
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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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