

MINUTES OF THE JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

BASE VILLAGE METROPOLITAN DISTRICT NO. 1 and
BASE VILLAGE METROPOLITAN DISTRICT NO. 2

Held: Wednesday, October 26, 2016 at 1:00 p.m.
Capitol Peak Conference Center, 110 Carriage Way,
Snowmass Village, Colorado

Attendance

A joint special meeting of the Boards of Directors of Base Village Metropolitan District No. 1 and Base Village Metropolitan District No. 2 was called and held as shown above and in accordance with the applicable law of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

Jim D'Agostino
Matt Foley
Craig Monzio
Leticia Hanke
Steve Sewell

All director absences are deemed excused unless otherwise noted in these minutes.

Also present in person were: Richard Goodwin, Whit Sterling, Dawn Blasberg and Riley Evans, Snowmass Hospitality, Sarah Hunsche, CliftonLarsonAllen, District Accountants, and Katie DeBesche, Viceroy. Present by telephone were: Bob Chodos, Bruce Smith, Pat Keefer, Tom Kosich, George Hanley, Mel Blumenthal, William P. Ankele, Jr., Esq., and Trisha K. Harris, Esq. White Bear Ankele Tanaka & Waldron, District General Counsel; and Steph Chichester, North Slope Capital.

Joint Meetings

The Boards of Directors of the Districts determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Call to Order/Declaration of
Quorum

Director Monzio chaired the meeting, noted that a quorum of each of the Boards was present, and called the joint regular meeting of the Boards of Directors of Base Village Metropolitan District Nos. 1 & 2 to order.

Conflict of Interest
Disclosure Matters

Pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

The Boards determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur

Agenda

Mr. Ankele presented the proposed agenda to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda.

Approval of Minutes from
August 3, 2016, September 22,
2016 and September 28
Meetings

The minutes of the August 3, 2016, September 22, 2016 and September 28 meetings, were viewed. Upon a motion duly made and seconded. The minutes were unanimously approved.

Public Comment

Various members of the public either present or on the telephone addressed the Board on topics of interest to the public. A transcript of public comment is not provided as part of the minutes, which are a summary of major topics and actions.

Richard Goodwin commented on matters pertaining to the transfer of Master Association assets to property owners, and stated there should be forgiveness of debt for District No. 2.

Pat Keefer from Capitol Peak 2B commented that ninety percent of the debt benefits others. She feels the developer debt should be reduced voluntarily as it is unfair to residential owners to bear this burden.

Thomas Kosich from Capitol Peak 2C commented that while he acknowledges that it is legal to continue representation on the Board by the developers, he asked that one or two seats be vacated to give residents an opportunity to serve.

George Hanley echoed Mr. Kosich's comment regarding residents sitting the Board.

Management

Conference
Center Report

Ms. Blasberg presented a written report to the Boards regarding the Conference Center activities which was submitted in the meeting packet. The Boards discussed various marketing initiatives. Riley Evans presented the financials for the conference center.

Parking Garage Report

Mr. Sterling reported to the Boards on the Parking Garage activities per the written report presented at the meeting. He reported the new parking system is eighty percent complete and will be tested next week. Following a discussion, upon a motion duly made and

seconded the Board unanimously approved charging a \$10 maximum fee during November 24-27 and to resume regular parking fees on November 28. The Board also approved free parking in the mountain opened prior to November 24. Riley Evans presented the financials for the parking garage.

Transit Center Report

The Boards reviewed the Transit Center activities written report provided in the meeting packet presented at the meeting by Mr. Sterling. Riley Evans presented the financials for the transit center. Mr. Sterling will look into eliminating the day use ski lockers and see what it will take to refinish the walls.

Financial Matters

Financial Schedules/Payables Review/Approval

Ms. Hunsche presented the financial report to the Boards. Upon a motion duly made, seconded and unanimously carried, the Boards approved the financial report and payables.

Conduct Hearing on 2017 Budgets and Consider Approval of a Resolution Approving the 2017 Budgets

Director Foley opened the public hearing on the 2017 budget. It was noted that publication of the Notice stating that the Boards would consider the 2017 budget and date, time and place of the public hearing was made in a newspaper having general circulation within the Districts. No written objections were received prior to the public hearing. Pat Keefer commented that she was concerned about the budget showing deficits. She asked where the \$5,150 fee at closing would be deposited and what the impact of Building 5 and 6 change will be. Following Ms. Keefer's comment, the hearing was closed. The boards engaged in a discussion and determined that the budget hearing would be continued to the next meeting.

Conduct Hearing on 2016 Budget Amendments and Consider Approval of a Resolution Approving the 2016 Budget Amendments

Director Foley opened the public hearing on the 2016 amended budget. It was noted that publication of the Notice stating that the Boards would consider the 2016 amended budget and date, time and place of the public hearing was made in a newspaper having general circulation within the Districts'. No written objections were received prior to the public hearing. After no public comment was made, the hearing was closed. The boards engaged in a discussion and determined that the budget amendment hearing would be continued to the next meeting.

Auditor Proposals for 2016 Audit

Deferred to next meeting.

Update on Refunding Bond Issue

The Boards engaged in a general discussion concerning work in progress to further develop the potential refunding options. No action taken at this time.

Legal

2017 Annual Administrative Resolution

Mr. Ankele presented the 2017 Annual Administrative Resolution to the Boards for consideration. Following a review and discussion, a motion was duly made and seconded to approve the Resolution. The motion was unanimously passed.

Special District Disclosure Pursuant to § 32-1-809 C.R.S (Transparency Notice)

Mr. Ankele presented the Special District Disclosure Pursuant to § 32-1-809 C.R.S to the Boards for consideration. Following a review, a motion was duly made and seconded to approve the disclosure notice and file accordingly. The motion was unanimously passed.

Ratification of 2015 Annual Report

Mr. Ankele presented the 2015 Annual Report to the Boards for ratification. Following a review, a motion was duly made and seconded to ratify the report. The motion was unanimously passed.

Insurance Matters

The Boards deferred the discussion regarding the insurance renewal to the next meeting, pending current renewal.

Review Property and Liability Schedule Limits

Supplemental Engagement Bond Issue Services

Mr. Ankele presented the Supplemental Engagement Letter for Bond Issue Services to the Boards for consideration. Mr. Ankele also presented a letter describing joint representation of the Districts in the bond transaction and authorizing such representation. Following discussion, a motion was duly made and seconded to approve the supplemental engagement letter and the joint representation letter. The motion was unanimously passed.

Other Business

Next Meeting Date

A special meeting will be held on November 16, 2016 at the hour of 11:00 am and on November 28, 2016 at 1:00 pm to conduct such business as may then come before the Board. The regular scheduled meeting on November 23, 2016 will be cancelled.

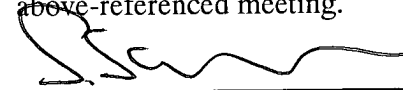
Executive Session

No Executive Session was held.

Adjourn

There being no further business to come before the Boards, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting

The foregoing minutes were approved on the 28th day of November, 2016.