

CORDILLERA PROPERTY OWNERS ASSOCIATION
MINUTES
REGULAR MEETING
Monday, 18 February 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, 18 February, 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, Lois Bruce, Denise Delaney, Nanette Kuich, and Ken Ulickey

Others present: Mr. Rick Boyd, Chairman, Equestrian Center Advisory Committee; Mr. Jim Cargill, Diamond Star Property Owner; Mr. Joe Johns, Cordillera Property Owner; Mr. Dave Mittelman, President, Executive Committee, Diamond Star Ranch; Ms. Michele Mittelman, Diamond Star Property Owner, and Mr. Craig Wescoatt, District Wildlife Manager, Colorado Division of Wildlife.

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

CALL TO ORDER Director Sweeney called to order the Regular Meeting of the Cordillera Property Owners Association at 8:30 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.

APPROVAL OF MINUTES

17 December 2007 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.

Upon motion duly made and seconded, the Board unanimously
Approved the minutes of the 17 December 2007 Regular Meeting.

PUBLIC INPUT

Fire District Elections

Mr. Joe Wilson indicated a position is open on the Eagle River Fire Protection District Board. Currently held by Lance Badger, formerly of Kensington Partners, the position is responsible for the geographic area which includes Cordillera. CPOA is interested in having a Cordillera community member on the Fire Protection District Board.

The Board requested Staff approach all members on the Healthy Forest Committee to encourage interest.

Diamond Star Access Road

Mr. Joe Johns, Cordillera Property Owner, addressed the Board as a representative of Diamond Star property owners Mr. Dave Mittelman and Ms. Michele Mittelman. Mr. Johns requested the Board vote positively on the request to construct an access road between Diamond Star and Cordillera property. Mr. Johns indicated the request would be mutually beneficial as the road would 1) provide an emergency fire egress for Cordillera property owners, and 2) provide an access route, which closes the distance gap and makes it viable for Diamond Star owners to enjoy Cordillera Club membership.

Mr. Dave Mittelman, President, Executive Committee, Diamond Star Ranch and Ms. Michelle Mittelman, Diamond Star Property Owner, indicated road access would make usage of the golf course and other Cordillera services more convenient and enable them to use the Club more frequently. Other Diamond Star property owners are interested in joining the Cordillera Club if access is permitted.

Mr. Johns indicated there would be no cost to the Cordillera community, no environmental or visual impact to the land or the golf course, security would not be degraded, traffic would be negligible (Cordillera Club members being the only ones to have access), and the Metro District would retain control.

Mr. Johns indicated an inquiry would be made to 1) Determine the number of Diamond Star residents who would be interested in becoming members of the Club at Cordillera if access was granted; 2) Determine if these residents would contribute toward the building and maintaining of the road, and 3) Confirm that Diamond Star residents would not have access unless members of the Club.

Equestrian Center Non-Boarder Lessons

Mr. Rick Boyd, Chairman, Equestrian Center Advisory Committee, addressed the Board regarding non-boarder usage of the Equestrian Center for riding lessons.

The Board indicated Equestrian Center bylaws clearly state only CPOA members or Equestrian Center Boarders are eligible to take lessons at the Equestrian Center.

The Board requested Staff research the capability of the Equestrian Center supporting non-boarder lessons and bring a recommendation to the Board at the next Board Meeting.

CPOA ACTION ITEMS

Design Review Board (DRB) Resolutions

Mr. Jeff Hartman requested the Board endorse two DRB resolutions for 2008. 1) 2008 Cordillera Design Guideline and Construction Rules and Regulations Resolution with minor changes to verbiage clarifying items from 2007 allowing a “shake” profile roofing material be used on the Divide and increasing the list of prohibited material for entire development. In addition, requiring a minimum size for plans submitted to prevent submission on 11 x 17 pages. 2) Conflict of Interest in Construction of Residences Resolution. Due to the number of property owner/builders on the DRB, the Board must ensure any conflict of interest is aired in open session of the DRB meeting prior to the review of the project.

The Board requested verbiage stating a party(s) who has a conflict of interest *not be allowed to vote* on the review of the project be added to Conflict of Interest in Construction of Residences Resolution.

Resolution Endorsing Design Review Board (DRB) Resolution No. 1 and 2, Series of 2008

Director Smith moved to approve a resolution to endorse DRB Resolution adopting 2008 Cordillera Design Guideline and Construction Rules and Regulations and Conflict of Interest in Construction of Residences with the change requested. Seconded by Director Krasnow.

Upon motion duly made and seconded, the Board unanimously
Endorsed DRB Resolution No. 1 and 2, Series of 2008.

Cordillera Vail Club Year End Gratuity

Mr. Bart Sigler indicated there have been a significant number of inquiries regarding gratuities for seasonal Vail Club staff. Members have been offering cash gratuity as well as requesting a year end gratuity pool be distributed to Vail Club Staff. Mr. Sigler requested the Board approve a season end gratuity program for seasonal Vail Club Staff with the following direction:

- All members will be informed through the Vail Club *Flash* component.
- All members will have the opportunity to opt out or increase contribution.
- Initially all members will be billed \$25 per membership unless they choose to opt out or increase contribution.
- All members will be billed directly through credit card provided.

The Board requested Staff consider a bonus plan for all seasonal Staff.

Resolution Approving Implementation of Season End Gratuity Program for Seasonal Vail Club Staff

Director Krasnow moved to approve implementation of a season end gratuity program for seasonal Vail Club Staff. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously
Approved implementing a season end gratuity program for seasonal Vail Club Staff.

Cordillera Vail Club Logo

Mr. Bart Sigler indicated the Merchandise Manager for the Club at Cordillera has requested use of the Vail Club logo for merchandise sold at Cordillera golf shops. Mr. Sigler requested the Board allow the use of the Vail Club logo on merchandise sold through Cordillera golf shops with the understanding CPOA will not be accepting compensation for the use of the logo providing the Club at Cordillera holds all responsibility and liability in procuring, receiving, securing, and selling of merchandise. A display of one of each item will be placed at the Vail Club.

The Board requested Staff draft an agreement between the Vail Club and the Club at Cordillera, which is renewable annually and allows Staff to approve colors and items before merchandise is marketed.

Minutes of the Regular Meeting of the Cordillera Property Owners Association held Monday, 18 February 2008

Resolution Approving the Club at Cordillera's Use of the Vail Club Logo for Merchandise Sold at Cordillera Golf Shops

Director Micati moved to approve the Club at Cordillera's use of the Vail Club logo for merchandise sold at Cordillera golf shops with the conditions requested. Seconded by Director Krasnow.

Upon motion duly made and seconded, the Board unanimously

Approved the Club at Cordillera's use of the Vail Club logo for merchandise sold at Cordillera golf shops with the conditions requested.

Cordillera Vail Club Member Elections/Appointments

Mr. Joe Wilson requested discussion regarding the Vail Club member elections and appointments be tabled for the 17 March 2008 Board Meeting.

Cordillera Vail Club Memberships for Parmonte Development

Mr. Bart Sigler requested the Board give direction on governing the Lodge and Spa at Cordillera's use of 14 Vail Club memberships in relation to the Parmonte Development. The Vail Club Membership Plan and Rules and Regulations to consider are:

- Lodge Memberships will be offered to the Lodge and Spa at Cordillera on a limited basis. There shall be no more than fourteen Lodge Memberships.
- Lodge Memberships may be used only by permitted guests of the Lodge, and may not be used by Lodge employees or their families. Lodge Memberships shall be held only by the Lodge and Spa at Cordillera and may not be transferred. Any attempted transfer of a Lodge Membership shall be void ab initio.

The Board requested Staff communicate the Vail Club Membership Plan and Rules and Regulations to the Lodge and Spa at Cordillera.

The Board requested the Vail Club advisory committee hold a meeting in March to discuss.

Resolution Approving Funds Reserved From Cordillera Vail Club Be Increased from \$300,000 to \$400,000 for Future Capital Projects

Director Krasnow moved to approve a resolution reserving funds from Cordillera Vail Club be increased to \$400,00 for future capital projects. Seconded by Director Micati.

Upon motion duly made and seconded, the Board unanimously

Approved funds reserved from Cordillera Vail Club be increased from \$300,000 to \$400,000 for future capital projects.

CPOA & CMD ACTION ITEMS

Wildlife Management in Cordillera

Mr. Bob Egizi requested the Board decide philosophically if a hunting program should be implemented in Cordillera, and if so, authorize Staff to work on a written draft of the program and plan for public input through community forums. Hunting is currently prohibited in Cordillera by a Resolution passed by the CPOA Board and by the Covenants.

Mr. Alan Pogue, Legal Counsel, indicated the Board is allowed to authorize hunting under emergency circumstances with control mechanisms in place.

Mr. Egizi indicated he is approached regularly about the population of elk herds. Cordillera has developed "Resident Herds;" elk herds that stay in the area year-round instead of migrating in spring and fall. Mr. Egizi indicated there is a need to be proactive due to elk populations growing exponentially.

Mr. Craig Wescoatt, District Wildlife Manager, Colorado Division of Wildlife, indicated elk herds in Cordillera have no natural predators who affect the herd dynamics. Cordillera's efforts to develop wildlife corridors, and 'browsing' areas have only moved elk from one neighborhood to another. Mr. Wescoatt indicated the Colorado Division of Wildlife does not support professional hunters and suggested Cordillera use hand-picked, local hunters, who should be accompanied by a professional guide.

Mr. Egizi indicated community safety is a priority. No person would be authorized to hunt or cross on any person's private property unless specifically authorized by affected property owners. Guidelines specifying minimal distances from homes for hunting would also be established.

Director Mitchell indicated with infected lodgepole pines being removed, Cordillera is counting on aspens to regenerate. If elk population is out of control, elk browsing of new growth will occur and aspens will retard regeneration.

Director Sweeney indicated a program should include the explicit goal, liability, and locations.

The Board indicated they have made several efforts over the past three years to control the population of elk herds, with limited success.

Resolution Approving Staff Draft a Plan for Hunting Program in Cordillera

Director Micati moved to approve a resolution empowering staff to proceed with the drafting of a plan for a hunting program in Cordillera. Seconded by Director Krasnow.

Upon motion duly made and seconded, the Board unanimously

Approved staff drafting plan for hunting program in Cordillera.

Resolution Approving 2008 Services Agreement with CMD

Director Sweeney moved to approve resolution to request provision of governmental services from CMD. Seconded by Director Bruce.

Upon motion duly made and seconded, the Board unanimously

Approved the 2008 Services Agreement with CMD.

Resolution Approving Establishment of Policy Regarding Inspection, Retention, and Disposal of Records and Creating Records Retention and Disposal Schedule

Director Krasnow moved to approve resolution to establish policy regarding inspection, retention, and disposal of records and create a records retention and disposal schedule. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously

Approved the establishment of policy regarding inspection, retention, and disposal of records and creating records retention and disposal schedule.

ADMINISTRATIVE/LEGAL UPDATES

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

Administration

Action Items. CPOA Action Items from 17 December 2007 Board Meeting were reviewed.

Elections Calendar. CMD Election Calendar was presented to the Board. Call for nominations through 29 February. Posted in *Independence*, *Vail Daily*, *Cordillera Connection*, and *Flash*.

Personnel.

Openings

Marketing Director – 1 full-time
Equestrian Center – 1 part-time

Performance Appraisals. Staff is in process of completing all self assessments and performance appraisals. ECD 28 February 2008.

Business Enterprises

Cordillera Vail Club. January Committee minutes was presented to the Board. Cordillera Vail Club is averaging 15 to 20 people during the week and 30 to 40 on weekends. Members are very pleased to date with facility and Staff. February Newsletter posted on CMD website. Advisory committee meets Wednesday, 11 June 2008. Valentine's Day mixer on Thursday. Wine, beer, champagne, and light appetizers. The Board requested Staff to schedule advisory committee meeting in March.

Vail Club Deck Expansion. Staff met with Remonov attorney, Wendell Porterfield, on 8 February 2008 to discern what issues All Seasons Condo Association, who filed a complaint on behalf of Vail Village Home Owners Association and Mill Creek Home Owners Association, have/had with Vista Bahn Building deck expansion.

All Seasons filed a complaint concerning tract of land Vista Bahn building (Vail Club) is located on and building covenants pertaining to tract. Tract is zoned recreational, which is the point homeowners used against the Tap Room (commercial). Mr. Porterfield agreed Vail Club is a recreational facility. Staff was provided copy of land use covenant:

Fifth filing use regulations: Section 2.4 Tracts A, E, F, F-1, F-2, and G shall be used as open areas or for recreational uses, including parking. No permanent above-ground buildings, other than buildings for recreational purposes, shall be constructed or maintained on any of such tracts.

Staff will attempt to meet with Mr. Lamont, representing All Seasons, to communicate further.

Cordillera Café. Cordillera Café is averaging 10 to 15 people with a \$10 estimated average order per person. In discussion with tenants to provide credit card sales. Café providing great service to Vail Club for continental breakfast and après ski programs. Sent blurb on Café to Liz Rivers with The Club at Cordillera to add to their next newsletter. Cordillera Café menu/flyer included in February addition of *Cordillera Connection*.

Post Office. Possible request for post office boxes for the Lodge's Paramonte Development. Memo from Mr. Bart Sigler was presented to the Board. Working with purveyor to provide newspaper vending machines. Task in progress.

Equestrian Center. Committee meeting was not held in January. Implementing arena scheduling for winter in progress. Committee meets Friday, 15 February 2008.

River Parcel. Fish order in progress. Edwards Eagle River Restoration program start date is September. Starting adjacent to beat one. Program will affect Cordillera fishing from September through November 2008. Fly Fishing Outfitters and Staff will continue to work with the water shed council to minimize effect on Cordillera parcel. Contract with FFO is finalized, waiting on signatures. See "Eagle River Restoration Project" below. The Board requested Staff brainstorm more ways to use parcel.

Community Operations

Upper Water Looping on Divide. Pressure Reducing Valve (PRV) vault is installed/connected to main waterline. Electrical work has yet to be completed. Weather has halted final stage. Work will be completed in early spring.

Engineers from Johnson & Kunkel have started middle loop construction specifications/blueprints. Johnson & Kunkel will set up first construction meeting with Water District end of February to expedite final approval process from Water District.

Eagle River Restoration Project. Public meeting held on Wednesday, 6 February 2008 was attended by Mr. Bart Sigler (CMD), Mr. Dale Corporon (CMD), and Mr. Joel Catalono (FFO). Watershed Council stated project would begin around September with improvements first being completed at Hillcrest bridge area by waste water treatment plant. Water District has partnered with Watershed Council because there is a new state requirement for the Water District to improve quality of dispersements coming out of treatment plant into the river.

Watershed Council still working out details on equipment and actual "how" to complete the work. Staff will stay in contact with Watershed Council and Water District to make sure all necessary containments are in place to ensure minimum downstream disturbance. Watershed Council and engineering firm understand importance. Mr. Catalono expressed importance of minimizing downstream disturbance with September and November still being very active in regard to fishing.

Edwards Interchange Upgrade. Preliminary opinion of cost and schedule was presented to the Board. There will be a Right-Of-Way (ROW) meeting Thursday, 28 February 2008 at the Eagle, CDOT Building to discuss final acquisition needed. Project is still moving forward and expected to begin in 2009.

Miller Ranch Underpass. A rendering of the proposed Miller Ranch Underpass was presented to the Board. The Miller Ranch underpass going into Singletree by the Berry Creek middle school will have improvements made this year. Expect delays with construction.

Design Review Board

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

Update on Property Issues. An update on property issues was presented to the Board.

Public Safety

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

Public Safety Incidents.

Theft. \$700 air compressor from construction site.

Medical. There were four medical calls in January; all were transported to VVMC.

Property Damage. One sprinkler system leak in a garage.

Healthy Forest. Committee meeting on 6 February. Minutes and outline of agenda was presented to the Board. Outline contains proposed 2008 Work Program. Anticipate a letter to property owners in March and Newsletter Article/Insert in April.

Tree Survey. Infested lodgepole pine trees are being marked with a yellow "X". Marking began on 7 February 2008. A third party private contractor will mark infested trees on private property but not open space where Public Safety will clear cut.

ELM 2008 Proposal. Draft proposal with pricing from ELM was presented to the Board. Staff is working on remaining details.

Vail Daily Article. Pine Beetle Infestation article was presented to the Board.

Gate System Audit. Staff has finished cleanup of database. Unaccounted transponders and proximity cards were deleted from the system. An audit will be conducted every two to three years. There is a possibility a small number of transponders were turned off that are still in use. Staff will reactivate transponders immediately upon notification from property owner.

The Board requested Staff communicate to community again at start of summer.

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 was presented to the Board.

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

Community Sales History 2007 Reconciliation. Community Sales History 2007 Reconciliation was presented to the Board.

Eagle County Summer Research Report. Eagle County Summer Research Report was presented to the Board.

Financial Matters

CPOA and CMD Financial Reports as of 31 December 2007. CPOA and CMD financials as of 31 December 2007 with 2008 budget numbers was presented to the Board.

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

Western Eagle County Ambulance District (WECAD) Assessments. WECAD assessments for Cordillera properties was presented to the Board.

Legal Matters

Mountain Pine Beetle Legislation. A summary of bills introduced in the Colorado General Assembly, which seek to mitigate the effects of the pine beetle infestation in Colorado and to provide incentives for the sale of wood products salvaged from trees killed as a result of the mountain pine beetle was presented to the Board.

School District Mill Levies Legislation. A summary of Senate Bill 08-137 introduced on 1 February 2008, which seeks to further amend the Public School Finance Act of 1994 as a result of the passage of Senate Bill 07-199 in 2007 and the subsequent pending lawsuit against the implementation Senate Bill 07-199 was presented to the Board.

Affordable Housing. E-mail from Mr. Peter Runyon, County Commissioner to all interested parties and Vail Daily article, dated 13 February 2008, was presented to the Board.

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 18 February 2007 and the time is 2:11 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: Lois Bruce, Dale Corporon, Denise Delaney, Paul Krasnow, 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 2:45 p.m. and the Executive Session is concluded. The participants in the Executive Session were: Lois Bruce, Dale Corporon, Denise Delaney, Paul Krasnow, Nannette Kuich, Roger Magid, Elise Micati, Ellen Mitchell, Rick Smith, 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 Metropolitan District Board of Directors at 2:45 p.m. on Monday, 18 February 2007.

Respectfully submitted,

Erin Buckley
Executive Assistant