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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 23, 2019

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on August 23, 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
- Peter Siegel, Copper Mountain Resort Association Executive Director
- Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager
- Bryon Wentzlaff, ResortInternet

### **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 23, 2019 at 8:30 a.m. noting a quorum was present.

### **Old Business Minutes**

The Board reviewed the minutes of the July 26, 2019 Regular Board Meeting. Upon motion duly made by Director Broughton and seconded by Director Steele it was unanimously

**AGREED** to approve the minutes of the July 26, 2019 Regular Board Meeting with correction on line 129.

### **Community Updates**

Holly Robinson, Copper Mountain Resort Association, Marketing and Business Development Manager, announced the final Copper Live concert will be this weekend and Copper Country will be next weekend. Copper activities will run through September 15 with weekend only schedule after Labor Day.

Graeme Bilenduke, Copper Mountain Director of Development, reported that there continues to be a lot going on: snow making lines going in; Solitude concrete pour and gas lines; Tucker Lift towers and terminals poured with a lot of helicopter activity coming up; sod in beach area complete; Burning Stones now called Eagle's Landing; Chapel Hotel on track to get dried in before ski season; Alpine Project foundations being poured next week; and additional towers installed on Flyer Lift.

Peter Siegel, Copper Mountain Resort Association Executive Director, reported that Xcel is installing larger gas lines and moving distribution lines at the Conoco and Wastewater Treatment Facility, in Center Village, and from Union Creek up to Lewis Ranch. The Resort Association is installing irrigation in the medians by the Chapel Lot.

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### Public Comment and Concerns

No public comments or concerns.

### Financial

Eric Weaver, Marchetti & Weaver, reported that the official preliminary assessed property valuations were received. There is a 21% increase in valuation which will most likely result in a levy decrease. Summit Fire & EMS is requesting a 12% increase in our budget contribution which is approximately \$100,000. This shifts the contribution ratio from 80/20 to 79/21 with Lake Dillon contributing 79% and CMCMD contributing 21%. Mr. Weaver will continue to work with them on finalizing the 2020 budget. Director Broughton, who also serves as an SFE Board Member, is not in favor of the SFE proposed \$600,000 increase for reserves. CMCMD did not agree to that and is working with the SFE Board on this issue.

### New Business

#### Sales Tax Ballot

#### Question

Bryan Webinger, District Manager, received an email from Dustin Lyman, Copper Mountain President and General Manager, stating that Copper Resort and POWDR Corp are opposed to a District imposed sales tax but did not specify reasons. Graeme Bilenduke, Copper Mountain Director of Development, commented that a sales tax could be detrimental to the community. Mr. Webinger said the goal of a sales tax would be to shift the financial responsibility for enhanced emergency services solely from the property owners to contributions from resort visitors. Mr. Bilenduke asked who requested enhanced emergency services at Copper. Director Broughton responded that Copper residents requested them. Director Malmgren also responded that Gary Rodgers, former Copper Mountain President and General Manager, also requested enhanced emergency services on behalf of Copper Resort and resort guests. Director Broughton agreed that the District, the Resort and the Resort Association need to work together and that this would give the District a revenue option that it has never had. Director Malmgren reported that he has spoken with many community members and all are unanimously in favor of shifting some of the financial burden from property owners. Director Broughton reiterated the opportunity to spread the financial responsibility of emergency services to all resort users, not just property owners, is why this option is being discussed. As far as how the tax revenue will be spent is mandated by law – it will be spent on subsidizing the District’s annual contribution to SFE. The cost of emergency services will continue to increase despite property valuations. This is a philosophical discussion about who do you want to pay for emergency services. Director Sprinkle noted that not knowing Copper Resorts reasons for their opposition is disconcerting especially since on the surface it would seem they would benefit the most from lower property taxes. Mr. Bilenduke stated that Copper is worried that guests could potentially not return to the resort due to high sales taxes. Director Sprinkle pointed out that it is the ambiguous resort surcharges on sales receipts that are high. Mr. Bilenduke suggested that the benefits to the community need to be discussed. Several Board members expressed the need for more education, more discussion and the need for community marketing and communication. Director Reis expressed concern that the District is not prepared to proceed with a November ballot question and that the question can be delayed to a later election.

#### Election Resolution

#### **2019-05**

Upon motion duly made by Director Reis and seconded by Director Sprinkle it was unanimously

**AGREED** to not participate in the November 2019 Coordinated Election and to not adopt the Election Resolution.

#### Homeowners

#### Weekend

Mr. Webinger reported that the District will once again host a community open house and appreciation dinner on Thursday, August 29 from 5:00 to 7:30. Eagle BBQ will cater the event serving free pulled pork sandwiches, mac-n-cheese and other sides. Beer and wine will be available

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for purchase. The Board stated that in the future this event needs to be publicized much earlier than the week prior to the event. Mr. Bilenduke offered guest parking in the Elevation Lot to the east of the Metro District building as long as the tennis court is cordoned off. Mr. Webinger is hoping to speak at the State of the Resort about Water and Sanitation topics and the sunset of analog television services. The Resort is providing complimentary breakfast prior to the State of the Resort presentation.

### **Electronics Recycling**

Eric Hookanson, Cable & Internet System Manager, announced that electronics recycling bins will be available in the Elevation Lot to the east of the Metro District building throughout Homeowner's Weekend. Analog service will sunset in October to offer improved digital service. No analog stations will be lost in the transfer to all digital service.

### **Staff Updates**

Mr. Webinger reported the District applied for all absolute and conditional water rights to be transferred but conditional well rights were not awarded. The District is looking at applying for junior water rights next year which could be a five-year process. Since the District will be limited on the amount of water that can be pumped and produced, development of Well 5 may be delayed. Rob Martin, Public Works Director, said he does not have a capacity concern but would sleep better if the District had an additional well. If we do not have enough rights to use a new well, we need to look at if it is responsible to drill an additional well. Water rights need to be established first. No drilling should be done before we know what water rights the District has.

Director Malmgren reported that water pressure is high in some buildings. Mr. Martin said that pressure reducing valves must be installed prior to water entering any building. These valves are owned by and the responsibility of the property owner. Copper only has one pressure zone and the pressure must be high to serve all properties. It would cost millions of dollars to create separate pressure zones.

Director Sprinkle asked if there is plan to relocate the helicopter pad removed by Copper Resort last year to accommodate a new parking lot. Mr. Webinger replied that he still has not talked to Copper and is thinking about proposing a contract.

Mr. Webinger reported that he revisited past District Volunteer Firefighter Steve Nordby's claim to pension benefits. District payroll records show that Mr. Norby did not meet the shift requirements to receive credit for several years during his tenure. Director Broughton stated that he hates that Mr. Norby feels shortchanged but it is obvious shift requirements were not met according to these records. Mr. Webinger noted that there will be a Pension Board Meeting in September and this claim will be brought up at that meeting. Mr. Weaver reported that he is working with Wells Fargo on reinvesting current pension investments.

The Board requested that Mr. Webinger review the CBIZ valuation report received from the Colorado Special Districts Property and Liability Pool as there are lots of mistakes.

The Board asked Mr. Martin if the 250K tank should be replaced rather than spending money on old infrastructure. Mr. Martin replied that the tank is in great condition despite its age but there are valves problems making the tank somewhat unfunctional. A new tank is a big undertaking, but it is being considered before spending money on repairs. Mr. Martin noted that Water and Sanitation Rules and Regulations completed in 2001 and revised in 2007 need to be updated as well as fee schedules.

Bryon Wentzlaff, ResortInternet, reported that bandwidth usage doubled in July 2019 compared to July 2018. There is 100% increase in bandwidth but the number of devices being used has only increased 5%. This means people are using existing devices for more streaming and internet use.

Mr. Hookanson will go to each HOA meeting during Homeowner's Weekend to distribute customer surveys. The District and ResortInternet is requesting feedback to address concerns and

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improve the system. He will also address HOAs about aging infrastructure which is inhibiting use of available services.

**Other  
Business**

The Board asked if the Fire Department's Smokey Bear sign will be relocated. Mr. Webinger replied that he is still working on this.

**Meeting  
Schedule**

The next Regular Board Meeting is scheduled for September 27, 2019 at 8:30 a.m. at the Copper Metro District Building, 0477 Copper Road, Copper Mountain, CO 80443.

**Adjournment**

There being no further business to come before the Board, by motion duly made by Director Reis and seconded by Director Broughton, 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 23<sup>rd</sup> day of August 2019, at 10:49 a.m.

Respectfully Submitted,

BY: Thomas J. Malmgren

Thomas J. Malmgren  
President of the District

ATTEST: David Steele

David Steele  
Secretary of the District