

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, February 22, 2017 at 1:00 p.m.
Capitol Peak Conference Center, 110 Carriage Way,
Snowmass Village, Colorado

Attendance

A joint regular 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:

Steve Sewell

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

Present in Person: Kelly Brockett, Snowmass Hospitality; Scott Williams, Andy Gunion, Colleen Weiss, and Peter Goergen, East West Partners; Katie DeBesch and John Quigley, Viceroy; Pat Keefer, Michael Reichert, Joe and Linda Flynn, Thomsas Kosich and Bruce Smith. Present via telephone: William P. Ankele, Jr., Esq, and Trisha K. Harris, Esq. White, Bear, Ankele, Tanaka & Waldron, District General Counsel, Sarah Hunsche, CliftonLarsonAllen, District Accountant; Liza Smith, East West Partners; and Bob Chodos.

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 Sewell 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

The Board reviewed the minutes from the January 25, 2017. Following a discussion, a motion was duly made and seconded to approve the minutes as presented.

Public Comment

Various members of the public were either present or on the telephone and 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.

Mr. Flynn commented that there is an odor possibly coming from the storm drainage system, and that there was water dripping on level P2 in the garage. Following discussion, Mr. Sewell directed staff to investigate these items and provide a report as soon as practicable.

Ms. Keefer had questions concerning the market analysis that had been prepared for the bond issue, and whether or not that analysis appropriately considered the valuation of existing development. She also had questions concerning the costs of issuance for the bond issue. Mr. Ankele stated that there was a Closing Memorandum that included a breakdown of costs of issuance and this would be posted on his firm's website.

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.

**Consider Appointment of
Directors**

Oath of Office

Mr. Sewell, being the sole director of District No. 2, appointed Mr. Thomas Kosich to the Board. Mr. Kosich was appointed as President of the District No. 2 Board. Mr. Sewell then tendered his resignation from the Board of District No. 2.

Discussion was had concerning the possibility of appointing a

Citizen's Advisory Committee to work with the Board of District No. 2. Mr. Kosich will discuss this further with the Boards of Directors of Hayden Lodge and Capitol Peak associations and present further on the matter at the next meeting.

Mr. Sewell, being the sole director of District No. 1, appointed Mr. Peter Goergen, Mr. Andy Gunion and Mr. Will Little to the Board of District No. 1.

Management

Conference Center Report

Ms. Debesch presented a written report to the Boards regarding the Conference Center activities which was submitted in the meeting packet. She will include revenue projections for proposed bookings as part of future reports. Mr. Quigley summarized the Viceroy's approach to marketing. Discussion occurred on whether or not Conference Center bookings could be conditioned on booking rooms in condominium units located within District No. 2. Mr. Quigley will investigate these opportunities.

Parking Garage Report

Mr. Williams reported to the Boards on the Parking Garage activities per the written report presented at the meeting. Mr. Gunion discussed the imminent establishment of the garage condominium. The developer will hold a work session with the public to discuss the garage condominium structure to give the public a better understanding of the structure of it in relation to the Districts and the Base Village Company. Additionally, Mr. Williams will be meeting with the Town to discuss granting the Districts the authority to dynamically modify parking rates to potentially increase revenues.

Ms. Keefer noted that there was a mock-up of a proposed Limelight room within the Parking Garage and asked what approvals were needed to allow this. It was determined that this location was not related to District parking areas, but was in an area that will be owned by Skico.

Mr. Smith noted that the Capitol Peak Board attorney was reviewing the garage condominium declarations. Mr. Ankele indicated that his office was also commenting on the declarations and will work with East West attorneys and the homeowner associations to share comments.

Transit Center Report

The Boards reviewed the Transit Center activities written report provided in the meeting packet presented at the meeting by Ms. Smith.

Legal

Consider Approval of Resolution Designating 24 Hour Posting Location

Mr. Ankele presented a Resolution for the Boards that would establish certain posting locations for meeting notices within the Districts' boundaries. During discussion, members of the public requested that action be deferred so consultation could be had on these locations. Action was deferred to the next meeting. Ms. Brockett will work with the Boards of Directors of the Hayden Lodge and Capitol Peak

associations to determine three acceptable posting locations for District No. 2.

Consider Approval of Director's Fees

This item was deferred.

Other Business

Discussion of Additional Vacancies and Public Participation

The Boards engaged in a general discussion regarding how to accommodate public participation given the limited number of individuals that would be qualified to sit on the Boards. No action taken at this time.

Consider Approval of Engagement Letter with CLA Municipal Advisor Entity (District No. 2 only)

Action was deferred to the next meeting to allow the Board to review and consider in more detail.

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 22nd day of March, 2017.