
RECORD OF PROCEEDINGS

Minutes of the Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District February 27, 2020

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held February 27, 2020 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
Chris Gersbach
Dustin Stokes

Breckenridge Mountain:

Jeff Zimmerman
Chris Gersbach
Dustin Stokes

The following director was excused:

Norm Helm

Norm Helm

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via telephone)
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trish Harris, White Bear Ankele Tanaka & Waldron PC
- Jason Bretz, Breck Blades, LLC
- Erik Peterson, OAC Management (via telephone)
- Matt Lewis, OAC Management (via telephone)

Call to Order

Director Zimmerman called roll at 9:07 a.m. 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 for each district.

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 Senior Director of Mountain Operations 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; 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. which all have significant business interests within the Districts; Chris Gersbach is General Manager of One Ski Hill Pace and Crystal Peak Lodge 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; Dustin Stokes is General Manager of Mountain Thunder Lodge

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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.

Agenda There were no changes to the agenda.

Public Input There was no public input.

Reserve Study Reports

Mr. Peterson reviewed the Storm Sewer Reserve Study included in the meeting packet. Mr. Peterson noted that the report included a beginning fund balance in error but that did not affect the overall study. Mr. Peterson gave an overview of the financial funding explaining the differences in the funding options. He then reviewed the maintenance section explaining the costs and recommended schedule. General discussion on funding balances and a reserve baseline was discussed as well as assumptions used in the study. Mr. Marchetti reviewed the Component and Maintenance Expense Summaries noting that Breckenridge Mountain Master Association completes the maintenance on the Storm Sewer system and the District is responsible for capital replacement. Mr. Peterson said a revised report noting the corrections would be distributed

Mr. Peterson then reviewed the Ice Rink Reserve Study noting that the same format, funding and assumptions were used. Ms. Harris added that although the District was ultimately responsible for the ice rink maintenance, the maintenance during the first two years was the responsibility of Breck Blades, LLC via the Management Agreement. Mr. Peterson reviewed the funding plan and recommended that the ending fund balance be based on the anticipated annual expenses. General discussion continued on how the maintenance schedule was prepared and who provided the information. Mr. Bretz reported that Breck Blades was performing an internal reserve study and would provide recommended suggestions on day to day items not included in the OAC Study such as the ice re-surfacer and other equipment.

Mr. Peterson and Mr. Lewis left the meeting.

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

RESOLVED to approve the November 21, 2019, minutes as presented.

Ice Rink/Escalator Project

Ms. Johnston reported that the reimbursements had been released.

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Sales Tax Exemption

Application

Mr. Marchetti reported that he was working with PCL Construction and the State to get a sales tax exemption certificate issued, however the application is being held up by the Colorado Department of Revenue for a reason as yet to be disclosed. Mr. Marchetti recommended that PCL Construction bill the District for sales tax on the materials used for the projects, the District pay the sales tax and then apply for a refund with Colorado Department of Revenue for the sales taxes paid. General discussion continued on the procurement contract obligations and the risk of not being refunded by the State. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve for Alpine Metropolitan District to pay PCL Construction any sales taxes identified on submitted invoices and to then apply for a sales tax exemption from the State.

Ice Rink Operations

Report

Mr. Bretz reviewed the Ice Rink Management Report included in the packet:

- 1) Visits dropped off with increases in snow
- 2) Operations were going well
- 3) The utilities submeter was not working properly but has since been fixed. Utility bills will be adjusted as necessary
- 4) There is a protocol for injuries sustained at the rink with several trained first responders on staff. Appropriate safety forms are in place as well as video surveillance for security
- 5) Specials are being run to encourage skating, a shuttle service is in place, and marketing is underway to increase awareness of the rink.

Election Update

Ms. Johnston and Ms. Harris gave an update on the director election reporting that five self-nomination forms had been received for each district. Deadlines for submitting the forms and the probability of going to election was also reviewed and discussed.

First Amendment to Ice Rink Management Agreement

Ms. Harris reviewed the background of the Management Agreement and explained that Breck Blades requested an extension for submitting the monthly Operations Report from the 10th to the 20th of each month. Following discussion and, upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the First Amendment to the Management Agreement between Alpine Metropolitan District and Breck Blades, LLC.

Mr. Bretz left the meeting

Master Easement Agreement

Ms. Harris reviewed the Master Easement Agreement explaining that although the District is not a party to the Agreement, the Agreement has been assigned to the District. Ms. Harris reported that there was a minor change to extend the scope of the Easement to include additional parties. Ms. Harris reported that the District's counsel had reviewed the changes and were not opposed to them. Following discussion and, upon motion duly made and seconded, it was unanimously

RESOLVED to acknowledge the minor change to the Master Easement Agreement (Grand Colorado on Peak 8 Skating Rink – Sport Court) between Peak 8 Properties LLC, Breckenridge Mountain Master Association, and Vail Summit Resorts Inc and to ratify the District's acceptance of the assignment and assumption of the Master Easement Agreement with this change.

24-Hour Posting Resolution

Ms. Harris reviewed the 24-hour posting locations for Alpine and Breckenridge Mountain Metro Districts. After discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution designating the Alpine Metropolitan District 24-hour posting location as the District website and the alternative location to be a fence in the northeast corner of the District; and

FURTHER RESOLVED to approve the Resolution designating the Breckenridge Mountain Metropolitan District 24-hour posting location as the District website and the alternative location as the entrance to Timber Trail, Breckenridge.

Financial Statements

Mr. Marchetti noted the year-end financial statements included in the packet were preliminary and were subject to change based on any findings of the audits currently in progress. Mr. Marchetti gave an overview of the financial statements calling attention that the outstanding 2010 Bonds were callable on December 1, 2020. Mr. Marchetti explained that the Board could initiate an advance refunding of the Bonds to be closed on or after September 1, 2020 to take advantage of the historic low interest rates

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thereby saving the District money on the repayment. Mr. Marchetti recommended that the Board direct the bond team to proceed with refunding documents for consideration by the Board at the May meeting if interest rates are still low. If interest rates go up, then the refunding can be deferred until December. General discussion continued on the advantages and disadvantages of an advance refunding with discussion then turning to costs of the refunding. Following discussion, the Board requested that the bond team move forward with researching the advanced refunding of the 2010 Bonds.

Accounts Payable Ms. Johnston reviewed the Accounts Payable process, the remaining ice rink start up costs, and the Accounts Payable list included in the packet. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

Future Meetings The board confirmed that the next regular meeting would be held May 28, 2020.

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 February, 2020.

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
May 28, 2020**

The Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held May 28, 2020 at 9:00 a.m., in the Crystal Peak Lodge located at 1891 Ski Hill Rd, Breckenridge, Summit County, Colorado with participants are encouraged to attend via electronic Zoom meeting <https://us02web.zoom.us/j/88120952955>, Meeting ID: 881 2095 2955.

Attendance

The following Directors were present and acting:

Alpine:

Jeff Zimmerman
Chris Gersbach
Dustin Stokes
Norm Helm
Trevor Maring

Breckenridge Mountain:

Jeff Zimmerman
Chris Gersbach
Dustin Stokes
Norm Helm
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
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC
- Lisa Hemann, Chadwick Steinkirchner & Davis & Co
- Jonathan Heroux, Piper Sandler
- Mike McGinnis, Greenberg Traurig
- Shelby Turner, DA Davidson
- Jason Bretz, Breck Blades, LLC

Call to Order

Director Zimmerman called roll at 9:04 a.m. 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 for each district.

**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 Senior Director of Mountain Operations 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; 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. which all have significant business interests within the Districts; Chris Gersbach is General Manager of One Ski Hill Pace

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and Crystal Peak Lodge 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; Dustin Stokes is General Manager of Mountain Thunder Lodge 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.

Election of Officers

After discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to elect the following officers for both Districts:

Jeff Zimmerman	President/Chairman
Chris Gersbach	Treasurer/Secretary
Norm Helm	Vice President/Asst Secretary/Asst Treas
Dustin Stokes	Vice President/Asst Secretary/Asst Treas
Trevor Maring	Vice President/Asst Secretary/Asst Treas

Agenda

There were no changes to the agenda.

Public Input

There was no public input.

Pandemic Resolutions

Ms. Harris reviewed the Emergency Procedures Resolution explaining that it allowed the District to hold electronic meetings until in person meetings could be safely held in the future. Once in person meetings resumed, all actions taken during the emergency electronic meetings, would be ratified. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Joint Resolution Declaring Emergency Procedures and Authorizing Teleconferencing for Regular and Special Meetings.

Ms. Harris reviewed the Electronic Signature Policy explaining that the State statute allows e-signature and the policy would allow e-signatures on all District documents and the resolution ratifies all documents e-signed prior to the resolution. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Joint Resolution Establishing an Electronic Signature Policy.

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2019 Audited Financial Statements

Mr. Marchetti introduced Ms. Hemann who completed the 2019 audited financial statements for the Districts. Ms. Hemann reported the audits were completed remotely and they received all information requested to complete the audits. Ms. Hemann explained that the audit focused on internal controls and weaknesses and did not find any. She also reported that there were no audit adjustments nor any substantial changes to processes or procedures and that both audits were issued with a clean opinion. Ms. Hemann reviewed the conveyance of Ski Hill Road to Town of Breckenridge and other Alpine capital projects and pointed out the footnote included in both reports about the Coronavirus and COVID-19 pandemic. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the Breckenridge Mountain Metropolitan District 2019 Audited Financial Statements, subject to final comments by District Counsel; and

FURTHER RESOLVED to approve the Alpine Metropolitan District 2018 Audited Financial Statements, subject to final comments by District Counsel.

Ms. Hemann left the meeting at 9:26 a.m.

Bonds

Mr. Ankele introduced the bond team and discussion detailing the main objectives for the Board. Mr. Heroux offered that the 2020 bond issuance was to refund the remaining 2010 Bonds that are callable on December 1, 2020. Mr. Heroux and Mr. Marchetti explained that the present economic conditions allowed for an overall savings over the life of the bonds due to historically low interest rates as well as leveling out the District's debt service to avoid a substantial balloon payment due on the current bonds. The primary documents for the issue had been prepared and were distributed to the Board via a separate email. The District would obtain a rating from S&P. Mr. Heroux reviewed the two timelines included in the packet explaining that the difference was due to the bonds pricing in an uncertain market due to the Coronavirus crisis.

Mr. McGinnis reviewed the Bond Resolution included in the packet and the parameters for the Bond issue that the Board would be approving including the maximum bond issue amount, maximum interest rate, the documents that would accompany the bond issuance, and the appointment of two authorized delegates to approve the final details of the bond issue. Mr. Marchetti explained that the appointed delegates would need to participate

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(remotely) in several meetings as the documents were finalized and suggested the President and Secretary/Treasurer be appointed.

General discussion on the timeline, parameters, and goal of the refunding for the District was had. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the engagement letter with Greenberg Traurig; and

FURTHER RESOLVED to approve the Special Disclosure of Cost for Legal Services for White Bear Ankele Tanaka & Waldron; and

FURTHER RESOLVED to approve the Bond Parameters Resolution with the Authorized Delegates to be President/Chairman Jeff Zimmerman and Secretary/Treasurer Chris Gersbach.

Mr. McGinnis, Mr. Heroux, and Ms. Turner left at 9:55 a.m.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet reporting that the property taxes were being received as expected. Mr. Marchetti explained that the counties were allowing late payments for property taxes however all taxes were to be paid by November with a tax lien sale if necessary. Mr. Marchetti reviewed an anticipated mill levy increase in 2021 for the Breckenridge Mountain District to cover the debt service and noted that an anticipated fund balance in Alpine would be used for replacement reserve. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to accept the financial statements for Breckenridge Mountain and Alpine Metropolitan Districts as presented by Mr. Marchetti and included in the packet.

Amended 2020 Budget

Mr. Ankele stated that the meeting had been published as the public hearing for amending the 2020 budgets for both Districts. Mr. Marchetti reviewed the 2020 budget amendments explaining that the Breckenridge Mountain budget included appropriations for the 2020 bond issuance costs and bond refunding escrow. The public hearing was opened for comment. Hearing no comment, the public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2020 Amended Budget for Breckenridge Mountain Metropolitan Districts as presented; and

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FURTHER RESOLVED to approve the 2020 Amended Budget for Alpine Metropolitan Districts as presented.

Sales Tax Exemption

Mr. Marchetti updated the board on the status of the sales tax exemption for the Ice Rink and transportation projects explaining that he had not heard back from the Colorado Department of Revenue on the submitted application and requested that PCL submit an invoice for the sales tax to the District. Ms. Johnston has prepared the reimbursement requests for both the State and Town of Breckenridge. Mr. Marchetti wants to submit the reimbursement requests before remitting the sales tax payment to PCL Construction in case more detail is required for the reimbursement applications. There is no action required by the Board at this time.

Mr. Marchetti left at 10:15 a.m.

Accounts Payable

Ms. Johnston reviewed the Accounts Payable list included in the packet noting that the June bond payments were included on the list. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

Minutes

The Board reviewed the minutes included in the packet and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the February 27, 2020, minutes as presented.

Construction Projects

Ms. Harris reviewed the Town of Breckenridge Notice of Final Acceptance letter for the Ski Hill Road project for the bus stop final conditions and corrections to the warranty period and performance guarantee amount.

Ms. Harris told the Board that the Easements included in the Board packet were informational only and included to finalize the Ski Hill Road project. The District is not a party to the easements and no action was necessary.

Ice Rink Operations Report

Mr. Bretz reviewed the Ice Rink Management Report included in the packet and the early shut down of operations to comply with health and safety mandates due to the Coronavirus. Mr. Bretz expressed adjustments would be made with the lessons that were learned this season. Mr. Bretz reviewed the Ice Rink financial statements noting that some electric still needs to be reclassified and the cold weather helped so that the chiller did not have to work as hard to maintain the ice. Mr. Bretz noted that Breck Blades did not

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complete a separate reserve study and noted that the reserve study completed by OAC for the District looked complete except that it did not include replacement of the Ice Resurfacers.

Mr. Bretz explained that due to an uneven surface, a sport court was not a viable option for the rink for the summer. Management was looking at other options such as artificial turf that could be easily installed and removed. General discussion continued on summer operations for the rink, compliance with COVID-19 rules and community health and safety procedures and protocols.

Future Meetings The board confirmed that the next meeting would be held August 27, 2020.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Special Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 28th day of May, 2020.

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
August 27, 2020**

The Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held August 27, 2020 at 9:00 a.m. via electronic Zoom meeting <https://us02web.zoom.us/j/86526093061>, Phone Only US 1 253 215 8782, Meeting ID: 865 2609 3061.

Attendance

The following Directors were present and acting:

Alpine:

Jeff Zimmerman
Chris Gersbach
Dustin Stokes
Norm Helm
Trevor Maring

Breckenridge Mountain:

Jeff Zimmerman
Chris Gersbach
Dustin Stokes
Norm Helm
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
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC
- Jonathan Heroux, Piper Sandler
- America Murillo, Piper Sandler
- Jason Bretz, Breck Blades, LLC

Call to Order

Mr. Ankele called roll at 9:06 a.m. 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 for each district.

**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 Senior Director of Mountain Operations 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; 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. which all have significant business interests within the Districts; Chris Gersbach is General Manager of One Ski Hill Pace and Crystal Peak Lodge 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

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Districts; Dustin Stokes is General Manager of Mountain Thunder Lodge 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.

Agenda It was requested that item 6a Update on Bonds be moved up on the agenda.

Bonds Mr. Ankele gave background on the 2020 Bonds issue and introduced Mr. Heroux. Mr. Heroux reviewed the pricing of the bonds and official statement explaining that the Bonds were set to close on September 2. Mr. Heroux reviewed the Draft Closing Memorandum, the Sources and Uses of the funds and payment of the cost of issuance. General discussion was had on the market timing of pricing the bonds early resulting in more favorable demand and interest rates for the bonds saving the District approximately an additional \$200,000. Mr. Marchetti also explained that the refinancing allowed the District to even out its debt service payments over the life of the bonds so the District was in a better long-term financial position. Discussion turned to the payment of cost of issuance and the Board reviewed Exhibit A of the Draft Closing Memorandum. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Cost of Issuance list as presented in the Draft Closing Memorandum Exhibit A; and

FURTHER RESOLVED to approve US Bank as Trustee to pay the Cost of Issuance.

Mr. Heroux and Ms. Murillo left at 9:25 a.m.

Public Input There was no public input.

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

RESOLVED to approve the May 28, 2020, minutes as presented.

**Escalator Handrail
UV System**

Director Zimmerman reviewed the sanitizing procedures implemented by Vail Resorts for the escalators including signage, maintenance, extra cleaning and hand sanitizer stations. Director Zimmerman reported that the procedures were Covid-19 compliant and were consistent with the

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procedures being used and adopted at other resorts operated by Vail Associates. General discussion continued on the proposed UV system and its effectiveness. Following discussion, the Board decided to stay with the current procedures and tabled further discussion on the UV system until such time that the system is proven effective and deemed necessary.

Ice Rink Operations Report

Mr. Bretz reviewed the Ice Rink Management Report included in the packet:

- The sport court would not be installed and an artificial turf option is being researched.
- Summer activities are popular with people using the tables for outside meetings.
- COVID-19 protocols are in place with additional cleaning and sanitizing and hand sanitizing stations installed.

Mr. Bretz reported that the curb around the ice rink was failing and needed replaced. Mr., Bretz will send the engineer's report to the Board for review. PCL Construction was completing the repair under the construction warranty and no cost was expected for the District. The handrail was currently removed but would be reinstalled prior to ice being made for the winter.

Mr. Bretz reviewed the financial statements accompanying the Operations Report noting that the beginning of the season was much better than the end due to early closure and challenges with heavy snowfall and early morning sun melting the ice in spring. Mr. Bretz said they were planning to open the rink in November and acquired a tarp for covering the ice in the mornings. There was general discussion on the 2021 budget for the ice rink which is due to the District by October 1 for review and also the transition of management from Breck Blades to the District in April 2021. The Board requested that Mr. Bretz, Ms. Harris and Ms. Johnston meet to review the management transition details prior to the next meeting.

Board Vacancy

Director Zimmerman announced his retirement from Vail Resorts effective October 1, 2020. Ms. Harris confirmed that Director Zimmerman could continue on the Boards if he desired and reviewed a potential timeline for Director Zimmerman's resignation and appointment of a new director. Director Zimmerman has identified a potential candidate for the Boards and would keep Management and Counsel posted. Director Zimmerman said serving on the Boards was a great experience. Mr. Ankele and Mr. Marchetti thanked him for his service and dedication to the Districts over his many years on the Boards.

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Financial Statements

Mr. Marchetti reviewed the balance sheets explaining that it reflected the cash position of the Districts. He then reviewed the revenues and expenditures forecast noting items were tracking as anticipated and there were no unexpected variances in either District. It was noted that the UV Pro Sanitation system added to Alpine's 2020 forecast would be removed based on previous discussion in the meeting.

2021 Budgets

Mr. Marchetti stated that the meeting had been published as the public hearing for adopting the 2021 budgets and amending the 2020 budgets, if needed, for both Districts, and then opened the public hearing for comment. Mr. Marchetti reviewed the Breckenridge Mountain 2021 preliminary budget noting that although it was not a reassessment year, new construction was anticipated to increase the District's assessed valuation for 2021. Mr. Marchetti reviewed the mill levy for debt service stating that it was being increased to level out property tax revenue collections over the long term. Reviewing the Alpine 2021 preliminary budget and per discussion previously in the meeting, the ice rink operations and management budgets would be updated. Following discussion and pending receipt of further information, the budget hearings for both Districts were continued until the next meeting.

Accounts Payable

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

RESOLVED to approve the Accounts Payable list as presented.

Sales Tax Exemption

Mr. Marchetti gave background on the sales tax exemption on the Transportation and Recreation projects. Mr. Marchetti reported that the sales tax was paid to PCL Construction per direction at the May meeting and that the District had filed a claim for refund of sales tax with both the Colorado Department of Revenue and the Town of Breckenridge. To date, there has been no response from the Colorado Department of Revenue. The District was working with the Town of Breckenridge on questions on the claim for refund so it was in process. Management will continue to monitor the claims and update the Board as information comes in. There is no action required by the Board at this time.

Bank Accounts

Ms. Johnston reviewed the current bank signers and accounts payable process for the Districts explaining that bank signer information is usually updated after an election or a new director is appointed. Following discussion, the Board tabled this item until the next meeting.

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Legal Memo Ms. Harris reviewed the Legislative memo included in the packet, highlighting the following items:

- Repeal of Gallagher Amendment that will be on the ballot in November.
- Counties are able to reduce or waive interest on unpaid property tax. Mr. Marchetti noted that Summit County did waive the interest but it was not expected to impact the Districts.

Consolidated Annual Report Ms. Harris reviewed the 2019 joint annual report to the Town of Breckenridge noting that there was nothing out of the ordinary and that the report had been submitted to the Town of Breckenridge. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the 2019 Consolidated Annual Report.

Future Meetings The board confirmed that the next meeting would be held October 22, 2020.

Adjournment Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Special Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 27th day of August, 2020.

Respectfully submitted,



Beth Johnston
Recording Secretary

RECORD OF PROCEEDINGS

Minutes of the Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District October 29, 2020

The Joint Special Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held October 29, 2020 at 8:00 a.m. via electronic Zoom meeting <https://us02web.zoom.us/j/85889449901>, Phone Only US 1 253 215 8782, Meeting ID: 858 8944 9901.

Attendance

The following Directors were present and acting:

Alpine:

Chris Gersbach
Dustin Stokes
Norm Helm
Trevor Maring

Breckenridge Mountain:

Chris Gersbach
Dustin Stokes
Norm Helm
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
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC
- Jason Bretz, Breck Blades, LLC
- Jim Testin, Vail Resorts

Call to Order

Director Gersbach called roll at 8:09 am 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 for each district.

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: 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. which all have significant business interests within the Districts; Chris Gersbach is General Manager of One Ski Hill Pace and Crystal Peak Lodge 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; Dustin Stokes is General Manager of Mountain Thunder Lodge 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

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Alpine and Breckenridge Mountain Metropolitan Districts October 29, 2020 Meeting Minutes

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 and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the August 27, 2020, minutes as presented.

Bonds Mr. Marchetti reported that the 2020 bonds were closed and it was a smooth transaction. There was discussion on a new bonds inquiry made by Graham Frank and, with no more information available, further discussion was tabled.

Ice Rink Operations Report

Mr. Bretz reviewed the following for the Ice Rink:

- The curb repairs were expected to be completed this week and would delay the opening of the rink by two weeks. There was general discussion on the cause of the failure and if it was covered in the warranty period.
- The rink is anticipated to open before Thanksgiving if the curb repairs and making of ice go as planned.
- Breck Blades is actively hiring staff.
- Outside seating is being installed and other adaptations are being made in response to COVID-19 health mandates. The Board requested that mask requirements and capacity caps be instituted as well to coincide with local health mandates and Vail Resorts' protocols.
- Management is addressing a safety issue caused by expansion and contraction of the black mat that surrounds the rink.

Mr. Bretz reviewed the 2021 Budget for the Ice Rink submitted by Breck Blades. He noted that they were hiring less staff, adjusting opening hours, and making other adjustments based on the experience from last season. There was general discussion on budget preparation and the projected shortfall, and the expected increase in skaters and revenue due to the lack of other available outdoor activities at Peak 8. Mr. Bretz requested to see any other ice rink budgets or actuals that the District could obtain to see where they could improve. Following discussion and by motion duly made and seconded, it was unanimously

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RESOLVED to approve the 2021 Budget for the Ice Rink as presented by Breck Blades.

Financial Statements

Mr. Marchetti reviewed the financial statements for the Breckenridge Mountain including the new Bond funds, transfers to the Alpine Metro District per the financings agreement and the mill levy rate noting that home values were expecting to rise in 2022. Mr. Marchetti then reviewed the Alpine financial statements. There was general discussion on the fund balances and the Board asked Management to verify that the reserve study projections for the ice rink and storm sewers were included in future financial reports.

2021 Budgets

Mr. Marchetti stated that the meeting was being continued as the public hearing for adopting the 2021 budgets for both Districts, and then opened the public hearings for comment. Mr. Marchetti reviewed the Breckenridge Mountain 2021 preliminary budget noting that the mill levy for debt service was being increased in an attempt to level out property tax revenue collections over the long term.

Mr. Marchetti then reviewed the Alpine 2021 preliminary budget noting that it was anticipated to close out the Capital Fund and move the fund balance to the General Fund by year end if no new projects were identified. Ms. Johnston reviewed the new Ice Rink Fund and Mr. Marchetti explained it was anticipated it would also roll up into the General Fund. 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 2021 Budgets for Breckenridge Mountain and Alpine Metropolitan Districts, subject to minor adjustments; and

FURTHER RESOLVED to set the mill levy for Breckenridge Mountain Metropolitan District to 24.00 mills and Alpine Metropolitan District at 0 mills; and

FURTHER RESOLVED to appropriate funds for Breckenridge Mountain and Alpine Metropolitan Districts, subject to minor adjustments.

Accounts Payable

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

RESOLVED to approve the Accounts Payable list as presented.

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2020 Audit

Mr. Marchetti reviewed the engagement letters included in the packet explaining that Chadwick, Steinkirchner, and Davis performed the past couple audits for the Districts. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to engage Chadwick, Steinkirchner, and Davis to conduct the 2020 audits for Breckenridge Mountain and Alpine Metropolitan Districts.

Sales Tax Exemption

Mr. Marchetti explained that the State of Colorado has still not responded to the Sales Tax Refund request. The Town of Breckenridge sent a communication that the request was being reviewed by their legal department to determine if the project had proprietary function as opposed to governmental function. Discussion followed and no action was taken by the Board.

Bank Accounts

Ms. Johnston reviewed the current bank signers and accounts payable process for the Districts and the need to update both with Mr. Zimmerman's leaving. Following discussion, the Board requested that Management prepare new signature cards for the bank accounts removing retired Board members and adding all current Board members as authorized signers. The accounts payable process should remain the same with Directors Gersbach and Helm reviewing invoices and approving release of payments in ICM.

Joint Administration Resolution

Ms. Harris reviewed the Joint Annual Administration Resolution for 2021 explaining it designated compliance measures and responsibilities for the Districts. She reviewed the online posting of meeting notices, 24 hour posting locations and noted that the directors and officers would be updated following the appointment of the new director and election of officers later in the meeting. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the Alpine and Breckenridge Metropolitan Districts Joint Annual Administrative Resolution for 2021 subject to the appointment of officers later in the meeting.

Appointment of Directors

Ms. Harris stated that notice of the Board seat vacancy had been published following the resignation of Director Zimmerman on October 1, 2020. There being no other interested candidates, Mr. Testin was nominated to fill the vacant position until the next regular election of the Districts to be held in May 2022. Upon motion duly made and seconded, it was unanimously

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RESOLVED to appoint Jim Testin to fill the vacancy on the Alpine and Breckenridge Mountain Metropolitan Districts Boards.

Election of Officers

After discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to elect the following officers for both Districts:

Chris Gersbach	President/Chairman
Norm Helm	Vice President/Asst Secretary/Asst Treas
Dustin Stokes	Treasurer/Secretary
Trevor Maring	Vice President/Asst Secretary/Asst Treas
Jim Testin	Vice President/Asst Secretary/Asst Treas

Future Meetings

The board discussed the need for the November meeting. Following discussion, the Board agreed to cancel the meeting if nothing pressing came up. The Board then reviewed the 2021 Proposed Meeting Calendar included in the packet and upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the 2021 Meeting Calendar as presented.

Adjournment

Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Joint Special Meeting of Alpine and Breckenridge Mountain Metropolitan Districts Board of Directors this 29th day of October, 2020.

Respectfully submitted,



Beth Johnston
Recording Secretary