
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District June 26, 2015

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on June 26, 2015 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
- Ted Kravec
- Tom Malmgren
- Dave Steele

Staff in attendance was:

- Sam Parker, District Manager
- Gary Curmode, Fire Chief
- Missy Stabile, Clerk-Treasurer

Also in attendance was:

- Gary Rodgers, Copper Mountain President and General Manager
- 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 President
- Mike Rothberg, Tetra Tech
- Ed Byrne, Attorney
- Dan Cudahy, McMahan & Associates, LLC
- Lynn Jeffries

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 26, 2015, at 8:30 a.m. noting a quorum was present.

Old Business Minutes

The Board reviewed the minutes of the May 29, 2015 Regular Board Meeting. Upon motion duly made by Director Anuta and seconded by Director Steele it was unanimously

AGREED to approve the minutes of the May 29, 2015 Regular Board Meeting.

Community Updates

Gary Rodgers announced that the Copper Road and shark lane overlay project begins today with milling and will be complete within five to eight days. He commented that potential water and tax increases will have a significant financial impact on Copper Mountain and that he would like to look at scrutinizing the District's budget to look for efficiencies rather than just raising taxes and water rates. He would like to be very engaged in these discussions with the Board and encouraged the Board to look at both sides of the ledger. The Board needs to recognize the necessity of looking for efficiencies and balancing District needs. Mr. Rodgers commented that the District needs to challenge itself to determine what it truly needs and what it can afford, specifically the Assistant Chief position, additional EMTs and ambulance service.

Peter Siegel reported that District Staff will make a presentation at the next Resort Association Meeting regarding future funding of the District. The summer schedule includes events every weekend through September 19.

Public Comment and Concerns

No public comments and concerns.

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New Business

Preliminary 2014 Audit

Dan Cudahy of McMahan & Associates, LLC presented the 2014 Preliminary Financial Audit to the Board. He reported that field work conducted by McMahan & Associates went extremely well and that CMCMD received a clean opinion. It is the Auditor's opinion that the District finances are managed well and there are no recommendations for internal control improvements.

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

AGREED to accept the 2014 Financial Audit.

The 2014 Financial Audit will be posted on the District website and filed with the State by the end of July.

Fiber Upgrade

Mark Wentzlaff of ResortInternet presented a progress report and stated that ResortInternet has had positive interactions with 38 Copper Mountain HOAs. The conduit infrastructure project is progressing on schedule and within budget. Village Wi-Fi has been delayed due to contract delays. Contracted excavators will overdress landscaping and return properties to pre-work conditions.

Mr. Wentzlaff stated that Sundial Communications has been distributing inaccurate information and ResortInternet is happy to address any questions. Copper Mountain residents are welcome to compare services and choose any provider but ResortInternet has an exclusive contract to utilize the District's infrastructure to provide cable and internet.

USBank Agreement

Mr. Parker reported that District counsel has reviewed the USBank Lease Purchase Agreement to fund the Fiber Upgrade Project equipment and approved modifications.

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

AGREED to approve the USBank Lease Purchase Agreement and authorize the District Manager to sign the Agreement on condition that a copy of the Agreement is submitted to the Board via email within 24 hours.

Tap Fees/ Resolution 2014-6

Ed Byrne, attorney representing Nassar Development, provided the District with proposed language to amend Resolution 2014-6 with additional language about professional engineering.

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

AGREED to amend Resolution 2014-6 with proposed language and to call a Public Hearing for the July Board Meeting to adopt the Resolution.

Water Rights Case 14CW3027

Mr. Parker reported that the District's Water Attorney would like the Board to lift opposition to Case 14CW3027 Application of Water Rights of Powder-Copper Mountain. The Board asked if water being used on the mountain will affect the District's water quality or ground water status. Mr. Parker responded that the quantity is so little that it will not have an impact at this time.

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

AGREED to authorize the District's Water Attorney to enter a Stipulation to end the District's opposition in Case 14CW3027.

CDOT Mag- Chloride Facility

Mr. Parker reported that CDOT is exploring Officer's Gulch as a potential location for a magnesium chloride facility and is tabling the issue until 2017. If CDOT decides to locate the facility at Copper

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Mountain, the District has recommended a location with the least potential effect on the Wastewater Facilities.

GWUDI Meeting

District staff met with the Colorado Department of Public Health and Environment (CDPHE), the District's Water Attorney, Tetra Tech and the State Attorney General's Office in an attempt to understand the criteria used by the State to determine Ground Water Under the Direct Influence of Surface Water (GWUDI). The District was pre-screened by the State and required to perform additional testing because the District has 1) alluvial wells, 2) one of the wells does not have permit filed with the state, and 3) well sample logs are not on file with the state. Initial test results are favorable and suggest that the District wells may not be under the direct influence of surface water.

The Board asked if the District needs to resolve the permit and sample log issues. Mike Rothberg of Tetra Tech recommended that the permit issue should be resolved but that it may not be necessary to resolve the sample log issue.

Verizon Cell Tower

Mr. Parker reported that a final contract draft was prepared in coordination with Collins, Cockrel & Cole and submitted to Verizon.

Climax Mine Agreement

Mr. Parker is meeting with the County Assessor next week to review assessed valuation information. Chief Curmode has made contact with Climax Mine staff to schedule a meeting.

Staff Reports

- **Public Works:**

Mr. Parker reported on behalf of the Water Department that a camera identified three major leaks in the District's wastewater system resulting in approximately 345,600 gallons of waste water infiltrating the system per day. These leaks have been addressed.

The Board asked if water pressure is still being monitored throughout the District. Mike Rothberg of Tetra Tech responded that he believes the monitors are still in place, continue to record data and that no extreme pressure incidences have been recorded.

- **CATV:**

Mr. Parker reported that trenching for the Fiber Upgrade Project caused some irrigation issues. Repairs were made and the issues have been resolved.

- **CMFD:**

Chief Curmode reported that the all firefighters have completed confined space training using District Water and Wastewater facilities.

- **District Clerk-Treasurer:**

Ms. Stabile reported that she attended an Elections Update sponsored by the Colorado Municipal Clerks Association. Of note, the Permanent Mail In Voter (PMIV) status will be eliminated effective August 5, 2015. A District may create a permanent absentee voter (PAV) list for polling place elections but this is unnecessary when conducting mail ballot elections as a ballot will automatically be sent to each eligible voter.

Ms. Stabile will be contacting Express Bill Pay to explore providing online payment options for water customers.

Financial Report

A Financial Report for May 31, 2015 was prepared by Marchetti & Weaver and provided to the Board for review prior to the meeting.

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

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AGREED to receive the May 31, 2015 Financial Statement and cash disbursement report as presented.

**Public Hearing
To Amend 2015
Budget**

Director Malmgren formally opened the public hearing to increase the 2015 Budget by \$430,000 at 10:57 a.m.

There were no public comments.

Director Malmgren closed the Public Hearing at 11:00 a.m.

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

AGREED to adopt Resolution 2015-04, to amend the 2015 Budget.

**Other
Business**

Mr. Parker reported that he and Eric Weaver of Marchetti & Weaver met with the Resort Association Board to discuss District needs and financial solutions to fund those needs. A joint work session with the CMCMD Board, Resort Association Board and Copper Mountain Resort was proposed for July 13 or 14, 2015 to continue discussions on the financial needs of the District. The Board requested that a District salary analysis and report on county wide water rate increases over the past decade be provided at the work session.

The Board will discuss increasing District water rates at the July Board Meeting pending public notice requirements.

Copper Mountain Resort requested a copy of the Fire Dept. Merger Study completed in Aug. of 2006.

Adjournment

There being no further business to come before the Board, by motion duly made by Director Steele 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 Regular Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors the 26th day of June, 2015, at 11:40 p.m.

Respectfully Submitted,

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

ATTEST: Karl Anuta
Karl Anuta
Vice President of the District