
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District April 26, 2019

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on April 26, 2019 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:

- Ben Broughton
- Tom Malmgren
- Jim Reis
- Stan Sprinkle
- David Steele

Staff in attendance was:

- Bryan Webinger, District Manager
- Rob Martin, Public Works Director
- Eric Hookanson, Cable & Internet System Manager
- Missy Stabile, Clerk-Treasurer

Also in attendance was:

- Eric Weaver, Marchetti & Weaver
- Graeme Bilenduke, Copper Mountain Director of Development
- Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager
- Bryon Wentzlaff, Resort Internet

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, 2019 at 8:30 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the March 29, 2019 Regular Board Meeting. Upon motion duly made by Director Broughton and seconded by Director Reis it was unanimously

AGREED to approve the minutes of the March 29, 2019 Regular Board Meeting with correction on line 114.

Community Updates

Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager, distributed a summer events flyer to the District Board and staff. She announced that summer activities open June 14 but there will be no events in June due to construction projects. The first concert will be on July 6 then events through Labor Day. Summer activities close on September 13.

Director Reis reported that Peter Siegel, Copper Mountain Resort Association Executive Director, met with the county regarding their short-term rental policies and they were not receptive to the changes recommended by Mr. Siegel for the Copper community. Director Reis noted that the Town of Frisco has already dropped STR Helper and that the county will continue to use STR Helper.

Graeme Bilenduke, Copper Mountain Director of Development, remarked that Mr. Siegel has done a great job championing Copper businesses and homeowners. The county has not been flexible, and their policies are drastically affecting businesses and the community. It is challenging to be lumped in with other communities such as Keystone who has more than fifty PUDs. Copper has one PUD. There needs to be a community effort to challenge the county and all Copper Mountain Boards should go to the county commissioners. Director Broughton agreed

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that the community needs to keep the pressure up. He further commented that the county has no data and no proof of complaints at Copper to support its policy changes. The next best opportunity to approach the county may be next year after the county has collected some data.

Mr. Bilenduke reported that a lot of projects are underway at the resort. Solitude is scheduled to open for the 2020-2021 ski season. The facility will be dried in by October 2019 with interior work through the winter and next summer. There will be a workforce housing hearing on May 9. If it is approved, the resort would like to break ground in August with an anticipated completion date in November 2020. There will be two buildings with 22 units in each and all units will be available for rent. The property will be funded and operated by Powdr Corporation. The Chapel Lot Hotel foundation is 50% complete. The Center Village Beach area will be a terraced amphitheater-like space. The stones in the plaza will be removed, the area will be extended and infrastructure will be improved to accommodate more summer events. There will be multiple stage locations including a main stage and satellite stages. The sod will be removed and the entire area will be heated. On the mountain, Tucker Mountain lift is underway and 55,000 feet of new snowmaking pipe is being installed.

Public Comment and Concerns

Director Malmgren reported that Kevin Flewell, who could not attend the meeting, requested that the Board consider letting people listen in on District Board meetings. Eric Weaver, Marchetti & Weaver, mentioned that this creates many challenges as witnessed through other districts. The Board requested that the District Manager check with legal counsel and report back to them at the next Board Meeting.

Financial

The March 31, 2019 financial report was prepared by Marchetti & Weaver and provided to the Board for review prior to the meeting.

Mr. Weaver reported that the draft 2018 Audit will be presented at the May Board Meeting. The Board confirmed that they will be satisfied with Mr. Weaver presenting the audit and that the auditing firm will not need to be present. Mr. Weaver had nothing to discuss on the balance sheet. In profit and loss, interest income continues to do well. The hotel tap fee came in less than the assumption made last fall for budgeting purposes. The CEU analysis provided last fall for the budget was finalized and actual revenues are less than forecasted. With these, water revenue will see a 3% decrease at the end of the year. However, Mr. Weaver believes water will still be ahead and is not too concerned. Personnel and operations are on track and it is looking like we will be ahead in capital expenses due to deferred projects.

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

AGREED to receive the March 31, 2019 Financial Statement and cash disbursement reports as presented.

New Business

Volunteer

Firefighter

Pension Fund

Bryan Webinger, District Manager, reported that District legal counsel recommends the District have a Volunteer Firefighter Pension Board meeting at the next Board Meeting. The Pension Board will need to make a motion to proceed with dissolving the fund and dispersing lump sums to the recipients. The District Board requested that the District Manager provide a summary of the recommendation to both the District Board and Pension Board prior to the next Board Meeting.

Staff Updates

Mr. Webinger reported that State Parks and Recreation planning grants are due at the end of June. He would like to establish a Parks and Recreation Master Plan for Copper Mountain. The Board expressed their support. Mr. Webinger stated that the peer review of Molybdenum data regarding Climax Mine's request to increase amounts of Molybdenum released into Ten Mile Creek is not

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going to happen this year. He also reported that he attended a meeting about spring runoff. The Forrest Service will leave debris in the creeks citing natural occurrence. The county will request proposals to clear the bike path between Frisco and Copper and are estimating that the path will open on July 1. Mr. Webinger will reach out to the Army Corps of Engineers to see if they can provide any assistance. Director Broughton commented that the county does not seem interested in planning for any problems resulting from runoff and debris such as bridge damage. Frisco is taking the potential risk seriously and is monitoring possible situations. The Board requested that the District Manager initiate a meeting with the county and Copper Resort to recommend a plan. Mr. Webinger started an insurance claim for avalanche damage to District facilities and removal of debris.

Mr. Webinger announced that after Measure 1A expires in 2023, Summit County Ambulance Service will have a \$1.5 million shortfall. Summit Fire and EMS cannot absorb this and will probably request a mill increase after consolidation of the fire districts. Mr. Weaver recommended that the District investigate a Metro District's ability to impose an emergency services sales tax to see if continuing under the current model would be better than merging districts. It may be more beneficial for the Copper community not to merge fire districts.

**Recess
Meeting**

The Regular Meeting of the Board of Directors was recessed by Director Malmgren at 10:24 a.m.

**Reconvene
Meeting**

The Regular Meeting of the Board of Directors was reconvened by Director Malmgren at 10:35 a.m.

**Staff Updates
Continued**

Rob Martin, Public Works Director, reported that going forward, all work with Jehn Water Consultants will be contractual and that there will be formal contracts with all contractors moving forward. The designs on piping for a new well will be completed this year. The new well will be drilled and developed next year. Water and sanitation infrastructure construction begins next week at the Chapel Lot Hotel and should be completed in three weeks.

Eric Hookanson, Cable & Internet System Manager, reported that he has started fixing the fiber legs in Center Village. The District will start advertising in June for a fall sunset of analog service. Mr. Hookanson is working on costumer cable and Wi-Fi surveys with ResortInternet.

Bryon Wentzlaff, ResortInternet, reported that peak use in March was up 80% from last March and there was a 25% increase in device use. These numbers indicate that more people are streaming via the internet.

**Other
Business**

There was no other business to come before the Board.

Adjournment

There being no further business to come before the Board, by motion duly made by Director Steele and seconded by Director Reis, 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 2019, at 11:14 a.m.

Respectfully Submitted,

BY: Thomas J. Malmgren

Thomas J. Malmgren
President of the District

ATTEST: David Steele

David Steele
Secretary of the District