

CORDILLERA METROPOLITAN DISTRICT
SPECIAL BOARD MEETING MINUTES
FRIDAY, OCTOBER 21, 2016
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) was called and held Friday, Oct. 21, 2016, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Robert Egan, President
David Bentley, Vice-President
Kitty George, Assistant Treasurer & Assistant Secretary

Via Telephone: Judith McBride, Treasurer
David Davies, Secretary (adjourned at 10:30 a.m.)

ALSO PRESENT

CPOA Board Members: Ed Shriner; Nanette Kuich, Larry Brooks, Rick Smith and Lois Bruce (via telephone).

Others Present:

Rachel Oys, general manager; Alan Pogue (adjourned at 12:00 p.m.); Scott Proper, finance director; Berniece Gutierrez, human resources and administrative services manager; Jaime Walker, communications manager; Trevor Broersma, facilities operations manager; Tracy Stowell, executive coordinator; Cody Calcaterra, Equestrian Center supervisor; Joe Helminski, recreation director; Aubrey Lewis, recreation assistant manager; Joanne Kelly, public safety operations supervisor; Kirk Pliske, public safety director; and residents Anne Roberts and Jim Aull (adjourned at 9:00 a.m.).

CALL TO ORDER

Director Egan called to order the Special Meeting of the Cordillera Metropolitan District at 8:02 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Director Egan noted for the record a quorum was present for the purpose of doing the business of the Cordillera Metropolitan District.

ACKNOWLEDGEMENT OF RECEIPT OF NOTICE OF MEETING AT LEAST 72 HOURS IN ADVANCE OF THE MEETING.

All board members acknowledged receiving notice of the regular meeting at least 72 hours in advance. No conflicts of interest were noted.

APPROVAL OF AGENDA

Oct. 21, 2016, Special Meeting Agenda

Director George moved to approve the Oct. 21, 2016, Special Meeting Agenda. Seconded by Director Davies.

Upon motion duly made and seconded, the Board voted unanimously.

Minutes of the Special Meeting of the Cordillera Metropolitan District held Friday, October 21, 2016

Approved the Oct. 21, 2016, Special Meeting Agenda.

APPROVAL OF MINUTES

Sept. 16, 2016, Regular Meeting Minutes

Sept. 22, 2016, Special Meeting Minutes

Oct. 12, 2016, Special Meeting Minutes

Director George moved to approve the Sept. 16, 2016, Regular Meeting Minutes, the Sept. 22 and Oct. 12, 2016, Special Meeting Minutes. Seconded by Director McBride.

Upon motion duly made and seconded, the Board voted unanimously.

Approved the Sept. 16, 2016, Regular Meeting Minutes, the Sept. 22 and Oct. 12, 2016, Special Meeting Minutes as presented.

CMD EXECUTIVE SESSION

8:04 a.m. Director Davies and Director McBride moved to enter into Executive Session. Pursuant to 24-6-404(4)(b) C.R.S. to receive legal advice regarding the Lodge and Spa at Cordillera.

9:22 a.m. Director Egan and Director McBride move to conclude Executive Session.

Present: Ed Shriner; Nanette Kuich, Rick Smith, Larry Brooks, Lois Bruce (via telephone), Rachel Oys, Alan Pogue (via telephone).

PUBLIC INPUT ON NON-AGENDA ITEMS

Anne Roberts was in attendance to ask about the publication in the Vail Daily Thursday, Oct. 13, 2016. One publication referenced amending the 2016 budget and the other referenced the Oct. 21, 2016, budget hearing for the proposed 2017 budget. Rachel Oys, general manager, explained that it is state statute that a legal publication be printed in the newspaper for the annual budget hearing and amendment for the Metro District. Director Egan informed Ms. Roberts that staff will have a resolution to amend the budget in December.

CMD ANNOUNCEMENTS/UPDATES/ACTION ITEMS

Financial Statements

Scott Proper, finance director, presented a summary of the financials. And noted that two payrolls that have not been posted since the balance sheet was provided and will add an additional \$200,000.

2016 Capital Improvement Update

Trailer Parking

Trevor Broersma, operations and facility manager, updated the Board on 2016 capital improvements. CMD has hired a surveyor to survey the land per Eagle County Permit requirements. This will be finished and submitted to Eagle County by Oct. 31. CMD expects to have permit by Nov. 11 as long there are no unforeseen issues. Depending on weather, the project can be graded in a week, and will have to wait till spring to be seeded. Staff is working with Rothkopf to contribute \$10,000 toward the project.

Vehicle Storage Building

The vehicle storage building has sunk seven inches on one side over the past few years. District staff and Borne Consulting have met with two foundation companies to assess the stabilization and lifting of the building. Quotes are currently being drafted and expected back to the District by Oct. 26. Operations staff have prepared the exterior of the building to allow for quick access and to expedite the project. Timeframe for the project is early December and will take 2-3 weeks. Entire exterior of the building foundation will be exposed and every 6 feet push-piers will be installed to stabilize the local area, or in

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some areas raise up to 7 inches. Areas of the building that will be raised will have high density foam injected to fill the void and prevent future settling. End product will have a 25-year warranty. Total project cost is \$230,000 to \$250,000.

Director Bentley moved to approve the repairs to the Operations Vehicle Storage Building. Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously.

Approved the repairs to the Operations Vehicle Storage Building.

Summit Storage

Broersma has reached out to Jamie Pappas, Borne Engineering, to confirm that the District does not require a permit to build a tent structure for District equipment stored on Summit Trail. This is District property just northeast of Webb Peak on Summit Trail. Currently Operations spends \$5,000 in fuel and labor to drive the loader up to the summit. This new location allows the operations team to store the loader, backhoe, Oshkosh and cinders for easier access in that area. With the use of this area, two plow routes will no longer have to go from the upper Ranch down to the Operations Facility to load up with cinders. The 75-100 hours of saved labor time will be used toward plowing the roads and decreasing the overall plow times for staff. The proposed storage will enable storage of cinders using concrete blocks and a 26'x 48' tent. There will be some trenching to provide power to house a 100 Amp electrical service for block heaters for the loader, Oshkosh and backhoe. Total project cost is estimated to be \$17,300. ROI on this facility will be three years.

Director Bentley moved to approve the Summit Storage Facility. Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously.

Approved the Summit Storage Facility.

Short Course Water Feature

Operations met with Roby Forsyth to develop a plan to fix the water feature on the short course and gain holding capacity. At this time all ponds are holding water and the supply pipe is not leaking. It is believed to be leaking in the remaining three spillways. The scope of work will include all new spillways, replacing the main irrigation lake liner and increasing pond size. The other three ponds are believed to be in good condition and will be dredged.

Director Shriner asked if a portion of the water fund could go toward this project. Alan Pogue, legal counsel, stated that additional information would need to be gathered including the use of the water fund toward public benefit. Alan and staff will research this option.

Director Brooks asked if the ponds were able to be used as a water source if there were ever a wildland fire in Cordillera. Kirk Pliske, safety director, stated that yes, the fire department could pull water out of the ponds to help with fire suppression.

JOINT CMD AND CPOA AGENDA ITEMS

Management Team Report

Oys presented the Management Team report and asked if there were any questions.

Director Brooks asked about the accuracy of the Athletic Club numbers when the fobs do not work. Joe Helminski, recreation director, stated that there were some issues with the fob system in the past. The most recent platform has been installed and now the system is working. Helminski also stated that Katarina is at the front desk most of the day but is also performing other duties around the ACC that take her away from the front desk. The front desk is manned for nine hours out of the day. Helminski and staff will monitor the ACC usage.

2017 Budget Hearing

Oys started the 2017 Budget Hearing with the Districts organizational review, the budget process including staff approach and the budget timeline. Oys stated that the Management Team started to develop work plans in 2015 and have continually modified them accordingly.

Scott Proper, finance director, provided a summary of the proposed 2017 budget. Bullet points below on key discussion items, changes along with approvals.

CMD Draft Budget Inquiries and Changes

- Board would like to look at increasing the monthly lease of Bearcat Stables by 10 percent
- Increase legal fees by 10-20 percent
- Bonus system was removed in 2016 and replaced by a pay for performance merit system for all employees.
- District will be bundling medical dental and vision to Cigna. The District would have seen a 38 percent increase for medical benefits through United Health Care if we were to stay with the 2016 plan.
- Staff will be working with FreeForm Consulting on analyzing the CMD PTO policy in the 2017. Currently staff accrue different PTO rates by department and position.
- Staff is looking for Board approval on three different items including:
 - ACH Debit for Cigna. It is Board policy to have two signatures for any check over the amount of \$1,000. Cigna accepts payment via ACH debit and staff would like formal approval to use the ACH Debit without the two signatures.
 - Wellness Benefit-Human Resources is working on streamlining the wellness program. Gutierrez is seeking approval to offer FTE's ski passes or a \$400 wellness reimbursement for items or services purchased. Requesting the approval of three additional holidays for District staff to include: the day after Thanksgiving, Christmas Eve and Presidents Day

Director George moved to approve the ACH debit for Cigna, changes to 2017 wellness benefit and three additional holidays in 2017. Seconded by Director Bentley.

Upon motion duly made and seconded, the Board voted unanimously (4-0; David Davies, Secretary adjourned at 10:30 a.m.).

Approved the three benefit plan administration changes.

- CMD Capital Improvements
 - Staff will be removing new trees at the Ranch and Divide Gates in the amount of \$30,500 from the 2017 draft budget.
 - An additional \$30,000 will be added for a Toyota Highlander for the administration building.
 - There was some discussion on the road program with the recommendations from the hired engineering firm. There is still concern that speed bumps are not included in those recommendations. Staff will focus on the narrowing of lanes for traffic calming and the temporary roundabout on Fenno Drive. After the temporary roundabout is installed, the District will collect feedback from the community and then move forward with or without a permanent roundabout in its place.
 - An additional \$250,000 for overlay of Kicking Horse and Territory Trail.

Director George moved to approve the CIP with identified changes noted. Seconded by Director Bentley.

Upon motion duly made and seconded, the Board voted unanimously (4-0; David Davies, Secretary adjourned at 10:30 a.m.).

Approved the 2017 CIP budget.

- Kirk Pliske, Public safety director, and Scott Proper, finance director, met with the Cordillera Valley Club Management Company and the Valley Club Boards regarding the draft 2017 CVC budget. The proposed CVC budget can be found on page 124 of the Oct. 21 Board packet. Discussions ensued around actual costs of staffing, management, and capital expenditures including three gate replacements. Pliske will continue to work on aligning the two Districts hours of operation. There will be a follow-up meeting the first of the year.
- The board inquired as to why the Equestrian Center is a separate entity and not set up like the ACC or the Trailhead in CPOA's budget. For 2017 the Equestrian Center will be integrated in CMD's operating budget.

Director Bentley moved to approve the CMD 2017 Draft Budget with modifications discussed.
Seconded by Director McBride.

Upon motion duly made and seconded, the Board voted unanimously (the Board voted unanimously (4-0; David Davies, Secretary adjourned at 10:30 a.m.).

Approved the CMD 2017 Draft Budget with modifications discussed.

ADJOURNMENT

Director Bentley moved to adjourn the Special Meeting of the Cordillera Metropolitan District.
Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously to
Adjourn the Special Meeting of the Cordillera Metropolitan District at 2:34 p.m. Friday,
Oct. 21, 2016.

Respectfully submitted,



Tracy Stowell
Executive Coordinator