
RECORD OF PROCEEDINGS

**Minutes of the Joint Regular Meeting of the
Boards of Directors of
Alpine Metropolitan District and Breckenridge Mountain Metropolitan District
February 28, 2019**

The Joint Regular Meeting of the Boards of Directors of Alpine Metropolitan District and Breckenridge Mountain Metropolitan District was held February 28, 2019 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
Norm Helm
Chris Gersbach
Jeff Lifgren
John Dawsey

Breckenridge Mountain:

Jeff Zimmerman
Norm Helm
Chris Gersbach
Jeff Lifgren
John Dawsey

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver LLC (via telephone)
- Beth Johnston, Marchetti & Weaver LLC, Recording Secretary
- Trisha Harris, White Bear Ankele Tanaka & Waldron PC
- Bill Ankele, White Bear Ankele Tanaka & Waldron PC (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.

**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; Jeff Lifgren is Director of Ski Services for Breckenridge Ski Company, 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

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business interests within the Districts; John Dawsey is Vice President of Hospitality for Vail Resorts, Inc., which has a significant business interest within the Districts.

Agenda

There were no changes to the agenda.

Public Input

There was no public input. The Board engaged in a general discussion of recent comments received from the public outside of the meeting.

Development of Admin site

Director Zimmerman relayed to the Board that the Admin Building site located within the Breckenridge Mountain Metro District boundary was under contract and the developer was proposing a hotel for the site. There was general discussion on the potential for the District to assist the Developer with District related items such as storm sewer if funds were available. Director Zimmerman noted that the Developer was not asking the District for anything presently however future maintenance of some improvements built by the Developer may become the District's responsibility.

Ski Hill Road Project Update

Mr. Lewis gave an update of the Ski Hill Road project reporting that the project was complete except for warranty items as detailed in the Final Punchlist, included in the board packet, which were scheduled to be completed in late May. Other outstanding items include the gas and electric surveys from Baseline Surveys and the Xcel Energy as-built survey for the final easement. Mr. Lewis then reviewed the budget to date reporting that the final retainage to PCL Construction had been released.

Ice Rink, Escalator, & ADA Lift Update

Mr. Lewis noted that OAC Management has been supervising the installation progress of the ice rink and escalators. The Ice Rink/Sport Court was expected to be completed in the spring and the ADA lift would be installed in May and expected to be completed in September. There were no outstanding issues to be reported so far.

Director Zimmerman started discussion on the draft Management Agreement included in the packet noting that Vail Resorts legal was questioning why they were being asked to review the agreement since they were not involved in any way with the Ice Rink/Sport Court. Vail Resorts legal requested to review the maintenance agreements for the escalators and ADA lift since they were anticipating taking over the maintenance of those items. The Board directed Ms. Harris to start the maintenance agreements for the escalators and ADA lift for review at the next meeting.

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Director Helm questioned the District's responsibility for covering capital costs during the first two years of the Management agreement and requested that any capital costs for which the District may be responsible be clearly defined in the agreement. Mr. Marchetti noted that since the facilities were new, no capital expenditures should be expected. The Board directed OAC Management to request copies of warranties and warranty start dates on all of the ice rink, escalator, and ADA lift improvements to be incorporated into the agreement. Director Helm also inquired if BMMA and Vail Resorts should be added as additional insured per the agreement. Ms. Harris said she would update the Agreement with the requested changes and send to BGV for comment.

Minutes

The Board reviewed the minutes included in the packet. Director Zimmerman requested a change to the first paragraph under Ice Rink, Escalator & ADA Lift Update since no maintenance agreement had been prepared or sent to Vail Resorts for consideration. The Board directed Ms. Johnston to revise the language and send to the Board for review.

24-Hour Posting Resolution

Ms. Harris reviewed the 24-hour posting locations for Alpine and Breckenridge Mountain Metro Districts. The Board requested that the posting location for Alpine Metropolitan District be moved from a tree to a fence for easier posting access and better visibility. 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 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 entrance to Timber Trail, Breckenridge.

Ms. Harris also requested that the Board consider amending the 2019 Joint Administrative Resolution to match the new posting location and, upon motion duly made and seconded, it was unanimously

RESOLVED to approve the First Amendment to the Alpine and Breckenridge Mountain Metro Districts Joint Annual Administrative Resolution for 2019.

Bill of Sale for Ski Hill Road Improvements

Ms. Harris reviewed the Bill of Sale that would convey the Ski Hill Road improvements to Town of Breckenridge thereby relieving the District of

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continued maintenance of the improvements. The Bill of Sale finalized the Ski Hill Road Improvements Agreement with the Town of Breckenridge. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the Bill of Sale to transfer the Ski Hill Road project improvements as described in Exhibit A to the Town of Breckenridge.

Financial Statements

Mr. Marchetti reviewed the financial statements for Breckenridge Mountain and Alpine Metropolitan Districts noting that the 2018 year-end was currently being audited with a draft expected by the next meeting. Mr. Marchetti noted the remaining bond funds for disbursement for the ice rink, escalators and ADA lift, as well as reviewing the fund balances for 2018 and the budget for 2019.

Accounts Payable

Ms. Johnston reviewed the Accounts Payable list included in the meeting packet and gave an overview of the accounts payable approval and payment process. Following discussion and, upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the accounts payable list as presented.

Development Fee Report

Ms. Johnston reviewed the Development Impact Fee report included in the packet noting that two Timber Trail lots remained vacant. Director Helm reported that Lot 5 was currently under Design Review and construction was expected to start in the spring.

Future Meetings

The Board reviewed the 2019 meeting calendar and confirmed that the next meeting would be held May 23, 2019 at 9:00 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 28th day of February, 2019.

Respectfully submitted,



Beth Johnston
Recording Secretary