

CORDILLERA METROPOLITAN DISTRICT
REGULAR BOARD MEETING MINUTES
FRIDAY, MARCH 16, 2018
408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Regular Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) was called and held Friday, March 16, 2018 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Judy McBride, President
Bob Egan, Treasurer
David Bentley, Secretary
Kitty George, Assistant Treasurer/Assistant Secretary

ALSO PRESENT

CPOA Board Members: Ed Shriner, Michael Grier, Jerri More, Rick Smith and Larry Brooks (via phone).

OTHERS PRESENT

Rachel Oys, general manager; Alan Pogue, legal counsel; Jaime Walker, communications manager; Tracy Stowell, office manager; Kirk Pliske, public safety director; Trevor Broersma, operations director; Joe Helminski, recreation director; Erin McCuskey, human resource manager; Clint Forstrom, assistant project manager; and Dominique Jones, equestrian center manager; Members of the public: Jane Roberts, Nukhet Saxby, John Warren, Enrique Grisoni, Ron Haynes, Margo Boyle, Nancy Brady.

CALL TO ORDER

Director McBride called to order the Regular Meeting of the Cordillera Metropolitan District at 9:02 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATIONS

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

Director McBride noted that Director David Davies resigned his position on the board earlier in March. His seat will be filled by appointment of the next board.

APPROVAL OF AGENDA

March 16, 2018 Regular Meeting Agenda

Director Egan moved to approve the March 16, 2018 Regular Meeting Agenda. Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously. **Approved** the March 16, 2018 Regular Meeting Agenda.

APPROVAL OF CONSENT AGENDA ITEMS

February 16, 2018 Regular Meeting Minutes

Director Egan moved to approve the February 16, 2018 minutes. Seconded by Director George.

Upon motion duly made and seconded, the Board voted unanimously. **Approved** the February 16, 2018 Regular Meeting Minutes.

PUBLIC INPUT

Nancy Brady asked if the survey was going to be made available in a paper format. She also asked if there was a community meeting on March 2. General Manager Oys stated that with the survey length, complexity, and the added staff and consultant time to preform data entry, there were no plans to offer a paper version to property owners. She also offered property owners to contact her directly if there were any concerns. Director Shriner explained that representatives from the board will be hosting an informal coffee on March 20 at 9 a.m. for any member of the community who would like to talk with board representatives about current community issues.

CPOA Director Shriner announced that a second Strategic Planning Meeting was held where the chair, John Warren, presented a structure for a stakeholder meeting in July. The next meeting is April 4. Many of the members on the committee have strategic planning backgrounds.

Jane Roberts announced that she will be hosting a New Property Owner Welcome Committee meeting on March 20. She is looking for more volunteers to serve on the committee. The intent of the committee is to welcome new owners to the community. Communications Manager Jaime Walker will be sharing the new property owner packet from the CPOA with the committee.

CPOA Director More stated that it is a property owner to property owner committee; it is personal outreach not to replace with what the CPOA and The Club already provides to welcome new owners. She had previously talked to Suzanne Morgan with The Club and was informed that The Club membership director visits all new property owners.

Director Bentley supports the efforts of the committee. He congratulated Nukhet Saxby on the success of the stitchery group.

CPOA Director Shriner sent an email to Communications Manager Walker to research which new Club members were also new property owners. This information will be important for the committee to know.

Nancy Brady stressed that short-term rentals are an issue. She stated that her friend is moving because of the short-term rental next door.

General Manager Rachel Oys shared that the boards will be discussing legal authority for regulations, registration fees and a potential sales tax at a future meeting. A firm that tracks rentals shared that 40 properties in Cordillera are frequently rented short-term.

Director McBride explained that enclaves have covenants that restrict short-term rentals.

CPOA Director Shriner noted that in order for short-term rentals to be restricted, the CCRs and Bylaws would need to be changed. The most complaints come from properties that are regularly rented.

Nukhet Saxby asked if the gates could stop people from entering the community and if there was a record of vehicles coming and going.

Public Safety Director Kirk Pliske shared that there are cameras at each gate which record license plate numbers and vehicle type. If there is a problem, public safety can ask Vail Dispatch to pull vehicle information from state and federal databases. Homeowner information is collected when the transponders are issued. Public safety decides on a situational basis if it is something they can address or if law enforcement should be called.

John Warren shared that he was surprised to learn that there was no oversight regarding the enclave boards; that enclaves can do what they want regarding rental policies. He was concerned that there was not consistency with the CPOA.

Legal Counsel Alan Pogue explained that enclaves are subject to the master association CPOA bylaws and CCRs; however, they can have more restrictive covenants. They are governed by their own board and therefore the CPOA does not have legal oversight. If there is a conflict, CPOA CCRs and bylaws govern.

CMD AND CPOA JOINT ITEMS

Management Team Report

General Manager Oys mentioned that the survey was posted to the website, emailed in a flash and a post card was sent to all property owners. Staff is verifying that only property owners are completing the survey. Another post card will be sent in the coming weeks. All property owners are encouraged to complete the survey. As of the meeting, over 115 people have completed the survey. The survey is intended to close April 6, but staff will monitor the response rate and keep it open longer if needed.

John Warren shared that the survey was discussed at the Strategic Planning Committee meeting as a critical data point for the stakeholder meeting in July.

Director Bentley shared concerns about taking the survey in two sessions.

General Manager Oys clarified that participants cannot come back into the survey and see their previous answers; however, the data is kept on the back end. She stressed that once the survey is started, it should be completed in one sitting. She further explained that facilitating a PIN process would be a significant challenge. Staff previously issued PINs for other programs which became problematic to manage.

Director McBride echoed this point, noting that PINs were issued for the directory.

Director George wanted another flash to be sent encouraging people to complete the survey at one time. Director Bentley agreed wanting as many people as possible to complete the survey, not just the most vocal members of the community.

CPOA Director Smith addressed the idea of paper copies. There are not the resources to input all the data for a survey of this length.

CPOA Director More thought it would be a good idea to print a paper copy so people can see the questions in advance and then think about their responses prior to completing the survey.

General Manager Oys updated the board on the progress in having a meeting with the Board of County Commissioners (BOCC) regarding the access road through Hardscrabble Ranch Open Space to the Territories. Through Beth Oliver, assistant county attorney, Oys will re-request the BOCC meet with a small group of Cordillera representatives to discuss back road access. General Manager Oys further shared that the Hardscrabble Ranch Open Space project is the BOCC's top priority. They have both tax and grant money allocated to this project. The CMD/CPOA seek a dialogue about Cordillera access and possibly explore other methods with the BLM.

CPOA Director Shriner shared that there is an emergency exercise planned for this summer so people understand the evacuation routes.

General Manager Oys shared that Barry Smith with Eagle County Emergency Management will help staff facilitate a table-top exercise that will include outside agencies and communication tactics. This coincides with Community Day and the Ready Set Go program for fire prevention. Additionally, staff met with the Sheriff last month.

Director Egan noted that the current emergency exit is not through the Hardscrabble property but through Diamond Star Ranch. It is important that community members know the emergency routes.

General Manager Oys shared that a community member who lives on the Divide recently expressed concern that the Divide does not have a secondary access or emergency road out of the neighborhood. She explained that public safety would be utilized to evacuate people from the Divide if necessary.

Communications Manager Walker encouraged all members of the community to sign up for ECAAlert on ECAAlert.org. Further, Vail Dispatch will be conducting an exercise using the Wireless Emergency Alert system (WEA) on May 2. The WEA will be targeted to Vail, but spill over may occur. Anyone entering Vail during the test will receive the test alert. Anyone receiving the test alert is encouraged to follow the link contained in the message to answer a brief survey. In the event of an emergency all communications systems will be utilized.

General Manager Oys introduced Barn Manager Dominique Jones and Project Manager Clint Forstrom. She shared that the barn is proceeding with leasing horses to pilot this summer and

staff developed a plan for community members to use the horses. The community operations team is completing projects earlier than normal.

General Manger Oys, Office Manager Stowell and Communications Manager Jaime Walker met with a representative with the United Way which is involved with the Eagle Valley Rummage Sale. They are looking for a location for the event and are considering the field house in Edwards and the fairgrounds in Eagle; they anticipate 3000 people at the event. They want to hold the sale over two weekends. Jaime Walker and Tracy Stowell gave a tour of the Cordillera-owned properties including Bearcat, the Café and lower barn. Logistics would need to be resolved.

CPOA Director Smith shared that the people who run the rummage sale are long-time, influential valley residents and that the majority of people who shop the sale are locals.

Director Egan has concerns that Cordillera facilities are not able to accommodate that many people, especially during the summer when most of Cordillera residents are in residence.

CPOA Director Shriner reminded the boards that he brought forth this idea because it could bring Cordillera some positive press, demonstrate to the wider community that Cordillera is not always in litigation and willing to be a part of the bigger community; it should be known that Cordillera is offering to host the sale.

Director Egan moved to not pursue further hosting the rummage sale because it stretches the community's ability to serve its residents during its busiest time of year. Seconded by Director George.

Director McBride agreed because of the traffic impacts on Squaw Creek Road. The effect on residents who want to travel in and out of Cordillera and the traffic from the sale would cause a traffic jam, thus upsetting the residents.

Director Bentley noted that staff time has not been significant. Further, he suggested it is a gesture to the entire valley to reach out and learn what is needed. He would like to know more about the impacts and at least consider hosting it. He would not vote for a project that would negatively impact Cordillera residents.

Director George expressed that the gesture was made, but 3000 people is too much for the community to handle.

CPOA Director Shriner made an opposing motion to have staff continue exploratory research into hosting the sale in Cordillera.

Upon motion duly made and seconded, the board voted three to one to not pursue the Eagle Valley Community Rummage Sale. Director Bentley dissented.

CPOA Director Grier asked what information would be needed for the boards to collectively change their minds. There may be more harm than good to the organizers if they proceed with pursuing the event here and then the boards decide not to offer community facilities.

CPOA Director Smith pointed out that more information should be gathered by staff before an informed decision can be made. The boards should not summarily dismiss the idea because it was learned there are 3000 people who attend. He noted that the CPOA board is an advisory board and would like more information to be collected.

Director Egan said that the CMD has turned the proposal down. It is the CMD's barn.

CPOA Director Shriner withdrew his motion.

Director McBride emphasized that CMD never took the position that it had ownership of staff, and while she has been on the board, CMD has always respected CPOA's decisions and input. The boards have strong documents that allow for interaction and cooperation. This should not be a decision that breaks up the CMD and CPOA.

Director Bentley reiterated that there are many obstacles, but to consider hosting it here shows that Cordillera is willing to reach beyond its gates. He is concerned about the constituency that runs the sale; they are long time locals some of whom have volunteered for the event for 40 years.

Director Egan pointed out that the problem is a practical one. Cordillera does not have the resources to handle that many people coming into the community.

General Manager Oys offered to attend the next rummage sale planning committee meeting at which time she could ask if the committee is flexible in their timeframe, what shuttles could be used to minimize traffic impacts, and gain a more accurate estimate of attendance. She would offer minimal staff support to utilize other venue contacts in the valley to demonstrate that Cordillera is a partner.

Director McBride moved to allow General Manager Oys and staff to go to the next planning meeting to get a better understanding of the impacts to Cordillera and to learn if the date of the sale could be moved, and then report back to the Boards in April. Seconded by Director Bentley.

Upon motion duly made and seconded, the Board voted three to one in favor of the motion.

Director Egan dissented.

Director McBride shared that she will be leaving the board next month and that she has worked very hard to keep the boards together. It is important to support the sentiments of both boards at all times.

General Manger Oys provided an update on the delinquent accounts. She recognized Office Manager Stowell for collecting \$40,000 from three property owners last week.

CPOA Director Grier asked if there was a reason why a list of delinquent property owners was not published. It would seem that a published list would be a subtle push to get people to pay.

Legal Counsel Pogue explained that the Association had published a list in the past, which proved ineffective, especially when the property is under an LLC.

General Manager Oys requested that the process outlined by Legal Counsel Jerry Oliver be respected. Staff is reviewing O&E reports.

CPOA Director Shriner reminded the boards that the Association cannot discontinue trash, because it is a health hazard, and the CMD cannot keep people out of the gate, because the roads are public. He further explained that owners may calculate the value of the undeveloped lot as being worth less than the taxes and the assessment. For the next budget season, the CPOA will have to estimate a cost to delinquent accounts.

CPOA Director Smith mentioned that chronic abusers do not care if they are delinquent or not.

CPOA Director Shriner asked Community Operations Director Trevor Broersma about actions for owners who do not show up for their fishing beat.

Community Operations Director Broersma noted this was the first time staff was able to track no-shows.

CPOA Director Grier explained that when people book multiple beats and then do not use their allotted time/beat it keeps others from using the river. Fisherman should be able to cancel their beat via the website.

CPOA Director More asked about providing an automated call reminding people of their scheduled time/beat.

CPOA Director Smith suggested allowing more time to collect data to determine if this is a real problem. He noted that the partnership with Vail Valley Anglers was the beginning of the relationship and a mutual solution can be found to any problem.

CPOA Director Shriner referenced the management team report about the youth that jumped the fence at the ACC. Director Pliske explained that the youth were Valley Club property owners' children. Public safety verified their Club membership and asked the youth to leave the premises.

CMD ITEMS

Financial Statement Review

General Manager Oys presented the financials which were included in the Board packet. A summary of updates and verifications completed to date are highlighted below:

- 2017 and 2018 adopted budget numbers are correct and in alignment with the budgets adopted by the respective boards

- 2017 payroll, benefits and workers compensation have accurately been allocated to departments within CMD or CPOA (Trailhead, VGC and Recreation)
- 2017 legal fees are recorded for CPOA and CMD; invoices were reviewed (split board meeting expenses, Rule 106 thru Sept; CPOA and CMD paid for their specific legal activities)
- 2017 service agreement is recorded (2017 budgeted amount with the split of the \$160,000 for strategic planning)

Andrew Larson, CFO Systems, accepted a fulltime client and is transitioning work to Stephanie Juneau. She continues to ensure weekly responsibilities are completed in a timely manner and Andrew has transitioned all payroll functions to human resources.

Recruitment continues for an in-house accountant/finance manager.

Director Egan stressed that a balance sheet is needed in conjunction with the financials provided.

Director McBride echoed this request. She further noted the difficulty in finding a finance director. She asked about the Cordillera Valley Club (CVC) expenses.

General Manager Oys explained that the total revenue projected represents the entire budget for CVC PS operations, of which \$18,050.86 CVC paid expenses directly and not through CMD (i.e. gate arm repairs, uniforms); they are current thru 2017. Oys continued by noting that the District has outstanding invoices for trailer parking; when collected these funds can be accrued to 2017.

CPOA Director Grier asked how capital expenses were being amortized. He would like to see year over year expenses and the information assembled in a way that is simple and transparent, so it is easier to know the true cost of the assets.

Directors McBride and Egan shared that depreciation and amortization are in the audit.

EXECUTIVE SESSION

11:15 a.m. Director Egan and Director McBride moved to enter into Executive Session pursuant to Section 24-6-402(4)(b) for the purpose of receiving legal advice regarding the Grisoni lot transfer.

11:40 a.m. Director Egan and Director McBride moved to conclude the Executive Session.

Present: Alan Pogue

11:41 a.m. Director Egan and Director McBride moved to enter into Executive Session pursuant to Section 24-6-402(4)(f)(I) to discuss personnel matters pertaining to the general manager.

1:09 p.m. Director Egan and Director George moved to conclude the Executive Session.

No action was taken in executive session.

ADJOURNMENT

Director Egan moved to adjourn the Regular Meeting of the Cordillera Metro District. Seconded by Director George. Upon motion duly made and seconded, the Board unanimously agreed to **Adjourn** the Regular Meeting of the Cordillera Metro District at 1:10 p.m. Friday, March 16, 2018.

Respectfully submitted

Jaime Walker

Jaime Walker
Communications Manager