
RECORD OF PROCEEDINGS

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