
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District August 17, 2010

The Regular Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held August 17, 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 Property Owners Association.

Attendance

The following Directors were present and acting:

- Jay Morten
- Rick Pirog
- John O'Brien
- Emilie Egan
- Brian Judge

Also in attendance were:

- Cordillera Valley Club POA
Wally Carey, Tom Marcin, Bob Engleby, Art Greenfeder
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis (Arrived at 11:00 a.m.)
- CMD
Nanette Kuich, President; Ken Ulickey, Treasurer; Joe Wilson, Manager
- VAg, Inc.
Stephanie Lord-Johnson
- Operations & Security Personnel
Dan Carlson, Rick Adams and Todd DeJong
- Others
Clarkson Mosley

Call to Order

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

Potential Conflicts Of Interest

Director Judge reported that he is the owner of VAg, Inc., an architectural and land planning firm, and other related entities, and these entities provide services to the District such as landscape and berm design, master planning, project oversight, construction management and the management of the POA governed Design Review Board. VAg's provision of these services to the District and to the Cordillera Valley Club Property Owners Association could constitute a

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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.

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

Agenda Club at Cordillera financial issues was added as a joint agenda item.

Club Issues Joe Wilson, Cordillera Metropolitan District (CMD) and Cordillera Property Owners Association (CPOA) Manager, attended the meeting to discuss the possible acquisition by CMD of the assets of the Club at Cordillera, as an option of last resort. Mr. Wilson reported that CMD adopted a resolution on August 16, 2010 calling an election to be held on November 2, 2010 for the purpose of authorizing an increase in the operations and maintenance mill levy to raise an additional \$1.5 million annually in operating funds and to authorize CMD to incur additional debt up to \$15 million for the purpose of purchasing the assets of the Club at Cordillera. After discussion, by resolution duly made and seconded it was

RESOLVED to approve support of forming a committee to investigate acquiring the assets of the Club at Cordillera.

The Board discussed the options that include joint financing with CVC contributing 13% or CVC acquires a portion with a joint use agreement.

Upcoming

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Meetings The Board reviewed the schedule for the upcoming 2010 meetings. There were no changes to the meeting schedule.

Minutes The Board reviewed the meeting minutes of July 20, 2010. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of July 20, 2010 as revised with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

Public Input There was no public input.

Capital Projects The capital project list was distributed and reviewed. In addition to the items on the list, the Board indicated they would like to install a temporary fence on the east side of the road at the west gate project. By motion duly made and seconded it was

RESOLVED to approve a work order establishing a budget of \$12,000 for the east side fencing with Director Egan voting against the resolution and Directors Judge, Morten, O'Brien, and Pirog voting in favor of the resolution

Ms. Lord-Johnson reported that \$6,000 of the VAg billing that was originally reported as being associated with the lighting project is actually related to another project and the design expense for the lighting should only be \$12,000.

Mr. Carlson presented a proposal of \$1,500 to install the additional two light poles. By motion duly made and seconded it was

RESOLVED to authorize \$1,500 to have Mr. Carlson install the two additional light poles with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

The guard rail project will be considered in the 2011 budget but has been removed from the 2010 budget. The design of the berm is completed and no additional expenditures are authorized at this time for further work on berm design.

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- Audit** The Board reviewed the 2009 Audited Financial Statement prepared by Chadwick, Steinkirchner, Davis & Co. P.C. By motion duly made and seconded it was unanimously
- RESOLVED** to approve the 2009 Audit as presented, subject to Director Egan's conference with the auditors.
- Financial Report** The Board reviewed the July 31, 2010 financial statements. It was agreed to table the bond issue at this time. The capital projects that could be funded with bonds will be tracked separately for possible future reimbursement with bond proceeds.
- Accounts Payables** The Board questioned the coding on the invoice from Grimshaw and Haring. Director Egan suggested only one Director should be the central point to contact the attorneys for the Board. It was noted that the invoices need to be reviewed by the committee members. Upon motion duly made and seconded, it was
- RESOLVED** to approve the accounts payable list as presented with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution
- Public Safety** The accident report involving the District vehicle was distributed along with the estimated cost for a replacement vehicle. Mr. Adams reported the vehicle will most likely be totaled with an estimated value between \$10,000 and \$12,000. Lonestar Security offered to provide a vehicle for the District to use until a decision is made on a replacement vehicle. Staff was directed to inquire whether Loss of Use is provided under the District insurance policy.
- Mr. DeJong reported the water tank traffic count is at 640 vehicles with 262 vehicles with more than two axles. Mr. Greenfeder stated dust control needs to improve. Mr. Pirog will pass that comment on at the next construction meeting.
- Club at Cordillera** The Board discussed the issues related to issuing bonds to purchase the Club at Cordillera. It was debated whether the asset would be a benefit to the community. The deadline to put an election question on the November ballot is September 3, 2010.

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Director Egan stated the Board needs a legal opinion as to whether the Board could use the remaining \$3.8 million in bond authorization previously approved by voters. By motion duly made and seconded it was

RESOLVED to adopt an election resolution with terms similar to the election resolution adopted by CMD using 13% of the amounts in the CMD resolution, with a formal election resolution to be prepared by the District's counsel with Director Egan voting against the resolution and Directors Judge, Morten, O'Brien and Pirog voting in favor of the resolution.

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 Metropolitan District Board of Directors this 17th day of August 2010 at 12:55 p.m.

Respectfully submitted,



Cheri Curtis

Secretary for the Meeting