
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District February 22, 2013

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on February 22, 2013 at 8:30 a.m., at the Copper Mountain Consolidated Metropolitan District Conference Center, 0477 Copper Road, Copper Mountain, Summit County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Karl Anuta
- Bob Bloch
- Ben Broughton
- Tom Malmgren
- Dave Steele

Staff in attendance was:

- Dave Erickson, District Manager
- Mike Koenig, Water & Sewer Manager
- Dave Arnesen, Cable & TV Manager
- Mark Thomson, CMFD Chief
- Stephen Boyle, CMFD Assistant Chief (left at 9:30 am)
- Dan Moroz, Code Compliance Officer
- Michael Craig, CMFD Lieutenant
- Missy Stabile, Secretary to the Meeting

Also in attendance were:

- Darwin Dyke, Tetra Tech Engineer
- Peter Siegel, Copper Mountain Resort Association Executive Director
- Eric Weaver, Robertson & Marchetti, P.C.
- Cheri Curtis, Robertson & Marchetti, P.C.

Call To Order

The Regular Meeting of the Board of Directors of Copper Mountain Consolidated Metropolitan District was called to order by Director Malmgren, on February 22, 2013, at 8:30 a.m. noting a quorum was present.

Old Business

Minutes

The Board reviewed the minutes of the January 25, 2013 Regular Board Meeting. Corrections made to line 58: Copper Mountain Resort Association; line 95 and line 97: Mr. Colman replaces Mr. Siegel; line 100: Sierra Lift replaces Union Creek; line 146: restaurant replaces buildings; line 176: Arnesen; line 189 and line 194: 2012 replaces 2013. Upon motion duly made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to approve the minutes of the January 25, 2013 Regular Board Meeting with revisions.

Financial Report

Mr. Weaver presented the January 31, 2013 financial summary report.

Mr. Weaver presented that revenues are right on track for January and that it already looks like the Fire Department will exceed projected revenues for the year. Expenses are under for January due

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

to the fact that the new Clerk-Treasurer Administrative Assistant began in February rather than January. Mr. Weaver suggested that overall the finances are off to a good start for the year.

The “2013 Forecast” column is new to the financial reports. This tool is introduced to aid in projecting expenses and identifying any potential problems.

In regards to the Accounts Payable to be approved, Director Anuta questioned the number of telephone bills the District sustains, in particular the need for a telephone in the elevator servicing the District building. Mr. Erickson confirmed the number of business phones maintained at different facilities. Chief Thomson stated the phone in the elevator is required by code.

Upon motion duly made by Director Broughton and seconded by Director Bloch it was unanimously

AGREED to accept the January 31, 2013 Financial Statement and cash disbursement report as presented.

Public Input

There was no public input presented to the Board.

Community Updates

Mr. Siegel, Copper Mountain Resort Association (CMRA) Executive Director, commented that two of the CMCMD Board Members also serve on the CMRA Board and receive CMRA Board packets prior to CMRA Board meetings. Mr. Siegel asked if any other CMCMD Board Members would like CMRA Board packets as well. The Board agreed to be added to the e-mail distribution list.

Mr. Siegel advised that he wished to clarify some of the meeting proceedings of the last CMRA Board meeting. Mr. Siegel reported that election of officers took place at the last meeting, the same slate of officers was elected and there are no changes to the membership of the Board. Mr. Siegel also overviewed a number of other topics considered by the CMRA Board: three new policies being considered by CMRA; issues related to reducing quorum requirements for CMRA membership meetings; concerns related to dog control regulations in the resort community; and issues related to operations and budgets.

New Business

Introduction of Missy Stabile, Clerk-Treasurer Administrative Assistant

Director Malmgren and Board of Directors welcomed Missy Stabile to the District and expressed their enthusiasm regarding her qualifications.

Rate Study

Mr. Erickson advised that there has been no further progress on the water and sanitation user rate study since the last meeting. He hopes to provide information to the engineer in a timeframe that allows the engineer to finalize user rate recommendations to the Board at the March meeting. Darwin Dyke, Engineer with Tetra Tech, said he is available to assist the District as needed.

Director Broughton expressed concern in meeting the need to inform the community of changes in the user rate structure in a timely manner that allows various organizations throughout the resort to budget for any rate adjustments. Mr. Erickson assured the Board that the public review process can begin after the March Board meeting thus providing adequate time to share user rate

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

information with public and allow the various organizations opportunity to account for rate adjustments in their upcoming fiscal year budgets.

2013 Performance

Evaluation & Plan

Mr. Erickson distributed to the Board the District Manager's 2012 Job Performance Evaluation and the Manager's 2013 Performance Plan and suggested the Board meet in executive session at the conclusion of the meeting to discuss. Director Malmgren informed Director Bloch that at the last Board meeting, as Director Bloch was unable to attend said meeting, it was decided that the Board should act as a whole, instead of assigning a sub-committee to review and make recommendations concerning these personnel matters.

Staff Reports

- **Water and Wastewater Director:**

Mr. Koenig announced his department will be painting fire hydrants this spring with the schedule being weather dependent. A major upcoming project will be painting the Clarifier and replacing the exterior doors on the Clarifier building at an estimated cost of \$120,000-\$130,000. After completion of this capital project there are no major projects on the horizon for the balance of 2013.

Director Malmgren asked if there have been any issues with the fire hydrants freezing this year. Mr. Koenig responded that no hydrants have frozen to his knowledge. He further explained that hydrants could be frozen, but without use during the winter season he would not know it. There have been some short-term freezes in water service lines to residential units this winter.

Director Malmgren inquired about a meeting requested by the Elk Run Board of Directors to discuss water pressure issues with CMCMD water management. Mr. Koenig responded that CMCMD met with Copper Mountain officials representing the Elk Run Board of Directors, and it was mutually decided to have Tetra Tech engineers outline a program to test and record water pressure fluctuations throughout the Village. It is hoped that a complete Village analysis will enable this District to solicit support from other buildings in the Village to defray costs.

Mr. Koenig stated that the District is not a position of claiming liability for the water main pressure issues. The District does not deny that pressure issues exist and is willing to participate in a study to better understand the situation, but the District denies liability for the situation and does not want its participation in the study to be interpreted as an admission of liability. Pressure issues in the Elk Run complex involve the fire system. The District has already provided suggestions to mitigate issues related to the fire system.

Mr. Erickson confirmed that the meeting with Elk Run was a successful meeting. The District is willing to participate in the study with financial support from affected associations and organizations but does not believe the District should be obliged to cover the full financial costs of the study. It is unknown at this time if problems lie within building structures or the District's system and it is not reasonable that the District absorb the entire financial burden of the study. Information gleaned from the study will be beneficial to the District, resort organizations, and Village HOAs. It was agreed by all at the meeting to proceed with a mutually financed study with the District spearheading the costs and the methods of the study.

Questions regarding how to charge the other HOAs located in the Village were raised. Mr. Erickson suggested it would be a voluntary contribution toward the study or that the cost could be allocated through the existing water rate user charge system as a basis for recovering the water customer's share of study costs.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

Concerns were raised by Directors Anuta and Broughton that other HOAs might not want to participate in a pressure study. Mr. Koenig explained that the pressure issues are not isolated to Elk Run.

The estimated cost of the study would be approximately \$10,000 if new equipment is purchased, less if the equipment is available to rent. Director Broughton suggested that the District should avoid the loss of time and problems associated with recovering the cost of the study. Director Anuta agreed.

Director Malmgren questioned if the District can do anything if the results from the study show that the problems lie within the District's system. Mr. Koenig responded that the entire system would need to be changed, which is identified on the master plan. Mr. Dyke advised that the water distribution system might have to be modified to establish two pressure zones, instead of the current single pressure zone, in order to remedy the pressure problem.

Mr. Moroz clarified that the Elk Run problem is with leaking fire sprinkler heads in the fire suppression system – not the domestic water system in which water main pressures are already lessened through the use of pressure reduction valves installed on the domestic system. If the water pressure is reduced in the District's water mains to minimize leaking, the ability of the existing sprinkler systems to operate properly may be compromised. With the new PUD coming up it will be good to have results from this study so that systems can be designed properly in the future.

Director Malmgren suggested we proceed with the study and discuss cost recovery at a later date. Mr. Erickson stated that when the costs are known, they will be discussed but the District needs to avoid saying it will conduct the study in any way which could be misconstrued as an admission of liability for high water main pressures. Mr. Koenig said the costs and scope of the study will be ready for discussion at the March Board meeting.

Mr. Koenig announced that the nutrient program to test water quality has been initiated and that sampling will begin in the next five to six days.

- **Engineer's Report:** Mr. Dyke stated he is currently assisting Mr. Koenig with the water main pressure study and is also working with Mr. Erickson on updating the water and sewer user rate study. He is also estimating the cost of implementing a two zone water system and potential development of a fourth well for inclusion in the District's long range Water and Sewer Capital Improvements/Replacement Plan.

Mr. Koenig explained that well regulations have changed and that testing for particulates in the water will determine if the wells are considered to be ground water or surface water supply sources. Testing will begin in April and continue into July and October with 3 tests each month. If particulates show up in the tests, the wells will be classified as surface water supply sources and need to be brought up to current surface water supply treatment standards.

- **Cable TV/HSIS:** Mr. Arnesen reported this has been a tough winter with system outages. The worst outage in 18 years was experienced during Super Bowl weekend with all of the emergency steps taken to salvage TV for the Super Bowl being necessary to provide adequate CATV services until spring when permanent repairs will be made. Mr. Arnesen noted that Resort Internet handled the outage well.

Director Malmgren inquired about a company excavating a utility trench near the Conoco station in January. Mr. Arnesen responded that there have been problems with the feed to the Conoco station since the station was rebuilt; however, an excavation company did cut the line and CATV had to run a temporary landline in order to reestablish CATV services at the Conoco station. The situation may be permanently resolved in the spring by servicing Conoco with a buried cable from the Waste Water Station to the Conoco station and abandoning the historic problem feed.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

- **CMFD:**

Chief Thomson introduced Lieutenant Michael Craig who presented information on the CMF Union organized some time ago in order to improve firefighter morale and communications with the chiefs and the District. Meetings are held to discuss training and ways to promote the District and the Fire Department. Some philanthropic activities the Union has been involved with include the collection of \$6,000 in donations for Muscular Dystrophy; the donation of \$900 earned from valet parking for Summit County Care Clinic's Soup for the Soul event to the Summit County Care Clinic; and the contribution of \$500 to the Injured Fire Fighter's Fund. As a Soup for the Soul sponsor, the CMFD will continue to provide valet parking for attendees of the annual Soup for the Soul event and a link to the CMFD is on the Summit County Care Clinic's website. Additional public relation programs include sponsorship of the pop machine at The Edge and a new Facebook page which can be accessed at <https://www.facebook.com/CopperMountainProfessionalFirefightersLocal4528>.

- **Summit Fire Authority:** The 2012 Summit Fire Authority Annual Report was attached to the Board packet. Chief Thomson commented that 2012 was a successful year for the Summit Fire Authority. Director Anuta requested that numbers be provided in conjunction with the pie charts in the next report in order to facilitate a reader's understanding of the report.

- **Fire Prevention:** Chief Thomson reported that on January 25, 2013, there was a successful meeting with representatives from Climax Mine, Summit County Building Department, and CMFD regarding the Climax Mine Property Discharge Water Treatment Plant (PDWTP) project. Currently, the main issue is that Climax has expressed an opinion that they do not need to provide sprinkler coverage throughout the PDWTP buildings and the International Fire Code ("Code"), as adopted by the County, requires that a sprinkler system be installed. The CMFD presented a procedure through which alternative methods and materials can be requested by the applicant for consideration and approval under the Code, and the District is currently waiting for Climax to submit such an application for the Department's review and consideration as an approved alternate method of fire protection and life safety in the buildings.

Mr. Moroz reported that he and CMFD staff continues to meet once a week with representatives from all Summit County Fire Districts to review the 2012 International Fire Code (IFC). The delegation is reviewing all of the 2012 codes and is responsible for developing an amendment package that is specific to Summit County. Meetings may be increased to twice a week in hopes that a preliminary draft can be distributed in the near future for District Board review and comment.

- **Public Safety:** Chief Thomson reported that he has reviewed the concerns and suggestions provided by Director Anuta regarding his review of the "Agreement for Mutual Aid Incident Management Team." Chief Thomson will meet with Director Anuta outside of the meeting to resolve items still in question. Once the District's comments and suggestions are incorporated into the draft agreement, the Agreement will be forwarded to the County for their further review and consideration in finalizing the Agreement for adoption purposes. Chief Thomson thanked Director Anuta for his help.

Chief Thomson reported the District is participating in the development of the Summit County Multi-Hazard Mitigation Plan and that Mr. Moroz is the District's designated representative in the process. The team is tasked with identifying hazards within the District and County and to identify resources for dealing with the hazards, if any. This exercise will aid in FEMA response to future disaster incidents throughout Summit County. Mr. Koenig stated that, in addition, there are Federal matching grant funds available to the County for hazard mitigation programs identified during this current hazard mitigation planning process.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

Chief Thomson advised that CMFD responded to a grease fire in the kitchen at Union Creek Restaurant. There was a delayed response to the call because the crew had previously responded to a motor vehicle accident on I-70 which delayed the crew's ability to respond in a shorter timeframe. An investigation regarding the delayed response found that the crew arrived at Union Creek within six minutes and silenced the alarm within one minute of arrival. The entire call, including scene closure, took eighteen minutes. While on scene, safety violations the FD was not previously aware of were recognized. The FD worked with kitchen staff to address these violations. The incident resulted in training opportunities and improved communications for both department and restaurant personnel. Mr. Moroz stated that an education program with kitchen managers was initiated to promote safety and prevent property damage throughout the resort.

Director Anuta questioned how often kitchens are inspected and if the FD receives notice of building permit applications from the County. Mr. Moroz answered that inspections are conducted twice a year before each season (winter and summer) and when any changes are reported. The FD signs off on all building permits before they are issued by the County and then interfaces with approved projects as necessary to assure compliance with the Code.

Director Bloch recognized Mr. Moroz's employment and job performance with the District as having a positive impact within the Copper Mountain community.

**Other
Business**

There was no other business to come before the Board.

**Recess
Meeting**

There being no further business to come before the Board, by motion duly made by Director Anuta and seconded by Director Broughton, it was unanimously agreed to recess the Regular Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors this 22nd day of February, 2013 at 10:23 a.m.

**Reconvene
Meeting**

The Regular Meeting of the Board of Directors was reconvened by Director Malmgren at 10:33 a.m.

**Executive
Session**

Director Bloch moved that "the Board of Directors for the Copper Mountain Consolidated Metropolitan District go into executive session regarding discussions to determine positions relative to matters that are subject to negotiations as authorized by C.R.S. § 24-6-402(4)(e); and for the purpose of discussing personnel matters as authorized by C.R.S. § 24-6-402(4)(f). These discussions are related to the District's Manager's 2012 and 2013 job performance. Those present at the outset of the executive session shall be members of the Board of Directors as present at this meeting; and David Erickson, District Manager." Seconded by Director Anuta. Upon the Motion duly made and seconded, Director Malmgren declared, "The Motion passes on a vote of 5 in favor and 0 opposed. The time is now 10:34 a.m., and the Board will go into executive session."

**Return to
Open Session**

Director Malmgren stated, "The time is now 11:37 a.m., and the executive session has been concluded. The participants in the executive session were Thomas J. Malmgren, Karl Anuta, Ben Broughton, David Steele, Bob Bloch, and David Erickson.

"For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I ask that you state your concerns for the record at this time. Seeing none, we will proceed with the agenda for the open meeting."

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District February 22, 2013 Meeting Minutes

Adjournment Upon motion duly made by Director Broughton and seconded by Director Anuta, it was unanimously

AGREED to adjourn the Regular Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors.

Director Malmgren adjourned the Regular Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors the 22nd day of February, 2013, at 11:38 a.m.

Respectfully Submitted,

BY: _____
Thomas J. Malmgren
President of the District

ATTEST: _____
Karl Anuta
Vice President of the District