
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District May 30, 2014

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on May 30, 2014 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:

- Dave Erickson, District Manager
- Ricky Clover, Utility Plant Operator
- Dave Arnesen, Director of Cable Services
- Gary Curmode, Fire Chief
- Dan Moroz, Fire Marshal
- Missy Stabile, Clerk-Treasurer

Also in attendance was:

- Chris Colman, Copper Mountain Director of Planning & Development
- Peter Siegel, Copper Mountain Resort Association Executive Director
- Gary Martinez, Summit County Manager
- Jamie Woodworth, Summit County Ambulance Service Interim Director
- Stan Sprinkle
- Scott Randolph

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 May 30, 2014, at 8:31 a.m. noting a quorum was present.

Old Business

Oath of Office On May 6, 2014 a District election for the Board of Directors was held. Karl Anuta and Ben Broughton were re-elected to the Board to serve until May, 2018. Ted Kravec was elected to the Board to serve until May, 2016. The Oath of Office was administered to the elected Directors.

Election of Board Officers

Upon motion made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to assign the District Officer positions as follows:

- President- Tom Malmgren
- Vice President- Karl Anuta
- Secretary – Dave Steele
- Treasurer - Ben Broughton
- Director- Ted Kravec

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Minutes The Board reviewed the minutes of the April 25, 2014 Regular Board Meeting. Corrections were made to line 19: "Code Compliance Officer" changed to "Fire Marshal"; line 100: "recessed" changed to "closed" and "until April 25, 2014" removed; lines 101-104 deleted; line 155: "and" added after "arrived"; line 162: "volt" changed to "millivolt"; and line 164: "damages the cable and causes" replaced with "can cause". Upon motion duly made by Director Anuta and seconded by Director Broughton it was unanimously

AGREED to approve the minutes of the April 25, 2014 Regular Board Meeting with revisions.

Financial Report

A Preliminary Financial Report for April 30, 2014 was prepared by Robertson & Marchetti, P.C. and provided to the Board for review prior to the meeting.

Director Broughton asked that cell phone charges be investigated to determine increased expenditures.

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

AGREED to accept the April 30, 2014 Financial Statement and cash disbursement report.

Community Updates

Mr. Siegel distributed the May 20, 2014 draft of the Copper Mountain Sign Program and noted that he received a lot of input from the community. The Copper Mountain Resort Association will devote a few more weeks to the draft before delivering it to Summit County Manager Gary Martinez in preparation for the July 1 meeting with the Board of County Commissioners. Mr. Siegel is hopeful that the new program can be implemented by the end of this summer.

Mr. Siegel reported that he received a copy of an email to from Kara Van Patten to Gary Rodgers stating that the USPS no longer finds it cost effective to send a USPS employee to deliver mail to PO boxes located at Copper Mountain. Mr. Siegel recommended that the District write a letter to the USPS in response to this news. Director Malmgren agreed that the District should respond quickly and aggressively and stated that this is not the first attempt by the USPS to terminate service at Copper Mountain. Director Malmgren offered to work with Mr. Siegel to submit a letter of response. Director Anuta suggested also involving congressional representatives in this issue.

Public Comments and Concerns

No public comments or concerns were received.

New Business
County EMS Planning

Mr. Martinez reported that Summit County has funding problems regarding the Summit County Ambulance Service (SCAS). He stated that the SCAS provides excellent service, responding to thousands of calls each year and stressed concerns are only financial and not service related. Some of the funding issues were anticipated and others were not. The ambulance service is run as an enterprise fund, meaning service fees collected by the service are the source of funds necessary to pay the expenses of providing the service. It is one of a few ambulance services in Colorado run as an enterprise. The problem is the deficit between fund income and expenditures is growing, and a \$550,000 deficit is projected for 2014. Looking at capital expenses and needs, this deficit will continue to grow. Budget cuts and changes have been made, but further budget cuts will not cure the deficit at this point in time. SCAS responded to 4100 calls in 2013 setting an all-time high call volume. Though call volume continues to increase, revenues continue to decline. With a historic 70% collection rate, SCAS had been considered one of the most successful ambulance

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services for collections, but collections have been dropping and are currently at 61% today. In addition, reimbursement rates from insurance companies have also dropped. The average cost to run a patient to Denver from Summit County is \$2000 to \$3000. Medicare/Medicaid only reimburses SCAS in the hundreds of dollars and it is a constant battle to get reimbursement from insurance companies. The presence of the new St. Anthony's Hospital campus is positive for the county but it has affected SCAS in that there are fewer transports to Denver and therefore less money to collect. The financial model, that worked well in the past, prior to the building of the new hospital, no longer works today.

Mr. Martinez advised the Board that possible remedies for SCAS include:

1. Request a mill levy from the voters.
2. Look at other approaches – but privatization is not attractive to private sector companies.
3. Create a new hybrid model involving the county fire districts.

A new hybrid model is being looked into for a number of reasons. Fire departments must be staffed 24 hours a day, 365 days a year. Fire calls are down and medical responses are up. There may be an opportunity to save money and offer more services by utilizing underused resources. Red, White & Blue is running an ambulance service in coordination with SCAS in their fire district: They have transitioned to first responder in the core Breckenridge area as of May 1, 2014 and SCAS is now second responder. However, RW&B only has two ambulances, one in service and one backup, and they do not transport to Denver.

Mr. Woodworth further stated that the need to maintain a high standard of service to Summit County has been recognized and agreed to by all parties involved in the delivery of emergency medical services in Summit County. SCAS staff feels co-staffing with county fire departments can be successful and there are three co-staffing models currently being considered. The models require input from all the fire departments in the county including Copper Mountain. Co-staffing creates an opportunity to cross-train staff which is a benefit to any community.

Director Kravec asked what percent of SCAS revenue is collected from Medicare/Medicaid. Mr. Woodworth replied that 20% of SCAS revenues are from Medicare/Medicaid. He explained that even though it represents 20% of SCAS revenues, Medicare/Medicaid only pays a small percentage of the total bill and that once Medicare/Medicaid has paid, SCAS cannot collect the unpaid balance from the individual. The unpaid balance is lost.

Director Malmgren stated that CMCMD would like to assist in any way possible to address ambulance service issues faced by Copper Mountain and the county.

CHUBB Agreement

Mr. Erickson explained that CHUBB Corporation insures mountain residential properties and provides wildland fire coverage to those properties. The problem is that if a local Fire Chief evacuates an area due to potential hazard, the area is under the control of the local Incident Commander and only governmental emergency services can enter. CHUBB approached Summit County a few years ago with a contract asking for access to properties insured by them but situated within evacuated areas in order to provide wildland fire defense services on their clients' insured properties. The county, fire districts, and CMCMD worked collaboratively and formulated a contract and/or a memorandum of understanding which was ultimately not agreed to by CHUBB. CMCMD legal counsel suggested that the District develop a policy that all insurance and wildfire defense service companies must adhere to in order to be granted access into areas within CMCMD's jurisdictional boundaries. The policy would require any company desiring to provide wildfire defense services within a wildfire evacuation area to apply for a license and be pre-

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certified for access into restricted areas. Once CMCMD has a policy in place, it is hoped that the county and neighboring fire districts would adopt a similar policy so that the whole county could operate under one uniform policy.

CMCMD legal counsel drafted a policy based on the contract and memorandum of understanding previously drafted by Summit County, in cooperation with the Lake Dillon and Red White and Blue fire protection districts and CMCMD but rejected by CHUBB and Wildfire Defense Services due to contracting issues. The new policy shifts political control back to the local fire officials and away from private sector companies who have been reluctant to contract with county entities in order to access wildfire containment areas. License applications can be submitted any time this first year, but in the future licenses must be applied for or renewed by February 1 annually.

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

AGREED to adopt Policy 2014-1, the Wildfire Defense Services Policy (WDS Policy) with modifications to sections 5.B.iii.; 5.C.; 6.H.; and the 7th, 13th and 14th bullets under “Qualifications/Requirements” in Appendix B.

Water/Sanitation

Equitable Rate

Implementation Mr. Erickson reported that Resolution 2014-03, a Resolution to adopt a new equitable water and sanitation rate structure for assessing water and sewer service fees within CMCMD’s water and sanitation service area, was adopted at the last Board Meeting. Work required to implement the new rate structure is progressing. The database has been updated from 2011 to 2014 and has been forwarded to District engineers for incorporation into the adopted rate structure. The product will be analyzed using current data.

Effective July 1, 2014, quarterly water and sanitation billing invoices will replace monthly invoices. The first billing invoices issued under the new rate structure will be issued at the end of September based on third quarter water meter readings. Notice of the new rate structure will be sent to customers as soon as the new data is analyzed and accurate information can be distributed.

The Board requested that a note be distributed to water and sanitation customers with the May water/sewer billing invoice in order to inform customers of the new rate structure, changes in billing procedures, and the schedule for implementing new rates and billing procedures.

Nassar Development

Tap Fee

Adjustment Nassar Development construction plans have been submitted to District engineers. The District has been in contact with Nassar Developments regarding progress in processing their request.

Fall Line Property

Management

Lawsuit The defendant has disappeared and is not responding to attempts by the District’s special legal counsel to serve court papers related to the lawsuit.

District Manager’s

2014 Performance

Plan Mr. Erickson distributed the District Manager’s 2014 Performance Plan to the Board at the beginning of the meeting.

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

AGREED to accept the District Manager's 2014 Performance Plan as presented.

Staff Reports

- **Water and Wastewater Director:**

Mr. Clover reported that increased stream flows began last week and that stream flows are expected to peak around June 15th.

The Water and Sanitation Department will be coordinating with Masters, Woods, and Legends homeowner associations to locate water curb stops serving properties in these neighborhoods.

Dale Butler retired from the District after 33 years of service on May 12, 2014.

- **Cable TV/HSIS:**

Mr. Arnesen reported that he has been doing extensive locates for an upcoming project by Xcel Energy to replace power feeds coming into Copper Mountain beginning on June 2. There will be a disruption to electric service towards the end of the project when the transfer to the new feeds occurs. The Board requested a map of Copper Mountain's power grid.

A major RF leak was discovered in a storage closet located in the Copper Mountain Inn. Mr. Arnesen plans to install an enclosure around the cables located in the closet to prevent residents from stacking miscellaneous stuff against the cables which causes noise interference in the cable system.

- **CMFD:**

Chief Curmode reported that an insurance adjuster has examined the 4WD Pumper Engine that was damaged on Mother's Day in an I-70 multiple car pile-up, and it has been determined that there is no frame damage and the engine can be repaired – not totaled as originally thought. The engine is currently at West Metro Fire in Denver for repairs to the water pumps; then Diversified Body and Paint will make additional temporary repairs as necessary to make the pumper engine fully operational in order to return the engine to Copper Mountain for use as a backup engine in the event the 2WD Pumper Engine becomes non-operational. The engine will returned to Diversified Repair for final repairs when all the necessary parts are received.

In regards to the sale of the ladder truck, the asking price has been reduced to \$20,000. The Fire Department is looking at eliminating one of the Pumper Engines and purchasing a combination pumper/ladder "quint" engine to replace the current ladder truck. These changes to the fleet will not affect the District's current ISO rating.

In 2015, the department will embark upon a six to nine month review of the District's ISO rating to determine if it is possible and cost effective to move from the current level 4 rating to a level 3 rating.

Fire Marshal Moroz reported that the Climax project is 99% complete. The Mill Club project to replace exterior stone veneer will most likely be extended. A fire at Telemark Lodge on May 19 was caused by an overheated elevator motor. CMFD responded and the damage was minimal. Upon further inspection, 1 to 2 gallons of hydraulic fluid was discovered in a catch basin directly below the overheated motor. Fire and smoke damage to the building would have been significant if this fluid had caught fire. An upgrade to Telemark's fire detection system, to expedite the notification of emergency crews, has been requested.

