

Cordillera Valley Club Property Owners Association
Board Meeting Minutes
Tuesday, May 15, 2018, at 8:30AM MT
28 Second Street, Suite 213, Edwards and Via Conference Call

CVC POA BOARD MEMBERS PRESENT IN PERSON: Bob Engleby, Tom Marcin and Kent Myers

CVC POA BOARD MEMBERS NOT PRESENT: Steve Smith and Art Greenfeder

CVC METRO DISTRICT BOARD MEMBERS PRESENT IN PERSON: Tom Jaffe, Steve Kisielica, Bob Engleby and Kent Myers

CVC METRO DISTRICT BOARD MEMBERS NOT PRESENT: Suzi Apple

HOMEOWNERS PRESENT IN PERSON: Dave Schlendorf

HOMEOWNERS PRESENT VIA CONFERENCE CALL: Jay Morten

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent for the CVC POA, Ken Marchetti, Administrator of the Edwards Metropolitan District, Anne Clark of Marchetti and Weaver, Kirk Pliske, Cordillera Valley Club Security Supervisor, Dan Carlson, Maintenance Manager of the CVC MD, Sara Thurston McNeill, Secretary to the Meeting and Amy Schweig, Maureen Mulcahey and Diane Johnson of the Eagle River Water & Sanitation District.

ALSO PRESENT VIA CONFERENCE CALL: Dominic Mauriello of Mauriello Planning Group, DRB Coordinator

- I. Call to Order. With three of five POA Board members present in person and four of five MD Board members present in person, a quorum was established. Tom Jaffe, President of the Cordillera Valley Club Metro District Board called the meeting to order.

- II. Public Input. There was a request to add “communication plan” to the Agenda. Mr. Schlendorf asked that management communicate with homeowners more often with regard to gate issues and major capital projects. Dan McNeill responded that as the POA managing agent, his organization has about 130 owners’ email addresses on file; the Metro District or Security Gate simply needs to send him the information to be communicated in a brief email and it will be forwarded to all owners. The POA sends a quarterly newsletter to all homeowners and communicates about community events and meetings, as information is made available.

- III. CVC Metro District Business. The Metro District Board discussed operations and safety updates, elected officers, reviewed financials, accepted the 2017 Audit, discussed the loan with ANB, accounts payable and RETA income. Complete minutes of this portion of the meeting are available on the CVC Metropolitan District website: www.cvcmetro.org.

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

Disclosure

Matters Directors Engleby and Myers reported that they are also members of the executive board of Cordillera Valley Club Property Owners Association (CVCPOA). There are significant business transactions between the District and CVCPOA. While both the District and CVCPOA serve substantially the same constituency, transactions between the two entities 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.

Minutes The Board reviewed the meeting minutes of the March 20, 2018 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the March 20, 2018 minutes as presented.

**Eagle River Regional
Water Efficiency Plan**

The Eagle River Water & Sanitation District (ERW&SD) and the Upper Eagle Regional Water Authority (UERWA) provide drinking water to customers from East Vail to Cordillera. Both agencies are required, per the Colorado's Water Conservation Act of 2004, to have a Water Efficiency Plan on file with the state that has been approved by the Colorado Water Conservation Board. Ms. Schweig and Ms. Mulcahy presented a draft of the region's water efficiency plan and ideas to help achieve targeted water savings. The ultimate goal is waste less water. The organizations are offering free landscape consultations to customers this summer.

April and May have been designated as the time period to reach all stakeholders and they have requested any feedback of the Plan by June so that it may be finalized and adopted in July. Ms. Clarke and Ms. McNeill will work together to add information to the District and POA websites, as well as include information in the upcoming newsletter and property owner member meeting.

Board Member Election

Oaths, Officers

The District is required by State Statute to hold an election for Board member terms expiring in May of 2018. No more candidates were nominated than the number of open Board seats so the District was able to cancel the May election. The Oath of Office was administered to Kent Myers, Bob Engleby, and Steven Kisielica. Ms. Clarke will administer the oath of office to Ms. Apple in the following week.

By motion duly made and seconded, it was unanimously

RESOLVED to maintain the current officers as follows:

- Tom Jaffe, President
- Kent Myers, Treasurer
- Bob Engleby, Secretary
- Steven Kisielica, VP and Assistant Treasurer/Secretary
- Suzi Apple, VP and Assistant Treasurer/Secretary

Audit

Mr. Marchetti presented the 2107 draft audit, noting that the District received an unqualified or “clean” opinion. He reviewed the year-end accrual for the berm project landscaping. Upon motion duly made and seconded it was unanimously

RESOLVED to accept the 2017 draft audit as presented.

Financial Statements

Preliminary March 31, 2018 financial statements, current RETA revenue schedule, and Accounts Payable listing were included in the Board packet for review.

Mr. Marchetti reviewed the projected Assessed Valuation of the District for the next re-evaluation period 2020, noting a forecasted 10% reduction in value. This reduction is based on an assumed Residential Assessment Rate of 6.11% and the essentially flat sales prices of high-end homes in the District and throughout the county in the comparison period.

Road Project

Mr. Marcin reviewed the progress of the road project. United was awarded the contract, with a bid price of approximately \$1,100,000. Additional project management and other expenses are estimated to be \$100,000. Mr. Marcin also recommended approximately \$100,000 as a contingency in the project budget. The road construction begins today. The contract timeline provides for the project to be complete within 60 days. The Board discussed project specifics to be included in a homeowner communication email. A large map of the project and schedule are posted at the Clubhouse. The contractor has been allowed to

operate from 7AM to Dusk in order to complete the project in such a short time-frame.

Mr. Marcin was directed to calculate road restrictions and communicate those to the Mr. Pliske as soon as possible.

Mr. Myers was coordinating a sub-project for all homeowners who wished to use the road contractor to repave their individual driveways. Originally it was expected that the road contractor could do these driveways more cost effectively since they were already on site. However, the estimates came back at a much higher cost than originally expected because of the differences in doing a driveway compared to the road project. The Board concluded that homeowners would be better off contracting individually with smaller local contractors for their driveways.

ANB Loan The road project estimated cost came in under-budget so the Directors discussed a prepayment of the loan before the next meeting. After discussion, it was determined to authorize Director Myers to prepay a portion of the loan when the project costs have been determined. Upon motion duly made and seconded it was unanimously

RESOLVED to authorize a paydown of the ANB loan with surplus funds remaining from the road project.

Accounts Payable

Director Jaffe discussed the invoice from Kumar, indicating that work done at the recreation parcel should be paid by the POA rather than by the District. The Board discussed the service and agreed to forward the invoice to the POA for payment. Upon review of the remainder of the list and by motion duly made and seconded it was unanimously

RESOLVED to approve and ratify the accounts payable listing as presented, with the exception of the Kumar invoice.

Public Safety Mr. Pliske discussed the gate installation scheduled in the upcoming weeks, which will complete the phased upgrade of all the CVC gates. He'd like the Board to next consider an upgrade of the camera equipment. The Board requested an inventory of the equipment and a proposed estimate to be included in the 2019 Budget discussion.

Operations Mr. Carlson reviewed several maintenance projects. The damaged stone pillar at the west gate will cost approximately \$4500 to repair. The golf cart contractor has agreed to reimburse the District for this expense.

The street name signs are fading and Mr. Carlson has a bid from Impact Graphics to repair the signs rather than replace them. The Board directed Mr. Carlson to test one sign first before committing any additional funds.

The metal pole at the west gate will be approximately \$12,000 to replace as designed. The Board decided to incorporate that replacement into the capital camera replacement project, since the electronics are impacted by both projects.

Mr. Carlson requested information on the District's speed bumps and cart crossings. There are 9 speed bumps of varying sizes as well as several painted crossings. The Board decided to incorporate pavers at these features to reduce the annual painting maintenance. The features will still maintain their speed reduction purposes.

Berm Mr. Marcin gave an update on the berm project. Slopeside has requested a third change order of \$80,000 for the retaining wall, which Mr. Marcin recommended. Area 5 earthwork and landscape are both complete.

This completed the Metro District portion of the meeting.

V. Road Mill and Overlay Project Update. Tom Marcin of Marcin Engineering addressed the Boards and gave a detailed update on this large-scale capital project. The cost of the Project has been contracted with United Companies. Work begins on site today (May 15th) with mobilization and preparation. The milling machine will be delivered to CVC on Friday, May 18th. Milling operations will begin on Monday, May 21st on the "spur" roads, to be followed by overlay of fresh asphalt. Work will finish with the mill and overlay of Beard Creek Road. The scope of work also includes some concrete pan repairs, culvert repairs, the installation of rigid pavement at the front gate and work to the existing nine speed bumps throughout the community.

The Project will be substantially complete on June 20th, and an additional week is allotted for punch list items. Work will commence every day at 7:00am and the contractor will work until dark in order to complete the Project in a timely manner. The contractor will have crews on site directing traffic.

Mr. Marcin explained that during the milling process, the machine may block a driveway for up to 30 minutes (probably less). During the overlay or paving process, one side of each road will be passable at all times, although driveways may be inaccessible during the curing process (several hours).

Tom Henderson of Marcin Engineering is acting as the "Owners' Representative" for the Project. He will be on site every day and will visit the homes of owners the day prior to work scheduled on their street to advise them of the work and the

limitations on access in and out of their driveway. Questions should be directed to him on his direct phone number at 970-331-4489.

Homeowners that have construction projects planned at their CVC home or homesite between May 21 and June 20, are advised that any large trucks or heavy equipment drivers will be required to check in at the front gate to receive special instructions. During the "curing" process, the new asphalt must cool completely prior to any heavy loads; alternatives will be made available to contractors and subcontractors that communicate with the gate house prior to entry. Kirk Pliske, Director of Security Gate Operations may be reached on his direct phone number at 970-376-0819.

A large map will be posted in the CVC Clubhouse that identifies each neighborhood in a color coding tied to the approximate date of work. Dates are subject to change due to weather conditions. Owners will be asked to stop by the Clubhouse to take a look at the map at their first opportunity.

MPM will send the above information out in an email to the entire community on the evening of May 15th. Further communications will be sent on an as-needed basis.

VI. Berm Update. Mr. Marcin then updated the Boards on the progress of the Noise and Sight Mitigation Berm Project. To date, 40,000 cubic yards of dirt have been delivered on site and formed into a berm on the south and east side of the community, bordering the Cordillera Valley Club Golf Course. The berm is about eight feet higher than planned, and landscaping elements are being added. There are three change orders so far, for retaining walls installed within the berm on the east end. The Project has come in well within budget constraints thus far.

In 2010, the budget for the Project was between \$3.1 million and \$3.3 million. Mr. Marcin now feels that the whole Project can be completed for about \$2 million, and probably less. Actual costs to date total \$374,000, plus planning and engineering fees.

An earthen berm is now planned for the west end of the community, instead of the noise mitigation wall that was previously targeted. Marcin Engineering is working with the Colorado Department of Transportation (CDOT) on the details of the plan. This berm will give CDOT a location to deposit used traction sand. Mr. Marcin estimated that the western berm will require about 60,000 to 100,000 cubic yards of fill material to build. The construction of this berm will most likely occur in 2020 and 2021.

Some property owners have inquired about purchasing some larger trees to be planted on the berm on the eastern end of the community. Management will

communicate with the membership to determine who is interested in purchasing larger trees for the berm.

VII. POA Financial Review. Marsha Bjornson, bookkeeper, prepared the first quarter 2018 financial reports (March 31, 2018), and Dan McNeill presented them to the Board. According to the Balance Sheet, the association currently has \$580,482.99 in total assets, liabilities and equity including \$557,286.58 cash in the banks and \$2012.99 in prepaid expenses. As of the date of the meeting, accounts receivable was \$13,349.74 with nine owners in arrears. Late fees have been assessed and interest is accruing on all unpaid accounts. These owners have received first demand letters, per the Collections Policy.

The Profit and Loss Statement reveals that three months through the fiscal year, the association has incurred total operating expenses of \$22,791 so far. Operating expenses are on budget at this point in the year.

The 2018 beginning balance in the Maintenance Capital Reserve Account was \$217,817.32. Current year funding totals \$30,440 so far (RETA income) and capital expenses total \$21,085, including \$700 for new flower beds at intersections, \$2900 for roadway intersection improvements and \$17,485 for the Berm Project. The ending balance in the Maintenance Capital Reserve Account is \$227,172.32.

VIII. Design Review Board Report. Dominic Mauriello submitted a year-to-date summary of activities to the Board prior to the meeting, hereto attached to these minutes. Currently, there are four new homes under construction. There will likely be two more homes reviewed by the DRB this spring, with possible construction starts this summer. DRB staff has approved some minor projects, including additions, tree removal, repaints, patio and hot tub additions,

IX. Manager's Report. Dan McNeill reported on the following POA maintenance activities:

- Spring Clean Up efforts are now complete. All common turf areas have been power-raked, hand raked and aerated.
- All common area irrigation systems have been turned on for the season.
- Roadway weed mitigation and trimming is now underway with a different section of roads being addressed on a weekly basis.
- All of the flower beds have been prepped with soil pep. Perennial flowers are slated for planting in late May and annual flowers are slated for planting in early June.
- The clean up of dead scrub with an eye on fire mitigation will be undertaken throughout the spring and summer months.

- The sandstone paver border at the west gate will be completed once the mill and overlay project is complete.

X. Other Business. The Annual Meeting is scheduled for Friday, June 29, 2018, at 9:00AM. The meeting will be held in the Fireplace Room at the CVC Clubhouse. Management was asked to invite Eric Lovgren of Eagle County Community Development to speak about the risk of wildfires in the upcoming summer and fall seasons.

XI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 11:15AM.

Respectfully submitted,

Secretary to the Meeting