
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District June 28, 2013

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on June 28, 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
- Tom Malmgren
- Dave Steele

Staff in attendance was:

- Dave Erickson, District Manager
- Mike Koenig, Public Works Director
- 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:

- Peter Siegel, Copper Mountain Resort Association Executive Director (left at 8:50)
- Chris Colman, Copper Mountain Director of Planning & Development
- Mike Rothberg, Tetra Tech
- Jim Reis (in at 8:50)

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 June 28, 2013, at 8:32 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the May 31, 2013 Regular Board Meeting. Correction made on line 177: "Elk Run" replaced with "Foxpine". Upon motion duly made by Director Anuta and seconded by Director Steele it was unanimously

AGREED to approve the minutes of the May 31, 2013 Regular Board Meeting with revision.

Financial Report

A Preliminary Financial Report for May 31, 2013 was prepared by Robertson & Marchetti, P.C. and provided to the Board for review prior to the meeting.

Mr. Erickson explained that the CDARS Investment Program has been finalized and that with CDARS investments and interest from other sources, income close to the original projections will be generated. Interest income will continue to increase as the year progresses and Mr. Erickson will work with Robertson & Marchetti to update interest income projections.

Director Malmgren asked if damage deposit income noted in fund 30-40-0-801 was indeed collected. Mr. Erickson said he would confirm the amount.

Director Bloch stated that he likes the presentation of the Financial Reports and congratulated Robertson & Marchetti for a job well done.

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

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AGREED to accept the May 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, distributed 2013 Summer Activity passes to the CMCMD Board and Department heads.

CMRA Capital Projects that are underway include replacing the Lewis Ranch gate with metal rails and fitting improved lighting and installing additional fire pits in Center Village.

CMRA continues to work with the County regarding pedestrian crosswalks at various locations throughout the resort. The standard agreement provided by the County does not apply in this case and CMRA is requesting an agreement that does not shift all liability to Copper.

**New Business
2012 Audit**

The 2012 Audit was distributed to the Board. The 2012 Audit has been filed electronically with the State and is also available on the District website.

McMahan & Associates, LLC was paid \$14,900.00 for audit services which was less than budgeted.

**Rate Study
Update**

Mr. Erickson distributed the final CMCMD 2013 Water Rate Study Report to the Board.

By motion duly made by Director Bloch and seconded by Director Anuta, it was unanimously

AGREED to accept and release the CMCMD 2013 Water Rate Study Report for public review.

By motion duly made by Director Anuta and seconded by Director Bloch, it was unanimously

AGREED to schedule public hearings at the Regular Board meetings on July 26, 2013 and August 23, 2013.

Mr. Erickson distributed the CMCMD 2013 Water Rate Study Report to public present at the meeting.

**Merit and
Cost-of-Living
Adjustment
Policies**

Mr. Erickson distributed copies of an explanatory memorandum, regarding the District's Merit and Cost-of-Living Adjustment Policies as specified in the District's 2009 Job Classification and Compensation Plan, to the Board. He explained that the memorandum is a source document for future District management's reference in understanding how the policies are designed, with step-by-step explanatory details necessary to calculate employee Merit and COLA pay adjustments in the future. The memorandum will be incorporated into the management operations manual as directed by the Board in the Manager's 2013 Performance Plan. Mr. Erickson further explained that the policy is designed to limit inflation of the District's annual budget – specifically, payroll expenses – and, thereby, mitigate increasing the financial burden on District taxpayers. There are a variety of checks and balances built into the process and Mr. Erickson believes it is a sound policy.

Director Malmgren noted that receipt of the memorandum does not require action by the Board and that the Board will review for discussion at the next Board meeting if necessary.

Copies of the memorandum were made available for public distribution.

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Sale of Snowbridge Unit 212

Mr. Erickson announced that the Lessee is allowing the current contract to terminate and is not seeking an extension. Therefore, the unit will not be sold at this time. The loss of anticipated revenue is not problematic as it is revenue to the Capital Project Fund – not revenue necessary for 2013 operations or expenditures.

Director Malmgren stated that the Board will need to decide whether or not to seek another tenant or to place the unit on the market and that he will work closely with Mr. Erickson on this situation.

CDARS Investment Program Update

Mr. Erickson announced that a final CD investment using CDARS funds has been secured. The CDARS funds totaling \$2.94 million took longer to invest than hoped due to declining interest rates.

2014 Budget Process

Mr. Erickson spoke with Eric Weaver of Robertson & Marchetti (R&M) who requested an outline as to what budget services are being requested by CMCMD. Mr. Erickson is in the process of putting an outline of budget services together for presentation to R&M. Mr. Erickson assured the Board that he will convey R&M's service proposal to the Board as soon as possible and the 2013 budget process is not being delayed, at the present time, by this course of action.

Staff Reports

- **Water and Wastewater Director:**

Mr. Koenig reported that no data has been gathered from the Village-wide pressure study because there have been no anomalies or water pressure surges which are necessary to generate study data for analysis. Historically, pressure surges have occurred during two months in the spring and two months in the fall. Historically, pressure surges have not occurred during the winter months.

A Tri-annual Sanitary Survey was completed and response from the State is pending.

Estimates to repair the horizontal gutter system on the east side of the Metro District Building have been received, but he is still awaiting cost estimates for swallow nest mitigation work. Once all costs are in, the gutter and mitigation work will be scheduled for completion prior to the winter season.

Director Malmgren asked if there are any water restriction concerns at this time. Mr. Koenig replied that the District's supply is good but that we still need to be cautious.

Mr. Koenig also reported that with the completion of the Water and Sewer Rate Study Report, he has been able to complete the Water and Wastewater Master Plan.
- **Cable TV/HSIS:**

Mr. Arnesen reported that he is in the process of compiling information to file the annual leakage report with the FCC. A few leaks have been detected but are believed to be within acceptable limits.

The CATV line to East Village has been repaired and working well. Repairs to the Conoco line are pending, and an estimate to bury conduit from the Wastewater Facility is forthcoming. Mr. Arnesen is monitoring CDOT work on the bike path that will take place on top of a trunk cable.
- **CMFD:**

Wildfire: Chief Thomson reported that CMFD deployed the Type 6 Wildland Engine and Firefighters to the Black Forest Fire near Colorado Springs, the Ward Gulch Fire near Rifle, the Wild Rose Fire near Rangely and another wildfire incident near Meeker. In addition, Assistant

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Chief Boyle is a Red Cross Volunteer who assisted in setting up shelters in Colorado Springs for evacuees of the Black Forest Fire. CMFD takes local fire danger levels into consideration prior to deploying any firefighters to other wildfire incidents in the state. The fire danger level was moderate when the teams were deployed and moved to high during deployment – firefighters will not be deployed to other areas of the state while the fire danger in Summit County remains above moderate. The District will generate revenue from all deployments through reimbursements for personnel and vehicle costs associated with each deployment. CMFD is a small department and the firefighters have made a significant commitment to cover shifts of deployed firefighters. The experience the firefighters bring back to help fight wildfires in our community is a great benefit to the District and the community.

Ready, Set, Go!: The Ready, Set, Go! program is a countywide initiative that is being brought to the Copper community. CMFD is working with Dan Schroder at the Summit County CSU Extension Office and will distribute information at the Community Party and Pancake Breakfast during the Labor Day weekend.

Prevention: Mr. Moroz reported that Climax Mine hopes to complete construction by the first of the year. He also reported that Woodward did a fantastic job on the remodel and that the building fully meets code and life safety standards.

One more meeting is scheduled between county fire and building officials, architects, builders, product suppliers, realtors and other interested parties to come to a consensus regarding adoption of the 2012 International Fire Code and amendments.

Mr. Moroz expressed thanks to Chris Coleman and Copper Mountain Resort for listening and cooperating with the District during PUD amendment hearings.

Other announcements were made regarding CDOT repairs to bike path and bridges beginning on July 8, 2013, Foxpine renovations this summer, and Xcel rerouting power from the Mayflower substation to the Frisco substation during repairs and the possibility of outages that may occur before electrical system upgrades are completed.

CHUBB: Chief Thomson reported that the Board of County Commissioners (BOCC) determined that an indemnification provision is necessary before they sign an agreement with CHUBB. Sheriff Minor notified CHUBB of the BOCC's decision and is waiting for a response. Chief Thomson anticipates the District may have to make tough decisions regarding CHUBB involvement.

CMCMD Labor Day Events: The Copper Metro District Village Party is scheduled on Thursday, August 29, 2013 from 4:00 to 7:00 p.m. at the District Building/Fire Station. The CMFD Pancake Breakfast will be on Saturday August 31, 2013 from 6:30 to 8:30 a.m. at Jack's in Center Village. The Pancake Breakfast precedes the State of the Resort presentation.

EMS: Chief Thomson and Mr. Erickson met with Scott Vargo, Assistant County Manager, to discuss a final draft of the Almont Report and to inform him that CMCMD wants to be involved in all discussions pertaining to Fire and Emergency Medical Services in Summit County. They stressed that CMCMD is one of three fire districts in the county that needs to be included in all discussions and represented in the Almont Report.

Chief Thomson reported that the BOCC made clear that although EMS is an excellent service, the county can no longer subsidize the service and needs to look at alternative options. CMFD will be asking what it can do to contribute and help.

Chief Thomson will distribute the final Almont Report when it is received.

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Director Anuta suggested going to the tax payers with specific numbers to ask if this is a service they want at Copper Mountain. Chief Thomson replied that they are not at the point to go to the tax payers because the situation is still being studied and options explored.

- **Clerk-Treasurer Administrative Assistant:**

Ms. Stabile reported that the summer issue of *CMCMD News* will be sent in July. She also reported that District Financials are now available on the website in addition to CMCMD Board members and a staff directory.

Robertson & Marchetti reviewed and approved of United Systems Technology, Inc. (USTI) "asyst for MS Office" software as an option for CMCMD use. A decision needs to be made to convert to the new version of Caselle, the District's current software supplier, or to switch to a new system.

Ms. Stabile will attend the Colorado Institute for Municipal Clerks at the University of Colorado, Boulder July 7 - 12, 2013. The institute provides an opportunity to earn 40 points toward the 120 points required to become a Certified Municipal Clerk.

Ms. Stabile submitted an application for the CSD Pool Scholarship Program which would cover costs to attend the 2013 Special District Association of Colorado Annual Conference in Keystone, September 18-20, 2013. The Board acknowledged it would be beneficial to have the Board represented at the conference and requested that Ms. Stabile forward information to them via email.

Other Business

Director Anuta expressed strong interest in putting a TABOR related ballot issue on the November ballot. Mr. Erickson advised that the Board needs to decide if they want to participate in the November Election in that there is a deadline to notify the County Clerk and Recorder of the District's participation. He also stated that there is one mill levy left to De-Bruce. The levy rate was 3.934 in 2005 and has "ratcheted down" under TABOR to 2.614 in 2013.

Director Anuta inquired about costs associated with a TABOR ballot issue. Mr. Erickson replied that costs to the District would be nominal since it is a coordinated election sponsored by the County Clerk who will apportion total costs to all participants.

By motion duly made by Director Anuta and seconded by Director Bloch, it was unanimously

AGREED to notify the County Clerk of the District's intent to participate in the November election with a TABOR ballot issue and for Mr. Erickson to move forward with the ballot language.

Adjournment There being no further business to come before the Board, by motion duly made by Director Anuta and seconded by Director Steele, 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 28th day of June, 2013, at 10:25 a.m.

Respectfully Submitted,

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

ATTEST: Karl Anuta
Karl Anuta
Vice President of the District