
RECORD OF PROCEEDINGS

**Minutes of the Meeting
Of the Executive Board of
Cordillera Valley Club Property Owners Association**

December 14, 2006

A Meeting of the Executive Board of Cordillera Valley Club Property Owners Association, Eagle County, Colorado, was held December 14, 2006 at 8:30 a.m., at the Chaparral Restaurant 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 Board of Directors of the Cordillera Valley Club Metropolitan District.

Attendance

The following Directors were present and acting:

- David White
- Rick Pirog
- Tom Marcin
- Wally Carey
- Bart Barnett

Also in attendance were:

- Robertson & Marchetti, P.C.
Ken Marchetti & Chrissy Laabs
- Cordillera Valley Club Metropolitan District
Kent Myers, Ed O'Brien & Brian Judge
- Operations & Security Personnel
Dan Carlson & Rick Adams
- CVCPOA Legal Counsel
Greg Perkins (Legal Report)
- VAg, Inc
Pedro Campos (Berm Presentation)
Stephanie Lord-Johnson (DRB Presentation)
Suzanne Stryker (DRB Presentation)
- American Civil Constructors (Berm Presentation)
Randy Maher, Executive VP
Grant Johns, Project Manager
- Filing 1 Lot 14
Suzanne & Dick Gilbert – Property Owners
Jim Stovall – Attorney
Sean Saddler – Marcin Engineering
Michael Suman – Michael Suman Architect
- Filing 1 Lot 13
Ed O'Brien – Property Owner
Stephen Isom – Architect
Rob Sperberg – Attorney

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION

December 14, 2006 Meeting Minutes

- Property Owners
 - Ted Leach
 - John O'Brien
 - Marc Watson
 - Rob Mellman
 - Kim Tofferi

Call to Order

The Meeting of the Executive Board of Cordillera Valley Club Property Owners Association was called to order by the Chairman, noting a quorum was present. The meeting was held in joint session with the Board of Directors of the Cordillera Valley Club Metropolitan District.

Changes to Agenda

The Board reviewed the agenda and no changes were made.

Minutes

The Board reviewed the Regular Meeting Minutes of the November 9, 2006. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Regular Meeting Minutes of November 9, 2006 as presented.

Public Input

Mr. Marc Watson expressed his concern concerning the potential conflict of interest in regards to Director Judge (a director on the Metro District Board) and VAg, Inc. and any other board member that may have a conflict. Mr. Watson recommended the annual audit report include a foot note stating the conflict and the amount paid to the contractor. Director Carey advised Mr. Watson that the Board shares Mr. Watson's concern that potential conflicts of interest be fully disclosed and that the Board would continue to make a concerted effort to disclose potential conflicts in minutes, audit reports, etc.

Mr. Watson also requested that participation in all Board meetings be made available to any interested member of the community by speaker phone. Mr. Watson further suggested that one of the Board seats be held by someone who is not a full time resident in the community. The Board indicated they would make future Board meetings available by speaker phone and also advised Mr. Watson that although there may be logistical issues with a Board member who is not a full time resident of the community, they were receptive to the request that one of the Board seats be held by someone who is not be a full resident of the community. The

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION

December 14, 2006 Meeting Minutes

Board asked Mr. Watson if he would be interested in serving in this capacity or if not, to please nominate someone to serve in this capacity.

Cordillera-Vail Club

Mr. Joe Wilson, Mr. Bart Seigler, and Ms. Marty Suarez, gave a presentation regarding the new amenity to Cordillera, the Cordillera Vail Club. The proposal is that this will be a separate club which members of the Cordillera community can join. However, the Club may need start-up funding and the proposal is that Cordillera Property Owners Association (CPOA) and CVCPOA would loan the startup funding to the new Club. CVC's 13% share of the start-up funding would be approximately \$160,000. This loan is non-interest bearing and is expected to be repaid within one year from the initiation fees of new members of the Club. If the Club does well, the loan will be paid off sooner. The repayment of the loan is based on 100 memberships being sold and currently Cordillera Vail Club has received approximately 80 applications. Director White expressed some concern regarding the loan terms. The Board indicated they shared Director White's concerns and requested that he contact Mr. Bob Vanourek to discuss the concerns of the Board.

Mr. Wilson and Mr. Seigler briefly explained the membership fees and structure. Each lot has the ability to purchase up to 5 memberships. 2 of those memberships are non-callable and the other 3 can be recalled. The member structure is as follows:

Founder Member – Initiation Fee - \$10,000

- Application received by January 31, 2007
- No dues until the 4th quarter of 2007
- Initiation Fee is 100% refundable
- Member may elect to keep the membership if home is sold but Membership then becomes recallable;

Charter Membership – Initiation Fee - \$12,000

- Membership applications received between February 1 and March 31, 2007.
- Initiation Fee is 90% refundable
- Member may elect to keep membership if home is sold but Membership then becomes recallable;

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION

December 14, 2006 Meeting Minutes

Members – Initiation Fee - \$15,000

- Membership applications received after March 31, 2007
- Initiation Fee is 80% refundable
- Member may elect to keep membership if home is sold but Membership then becomes recallable.

The Board discussed the option of having this presentation at the Member meeting on the 28th of December. In order to save time at the member meeting, it was decided to have the presentation on the 27th of December at 1:30 p.m. at the Chaparral Restaurant. Mr. Seigler will give the presentation on the 27th.

Member Meeting Agenda

The Board reviewed the agenda for the December 28th member meeting.

DRB Appeal

Ms. Lord Johnson gave a brief summary of the events leading up to the Filing 1 Lot 14 final approval by the DRB and the subsequent appeal by Mr. Ed O'Brien, the owner of Filing 1, Lot 13. The issue involves the location of the driveway in a common driveway easement across Lots 13 and 14. Mr. O'Brien would like the driveway to be centered within the easement on Lots 13 and 14 and the Gilberts, the owners of Lot 14, would like the driveway to be offset onto Lot 13, still within the easement, to permit them to enter Lot 14 at a favorable grade. Both Lots 13 and 14 are vacant lots at this time.

During the DRB process, the owners of both Lot 13 and Lot 14 were asked to study the impact of having the driveway down the center of the easement versus offsetting the driveway. The owners of Lot 14 brought driveway studies to the final DRB meeting demonstrating that their garage would need to be located three to four feet higher if the driveway is located down the center of the easement. Although Mr. O'Brien met with the representatives of Lot 14 and with the DRB Administrator, he did not provide driveway studies to the DRB during the DRB process.

Prior to granting final approval to Lot 14, the DRB Board obtained legal advice from Mr. Greg Perkins. Mr. Perkins advised the DRB Board that they are charged to evaluate homes in relation to the design guidelines. The DRB guidelines do not contain provisions related to the use of the common access easement. If a property owner feels the easement is improperly used it becomes a legal issue between the property owners and it is not the DRB's responsibility to settle the issue.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION December 14, 2006 Meeting Minutes

The DRB's final approval of Lot 14's plans permitted the driveway location to be off center allowing Lot 14 to access their garage at the favorable elevation. The DRB felt strongly that due to the building envelope location for Lot 14 being only 12.5' off of the property line, placing the driveway down the center was a hardship, in that Lot 13's building envelope is 40' off the property line.

Mr. Perkins reiterated his advice to the POA board at this time. Mr. Perkins also asked that all parties disclose for the record any potential conflicts of interest they may have related to this issue. Director Marcin reported that his firm has been engaged by the Gilberts to provide engineering services related to the location of the driveway. Director Pirog disclosed that he is the listing agent for Filing 1, Lot 13. Directors Carey and White both disclosed that their wives are board members on the Design Review Board. Mr. Perkins advised that participation on the DRB by an Executive Board member's wife does not create a conflict of interest for Director Carey and White under Colorado statutes.

Mr. Ed O'Brien was then given the opportunity to explain his appeal. Mr. Sperberg, attorney for Lot 13 and Mr. Isom, architect for Lot 13 presented information indicating that by offsetting the driveway created a problem with the radius of the driveway to Lot 13 plus they stated that if the driveway is located in the center of the easement, the home on Lot 14 can be constructed within the height restrictions of the design guidelines.

The Gilberts and their representatives (Mr. Saddler, Marcin Engineering, Michael Suman, Michael Suman Architects, and Mr. Stovall, attorney) were then given the opportunity to present information related to their preference to offset the driveway onto the Lot 13 side of the easement. Essentially they believe as long as the driveway is located within the common easement, it is not required to be centered in the easement and the purpose of having a large easement was to give the parties the opportunity to gain the elevation advantage they are seeking.

After discussion, the Board indicated they shared Mr. O'Brien's concerns related to the radius of the common driveway as it related to Lot 13 but they did not agree that the driveway need to be centered in the easement. The Board requested that the Gilberts adjust their plans for the driveway to come off of Beard Creek Trail as close to a 90 degree angle as possible for

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION

December 14, 2006 Meeting Minutes

the first 20 feet which will help address Mr. O'Brien's concerns related to the radius of the driveway onto Lot 13. However, the Board did not feel the driveway needs to be centered in the easement. The Gilberts and their representatives indicated they would accommodate the Board's request to bring the driveway off of Beard Creek Trail at close to a 90 degree angle for the first 20 feet.

After discussion by the Board, they indicated that it unduly complicated the matter to establish conditions to the approval or denial of the appeal so upon motion duly made and seconded, it was resolved, with a vote of three in favor, none opposed and Directors Marcin and Pirog abstaining

RESOLVED to deny the appeal brought forward by the owner of Filing 1 Lot 13 and to approve the plans as approved by the DRB without further conditions or requirements.

Sound Mitigation and Landscape Project Update

Mr. Campos gave an update regarding the sound mitigation and landscape project and the PUD amendment process. VAg has been consulting with American Civil Constructors (ACC) related to construction of the project. ACC gave a brief presentation regarding their construction experience in Colorado and specifically in mountain communities in Colorado. They have prepared a preliminary cost estimate of \$2,929,050.54 in direct construction costs to construct the project based on the revised plans. With contingencies they are recommending an estimated direct construction cost of the project of \$3.5 million. This estimate is based on obtaining free dirt delivered to the site. ACC is currently the contractor on the Front Door project in Vail and that project along with other Vail projects need to export large quantities of dirt. ACC's plan is to enter into agreements with these projects for the free dirt. ACC can enter into the contracts for dirt as soon as CVC has entered into a contract with them to construct the berm.

Director Marcin requested a timeline for the project and raised specific questions related to ACC's pricing proposal. Mr. Campos distributed a copy of ACC's pricing detail and the Board requested that Director Marcin meet directly with Mr. Campos and ACC to obtain answers to his questions.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION

December 14, 2006 Meeting Minutes

The Board requested that Mr. Marcin submit a proposal to provide construction management for the berm project as redesigned.

Mr. Campos indicated he would bring a timeline for the PUD amendment, entering into the construction contract with ACC and constructing the berm to the member meeting on the 28th.

Accounts Payable

The Board reviewed the accounts payable listing. Upon motion duly made and seconded, it was unanimously

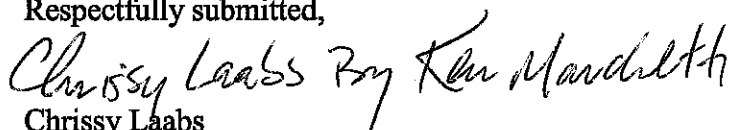
RESOLVED to approve the accounts payable as presented.

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 Executive Board of the Cordillera Valley Club Property Owners Association this 14th day of December 2006.

Respectfully submitted,


Chrissy Laabs
Secretary for the meeting