
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District March 29, 2024

A Regular Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District (the “District”) was held on March 29, 2024 at 8:30 a.m. in person and via Zoom in the Conference Room located in the District Administrative Building, Copper Mountain, Summit County, Colorado in accordance with applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Tom Malmgren, President
- Ben Broughton, Vice President
- Abigail Tietjen, Secretary
- Stan Sprinkle, Treasurer
- Jim Reis, Board Member

CMCMD Staff in attendance was:

- Rob Martin, District Manager
- Chelsey Lange, Public Works Director
- Ed Pankevicius, Chief Plant Operator
- Missy Stabile, Clerk-Treasurer
- Robby Saunders, Senior Operator

Also in attendance was:

- Peter Siegel, Copper Mountain Resort Association Executive Director
- Eric Weaver, Marchetti & Weaver
- Steve Vail, Copper Valley (via Zoom)

Call To Order

The Regular Meeting of the Board of Directors of Copper Mountain Consolidated Metropolitan District was called to order by Tom Malmgren, President of the Board, noting that a quorum was present.

Agenda Update

Adjust agenda item “New Business” as necessary until HDR arrives.

Minutes

The Board reviewed the minutes of the January 26, 2024 Regular Board Meeting. Upon motion duly made by Director Broughton and seconded by Director Reis it was unanimously

AGREED to approve the minutes of the January 26, 2024 Regular Board Meeting with corrections on lines 37, 65, and 73.

Community Updates

Peter Siegel, Copper Mountain Resort Association Executive Director, reported that heat trace in Center Village and childcare facility have been completed. The Resort Association is now working on several smaller projects. Mr. Siegel met with County Manager Dave Rossi regarding Copper Resort road conditions and necessary repairs. The county has recognized that they are responsible and have accepted responsibility for Copper Road, Ten Mile Circle, and Beeler Place. The bike paths have never been in question and are also in need of repairs. By state

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statute, the county must allocate 1/3 of their road funding to be returned to the towns per state statute. Copper Resort is hopefully on the 2024/2025 county project list.

Public Input No public input.

Financial The December 2023 financial report was prepared by Marchetti & Weaver and provided to the Board for review prior to the meeting. Eric Weaver, Marchetti and Weaver, reminded the Board that the District is still paying for two loans on the Wastewater Treatment Plant. One of those loans will be paid off this year, freeing up funds. The District fund balance is ahead of forecast at \$14 million. The December 2023 financial statements are complete.

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

AGREED to receive the January and February 2024 check detail reports as presented and December 31, 2023 Financial Statement subject to adjustments of receivables and payables.

Sales Tax Mr. Weaver stated the Copper Metro District that relies heavily on Water & Sanitation fees and property taxes for revenue. As a Metropolitan District, sales tax can be collected by the state to help fund costs associated with road maintenance, transportation, parks and recreation, and security. A Tabor Election would need to be conducted asking electorate to adopt a sales tax up to a designated amount. Mr. Siegel said approximately \$3 to \$4 million is currently collected annually with 13% Copper sales tax and Resort Association surcharges. Metropolitan Districts can do more now than in the past. We need to clarify what the District can collect taxes on? What would Copper governance look like if we started from scratch? What's best for the community moving forward? A Metro District sales tax could be balanced with the Resort Association surcharges. After the merge of the three non-profit entities, POLA will be the surviving entity and collecting RETA and surcharges must be voted on again.

The Board suggested that research be done to determine the best long-term solution for the Metro District and the community. The ratio of approximately 200 homeowners to 6,000-8,000 guests using the roads needs to be considered.

New Business

WWTP Rehabilitation

Project A Wastewater Treatment Plant (WWTP) Rehabilitation Project scope of project and fee schedule was distributed to the Board prior to the Board Meeting. Rob Martin, District Manager, introduced Kevin Greer, Wastewater Engineer, and Sierra Fox, Engineer, from HDR Engineering and provided a brief history of the WWTP Rehabilitation Project.

Rob Martin, District Manager, explained that the District's water and wastewater systems have been neglected and compromised for some time. To address, a WWTP maintenance and improvements plan for jeopardized systems was implemented. The

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WWTP plan focused on drinking water first. Then the focus was on high level wastewater management and a conditions assessment.

HDR explained the assessment identified over 100 projects. It was determined that approximately 70 of these projects were high priority and they were grouped into 20 projects for capital improvement. Of these projects, 15 were then chosen to develop the scope of the proposed 2024 WWTP Rehabilitation Project design. Project categories include:

- Safety issues and hazards
- Public access
- Automated revenue generation
- Efficiency
- Redundancy
- Preventative maintenance to extend lifespans
- Main operations building
- Aeration basins
- Eq basins
- Headworks
- UV building
- Digester
- Bulk water system
- Mechanical improvements throughout

None of these projects affect water quality or wastewater treatments so no state or federal permitting or oversight will be required. However, the Fire Department and Building Department will be involved. Industrial facilities generally do not require ADA compliance.

The plan is to begin design in April on one large project addressing all 15 projects, begin construction in summer 2025, and aim for completion by fall 2027. The reason for one larger project is to save money with economy of scale and also attract qualified contractors. Ballpark figures come in around \$12 million for the project - \$2 million for design, \$8 million for construction, and \$2 million for change orders and contingency. Additional improvements or code requirements may be identified during the design process that can be incorporated or noted for the future.

Mr. Martin reported that this project will help position the District in the future regulatory landscape including Nutrients Regulation 31. The District is already processing Phosphorus well and below current standards. Currently, the new Nitrogen standard will be impossible to meet unless reverse osmosis is used. The District is on track to have ten years of credit for being below limits that will delay compliance timeline for new nutrient regulations. The proposed project will bring the plant back to baseline to prepare for the project that will be required in the late 2030s to meet the new regulations. This gives the District an opportunity to be proactive rather than reactive, which is more costly. A Master Plan that includes a regulatory timeline and growth projections needs to be completed.

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Ms. Lange requested that the Board approve moving forward with a project design contract.

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

AGREED to move forward on the design phase with HDR.

Mr. Weaver noted that the District has funds on hand to start design and construction but a bond will most likely need to be issued to complete the project.

Regarding future regulations, Mr. Weaver predicts backlash and lawsuits over impossible federal regulations and astronomic costs before the District would need to comply using extension credits.

It was mentioned that reducing the capacity of facility from the current 1.1 million gallon capacity to under 1 million gallons would put the District in a different facility category and potentially reduce regulation burdens. Need to keep in mind that if a plant is using 80% of its capacity, the state requires the plant to be upgraded. The maximum flow at the District is 600,000 gallons.

Staff Updates

Ms. Lange congratulated Zac Haynes for passing a water exam and highlighted extra efforts made by staff to keep the facilities running and clean.

Next Meeting

The next Regular Board Meeting is scheduled for April 26, 2024 at 8:30 a.m. Director Broughton is excused from attending the April 26, 2024 Board Meeting.

Other Business

The Board thanked Mr. Martin for his work and acknowledged that the District would not be where it is today without him.

The District Manager hiring committee has received applications and will move forward with initial interviews. Director Tietjen recommended changing the position from District Manager to Executive Director.

Adjournment There being no further business to come before the Board, by motion duly made by Director Reis 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 on the 29th day of March 2024, at 11:51 a.m.

Respectfully Submitted,



Melissa Stabile, CMC
District Clerk-Treasurer