
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Property Owners Association November 16, 2010

The Meeting of the Board of Directors of the Cordillera Valley Club Property Owners Association, 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 Metropolitan District.

Attendance

The following Directors were present and acting:

- Bob Engleby
- Tim Benedickt
- Wally Carey
- Art Greenfeder (Telephone during part of meeting)

The following Directors were absent and excused:

- Tom Marcin

Also in attendance were:

- Cordillera Valley Club Metropolitan District
Rick Pirog, Barry Gassman, Jay Morten, Emilie Egan &
John O'Brien (By Telephone)
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis
- 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 Property Owners Association was called to order by Mr. Carey, noting a quorum was present.

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

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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	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

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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.

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 are responding to the demands of the CTC. Mr. Vanourek reported the Wilhelm 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 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.

Marketing

Alison Perry reported the Marketing team's goal for 2011 is to reduce expenses. A silent sales presentation will be created in the Lodge at the Cordillera Welcome Center, hoping to convert guests to possible clients.

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CMD will make presentations at shows that cater to prospective second and retirement homeowners. The Marketing team is also working with brokers to bring in leads and is working with the golfing community to attract executives. An Avid Golfers program is being developed for attendance at large events. A smaller community map of all four communities is needed that can be distributed to prospective clients. Community events are planned every week during the summer months.

The internet marketing needs improvement. The advertising has been reduced since leads were not being produced.

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 meeting as revised.

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.

November Election Mr. Marchetti reported the District's election questions passed on November 2, 2010 and a one property, one vote election is required. The election will be conducted when it is determined the funds might 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.

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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 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 transferring \$4,500 to the Metro District for a call box and camera system for the back gate.

POA Budget

Mr. Greenfeder joined the meeting at 11:40 a.m. by telephone. Mr. Marchetti presented the preliminary 2011 budget. The Board requested the contribution of up to the \$130,000 to the CTC be footnoted in the 2011 POA budget indicating that it is not authorized for expenditure without further Board approval. Upon motion duly made and seconded it was unanimously

RESOLVED to adopt the 2011 POA budget as revised.

Financial Report

Mr. Marchetti presented the October 31, 2010 financial report.

Accounts Payable

Upon motion duly made and seconded it was

RESOLVED to approve the accounts payable list as presented with the exception of the VAg invoices which should be held waiting for clarification.

DRB Service Suspension

The Board discussed the letter suspending service with VAg and the process until a DRB administrator is chosen. Mr. Judge suggested the letter include a recommendation on how to proceed during the transition period. Mr. DeJong suggested using the gate house number as the contact

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number for DRB matters during this transition period. Mr. Carey expressed his view that it was premature to send a suspension letter at this time.

Mr. Carey, Mr. Judge and Mr. Engleby left the meeting at 12:00 p.m. and with their departure a quorum was no longer present.

Barrow Lot

The Board discussed the letter from Mr. Barrow offering to convey his lot to CVC. The Board agreed it would be more appropriate for the lot to be conveyed to the Metro District and agreed to waive the 2010 unpaid assessments for 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 Property Owners Association Board of Directors this 16th day of November, 2010.

Respectfully submitted,



Cheri Curtis
Secretary for the meeting