

**Cordillera Valley Club Property Owners Association
2021 Annual Meeting Minutes**

Thursday, December 9, 2021, at 9:00AM MT
Via Zoom.us

ATTENDANCE: The following Directors were present:

- Paul Kessenich
- Tom Marcin
- Kent Myers
- Bob Engleby

Other members in attendance were:

- See attached list

ALSO PRESENT: Dan McNeill, Managing Agent, Erick Gutierrez of Ace Security, Dominic Mauriello and Allison Kent of Mauriello Planning Group, Mr. Kochell (who is under contract to purchase a Club Residence) and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 34 of 138 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 and called the meeting to order shortly after 9:00AM. Those present at the meeting introduced themselves and Dan certified the proxies.

- II. Review and Approval of the Minutes of 2020 Annual 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 2020 ANNUAL MEETING OF THE CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION AS PRESENTED. The motion was seconded and carried unanimously.

- III. Financial Review and 2022 Budget Presentation. Marsha Bjornson, bookkeeper for the association prepared the current financial reports (September 30, 2021) and Dan McNeill presented them to the membership.

According to the Balance Sheet the association currently has \$1,428,940.83 in total assets, liabilities and equity including \$1,428,592.56 cash in the banks, \$348.27 in accounts receivable (representing one delinquent owner) and \$69,515.00 in working capital reserves. Year-to-date net income totals \$233,984.61.

The Statement of Revenues, Expenditures and Budget for the first nine months of the year reveals that operating expenses total \$160,273. The annual budget for operating expenses is \$193,490.

The 2022 Operating Budget anticipates \$205,500 in income and expenses with no material changes from the year prior, except for the added income from the nine new Club Residences. There was a MOTION: TO RATIFY THE 2022 OPERATING BUDGET AS PRESENTED. The motion was duly seconded and carried unanimously. Management included a budget explanation sheet in everyone's packet. It details the components of each line item in the operating budget. Homeowners were reminded to pay their annual assessment of \$1500 in full by February 15th to avoid late fees and interest.

The 2021 beginning balance in the Capital Reserve Fund was \$863,329.51. 2021 RETA funding totals \$399,635 and 2021 capital expenses total \$202,870.26, including \$30,012.50 for wildfire mitigation, \$18,061.44 for landscaping improvements at the West Gate, \$78,439.83 for continued landscaping improvements at roadway intersections, \$22,480 for legal work related to the development of the Club Residences and \$53,876.50 for the berm project. The ending balance in the Capital Reserve Fund is \$1,060,094.25.

- IV. Manager's Report. Dan McNeill then reviewed the capital spending plan with the membership. He explained that the POA is responsible for landscaping elements on common areas, roadway intersection landscaping, the water feature on Beard Creek Trail across from the Clubhouse, new tree plantings, the common area irrigation system, wildfire mitigation on common areas and half the cost of the construction of the berms to mitigation the sight and noise of I-70 (the Metro District is the other entity that shares in berm expenses). This past year, the POA focused on finishing the landscaping project at the West Gate, installed backflow prevention valves on the irrigation system (this will be expensed in the fourth quarter) and undertook extensive wildfire mitigation efforts (removing dead scrub and pruning trees) in common areas. The fill dirt on the east end of the community deposited by the berm contractor has yet to be leveled out and planted, although Tom Marcin and the Metro District Board have asked him to expedite this work. There was a request to address restoration efforts to the water tank access road in 2022.

Tom Marcin then addressed the membership and re-capped the work done to berm this past year. He explained the berm on the eastern side of CVC is now complete with exception of the leveling of the fill dirt pile. The traction sand berm planned for the west end of CVC is has not progressed this past year, primarily due to pandemic-related delays in negotiations for an easement required from the Colorado Department of Transportation (CDOT). There has been no firm budget established for this berm yet. Mr. Marcin also has preliminary plans for a sound mitigation wall if CDOT ultimately denies an easement.

Dan distributed an updated Risk Management Checklist to all attendees (it is 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. Homeowners can contact Eric Lovgren at Eagle County for a free wildfire risk assessment of their residence at 970-328-8742. All residents are encouraged to sign up for Eagle County emergency alerts at www.ecalert.org.

Management also distributed an updated Contact List which includes the information for the management company, accounting, design review board, security gate and websites.

ALL OWNERS SHOULD MAKE SURE THAT THE SECURITY GATE HAS UP TO DATE CELL PHONE NUMBERS FOR EACH HOMEOWNER. PLEASE SEND YOUR CURRENT PHONE NUMBERS TO cvcpublicsaftey@gmail.com OR CALL THE GATE HOUSE AT 970-926-5795.

- V. Design Review Board Report. Dominic Mauriello of Mauriello Planning Group submitted the following written report to the membership:

Six homes are currently under construction, plus the nine new Club Residences on the Club Parcel. Four new homes are currently in the Design Review process. There are four vacant lots; all of these are owned by adjacent homeowners. The DRB has administratively approved many projects, including additions, tree removal, repaints, re-roofs, patio and hot tub additions.

Several homeowners commented on illegal roadway parking by construction vehicles. Emergency vehicle access must be always maintained to every residence. Dominic responded that the DRB has been working with Public Safety

to patrol the private roads at CVC. There was a suggestion to have construction workers park in the vacant property east of the East Gate; Dominic was not sure that would be a feasible solution.

- VI. CVC Metro District Report. Kent Myers of the Cordillera Valley Club Metropolitan District (MD) updated the membership with regard to recent MD activities. He gave the newer owners present at the meeting a brief overview of the responsibilities of the MD. The Metro District deals primarily with roads, signage and lighting, including snow removal and oversees the security gates. Income for the Metro District comes from one half of RETA income and property taxes. The MD continues to maintain a very strong financial position and was able to refinance its bonds (\$1.442 million) for road work to a favorable rate of 2.35% with Chase Bank; the bonds mature in 2034. There will be no prepayment penalty after 2025; payments are approximately \$90,000 per year.

The MD Board had a financial audit done in February 2021. The results showed no irregularities.

The 2022 budget has been approved and each home's mill levy will be reduced by 1.5 mils in 2022. Many owners will see a reduction in their property taxes.

The MD Board is planning to tackle six or seven storm drain projects over the two years at an expected cost of about \$100,000. These projects will be undertaken in order to reduce the chance of flooding during heavy downpours.

The Board is also working with CDOT to reduce the noise created by engine breaks on tractor trailers and other large trucks on I-70. A proposed solution is keeping the speed limit at 65 MPH west of Avon, through Edwards. A concerted effort to lower the speed limit is being coordinated with CVC, Singletree, Arrowhead and Cordillera since all of these communities are affected by highway noise.

Finally, Mr. Myers extended his thanks to the security team. They are responsible for patrolling the private streets of CVC and enforcing the speed limit (25 MPH). The security team does have the ability to call in reinforcements from the Eagle County Sheriff's Office, if needed.

- VII. Real Estate Report. Tom Jaffe presented a comprehensive real estate report to the meeting attendees (it was also emailed to all owners following the meeting). Highlights include:

- 17 homes sold in CVC this past year (8 existing homes and 9 new construction Club Residences); 2 more than in 2020.
- The average sale price of homes sold was \$3,616,000 (19.62% higher than in 2020)
- The average sold price per square foot was over \$800

VIII. Board of Director Elections. The current POA Board consists of Bob Engleby (term expires in 2023), Kent Myers (term expires in 2023), Tom Marcin (term expiring) and Paul Kessenich (term expiring). In addition, there was a vacancy created when Art Greenfeder resigned earlier this year.

Management sent out a request for volunteers to serve on the Board when the Annual Meeting Notice was distributed (both by email and US mail) on November 9th and in a reminder email to all owners on December 1st. In addition, this request was highlighted in the last newsletter sent to all owners on December 1st. Tom Marcin and Paul Kessenich have both indicated their desire to serve another 3-year term each. James Downey and Jeffrey Goldsmith also offered to run.

Since there were four volunteers for three seats, there was a suggestion to increase the size of the Board from five to seven. Dan McNeill reviewed the clause in the Bylaws that permits up to seven Directors (Section 5.2), noting that the number of Directors can be modified by an amendment to the Bylaws, requiring a unanimous vote of the Board during a meeting at which a quorum is present. Since all four Directors were present at the meeting, Bob Engleby made a MOTION: TO INCREASE THE NUMBER OF DIRECTORS ON THE BOARD FROM FIVE TO SEVEN. Kent Myers seconded the motion, and the motion was approved unanimously by all four Directors.

Malia Nobrega and Alan Garfinkel also offered to run for a seat on the Board. Since there were now six declared candidates for five open seats, management was directed to send out a final request to all owners for volunteers to serve on the Board and a secret ballot process will follow.

The secret ballot process was discussed and will involve the following:

1. Submission of one’s intent to run for an open seat by returning a brief “bio” to management by December 19th.
2. Distribution of a secret ballot to all owners with the names of each candidate and their bio on December 20th.

3. All ballots must be returned no later than December 30th to Marchetti & Weaver, LLC for counting. M&W will serve as an independent third party for receipt of the secret ballots and tallying.
4. Results of the election will be announced shortly after the New Year holiday. The two candidates who receive the most votes will get three-year terms; the two candidates who receive the next highest number of votes will get two-year terms; the candidate who receives the fifth most votes will get a one-year term.

Management will schedule a Board Meeting in January in order to elect officers. The membership expressed its sincere thanks to Paul Kessenich and Tom Marcin for their past service on the Board of Directors.

- IX. Old / New Business. The floor was then opened to all attendees for comments and questions. More information was requested on the timeline for the development of the nine new homes on the Club parcel and the redevelopment of the Club amenities, including the pool and tennis courts. Tom Marcin offered to contact both Jeff Townsend and Rick Hermes for updates. Management will send these updates to all of the homeowners.

There was a request for more wildfire mitigation efforts and dead tree removal along the water tank access road and for the installation of some timber (or stone) steps on steep hiking trails.

Several homeowners inquired about the roofing project at 50 Spring Creek Place. Bob Engleby responded that management has been in contact with this homeowner several times and some fines have been issued. He assured the membership that the homeowner will complete the work soon.

- X. Adjournment. There being no further business to come before the membership, the meeting adjourned at 10:20AM.

Respectfully submitted,

Secretary to the Meeting.

MEMBERS IN ATTENDANCE:

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|----------------|-------------------------|
| Allen—Hennessy | 1818 Beard Creek Trail |
| Barnett | 181 Spring Creek Lane |
| Engleby | 78 Spring Creek Lane |
| Downey | 1793 Beard Creek Trail |
| Frigon | 201 Legacy Trail |
| Garfinkel | 33 Wilmor Drive |
| Gerhardt | 161 Fall Creek Road |
| Gibbons | 19 Pinnacle Point |
| GoIrish, LLC | 84 Legacy Trail |
| Hiner | 621 Beard Creek Trail |
| Jaffe | 196 Spring Creek Lane |
| Kessenich | 100 Legacy Trail |
| Lamb | 1 Sanctuary Lane |
| Landt | 1519 Beard Creek Trail |
| Lefton | 1770 Beard Creek Trail |
| Marcin | 39 Pinnacle Point |
| Mayer | 73 and 105 Juniper Lane |
| Mongrain | 1611 Beard Creek Trail |
| Mueller | 11 Legends Court |
| Myers | 965 Beard Creek Trail |
| Nobrega | 106 Juniper Trail |
| O'Hara | 1116 Beard Creek Trail |
| O'Neill | 140 Juniper Ridge Road |
| Pillsbury | 280 Legacy Trail |
| Rischitelli | 1398 Beard Creek Trail |
| Shields | 62 Elk Run |
| Stoffel | 372 Legacy Trail |

MEMBERS REPRESENTED BY PROXY:

| | |
|--------------------|-------------------------------------|
| Longboat West, Inc | 698, 736, and 764 Beard Creek Trail |
| Ruth | 81 Elk Run |
| O'Steen | 1786 Beard Creek Trail |
| Winchester | 269 Legacy Trail |