

RECORD OF PROCEEDINGS

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF ALPENSEE WATER DISTRICT

Held: Tuesday, the 16th day of May, 2000, at 6:30 p.m. at the offices of
Farmer's Korner Mobile Home Park, 16195 Highway 9, Breckenridge,
Summit County, Colorado, 80424.

Attendance

At a special meeting of the Board of Directors of the Alpengsee Water District, Summit County, Colorado was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Lori Cutunilli, President
Laurence E. Smith, Vice President
Kevin R. Smith, Secretary
Travis A. Smith, Treasurer
Joseph E. Dismont, Jr.

Absent: None

Also present were: Amy Costello, Legal Assistant, Grimshaw & Harring,
P.C.

Call to Order/ Roll Call

With the consent of the Board, Director Cutunilli noted that a quorum existed for the purpose of conducting business and called the meeting to order.

Approval of Agenda

Following discussion, on motion duly made, seconded, and unanimously approved, the agenda was approved.

Public Hearing on Exclusion Petitions

On a motion duly made, seconded, and unanimously approved, Ms. Costello opened the public hearings for the exclusion of property from the District boundaries. Ms. Costello explained that exclusion petitions have been received for the properties and that public notice of the hearings has been given as required by law. Following discussion, on motion duly made, seconded, and unanimously approved, the Board closed the public hearing and ordered the exclusion of the properties from the boundaries of the District.

Engagement of Disclosure Counsel

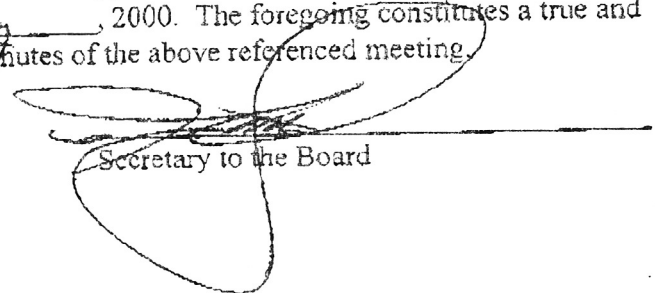
Ms. Costello presented for the Board's consideration, an engagement letter from Becker, Stowe & Bieber LLC. After discussion, upon a motion duly made, seconded, and unanimously approved, the Board agreed to engage Becker, Stowe & Bieber LLC as disclosure counsel for the District.

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Adjournment

There being no further business to come before the Board at this time, on motion duly made, seconded, and unanimously approved, the meeting was adjourned.

The foregoing minutes were approved by the Board of Directors on the 31st day of May, 2000. The foregoing constitutes a true and correct copy of the minutes of the above referenced meeting.


Secretary to the Board