

CORDILLERA PROPERTY OWNERS ASSOCIATION
MINUTES
REGULAR MEETING
Monday, 16 June 2008
ADMINISTRATION BUILDING
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Regular Meeting of the Board of Directors of the Cordillera Property Owners Association (CPOA) was called and held on Monday, 16 June 2008, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Dan Sweeney, President
Paul Krasnow, Vice President
Elise Micati, Vice President
Rick Smith, Vice President
Roger Magid, Treasurer/Secretary

ALSO PRESENT CMD Board Members: Ellen Mitchell, Nanette Kuich, Ken Ulickey, Lois Bruce, and Nancy Alexander.

Alan Pogue, Legal Counsel; Erin Buckley, Executive Assistant; Dale Corporon, Community Operations Director; Bob Egizi, Public Safety Director; Jon Erickson, Finance Manager; Jeff Hartman, Design Review Board Coordinator; Bart Sigler, Business Enterprise Director; Steve Thompson, Financial Consultant, and Joe Wilson, General Manager.

Others present: Mr. Rick Pirog, Broker, Slifer Smith & Frampton Real Estate, Mr. Ken Marchetti and Ms. Doris Dewton, Chairpersons, Edwards Community Authority, and Mr. Barney Dill, Volunteer Director, Efraimson Sutphen Foundation,

CALL TO ORDER Director Sweeney called to order the Regular Meeting of the Cordillera Property Owners Association at 8:35 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Director Sweeney noted for the record a quorum was present for the purpose of doing the business of Cordillera Property Owners Association.

DISCLOSURE MATTERS

No conflicts of interest were noted.

APPROVAL OF AGENDA

Upon motion duly made and seconded, the Board unanimously
Approved the agenda, as written.

APPROVAL OF MINUTES

19 May 2008 Regular Meeting Minutes

The minutes of the meeting were previously distributed. All administrative comments regarding the minutes should be directed to Ms. Erin Buckley, Executive Assistant. Director Smith moved to approve the minutes of the 19 May regular meeting. Seconded by Director Micati.

Upon motion duly made and seconded, the Board unanimously
Approved the minutes of the 19 May Regular Meeting.

PUBLIC INPUT

Real Estate Projection Update

Mr. Rick Pirog, Broker, Slifer Smith & Frampton Real Estate, addressed the Boards regarding the real estate market in Eagle County. Mr. Pirog indicated in the past year, there have been over \$2.8 billion in real estate sales in Eagle County. The national market is struggling due to supply/demand ratios and in general, buyers expect Eagle County to have similar problems as the nation. Transactions are down 40% year-to-date from last year's rate with approximately 2,000 properties on the market in Eagle County, a one-year supply. In 2007, 40 homes were sold in Cordillera. Currently, there are 79 homes on the market in Cordillera (28 spec homes, 32 custom homes, and 19 enclaves); a two-year supply. Mr. Pirog indicated sales with price points of \$500,000 to just under \$1M were sluggish but sales with the price points of \$1M to \$5M have not been affected.

Letter to the Boards

Mr. Rick Boyd, Cordillera Property Owner, addressed the Boards via letter stating his concerns regarding past public input sessions held by the Boards. Mr. Boyd stated his feeling that when the Board solicited public input regarding the concept of emergency ingress/egress; the Board did not take into consideration the wishes of the majority of the citizens that attended the public meetings. Mr. Boyd also requested the CPOA Board rescind the Saturday construction rule changes.

The Boards indicated public opinions are solicited on sensitive issues to give the community an opportunity to participate in a community forum and then combine public input with other information and facts received. A public input session is not a voting session; but, a communication/feedback session; and as Directors, they are charged to make the final decision, based on their best judgment.

The Boards indicated Mr. Boyd's views were worthy of discussion and in that light, the Boards agreed to continue to work towards transparency and communication; educating the community as much as possible during public input sessions, bringing as many facts as are available to the public.

Edwards Task Force

Mr. Ken Marchetti and Ms. Doris Dewton, representing the Edwards Community Authority, addressed the Boards requesting the CMD Board reconsider becoming a formal participant in the organization. Mr. Marchetti indicated the goal of the Authority is to create a formal working relationship between five (5) local special districts (Edwards Metropolitan District, Berry Creek Metropolitan District, Lake Creek Metropolitan District, Arrowhead Metropolitan District, and Cordillera Metropolitan District) whereby street and related improvements may be planned, coordinated, and financed in the Edwards area. Mr. Marchetti stressed the importance of having all significant communities represented. The organization is intended to be an administrative branch, and a funding vehicle with the ultimate goal of creating a

Local Improvement District with sales tax powers. Mr. Marchetti indicated a charter could be drafted permitting any District to withdraw annually.

Mr. Wilson indicated the Board has been supportive of several initiatives within the Edwards Community, one example being the contribution of \$24,000 to support the implementation of an environmental impact study in the Edwards area. The Board's position has always been to provide input and funds to improve the Edwards area as available in terms of budget; however, there are concerns whether being locked into an arrangement with the Authority is serving the best interests of the Cordillera community. For example, would CMD be committed to something it does not agree or is inconsistent with the CMD/CPOA charter?

The Board requested Staff re-look at the Authority's proposal and come back to the Board at the July meeting with recommendations from Staff and Legal Counsel.

Efraimson Sutphen Foundation Charity Ride

Mr. Barney Dill, Volunteer Director of the Efraimson Sutphen Foundation, presented their plan for the 2008 Efraimson-Sutphen Charity Bike Ride through Cordillera. Mr. Dill indicated the ride will take place on Saturday, 6 September, the day before the 2008 Cordillera Home Tour. Elite riders will start at 8:30 a.m., family and non-competitive riders will start between 8:45 a.m. and 9:30 a.m. Riders will begin at the Shaw Cancer Center in Edwards and be allowed to enter Cordillera gates until 11:00 a.m. A post-ride celebration will be held at the Town Park on Carterville Road. Support from Cordillera would be in the form of on-course guidance and security provided by CMD Public Safety, use of the Town Park, and some marketing support.

CPOA ACTION ITEMS

CPOA Cost Share Program for Tree Removal

Mr. Bob Egizi addressed the Board regarding a 2008 Cost Share Program to assist property owners with the expenses to remove trees. Mr. Egizi presented three (3) different cost share scenarios to the Board. In Scenario 1, CPOA contributes 10% per tree plus an additional 0.1% for each tree over fifty trees estimated at a total CPOA cost of \$67,072. In Scenario 2, CPOA contributes 5% per tree plus an additional 0.1% for each tree over fifty trees estimated at a total CPOA cost of \$50,647. In Scenario 3, CPOA contributes 5% per tree plus an additional .05% for each tree over fifty trees estimated at a total CPOA cost of \$33,536. The Board requested two other scenarios be added. Scenario 4, CPOA puts a floor on the amount CPOA will contribute and Scenario 5, CPOA does not contribute to a cost share program for 2008 due to budget constraints.

Resolution Approving CPOA Not Initiate a 2008 Cost Share Program for Tree Removal

Director Micati moved to not initiate a 2008 cost share program for tree removal. Seconded by Director Magid.

Upon motion duly made and seconded, the Board

Approved not initiating a 2008 cost share program for tree removal by a vote of 3-2, with Directors Micati, Magid, and Smith voting in favor of the motion and Directors Krasnow and Sweeney voting against the motion.

CPOA Board Member Nominations

Director Sweeney addressed the Board regarding the upcoming election of three (3) Directors to three-year terms on the Board of Directors of the Cordillera Property Owners Association (CPOA). Three (3) candidates were self-nominated; Mr. Roger Magid, Mr. Glenn Bourland, and Mr. Rick Boyd.

Pursuant to Section 3.5 of the Bylaws of Cordillera Property Owners Association (CPOA), Inc., the Nominating Committee, consisting of Director Sweeney, Director Micati, and Director Smith, in its discretion, nominated the three (3) candidates for election to the Board of Directors of the CPOA.

The Board requested Staff draft an election process, which allows for write-in candidates on the CPOA Election ballots and nominations from the floor at the CPOA Annual Meeting.

CPOA & CMD ACTION ITEMS

CPOA/CMD Board Governance Guidelines

Director Sweeney presented the final draft of the CPOA Board Governance Guidelines for approval.

Resolution Adopting the CPOA Board Governance Guidelines

Director Micati moved to adopt the CPOA Board Governance Guidelines. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously

Adopted the CPOA Board Governance Guidelines.

The Boards requested Staff adapt a condensed version of the Board Governance Guidelines as a Code of Conduct for the Staff.

Selection of Committee Members

Director Krasnow addressed the Boards regarding the Boards selection of Committee Members.

Director Krasnow indicated as a courtesy, when soliciting Committee Members, it needs to be communicated in a timely manner to each Board Member who is being solicited, who has been chosen, and then, who has been declined.

CPOA/CMD Long Range Financial Planning

CPOA/CMD Long Range Financial Planning

Mr. Jon Erickson, Financial Manager, presented the Boards with a Long Range Financial Plan Policy and Recommendations for 2008 Budget Adjustments. At the Long Range Financial Planning Session held on Monday, 9 June, the Board Treasurers recommended adopting a policy to maintain a minimum of \$2,000,000 total ending fund/cash balance for each year in the Long Range Financial Planning Model and adjusting the 2008 projected annual budget as follows:

1. Adjust Wildfire Mitigation from \$1,000,000 to \$900,000.
2. Adjust Water Project – Looping from \$547,403 to \$400,000

CPOA Resolution Adopting a Long Range Financial Plan Policy of Maintaining at least \$2,000,000 of Total Ending Fund/Cash Balance in the Long Range Financial Planning Model and Adjust the 2008 Projected Annual Budget.

Director Magid moved to adopt a policy of maintaining at least \$2,000,000 of total ending fund/cash balance in the Long Range Financial Planning model and adjusting the 2008 projected annual budget. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously

Adopted a policy of maintaining at least \$2,000,000 of total ending fund/cash balance in the Long Range Financial Planning model and adjusting the 2008 projected annual budget as outlined above.

The Boards requested Staff adjust the 2008 budget to reflect this change and present a revised financial model taking the future development of Paramonte into consideration due to future revenue/expenses for Paramonte.

ADMINISTRATIVE/LEGAL UPDATES

Mr. Joe Wilson, General Manager, presented the monthly General Manager's report.

Administration

Action Items. CPOA/CMD Action Items from 19 May 2008 Board Meeting were reviewed.

CMD Day @ Colorado Rockies. Sincere thanks and gratitude to Mr. Leo Kiely for his hospitality and generosity, hosting Metro District Employee at the Molson Coors Luxury Suite for the Saturday, 7 June, Colorado Rockies baseball game. A great time was had by all.

New Property Owners Orientation. New Property Owners Orientation is scheduled for Tuesday, 17 June at 9:00 a.m. in the Cordillera Administration Building. Orientation will include presentation from General Manager, introduction to each Director, and light refreshments. Notification in June *Cordillera Connection*, Friday *Flash*, posted flyer at Post Office, and personal calls to all new property owners (purchases since October 2007) with available numbers.

CPOA Summer Kick-Off Meeting. The CPOA Summer Kick-Off is scheduled for Monday, 23 June at 8:30 a.m. in the CMD Maintenance Facility Building. Notification in June *Cordillera Connection*, upcoming *Flashes*, and posted flyer at Post Office. Agenda was presented to the Board.

Town Hall Discussion/Firewise. Town Hall Discussion/Firewise Session is tentatively scheduled for Monday, 7 July 2008 at 9:30 p.m. pending Board input. Change in date due to conflict with The Club at Cordillera's Independence Day Party on Wednesday, 2 July.

Vail Daily Articles. The following Vail Daily articles were presented to the Board.

- Beetle Battle Begins Again – Monday, 15 May
- Edwards Puts Open Spaces on Wish List – Friday, 16 May
- Bobby Ginn, At Home in Minturn – Friday, 16 May
- Real Estate Rut – Vail Trail, 6 - 12 June

Personnel

Open Positions Human Resource Generalist – 1 full-time
 Receptionist – 1 full-time

New Hires Ms. Jaime Proctor – Flower Crew

Business Enterprises

Cordillera Vail Club. Vail Club Advisory Committee meeting held Wednesday, 11 June 2008

Vail Club Logo. Descente apparel not available until fall. Working with Ms. Tiffany Sloan, Merchandise Manager for the Club at Cordillera, to put together a brochure for Vail Club members to purchase Vail Club logo apparel.

Vail Club Survey Results. Vail Club survey results were presented to the Board.

Vail Club Fourth of July Event. Vail Club Fourth of July Event is scheduled to be a pre and post parade event. Menu was presented to the Board.

Cordillera Café. Name will be changed to “Squaw Creek Café” effective 1 July. Summer menu in June *Cordillera Connection*. Working with tenant on multi-year lease and business plan, as well as with Marketing on further PR.

Post Office. Beaver Creek Distribution will supply paper vending boxes. Papers to be sold: Denver Post, USA Today, NY Times, and Wall Street Journal.

Equestrian Center. Next Equestrian Center Committee meeting scheduled for Monday, 7 July. Minutes to be presented at July meeting. Ms. Cregan Ortner attended seminar in Denver on Thursday, 15 May – *How to Become a Better Communicator* and shared seminar information with Staff on Thursday, 29 May.

Fly Fishing Outfitters. Congratulatory letter sent to Fly Fishing Outfitters (FFO) for receiving Orvis Endorsed Outfitter of the Year Award. Copy of the letter was presented to the Board.

River Parcel. Staff met with River Restoration project manager on Tuesday, 3 June. Notes from meeting were presented to the Board.

TrailWise Guides. TrailWise Guides complementary Cordillera summer hiking schedule and locations:

Gore Creek Trail Hike
Topic: Wildflowers and Birding
Date: Saturday, 21 June 2008

Upper Elmirador
Topic: Midsummer Wildflowers and Wildlife
Date: Saturday, 19 July 2008

Trail Head / Timbers Trail Hike
Topic: Late Summer Wildflowers and Wildlife
Date: Saturday, 23 August 2008

Bearcat Stables. Backcountry rides began Sunday, 1 June. Working with Cordillera Preservation Foundation and Bearcat Stables Staff on clean-up plan for property. Met with Mr. Leeds Butcher of Bearcat Stables on Wednesday, 11 June.

Community Operations

Road Improvement for 2008. Elam Construction has begun the improvements on the roadways starting with manhole repairs and patching. Asphalt overlays are scheduled to be completed by Friday, 20 June 2008.

Water Looping on the Divide. Engineer (J&K) and Water District met on Tuesday, 27 May 2008 to discuss concerns in regards to tying in at the Pressure Reducing Valves (PRV) on Granada Glen Road and service connections for properties affected by Phase II “Middle Loop”. Agreement between both parties to tie in at the PRV valve. Final service connections being located and addressed for new waterline. Staff will have final construction drawings from J&K the week of 9 June and will follow with Water District’s construction meeting to get final approval. Once this is completed, Staff will decide on bidding method and start date for project. Project will have approximately 1,000 ft of new pipe installed along Cordillera Way beginning around Granada Glen entrance. To mitigate traffic issues, shoulders of the road will be used to keep lanes open and traffic moving. This might necessitate starting the project after Labor Day to minimize impact to property owners.

Safety Committee Meeting. The Safety Committee met on Thursday, 22 May. Safety Committee reviewed a “Safety Committee Participation” video and made recommendations for all departments’ monthly safety meetings to focus on ‘working outdoors’.

Metro District Safety Audit. was conducted on Tuesday, 20 May, by George Tinker with County Technical Services, Inc. (CTSI) in conjunction with Colorado Special Districts. Awaiting final report from CTSI. Areas reviewed included: Workman Compensation, history of Metro Districts accidents, quantity of claims, training and safety videos, and documentation. The audit provided the Metro District with a summary of its strengths and areas for improvement in regards to a safe working environment.

OSHA “Right to Know” Class. Training provided at the Metro District on Thursday, 15 May, with 22 employees in attendance. Main topics included reading and understanding a Material Safety Data Sheet (MSDS), spill prevention and cleanup, chemical classes, hazardous material, and personal protective equipment.

Chaveno Planning. Staff met with Muriello Planning Group on Tuesday, 10 June to go over Master Plan. PUD is being reviewed as well as wildlife agreements to determine if there is a need to amend PUD to accommodate for what is being proposed. A mapping study will take place to locate buildable lots within the area. A meeting with Staff, Fire District, Ambulance District, Club, and Lodge will be considered for the coming month to best determine what is needed as far as facilities, services, amenities, etc. and who would like to participate in the overall development.

Divide Gate. Concrete work and beginning of rock placement scheduled to begin Monday, 16 June. Wall finishes, rock placement, landscaping will continue the week of 23 June. Final paving, clean-up, etc. scheduled for week of 30 June.

Design Review Board

Approval/Construction Starts, Build-out Analysis, and Construction Activity Reports.

Approval/Construction Starts, Build-out Analysis, and Construction Activity Reports were presented to the Board.

DRB Meeting Agenda. The June DRB Meeting Agenda was presented to the Board.

Public Safety

Public Safety Monthly Activity Report. Monthly activity report was presented to the Board.

Public Safety Incidents.

Gas Leak. Gas leak on Martingale when snow and ice fell off roof onto gas meter. Public Safety turned off gas and gas company responded.

Theft. Theft of copper wire from a construction site at the Summit.

Healthy Forest.

- ELM will mobilize one crew to work starting Monday, 9 June. In most areas there has been too much moisture in the ground to work with heavy equipment.
- Timberline Spraying is scheduled for the week of 16 June. Most marking of trees with orange flagging tape is complete.
- Wyatt Forestry has completed maintenance work on the Alcazar fuel break. Staff anticipates that by performing maintenance work before vegetation grows too big, the vegetation can be cut and left in place because it will be small.
- Maintenance work on the Peregrine/Red Tail fuel break will take place in July.
- Web Peak fuel break and Get-a-long Trail work will take place in July. There is a chance Eagle County will bring in a Youth Conservation Crew (YCC) to help along Get-a-long Trail.

Wildlife. Numerous bear sightings; but, no reports of nuisance incidents. There have been a couple of mountain lion sightings and one sighting of recent tracks. Nothing about any of the sightings are unusual. Public Safety met with Counselors and Campers at the Trailhead to discuss bears and mountain lions.

Trash and Recycling. CPOA and The Club at Cordillera are combining their recycling efforts. This will be the first year for the Club in the recycling effort. The Club is hiring a person to coordinate their efforts. This person coordinates Eagle County's recycling efforts. The Club will pay for their share of the costs. Cardboard recycling container has been increased in size from two (2) yards to 30 yards.

Intersection Inventory. Per the Board's request, Staff is researching intersection line of sight. A list of main intersections at the Ranch and Divide in Cordillera was presented to the Board. Each intersection has been measured for line of sight for speeds of 25 mph, 30 mph, and 35 mph. Posted speed limit for the Ranch is 25 mph and for the Divide is 30 mph. At the Ranch, eight (8) of 13 intersections had issues for the posted speed limit; seven (7) of these involved trees and two (2) involved a hill/rock wall. At the Divide, one (1) intersection had an obstruction (sign) for the posted speed limit. Staff will prepare estimates to address the issues for the July meeting.

Truck Pull-Offs. Staff will be completing one truck pull-off on Fenno at the Timber Draw Trailhead at the end of June. Staff will observe usage at this pull-off before moving forward with construction of the second pull-off located below the Ranch gate.

Marketing

Marketing Update. Marketing Report was presented to the Board.

Marketing Activity Metrics and Real Estate Sales Report. Marketing Activity Metrics and Real Estate Sales Report were presented to the Board.

Public Relations Report and Miscellaneous Press Clippings Citing Cordillera. Various press clippings were presented to the Board.

Website Report. Website report was presented to the Board.

Financial Matters

CPOA and CMD Financial Reports as of 31 May 2008. CPOA and CMD financials as of 31 May 2008 were presented to the Board.

Real Estate Transfer Assessment (RETA) Report. RETA report through 31 May 2008 was presented to the Board.

Legal Matters

Ambulance District Update. Mr. Joe Wilson, General Manager, presented a letter written in behalf of CMD to Mr. Chris Montera, Western Eagle County Ambulance District (WECAD), regarding the possibility of WECAD and Eagle County Health Services District (ECHSD) coming to a mutual agreement regarding the disposition of affected properties within CMD and a joint proposal from CMD and ECHSD. Mr. Wilson requested Mr. Montera present the joint proposal from CMD and ECHSD to the WECAD Board at their meeting on Monday, 16 June 2008.

The Board requested Staff keep them informed as to whether or not the proposal is accepted.

2008 Summary of Newly Enacted Legislation - CPOA. Mr. Alan Pogue, Legal Counsel, presented a memorandum to the Boards to summarize certain bills enacted into law by the Second Regular Session of the 66th General Assembly that impact, either directly or indirectly, CPOA.

The Board took note of one bill in particular regarding Due Process for Imposition of Fines and requested Legal Counsel work with Staff to draft a fine process and policy.

Executive Session

Pursuant to a motion duly made, seconded, and unanimously passed, the Board convened an Executive Session pursuant to Section 24-26-402(4)(b), C.R.S., for conferences with the attorney for the Cordillera Property Owners Association for the purposes of receiving legal advice on specific legal questions.

It is 16 June 2008 and the time is 11:52 p.m. For the record, I am the presiding officer, Dan Sweeney. As required by Open Meeting Law, this Executive Session is recorded pursuant to C.R.S.

Also present at this Executive Session are the following persons: Nancy Alexander, Lois Bruce, Nannette Kuich, Roger Magid, Elise Micati, Ellen Mitchell, Rick Smith, Ken Ulickey, Joe Wilson, and Alan Pogue.

This is an Executive Session for the following purpose: For the purpose of discussing specific legal matters under Section 24-6-502(4)(b), C.R.S.

The time is now 12:30 p.m. and the Executive Session is concluded. The participants in the Executive Session were: Lois Bruce, Nannette Kuich, Roger Magid, Elise Micati, Ellen Mitchell, Rick Smith, Dan Sweeney, Ken Ulickey, Joe Wilson, and Alan Pogue.

No decisions or actions were taken in the Executive Session.

For the record, if any person participating in the Executive Session believes any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive Session, or any improper action occurred during the Executive Session in violation of Open Meeting Law, I ask you state your concerns for the record.

ADJOURNMENT

There being no further information to come before the Board, the meeting was adjourned.

Upon motion duly made and seconded, the Board unanimously agreed to

Adjourn the meeting of the Cordillera Property Owners Association Board of Directors at 12:30 p.m. on Monday, 16 June 2008.

Respectfully submitted,

Erin Buckley
Executive Assistant