

RECORD OF PROCEEDINGS

Draft

MINUTES OF THE SPECIAL MEETING OF BASE VILLAGE METROPOLITAN DISTRICT NO. 2

HELD
December 8, 2017

The Board of Directors of the Base Village Metropolitan District No. 2 held a special meeting, open to the public, at Capitol Peak Conference Center, 110 Carriage Way, Snowmass Village, Colorado at 7:30 a.m., Friday, December 8, 2017. Notice of the meeting has been duly posted with the Pitkin County Clerk and Recorder and posted in three public places within the boundaries of the District.

Attendance

Director in Attendance:
Thomas Kosich, President

Also in Attendance:
Alan D. Pogue, Icenogle Seaver Pogue, P.C. (via telephone),
General Counsel; and Matt Ferguson, The Matthew Ferguson
Law Firm; East West Representatives.

Call Meeting To Order

The meeting was called to order at 7:36 a.m. by Director Kosich, noting that a quorum was present and confirmed his qualification to serve.

Conflicts of Interest

Director Kosich noted there were no conflicts of interest to report.

Agenda

Director Kosich reviewed the agenda. Director Kosich motioned and seconded to unanimously approve the agenda.

Approval of Minutes

The minutes of September 6, 2017, October 2, 2017, and November 28, 2017 meetings were presented. Upon review a motion was made by Director Kosich and unanimously carried to approve the minutes as presented.

Public Comment

Andy Gunion (East West Partners/BVMD 1) discussed the possible termination of District 2's obligation to remit revenues generated by the levy of 6 mills to BVMD 1 for operations expenses. Mr. Gunion stated that if agreed to by both Districts, the annual contribution could cease and District 2 would be responsible for its own operating expenses and would retain the revenue generated by any operating levy imposed by District 2. Members of the public commented on the idea and Director Kosich asked Mr. Pogue to perform a legal analysis.

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Mr. Kosich updated the public on recently filed litigation and encouraged everyone to review the court filings.

2017 Budget Amendment

Director Kosich opened the hearing for the 2017 Budget Amendment for the District to the public. Mr. Pogue reported that the notice of the hearing had been published on December 7, 2017 in accordance with state budget law. There being no public input, the hearing portion of the budget discussions was closed.

Director Kosich explained the need for the amendment due to a modest increase in revenue received and remitted to Base Village Metropolitan District No. 1. Upon motion duly made by Director Kosich and unanimously carried, the Resolution to Amend the 2017 Budget was approved.

2018 Budget Hearing

Director Kosich opened the hearing for the 2018 Budget Hearing for the District to the public. Mr. Pogue reported that the notice of the hearing had been published on December 7, 2017 in accordance with state budget law. The meeting was opened for public discussion. The public discussed with the Board the possibility of terminating the operating agreement with Base Village Metropolitan District No. 1. The public also had a discussion about the Gallagher adjustment, the hearing portion of the budget discussions was closed.

The Board reviewed the budget in detail, and answered questions pertaining to the mill levy and estimated revenues and expenditures. The budget and funds are as follows:

District No. 2

Mill Levy is 45.606 mills.

General Fund Expenditures: \$193,993

Debt Service Fund Expenditures: \$1,280,549

Upon motion duly made by Director Kosich and unanimously carried, the Board resolved to approve the Resolution to Adopt the 2018 Budget, Certify Mill Levies upon final certification of value received from Pitkin County on or before December 10, 2016 and Appropriate budgeted funds as discussed and approved by the Board at the meeting. Mr. Pogue was authorized to make minor modifications necessary following receipt of final assessed values.

Engagement of Auditor for 2017 Audit

The Board deferred discussion on engaging an auditor until an RFP could be performed.

Accounting Services

The Board discussed replacing Clifton Larson Allen for accounting services and agreed to move forward with a joint RFP

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	for accounting services with Base Village Metropolitan District No. 1.
2018 Annual Administrative Matters Resolution	Mr. Pogue presented for approval the 2018 Annual Administrative Matters Resolution. The details of the resolution were reviewed with the Board. Director Kosich motioned and unanimously carried, the Board approved the 2018 Annual Administrative Matters Resolution as presented.
2018 Election Resolution	Mr. Pogue presented for approval the 2018 Election Resolution. Director Kosich motioned and unanimously seconded, the Board approved the 2018 Election Resolution as presented.
Other Matters	No other matters were brought before the Board.
Adjournment	There being no further business to come before the Board, the meeting was adjourned at 8:46 a.m.

Alan D. Pogue, Secretary for the Meeting

Attorney Statement Regarding Executive Session
Base Village Metropolitan District No. 2
Special Meeting, Wednesday, 28 March 2018

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I, Alan D. Pogue, attest that I am General Counsel for the Base Village Metropolitan District No. 2, that I attended the executive session held on the above-referenced date, that all of the executive session was confined to the topic authorized for discussion, and that the executive session was not recorded because all the discussion constituted a privileged attorney-client communication regarding the District's Rule 106 Appeal.

Date: 28 MARCH 2018



Alan D. Pogue, General Counsel
Base Village Metropolitan District No. 2