

CORDILLERA METROPOLITAN DISTRICT
REGULAR BOARD MEETING MINUTES
FRIDAY, MARCH 24, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Regular Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) was called and held Friday, March 24, 2017 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

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

ALSO PRESENT

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

OTHERS PRESENT

Rachel Oys, general manager; Alan Pogue, legal counsel; Scott Proper, finance director; Berniece Gutierrez, human resources and administrative services manager; Jaime Walker, communications manager; Trevor Broersma, operations director; Tracy Stowell, executive coordinator; Joe Helminski, recreation director; Kirk Pliske, public safety director; Susie & Grant Cunningham; Greg Murphy; Otto Hichinger; Chris Cumming; Eric Jung; George Longo; Jason Cowles; Anne Roberts; Hugh & Angela Overy; and Milt Dodson.

CALL TO ORDER

Director Egan called to order the Regular Meeting of the Cordillera Metropolitan District at 8:30 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

March 24, 2017 Regular Meeting Agenda

Director George moved to approve the March 24, 2017, Regular Meeting Agenda. Seconded by Director Davies.

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

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Approved the March 24, 2017 Regular Meeting Agenda.

APPROVAL OF CONSENT AGENDA ITEMS

January 31, 2017, Special Meeting Minutes

March 2, 2017, Special Meeting Minutes

Director McBride moved to approve the January 31 and the March 2, 2017, Special Meeting Minutes. Seconded by Director Davies.

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

Approved the January 31 and the March 2, 2017 Special Meeting Minutes.

JOINT CMD AND CPOA AGENDA ITEMS

Employee Opinion Survey

Mountain States Employers Council (MSEC) was selected as an independent third-party to administer an employee opinion survey in February 2017. The survey was designed to measure employees' assessment of a number of different employment categories and attributes. Heather Shockey, director of outsource consulting services and Brittany Johnson, specialist, from MSEC presented the survey findings to the boards.

CMD was compared to 250 other employers representing over 5,000 employees in the Rocky Mountain region. The overall response rate was 87.5 percent (49 out of 56) and included both full-time, part-time and seasonal employees.

The key highlights are these:

- The overall survey mean was 4.09 (Very Positive) out of 5.00 on the Likert Scale. This is the highest score seen by MSEC in 30 years of completing the survey for an employer conducting the survey for the first time.
- CMD outperformed the MSEC norm data in all 10 categories.
- The highest scores, related to Supervision, Work/Life Balance and Satisfaction, fell in the very positive range of 3.75 and above.
- The areas for additional focus include: Compensation, Communication and raining/Development; however, these areas still ranked in the positive to very positive range from 3.58 – 4.04.
- The survey results can be found at www.CordilleraLiving.com/EmployeeSurvey. Both boards are pleased with the positive results and greatly appreciate each employee's contribution in making Cordillera a premier community.

Board members congratulated the team. Angelo Fernandez, FreeForm Consulting, stated that the results will be delivered to all employees next week at staff meetings and feedback will be requested for areas of improvement.

Management Team Report

- Director Shriner inquired if there have been any applications for the open barn hand positions. Berniece Gutierrez, human resource and administration manager, stated that she has not received any applications to date. Gutierrez is now advertising open positions on the CordilleraLiving.com website, in addition to the Vail Daily and targeted outreach. Potential applicants can view open positions, job descriptions and download an application.

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- Director Shriner inquired about a plan to demonstrate the new website, specifically regarding the new portal for property owners. Jaime Walker, communications manager, responded that a mailing will go out to all property owners with their login credentials and information on the online property owner directory.
- At the present, there is \$325,000 in delinquent properties. Proper is identifying potential foreclosure targets. Boards feel it is important for the community to know that there is a consequence for being delinquent on dues.
- Oys, Trevor Broersma, operations director, and Kirk Pliske, public safety director, met with Beaver Creek Metro District and reviewed the speed radar detection system, All Traffic Solutions. Some inherent weaknesses were identified, specifically the quality of the photo radar system. Staff will continue to research alternative systems and report back to the boards in June.
- Boards discussed the ACC tracking procedure. Joe Helminski, recreation director, stated that he is working on coaching staff to be more proactive at encouraging users to sign in. Helminski said that usage continues to rise and classes are full. Director Smith has heard feedback that property owners are frustrated with class sizes and there is not an area for independent stretching if a class is in progress. Boards will discuss the ACC in detail at the strategic planning session on Tuesday, March 28, 2017.
- Director Shriner would like the ATV resolution published on the website to make it accessible for all property owners to view.
- The open house procedures will be modified to align with other local gated communities. These revisions include:
 - Allowing open houses Monday through Sunday
 - Requiring realtors to use district approved signs
 - Requiring realtors to be responsible for placement and removal of open house signs
 - Requiring realtors to email open house information to divide gate house within 24 hours of event

CMD AGENDA ITEMS

Water Fund and Water Monthly Surcharge

Jason Cowles, Eagle River Water and Sanitation District, presented the capital improvement plans and the monthly water surcharge information. In 2003 a master plan was drawn up and amended in 2008. The plan identified extensive capital improvement to the water system to improve fire flow deliveries and improve system reliability. At that time, the district implemented an \$18.50 monthly surcharge that the Upper Eagle Regional Water Authority collects from Cordillera customers and passes on to CMD for the purpose of funding ongoing capital improvements in the water system. This surcharge has been collected since 2003 for the purposes of funding ongoing capital improvements to our water system and has resulted in approximately \$2.3 million in reserves which enables CMD to plan and contribute to the water system capital improvements in partnership with the Eagle River Water and Sanitation District. These consist of:

- A new 110,000 gallon water storage tank at the top of the Western end of the system, which would meet build out water demands and fire flows for the three pressure zones below it at an estimated cost of \$850,000.
- Water main upsizing on Gore Trail to improve fire flows in the immediate vicinity at an estimated cost of \$250,000.
- System enhancements to increase reliability, reduce risks and address new regulations at an estimated cost of \$1.1 million.

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Note: Project expenditures/contributions are still be determined.

Oys asked the Board to terminate the \$18.50 SFE monthly surcharge to Cordillera customers. This will result in a minimum of \$18.50 per month in savings per household.

Director Bentley moved to end the \$18.50 monthly surcharge in May. Seconded by Director Davies.

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

Approved the end of the \$18.50 monthly surcharge in May.

Oys and Pogue will work with Jim Collins and Jason Cowles to draft a partnership agreement.

2017 Budget Amendment

The budget amendment is due to an administrative error during the budget hearing and adds \$85,000 for the guardrail project to capital improvements for CMD. The project was approved during the capital improvement presentation October 21, 2016 and erroneously deleted from the final projected 2017 budget that was ultimately approved by the Board.

9:35 a.m. Director McBride and Director George moved to enter into an Open Public Hearing for public input. No public input.

9:36 a.m. Director Davies and Director George moved to conclude Open Public Hearing for public input.

Director Davies moved approve the 2017 Budget Amendment for \$85,000 to include the Guardrail Project. Seconded by Director George.

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

Approved the 2017 Budget Amendment for \$85,000 to include the Guardrail Project.

First Amendment to 2017 Administrative Matters Resolution

The first amendment seeks Board approval to authorize the general manager of CMD to enter into Service Agreements on behalf of the District, provided that such Service Agreements do not exceed a certain amount and the District has appropriated funds for such Service Agreements.

Director Davies moved approve the First Amendment to the Administrative Matters giving authorization for the General Manager to sign Service Agreements not to exceed \$100,000. Seconded by Director Bentley.

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

Approved the First Amendment to the Administrative Matters giving authorization for the General Manager to sign Service Agreements not to exceed \$100,000.

Wells Fargo Banking Account Authorization Resolution

The resolution authorizes the Board to open a banking account with Wells Fargo Bank. The Board will designate all members of the Board, including Director Egan, Director Bentley, Director McBride, Director Davies, and Director George, along with Oys and Gutierrez as authorized users on this account.

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Director George moved to approve Wells Fargo Account Authorization Resolution. Seconded by Director McBride.

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

Approved the Wells Fargo Banking Account Authorization Resolution.

Financials

Proper updated the Board on the CMD financials. New to 2017, the Equestrian Center is now included in the General Fund.

Election of Officers

The election of officers occurs every year in May. Since the Boards approved quarterly meetings, the election of officers was scheduled as business for this meeting. Director Bentley nominated said Officers, seating of officers will be effective May 2, 2017:

Judy McBride – President	Bob Egan – Treasurer
David Davies – Vice President	Kitty George – Assistant Treasurer & Assistant Secretary
David Bentley – Secretary	

Director Bentley moved approve Board Officer Nominations. Seconded by Director George.

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

Approved Board Officer Nominations.

PUBLIC INPUT ON NON-AGENDA ITEMS

- Director Shriner stated that he has received two complaints in three weeks that non-residents are using the Athletic Center. Club Members currently have access to the Athletic Center, Trailhead and Short Course.
- Milt Dodson, Kensington resident, wanted the Boards to know that he understands the water feature on the Short Course is an essential part of the golf course but that it also is an amenity of the property owners. He would like assurance and a commitment from the Boards to fix this the water feature discussed earlier and to update Kensington residents on the progress.

CMD EXECUTIVE SESSION

11:34 a.m. Director Davies and Director McBride moved to enter Executive Session. Pursuant to 24-6-402(4)(b), C.R.S. for the purpose of discussing with general counsel and special counsel, pending legal action related to the permitted uses of the Lodge and Spa at Cordillera.

Pursuant to Section 24-6-402 (4) (b) C.R.S., for the purpose of receiving legal advice related to combining lots and road maintenance within the community.

Pursuant to Section 24-6-402 (4)(f)(I) C.R.S., to discuss personnel matters.

2:54 p.m. Director Davies and Director Bentley move to conclude Executive Session.

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

No action was taken in executive session.

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Director McBride moved to not refinance the bond and decline the Consideration of Authorizing Resolution Approving Loan Agreement with US Bank and all documents related to Refinancing. Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously to **Decline** the Consideration of Authorizing Resolution Approving Loan Agreement with US Bank and all documents related to Refinancing.

ADJOURNMENT

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

Upon motion duly made and seconded, the Board voted unanimously to **Adjourn** the Regular Meeting of the Cordillera Metropolitan District at 3:01 p.m. on Friday, March 24, 2017.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "T. Stowell", is written over a horizontal line.

Tracy Stowell
Executive Coordinator