

**Cordillera Valley Club Property Owners Association
2019 Annual Meeting Minutes**

Tuesday, June 25, 2019, at 9:00AM MT at the
Chaparral at Cordillera

101 Legends Drive, Edwards Colorado and Via Conference call

ATTENDANCE: The following Directors were present in person:

- Bob Engleby
- Art Greenfeder
- Tom Marcin
- Kent Myers

The following Directors were present via conference call:

- Paul Kessenich

Other members in attendance were:

- See attached list

ALSO PRESENT: Dan McNeill, Managing Agent, Marsha Bjornson, Bookkeeper, Allison Kent of Mauriello Planning Group, Erick Gutierrez of Cordillera Public Safety, Mike Henritze of the Club at Cordillera, Will Hymes of McNeill Property Management and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 47 of 127 lots represented either in person or by proxy, a quorum was established (accordingly to the by-laws, a quorum constitutes 10% of the membership represented either in person or by proxy). Dan McNeill welcomed all to the Annual Meeting, certified the proxies and called the meeting to order shortly after 9:00AM. Those present at the meeting took turns introducing themselves to the membership.

- II. Review and Approval of the Minutes of December 2018 Membership Meeting. These minutes were previously distributed to all owners for review and posted on the website: www.cvcpoa.org. With no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE DECEMBER 2018 MEMBERSHIP MEETING OF THE CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION. The motion was seconded and carried unanimously.

- III. Financial Report. Marsha Bjornson, bookkeeper for the association prepared the current financial reports (as of May 31, 2019) and Dan McNeill presented them to the membership.

The Balance Sheet reveals that the association has \$654,819.40 in total assets, liabilities and equity including \$646,926.46 cash in the banks, \$7511.51 in owner assessments receivable and \$381.43 in prepaid expenses. Net Income totals \$134,107.13. As of the date of the meeting, all homeowners are current with their annual dues.

According to the May 31, 2018, Profit and Loss Statement, revenues are tracking slightly ahead of budget so far this year. Five months through the year, operating expenses total \$72,529 based upon total annual budgeted operating expenses of \$191,300.

The year beginning balance in the Reserve Capital Fund was \$276,995.84. Funding through RETA income totals \$49,329.50 so far and \$35,337.50 in capital expenses have been incurred for berm plantings. The ending balance in the Reserve Capital Fund is \$170,873.24.

Management included a budget explanation sheet that details the components of each line item in the operating budget in the financial packet distributed to the membership.

IV. Manager's Report. Dan McNeill reviewed the Capital Spending Plan with the membership. Capital projects under consideration for 2019 include continued upgrades to intersection gardens, cottonwood tree removal (and re-planting of other species) on common areas, west gate improvements and continued vegetation of the east-side earthen berm. Work continues to plan for the west-side earthen berm. Marcin Engineering is overseeing this project and negotiations continue with the Colorado Department of Transportation.

Dan then reported recent maintenance activities and noted that the Metro District remains responsible for roadways, lighting and signage and the POA remains responsible for landscaping. Reflectors along the roadways were recently reinstalled, guardrails will be stained in the coming weeks, weeding along roadsides occurs weekly on a rotating basis, dead scrub clean up on the hillsides is in process and, trees will be fertilized and weeds will be sprayed along roadsides and on common areas using a primarily organic product. Owners that need assistance with treating noxious weeds on their property are encouraged to contact MPM.

There was a request for some maintenance on the mountain biking / hiking trail that was created in the community a few years ago. Members of the POA Board and management recently conducted a Spring Walk Through and created a projects list. Any owners that know of common areas that need attention or any code violations should email a photo of their concerns to dan@mcneillinc.com.

An updated Risk Management Checklist and Contact List were distributed to all attendees (and also posted on the website www.cvcpoa.org). Homeowners are asked to follow the suggestions in the Risk Management Checklist in order to minimize the possibility of water and fire damage to their residence. There are also recommendations in the Checklist on how to reduce one's carbon footprint on the environment.

- V. Design Review Board Report. Allison Kent of Mauriello Planning Group addressed the membership and presented the Design Review Board Report. She reported that there are 14 vacant lots remaining in Cordillera Valley Club and 114 existing homes. Applications are slowing down for new construction, but staff-approval applications for re-roofs, painting and new decks continue to be addressed.

Allison reminded all that any landscaping changes require Design Review Board review and approval, but that the application and review process is relatively simple. Mauriello Planning Group's contact information is on the website at www.cvcpoa.org.

- VI. CVC Metro District Report. Kent Myers introduced Erick Gutierrez of Cordillera Valley Club Public Safety and Mr. Gutierrez updated the membership with regard to recent projects. New stickers are being distributed to service providers and contractors and will be in effect as of July 1. Homeowners can receive new transponders at the Cordillera Metro District office at 408 Carterville Road. New cameras for the West Gate have been ordered and the new cameras for the East Gate have already been installed. Each gate has a counter that records the number of vehicle trips per day. Kent Myers expressed his gratitude on behalf of the Metro District Board and the POA membership for Mr. Gutierrez's staff and their increased security efforts throughout the community.

The MD is planning to reinstall speed bumps this summer. The devices will be the "temporary" ones that can be removed prior to winter so that the snowplows don't damage them. Tom Marcin estimates the cost of this project to be about \$30,000 (including labor and materials).

Tom Marcin then reported on the continuing progress of the berm work, indicating that the east-end earthen berm is now 90% complete with top soil and working irrigation over the entire area. Over 300 trees and shrubs have been planted so far. Marcin Engineering continues to work with CDOT to get approval for the west-end berm, to be comprised primarily of traction sand, then covered with top soil and vegetation. He estimates that it will be approximately

30 feet high. The membership expressed its thanks to Mr. Marcin for his continued oversight with regard to the Berm Project.

VII. Real Estate Report. Tom Jaffe then updated the membership with regard to recent real estate sales activities. In 2019, 11 homes have sold in the first half of the year. The average sold price per square foot in 2018 was \$407 versus \$524 per foot thus far in 2019. That is an increase of 28%. The average sale price of the homes this year was \$2,725,000 vs the 2018 average of \$1,875,000. The range in prices of the homes sold thus far this year was \$1,300,000 to \$4,000,000. Two lots have sold thus far this year at an average of \$566,475, an increase of 4.1% when compared to 2018 when the average was \$544,000 There are currently two lots on the market and one under contract.

VIII. Board of Director Elections. The current Board consists of Paul Kessenich (term expires in 2021), Tom Marcin (term expires in 2021) Art Greenfeder (term expiring), Bob Engleby (term expires in 2020) and Kent Myers (term expiring in 2020). Mr. Greenfeder offered to serve another three-year term and additional nominations were sought from the floor; none were forthcoming. Art Greenfeder was re-elected to the POA Board for another 3-year term by acclamation.

IX. Other Business. Bob Engleby gave the membership a brief chronological update on the Club's attempts to develop the CVC Clubhouse and the parcel upon which it sits in 14 residential units. The Club and Resort Concepts, the developer who will build the residential units approached the CVC POA Board of Directors in October 2018 with preliminary plans to have Resort Concepts purchase the land (Filing 1, Tract R-1) from the Club. The current amenities of the pool, pool house and tennis court will be relocated to the south side of the clubhouse and the clubhouse and amenities will receive about \$6 million in renovations.

The POA Board then sought an in-house legal opinion of the proposal and had several meetings with counsel to determine the CVC POA's options. The Board and the legal advisor unanimously felt it best to work with the developer and club to determine a mutually beneficial agreement. The proposed plans have been through about four iterations with the attorneys for CVC POA and Resort Concepts and Windrose Properties (Club).

Mike Henritze of the Club at Cordillera then addressed the membership. He noted that the Club is under contract to sell its land on the CVC Club Parcel to Resort Concepts for about \$6 million. Resort Concepts is planning to construct 14 residences on the Club parcel and the Club is planning to reinvest the \$6 million to improve the Clubhouse and amenities at CVC. Another idea was

discussed whereby owners will be expected to pay annual dues to the POA and the POA will pay dues to the Club.

The POA Board of Directors signed a Memorandum of Understanding with the Club and Resort Concepts in April. The MOU outlines the following:

- All of the property subject to purchase will be included in Cordillera Valley Club and be subject to existing governing documents including, but not limited to the PUD Guide, the Declarations and Design Review Guidelines as well as to the CVC Metropolitan District rules and regulations.
- All property sold shall be subject to the 2% Real Estate Transfer Assessment.
- Per the original PUD, the developer retained the ability to build 17 additional residential units, and the clubhouse tract was zoned for development. The current plan calls for 14 units, 12 of which are to be attached duplex (townhome-style) homes and 2 of which are to be single family homes. The developer may want to exercise its right to construct an additional three residences, integral to the redeveloped Clubhouse at some point.
- All property owners in Cordillera Valley Club will be offered the opportunity to join the Club with a social membership with no initiation fee during a Special Offering Period. Regular dues shall thereafter apply.

The floor was then open for comments and questions with each owner given a chance to weigh in. Homeowners had concerns regarding the following points:

- Drainage. This area has been subject to flooding and mudslides during two past events. In 2013, the CVC Metro District hired an engineer to design mudslide deterrents in the gully in Tract K (across from the Clubhouse). However, the culvert that collects and distributes rainwater and debris from the bottom of the gully may or may not be wide enough to handle the run-off in subsequent events. The equipment installed has not been tested with a severe rainstorm or mudslide since 2013. He suggested that if the construction of two homes on this parcel are approved, an engineered drainage plan must be an important condition of DRB approval. Within the MOU, the developer has already agreed to this concept.
- Development Rights. Several owners questioned whether the Club and Resort Concepts has the right to develop additional density on the Club parcel. Since the PUD indicates that up to 17 homes can be developed on this land, it appears that they do. Therefore, the POA Board of Directors has been working with the Club in the spirit of cooperation.
- Parking. Several owners had concerns that there would not be enough parking available for Club activities. Mr. Henritze told the owners that additional parking would be added during the renovation.
- Wildlife. There were concerns about the interruption and possible destruction of wildlife migration corridors with the proposed new development.
- Funding. There was discussion about whether the CVC membership could fund the \$6 million for Club improvements and community amenities without

selling the land to a developer, whereby requiring a special assessment of approximately \$48,000 per lot. There was some support for this idea, but it may not be feasible given the fact that the Club is already under contract to sell the land to Resort Concepts.

Mr. Myers then raised the following concerns:

- Density. Ten homes will be built on 1.1 acres (currently the pool/tennis court parcel). The majority of the lots on Legacy Lane and Beard Creek Trail range in size from .36 to .77 acre.
- Parking – The 12 units on the pool/tennis court and peninsula parcels would have two parking spaces, one enclosed. Currently all CVC homes have a minimum of 4 parking spaces, two of which are enclosed. (It was noted that the developer plans to build a two-car garage for each unit).
- Traffic on Legends Drive. The 12 units will be on the busiest 400 feet of roadway in CVC. According to the plan, there will be six driveways and two private roads accessing Legends Drive. All of the six driveways will require homeowners to back out of their parking spaces.
- CVC currently has smaller cluster home developments and single-family homes. There currently are no duplexes. The Clubhouse development will have its own special sets of challenges.
- Managing code enforcement issues related to the proposed development present another set of challenges.
- The developer is on record by the CVC Metro Board of Directors regarding the stormwater issue. The details of the issue are available on the CVC Metro website (www.cvcmetro.org) in the February 2019 Board Meeting Minutes.

X. Adjournment. There being no further business to come before the membership, the meeting adjourned at 11:45AM.

Respectfully submitted,

Secretary to the Meeting

MEMBERS IN ATTENDANCE:

372 LT LLC	372 Legacy Trail
Adkins	15 Spring Creek Lane
Bandak	114 Wilmor Drive
Barnett	181 Spring Creek Lane
Big Cypress Dev.	78 Spring Creek Lane
Clay	1656 Beard Creek Trail
Comerford	1310 Beard Creek Trail
Dorsey	232 Legends Drive
Fiegeles	1665 Beard Creek Trail
Fields	1424 Beard Creek Trail
Frigon	201 Legacy Trail
Gibbons	19 Pinnacle Point
Gillman	1914 Beard Creek Trail
Greenfeder	1225 Beard Creek Trail
Hiner	621 Beard Creek Trail
Jaffe	196 Spring Creek Lane
Kessenich	100 Legacy Trail
Lamb	1 Sanctuary Lane
Marcin	39 Pinnacle Point
McKeever	104 Wilmor Drive
Myers	965 Beard Creek Trail
Nobrega	106 Juniper Lane
O'Hara	1116 Beard Creek Trail
Pillsbury	280 Legacy Trail
PLC Investments	33 Wilmor Drive
Prothe	33 Legends Court
Shields	62 Elk Run
Sims	101 Fall Creek Road
Ward	289 Legends Drive
Watson	664 Beard Creek Trail
Wells	25 Legends Court
Withers Living Trust	854 Beard Creek Trail
Woodland	31 Fall Creek Road

MEMBERS REPRESENTED BY PROXY:

Caprey LLC	1844 Beard Creek Trail
Coulson	12 Sanctuary Lane
Hahn	291 Legacy Trail
Hennessy—Allen	1818 Beard Creek Trail
Holman Rev Trust	941 Beard Creek Trail
Kennedy	130 Fall Creek Road
Lemon	1710 Beard Creek Trail
Longboat West, Inc.	726 Beard Creek Trail
Longboat West, Inc.	736 Beard Creek Trail
Longboat West, Inc.	746 Beard Creek Trail
Mayer	105 Juniper Lane
Mongrain – Pepette	1611 Beard Creek Trail
Morten	235 Legacy Trail
Trust Partners	1786 Beard Creek Trail