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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  
August 24, 2012**

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on August 24, 2012 at 8:30 a.m., at the Copper Mountain Consolidated Metropolitan District Conference Center, 477 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
- Bob Bloch
- Ben Broughton
- Dave Steele

The following Director was absent and excused:

- Karl Anuta

Staff in attendance:

- Dave Erickson, District Manager
- Mike Koenig, Water & Sewer Manager
- Dave Arnesen, Cable & TV Manager
- Mark Thomson, CMFD Chief
- Dan Moroz, Code Compliance Officer

Also in attendance were:

- Peter Siegel, Copper Mountain Resort
- Eric Weaver, Robertson & Marchetti, P.C.
- 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 August 24, 2012, at 8:30 a.m. noting a quorum was present.

**Old Business  
Minutes**

The Board reviewed the minutes of the July 27, 2012 Regular Meeting. Upon motion duly made by Director Broughton and seconded by Director Bloch it was unanimously

**AGREED** to approve the minutes of the July 27, 2012 Regular Meeting with revisions.

**Financial  
Report**

Mr. Weaver presented the July 31, 2012 financial summary report, noting the capital items have been reflected correctly to track with the 2011 audited financial report. Payroll costs have been re-allocated to properly reflect payroll expenses. The District has collected a majority of the property taxes assessed in 2011 for collection in 2012. The Preliminary Assessed Values for the District should be available soon and will be presented at the September meeting. The July cash disbursement list was presented. The Board questioned expenses which were clarified by staff. Upon motion duly made by Director Bloch and seconded by Director Broughton it was unanimously

**AGREED** to accept the July 31, 2012 Financial Statement and cash disbursement list as presented.

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### 2011 Draft Audit

Mr. Weaver presented the 2011 draft audit. McMahan and Associates has rendered an unqualified opinion on the District's audited financial report. The audit needs to be filed with the State prior to the next Board meeting. Mr. Dan Cudahy, with McMahan and Associates, was not available to attend this meeting but offered to meet with an audit committee to review the audit.

Director Bloch noted the Board received the audit on Wednesday, August 22, 2012 and has not had time to review the report and provide comments. The Board agreed the audit committee will consist of Mr. Erickson and Directors Malmgren, Broughton, and Steele. Director Anuta had submitted written questions regarding comments in the Management letter to the Board. Mr. Weaver explained that the Management letter expressed concerns in inefficiencies in internal controls that have been corrected after Robertson & Marchetti assumed the duties of the Clerk-Treasurer office. Upon motion duly made by Director Bloch and seconded by Director Broughton the Board agreed to

**ACCEPT** the 2011 audited financial report for Copper Mountain Consolidated Metropolitan District, subject to approval by the audit committee and minor corrections.

### Community Updates

Mr. Siegel presented a list of the Copper Mountain Resort Company activities for the Labor Day weekend. All activities will be suspended after the holiday weekend. The Zip Line will resume for the winter season.

Mr. Siegel presented concept designs for road sign improvements to better direct Copper Mountain guests. The signs will be color coded to match skier levels on the Mountain, with green signs on the west end, blue signs in the center village, and black signs on the east end. The signs will be updated over a twenty month period. The sign project will be funded by Copper Mountain Resort Company. Mr. Siegel requested input from the Board. Mr. Erickson suggested the signs direct guests to the Fire Station for 24-hour emergency medical services. Mr. Moroz suggested displaying Fire Station and not medical services to avoid non-emergency visits. Mr. Moroz suggested using the CDOT symbol. Mr. Siegel offered to bring a couple of Fire Station designation concepts to the staff for review and comment.

### New Business

The Board recognized the attendance of Mr. Erickson and received an update on his health condition. Mr. Erickson advised that due to his current health condition, he has been working on a limited basis and only addressing immediate issues as necessary to keep the District current on business activities. With the audit completed, the 2013 budget process will begin. Director Broughton questioned the status of hiring an administrative assistant. Mr. Erickson has received comments from Mr. Weaver on the position, and after further work with Mr. Weaver a job description will be formalized and submitted to the Board for review and approval. Mr. Erickson anticipates advertising for the position the second week of September depending upon his ability to meet with Mr. Weaver and finalize an understanding of Robertson & Marchetti's long term working relationship with the District.

### Staff Reports

- **Water and Wastewater Director:** Mr. Koenig distributed information on imposing temporary water use restrictions. Director Malmgren noted the Board authorized Mr. Koenig to initiate mandatory water restrictions, if necessary. Mr. Koenig stated there is no need to impose mandatory water restrictions at this time. The users who are not adhering to the voluntary water restrictions continue to overuse water.

The water storage tank will be painted this year. Mr. Koenig will include painting the clarifiers in the 2013 budget.

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- **Engineer's Report:** There was no Engineer's report.
- **Cable TV/HSIS:** Mr. Arnesen provided a written report to the Board. Director Broughton questioned the mandatory testing requirements of the FCC. Mr. Arnesen stated mandatory testing is required but he has never seen an emergency test notification on the television screen.
- **Summit Fire Authority:** A draft of the Summit Fire Authority (SFA) Mutual Aid Assistance Agreement in both clean copy and with comments has been forwarded to other entities for approval. A clean copy of the Agreement was presented to the Board for signature by Director Malmgren as authorized at the July 27, 2012 Board meeting.
- **Fire Chief:** Chief Thomson reported staff has been looking at the Copper Mountain Resort (CMR) PUD amendment. Staff members have met with Chris Colman and Gregg Brown (of DHM Design) to review CMR's PUD amendment submittal to Summit County. Staff comments on the submittal have been forwarded to Mr. Erickson. New fire codes will be enforced for any new constructions. In addition to responding to Summit County Planning regarding CMR's PUD work session application, CMCMD will provide additional comments directly to CMR that can be addressed prior to the filing of their formal PUD Amendment application. Mr. Erickson requested the Board provide any comments or concerns board members might have regarding CMR's current application to him for incorporation into a response letter to Summit County Planning under Director Malmgren's signature. Mr. Erickson informed the Board the initial PUD amendment process is to generate comments from review agencies that CMR and the County can consider prior to presenting a formal PUD amendment application to Summit County Planning. Upon motion duly made by Director Steele and seconded by Director Broughton it was unanimously

AGREED, subject to further Board review and comment, to authorize Director Malmgren to sign the PUD amendment response letter to Summit.

The Board questioned the transfer of commercial density from one location to another within the resort. Mr. Erickson will convey the comments to Mr. Colman.

Labor Day festivities are scheduled including the Copper Mountain Metro District Village Party and the Pancake Breakfast. Information on these events was distributed in conjunction with the distribution of annual meeting schedules to property owners throughout the resort. Invitations have also been sent via email and word-of-mouth.

The Warrior Dash held the weekend of August 17 - 19, 2012 was successful. Fire Department calls increased due to the added guests in Copper Mountain. Cooperation between the organizers and Copper Mountain Fire Department was great.

The owners of the Climax Mine have not officially filed for permits on their new wastewater treatment plant, but they are aware of the CMFD requirements. It is a large project and there have been delays in obtaining information. It was noted Climax will not be able to keep to the present construction schedule if information is not presented timely. Mr. Moroz stated by adopting the IFC, the amended and adopted appendices will be included in the department's review of Climax's excavation and construction plans. Mr. Erickson informed the Board that the County had adopted the 2006 IFC for unincorporated areas of Summit County; however, CMCMD did not adopt the 2006 IFC; rather, the District Board authorized CMFD to enforce the 2006 IFC as adopted by Summit County. Chief Thomson noted the CMFD staff is working through the approval process understanding the requirement to adhere to State requirements.

#### **Other Business**

There was no other business to come before the Board.

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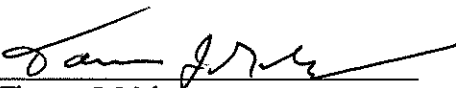
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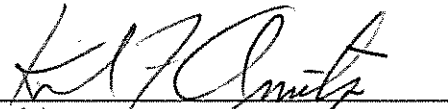
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**Adjournment**

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 this 24th day of August, 2012 at 10:00 a.m.

Respectfully Submitted,

BY:   
Thomas J. Malmgren  
President to the Board

ATTEST:   
Karl Anuta  
Vice-President of the Board