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

HELD
June 27, 2018

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 9:00 a.m. on June 27, 2018. 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. Andrew Nolan Via Telephone: Patricia Keefer, Jodi Teague, Andy Gunion (East West/Base Village Metropolitan District No. 1) Scott Williams (East West)
Call Meeting To Order	The meeting was called to order at 8:05 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 with one amendment, to add Approval of Compass engagement for accounting services.
Approval of Minutes	The minutes of the March 28, 2018 meeting were presented. Upon review a motion was made by Director Kosich and unanimously carried to approve the minutes as presented.
Public Comment	There was no public comment at this time.

Financial Matters	1. The Board ratified engagement of Compass Accounting. Ms. Teague introduced herself to the members of the public in attendance. 2. Ms. Teague presented the financial statements for the period ended 31 May 2018, and provided an update on the transition of accounting services from CLA to Compass. 3. Ms. Teague advised the Board that the 1 June debt service payment and operations transfer to District No. 1 had been completed, and that the 1 June debt service payment required a draw on the District's surplus fund in the amount of $389,921. Ms. Teague further advised that bond proceeds had been released by the Trustee upon the issuance of building permits for Buildings 7 and 8. 4. Ms. Teague advised that she would be working with title Company of the Rockies to simplify the collection and remittance process for the District's Capital Improvement Fee. 5. Ms. Teague raised concerns about potential shortfalls in the District's debt service fund, particularly beginning in 2020 when the surplus fund may be depleted. Mr. Gunion suggestion that Ms. Teague work with the developer on getting updated financial information to better project the potential of future shortfalls.
Audit Update	Ms. Teague updated the Board on the status of the 2017 fiscal year audit.
Garage Assessment	The Board discussed the status of the ongoing audit of prior year garage assessments. Mr. Gunion explained his understanding of the assessments have historically been made and indicated that the current assessments are determined as if the garage association had been established. Mr. Gunion further explained that he believed the allocations could be modified on a year to year basis. Mr. Nolan indicated that the updated assessment methodology would take infect in Q4 2018, and that he believed prior allocations were inconsistent with the garage easement requirements. Ms. Keefer indicated her belief that prior to the new assessment allocations going into effect, District No. 1 was paying a larger share than it was required to.
PUD Amendment	Mr. Pogue advised that the District No. 1 Board would entertain the request to fund legal fees related to a proposed PUD amendment to permit the garage owner to charge for parking during the summer months.

Related Litigation	Mr. Kosich provided a status update on the litigation, and indicated that in early July an amended complaint would be filed. Mr. Kosich further advised that he has received several calls about the litigation from owners, and no decisions concerning the litigation will be made without consultation with the legal advisory committee.
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 9:57 a.m.

Alan D. Pogue, Secretary for the Meeting