
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District April 26, 2013

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on April 26, 2013 at 8:30 a.m., at the Copper Mountain Metro District Building, 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, Public Works Director
- Ricky Clover, Utility Plant Operator
- Dave Arnesen, Director of Cable Services
- Mark Thomson, Fire Chief
- Stephen Boyle, Assistant Fire Chief
- Dan Moroz, Code Compliance Officer
- Missy Stabile, Clerk-Treasurer Administrative Assistant

Also in attendance were:

- Eric Weaver, Robertson & Marchetti, P.C.
- Chris Colman, Copper Mountain Director of Planning & Development
- Jim Reis
- Stan Sprinkle

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 April 26, 2013, at 8:30 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the March 29, 2013 Regular Board Meeting. Upon motion duly made by Director Anuta and seconded by Director Bloch it was unanimously

AGREED to approve the minutes of the March 29, 2013 Regular Board Meeting as presented.

Financial Report

A Preliminary Financial Report for March 31, 2013 was prepared by Robertson & Marchetti, P.C. and provided to the Board for review prior to the meeting. Mr. Weaver of Robertson & Marchetti presented the financial summary to the Board. Mr. Weaver reminded the Board that he would be coming to the Board meetings quarterly to keep involved and answer any questions the Board or public may have. Mr. Weaver reported that the 2012 audit continues to go smoothly and we may see a draft as soon as next month's meeting. The final audit is due to the State at the end of July. Mr. Weaver was pleased with the favorable forecast of the District's financials.

When Director Anuta questioned why the Combined Funds Statement showed that Total District Operations are under budget, Mr. Weaver answered that accounting expenses from Robertson & Marchetti are down due to the new service agreement, legal costs are down as well as Water and Sanitation maintenance and sludge removal costs.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District April 26, 2013 Meeting Minutes

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

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

Public Input

There was no public input presented to the Board.

Community Updates

Mr. Colman advised the Board that Powdr – Copper Mountain, LLC has submitted its Application to Amend the Copper Mountain Plan Unit Development Designation to the County; that the application was scheduled for public hearing before the Ten Mile Planning Commission on June 13, 2013; and that the public hearing before the Board of County Commissioners was anticipated to be scheduled 30+ days following the Planning Commission’s hearing, depending upon public input at the hearing and Planning Commission findings and recommendations.

New Business Rate Study Update

Mr. Erickson advised that staff’s Water and Sewer User Rate Study had been finalized and presented to the Water and Sanitation Department (WAS) and Tetra Tech for use in finalizing the Department’s report and recommendations to the District Board. After WAS reviewed the study, Mr. Erickson and WAS met with Tetra Tech to overview the staff analysis. Tetra Tech moved forward on incorporating the staff analysis into their report and provided an initial draft report to WAS on April 25. A meeting with Tetra Tech is scheduled on May 2 to further integrate Tetra Tech’s findings and the WAS analysis into one report which will be presented to the Board. The integrated report will include recommendations on how to proceed with public notifications, the hearing process and implementation plans. After the Board has reviewed and released the report to the public, it will be available on the District website.

District Property Deeds

The District has located recorded Copper Mountain property easements conveyed to CMCMD, but staff is not yet prepared to draft the letters of request to Gary Rodgers. WAS is working with Tetra Tech to review the easement situation and prepare a written analysis. The District, in consultation with legal counsel, will then decide which projects to pursue and hire a surveyor in order to provide surveys and legal descriptions of “key” properties in conjunction with letters of request to Gary Rodgers. The Board will review the letters of request prior to submitting to Gary Rodgers.

Mr. Sprinkle asked for clarification regarding the properties in question. Director Malmgren explained that in the interest of the Copper Mountain community, the District has improved four properties with wells and service buildings. The District would like to have these properties deeded so that the improvements can be fully protected and maintained by the District as mandated by federal, state or district rules and regulations. In addition, the District would like Copper Mountain to remove abandoned building foundation materials that encroach on District properties at the Wastewater Treatment Plant. The large amount of concrete waste has already hindered WAS perimeter fencing and may inhibit the expansion and development as necessary to accommodate future facilities.

Merit and Cost-of-Living Adjustment Policies

A memo explaining the District’s Merit and Cost-of-Living Adjustment policies is not available for distribution at this time. It is a complex policy that requires a comprehensive explanation or

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District April 26, 2013 Meeting Minutes

there will be too many questions unanswered. The memo is 80% complete and will be distributed to the Board upon completion. Mr. Erickson clarified that the memo he will distribute is not a document proposing policy changes, but a memo explaining the existing policy as adopted by the Board,, including its implementation.

Mr. Sprinkle requested to receive a copy of the memo as well.

Sale of Snowbridge Unit 212

In 2011, the District entered into a lease with option to sell Snowbridge Unit 212 to Fall Line Property Management. Fall Line informed the District that financing to purchase the property has been approved and they would like to proceed with the purchase as soon as possible. The purchase must be completed by the termination date of the contract which is the end of June. The unit is currently categorized as an employee housing unit and will remain so after the sale. Director Malmgren confirmed that the title commitment has been received and that he is waiting for additional information from the lender.

Staff Reports

- **Water and Wastewater Director:**

Mr. Koenig announced that the Annual Consumer Confidence Report is complete and available on the District website. This report is created each year and reflects all drinking water analysis data compiled in the prior year.

The first round of Microscopic Particulate analysis and spore count has been completed on the Districts water source wells. Results indicate that the District's water sources remain a ground water source and not a surface water source. The next round of testing will occur during run-off in June.

There has been significant progress made in pumping and cleaning sand, oil, and grease traps located in the District. Utility Plant Operator Ricky Clover has been persistent in locating and making the traps available for spring cleaning efforts. A few buildings have yet to be addressed: The Edge needs to have grease removed; Snowbridge has a trap but it has not been located; and it is not known if Bridge End has a trap.
- **Cable TV/HSIS:**

Mr. Arnesen reported that many cable repair or replacement projects are on hold until the snow melts.

Resort Internet would like to move toward enhancing the District's in-ground cable network with fiber optic lines and is investigating the possibility of integrating portions of Copper Mountain's fiber network with the District's cable network to upgrade High Speed Internet Services throughout the District. Resort Internet has also been in negotiations with Powdr – Copper Mountain LLC to establish wi-fi hot spots throughout the resort. The District owns the in-ground network utilized by ResortInternet for distribution of video and internet services, and the District is, therefore, responsible for the maintenance and enhancement of that network. Costs associated with upgrading to a hybrid cable and fiber optic system would be the responsibility of the District; however, an agreement could be entered into where ResortInternet contributes or pays for a portion or all of those costs, but ownership of the in-ground network remains with the District. In addition, current cable fees include money allocated to upgrade the in-ground network.
- **CMFD:**

Chief Thomson stated that CMFD Firefighters are currently going through annual wildfire recertification training.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District April 26, 2013 Meeting Minutes

In December 2012, CMFD sent a fire engine with four firefighters to the Fern Lake fire near Estes Park. The state reimbursed CMFD for gas, firefighter wages, “backfill” wages, incidentals and costs of engine deployment associated with CMFD’s participation at the fire incident. During appropriate times of the year when fire danger is low, CMFD will look at other opportunities to assist other communities in need.

CMFD has taken possession of a recently completed conversion of a dump truck to a Type 6 Wildland Engine. The Type 6 Engine has 4-wheel drive and a 200 gallon water tank. This Type 6 Engine puts the District in a better position to access and extinguish wildland fires in our response area. Chief Thomson thanked Mike Koenig and WAS (for donating the dump truck), CMCMD, Snake River Fleet Services and FD Engineer Mark Nielsen for making the Type 6 Engine acquisition project so successful.

Mr. Sprinkle asked if the Type 6 Engine replaces the ladder truck. Assistant Chief Boyle answered that it does not replace the ladder truck and that he is currently gathering information about the fate of the ladder truck. The FD is trying to determine what course of action is in the best interest of the District. Chief Thomson said a task force will update the Board with recommendations within six months to a year.

Public Safety Meetings:

Summit County Communication Center (SCCC):

A new phone system is in place for SCCC. They are still working out the kinks. A new repeater tower will be placed at the top of Keystone this summer which will complete the Summit County 911 system.

Incident Management Team (IMT) Steering Committee:

CMFD has forwarded suggestions for the Mutual Aid Agreement to the County and is waiting for a meeting to discuss CMFD’s suggestions.

CHUBB Insurance Fire Protective Services Agreement:

Summit County’s legal counsel continues to work on an agreement with CHUBB Insurance. CMFD wants CHUBB’s support but needs an agreement that reduces the District’s and County’s liability exposures. Until an agreement is reached, CHUBB will not be allowed to service their clients’ properties situated within evacuated wildland fire areas. The District is aware that two homes in Masters contract with CHUBB Insurance for CHBB fire protective services.

Fire Prevention:

2012 International Fire Code (IFC) and Amendments:

Mr. Moroz reported that all four Public Hearings on the 2012 IFC and proposed amendments have been completed. As a result of public input received at the hearings, the code adoption schedule has been extended: County building contractors are seeing significant changes in Building Codes and have requested additional time to work with fire district and county officials before adoption of a new code.

At the Public Hearing held in the CMCMD Building, there was public concern regarding barbeque grills on multi-residential building decks. The new code prohibits the use of charcoal barbeques, but permits the use of propane barbeques, on multi-family building decks. There has only been one fire caused by a barbeque on a deck reported in Summit County. Director Broughton said that many Copper Mountain HOAs are prohibiting the use of all barbeques due to insurance costs. He believes this is an issue that should be determined by individual HOAs and not by the District. Mr. Moroz confirmed that the District does not have the authority to enforce. Furthermore, CMFD cannot go on private property without permission or invitation unless there is a hazardous situation. If someone witnesses the use of a charcoal grill, they can contact the HOA or the FD to advise of the situation.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District April 26, 2013 Meeting Minutes

Climax Mine Property Discharge Water Treatment Plant (PDWTP):

Mr. Moroz reported that Climax has submitted a letter to CMFD stating their intent to meet all fire code standards in the construction of the Climax Discharge Water Treatment Plant. He believes that with a few additional items, needing to be included in the letter, Climax can move forward with their project.

Woodward at Copper:

Mr. Moroz reported that Woodward at Copper is preparing for a major remodel and he is working with them to develop a fire sprinkler system that discharges more water to extinguish fires. A fire sprinkler system modification is required to address the potential hazard of 30,000 foam blocks located in wood-framed containers in order to properly resolve public safety issues related to the remodeled building. The foam blocks are fire rated as being fire retardant when utilized in upholstered furniture, but they are not rated for use as proposed in the Woodward building.

Community Projects:

Pancake Breakfast / Open House:

Chief Thomson announced that 200-250 people attended the Copper Mountain 40th Reunion Pancake Breakfast on Saturday, April 13, 2013. The event was not only for a good cause but was also a very positive event that allowed the District to connect with the community.

- **Clerk-Treasurer Administrative Assistant:**

Ms. Stabile stated that she had nothing to report in addition to her report that was submitted to the Board prior to the meeting. She asked if there were any questions. The Board requested that their names be listed on the District website in addition to improved District contact information. Director Anuta commented that Board packets need to be attached to the minutes published on the website as the minutes often refer to information contained in the packets. Ms. Stabile agreed and said she is working on scanning minutes and related documents for posting on the website.

**Other
Business**

The District Manager's Progress Update was distributed to the Board. Mr. Erickson announced that he does not anticipate staging a District TABOR Election in November of this year and that the District will aim for the May, 2014 Election in order to fully evaluate the full scope of what any TABOR ballot question needs to address.

Director Malmgren inquired about damage to a tree located in a median on Copper Road and whose responsibility is it to remove the damaged tree. Mr. Erickson stated that the District contracts with Copper Mountain to maintain the medians and right-of-ways and that responsibility to remove the damaged tree would fall to them.

The mention of medians prompted Mr. Koenig to ask if the District can address the amount of irrigation water that is wasted in the maintenance of the medians. He stated the medians produce the greatest amount of irrigation water waste in the District because of the amount of water that is sprayed onto the asphalt roadway – not on the vegetated median. Mr. Reis said the Resort recognizes the problem and is looking into it.

Director Malmgren announced that the County has been requested to fix the potholes on Copper Mountain roads.

Adjournment

There being no further business to come before the Board, by 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 26th day of April, 2013, at 10:53 a.m.

RECORD OF PROCEEDINGS

Copper Mountain Consolidated Metropolitan District April 26, 2013 Meeting Minutes

Respectfully Submitted,

BY: Thomas J. Malmgren
Thomas J. Malmgren
President of the District

ATTEST: Karl Anuta
Karl Anuta
Vice President of the District