
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District February 10, 2017

A Special Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on February 10, 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
- Ted Kravec
- Tom Malmgren
- Dave Steele

Staff in attendance was:

- Bryan Webinger, District Manager
- Robert Martin, Public Works Director
- Gary Curmode, Fire Chief
- Dan Moroz, Fire Marshal
- Todd Hebebrand, Assistant Fire Chief
- Dave Arnesen, Director of Cable Services

Also in attendance was:

- Sara Vaine, Summit County Assistant Manager
- Eric Weaver, Marchetti & Weaver
- Chris Colman, Copper Mountain Director of Planning
- Graeme Bilenduke, Copper Mountain Director of Development
- Peter Siegel, Copper Mountain Resort Association Executive Director
- Mark Wentzlaff, ResortInternet
- Mike Rothberg, Tetra Tech
- Jim Reis, Copper Mountain Resort Association, POLA President
- Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager
- Kevin Flewell, CNL Copper/Resort Ventures West
- Cheri Curtis, Secretary to the Meeting

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 February 10, 2017, at 8:30 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the November 18, 2016 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 November 18, 2016 Regular Board Meeting as submitted.

Community Updates

Summit County Update – Sarah Vaine, the Summit County Assistant Manager, was in attendance to meet with the Board and discuss the relationship between Copper Mountain and Summit County.

Director Broughton questioned the delays for signage approval through the Summit County offices. Ms. Vaine agreed to look into the issue.

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Copper Resort – Holly updated the Board on summer activities planned for Copper Mountain. A Grilled Cheese festival, Attack of the Big Beers, and a concert with Foghat and Savvy Brown are planned for the summer. The Dirty Girl event will begin the Summer activities. Tough Mudder is moving to Copper Mountain in July and will replace a previous challenge event. A Witch Craft will be held in the fall with beer vendors and a haunted house.

Copper Mountain Development – Graeme Bilenduke reported the twelve of the fifteen units are closed and occupied. At the Ten Mile Commission meeting held the previous night, the coaster was approved.

Employee housing is being discussed to determine the best method to calculate income versus costs.

Financials

Financial Statement – Mr. Weaver reviewed the December 31, 2016 financial statement concentrating of the revenues and expenditures with budget compared to actual. The District ended with a positive \$135,000 variance in the overall fund balance. By motion duly made Director Broughton and seconded by Director Steele it was unanimously

AGREED to accept the December 31, 2016 Financial Statement as presented.

Accounts Payables – Director Broughton questioned the number and amounts of credit card transactions and requested the ability to see where the charges appear in the budget. Mr. Weaver explained with more companies requiring credit cards for purchase, the volume will continue. The accounts payable list will be changed to show account numbers. By motion made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to accept the accounts payable list as presented.

Bond Refunding The District has determined the costs for drilling the wells. They now need to determine the total amount required for the bond issuance based upon the amount that needs to be reimbursed to the District. The bond underwriter suggested the Board would need to obtain an S&P or Moody rating for District to obtain a better rate on the bond interest. Staff had started the preliminary work to obtain a rating for the District when MBH Bank expressed interest in loaning money to the District for a twenty years term, which is longer than the normal term for a private placement. Staff is working with Michael Lund the bond underwriter to complete the bond issuance. The Bond Agreement will need to be approved by both the District Board and CDWPA Board prior to the bonds being issued.

Mr. Weaver recommended the Board hold the regularly scheduled February 24, 2017 meeting to approve a Resolution to allow Director Malmgren to execute the bond documents. Director Broughton questioned the difference with interest rates comparing a private placement to a public offering. Mr. Weaver explained the process and the advantages of choosing a private placing. Since the bonds will be used for water and sewer issue there is less risk to the lender. CDWPA is willing to roll prior issues into the new bonds and will contribute \$25,000 towards the issuance costs. Mr. Weaver informed the Board that the principal payments are higher the first ten years with lower principal payments scheduled for the last ten years as a precautionary measure if Regulation 31 is enacted and the District is required to make changes to the water and sewer plant.

Mr. Webinger and Mr. Weaver will be meeting with Mr. Lund on Monday, February 13, 2017 to review the term sheet and keep the process moving forward.

Audit Engagement

Letter

The audit engagement letter with McMahan and Associates was presented to the Board. The fieldwork for the audit has already begun. By motion duly made by Director Broughton and seconded by Director Anuta it was unanimously

AGREED to approve the audit engagement letter as presented.

Public Comment

and Concerns No public comments and concerns.

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Public Notice

Posting

The Board is required to establish a 24-hour posting notice location. By motion duly made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to approve the 24-hour Posting Notice Resolution 2017-01.

Board Meeting

Schedule

The 2017 meeting date calendar was presented. By motion duly made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to accept the 2017 meeting schedule as presented. The schedule will be posted to the District's website.

Mobile Retail

Food Establishment

Permits

Fire Marshal Moroz presented the draft Retail Food Establishment Permit Review Policy for the Board's approval. The policy is based on CCR1010-2 regulations that are in place as a guideline for food trucks. The regulations designate parking in relation to building and permits are only issued for a maximum of six-months. Director Broughton questioned the ability to apply for another permit immediately following the permit expiration. The regulations require the truck be moved or removed after the permit expires.

Director Broughton wants to make sure the process is not onerous. Holly Robinson informed the Board that Copper Resort has problem getting food trucks to Copper Mountain for weekend events and wants to make sure the regulations wouldn't make it harder. Fire Marshal Moroz stated the guidelines guarantee the safety of the operator and the customer. Mr. Bilenduke suggested establishing a checklist for the vendor to have documentation prepared in advance to allow the Fire Marshal to approve the food truck promptly. Discussion followed on the requirements and the differences between other communities.

Holly informed the Board Copper Mountain has difficulty finding vendors for events and making the process difficult will only compound the problem.

It was determined that more discussion needed to be had with regard to enacting such a policy. The District Manager suggested that a working group with all interested parties needed to be held in order to ensure what was best for the Community and District.

Bid Opening

Expansion of Well #2 was approved by the planning commission. The bid opening was held the prior week. Five bids were submitted and two contractors submitted bids for the same amount that were also the lowest bids. Supplemental packages were requested from the two contractors. After reviewing the supplemental packages, Steve and Chris recommended issuing a Notice of Award and Contract to RN Civil who was the most qualified contractor. By motion duly made by Director Broughton and seconded by Director Kravec it was unanimously

AGREED to issue the Notice of Award and Contract to RN Civil for expansion of Well #2.

RN Civil will submit the bond and insurance to the District Manager. During the dewatering process the water will be directed to East Lake. Fire Marshal Moroz noted the water will ultimately flow into Ten-Mile Creek.

Staff Reports

- The District Manager report was included in the Board packets and reviewed by the Board. The sale of the Hummer is proceeding. There was a question on whether CDOT was still planning to store magnesium chloride. It was noted the Board is sensitive to storage above the District's sewer plant. Concerns were expressed on the storage of snow above the wellhead. The Quint arrived earlier this week. The Public Works report was reviewed. Mr. Pankevicius passed the certification is now the Head Operator. Director Anuta informed Mr. Martin he liked the format of the operations report. Corey has been promoted to Operator. All of staff working hard to keep the system operating.

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- The CATV report was reviewed. There was a pixel issue last week that was corrected.
- The CMFD report was reviewed. The Strategic Plan has been posted on the website in draft form. Chief Curmode is comfortable with the plan and believes it will be accepted as presented.

Director Anuta is concerned with the new radios being compatible with other agencies. Chief Curmode stated the radios work with other agencies in Summit County. Different radios are used outside of Summit County. The District has FVS and 800 radios that are being used when necessary. The Verizon tower installed at Copper Mountain has been beneficial for making 911 calls. The Climax Mine is considering installing a Verizon tower on location.

Consolidation was questioned. Chief Curmode informed the Board early discussions are taking place and he has been participating. Participants are investigating setting up a Fire Authority model.

Chief Curmode recommended the Board and senior staff attend the June 3, 2016 training on State laws related to emergency services. Mr. Webinger with Directors Malmgren and Steele are working with the committee. Mr. Webinger provided information to Board on alternative use of truck just to be transparent with the Board.
- Dan Moroz, Fire Marshal, reported on the changes in carbon monoxide detection and notification for multi-unit structures that will take effect in 2018. Director Malmgren commended Fire Marshal Moroz for assisting with removing ice from roofs noting snow has been sliding off roofs with the warmer weather.

**Other
Business**

Peter Siegel stated the current staff has been the most cooperative to work with. Copper is currently updating lighting. Mr. Siegel requested permission to provide an RFP to the District's contractor for excavation for the streetlight project. Mr. Siegel is waiting on information to complete the lighting plan with photometrics that will keep the lighting downward. Copper Springs is also planning to make lighting changes in their community. Construction meetings with all parties are held monthly currently. During construction meetings will be held weekly. Mr. Siegel is working with Copper and Copper Springs for additional lighting.

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 Special Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors the 10th day of February, 2017, 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