
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District November 17, 2017

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on November 17, 2017 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
- Tom Malmgren
- David Steele

Staff in attendance was:

- Bryan Webinger, District Manager
- Rob Martin, Public Works Director
- Dan Moroz, Fire Marshal
- Todd Hebebrand, Assistant Fire Chief
- Missy Stabile, Clerk-Treasurer

Also in attendance was:

- Jamie Woodworth, Summit County Ambulance Service Director
- Jeff Berino, Lake Dillon Fire Protection District Fire Chief
- Jim Cox, Lake Dillon Fire Protection District Board Member
- Rob Sollenberger, Lake Dillon Fire Protection District Board Member
- Lori Miller, Lake Dillon Fire Protection District Board Member
- Jen Barchers, Lake Dillon Fire Protection District Board Member
- Jim Lee, Lake Dillon Fire Protection District Board Member
- Mary Hartley, Lake Dillon Fire Protection District Board Secretary
- Emily Powell, Ireland Stapleton Pryor & Pascoe, PC
- Bruce Butler, Copper Mountain Property and Homeowner Services Manager
- Eric Weaver, Marchetti & Weaver

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 November 17, 2017, at 8:30 a.m. noting a quorum was present.

Old Business

Minutes

The Board reviewed the minutes of the October 27, 2017 Regular Board Meeting. Upon motion duly made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to approve the minutes of the October 27, 2017 Regular Board Meeting as presented.

Community Updates

Jamie Woodworth, Summit County Ambulance Service (SCAS) Director, reported that there will be changes to county ambulance deployment as a result of the Summit Fire & EMS Authority (SFE). An ambulance will stay at Copper Mountain and be seasonally staffed by SCAS on Fridays, Saturdays and Sundays in 12 hour shifts. The ambulance can be run by SFE personnel the other days of the week. The details are still being worked out but equipment will be at Copper Mountain all the time. The personnel running the equipment will vary. Service will not decrease and may increase. Jeff Berino,

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Lake Dillon Fire Protection District Fire Chief noted that there will never be less than five SFE employees stationed at Copper Mountain which enough to deploy the ambulance.

Chief Berino reported that SFE branding is complete. Firefighters and Officers have been rotating between stations so that operations will be ready beginning January 1. Engineers will take part in rotations next. A master list of meetings, more than 34 meetings each month, has been divided among SFE Officers. Chief Berino met with Gary Rodgers, Copper Mountain President and General Manager, and Graeme Bilenduke, Copper Mountain Director of Development, and was updated on Copper Mountain Resort projects. A Battalion Chief will start at Copper next week to free up Gary Curmode, Copper Mountain Fire Chief, for other tasks. Chief Berino requested that Chief Curmode maintain his office at the Copper Fire Station until the new SFE administration building is complete. Chief Curmode has been meeting with architects and the bidding process for the new building will begin in January. The Board asked how many firefighters will SFE have and how many square miles will be serviced. Chief Berino responded that there will be 58 full-time firefighters and SFE will respond to 410 square miles – from Climax Mine to Heeney, Eisenhower/Johnson Tunnels, Vail Pass, Montezuma and Farmer’s Corner. They estimate responding to approximately 3000 calls per year.

Public Comment and Concerns

No public comments and concerns.

Financial

Eric Weaver, Marchetti & Weaver, reiterated that the 2017 budget will be amended due to unbudgeted wildland deployment expenses and revenue, purchase of a new Type 6 engine, Conservation Trust Fund expenses, and Pension Fund expenses. Mr. Weaver noted three main changes to the 2018 budget from the previous meeting. First, Lake Dillon and Copper Mountain revenues will now go to SFE to create reserves. The budget will go from \$50,000 profit to \$35,000 deficit in the General Fund. At the end of the year, monies can be either rebated or decrease the following year contribution. This will be tested the first year of the authority and revisited. Second, The District is borrowing \$4.555 million to refinance the Metro District Building/Fire Station bond at 2.07%. This cuts annual payments by \$50,000 and will reduce the mil levy by approximately 0.7 mils. Three, the A-Lift Neighborhood utility loop has been removed from the 2018 budget. There is little chance that construction will begin on this project in 2018. Rob Martin, Public Works Director, requested that \$50,000 in contingency be added to the 2018 budget for design work that may begin next year. Mr. Martin also requested that three line items in the budget related to repairs of the Metro District Building roof be combined into one line item as it is one project.

Director Malmgren asked why there is an increase to many Administrative line items in the 2018 budget. Mr. Weaver explained that the District is reduced from four departments to three and Administrative expenses will be distributed among and increasing expenses in the remaining three departments.

Public Hearing on Amended 2017 and Proposed 2018 Budget

Director Malmgren formally opened the public hearing regarding the Amended 2017 Budget and Proposed 2018 Budget at 9:03 a.m.

No comments.

Director Malmgren closed the Public Hearing at 9:04 a.m.

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

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AGREED to adopt Resolution 2017-09, a resolution to amend the Copper Mountain Consolidated Metropolitan District 2017 Budget.

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

AGREED to adopt Resolution 2017-10, a resolution summarizing expenditures and revenues for each fund and adopting a budget for the Copper Mountain Consolidated Metropolitan District, Colorado, for the calendar year beginning on the first day of January 2018 and ending on the last day of December 2018.

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

AGREED to adopt Resolution 2017-11, a resolution levying property taxes for the year 2017, to help defray the costs of government for the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado, for the 2018 budget year.

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

AGREED to adopt Resolution 2017-12, a resolution appropriating sums of money to the various funds and spending agencies in the amount and for the purpose as set forth in the resolution, for the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado, for the 2018 budget year.

Director Malmgren asked what the new mil levy is. Mr. Weaver responded that it is looking like 32.738 mils for the General Fund and 7.051 for the Debt Service Fund but he will not know for sure until the final assessment is received.

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

AGREED to adopt the 2018 CMCMD Job Classification and Compensation Schedule.

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

AGREED to receive the October 31, 2017 Financial Statement and cash disbursement report as presented.

2008 Bond Refunding Proposals and Bank Selection

Mr. Weaver has been working with Michael Lund, Stifel Public Finance to refinance the bonds issued in 2008 to finance the Metro District Building/Fire Station. Request for proposals were distributed and eight proposals were returned. JP Morgan Chase was the clear winner with three interest rates options. Mr. Weaver recommends the option at the lowest rate locked in at 2.07% for a 10 year term. This loan is currently tax exempt but may not be if new tax laws are passed in 2018. The goal is to complete the refinancing on the first business day of 2018, January 2, to avoid potential new tax law issues. The principal amount includes the cost of refinancing and District attorney fees are also factored in.

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

AGREED to accept refinance Option A from JP Morgan Chase as stated in their November 2017 proposal.

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

AGREED to approve Stifel Public Finance as the District's placement agent.

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

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AGREED to accept proposal from Kutak Rock as the District's Bond Counsel.

It was noted that the Board will need to meet again before the January 2, 2018 closing to approve loan documents. The Board agreed to hold a special meeting on Friday, December 15, 2017 at 8:30 a.m.

New Business

Summit Fire & EMS Authority Documents

Emily Powell, Ireland Stapleton Pryor & Pascoe, PC, stated that from a legal perspective, there are three main stages of forming an authority. 1) Draft and approve and Intergovernmental Agreement; 2) Implementation including lease agreements, bills of sale, notices to employees and amendments; and 3) the first Board Meeting of the new authority. We are currently in stage two of the process. Ms. Powell distributed a packet with implementation documents to be approved by CMCMD and Lake Dillon's Board of Directors.

The implementation documents to be approved are:

1. First Amendment to IGA Establishing the Authority
2. Omnibus Bill of Sale
3. Fire Station Lease Agreement
4. Apparatus and Equipment Lease Agreement
5. Notice of Transfer of Employment to the Authority (and Personnel Polices)
6. Letter Authorizing Authority to Direct Pension Plans

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

AGREED to approve implementation documents 1, 2, 4 and 6 as presented.

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

AGREED to approve implementation document 5 subject to staff review and legal approval.

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

AGREED to approve the current Lake Dillon Personnel Polices and Procedures to be adopted for use by the Authority.

Ms. Powell noted that the Heart and Cancer Trust will need a letter authorizing changes to each entities personnel. Ms. Powell will direct each party on how to proceed.

The first meeting of the Authority Board will be in January. The meeting will be public meetings and will consist of three members from the Lake Dillon Fire Protection District and two members from the Copper Mountain Consolidated Metropolitan District. Business to be conducted at the first meeting will include, swearing in Authority Board Members and elect Board Officers; approve legal counsel for the Authority; review all implementation documents and additional agreements; adopt a resolution accepting employees pursuant to the terms of the IGA; set a meeting schedule for 2018 and identify agenda posting places; and adopt Authority Fee Schedules.

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

AGREED to nominate CMCMD Board Members Ben Broughton and David Steele to serve on the Summit Fire & EMS Authority Board.

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Staff Updates

Director Broughton asked if the District is billing other entities for molybdenum (Mo) testing ordered by the District. Bryan Webinger, District Manager, responded that he is going to approach the county to contribute to testing costs as they receive mineral impact fees. The District is testing for the presence and concentration of Mo in District water supplies.

Director Malmgren inquired about the status of snowplowing public roads at Copper Mountain. Mr. Webinger reported that he met with Summit County Road and Bridge and recommended that the current contract with the county for snow removal be maintained.

Mr. Martin reported to the Board that well 4 is still not operational because the electronic and hydraulic controls to operate the valves on the well pump are not working. This is an engineering issue and Mr. Martin is in contact with Tetra Tech to resolve the problem as soon as possible. Water can be produced if the system is operated manually but this is not recommended. The Board commented that it is Tetra Tech's obligation to design a system that works and that the District relies on their expertise. Mr. Weaver recommended that District counsel draft a letter to Tetra Tech to resolve by a stated date or the District will hire another engineering firm at Tetra Tech's expense. The Board requested that the District Manager and Public Works Director work with District counsel. Mr. Weaver also recommended that there be no further payments to Tetra Tech until the situation is resolved.

Chief Curmode noted that three Lake Dillon firefighters are on shift at Copper Mountain today. Mr. Webinger reported that today is Todd Hebebrand's last day as Assistant Fire Chief and thanked him for his hard work and dedication.

The Board thanked Fire Marshal Dan Moroz for his hard work and commended him for progress made.

The Board requested that the District Manager reach out to the Copper Mountain Property Owners and Lessees Association regarding any ramifications of lease agreements for non-District employees renting District owned properties and report back to them at the December Board Meeting.

Director Steele recommended that community members be surveyed about the recreation field. The Board requested that the District Manager develop a survey and schedule a meeting to poll community members particularly Copper Point Townhome residents.

Fire Marshal Moroz reminded the Board that Copper Mountain Resort needs to meet current food truck standards.

Other Business

There was no other business to come before the Board.

Recess Meeting

The Regular Meeting of the Board of Directors was recessed by Director Malmgren at 11:37 a.m.

Reconvene Meeting

The Regular Meeting of the Board of Directors was reconvened by Director Malmgren at 11:41 a.m.

Executive Session

Director Broughton moved that "the Board of Directors for the Copper Mountain Consolidated Metropolitan District go into executive session for discussions regarding personnel matters as authorized by C.R.S. § 24-6-402(4)(f) of the Colorado Open Meetings Law. The discussions are related to the District Manager's 2017 Employee Performance Evaluation. Those present at the outset

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of the executive session shall be members of the Board of Directors as present at this meeting and Bryan Webinger, District Manager.” Seconded by Director Anuta. Upon the Motion duly made and seconded, Director Malmgren declared, “The Motion passes on a vote of 4 in favor and 0 opposed. The time is now 11:45 a.m., and the Board will go into executive session.”

**Return to
Open Session**

Director Malmgren stated, “The time is now 12:41 p.m., and the executive session has been concluded. The participants in the executive session were Thomas J. Malmgren, Karl Anuta, David Steele, Ben Broughton, and Bryan Webinger.

“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.”

Adjournment

There being no further business to come before the Board, by motion duly made by Director Broughton 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 29th day of September, 2017, at 12:43 p.m.

Respectfully Submitted,

BY: Thomas J. Malmgren

Thomas J. Malmgren
President of the District

ATTEST: David Steele

David Steele
Secretary of the District