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# RECORD OF PROCEEDINGS

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## Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District July 27, 2018

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on July 27, 2018 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:

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

The following Director was absent and excused:

- Ben Broughton

Staff in attendance was:

- Bryan Webinger, District Manager
- Robert Martin, Public Works Director
- Eric Hookanson, Director of Cable Services

Also in attendance was:

- Graeme Bilenduke, Copper Mountain Director of Development
- Bryon Wentzlaff, Resort Internet
- Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager
- Kevin Flewell, CNL Copper/Resort Ventures West
- Peter Seigel, Copper Mountain Resort Association Executive Director (Joined the Meeting at 10:05 a.m.)
- Jeff Berino, Summit Fire & EMS (SFE) Fire Chief
- Dan Moroz, Summit Fire & EMS (SFE) Assistant Fire Marshal
- Eric Weaver, Marchetti & Weaver
- Cheri Curtis, Secretary to the Meeting

### **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 July 27, 2018, at 8:30 a.m. noting a quorum was present.

### **Financials**

**Financial Statement** – Mr. Weaver reviewed the June 30, 2018 financial statement noting property taxes are starting to level out and the water overage revenue is greater than budgeted. Director Sprinkle questioned liabilities, forecast, and capital expenditures that were clarified by Mr. Weaver.

**Accounts Payable** – The accounts payable list was included in the Board packet.

By motion duly by made Director Steele and seconded by Director Reis it was unanimously

**AGREED** to accept the June 30, 2018 Financial Statement and accounts payable list as presented.

**Pension Fund** – Mr. Weaver explained the funds invested in Sallie Mae are declining with the interest rate not covering the expenses. Mr. Weaver recommends the District move the funds to the Lang Investment Group, who specializes in Pension Funds. The funds would be placed in short term CD's. The District would need to adopt a policy to not invest more than \$50,000 with UMB since the District already has funds in UMB and needs to stay under \$250,000 for FDIC coverage. Director Malmgren questioned whether the District could pay out the remaining funds in the pension plan. Mr. Webinger informed the Board that a former volunteer is trying to obtain retirement benefits; however, Mr. Webinger could not confirm the volunteer's eligibility. District records show the individual was still 2

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years short of the requisite 10 to be eligible. Once this is resolved, and since there can be no more volunteers, it might be possible to pay out the existing retirement.

There are approximately nine retirees obtaining retirement benefits. The District did not purchase an annuity for each employee and the funds were just invested for the benefit of the District.

The Board would prefer to pay out the retirement to the volunteers. If the funds are not paid out, Director Sprinkler recommended buying an annuity for each volunteer. It was questioned why the District would invest in short-term CD's. Mr. Weaver clarified it is based on the needs of the District to have funds available. The Board requested an analysis of investment options that includes treasury bills for presentation at a later meeting.

Mr. Weaver recommended putting funds in six-month investments now as the Sallie Mae funds renew. The Board approved investing funds in CDs for up to one-year terms. Staff was requested to present a plan on the Pension Fund during the budget work session.

### Community Updates

**Copper Mountain Projects** – Graeme Bilenduke reported lift projects are proceeding as scheduled. The projects started at the top of the Mountain and are working their way down the Mountain. A new sewer line is being installed for the new Solitude Station project. Weekly construction meetings are being held with all involved parties.

The plans for a hotel on Chapel Lot are proceeding with the developer working through the approval process. The goal is to break ground this fall. Fifty percent of the lot will be designated for a 127 room limited service hotel with no restaurant or bar.

With Gary Rogers leaving Copper Mountain, Jesse True is acting as the General Manager. POWDR Corp is working through the process to hire a new General Manager in the next 90-120 days.

**Copper Mountain Resort** – Holly Robinson reported the lighting project is proceeding as planned. The electrical contractor has been great to work with.

The Mac & Cheese festival is scheduled for this weekend, followed by Copper Triangle on August 4 and Guitar Town the following weekend. There is no update on summer revenues with the lift not operating. Revenues for June are anticipated to be flat for 2018. Director Reis stated the Mac & Cheese Festival will be a good determining factor for summer revenues.

**CNL** – Mr. Flewell is a member of eight sub-association Boards. Association managers are still hearing complaints from users about cable and internet service. The Board encouraged HOA managers and customers to contact Resort Internet using the phone numbers provided when an issue is discovered.

With the dry summer, there has been more water and utilities usage. Associations are looking at water conservation measures. Mr. Flewell requested information on metering replacement projects and ways to save money. Mr. Martin explained the District has inspected all lines and is repairing any leaks found. Broken meters are the District's responsibility.

**Summit Fire & EMS** – Assistant Fire Marshal Moroz is working with Mr. Bilenduke on all projects to make sure they are being brought up to new fire codes.

Everyone stated how pleased they are with the communication and it was noted that all Copper entities are working well together.

### Public Comment and Concerns

No public comments and concerns.

### Recess Meeting

The Regular Meeting of the Board of Directors was recessed by Director Malmgren at 9:36 a.m.

### Reconvene

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**Meeting** The Regular Meeting of the Board of Directors was reconvened by Director Malmgren at 9:42 a.m.

**New Business** **November Election** – Chief Berino presented a video explaining the effects the Gallagher Amendment and TABOR will have on property tax collections and services. The residential assessment rate is expected to drop significantly in 2019 for 2020 property tax collections. The District needs to notify the Summit County Clerk & Recorder by the end of the day if the District is considering putting an issue on the November 2018 ballot. Director Steele reminded the Board that the District can pull out of the election later but must notify the County of possible intent to hold an election. Staff recommended the District retain Ireland Stapleton as special counsel for the election.

If the District proceeds, staff cannot promote the election and an issues committee should be formed. Mr. Weaver stated Eagle County Fire Districts are deciding to put an issue on the November election ballot with wildfires currently on voters' minds. The 2018 ballot issue does not say "Shall Property Taxes Be Increased". In 2019, that statement will need to be included in the ballot issue, making it a TABOR issue. Staff presented information on consultants who are available to support the election process. Chief Berino noted this is not being viewed as a TABOR or taxing issue. It is a revenue stabilization measure.

By motion duly made by Director Steele and seconded by Director Reis it was unanimously

**AGREED** to continue to investigate the need to place an issue on the November ballot and notify the County of the intent to participate in the November coordinated election.

By motion duly made by Director Steele and seconded by Director Sprinkle it was unanimously

**AGREED** to approve engaging the firm of Ireland Stapleton to provide legal services for the election process.

Mr. Webinger requested the Board approve allocating funds to the election process. The Board requested an election budget for approval at the next meeting. There is currently \$14,000 in the approved budget remaining from the canceled May election.

Peter Seigel joined the meeting at 10:04 a.m.

The August Board meeting was moved to August 24, 2018 when the annual meeting calendar was approved in January. Due to conflicts and the need for more time to investigate the election process, the Board agreed to move the next meeting to the first Friday in September.

By motion made by Director Steele and seconded by Director Sprinkle it was unanimously

**AGREED** to move the next meeting from August 24, 2018 to September 7, 2018.

### **Community**

**Updates (Cont)** **Copper Resort** – Mr. Seigel stated Copper Resort is waiting on lights and poles to complete the current phase of the lighting project.

Sections of sidewalk are missing in Center Village. The Village Association is willing to pay for the sidewalk in front of Cirque and POWDR Corp will pay for the section in front of the Edge. The parties will need County approval since it is located in the County right-a-way. Staff will review the site to make sure it meets ADA requirements. Copper Resort is aware there may be areas where the existing curbs need to be cut to make all sidewalks ADA compliant.

Director Steele suggested painting lineage on the new path crossing Ten Mile. Mr. Seigel will work with Director Steele on road issues.

### **Staff Reports**

- The District Manager report was included in the Board packets and reviewed by the Board. Century Link has completed the configuration of the switches so the bandwidth can be raised to 10GB if needed. Eric Hookanson left Resort Internet and has taken over the CATV/Internet position and was introduced to the Board.

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Director Malmgren questioned the issues presented by Mr. Flewell. Mr. Webinger and Mr. Hookanson are working to improve services provided to the District. Mr. Webinger reiterated that customers need to report issues to ResortInternet so they can document and track. Mr. Flewell is trying to get the end users to report issues quickly to the provider so they can be resolved promptly. Director Sprinkle suggested providing a refrigerator magnet or business card with the contact numbers for quick reference.

Verizon has hired an independent party to try and reduce lease rates. The District is not willing to renegotiate the existing contract at this time.

The District received a safety grant from Colorado Special District Property & Liability Pool to cover 50% of the cost to purchase and install light bars on Water and Sanitation Department vehicles.

The menu for the Homeowners Weekend community barbecue will be scaled down to make the event easier at the request of the caterer. The menu will include hamburgers, hotdogs and sides with beer and wine available for purchase. The pancake breakfast will be handled by Summit Fire & EMS.

Director Malmgren questioned spending \$80,000 for a proposed station alert system. Mr. Webinger stated is it still in the discussion process and that staff is still waiting on an estimate. Discussion followed on the benefit of the District maintaining the building to protect its investment. Mr. Webinger requested permission to remove the 911 phone at the station. The cost of the phone does not justify having it there since it is not being used.

- CATV – Mr. Wentzlaff reported there were only twelve service tickets last month. Discussion will be started to sunset the analog TV channels. The District will work with Summit County to provide a receptacle for electronic devices when the time comes to sunset analog.

The Water & Sewer report was included in the packet. Allison Fulton is being promoted to Operator II. She is a very capable and motivated employee.

Mr. Martin stated the change in discharge levels could be the result of possible infiltration. Submeters can separate commercial water usage from residential usage. The Board questioned requiring submeters for commercial properties. Mr. Martin is not sure of the District's ability to require submeters and offered to follow-up. It was noted it would be beneficial to also require irrigation meters.

**Other  
Business**

None.

**Adjournment**

There being no further business to come before the Board, by motion duly made by Director Steele and seconded by Director Sprinkle, 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 27th day of July, 2018, at 11:21 a.m.

Respectfully Submitted,

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

ATTEST:           David Steele            
David Steele  
Secretary of the District