
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District October 30, 2014

A Special Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on October 30, 2014 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
- Ben Broughton
- Ted Kravec
- 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
- Gary Curmode, Fire Chief
- Dan Moroz, Fire Marshal
- Missy Stabile, Clerk-Treasurer
- Ty Humphries, Firefighter

Also in attendance was:

- Peter Siegel, Copper Mountain Resort Association Executive Director
- Gary Rodgers, Copper Mountain President and General Manager
- Chris Colman, Copper Mountain Director of Planning & Development
- Eric Weaver, Marchetti & Weaver
- Ed Byrne, PC
- David Nassar, Nassar Development
- Zach Nassar, Nassar Development
- Lynn Jeffries

Call To Order

The Special Meeting of the Board of Directors of Copper Mountain Consolidated Metropolitan District was called to order by Director Malmgren, on October 30, 2014, at 8:30 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the September 26, 2014 Regular Board Meeting. Upon motion duly made by Director Broughton and seconded by Director Anuta it was unanimously

AGREED to approve the minutes of the September 26, 2014 Regular Board Meeting.

Community Updates

Mr. Siegel presented updates regarding county approved crosswalks, the Village winter schedule, the Copper Mountain post office and the new sign program. The 2015 Budget Review Meetings for the Copper Mountain Resort Association (“CMRA”), Copper Mountain Property Owners and Lessees Association (“POLA”), and The Village at Copper Association, Inc. (“Village at Copper”) will run concurrently, from 4:00 – 5:30 p.m. on Saturday, December 6th, in the Copper Mountain Metropolitan District Building Community Room.

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Mr. Rodgers announced that Copper Mountain delayed opening the mountain to public skiing until Friday, November 7, 2014.

Public Comment

and Concerns

Mr. Byrne stated that he has not heard back from the District on behalf of his client Nassar Development and expressed confusion as to why his client received a tap refund check prior to the finalization of the new tap fee structure. Nassar Development is not satisfied with the amount of the refund check and will not cash the check until retained experts present their findings.

Financial Report and Public Hearing on Proposed 2015

Budget

The Financial Report for September 30, 2014 and a Proposed 2015 Budget was prepared by Marchetti & Weaver and provided to the Board for review prior to the meeting.

Mr. Weaver presented the Financial Report for September 30, 2014 and reviewed the Proposed 2015 Budget. Major highlights of the Proposed 2015 Budget include a salary freeze, no transfer of funds from the General Fund to the Capital Fund in 2014 or 2015 due to funding shortfalls, and not including the purchase of a new fire apparatus or replace aging fire department equipment. 2015 is not a tax reevaluation year so property taxes and District revenues will remain nearly constant. Water rates were not set at the engineer's recommended rate but the introduction of the new rate structure has improved the District's position and since the rates are still new there is no proposed increase in 2015. Operation expenses for 2015 are similar to 2014 operating expenses. The Metro District Building will be assessed in November for future capital needs. A multi-year financial plan is being developed and should be available in early 2015.

Director Malmgren formally opened the public hearing regarding the Proposed 2015 Budget at 9:11 a.m.

Mr. Rodgers expressed appreciation for time to review the proposed budget prior to the November Board Meeting.

Director Malmgren recessed the Public Hearing at 9:12 a.m. until November 21, 2014.

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

AGREED to accept the September 30, 2014 Financial Statement and cash disbursement report.

New Business

Tap Fee

Update

Mr. Erickson stated that a graduated tap fee structure is currently being reviewed as opposed to a fixed rate schedule and that a new tap fee schedule continues to be a work in progress.

Director Anuta commented that tap fees are for the recovery of capital expenses and for future capital cost and the new tap fee schedule needs to address this.

Director Malmgren asked that once the proposed tap fee structure is complete it needs to be distributed to Copper Mountain Resort and other interested parties for public input.

Mr. Erickson reminded the Board that regarding the new water rate structure, any customer can request to have their CEU (Copper Equivalent Unit) assignment reviewed.

Verizon Cell Tower Lease

Mr. Erickson announced that Verizon will deliver executable copies of the Short Term Cell Tower Lease Agreement next week and that the agreement should be signed by the Board President as an owner representative.

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Upon motion duly made by Director Anuta and seconded by Director Steele it was unanimously **AGREED** to authorize the Board President instead of the District Manager to sign the Verizon Short Term Cell Tower Lease Agreement.

Sale of Assets

With the sale of Snowbridge Unit 212 and the ladder engine, the process of removing these items from District insurance schedules has begun and prorated insurance premiums will be refunded.

Staff Reports

- **Public Works:**
The Water Department received a request to combine the taps from two adjacent properties into one tap. The request needs Board approval since it is against District regulations. The Water Department recommends approving the request to combine the two taps and will draft a letter to present at the next Board meeting based on any new tap fee information received from Tetra Tech.
- **Cable TV/HSIS:**
Mr. Arnesen reported that disputes between Dish Network and Turner Networks has affected Copper Mountain's channel lineup. Channel changes are listed on the District website. More changes may be seen as negotiations continue.
- **CMFD:**
Chief Curmode announced that community survey will be distributed by the Resort Association on behalf of the Fire Department. Resulting data will be analyzed and presented to the Board. The Insurance Services Organization (ISO) will most likely visit the District within the next 12 months. A service agreement between CMFD and Climax Mine is in progress.
- **District Clerk-Treasurer:**
Ms. Stabile reported that the conversion to the new accounting software will take place next week and training will begin the following week. Cheri Curtis of Marchetti & Weaver will also attend the software training.

Other Business

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

AGREED to move the November Board meeting from the last Friday of the month to Friday November 21st to accommodate the Thanksgiving holiday.

Mr. Erickson announced his retirement from the District due to significant medical problems over the past several years and commended the Board for their care of District employees and the Copper Mountain community and their ability to work together. Director Malmgren expressed thanks for Mr. Erickson's years of service and dedication to the District and announced that a confidential retirement agreement has been executed by Mr. Erickson.

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

AGREED to authorize the Board President and Secretary to execute the confidential retirement agreement drafted by District legal counsel, approved by each Board member individually in conjunction with the Board President and signed by Mr. Erickson.

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**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 Special Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors this 30th day of October, 2014 at 10:21 a.m.

**Reconvene
Meeting**

The Special Meeting of the Board of Directors was reconvened by Director Malmgren at 10:40 a.m.

**Executive
Session**

Director Anuta moved that the Board of Directors for the Copper Mountain Consolidated Metropolitan District go into executive session for the purpose of discussing personnel matters as authorized by CRS 24-6-402(4)(f). These discussions are related the District Manager's medical leave of absence and subsequent retirement and request for hearing submitted by Ed Byrne on behalf of Nassar Development. Those present at the outset of the executive session shall be members of the Board of Directors as present at this meeting; Missy Stabile, District Clerk-Treasurer; and Eric Weaver, Marchetti & Weaver, LLC. Seconded by Director Broughton. 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 10:42 a.m., and the Board will go into executive session.

**Return to
Open Session**

Director Malmgren announced, the time is now 11:29 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, Ted Kravec, Missy Stabile and Eric Weaver, as specified prior to going into executive session.

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.

**Other
Business**

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

AGREED to direct District Board President Tom Malmgren to respond to the request for hearing submitted by Ed Byrne on behalf of Nassar Development.

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

AGREED to appoint Eric Weaver as the Interim District Manager who shall report directly to the District Board President.

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

AGREED to appoint a District Manager hiring committee consisting of Tom Malmgren, David Steele, Eric Weaver and Missy Stabile with Ben Broughton as a Board Member alternate if necessary.

