
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District July 20, 2010

The Regular Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held July 20, 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:

- Jay Morten
- Rick Pirog
- John O'Brien
- Emilie Egan
- Brian Judge

Also in attendance were:

- Cordillera Valley Club POA
Tim Benedickt
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis
- VAg, Inc.
Stephanie Lord-Johnson
- Operations & Security Personnel
Dan Carlson and Rick Adams

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

**Potential Conflicts
Of Interest** Director Judge reported that he is the owner of VAg, Inc., an architectural and land planning firm, and other related entities, and these entities provide services to the District such as landscape and berm design, master planning, project oversight, construction management and the management of the POA governed Design Review Board. VAg's provision of these services to the District and to the Cordillera Valley Club Property Owners Association could constitute a potential conflict of interest. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

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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 |

Agenda The Board reviewed the agenda which has been prepared on a trial basis separating the District and Association items with a joint meeting in the middle to cover items that affect both the District and the Association. The capital projects are the first item in the joint section.

Upcoming Meetings The Board reviewed the schedule for the upcoming 2010 meetings. There were no changes to the meeting schedule.

Minutes The Board reviewed the Meeting Minutes of June 15, 2010. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Meeting Minutes of June 15, 2010 as revised with Director's Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

The Board also reviewed the Meeting Minutes of the June 3, 2010 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Meeting Minutes of June 3, 2010 as presented with Director's Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

Public Input There was no public present.

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Financial Report

The Board reviewed the June 30, 2010 financial statements that include the preliminary budget for 2011.

Director Egan stated the Board has a fiduciary responsibility to amend the budget for any expenditure that will be outside the approved budget before approving the expenditure. Director Judge suggested adding a footnote in the financial statement for the date the expenditure was approved.

Mr. Marchetti will present a budget amendment resolution at the August meeting for the Board to approve any capital expenditures not included in the original budget with a column added in the financials showing the amended budget.

Accounts Payables

Director Egan questioned whether the Board needed to approve the expenditure for the PUD mapping for the sewer plant property south of I-70. It was agreed that the Board had given prior approval and a portion of the cost was needed to complete the Turn-Over Agreement with the Club at Cordillera.

The Board asked Robertson & Marchetti to begin tracking expenditures in the accounts payable list under each budget line item as approved at meetings. Upon motion duly made and seconded, it was

RESOLVED to begin reporting the budget line item for each account payable item with Director's Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

FURTHER RESOLVED to approve the accounts payable list as presented with the stipulation that in the future the accounts payable list will reference the budget line item and the resolution approving the expenditures with Director's Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

Capital Projects

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West Gate Project

Mr. Carlson is continuing to obtain bids for the West Gate project. The plan is for the electronics for the West Gate security system to be updated. In addition to upgrading the electronics, a dual gate entrance system will be installed which will require extending the island. The sound mitigation barrier portion of this project has been tabled due to costs.

The bid for the wrought iron fence is \$5,700. Bids are pending for the extension of the island, the asphalt, chain link fence, wildlife fence and electrical improvements. Mr. Carlson plans to have all bids by July 27. Mr. Adams will provide bids for the security system upgrades. Director O'Brien questioned when the bids are available, how the Board would award a contract and when the project will commence. Director Egan suggested the Board review the District's Service Plan to see what the District can fund and what the Association can fund. In the future the POA Board of Directors will designate where the RETA funds should be applied.

Security System Upgrade

Director O'Brien reported the proposed security system is a high quality system. The proposal from Mountain Communications is on the expensive side and Director O'Brien directed Mr. Adams to seek a lower bid. Mr. Adams reported Mountain Communications is a local firm that is easy to work with. Mr. Adams is obtaining bids from other companies and has a meeting scheduled with HPE this week to obtain their bid.

The current estimate for the security system upgrade is \$100,000 for software, hardware, integration, and programming. The upgrade would make Cordillera Valley Club independent from the rest of Cordillera. The project could be phased over time depending on the proposals.

Berm Project

A meeting is scheduled today between Director Judge and the Club at Cordillera to discuss the final water and maintenance agreements for the berm. An irrigation consultant was hired to review the irrigation plans and it was determined the plan is sufficient.

The PUD approved by Eagle County has significantly increased the amount of plantings required on the berm. VAg, Inc. is attempting to get Eagle County to reduce the planting requirements. The increased plantings will require significant amounts of water during the initial grow-in period. VAg is developing a five year phased-in planting schedule to

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spread the grow-in watering requirements over multiple years to reduce the peak watering requirements and reduce the amount of water rights needed. Water rights will need to be adjudicated for the project and Director Judge reported that the Club has water rights which can be adjudicated for the project but the District will be responsible to pay the cost of the adjudication. Director Judge does not have an estimated cost to adjudicate the water rights yet. The maintenance agreement with the Club states that the District will build the berm and install the plants and that the Club will maintain the landscaping and notify the District/POA of any dead landscaping which needs to be replaced.

Turn-Over Agreement

Director Judge raised a question related to turn-over agreement regarding the easement for the west gate area. Mr. Marchetti will provide copies of the agreement to the Board members and will follow-up with Mr. Perkins regarding the easement for the west gate area.

Lights & Signage

The light poles will be delivered and installed by Tim Benedickt and Dan Carlson. Director Judge requested the conduit be hidden during the installation and all security equipment be reinstalled.

Operations

The Board noted mosquito's continue to be a problem and directed Mr. Carlson to have the District sprayed again.

Public Safety

Two bears were spotted two weeks ago but there have been no bears spotted since then.

Mr. Adams reported a traffic count for the water tank project of 294 vehicles and trucks over the last 40 day period. There were 32 vehicles with more than two axels. Project meetings are held every two weeks and Board members and public are welcome to attend these meetings. It was noted dust control needs to be addressed.

There was a problem with the back gate recently. Lone Star Security contacted residents to notify them of the problem and then left the back gate open with staff on site. The fire department disabled the system and was able to get it working upon notification.

New transponders are available at Cordillera Metropolitan District for access to Cordillera. The Board discussed the placement of the RFI's.

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Mr. Adams explained CVC needs to be consistent with Cordillera so the RFI readers can work properly.

POA Annual Meeting

It was noted the only contentious issue was that the Club of Cordillera suggested implementing a policy that all property owners would be required to obtain a social membership for the Club.

Real Estate Sales

Director Pirog reported there are three properties under contract in CVC. The high end property sales are sluggish. There are currently 101 homes on the market in Cordillera and 26 homes on the market in CVC. Director Pirog anticipates a couple more CVC home sales in 2010.

DRB Report

Ms. Lord-Johnson gave a brief DRB report. She reported she has drafted a compliance letter that was sent to CVCPOA for review by the Board. Upon approval a letter will be sent to the Club. The landscaping at Filing 2, Lot 18 may need to be completed by DRB. Greg Perkins is advising Ms. Lord-Johnson on procedures to use a "self help policy".

DRB is working with the owners at Filing 9 Lot 1 to obtain landscaping approval and paying the compliance deposit. They were fined \$1,000 for not following the procedures in the Covenants.

Mr. Weber is proceeding with the approved re-vegetation plans for his property. A second re-vegetation phase has recently been completed.

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 20th day of July 2010 at 10:30 a.m.

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting