
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Property Owners Association October 19, 2010

A Meeting of the Board of Directors of the Cordillera Valley Club Property Owners Association, Eagle County, Colorado, was held October 19, 2010 at 8:30 a.m., at the 9 Iron Grill at 0101 Legends Drive, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado. The Board met in joint session with the members of the Board of the Cordillera Valley Club Metropolitan District.

Attendance

The following Directors were present and acting:

- Wally Carey
- Tom Marcin
- Bob Engleby
- Art Greenfeder

The following Director was absent:

- Tim Benedickt

Also in attendance were:

- Cordillera Valley Club Metropolitan District
Jay Morten
John O'Brien
Emilie Egan
Rick Pirog
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis
- Operations & Security Personnel
Todd DeJong
- Others
Bob Vanourek, (CMD)
Sarah Baker, Barry Gassman, Dave Gully, Brian Judge,
Nelson Sims, Jim Comerford, Roger & Mary Staten, Trygve
& Heather Hutto, Stan & Pam Dickerson, Ted Leach, Bart
Barnett, Suzi Apple, Tanya & Paul Kessenich, Ruth Borne,
Tom and Karen Nern, and Anni Barta (Residents)
Peter & Lynn Mackichnie, (Club Members)
By Telephone - Sharon Watson, Bill Mimeles, & Frank
Navarro (Residents)

Call to Order

The Meeting of the Board of Directors of Cordillera Valley Club Property Owners Association was called to order by Mr. Carey, noting a quorum was present.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Potential Conflicts Of Interest

Mr. Marcin reported that he is the principal owner of Marcin Engineering LLC which provides engineering services to Cordillera Valley Club Metropolitan District and/or Cordillera Valley Club Property Owners Association. The Board noted that Mr. Marcin may participate in discussions related to services his firm may provide to CVC and may vote in such matters, in compliance with his duties to the Association. The Board noted, for the record, that this disclosure is being made at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Conference Call

The log of public participation in the meeting for those participating in person and by phone is as follows:

Public Participation Log

Meeting Date	In Person	By Phone
01/14/10	0	0
02/18/10	0	0
03/16/10	0	0
04/20/10	0	0
05/11/10	0	0
06/15/10	0	0
07/20/10	0	0
08/17/10	0	0
09/21/10	0	0
10/19/10	25	3

Agenda

The agenda was reviewed. The Board agreed to make changes as necessary.

Upcoming Meetings

There were no changes to the meeting schedule. Mr. Greenfeder will be attending the November meeting by phone.

Cordillera Transition Corporation

Bob Vanourek gave a presentation on the current status of the Cordillera Transition Corporation (CTC). The Articles of Incorporation for the CTC will be filed with the Colorado Secretary of State on October 19, 2010 and

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

a \$5 million Directors and Officers insurance policy is in place. The Board has requested a commitment for a \$1 million line of credit to be provided by CPOA, CVCPOA and Timber Springs to be used for expenses of the CTC, if needed. The portion of the line of credit requested from CVCPOA is \$130,000. Mr. Vanourek emphasized the financial controls that will be implemented to ensure that funds are not spent in an imprudent manner.

Six of the seven members from the Cordillera Club Advisory Committee (CCAC) are on the CTC Board. Ed O'Brien, who represented Cordillera Valley Club, has stepped down. Bob Vanourek is President of the CTC Board. All six members on the CTC Board are Club and Cordillera Metropolitan District (CMD) members. The Board understands the concerns from the other entities involved and are in the process of appointing an additional member or members who will represent non-club members and/or Cordillera Valley Club. It was noted the six members were chosen on their strengths and experiences, not because of their residence or Club membership status.

The following committees have been formed: Legal, Club Operations, Finance and Admin, Strategic Options and Stakeholder Communications.

The floor was opened to questions. Mr. Carey asked about the timing of appointing a seventh Board member. Lois Van Deusen and John O'Brien are on a committee that is reviewing applications and will make a recommendation for the appointment of the seventh member.

Mr. Barnett questioned how the committee is empowered? Mr. Vanourek explained as a Non-Profit entity it is empowered by the Articles of Incorporation. The Board is self appointed. CPOA is in support of the CTC and the funding concept. The actual funding will be determined by each participating entity.

CVCPOA has a fund balance \$94,000. There is a working capital reserve balance of \$63,000. Mr. Pirog reported there is a RETA receivable of \$130,000 due in November 2010. The CTC has limited overall authority and no authority to purchase the Club or sell the Club to a third party. There have been discussions of separating the Club's golf and non-golf amenities.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Nelson Sims stated separation of assets is probably not the best solution. Golf is declining but golf courses do increase property values so by the community supporting golf it helps to maintain property values. Club finances are simple since revenues are pretty much fixed. Expenses exceed revenues and dues support the remainder of expenditures. Mr. Sims stated the CTC needs to be careful that the actions of any partner do not negatively impact dues.

Frank Navarro reported many residents bought into CVC because of the abundance of sun and easy access to Edwards and I-70. Mr. Navarro is not interested in golf and was informed several years ago that construction of the berm was imminent. He is concerned about spending money on golf and not the berm. Ms. Egan explained the District finances and that the vote on the ballot related to golf is not related to the berm construction. Mr. Pirog explained that the District is working on getting agreements in place with the Club owner for the easement where the berm will be located, for irrigation water and for maintenance of the berm. The District is also working with Eagle County on the requirements of the PUD amendment for the berm. Then the cost to construct the berm will need to be updated and funding will need to be determined. Mr. Navarro suggested appointing a committee to get the berm built.

Mr. Vanourek stated the CTC was formed to assist with the transition of the Club to new owners. The CTC hopes they don't need to use even half of the \$1 million credit line in this process but their plan is that whatever portion of the credit line is used will be repaid by the new Club owner when the Club is transitioned. Mr. Vanourek encouraged CVC to support funding the CTC and proactively participate in the process.

Bill Mimeles questioned CVC's participation and funding of CTC expenses. Mr. Carey explained the CVCPOA Board passed a resolution to support the CTC and is open to answering questions from non-Club member property owners. The Board will make a decision on funding based on property owner input. Mr. Mimeles questioned why the CTC feels the need to be proactive. Mr. Vanourek explained with the financial concerns presented by WFP, various potential outcomes of the Club situation could negatively affect property values of everyone in Cordillera. The CTC's role in this is to represent all Cordillera property owners and to protect Cordillera property values.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Heather Hutto presented an appeal to not support the CTC since approximately 70% of the CVC property owners are not members of the Club. Ms. Baker and Mr. Carey explained the need to proceed through the process to be educated in order to make right decisions.

Mr. Navarro questioned the make-up of the CTC Board. Mr. Vanourek explained the CMD, CVCMD, CPOA and CVCPOA board leaders recommended that the initial CTC Board be comprised of the members from the CCAC to take advantage of their expertise. Mr. Ed O'Brien has declined to serve on the CTC Board and a committee is looking for additional members to recommend for the CTC Board. John O'Brien and Lois Van Deusen are serving on that committee.

Mr. Greenfeder questioned the status of the current Club memberships and dues. Mr. Vanourek explained the committee is looking at the alternatives for memberships and dues. Mr. Greenfeder stated these are pressing issues that need to be determined first. Mr. Vanourek indicated there is no guarantee that existing memberships could be refunded.

Ms. Sims explained the value of the house in a gated community with an operating club is approximately 25% greater than in a gated community with a closed club. Suzi Apple supported the work of the committee and the need to protect property values.

Mr. Barnett stated the POA Board needs to be responsible to constituent's desires and to get input before making decisions. Mr. Carey agreed that the Board will get input from members before making a decision that affects property owners. Mr. Vanourek thanked everyone for the input and encouraged involvement to reach a community wide solution.

Mr. Vanourek left the meeting at 10:17 a.m.

Public Input

Ruth Borne expressed her dissatisfaction with the chain link fence on west end. The Board explained it is a temporary fence to secure the west end until the permanent fence can be installed. Sarah Baker explained her frustration with exiting on her bicycle at the west gate and requested the ability to use a transponder to exit on her bicycle. Questions were also raised regarding the ability of the staff in the gatehouse to remotely open and close the west gate. Mr. DeJong explained an additional computer and linkage is needed to remotely operate the west gate. Mr. Greenfeder suggested installing a card reader on the exit gate for non-vehicle traffic.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Berm Update

Messrs. Judge, Carey and Pirog met with Christy D'Agostino to review the status of the PUD amendment for the berm construction. Mr. Judge reported both the Eagle County Community Development staff and his office are recommending changes to the conditions stipulated in the PUD amendment and this matter is tentatively scheduled to come before the Board of County Commissioners in November 2010.

Sarah Baker is a CVC homeowner and a land planning attorney and volunteered to review the PUD documents related to the berm. Ms. Egan suggested the Board determine funding for a work order for the PUD Amendment and berm agreements.

Mr. Pirog, Mr. Navarro, and Ms. Baker agreed to serve on a Berm Committee. The Berm Committee will determine the need for input from VAg and legal counsel but they expect most of the work will be performed on a volunteer basis by the members of the committee. It was noted RETA funds could be transferred to CVCMD to be used for finalizing the PUD amendment and berm agreements.

By motion duly made and seconded it was unanimously

RESOLVED to transfer \$2,500 to CVCMD to be used for expenses related to the Berm PUD Amendment and berm agreements.

Berm Agreements

Mr. Judge reported he worked with the Club Owner, Matt Dalton, Marcin Engineering and Irrigation Technologies to complete the Easement Deed for the berm which also includes provisions for a Water Service Schedule and for Maintenance of Improvements. Mr. Judge reported this document has been signed by the Club Owner and the executed document is being held by his legal counsel pending determination of next steps regarding approval and execution of the document by CVCMD. Mr. Pirog and Mr. Carey commended Mr. Judge for all his work to complete the agreements. The Berm Committee will confirm that Mr. Dalton has reviewed and approved the agreements and will make a recommendation to Board regarding execution of the agreements.

Mr. Marcin and Mr. Judge left the meeting at 11:55 a.m.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Minutes

The Board reviewed the meeting minutes of the September 21, 2010 meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of the September 21, 2010 meeting as presented.

Financial Report

Mr. Greenfeder and Ms. Egan have been reviewing the financial report and in light of the anticipated reduction in property tax revenues in 2012 they have been looking for ways to reduce expenses. Mr. Greenfeder proposed obtaining DRB proposals to achieve a revenue neutral status for DRB plan reviews. Proposals will be requested from architectural firms and land planners including but not limited to VAg and Cordillera Metropolitan District.

It was noted public volunteers are an important part of the DRB function. Ms. Barta reported she was on the first DRB for CVC and explained the complications with and the contention surrounding the DRB.

Mr. Marchetti presented the September 30, 2010 financial report and the preliminary 2011 budget and requested input related to the 2011 budget. Mr. Engleby suggested the Board consider reducing the gatehouse staffing to 16 hours coverage per day like it was up to 2008.

Accounts Receivable

The Board directed staff to file liens on past due accounts.

Accounts Payable

The Board questioned the charges from VAg, Inc. that pertain to the discussion with Clarkson Mosley. Staff was directed to get information from Stephanie Lord-Johnson on the charges and then send a letter requesting all correspondence cease unless Mr. Mosley intends to pay the expenses related to this process. Upon motion duly made and seconded it was

RESOLVED to approve the accounts payable list as presented.

Public Safety

Public Safety issues were discussed. Mr. DeJong reported technology improvements are needed to improve gate operations in CVC. Mr. DeJong will present a proposal for enhanced operations of the gates at the next meeting.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION October 19, 2010 Meeting Minutes

Adjournment

There being no further business to come before the Board at this time, upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the meeting of the Cordillera Valley Club Property Owners Association Board of Directors this 19th day of October, 2010.

Respectfully submitted,



Cheri Curtis
Secretary for the meeting