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# RECORD OF PROCEEDINGS

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**Minutes of the Regular Meeting  
Of the Board of Directors of  
Cordillera Valley Club Metropolitan District  
November 16, 2010**

A Regular Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held November 16, 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 Property Owners Association.

**Attendance**            The following Directors were present and acting:

- Emilie Egan
- Barry Gassman
- Jay Morten
- John O'Brien (By Telephone)
- Rick Pirog

Also in attendance were:

- Cordillera Valley Club POA  
Wally Carey, Bob Engleby, & Tim Benedickt
- Robertson & Marchetti, P.C.  
Ken Marchetti & Cheri Curtis
- Operations & Security Personnel  
Dan Carlson & Todd DeJong
- CMD  
Alison Perry
- Others  
Bob Vanourek, (CTC)  
Sarah Baker  
Bart Barnett  
Paul & Tanya Kessenich  
Trygve Hutto  
Brian Judge  
Frank Navarro (Telephone)

**Call to Order**            The Meeting of the Board of Directors of Cordillera Valley Club Metropolitan District was called to order by Mr. Pirog, noting a quorum was present.

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**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	2	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
11/16/10	6	1

### **Cordillera Transition Corporation**

Bob Vanourek reported the Cordillera Transition Corporation Board has been increased to nine members with the addition of Sarah Baker, David Bentley & Dick Rothkopf. The Board's goal is to act in accordance with all the stakeholders' desires. Ms. Baker brings the perspective of a CVC resident and someone that does not belong to the Club at Cordillera.

The CTC is attempting to secure a line of credit with Wells Fargo, the only bank possibly interested in extending credit. The Cordillera Property Owners Association will be assessing a \$500 assessment per property to fund the operations of the CTC. A \$25,000 retainer has been paid to legal counsel and \$15,000 for Directors and Officers insurance. \$25,000 is still due to the law firm of Holmes Roberts & Owens. A forensic auditor will also be hired. Ms. Baker is creating a website with all the CTC information. The CTC is anticipating needing \$100,000 for 2010 expenses and expects to take out a short term loan in the name of the CTC. The CPOA is contributing funds with after-payment approval of payables monthly.

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The main current issue for the CTC is the Dues Escrow Agreement. The Confidentiality Agreement was completed last week which will now allow CTC's agents to review the Club's financial records. CTC's agents are trying to determine if past expenses were allowable and where the member's dues were spent. Walter Copeland is meeting with EKS&H, a Denver accounting firm, in this regard. The CTC is working on an escrow agreement where the 2011 dues will be held in escrow and where funds will only be released from escrow upon review by an independent auditor to ensure they are being used for approved purposes. A suggestion has been made that a dual escrow account structure be considered.

Mr. Barnett questioned how the Wilhelm's are responding to the demands of the CTC. Mr. Vanourek reported the Wilhelm's recognize the CTC goal is to work for the good of everyone involved. The Club needs its members to pay their 2011 dues to continue operating and they also need the trust of the community so working with the CTC could accomplish those goals.

Mr. Carey questioned the plan if the Wilhelm's decide to not cooperate with the CTC. Mr. Vanourek stated the CTC is looking comprehensively at all options. However, the CTC is willing to allow private partners to negotiate if they would like to.

One of the CTC's goals is to make the Club financially viable. The Club and golf are only part of the focus. The other amenities in addition to golf are also being considered. Property values are another big factor as well as the possible effects on non-property owners who are Club Members. Public participation is encouraged in an effort to develop solutions.

Mr. Carey questioned the worst case scenario. Mr. Vanourek indicated the CTC is looking at other options as well.

### **Berm Update**

Sarah Baker reported the Berm Committee consisting of Rick Pirog, Frank Navarro, and Ms. Baker met with Bob Naracci, from Eagle County Planning and Bob Morris with the Eagle County Attorney's office. It was confirmed the PUD approval does not expire. There is a one-year term requirement to deposit \$20,000 with Eagle County for the community path planning. Ms. Baker stated it is not legal to put that requirement on a PUD approval.

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Mr. Pirog and Mr. Gassman met with the Wilhelm's to discuss the agreements needed for the berm. Language was requested by the Wilhelm's related to years in which irrigation water is in short supply. The agreements will need to be revised and reviewed by all parties prior to execution.

Mr. Judge reported ACC is still interested in building the berm and their current estimate of the construction costs is approximately \$2.9 million.

Mr. Carey questioned the timing requirements. Ms. Baker reported the committee is in discussions with Eagle County representatives explaining the problems with the current requirements. The committee will wait until all design changes are determined before going back to Commissioners.

**Agenda** The agenda was approved as presented.

**Upcoming Meetings** There were no changes to the meeting schedule.

**Public Input** There was no public input.

**Minutes** The Board reviewed the meeting minutes of the October 19, 2010 meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the meeting minutes of the October 19, 2010 Regular Meeting as revised with Directors Egan, Gassman, Morten, O'Brien, and Pirog voting in favor of the resolution.

The Board reviewed the minutes of the October 26, 2010 Special Meeting. Upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the meeting minutes of the October 26, 2010 Special Meeting as revised with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

**2011 Budget Hearing** It was noted the meeting was published as a budget hearing for the 2011 budget. The meeting was opened to public input. There being no public comment, the public session was closed. By motion duly made and seconded it was unanimously

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**RESOLVED** to adopt the 2011 budget, certifying the mill levy rate and appropriating funds for expenditure in 2011 as presented. A copy of the formal budget, mill levy and appropriation resolution is incorporated herein by this reference. Directors Egan, Gassman, Morten, O'Brien, and Pirog voted in favor of the resolution. Certain expenditures in the budget are contingent upon the POA's contribution to the District.

### **Financial Report**

Mr. Marchetti presented the October 31, 2010 financial report. The 2010 budget was amended for additional expenses presented at the October meeting. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the amended 2010 budget as presented with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

### **Accounts Payable**

Upon motion duly made and seconded it was

**RESOLVED** to approve the accounts payable list as presented with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

### **November Election**

Mr. Marchetti reported the District's election questions passed on November 2, 2010. A secondary "one property, one vote" election is required but that election can be conducted at any time. The Board agreed that election will be conducted when it is determined the funds will be necessary.

### **Public Safety**

Mr. DeJong distributed information on Lone Star Security and Safety Services, explaining the changes in the company over the last two years. The company plans to continue to grow and Lone Star's training requirements are being increased, which will benefit CVC.

Mr. DeJong reported all staff are trained as First Responders. New procedures have been put in place to allow Lone Star Security personnel to be the first responder.

Mr. Carey explained the alarm process and suggested networking all individual security alarm systems with one company. Ms. Baker

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questioned whether property owners not using a security alarm company should pay for security services.

Mr. DeJong presented options for the west gate security and an argument for maintaining twenty-four hour security. By motion duly made and seconded it was unanimously

**RESOLVED** to authorize expenditure of up to \$14,200 for the back gate security with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

**FURTHER RESOLVED** to authorize spending up to \$4,500 for a call box and camera system for the back gate with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

Mr. Carey, Mr. Engleby and Mr. Judge left the meeting at 12:00 p.m.

### **Snowplowing**

Mr. O'Brien reported the snow plowing services had been put out to bid and Cordillera Metro District was the low bidder but Premier Contracting who has been doing the snow plowing (and has acquired additional equipment for the 2010-2011 season) has agreed to revised their proposal to provide snowplowing at \$20,000 each year for the next two years.

By motion duly made and seconded, it was

**RESOLVED** to approve awarding the snow plowing contract to Premier Contracting for a fee of \$20,000 per year for two seasons with Directors Egan, Gassman, Morten, O'Brien, and Pirog, voting in favor of the resolution.

### **Barrow Lot**

The Board discussed the letter from Mr. Barrow offering to convey his lot to the District. The Board agreed to accept conveyance of the lot.

### **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 Metropolitan District Board of Directors this 16th day of November 2010.

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Respectfully submitted,



Cheri Curtis  
Secretary for the Meeting