, 2017 Joint Regular Meeting as presented in the Board packet; and

FURTHER RESOLVED to ratify all actions taken at the April 27, 2017 Joint Regular Meeting.

Draft 2016 Audits

Mr. DeZutter presented the draft audits for 2016 for both Breckenridge Mountain and Alpine Metropolitan Districts. Drafts of both audits were included in the Board packet for the meeting. Mr. DeZutter reported that both audits went well with no significant issues in the statement presentations. Mr. DeZutter said a clean opinion was issued and stated that the accounting procedures provided good internal controls for transactions. Mr. DeZutter then gave a high level review of the audit drafts for Breckenridge Mountain and Alpine Metropolitan Districts. Director Habermas requested the auditor's opinion for potential items the Board should be looking for or that the District could be doing more efficiently or effectively. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the 2016 Audits for Breckenridge Mountain and Alpine Metropolitan Districts as presented.

Mr. DeZutter left the meeting at 9:25 am

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District financial statements ending April 30, 2017 noting they were unaudited. Ms. Johnston reported that two draws on the Project Funds were completed in May to catch up with construction expenses through April 30, 2017. Mr. Marchetti then reviewed the Project Summary and PCL Detail included in the packet. Director Habermas inquired on the status of Change Order #1 requesting an update on the net

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Alpine and Breckenridge Mountain Metropolitan Districts May 25, 2017 Meeting Minutes

amount. Mr. Meryhew confirmed that the Change Order #1 was in process and an update, though not final, would be available by the next meeting.

Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Ms. Johnston reviewed the draw requests included in the packet with the Board. Ms. Johnston reported the final invoice from Leitner Poma for the Tower 26 Relocation was received and came in slightly under budget at \$87,756.98 with \$831.94 to be billed back to Vail Resorts for the requested fiber cable upgrade. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented and including the additional payment to Leitner Poma.

Poma Gondola Tower Relocation

Mr. Zimmerman and Mr. Peterson confirmed that the Gondola work by Leitner Poma was completed and tested. Mr. Zimmerman reported that the Tramway Report would be sent at a later date.

Ski Hill Road Project Update

Mr. Leinweber updated the Board on the Ski Hill Road construction progress, stating the challenges to date included traffic control and the water connections. Mr. Leinweber reported that the Resort Power and Phase A utilities were complete and removal of the structures were underway. Mr. Leinweber also reported that the fill was complete and settlement was being monitored by Kumar and Associates, with very little settlement seen as of the meeting date. Mr. Leinweber responded to Board questions about the Change Order #1, with Director Zimmerman requesting due diligence with the PCL issues and verifying that the correct amounts and entity were being billed given the complexity of the multiple projects going on. Mr. Leinweber also responded to questions about risk stating that waterline cracking or reopening of the water lines had the most potential for problems.

Mr. Leinweber left at 10:15 am

Mr. Meryhew reviewed the project progress stating that everything was currently on schedule. Mr. Meryhew reported that the change order reviewed by OAC and Civil Insight so far was looking to bring in a \$50,000 cost savings on the project. Concern over the limited sight and visibility in the bus lane areas and increased attentiveness of the flaggers was discussed.

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Mr. Meryhew and Mr. Peterson left the meeting at 10:20 am

Warranty Performance

Guaranty

Ms. Harris reviewed the Improvement Agreement section 8.3 stating that the Town of Breckenridge required assurance that the District could complete warranty work if required. Ms. Harris suggested offering the PCL Performance Guaranty Bonds required by the construction contract be endorsed over to the Town to satisfy the requirement. The Board gave direction for Ms. Harris to proceed with the offer of the Performance Bonds to the Town of Breckenridge.

Future Meetings

The Board reviewed the 2017 meeting calendar confirming that the next meeting would be held on June 22, 2017 as scheduled.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 25th day of May 2017.

Respectfully submitted,



Beth Johnston
Recording Secretary

RECORD OF PROCEEDINGS

**Minutes of the Joint Regular Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
June 22, 2017**

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held June 22, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)
Jeff Zimmerman
Norm Helm

Breckenridge Mountain:

David Habermas
Gary Shimanowitz
Gabrielle Keown (via phone)
Jeff Zimmerman
Norm Helm

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC (via phone)
- Erik Peterson, OAC Management
- Jesse Meryhew, OAC Management
- Don Leinweber, Civil Insight

Call to Order

Director Zimmerman called roll for the joint regular meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present.

**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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development

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Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Minutes

The Boards reviewed the minutes of May 25, 2017 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the May 25, 2017 Joint Regular Meeting as presented in the Board packet.

Western Ecological SWMP Plan Review

Director Zimmerman told the Board that Western Ecological reviewed the District's Ski Hill Road Project to determine if it was impacting the SWMP (Stormwater Management Plan) for the area. After reviewing the reports, Western Ecological gave an initial report that the Project had no detrimental effect on the SWMP. General discussion followed around the pond not draining properly and what maintenance needs to be done. The Board determined that a meeting with Norm Helm, Jeff Zimmerman, Don Leinweber and Tetra Tech should be scheduled to discuss the SWMP and pond in more detail and determine a plan of action. The Board decided that as long as the Project was managed properly, Western Ecological should not need to do any further review.

Replacement Reserve Study

Director Helm reported that he was not aware of a reserve study done for the Metropolitan District's assets. Director Helm stated that Tetra Tech should have a list of assets with maps for the District and that he would contact Steve to have the report forwarded to Mr. Marchetti. Once the list of assets was received, Mr. Marchetti said a quote for the Reserve Study could be obtained for the Board's review.

South Gondola Lot Paving Project

Director Shimanowitz reviewed the background of the south gondola parking lot stating that Vail Resorts leases the lot for private paid skier parking in the winter and the Town of Breckenridge uses it for free public parking in the summer. Director Shimanowitz reported that the Town of Breckenridge is interested in paving the lot and has inquired if the Metropolitan District would assist with the paving costs. After discussion, Ms. Harris said she would consult with Mr. Ankele and have an opinion for the Board at the next meeting.

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Ski Hill Road Project Update

Mr. Meryhew distributed a change order list for the Board to review. Mr. Meryhew explained that the PCL change order #1 for the Value Added Items Log results in a net credit of approximately \$19,000 with much of the savings being lost due to the soil source in Alma not being available now. Mr. Meryhew then reviewed the change orders on the list in more detail. He noted that the Kumar and Associates change order was to move the retaining wall testing from the designer, Coggins, to an independent engineer.

Mr. Meryhew then reviewed the Project Progress Update report for May. Discussion followed on parking issues in and around the construction site and the Board requested that signage be installed to direct people where they could park. Mr. Leinweber reported that the deep utility work was almost complete. Safety protocols were discussed as well to be sure that the General Contractor had procedures in place. Mr. Meryhew reported that construction was so far going smoothly given the conditions at the site. The Board confirmed that they had heard no major complaints from the surrounding neighbors and directed Mr. Meryhew and Mr. Leinweber to stress to the General Contractor and equipment operators to be cognizant of the guest experience as they are working.

Warranty Performance Guaranty

Ms. Harris reported that the Town of Breckenridge was not willing to accept the PCL Performance Guaranty Bonds to satisfy the Warranty Performance Guaranty requirement in the Improvement Agreement. Discussion continued around length of the guaranty period, due dates for satisfying the requirement, and potential options for the Districts. Mr. Marchetti suggested going back to the Town and asking if they would accept a 10% cash deposit in addition to being named additional insured on the PCL Performance Guaranty Bonds. The Board gave direction for Ms. Harris to proceed with the new offer to the Town of Breckenridge.

Don Leinweber, Erik Peterson, and Jesse Meryhew left the meeting at 10:30 a.m.

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District financial statements ending May 31, 2017. Ms. Johnston reported that a draw on the Project Funds was completed in June to catch up with construction expenses through May 31, 2017.

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Alpine and Breckenridge Mountain Metropolitan Districts June 22, 2017 Meeting Minutes

Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

Developer Fee Report

Ms. Johnston reviewed the Developer Fee Report stating that the fee for the 804 Project was received. Ms. Johnston noted that the application for the fee was for 47 units instead of the anticipated 52. The Board requested Ms. Johnston to follow up with the Town of Breckenridge as well to verify if Timber Trail Lot 1 was already built out.

Future Meetings

The Board reviewed the 2017 meeting calendar confirming that the next meeting would be held on July 26, 2017 as scheduled.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 22th day of June 2017.

Respectfully submitted,



Beth Johnston
Recording Secretary

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**Minutes of the Joint Regular Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
July 27, 2017**

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held July 27, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Jeff Zimmerman
Norm Helm

Breckenridge Mountain:

David Habermas
Jeff Zimmerman
Norm Helm

The following Directors were absent:

Alpine:

Gary Shimanowitz
Gabrielle Keown

Breckenridge Mountain:

Gary Shimanowitz
Gabrielle Keown

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC (via phone)
- Trish Harris, White Bear Ankele Tanaka & Waldron PC (via phone)
- Erik Peterson, OAC Management
- David DeZutter, Eide Bailley (via phone)

Call to Order

Director Zimmerman called roll for the joint regular meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present.

**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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and

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an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Revised 2016 Audits

Mr. DeZutter explained that during final review of the 2016 audited financials it was determined that revenues transferred per the intergovernmental agreement between Breckenridge Mountain and Alpine would need to be reported as unearned revenue instead of recognizing the revenue as in prior years. Mr. DeZutter explained this was a change to the audit presentation of the financial statements and that the internal budget-based financial statements were acceptable. Mr. DeZutter confirmed that no budget amendment for 2016 was necessary and that the change was not detrimental to the District. Mr. Marchetti explained that due to the late timing of the changes, the statements were approved by Director Habermas and himself so they could be issued for the required continuing disclosure and state filings, which deadlines were prior to the July Board meeting. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the changes to the 2016 Audits for Breckenridge Mountain and Alpine Metropolitan Districts as presented and ratify filing the revised statements with the State and EMMA.

Mr. DeZutter left the meeting at 9:15 am

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District financial statements ending June 30, 2017. Mr. Marchetti pointed out the changes to the internal statements caused by the revised audit entries for 2016, noting in particular the changes to the fund balances, increasing the fund balance on the Breckenridge Mountain side and reducing the fund balance by a corresponding amount on the Alpine side.

The Board reviewed the Ski Hill Road project summary included in the packet. Mr. Peterson reviewed potential overages and stated he was optimistic that there would be some contingency left by the end of the project. Mr. Peterson then reviewed change orders in progress.

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SWMP Plan & Sediment Pond

Director Zimmerman confirmed that no concerns or issues came up with the Storm Water Management Plan during the recent rainy period. Director Zimmerman reported that the sediment pond went black and the Town of Breckenridge had reported foaming down the creek. In response, Director Zimmerman had PCL Construction perform water quality tests on the pond and creek to determine the cause of the color change. Once test results were in, appropriate action, if any, would be taken.

Director Zimmerman stated the Town wanted the District to remove the accumulated sediment from the pond. A meeting between Tetra Tech, Directors Zimmerman and Helm, and Don Leinweber was scheduled for the following week to discuss drainage of the pond and determine if sediment removal was necessary. General discussion about the pond system followed with Director Helm noting that maintenance of the pond was most likely Master Association responsibility.

Replacement Reserve Study

Director Helm reported that Steve Tice with Tetra Tech would be doing an inspection this week to review potential reserve study items.

South Gondola Lot Paving Project

Director Zimmerman reviewed the background of the south gondola parking lot and Town of Breckenridge's desire to have it paved. Ms. Harris reported it was legal's opinion that the paving was not something to which the District could contribute since it had questionable benefit to the District's constituents. Mr. Marchetti agreed with the opinion stating that since the parking lots were not District property, the Districts should not contribute to the improvement of them.

Ski Hill Road Project Update

Mr. Peterson gave an update on the Ski Hill Road project stating that a full day power outage to all areas was scheduled to occur between August 4 and August 7. Mr. Peterson reported that Coggins had mobilized on the retaining wall and started drilling with a 3 pier per day schedule anticipated.

Discussion turned to Resort Power and Telecom with Director Zimmerman reviewing the discussion from the July 6 OAC Coordination meeting. Ms. Johnston recapped the Board meeting minutes associated with Resort Power and Telecom and Mr. Marchetti recapped the discussions from prior meetings. Mr. Peterson reported that the Resort

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Power and Telecom vaults had been installed and were ready for fiber to be pulled. After further discussion, Director Zimmerman gave authorization for Resort Telecom and Power to proceed with Vail Resorts or the Developer responsible for payment.

Ken Marchetti left the meeting at 10:10 a.m.

Mr. Peterson reviewed the change order for Kumar and Associates for testing of the retaining wall not included in the original scope of services. Ms. Harris stated that legal had reviewed and approved the change order. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve Change Order 01 with Kumar and Associates.

Erik Peterson left the meeting at 10:20 a.m.

Annual Report Ms. Harris reviewed the 2016 Consolidated Annual Report required to be filed with the Town of Breckenridge and Division of Local Government stating that the new agreements entered into in 2016 were added. After discussion and by motion duly made and seconded, it was unanimously

RESOLVED to ratify the 2016 Consolidated Annual Report as presented.

Warranty Performance

Guaranty Ms. Harris reported that the Town of Breckenridge was willing to accept a 10% cash deposit in the project fund or other account to satisfy the Warranty Performance Guaranty provision of the Improvement Agreement. Discussion followed about when the guarantee period starts and if partial acceptance would be acceptable. After discussion and by motion duly made and seconded, it was unanimously

RESOLVED to approve the Amendment to Improvement Agreement (Peak 8/Ski Hill Road Project).

Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

Developer Fee Report

Ms. Johnston reviewed the Developer Fee Report stating that a fee for Timber Trail Lot 15 was received. Ms. Johnston reported that research on

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Timber Trail Lot 1 showed the building permit was issued in 2008, after the Development Fee was enforceable however there was no record that the fee was collected. Mr. Ankele stated that the District had ongoing rights to collect the fee and had lien rights if the fee was not paid. The Board directed Management to prepare and send a letter to the owners of the Timber Trail Lot 1 requesting payment of the Development Impact fee.

Minutes

The Boards reviewed the minutes of June 22, 2017 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the June 22, 2017 Joint Regular Meeting as presented in the Board packet.

Future Meetings

The Board reviewed the 2017 meeting calendar confirming that the next meeting would be held on August 24, 2017 as scheduled.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 27th day of July 2017.

Respectfully submitted,



Beth Johnston
Recording Secretary

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**Minutes of the Joint Regular Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
August 24, 2017**

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held August 24, 2017 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Norm Helm
Gabrielle Keown

Breckenridge Mountain:

David Habermas
Norm Helm
Gabrielle Keown

The following Directors were absent:

Alpine:

Gary Shimanowitz
Jeff Zimmerman

Breckenridge Mountain:

Gary Shimanowitz
Jeff Zimmerman

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC (via phone)
- Trish Harris, White Bear Ankele Tanaka & Waldron PC (via phone)
- Jesse Meryhew, OAC Management

Call to Order

Director Habermas called roll for the joint regular meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present.

**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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have

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significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

SWMP Plan & Sediment Pond

The Directors briefly discussed the Pond Sample Report included in the Board packet. The Board requested that the report be reviewed by Steve Tice. Mr. Meryhew conveyed that the pond water was moving as it should and was built to the Town of Breckenridge's specifications.

Replacement Reserve Study

Director Helm reported that he met with Steve Tice of Tetra Tech and was waiting on the inspection report.

Ski Hill Road Project Update

Mr. Meryhew reported that the retaining wall piers were being set at a slower rate than anticipated and a second rig was brought in to increase the set rate. There was also discussion on the location of the crosswalk that would cross Ski Hill Road. Mr. Meryhew reported that overall, construction was moving along with few problems or issues.

Mr. Meryhew reviewed the Owner Contingency summary included in the Project Update Report. Mr. Meryhew stated that Xcel was expecting to be finished this year due to PCL Construction completing some of the utility work. Anticipated savings from Xcel's early completion would be offset by a PCL change order for their portion of the utility work and any remaining savings would be added into the contingency for the remainder of the project. Further discussion on the change orders included in the packet was tabled until Directors Zimmerman and Shimanowitz could contribute.

Mr. Meryhew reviewed the email from Kyle Griffith and a conference call from earlier in the month about the District's responsibility to pay for moving the Resort Power and Resort Telecom. Mr. Meryhew stated that the Resort Power was moved solely because of the 804 Project, not the Ski Hill Road Project so the District had no responsibility to it. It was determined that the Resort Telecom as distinguished from Resort Power was effected by the Ski Hill Road Project and therefore the District was responsible for replacing like infrastructure estimated at \$38,000 however the Developer was responsible for paying any upgrade costs. Ms. Harris

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requested a memorandum be prepared by OAC for inclusion in the District files stating the reasons why some of the Resort Telecom charges were now being paid by the District.

Jesse Meryhew left the meeting at 9:30 am

Minutes The Boards reviewed the minutes of July 27, 2017 Joint Regular Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the July 27, 2017 Joint Regular Meeting as presented in the Board packet.

Cost Overrun Agreement

Mr. Ankele reviewed the background for an agreement between the Districts and Developer to address potential cost overruns from the Ski Hill Road project stating that the Districts needed to be mindful of the budget and carefully track any overages but the need for such an agreement was not urgent at this point. Mr. Marchetti agreed with Mr. Ankele's assessment.

Ski Hill Road Change Orders

The Directors present at the meeting agreed to table the change orders presented until the next meeting requesting additional input from the absent Directors.

Financial Statements

Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District financial statements ending July 31, 2017. Mr. Marchetti noted the \$600,000 transfer from Breckenridge Mountain to Alpine stating he would meet with District council before the next meeting to determine the best action for the funds.

Director Helm inquired why the District was budgeting funds to pay for the Ice Rink and Escalators instead of these amenities being paid in full by the Developer. General discussion was had about the operation, administration, and maintenance of amenities such as those with further discussion tabled until next meeting and possible inclusion of the Developer for additional input.

Accounts Payable

The Boards reviewed the accounts payable list provided in the Board packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

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Developer Fee Report

Ms. Johnston reported that a letter requesting proof of payment of the Development Impact Fee was sent to the owner of Timber Trail Lot 15 as directed at the last meeting. The owner responded saying they would not be able to verify the fee was paid until mid-September. The Board directed Ms. Johnston to extend the deadline for proof of payment of the fee to October 15, 2017.

2017 Audit

Mr. Marchetti stated that the Districts were required to have audits completed for year ended 2017. The Board directed Management to obtain Letters of Engagement from Eide Bailly.

Future Meetings

The Board reviewed the 2017 meeting calendar confirming that the next meeting would be held on September 28, 2017 as scheduled and would be noticed for the 2018 budget hearing.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Regular Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 24th day of August 2017.

Respectfully submitted,



Beth Johnston

Recording Secretary

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Minutes of the Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District October 16, 2017

The Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held October 16, 2017 at 1:00 p.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado.

Attendance

The following Directors were present and acting:

Alpine:

David Habermas
Norm Helm
Gabrielle Keown
Gary Shimanowitz
Jeff Zimmerman

Breckenridge Mountain:

David Habermas
Norm Helm
Gabrielle Keown
Gary Shimanowitz
Jeff Zimmerman

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via phone)
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC
- Trish Harris, White Bear Ankele Tanaka & Waldron PC (via phone)
- Jesse Meryhew, OAC Management
- Don Leinweber, Civil Insight

Call to Order

Director Zimmerman called roll for the joint special meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District meeting noting a quorum was present.

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: Jeff Zimmerman is Director of Mountain Planning for Vail 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; David Habermas is a Financial Analyst 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; Gary Shimanowitz is Vice President of Mountain Operations for Breckenridge Ski Resort, a subsidiary of the Vail Summit Resorts and an indirect operating subsidiary of Vail Resorts, Inc., which all have significant business interests within the Districts; Norm Helm is Director of Association Management for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary

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Alpine and Breckenridge Mountain Metropolitan Districts October 16, 2017 Meeting Minutes

of Vail Resorts, Inc.; Gabrielle Keown is Senior Director of Real Estate Development for Vail Resorts Development Co., a subsidiary of the Vail Corporation and an indirect operating subsidiary of Vail Resorts, Inc.

Minutes

The Boards reviewed the minutes of the August 24, 2017 meeting and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the August 24, 2017 Joint Regular Meeting as presented in the Board packet.

Pond Maintenance

Director Zimmerman gave an update of the pond maintenance and issues to date. After discussion, the Board determined there was no action necessary at this time and would be reviewed again in the spring when construction commenced for the Ski Hill Road project.

Replacement Reserve Study

Director Helm reported that he had not heard from Steve Tice with Tetra Tech and would follow up with him.

Ski Hill Road Project Update

Mr. Meryhew reviewed the schedule for the remainder of 2017 and stated construction was on schedule to be completed by the November 1.

Mr. Meryhew reviewed the Owner Contingency summary and the five change orders included in the meeting packet. Mr. Meryhew stated that he had spoken with Xcel and was expecting an invoice for around \$70,000 although the actual invoice has not been received. Mr. Meryhew explained that the Unsuitable Soils and Extra Excavation change orders listed on the summary may not be submitted by PCL. Mr. Leinweber reviewed that there was an existing storm sewer in the project area so this work may not need to be done resulting in a credit due the District. Mr. Leinweber also stated that some of the paving in 2017 was being done to final specifications and could result in further credit to the final project. Overall, the project is still within budget.

Mr. Meryhew stated that the required plan updates for tenting and scaffolding, street lighting, solar crosswalk beacons, and the crosswalk at the stable structure were submitted to the Town of Breckenridge for design review. Discussion followed regarding signs that were not included in the original plans. The exact number of signs required was discussed and that PCL Construction estimated the cost at \$300 per sign. The Board directed OAC and Mr. Leinweber to determine the actual number of signs needed and provide an estimate of the cost at the next Board meeting.

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Director Zimmerman relayed a conversation with the telecommunications contractor regarding broken conduits and the long term viability of the conduits. Discussion followed and the Board directed OAC and Mr. Leinweber to discuss the issue with PCL Construction and the telecommunication contractor to determine the best course of action.

Mr. Meryhew reported that the Xcel gas line had been installed outside of the BGV easement under their monument sign location and stated that BGV agreed to move their monument sign and provide an easement to avoid moving the gas line. Mr. Meryhew reported that Kumar and Associates were concerned about the compression strength of soldier beam 18 and that PCL issued a letter stating that compression strength was acceptable and that all of the other beams were within acceptable specifications.

Mr. Meryhew relayed that PCL Construction was concerned with the retaining wall height due to people potentially using the wall as a ski jump in the winter. Discussion followed with the Board determining that due to the location of the wall and other natural barriers, this was not a concern.

Ski Hill Road Change Orders

The Board reviewed the change orders for the Ski Hill Road construction project submitted by PCL Construction and Civil Insight. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the following change orders as submitted:

PCL Construction #1 for credit <\$19,375>

PCL Construction #2 for \$25,948

PCL Construction #3 for \$124,447

PCL Construction #4 for \$9,085

Civil Insight #3 for \$40,000

2018 Election

Mr. Ankele reviewed that state statute required the Districts to hold an election in May of even years to elect new Directors. Mr. Ankele reviewed the resolution and, upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Joint Resolution of Board of Directors Calling Election for the Alpine And Breckenridge Mountain Metropolitan Districts.

Administrative Resolution

Mr. Ankele reviewed the Resolution explaining that it set responsibility for the various filings and activities required by State Statute. After discussion and upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the Joint Annual Administrative Resolution for 2018 with changes to the May and August meeting dates.

Public Records Policy

Mr. Ankele explained that recent changes required the Districts to update their public records policies. After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Breckenridge Mountain Metropolitan District Public Records Request Policy; and

FURTHER RESOLVED to approve the Alpine Metropolitan District Public Records Request Policy.

Financial Statements

Mr. Marchetti reviewed the financial statements for Breckenridge Mountain and Alpine Metropolitan Districts ending August 31, 2017 noting the fund balances. Mr. Marchetti reviewed that the bond payments would be completed in November and recommended that Breckenridge Mountain transfer \$600,000 to the Alpine capital fund. Mr. Ankele reviewed the construction retainage for the Ski Hill Road project. After discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to transfer \$600,000 from Breckenridge Mountain Metropolitan District Debt Service Fund to Alpine Metropolitan District Capital Improvements Fund.

Budgets

Mr. Marchetti confirmed that the meeting had been published for the Breckenridge Mountain and Alpine Metropolitan Districts 2017 Amended Budgets and 2018 Budgets hearings. Mr. Marchetti opened the 2017 amended budget hearings. Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District 2017 amended budgets. There being no further comment, the public hearings on the proposed 2017 amended budget for the Breckenridge Mountain and Alpine Metropolitan Districts were closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2017 amended budget for the Breckenridge Mountain Metropolitan District with changes to keep the Debt Service Fund at \$1,728,601, and

FURTHER RESOLVED to approve the 2017 amended budget for the Alpine Metropolitan District.

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Mr. Marchetti opened the 2018 budget hearings. Mr. Marchetti reviewed the Breckenridge Mountain and Alpine Metropolitan District 2018 Proposed Budgets. There being no further comment, the public hearings on the Breckenridge Mountain and Alpine Metropolitan Districts 2018 Budget were closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2018 budget and appropriate the sums of money for Breckenridge Mountain and Alpine Metropolitan Districts subject to receipt of the final assessed valuation, and

FURTHER RESOLVED to certify the Breckenridge Mountain Metropolitan District mill levy at 25.750 mills and the Alpine Metropolitan District mill levy at zero (0) mills.

Accounts Payable

Ms. Johnston distributed an updated Accounts Payable list via email and to participants at the meeting. The Boards reviewed the revised accounts payable list and upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the revised accounts payable list.

Developer Fee Report

Ms. Johnston reported that Timber Trail lot 1 paid the Development Impact Fee.

2017 Audit

The Board reviewed the Audit engagement letters and upon motion duly made and seconded, it was unanimously

RESOLVED to approve Eide Bailly to complete the 2017 Audits of Alpine and Breckenridge Mountain Metropolitan Districts as provided in the engagement letters.

Future Meetings

The Board reviewed the meeting calendars for 2017 and 2018. The regular meeting scheduled for October 26, 2017 was cancelled and the next meeting would be held on November 30. After discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to set the 2018 meetings for the fourth Thursday of February, April, June, July, September, and October and the fifth Thursday of May, August and November.

Adjournment

Upon motion duly made and seconded, it was unanimously

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Alpine and Breckenridge Mountain Metropolitan Districts October 16, 2017 Meeting Minutes

RESOLVED to adjourn the Joint Special Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 16th day of October 2017.

Respectfully submitted,



Beth Johnston

Recording Secretary