

AGENDA FOR REGULAR CMD AND CPOA BOARD MEETINGS

Friday, March 24, 2017

NOTICE IS HEREBY GIVEN that the Regular Meeting of the Boards of Directors of Cordillera Property Owners Association and Regular Meeting of the Cordillera Metropolitan District, Eagle County, Colorado will be held at the Administration Building, 0408 Carterville Road, Edwards, Eagle County, Colorado on Friday, March 24, 2017. The meeting will be held for the following agenda and other matters that may come before the Boards.

CORDILLERA METROPOLITAN DISTRICT

Robert Egan, President, Term to May 2018
Judith G. McBride, Treasurer, Term to May 2018
David Bentley, Vice President, Term to May 2018
David Davies, Secretary, Term to May 2020
Kitty George, Assistant Treasurer/Assistant Secretary, Term to May 2020

CORDILLERA PROPERTY OWNERS ASSOCIATION

Ed Shriner, President, Term to August 2019
Larry Brooks, Vice President, Term to August 2019
Nanette Kuich, Treasurer, Term to August 2017
Lois Bruce, Secretary, Term to August 2017
Rick Smith, Assistant Treasurer/Assistant Secretary, Term to August 2018

8:30 – 8:35 OPEN CMD MEETING – Mr. Bob Egan (CMD President)

1. Call to Order
2. Declaration of Quorum/Director Qualifications/Disclosure Matters
3. Approval of Agenda
4. Approval of Consent Agenda Items
 - a. Approval of January 31 Special Meeting Minutes3
 - b. Approval of March 2 Special Meeting Minutes6

8:35 – 8:40 OPEN CPOA MEETING – Mr. Ed Shriner (CPOA President)

1. Call to Order
2. Declaration of Quorum/Director Qualifications/Disclosure Matters
3. Approval of Agenda
4. Approval of Consent Agenda Items
 - a. Approval of January 31 Special Meeting Minutes10
 - b. Approval of March 2 Special Meeting Minutes14

8:40 – 9:15 JOINT ITEMS – Mr. Bob Egan and Mr. Ed Shriner

1. Employee Opinion Survey Summary – Brittany Johnson, Mountain States Employers Council16
2. Management Team Report – Rachel Oys130

9:15 – 10:15 CMD ITEMS – Mr. Bob Egan

1. Water Fund and Water Monthly Surcharge – Jason Cowles, Eagle River Water and Sanitation District26
2. Bond Refinancing – Consideration of Authorizing Resolution Approving Loan Agreement with US Bank and all other documents related to Refinancing – Scott Proper28
3. 2017 Budget Amendment to include Guiderails Project \$85,100 – Scott Proper
4. First Amendment to 2017 Administrative Matters Resolution – Alan Pogue81
5. Wells Fargo Banking Account Authorization Resolution – Scott Proper and Alan Pogue84
6. Financials – Scott Proper86
7. Election of Officers – Bob Egan

10:15 – 11:15 CPOA ITEMS – Mr. Ed Shriner

1. Design Review Board Fees – Millie Aldrich100
2. Short Course Summer Operations and Ponds/Water Feature – Trevor Broersma103
3. Trailhead Roof – Trevor Broersma108
4. Resolution Authorizing General Manager to Execute Agreements – Alan Pogue114
5. Wells Fargo Banking Account Authorization Resolution – Scott Proper and Alan Pogue118
6. Financials – Scott Proper120
7. Design Review Board Appeal 166 Peregrine (Schedule Special Meeting) – Rachel Oys151
8. August Board of Directors Election – Ed Shriner 1

11:15 – 11:30 PUBLIC INPUT

11:30 EXECUTIVE SESSION

Executive session 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 (CMD), and pursuant to Section 38-33.3-308(4)(b), C.R.S. (CPOA).

Executive session pursuant to Section 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice related to the appeal of the County interpretation of permitted uses at the Lodge and Spa at Cordillera (CMD), and pursuant to Section 38-33.3-308(4)(b), C.R.S. (CPOA).

Executive session pursuant to Section 24-6-402(4)(f)(I), C.R.S., to discuss personnel matters (CMD), and pursuant to Section 38-33.3-308(4)(a), C.R.S., to discuss matters pertaining to agents or employees of the association. (CPOA).

2:30 ADJOURNMENT

NEXT SPECIAL MEETING – Tuesday, March 28 at 12:00 p.m. (Strategic Planning Session)

NEXT REGULAR MEETING – Friday, June 23 at 8:30 a.m.

CORDILLERA METROPOLITAN DISTRICT
SPECIAL BOARD MEETING MINUTES
TUESDAY, JANUARY 31, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) was called and held Tuesday, January 31, 2017 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Robert Egan, President
David Bentley, Vice-President
David Davies, Secretary

Via Telephone: Judith McBride, Treasurer
Kitty George, Assistant Treasurer & Assistant Secretary

ALSO PRESENT

CPOA Board Members: Ed Shriner; Nanette Kuich, Lois Bruce (via telephone), 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, facilities and operations manager; Tracy Stowell, executive coordinator; and Kirk Pliske, public safety director

CALL TO ORDER

Director Egan called to order the Special Meeting of the Cordillera Metropolitan District at 9:35 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

January 31, 2017 Special Meeting Agenda

Director Davies moved to approve the January 31, 2017, Special Meeting Agenda. Seconded by Director Bentley.

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

Approved the January 31, 2017 Special Meeting Agenda.

PUBLIC INPUT ON NON-AGENDA ITEMS

Cheryl Foley asked for an update on Short Course. Director Shriner stated that the CPOA is in the process of making plans for summer season operations.

Director Shriner wanted on the record that he and Director Egan have received two emails asking why the CPOA is not involved in the Wilner class action lawsuit. Director Shriner stated that the Boards are committed to following through on the Rule 106 appeal but are not interested in the class action lawsuit. Director Shriner also stated that with his email he sent out to all property owners regarding the Stop CPOA campaign, he had received at least 40 emails in response. All mostly positive.

Director Smith has had some feedback from some of the community members about FFO. Is there a way to schedule fly fishing on the new website? Jaime Walker, communications manager, will research this option in the new facilities module. This new module can be made public for property owners. If FFO can do this from their website, Walker can set up a link from our amenities page.

Director Smith would like to see a small committee to look at the ACC. This committee could help develop strategies, analyze data and help with a communications plan to get the facility back on the community's radar for improvements. Director Smith volunteered to be on this committee.

JOINT CMD AND CPOA AGENDA ITEMS

Website Resource Directory

With the new website, there is the capability of proving a business/resource directory like the white pages. The Boards do not wish to entertain this agenda item. No discussion was noted.

CMD ANNOUNCEMENTS/UPDATES/ACTION ITEMS

CMD Bond Refinancing

Scott Proper, finance director, presented the financing proposals from Stifel that outline the potential refunding of the existing Series 2006A and Series 2006B bonds. Based upon current market conditions, the Net Present Value Savings of the 2006A bonds total \$127,263.18, based upon callable-at-any-time refunding bonds. Based upon current market conditions, the Net Present Value Savings of the 2006B bonds total \$250,166.42, based upon callable-at-any-time refunding bonds.

There was discussion about whether the issuance costs of \$50,000 each will change if Cordillera Metropolitan District moves forward with refunding only the Series 2006B bonds and not the Series 2006A bonds. Michael Lund of Stifel explained that he did not think the issuance costs would change, but he would follow up to confirm. There was discussion about how the Net Present Value Savings are realized only if the new refunding bonds are held to maturity. The existing Series 2006A bonds mature in various increments 2019, and the existing Series 2006B bonds mature in various increments through 2022. Director Egan explained that given the possibility of subsequent refinancing and re-amortization of the series 2006A and 2006B bonds given Cordillera Metropolitan District's possible need for additional debt for other needs in the near future, now might not be the right time to refinance either the Series 2006A or Series 2006B bonds.

However, Alan Pogue mentioned that the 2006B bonds are Cordillera Mountain Metropolitan District bonds, and that they could not be re-amortized without the relatively complicated and expensive re-establishment of the Cordillera Mountain Metro District, which was dissolved into Cordillera Metropolitan District (Consolidated) and which no longer exists. Subsequently, there was discussion about moving forward with the refunding of the Series 2006B bonds now to capture the approximately \$250,000 in Net Present Value Savings, and because re-amortizing these bonds is likely cost prohibitive given the previous dissolution of the Cordillera Mountain Metropolitan District. The board indicated

Minutes of the Special Meeting of the Cordillera Metropolitan District held Tuesday, January 31, 2017.

that refunding the Series 2006A bonds did not seem worthwhile at present given the relatively small percentage savings of approximately \$127,000 outlined in the proposal.

First Amendment to Meeting Schedule

A modified 2017 CMD Board meeting schedule was presented to the Board at the December 16, 2016 regular Board meeting. This amendment will take the monthly meetings down to quarterly meetings taking place on the fourth Thursday of March, June and September and the third Thursday in December.

Director Davies moved to approve the First Amendment to Meeting Schedule as presented. Seconded by Director George.

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

Approved the First Amendment to Meeting Schedule.

2017 Administrative Matters Resolution

An updated 2017 Administrative Matters outline was presented to the Board at the December 16, 2016 regular Board meeting. This resolution outlines the yearly payment to be made from the Cordillera Property Owner's Association to the Cordillera Metropolitan District for the purpose of helping to cover the administration costs associated with running the District.

Director Davies moved to approve the 2017 Administrative Matters Resolution as presented. Seconded by Director George.

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

Approved the 2017 Administrative Matters Resolution.

CMD EXECUTIVE SESSION

11:05 a.m. Director Bentley and Director Davies 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.

11:46 a.m. Director Davis and Director Bentley move to conclude Executive Session.

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

No action was taken in executive session.

ADJOURNMENT

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

Upon motion duly made and seconded, the Board voted unanimously to **Adjourn** the Special Meeting of the Cordillera Metropolitan District at 11:55 a.m. on Tuesday, January 31, 2017.

Respectfully submitted,

Tracy Stowell
Executive Coordinator

CORDILLERA METROPOLITAN DISTRICT
SPECIAL BOARD MEETING MINUTES
THURSDAY, MARCH 2, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) was called and held Thursday, March 2, 2017 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Robert Egan, President
David Bentley, Vice-President
Judith McBride, Treasurer (arrived at 2:37 p.m.)

Via Telephone: David Davies, Secretary

Absent: 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; Lew Harstead, legal counsel; and Cordillera residents, Deborah Brady and Bob Kedrowski.

CALL TO ORDER

Director Egan called to order the Special Meeting of the Cordillera Metropolitan District at 2:34 p.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 2, 2017 Special Meeting Agenda

Director Bentley moved to approve the March 2, 2017, Special Meeting Agenda. Seconded by Director Davies.

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

Approved the March 2, 2017 Special Meeting Agenda.

Minutes of the Special Meeting of the Cordillera Metropolitan District held Thursday, March 2, 2017.

CMD EXECUTIVE SESSION

2:36 p.m. Director Bentley and Director Egan moved to enter into 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.

4:18 p.m. Director Bentley and Director McBride move to conclude Executive Session.

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

No action was taken in executive session.

ADJOURNMENT

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

Upon motion duly made and seconded, the Board voted unanimously to **Adjourn** the Special Meeting of the Cordillera Metropolitan District at 4:52 p.m. on Thursday, March 2, 2017.

Respectfully submitted,

Tracy Stowell
Executive Coordinator

CORDILLERA PROPERTY OWNERS ASSOCIATION
SPECIAL MEETING OF MEMBERS MINUTES
TUESDAY, JANUARY 31, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of Members of the Board of Directors of the Cordillera Property Owners Association (CPOA) was held Tuesday, January 31, 2017 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Ed Shriner, President
Nanette Kuich, Treasurer
Rick Smith, Assistant Secretary

Via Telephone: Lois Bruce, Secretary
Larry Brooks, Vice President

ALSO PRESENT

CMD Board Members: Bob Egan, David Bentley, Kitty George (via telephone), Judith McBride (via telephone), and David Davies.

Others Present:

Alan Pogue, Icenogle Seaver Pogue, P.C.; Staff: Rachel Oys, general manager; Berniece Gutierrez, human resources manager; Jaime Walker, communications manager; Kirk Pliske, public safety director; Trevor Broersma, facilities and operations manager; Tracy Stowell, executive coordinator; and Scott Proper, finance director.

CALL TO ORDER

Director Shriner called to order the Special Meeting of Members of the Cordillera Property Owners Association at 8:32 a.m.

APPROVAL OF AGENDA

January 31, 2017 Meeting Agenda

Agenda was approved.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

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

LIMITED AMENDMENT: Director Shriner welcomed all community members that were present and calling in on the conference phone. Alan Pogue, legal counsel, presented the election results for the Limited Amendment. Pogue stated that there were 440 total votes received with 341 FOR and 99 AGAINST.

Director Shriner gave a brief history of the CCR's. The current CCR's include a provision that the CPOA must obtain the approval of 67% of the owners prior to initiating certain types of legal action. This provision was included in the original CCR's to protect the developer, Kensington Partners, from lawsuits brought by the CPOA. The CCRs were amended and restated in September 2016, completing a

process the CPOA initiated in February 2015. Section 14.12 remained in the new CCRs because amending this provision required a higher percentage (67% vs 50% + 1) of the owners' approval than amending the rest of the covenants. The Board is now seeking to modify the requirement of Section 14.12 of the new CCRS. This section will be removed.

Director Shriner reiterated that the boards have nor do they intend to file any claims to either board - against Behringer Harvard or Concerted Care Group at this time. Director Kuich stated that the removal of this sections from the CCR's protects the board's ability to appropriately represent the community.

Special Counsel to the CPOA will proceed with the court petition process for approval of the Limited Amendment. Owners will receive notice of the filing of the petition from Special Counsel upon filing, which is anticipated to occur in the next two weeks.

Director Shriner gave a brief update on the Rule106 appeal to the district court. The CMD and CPOA appealed the PUD interpretation made by the county Director of Planning, Bob Narracci, during the hearing held on September 20, 2016. The County Commissioners upheld the Director's interpretation but added a stipulation that required the medical clinic to operate as an outpatient facility. The CMD and CPOA Boards submitted the judicial appeal referred to as a Rule 106 in the Eagle County District Court November 8, 2016. Judge Gannett will make a ruling later this year.

PUBLIC COMMENT ON NON-AGENDA ITEMS

12 Property owners were in attendance. Those property owners were: Rick Landy, Dean Johnson, Eric Jung, Clay Becker, KR. Brody, Becka Green, George Longo, Cheryl Foley, Tom Thomas, Fritz Leighton and Tim and Dianan Troutman. There were also approximately 27 attendees via conference telephone.

Director Shriner asked each attendee if they had questions or comments. Several questions and comments pertained to the status of the sale of the Lodge and Spa and the status of the legal appeal. Other comments addressed the Stop CPOA movement and the negative and threatening actions by some members of the community. Additionally, the need to communicate more between the district boards and the community was emphasized by others.

Rachel Oys, general manager, thanked everyone for voting in this election regardless of the way they voted. She also thanked everyone for their attendance and wanted to make sure if anyone had questions, to please contact her directly.

ADJOURNMENT

Director Smith moved to adjourn the Special Meeting of the Membership of the Cordillera Property Owners Association. Seconded by Director Kuich.

Upon motion duly made and seconded, the Board voted unanimously to **Adjourn** the Special Meeting of the Membership of the Cordillera Property Owners Association at 9:15 a.m. Tuesday, January 31, 2017.

Respectfully submitted,

Tracy Stowell
Executive Coordinator

CORDILLERA PROPERTY OWNERS ASSOCIATION
SPECIAL BOARD MEETING MINUTES
TUESDAY, JANUARY 31, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of the Board of Directors of the Cordillera Property Owners Association (CPOA) was called and held Tuesday, January 31, 2017, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Ed Shriner, President
Nanette Kuich, Treasurer
Rick Smith, Assistant Secretary

Via Telephone: Lois Bruce, Secretary
Larry Brooks, Vice President

ALSO PRESENT

CMD Board Members: Bob Egan, David Bentley, Kitty George (via telephone), Judith McBride (via telephone), and David Davies.

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, facilities and operations manager; Tracy Stowell, executive coordinator; and Kirk Pliske, public safety director

CALL TO ORDER

Director Shriner called to order the Special Meeting of the Cordillera Property Owners Association at 9:30 a.m.

APPROVAL OF AGENDA

January 31, 2017 Special Meeting Agenda

Director Shriner moved Short Course item on the CPOA agenda to the executive session due to the conversation around contract negotiations.

Director Kuich moved to approve the January 31, 2017 Special Meeting Agenda with said changes. Seconded by director Smith.

Upon motion duly made and seconded, the Board unanimously by those present.

Approved the January 31, 2017 Special Meeting Agenda with said changes.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

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

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

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

APPROVAL OF CONSENT AGENDA ITEMS

APPROVAL OF MINUTES

December 16, 2016 Regular Meeting Minutes

Director Smith moved to approve the December 16, 2016 Regular Meeting Minutes. Seconded by Director Kuich.

Upon motion duly made and seconded, the Board unanimously by those present.

Approved the December 16, 2016 Regular Meeting Minutes.

January 17, 2017 Special Meeting Minutes

Director Kuich moved to approve the January 17, 2017 Special Meeting Minutes. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously by those present.

Approved the January 17, 2017 Special Meeting Minutes.

PUBLIC INPUT ON NON-AGENDA ITEMS

Cheryl Foley asked for an update on Short Course. Director Shriner stated that the CPOA is in the process of making plans for summer season operations.

Director Shriner wanted on the record that he and Director Egan have received two emails asking why the CPOA is not involved in the Wilner class action lawsuit. Director Shriner stated that the Boards are committed to following through on the Rule 106 appeal but are not interested in the class action lawsuit. Director Shriner also stated that with his email he sent out to all property owners regarding the Stop CPOA campaign, he had received at least 40 emails in response. All mostly positive.

Director Smith has had some feedback from some of the community members about FFO. Is there a way to schedule fly fishing on the new website? Jaime Walker, communications manager, will research this option in the new facilities module. This new module can be made public for property owners. If FFO can do this from their website, Walker can set up a link from our amenities page.

Director Smith would like to see a small committee to look at the ACC. This committee could help develop strategies, analyze data and help with a communications plan to get the facility back on the community's radar for improvements. Director Smith volunteered to be on this committee.

CPOA ANNOUNCEMENTS/UPDATES/ACTION ITEMS

Property Owner Directory and Information Requests

Jaime Walker, communications manager, has been working with staff on preparing the new website platform ready for launch at the end of February. With the launch of the new website there is an opportunity to create a home page button that will link directly to the public safety database, ABDI/GateAccess.net, to serve as the community directory. ABDI is a program used by public safety to house all property owner information. The information in the database is extensive but the GateAccess.net information only includes addresses, emails, phone numbers, pets, vehicles and resident guest attendance. Currently, a printed 2013 version of the directory is used; it contains information that property owners have opted to share. In the summer of 2016, staff sent out a final request to provide contact information for the new directory to be printed December 2016. Walker asked for the GateAccess.net online portal to serve as the main property owner directory where owners can log in, update information and opt-in or opt-out of sharing information. This online portal will eliminate the printed version and would only be available to property owners. Walker will start a communications

campaign to get the information out to the homeowners including upcoming issues of “Cordillera Connection” and a postcard.

There was also discussion on property owners asking for updated email lists when the class action lawsuit was first introduced. A list of emails was granted to three different parties. Alan Pogue, legal counsel, stated that in the state statute, the CPOA is required to keep a list available that includes addresses and phone numbers.

It was determined that email addresses will not be provided to anyone unless they opt-in to the directory and the directory is the format in which property contact information will be shared

Director McBride stated that she prefers the paper directory. She believes it is an easy and valuable tool. Director Bentley agrees. Director Egan stated that the Club at Cordillera does not print their directory and it works fine.

Director Shriner moved to approve the online version of the directory without a printed version, that all property owners who want their information made available must opt-in through the website portal and if the CPOA is contacted to provide property owner contact information, it must be through an application. Only the information required to be shared per state statute will be provided. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously by those present.

Approved the online version of the directory without a printed version, that all property owners who want their information made available must opt-in through the website portal and if the CPOA is contacted to provide property owner contact information, it must be through an application. Only the information required to be shared per state statute will be provided.

JOINT CMD AND CPOA AGENDA ITEMS

Website Resource Directory

With the new website, there is the capability of proving a business/resource directory like the white pages. The Boards do not wish to entertain this agenda item. No discussion was noted.

CPOA EXECUTIVE SESSION

11:04 a.m. Director Kuich and Director Smith moved to enter Executive Session. Pursuant to 38-33.3-308 (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.

11:45 a.m. Director Smith and Director Kuich move to conclude Executive Session.

Present: Robert Egan, David Bentley, Kitty George (via telephone), Judy McBride (via telephone), David Davies, Rachel Oys, Alan Pogue (via telephone) and Lew Harstead (via telephone).

No action was taken in executive session.

ADJOURNMENT

Director Kuich moved to adjourn the regular meeting of the Cordillera Property Owners Association. Seconded by Director Smith.

Upon motion duly made and seconded, the Board unanimously agreed to **Adjourn** the Special Meeting of the Cordillera Property Owners Association at 11:54 a.m. Tuesday, January 31, 2017

Respectfully submitted,

Tracy Stowell
Executive Coordinator

DRAFT

CORDILLERA PROPERTY OWNERS ASSOCIATION
SPECIAL BOARD MEETING MINUTES THURSDAY,
MARCH 2, 2017
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO

The Special Meeting of the Board of Directors of the Cordillera Property Owners Association (CPOA) was called and held Thursday, March 2, 2017 in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Ed Shriner, President
Nanette Kuich, Treasurer
Rick Smith, Assistant Secretary
Lois Bruce, Secretary

Via Telephone: Larry Brooks, Vice President (joined at 2:34 p.m.)

ALSO PRESENT

CMD Board Members: Bob Egan, David Bentley, Judith McBride, and David Davies (via telephone).

Others Present:

Rachel Oys, general manager; Alan Pogue, legal counsel; and Lew Harstead, legal counsel; and Cordillera property owners, Deborah Brady and Bob Kedrowski.

CALL TO ORDER

Director Shriner called to order the Special Meeting of the Cordillera Property Owners Association at 2:32 p.m.

APPROVAL OF AGENDA

March 2, 2017 Special Meeting Agenda

Director Smith moved to approve the March 2, 2017 Special Meeting Agenda. Seconded by Director Kuich.

Upon motion duly made and seconded, the Board unanimously by those present.

Approved the March 2, 2017 Special Meeting Agenda.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

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

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

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

CPOA EXECUTIVE SESSION

2:36 pm. Director Kuich and Director Smith moved to enter Executive Session. Pursuant to 38-33.3-308 (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.

4:18 p.m. Director Smith and Director Bruce move to conclude Executive Session.

Present: Robert Egan, David Bentley, Judy McBride, David Davies (via telephone), Rachel Oys, Alan Pogue (via telephone) and Lew Harstead (via telephone).

No action was taken in executive session.

ADJOURNMENT

Director Smith moved to adjourn the Special Meeting of the Cordillera Property Owners Association. Seconded by Director Bruce.

Upon motion duly made and seconded, the Board unanimously agreed to **Adjourn** the Special Meeting of the Cordillera Property Owners Association at 4:51 p.m. Thursday, March 2, 2017.

Respectfully submitted,

Tracy Stowell
Executive Coordinator

Issue Papers for Board Agenda Items

Briefing: Employee Opinion Survey

Cordillera Metro District

February 2017 Employee Opinion Survey

[About The Survey](#)

Mountain States Employers Council, Inc. conducted the Cordillera Metro District Employee Opinion Survey in February 2017. All employees were asked to participate in the survey. **49** of **56** eligible employees completed the survey for a response rate of 87.5%. The overall mean of the survey is 4.09.

The survey contained:
52 multiple choice items
3 open-ended items
2 demographic items

[Understanding Your Data](#)

The multiple-choice items are scored on a 1.00 to 5.00 scale, with 5.00 being the most positive possible score. Note, the higher the numerical value, the more positive the results regardless of how the question is worded. The numerical values used in this survey can generally be interpreted as follows:

Very Positive = 3.75 and above

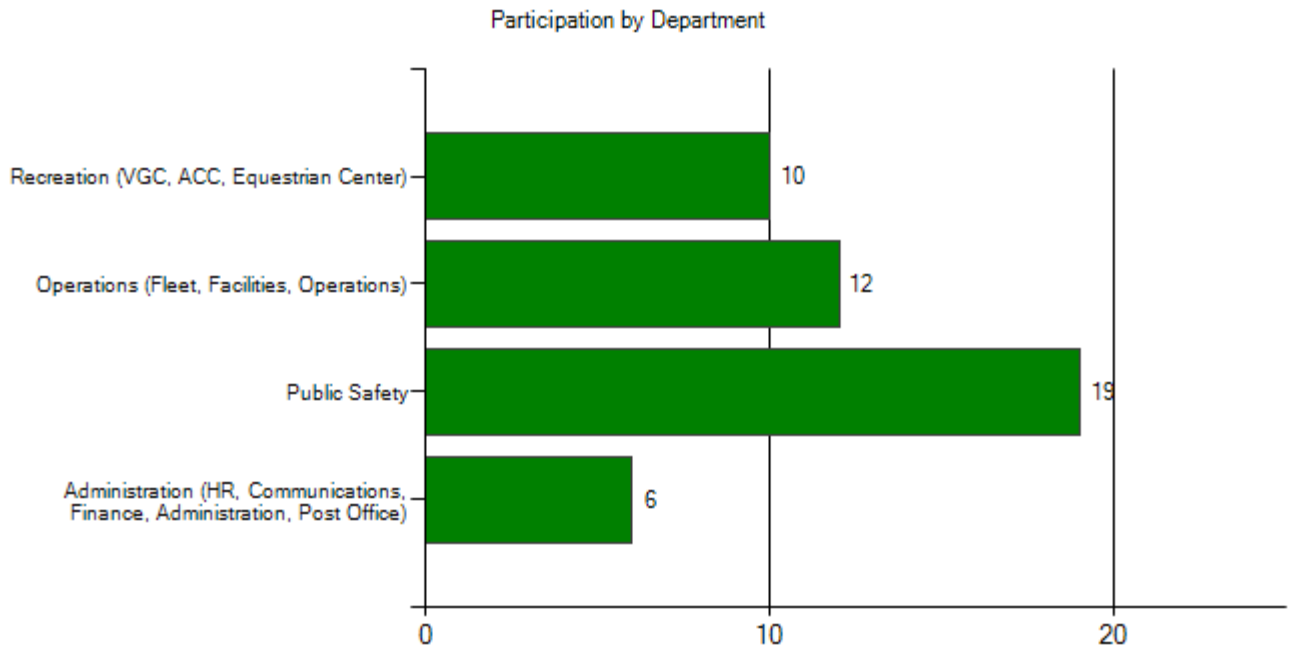
Positive = 3.45 - 3.74

Somewhat Positive = 3.23 - 3.44

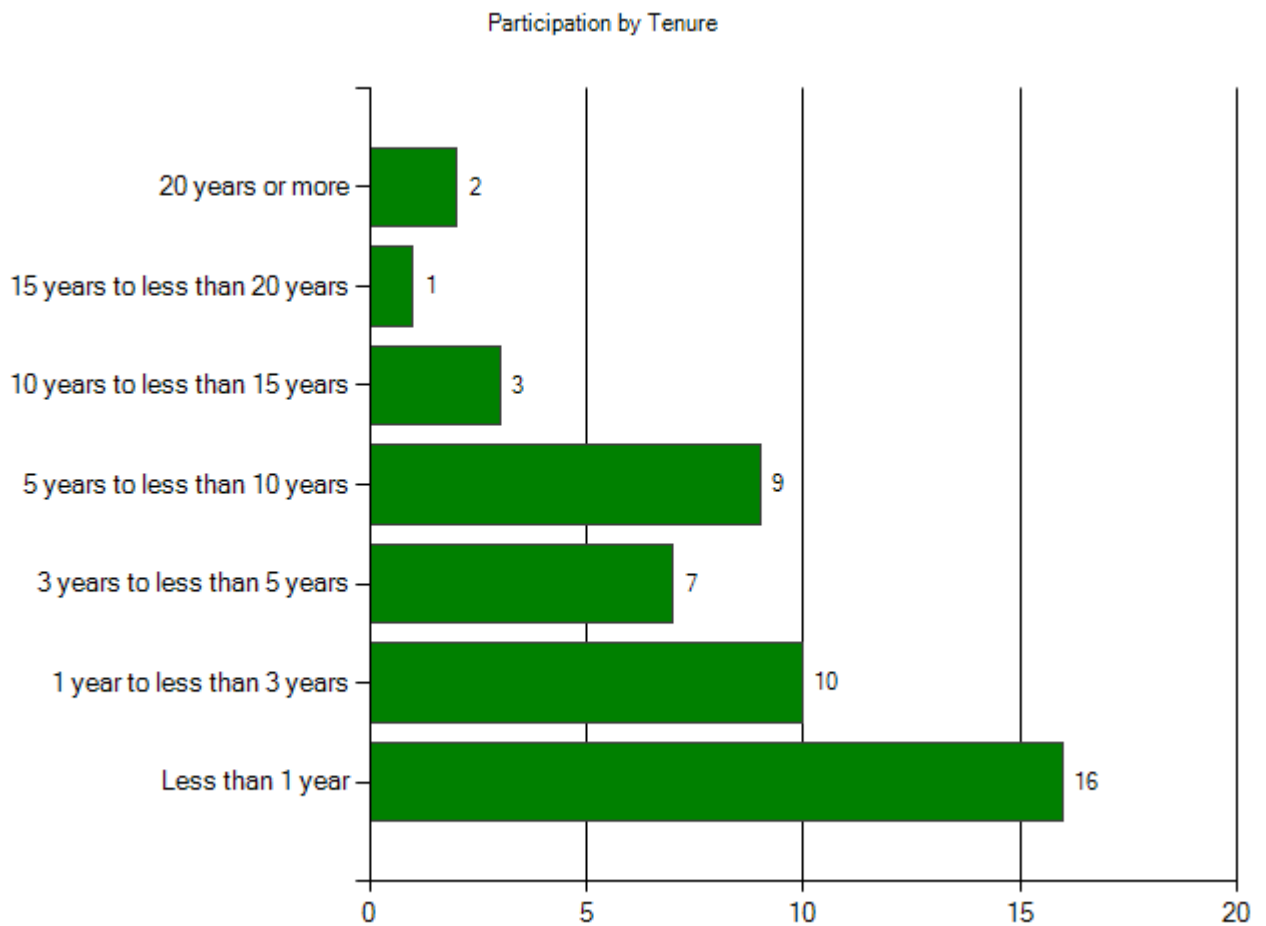
Neutral = 3.01 - 3.22

Negative = Less than 3.00

Participation by Department

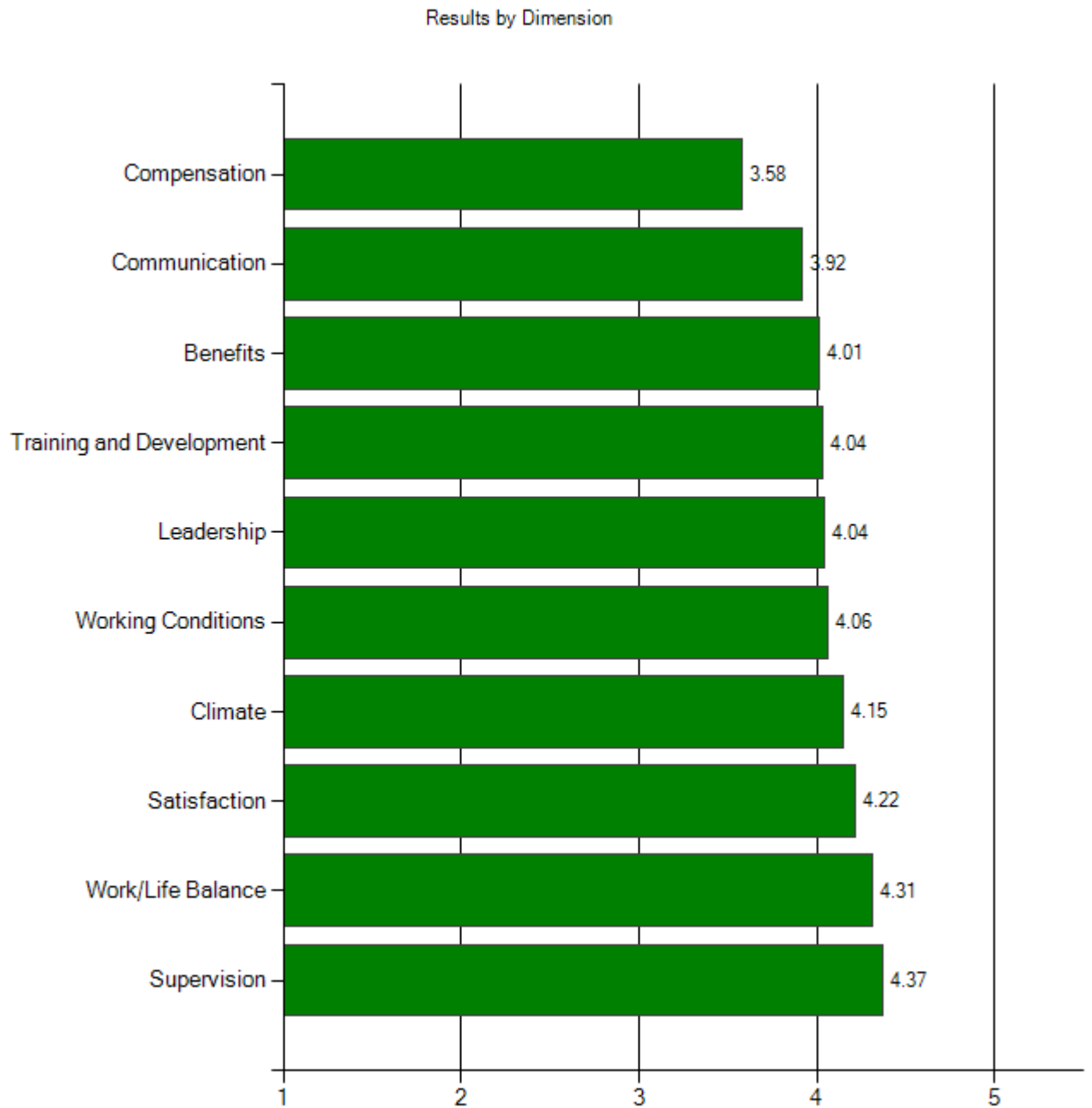


Participation by Tenure



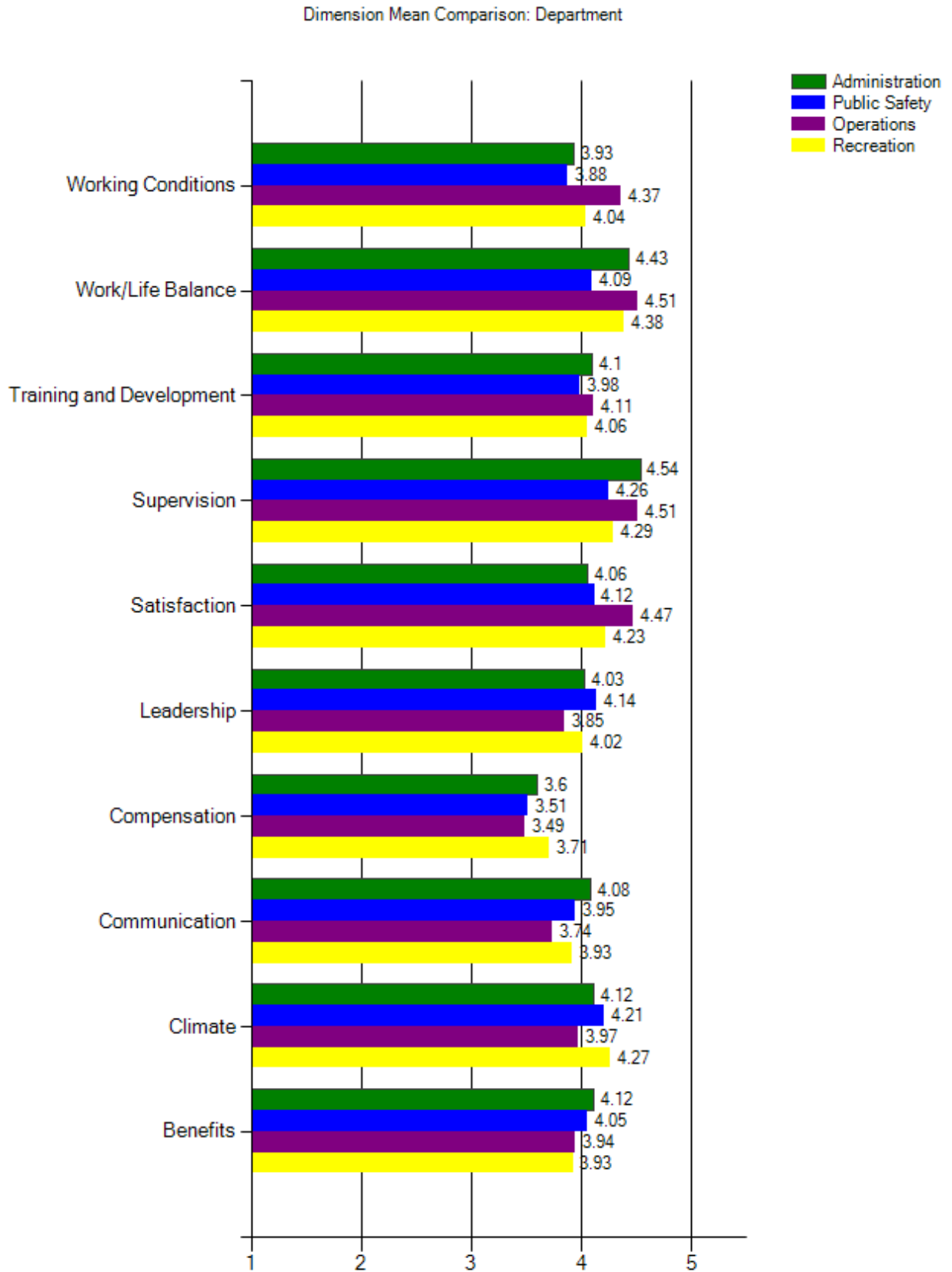
Results by Dimension

Overall mean ratings for each dimension are provided.



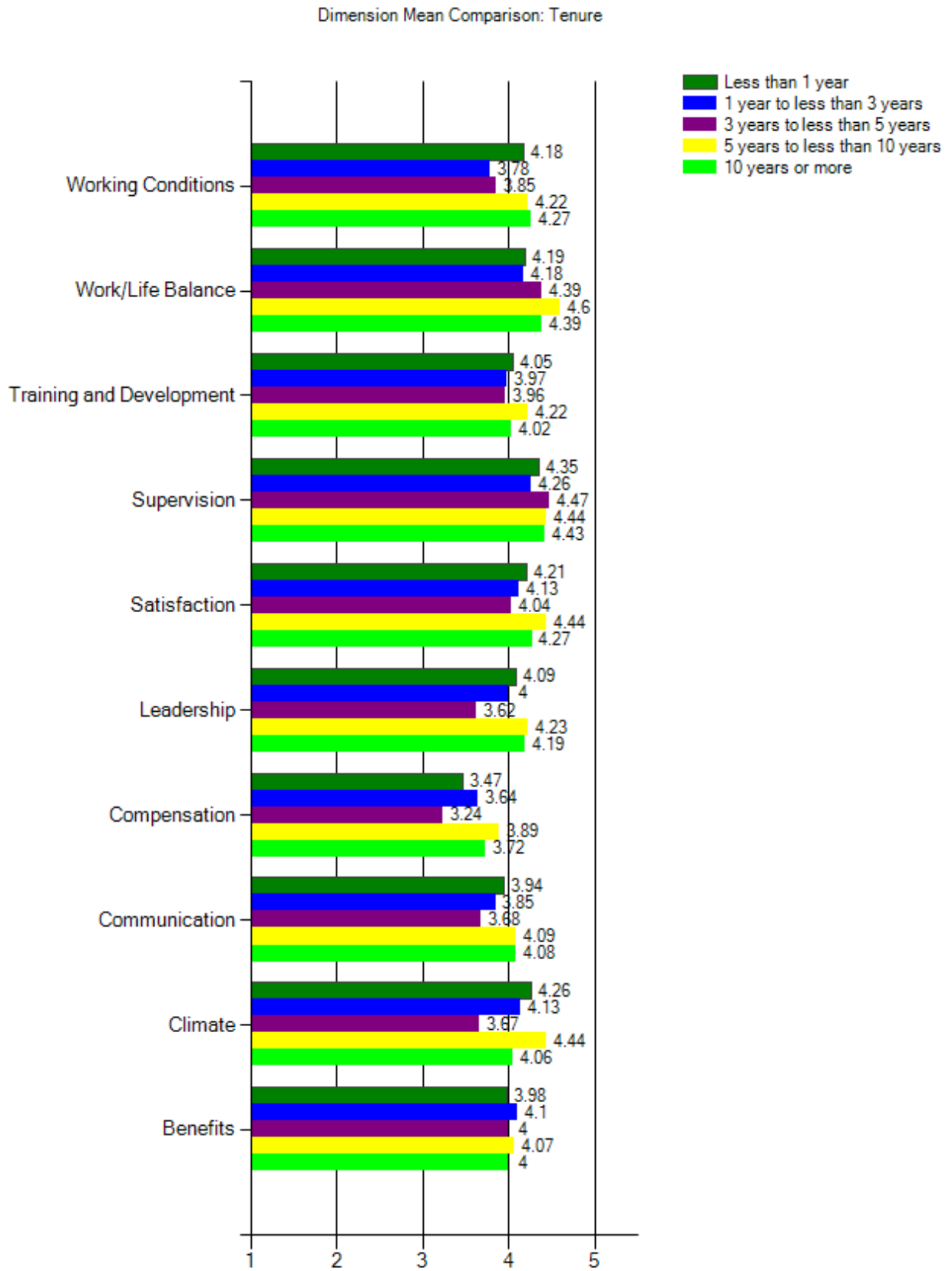
Results by Dimension – Department

Overall mean ratings for each dimension sorted by Department.



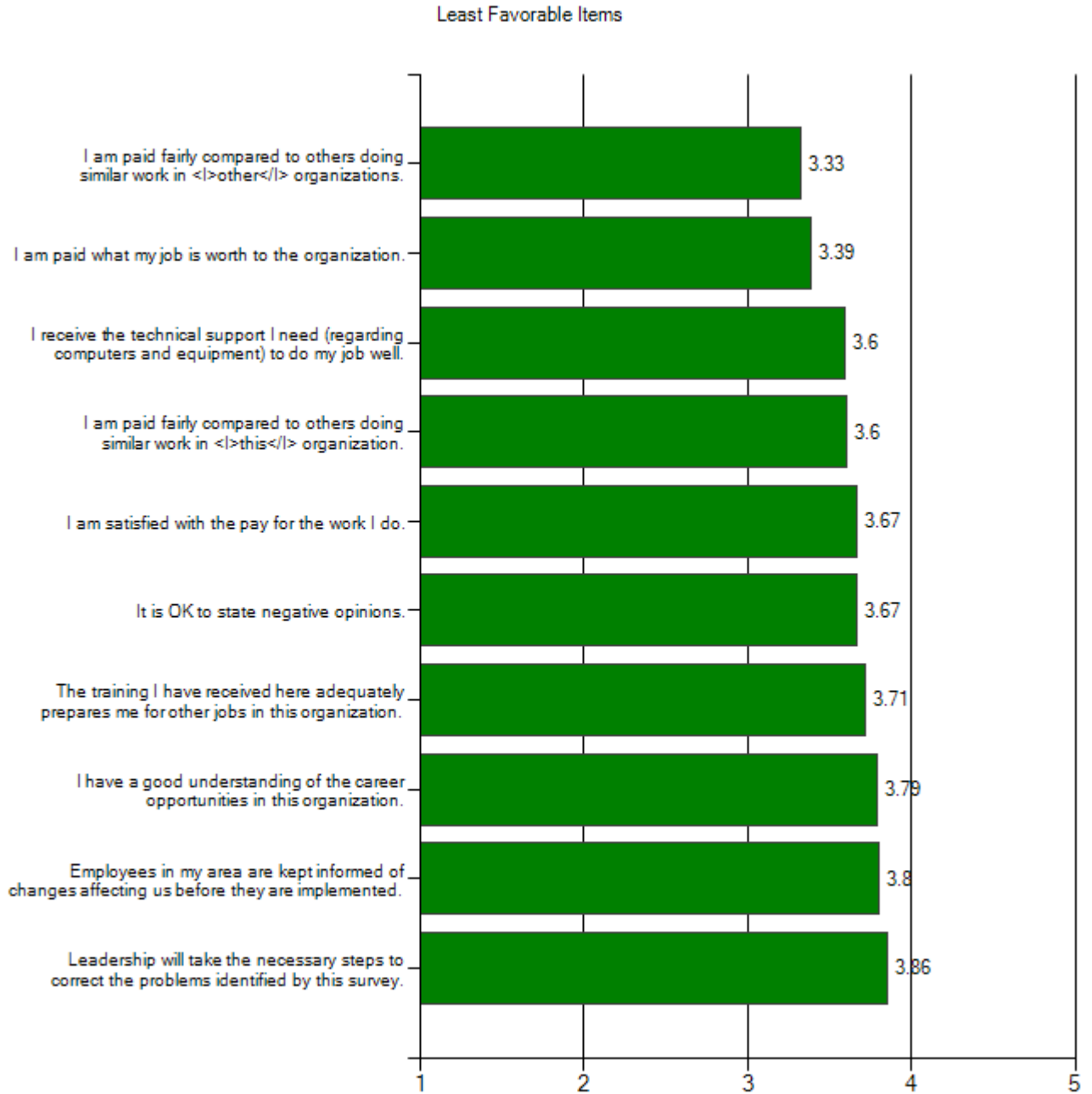
Results by Dimension – Tenure

Overall mean ratings for each dimension sorted by Tenure.



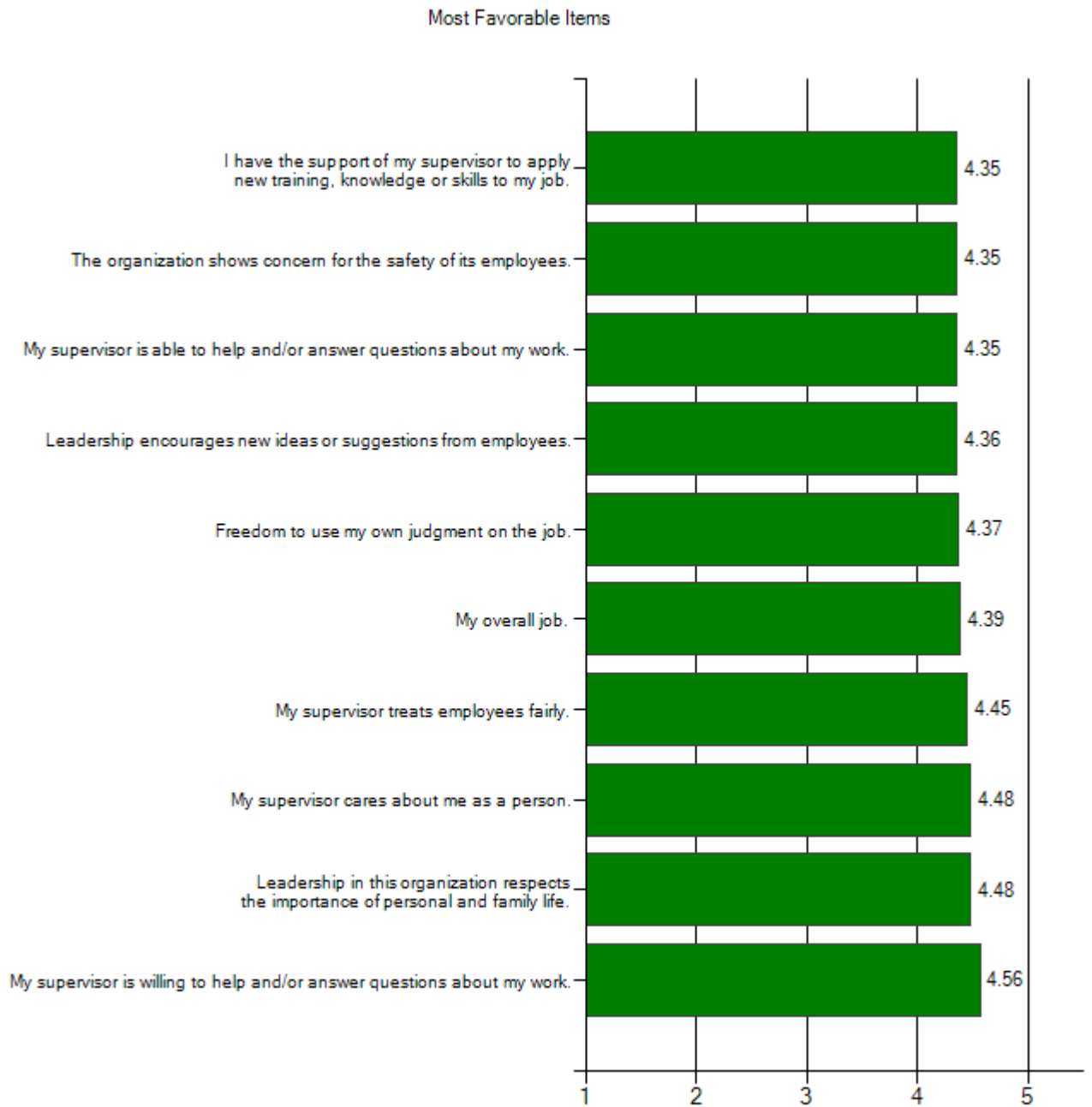
Least Favorable Item Ratings

Below are the bottom ten items in terms of lowest mean employee ratings.



Most Favorable Item Ratings

Below are the top ten items in terms of highest mean employee ratings.





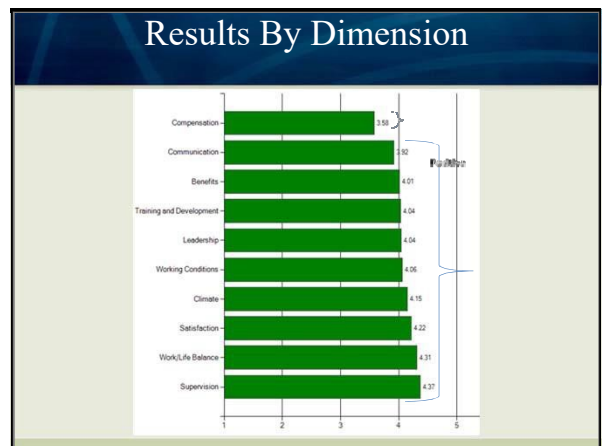
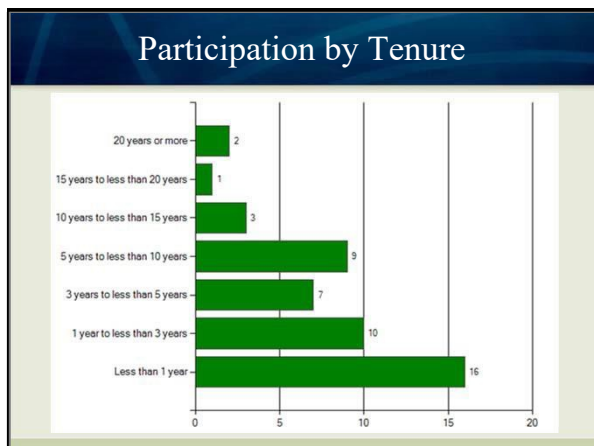
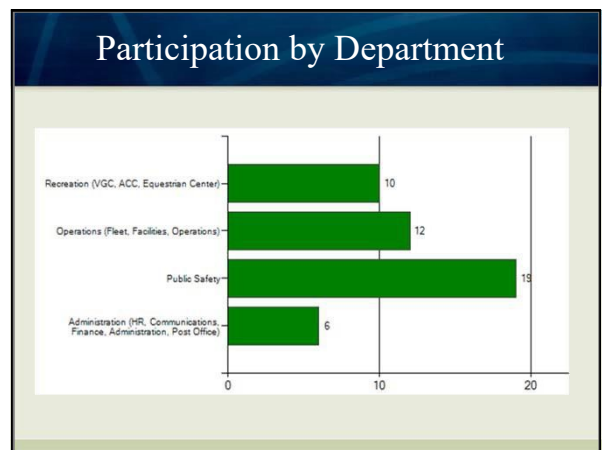
Cordillera Metro District

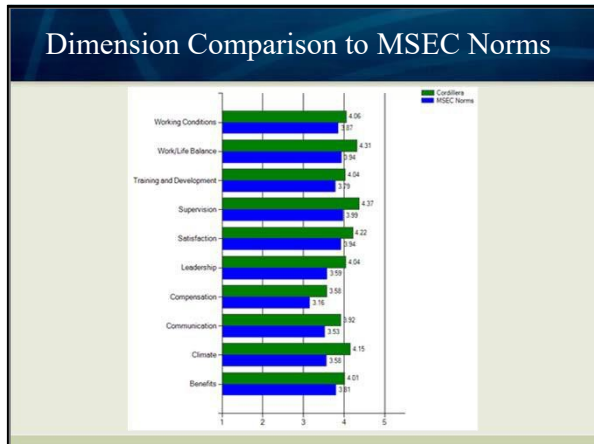
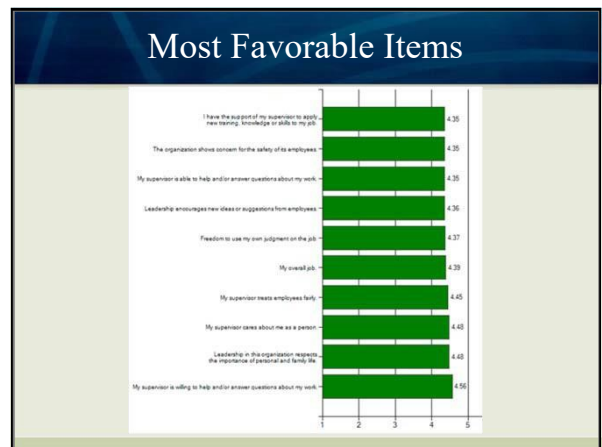
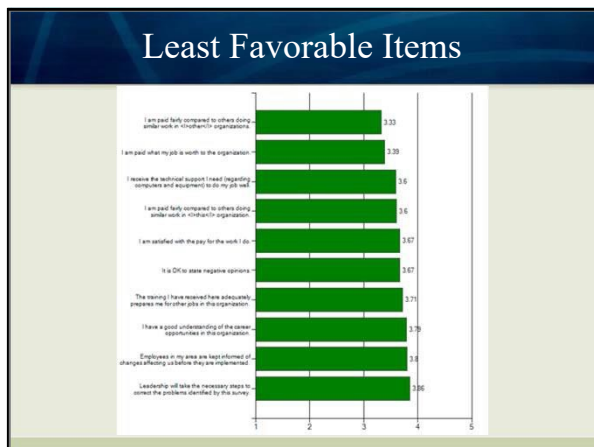
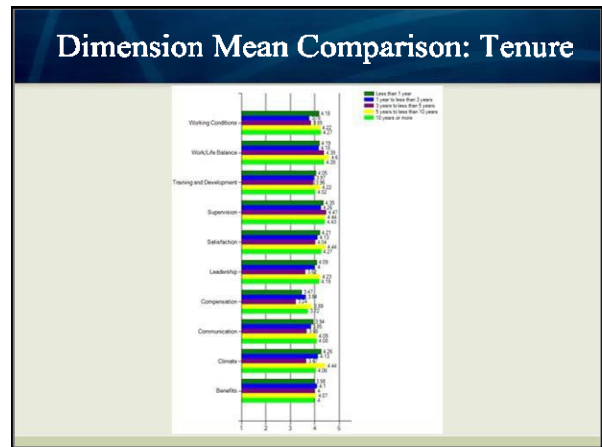
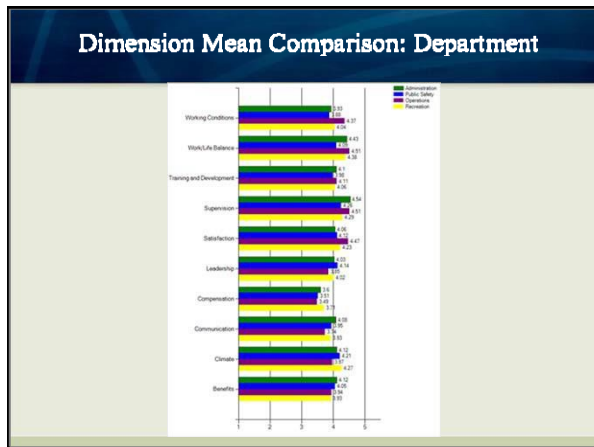
February 2017

About The Survey

- 49 of 56 possible participants completed the survey for a 87.5% response rate.
- The Survey Contained:
 - 52 multiple choice items
 - 3 open ended items
 - 2 demographic items

- Very Positive = 3.75 and above
- Positive = 3.45 to 3.74
- Somewhat Positive = 3.23 to 3.44
- Neutral = 3.01 to 3.22
- Negative = 3.00 and below





Open Ended Question Themes


Question 53: Please describe something about working for this Company that particularly pleases you.

- 52% related to co-workers, camaraderie, teamwork, friendly environment
- 25% related to flexibility of the work and schedules
- 13% related to the ability to use own judgment on the job and when making decisions
- 11% related to compensation and benefits

Open Ended Question Themes	Open Ended Question Themes
<p>Question 54: Please describe something about working for this Company that particularly bothers you.</p> <ul style="list-style-type: none">• 22% related to lack of policies, documentation, training, and expectations• 20% related to improving communication at all levels• 7.5% related to distractions of legal issues• 7.5% related to frustrations with co-workers• 5% related to frustrations with management•	<p>Question 55: Please describe how the General Manager has performed during the first 20 months of her employment.</p> <ul style="list-style-type: none">• 75% had a positive opinion of the GM• 18% had a neutral opinion of the GM or did not answer• 7% had a negative opinion of the GM



MEMORANDUM

TO: Rachel Oys
FROM: Jason Cowles, P.E. 
DATE: March 16, 2017
RE: Cordillera Water System Capital Improvements

The Upper Eagle Regional Water Authority began contract operations on the Cordillera water system in the 1990s. There were known deficiencies in the water system that had been constructed by the Cordillera Developer, particularly with respect to construction standards, water production and storage capacities, fire flow delivery, and water rights. In 2004, the Authority and Cordillera Metro District entered into an Amended and Restated Water Service Agreement. The terms of that agreement required the Cordillera Metro District to:

- Finance and construct certain capital improvements to the water system;
- Convey or purchase various water rights sufficient to serve the full build out of the Cordillera PUD, a portion of which could be refunded if a PUD amendment was enacted that limited the amount of irrigated area on each residential lot and/or existing lot owners signed and recorded vouchers with Eagle County agreeing to be bound by the irrigation limits; and
- Convey the existing water system assets to the Authority.

Water System Master Plans prepared by SGM in 2003 and updated in 2008, identified extensive capital improvements to the water system to improve fire flow deliveries and improve system reliability. The Cordillera Metro District implemented an \$18.50 per SFE per month rate surcharge that the Authority collects from Cordillera customers and passes on to CMD for the purpose of funding ongoing capital improvements to the water system. In or around 2010, CMD completed its most recent capital improvement project based on the Master Plan's recommendations to upsize 6" dead end water mains and improve connectivity in order to improve fire flows to portions of the system around Andorra Road and Cordillera Way.

Last year, District staff was contacted by CMD to prioritize implementation of the next round of water system capital improvement projects with the approximately \$2.3m in funds collected from the rate surcharge. Upon reviewing the 2008 Master Plan, District Engineering staff thought it would be appropriate to revisit design criteria and assumptions used to establish fire flows for the 2008 Master Plan with the Eagle River Fire Protection District and SGM. The Authority committed approximately \$20,000 to fund an update to the 2008 Master Plan focused on fire flow delivery improvements to the Cordillera water system. That study determined that fire flow targets from the 2008 Master Plan could be reduced by approximately 50% on average due to fire sprinkler requirements in the PUD. This change in design criteria eliminated the need to make many of the improvements recommended in the 2008 Master Plan. The remaining capital improvements recommended by the 2016 study 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 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

Clean Water. Quality Life.™

In addition to the \$1.1m in improvements recommend by the 2016 SGM study, District Staff have identified other priorities for capital improvements in the Cordillera system that will bring assets up to Authority standards, improve system reliability, reduce risks, and address new regulatory standards. Those projects include:

- **Fenno Well House Improvements:** The existing well house facility is too small to house pumping equipment to supply the full, firm production capacity of the Fenno Well Field, necessary instrumentation and controls, electrical equipment, and chlorine and fluoride treatment systems. The existing electrical systems must also be brought up to current electrical codes. Preliminary estimates for a well house improvement project range from \$980,000 to \$1,140,000.
- **Fenno Well Raw Water Delivery System:** The raw water delivery network which connects the Fenno wells to the well house facility primarily consists of thin wall, schedule 40 PVC piping that is roughly 25 years or more in age. Schedule 40 PVC piping is not an ideal material for this application because it cannot be correlated for leaks or located using conventional methods and equipment, and the thin walled pipe is prone to breakage. District water department staff have identified this as an area of risk that may warrant replacement of the PVC piping and other appurtenances with higher quality materials to insure uninterrupted service to Cordillera. A condition assessment of the raw water network is anticipated to develop project scope and cost estimates.
- **Territories Backflow Prevention:** The existing water main that was intended to provide fire suppression only to properties within the Territories poses challenges for compliance with new water quality regulations due to the long length of the dead end line and low demands. The Authority plans to add a backflow prevention device on the line immediately after Summit Springs Road to mitigate the risk of water quality issues for customers on Summit Springs Road and Webb Peak Road. This project is estimated to cost \$75,000.
- **Fenno Well #5 Improvements:** The existing well is in need of a new pump, a rebuilt motor, and a new check valve. These improvements are estimated at \$20,000
- **Advanced Metering Infrastructure Tower:** The Authority is in the process of upgrading its metering infrastructure to utilize an advanced metering network that will allow customers to remotely monitor their water usage in real-time using an internet portal. A new radio tower and networking equipment to cover the Cordillera area is estimated to cost \$100,000.
- **Cordillera East Tank 1 Instrumentation and Controls Improvements:** Improvements to the instrumentation and controls at the East Tank 1 are necessary to reduce the risk of future overflows from the tank. Costs are estimated at \$100,000

The Authority Board of Directors has requested that CMD contribute the balance of the funds that it has collected to date from the Cordillera rate surcharge toward the above water system capital improvements. I suggest that our respective legal counsels work together to draft an agreement acknowledging the completion of the terms of the 2004 Amended and Restated Water Service Agreement. The Authority would assume responsibility for funding and implementing the above mentioned capital improvements, and any other capital replacement costs going forward in accordance with the Amended and Restated Water Service Agreement. CMD may then continue to collect, reduce or eliminate the rate surcharge for other water related capital improvements as it sees fit.

LOAN AGREEMENT

by and between

**CORDILLERA METROPOLITAN DISTRICT
(EAGLE COUNTY, COLORADO)**
as Borrower

and

U.S. BANK NATIONAL ASSOCIATION
as Lender

\$_[_____]
**Cordillera Metropolitan District
(Eagle County, Colorado)
General Obligation Refunding Loan 2017**

Dated as of [_____, 2017]

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EXHIBIT A – FORM OF PROMISSORY NOTE
EXHIBIT B – PRINCIPAL PAYMENT SCHEDULE
EXHIBIT C – ANNUAL COMPLIANCE CERTIFICATE

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “Agreement”) is made and entered into as [_____, 2017], by and between **CORDILLERA METROPOLITAN DISTRICT**, Eagle County, Colorado a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and **U.S. BANK NATIONAL ASSOCIATION, NATIONAL ASSOCIATION**, a national banking association, as lender (the “Bank”).

RECITALS

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, the District was created for the purpose of providing certain public improvements and services to and for the benefit of the properties within the District in accordance with the Special District Act (Title 32, Article 1, C.R.S.); and

WHEREAS, the District was formed by the consolidation of the former Cordillera Mountain Metropolitan District, Eagle County, Colorado (as it existed immediately prior to consolidation on April 14, 2003, the “Mountain District”) and the former Cordillera Metropolitan District, Eagle County, Colorado (as it existed immediately prior to consolidation on April 14, 2003, the “Original District”); and

WHEREAS, pursuant to such consolidation, the general obligation indebtedness of each former district will remain the obligation of the area which originally incurred the indebtedness; and

WHEREAS, pursuant to Section 32-1-1101(1), C.R.S., the District is authorized to incur indebtedness for the acquisition, construction, relocation, installation or completion of any improvements or facilities to carry out the purposes of the District; and

WHEREAS, the District previously issued its General Obligation Refunding Bonds (Cordillera Mountain Project), Series 2006B, originally issued in the aggregate principal amount of \$6,840,000 and currently outstanding in the aggregate principal amount of \$[_____] (the “Refunded Bonds”) for the purpose of refunding certain obligations of the Mountain District; and

WHEREAS, the Refunded Bonds maturing on and after December 1, 2017 are subject to redemption prior to maturity on and after December 1, 2016, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date; and

WHEREAS, the Board of Directors of the District has determined that it is in the best interests of the District, its inhabitants and taxpayers, to refund the Refunded Bonds and, for such purpose, the District has requested that the Bank make a loan to the District; and

WHEREAS, the Bank has agreed, subject to the terms and conditions of this Agreement and the other Financing Documents, to make a loan in the original principal amount of \$[_____] (the “Loan”) for such refunding purpose; and

WHEREAS, the Loan shall be issued pursuant to the Public Securities Refunding Act (Title 11, Article 56, C.R.S.); and

WHEREAS, Section 11-56-104(1)(c), C.R.S., provides that a refunding of outstanding obligations of a public body may be accomplished by the issuance of bonds for refunding, paying, and discharging all or any part of such outstanding obligations, including a portion of one or more issues of such obligations and including any interest thereon in arrears or about to become due, for the purpose of reducing total interest payable over the life of the obligations, by issuing bonds of a shorter term, or at a lower net interest cost, or having a lower net effective interest rate; and

WHEREAS, the Loan has a lower net interest cost and a lower net effective interest rate than the Refunded Bonds, and the incurrence of the Loan reduces the total interest otherwise payable over the life of the Refunded Bonds; and

WHEREAS, Section 11-56-107(1), C.R.S., provides that the principal amount of any general obligation refunding bonds (such as the Loan) shall not exceed the original authorized principal amount of the general obligations to be refunded (such as the Refunded Bonds); and

WHEREAS, the original authorized principal amount of the Loan is \$[_____] and such amount does not exceed the original authorized principal amount of the Refunded Bonds of \$6,840,000; and

WHEREAS, pursuant to Article X, Section 20 of the Colorado Constitution, refunding indebtedness may be incurred without an election if issued at a lower interest rate than the bonds being refunded; and

WHEREAS, the net effective interest rate of the Loan is lower than the net effective interest rate on the Refunded Bonds, and thus the proceeds of the Loan are being used for the purpose of refinancing District bonded debt at a lower interest rate and are permitted by Article X, Section 20 of the Colorado Constitution without further electoral authorization; and

WHEREAS, the Bank is willing to enter into this Agreement and to make the Loan to the District pursuant to the terms and conditions stated herein; and

WHEREAS, the Loan shall be unlimited tax general obligations of the District payable from a mill levy upon all taxable property within the District without limitation of rate, in addition to the other components of the Pledged Revenue (defined herein), and the full faith and credit of the District shall be pledged to the payment of the Loan; and

WHEREAS, the District specifically elects to apply the provisions of the Supplemental Public Securities Act (Title 11, Article 57, Part 2, C.R.S.), to the Loan.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties hereto agree as follows.

Article I

DEFINITIONS

“*Agreement*” means this Loan Agreement, as amended or supplemented from time to time.

“*Annual Compliance Certificate*” means the certificate of the District in substantially the form attached as **Exhibit C** hereto, certifying that the Minimum Cash Balance Requirement has been satisfied for the applicable calendar year.

“*Authorizing Resolution*” means the resolution adopted by the Board on [_____, 2017] authorizing the District to incur the indebtedness of the Loan and to execute and deliver the Note, this Agreement, and the other Financing Documents to which the District is a party.

“*Available Mills*” means 99 mills minus the number of mills imposed by the District for operations and maintenance.

“*Bank*” means U.S. Bank National Association, a national banking association, Denver, Colorado, in its capacity as lender of the Loan.

“*Board*” means the Board of Directors of the District.

“*Bond Counsel*” means (a) as of the Closing Date, Butler Snow LLP, Denver, Colorado, and (b) as of any other date, Butler Snow LLP, Denver, Colorado, or such other attorneys selected by the District and acceptable to the Bank with nationally recognized expertise in the issuance of tax-exempt debt.

“*Business Day*” means any day of the week on which the Bank is conducting its banking operations nationally and on which day the Bank’s offices are open for business in Denver, Colorado.

“*Closing*” means the concurrent execution and delivery of the Note, this Agreement, and the other Financing Documents by the respective parties thereto and the issuance and disbursement of the Loan and application of the proceeds thereof in accordance with the provisions hereof and the other Financing Documents.

“*Closing Date*” means date on which the Closing occurs, estimated to be on or about [_____, 2017].

“*Code*” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“*County*” means Eagle County, Colorado.

“C.R.S.” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“*Debt*” of any Person means on any date, without duplication, (a) all obligations of such Person for borrowed money and reimbursement obligations which are not contingent; (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) all obligations of such Person to pay the deferred purchase price of property or services; (d) all obligations of such Person as lessee under capital leases; (e) all Debt of others guaranteed by such Person; (f) all obligations of such Person which are payable from year to year, subject to appropriation of the amounts sufficient to do so, and (g) all payment obligations of such Person, in addition to any obligations set forth in clauses (a) through (f) above arising under any swap, cap, collar, interest rate futures contract, interest rate option contract or other similar arrangement and under any foreign exchange contract, currency swap agreement, foreign exchange futures contract, foreign exchange option contract, synthetic cap or other similar agreement; provided that it is understood that Debt does not include contingent obligations of such Person to reimburse any other Person in respect of surety bonds or letters of credit to the extent that such surety bonds or letters of credit support Debt of such Person or any operating leases, payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of such Person; and further provided, that for purposes of this definition, if any of the agreements or contracts set forth in clause (g) above relate to any other obligation of a Person which is otherwise included in this definition of Debt, such agreements and contracts shall constitute Debt only to the extent that the payment obligations of such Person thereunder, less any amounts receivable by such Person thereunder, exceed or are expected to exceed the interest payable on the related Debt.

“*Default*” means an event, act or occurrence which, with the giving of notice or the lapse of time (or both), would become an Event of Default.

“*Default Rate*” has the meaning set forth in Section 2.02(b)(ii) hereof.

“*District*” means the metropolitan district formed by the consolidation of the Mountain District and the Original District on April 14, 2003, and its successors.

“*Event of Default*” has the meaning set forth in Section 7.01 hereof.

“*Financing Documents*” means this Agreement, the Note, and the Authorizing Resolution, as the same may be amended or supplemented from time to time.

“*Fixed Rate*” has the meaning set forth in Section 2.02(b)(i) hereof.

“*General Obligation Indebtedness*” means the general obligation indebtedness payable in whole or in part, as applicable, from taxes levied on property in the Mountain District, including (i) the Loan; (ii) the District’s General Obligation Refunding Bonds, Series 2015, originally issued in the aggregate principal amount of \$1,650,000; (iii) the Mountain District’s pro rata share of any Permitted Debt authorized for issuance hereunder, determined by comparing the last certified assessed valuation of the Mountain District to the last certified assessed valuation of the District; and (iv) any general obligation indebtedness issued by the District to refund any of the foregoing.

“*Interest Differential*” has the meaning set forth in Section 2.03 hereof.

“*Interest Payment Date*” means June 1 and December 1 of each year, commencing on [June 1, 2017], and the Maturity Date.

“*Interest Period*” means the period commencing on the applicable Interest Payment Date to (but not including) the next succeeding Interest Payment Date.

“*Loan*” has the meaning set forth in the recitals hereof.

“*Loan Amount*” means \$[_____].

“*Loan Balance*” means the Loan Amount less any payments of principal received by the Bank for application to the Loan.

“*Maturity Date*” means December 1, 2022.

“*Maximum Annual Debt Service*” means (a) the maximum principal and interest due on existing or proposed General Obligation Indebtedness payable from general ad valorem taxes levied against all of the taxable property within the Mountain District (but not the Original District) in any calendar year and (b) the Mountain District’s pro rata share of the maximum principal and interest due on existing or proposed General Obligation Indebtedness of the District in any calendar year, determined by comparing the most recent certified assessed valuation of the Mountain District to the most recent certified assessed valuation of the District. [**Note: interest calculation to be discussed.** If interest is set on a variable rate, then the interest rate in effect on December 31 of the immediately preceding calendar year of the year in which the Maximum Annual Debt Service calculation is made, plus one percentage (1%) point, shall be used for purposes of calculating Maximum Annual Debt Service].

“*Minimum Cash Balance Requirement*” has the meaning set forth in Section 5.23 hereof.

“*Mill Levy*” means the general ad valorem tax levy required to be imposed by the District pursuant to Section 5.10 hereof for the payment of the Loan and the other General Obligation Indebtedness.

“*Net Effective Interest Rate*” has the meaning set forth in Section 2.02(e) hereof.

“*Note*” means the promissory note evidencing the indebtedness of the Loan, dated of even date herewith, from the District, as Maker, to the Bank, as Payee, issued in an original principal amount equal to the Loan Amount in substantially the form of **Exhibit A** hereto.

“*Mountain District*” means the former Cordillera Mountain Metropolitan District, Eagle County, Colorado (as it existed immediately prior to consolidation with the Original District on April 14, 2003).

“*Original District*” means the former Cordillera Metropolitan District, Eagle County, Colorado (as it existed immediately prior to consolidation with the Mountain District on April 14, 2003).

“*Participant*” has the meaning set forth in Section 8.02(c) hereof.

“*Patriot Act*” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001).

“*Permitted Debt*” means Debt issued pursuant to the provisions of Section 5.11(b) hereof.

“*Permitted Investments*” means any investment or deposit permissible for the District under then applicable law.

“*Person*” means an individual, a corporation, a partnership, an association, a joint venture, a trust, an unincorporated organization or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“*Pledged Revenue*” means the following, less costs of collection:

(a) such portion of the revenue derived by the District from the imposition of the Mill Levy as is sufficient to pay the principal of and interest on the Loan as the same becomes due; and

(b) any other legally available moneys of the District, in the District’s absolute discretion.

“*Public Securities Refunding Act*” means Title 11, Article 56, C.R.S.

“*Refunded Bonds*” means the District’s General Obligation Refunding Bonds (Cordillera Mountain Project), Series 2006B, originally issued in the aggregate principal amount of \$6,840,000 and currently outstanding in the aggregate principal amount of \$[_____].

“*Refunded Bonds Resolution*” means the resolution authorizing the issuance of the Refunded Bonds adopted by the Board on [_____, 2017].

“*Special District Act*” means Title 32, Article 1, C.R.S.

“*Supplemental Public Securities Act*” means Title 11, Article 57, Part 2, C.R.S.

“*Tax Certificate*” means the tax compliance certificate to be signed by the District, in a form acceptable to Bond Counsel, relating to the requirements of Sections 103 and 141-150 of the Code.

“*Unencumbered Cash Balance*” means, as of any relevant date, the sum of all unencumbered and unrestricted cash then on deposit in the District’s general fund.

Article II

LOAN

Section 2.01 Loan In General.

(a) **Agreement To Make Loan.** The Bank hereby agrees to extend the Loan to the District in the aggregate original principal amount of \$[_____] (as previously defined, the “Loan Amount”) subject to the terms and conditions of this Agreement. The Loan shall be evidenced by the Note, the form of which is set forth in **Exhibit A** attached hereto.

(b) **Application of Loan Proceeds.** On the Closing Date the Bank shall fund the Loan by disbursing the gross proceeds thereof in the amount of \$[_____] pursuant to a closing memorandum approved by the Bank and the District.

Section 2.02 Interest Rates; Interest Payments; Principal Payments.

(a) **Interest Computations; Compounding.** All interest due and payable under this Agreement shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable Interest Period. Interest not paid when due shall compound on each Interest Payment Date at the rate of interest then borne by the Loan as provided in Section 2.02(b) below. The Bank’s internal records of applicable interest rates shall be determinative in the absence of manifest error.

(b) **Interest Rates.**

(i) **Fixed Rate.** Subject to the provisions of subsection (ii) of this Section 2.02(b), the Loan Balance shall bear interest at a fixed rate equal to [_____] % per annum (the “Fixed Rate”).

(ii) **Default Rate.** Immediately upon the occurrence of an Event of Default, the Loan Balance shall bear interest at a rate per annum equal to the sum of the Fixed Rate *plus* 5.00% (the “Default Rate”). The Default Rate shall remain in effect until such time as the applicable Event of Default is cured to the satisfaction of the Bank.

(c) **Interest Payments.** Interest payments on the Loan shall be due and payable semi-annually on each Interest Payment Date. To the extent not paid when due, interest will compound on each Interest Payment Date.

(d) **Principal Payments.** Principal payments on the Loan shall be due and payable on December 1 of each year, commencing December 1, 2017, and on the Maturity Date, in the amounts set forth on **Exhibit B** attached hereto.

(e) **Maximum Interest Rate.** Notwithstanding the foregoing provisions, the maximum Net Effective Interest Rate that the District is authorized to pay with respect to the Loan is 5.0142% per annum and the Loan shall not bear interest at a rate in any particular Interest Period that would cause the Net Effective Interest Rate on the Loan, calculated as of the end of such Interest Period, to exceed 5.0142% per annum. For purposes of the foregoing, the

“Net Effective Interest Rate” shall mean, as of the end of any Interest Period, the total amount of interest accrued hereunder on the Loan from the date of execution of this Agreement through the last day of such Interest Period, divided by the sum of the products derived by multiplying the principal amount of the Loan outstanding in each year by the number of years from the date of this Agreement to the last day of such Interest Period (or the date on which such principal amount was actually paid, if earlier). In addition to the foregoing, to the extent amounts due to the Bank have not been fully repaid, the provisions of Section 2.03 hereof shall apply. If, with respect to the definition of “Net Effective Interest Rate,” the provisions of this Section 2.02(e) conflict with the provisions of Public Securities Refunding Act, the provisions of Public Securities Refunding Act shall govern.

Section 2.03 Application of Maximum Rate to Interest Differential. If the interest due and payable on any obligation hereunder computed at the applicable rate as provided in Section 2.02(b) hereof is in excess of the amount actually paid by the District as a result of the provisions of Section 2.02(e) hereof, the difference between what would have been the interest payable on such obligation had it accrued interest at the applicable rate as provided in Section 2.02(b) hereof and the actual interest paid by the District on such obligation (the “Interest Differential”) shall remain an obligation of the District. If at any time there is an Interest Differential owed to the Bank, any reduction in interest rate that would result from the application of the provisions of Section 2.02(b) hereof shall not reduce the rate of interest below the maximum Net Effective Interest Rate as computed pursuant to Section 2.02(e) hereof until such time as such Interest Differential has been repaid to the Bank.

Section 2.04 Prepayment of Loan. Upon two Business Days’ prior written notice to the Bank, the District may prepay, in whole or in part, amounts owing under the Note at any time and from time to time. Such prepayment notice shall specify the amount of the prepayment which is to be applied. No prepayment indemnity, penalty or fee shall be due with respect to any prepayment made pursuant to this Section 2.04.

Section 2.05 Manner of Payments. All interest, fees, and other payments to be made hereunder by or on behalf of the District to the Bank shall be made, and shall not be considered made until received, in lawful money of the United States of America in immediately available funds. The District shall make each payment hereunder in the manner and at the time necessary so that each such payment is received not later than 12:00 p.m., Denver time, on the day when due. Any payment received after 12:00 p.m., Denver time, shall be deemed made on the next succeeding Business Day. All payments made hereunder by or on behalf of the District to the Bank may be applied to amounts due hereunder in such order of priority as the Bank shall elect.

Section 2.06 Costs and Expenses. The District agrees to pay all reasonable costs and expenses of the Bank in connection with (a) the preparation, execution and delivery of this Agreement or any other documents, including the other Financing Documents, which may be delivered by any party in connection with the transactions contemplated under this Agreement and the other Financing Documents; (b) the filing, recording, administration (other than normal, routine administration), enforcement, transfer, amendment, maintenance, renewal or cancellation of this Agreement and all amendments or modifications thereto (or supplements hereto), including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Bank and the allocated cost of in-house counsel and legal staff and independent public

accountants and other outside experts retained by the Bank in connection with any of the foregoing; and (c) the fees and expenses of any custodian appointed by the Bank to hold any collateral securing the obligations of the District hereunder. In addition, the District agrees to pay promptly all costs and expenses of the Bank, including, without limitation, the reasonable fees and expenses of external counsel and the allocated cost of in-house counsel, for (i) any and all amounts which the Bank has paid relative to the Bank's curing of any Event of Default under this Agreement or any of the other Financing Documents; (ii) the enforcement of this Agreement or any of the other Financing Documents; or (iii) any action or proceeding relating to a court order, injunction, or other process or decree restraining or seeking to restrain the District from paying any amount hereunder. Without prejudice to the survival of any other agreement of the District hereunder, the agreements and obligations contained in this Section 2.06 shall survive the payment in full of all amounts owing to the Bank hereunder.

Section 2.07 Obligations Unconditional. The District's obligation to repay the Loan and all of its other obligations under this Agreement shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the District may have against the Bank, any Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of the Loan hereunder, and irrespective of the legality, validity, regularity or enforceability of all or any of the Financing Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Bank explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, all or any of the Financing Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the District hereunder or under the other Financing Documents and any other circumstances or happening whatsoever, whether or not similar to any of the foregoing. Notwithstanding the foregoing, only the taxable property of the Mountain District (and not the taxable property of the Original District) is subject to the levy of a general ad valorem tax to pay the principal of and interest on the Loan.

Section 2.08 Waivers. To the fullest extent permitted by law: (a) the District hereby waives (i) presentment, demand, notice of demand, protest, notice of protest, notice of dishonor and notice of nonpayment; (ii) to the extent the Bank is not in default hereunder, the right, if any, to the benefit of, or to direct application of, any security hypothecated to the Bank until all obligations of the District to the Bank hereunder, howsoever arising, have been paid; (iii) the right to require the Bank to proceed against the District hereunder, or against any Person under any guaranty or similar arrangement, or under any agreement between the Bank and any Person or to pursue any other remedy in the Bank's power; (iv) all statutes of limitation; and (v) any defense arising out of the election by the Bank to foreclose on any security by one or more non-judicial or judicial sales; (b) the Bank may exercise any other right or remedy, even though any such election operates to impair or extinguish the District's right to repayment from, or any other right or remedy it may have against, any Person, or any security; and (c) the District agrees that the Bank may proceed against the District or any Person directly and independently of any other, and that any forbearance, change of rate of interest, or acceptance, release or substitution of any security, guaranty, or loan or change of any term or condition thereunder or under any Financing Document (other than by mutual agreement between the District and the Bank) shall not in any way affect the liability of the District hereunder.

Section 2.09 Taxes, Increased Costs and Reduced Return.

(a) To the extent permitted by law any and all payments by the District hereunder (or with respect to the Note) shall be made, in accordance with Section 2.07 hereof, free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding taxes imposed on the overall net income of the Bank (and franchise taxes imposed in lieu of net income taxes) by the jurisdiction of the Bank's applicable lending office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the District shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder (or with respect to the Note) then, to the extent permitted by law, (A) the sum payable shall be increased as may be necessary so that after making all required withholdings or deductions (including those Taxes payable solely by reason of additional sums payable under this Section 2.09) the Bank receives an amount equal to the sum it would have received had no such withholdings or deductions been made, (B) the District shall make such withholdings or deductions, and (C) the District shall pay the full amount withheld or deducted to the relevant taxing authority or other authority in accordance with applicable law.

In addition, to the extent permitted by law, the District agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise under the laws of the United States or the State from any payment made hereunder or with respect to the Note or otherwise with respect to this Agreement or the Note (hereinafter referred to as "Other Taxes").

If the District fails to pay Taxes and/or Other Taxes (including Taxes imposed by any jurisdiction on amounts payable under this Section 2.09(a)) required to be paid by the District pursuant to the preceding two paragraphs in accordance with applicable law, then the District shall, to the extent permitted by law, indemnify and hold harmless the Bank, and reimburse the Bank, as applicable, for the full amount of Taxes and Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.09(a)) paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. The District shall have the right to contest the imposition of Taxes and/or Other Taxes that the District believes, in good faith, were incorrectly or illegally asserted; however, such right shall not affect the obligation of the District to indemnify and hold harmless the Bank as provided in this Section 2.09(a) and in Section 8.03 hereof. Payments by the District pursuant to this Section 2.09(a) shall be made within 30 days from the date the Bank makes written demand therefor which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof.

Within 30 days after the date of any payment of Taxes by the District, the District shall furnish to the Bank, at its address referred to in Section 8.05 hereof, the original or a certified copy of a receipt evidencing payment thereof. The District shall compensate the Bank

for all reasonable losses and expenses sustained by the Bank as a result of any failure by such party to so furnish such copy of such receipt.

Any amounts paid by the District to the Bank pursuant to this Section 2.09(a) which are subsequently recovered by the Bank from any taxing agency shall be repaid to the District within 30 days of receipt thereof by the Bank.

Without prejudice to the survival of any other agreement of the District hereunder, the agreements and obligations contained in this Section 2.09(a) shall survive the payment in full of all amounts owing to the Bank hereunder.

(b) (i) If, on or after the date of this Agreement, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, including, notwithstanding the foregoing, all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act regardless of the date enacted, adopted or issued, or compliance by the Bank or any Participant with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(A) subjects the Bank or any Participant to any Taxes, or changes the basis of taxation of payments (other than with respect to taxes imposed on the overall net income of the Bank or such Participant) to the Bank or any Participant in respect of the Loan or participations therein; or

(B) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Bank or any Participant; or

(C) imposes any other condition the result of which is to increase the cost to the Bank or any Participant of issuing or participating in the Loan, or reduces any amount receivable by the Bank or any Participant in connection with the Loan or participations therein, or requires the Bank or any Participant to make any payment calculated by reference to the amount of the Loan or participations therein held or interest or fees received by it, by an amount deemed material by the Bank or such Participant, as the case may be, and the result of any of the foregoing is to increase the cost to the Bank or such Participant, as the case may be, of issuing or participating in the Loan or to reduce the return received by the Bank or such Participant, as the case may be, attributable to the Default Rate charged in connection with the Loan or participations therein, then, within 15 days after demand by the Bank, the District shall pay the Bank such additional amount or amounts as will compensate the Bank or such Participant, as the case may be, for such increased cost or reduction in amount received.

(iii) If after the effective date of this Agreement there shall occur any enactment, promulgation, imposition, implementation, interpretation or administration of, or change to, any Regulation, whether such Regulation was created before or after the date of this

Agreement, which shall have the effect of imposing on the Bank (or through the Bank's holding company) any tax (excluding taxes on its overall net income and franchise taxes), charge, fee, assessment or deduction of any kind whatsoever, additional reserve or capital adequacy requirements, special deposits or similar requirements against credit extended by the Bank, assets of, deposits with or for the account of Bank or any other conditions affecting the extensions of credit under this Agreement, then the District shall pay to the Bank such additional amount as the Bank deems necessary to compensate the Bank for any increased cost to the Bank attributable to the extension(s) of credit under this Agreement and/or for any reduction in the rate of return on the Bank's capital and/or the Bank's revenue attributable to such extension(s) of credit, attributable to any calendar year. As used above, the term "Regulation" shall include any federal, state or international law, governmental or quasi-governmental rule, regulation, policy, guideline or directive (including but not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act and enactments, issuances or similar pronouncements by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices or any similar authority and any successor thereto) that applies to the Bank. Any amount payable to the Bank under this paragraph shall be paid upon demand by the Bank. In addition, if the Bank determines that such cost or reduction will be ongoing or recurring, the Bank may by notice to the District elect to require payment of such amounts with regularly scheduled payments under the Loan. The Bank's method of determining any amount payable to the Bank under this paragraph shall be substantially the same as that method utilized by the Bank in implementing similar provisions for similarly situated borrowers and extensions of credit. The Bank's determination of such additional amount shall be determinative in the absence of manifest error.

Without prejudice to the survival of any other agreement of the District hereunder, the agreements and obligations contained in this Section 2.09(b) shall survive the payment in full of all amounts owing to the Bank hereunder.

Section 2.10 Pledge. The District hereby assigns, transfers, pledges, hypothecates, delivers and grants to the Bank a first priority security interest in and to the Pledged Revenue to secure the payment of the principal of and interest on the Loan and all other amounts due and owing to the Bank hereunder. The lien of the Bank on the Pledged Revenue shall be subject to no other liens without the prior written consent of the Bank. The District represents and warrants that the Pledged Revenue is not and shall not be subject to any other lien or encumbrance without the prior written consent of the Bank.

Section 2.11 Conditions to Closing. The making by the Bank of the Loan is conditioned upon the satisfaction of each of the following on or prior to the Closing Date:

(a) ***Financing Documents.*** All Financing Documents and other instruments applicable to the Loan are in form and content satisfactory to the Bank; have been duly executed and delivered in form and substance satisfactory to the Bank and have not been modified, amended or rescinded and are in full force and effect on and as of the Closing Date and executed original or certified copies of each thereof shall have been delivered to the Bank.

(b) ***Certified Proceedings.*** The Bank is in receipt of an executed original or certified copy of the Authorizing Resolution of the District, which shall be in form and content

satisfactory to the Bank and duly and properly authorize the District to issue the Loan, to execute and deliver the this Agreement and the other Financing Documents to which the District is a party, and perform all acts contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the District authorized to sign this Agreement and the other Financing Documents to be delivered by the District hereunder and as to other matters of fact as shall reasonably be requested by the Bank.

(c) ***District Certificate.*** The District has provided the Bank with a certificate certifying that on the Closing Date each representation and warranty on the part of the District contained in this Agreement and in any other Financing Document to which the District is a party is true and correct and no Event of Default, or event which would, with the passage of time or the giving of notice, constitute an Event of Default, has occurred and is continuing and no default exists under any other Financing Document to which the District is a party, or under any other agreement by and between the District and the Bank relating to the Loan and certifying as to such other matters as the Bank might reasonably request.

(d) ***Other Proceedings.*** All proceedings of any Party taken in connection with the transactions contemplated by this Agreement and the other Financing Documents, and all instruments, authorizations and other documents applicable thereto, are satisfactory to the Bank and its counsel.

(e) ***Opinion of Bond Counsel.*** The Bank shall have received an opinion of Bond Counsel dated as of the Closing Date and addressed to the Bank, with respect to such matters as the Bank may require, including opinions to the effect that the obligations of the District under this Agreement constitute a legal, valid and binding general obligation of the District, enforceable against the District in accordance with the terms of this Agreement; and which opinion shall address the tax exemption of the interest on the Loan for state and federal purposes including, without limitation, an opinion to the effect that the Loan constitutes a qualified tax-exempt obligation under Section 265(b)(3)(B) of the Code; and otherwise in form and substance satisfactory to the Bank and its counsel.

(f) ***Opinion of General Counsel.*** The Bank shall have received an opinion of counsel to the District dated as of the Closing Date and addressed to the Bank, with respect to such matters as the Bank may require, including opinions as to the validity of the District's organization and existence; to the effect that all governmental approvals, if any, necessary for the District to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the District is a party have been duly obtained; that the Authorizing Resolution was duly and properly adopted, is in full force and effect, and has not been rescinded as of the Closing Date; that this Agreement and the other Financing Documents to which the District is a party have been duly authorized, executed, and delivered by the District; and otherwise in form and substance acceptable to the Bank and its counsel.

(g) ***No Change in Law.*** No law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the District from fulfilling its obligations under this Agreement or the other Financing Documents to which the District is a party.

(h) ***Payment of Costs and Expenses.*** All Bank counsel fees and any other fees and expenses due and payable in connection with the execution and delivery of this Agreement and the other Financing Documents and the transactions contemplated hereunder and thereunder shall have been paid by the District.

(i) ***Due Diligence.*** The Bank shall have been provided with the opportunity to review all pertinent financial information regarding the District; all agreements, documents, and any other material information relating to the District or the Pledged Revenue; and any other pertinent data relating to District or the Pledged Revenue.

(j) ***Accuracy and Completion.*** All information provided by the District to the Bank shall be, as of the Closing Date, complete and accurate in all respects.

(k) ***No Breach or Other Violation.*** The District shall not, as of the Closing Date, be in violation or breach of any other agreement with the Bank or of any third party of any nature or kind.

(l) ***No Material Adverse Change.*** No material adverse change has, in the sole opinion of the Bank based on its business expertise, occurred with respect to the District's business operations, financial condition or performance, as reflected in the most recent financial statements provided to the Bank or as otherwise known by the Bank.

(m) ***No Structural Changes.*** No change in the structure of the financing transactions relating to the Loan has occurred since that initially presented to and agreed upon by the Bank.

(n) ***Colorado Municipal Bond Supervision Act.*** The Bank shall be in receipt of evidence satisfactory to the Bank that the Loan is exempt from the registration requirements of the Colorado Municipal Bond Supervision Act.

(o) ***Other Certificates and Approvals.*** The Bank shall have received such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Bank.

(p) ***Refunding of Refunded Bonds.*** The Bank shall be in receipt of evidence satisfactory to it that the Refunded Bonds have been duly and properly redeemed and that the Refunded Bonds are longer outstanding within the meaning of the Refunded Bonds Resolution.

(q) ***Minimum Unencumbered Cash Balance.*** The Bank shall be in receipt of evidence satisfactory to it that, on the Closing Date, the District has an Unencumbered Cash Balance equal to the Minimum Cash Balance Requirement.

(r) ***Other Legal Matters.*** All other legal matters pertaining to the execution and delivery of this Agreement and the other Financing Documents and the full and timely performance of the transactions contemplated hereunder and thereunder shall be reasonably satisfactory to the Bank.

Article III

RESERVED

Article IV

REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

While any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the District continuously represents and warrants to the Bank as follows:

Section 4.01 Due Organization. The District is a public or quasi-municipal subdivision of the State of Colorado and a body corporate duly organized and validly existing under the laws of the State of Colorado.

Section 4.02 Power and Authorization. The District has all requisite power and authority to own and convey its properties and to carry on its business as now conducted and as contemplated to be conducted under the Financing Documents; to execute, deliver and to perform its obligations under this Agreement and the other Financing Documents; and to cause the execution, delivery and performance of the Financing Documents.

Section 4.03 No Legal Bar. The District is not in violation of any of the provisions of the laws of the State of Colorado or the United States of America or any of the provisions of any order of any court of the State of Colorado or the United States of America which would affect its existence or its powers referred to in the preceding Section 4.02. The execution, delivery and performance by the District of this Agreement and of the other Financing Documents (a) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator or governmental authority; (b) will not violate any provisions of any document constituting, regulating or otherwise affecting the operations or activities of the District; and (c) will not violate any provision of, constitute a default under, or result in the creation, imposition or foreclosure of any lien, mortgage, pledge, charge, security interest or encumbrance of any kind other than liens created or imposed by the Financing Documents, on any of the revenues or other assets of the District which could have a material adverse effect on the assets, financial condition, business or operations of the District, on the District's power to cause the Financing Documents to be executed and delivered, or its ability to pay in full in a timely fashion the obligations of the District under this Agreement or the other Financing Documents.

Section 4.04 Consents. The District has obtained all consents, permits, licenses and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery and performance by the District of this Agreement and the other Financing Documents.

Section 4.05 Litigation. There is no action, suit, inquiry or investigation or proceeding to which the District is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official which is pending or, to the best knowledge of the District, threatened in connection with any of the transactions contemplated by this Agreement or

against or affecting the assets of the District, nor, to the best knowledge of the District, is there any basis therefor, wherein an unfavorable decision, ruling or finding (a) would adversely affect the validity or enforceability of, or the authority or ability of the District to perform its obligations under, the Financing Documents; (b) would, in the reasonable opinion of the District, have a materially adverse effect on the ability of the District to conduct its business as presently conducted or as proposed or contemplated to be conducted; or (c) would adversely affect the exclusion of interest on the Loan from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.

Section 4.06 Enforceability. This Agreement and each other Financing Document to which the District is a party constitute the legal, valid and binding obligation of the District, enforceable against the District in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

Section 4.07 Changes in Law. To the best knowledge of the District, there is not pending any change of law which, if enacted or adopted could have a material adverse effect on the assets, financial condition, business or operations of the District, on the District's power to issue or its ability to pay in full in a timely fashion the obligations of the District under this Agreement or the other Financing Documents.

Section 4.08 Financial Information and Statements. The financial statements and other information previously provided to the Bank or provided to the Bank in the future are or will be complete and accurate and prepared in accordance with generally accepted accounting principles. There has been no material adverse change in the District's financial condition since such information was provided to the Bank.

Section 4.09 Accuracy of Information. All information, certificates or statements given to the Bank pursuant to this Agreement and the other Financing Documents will be, to the best of the District's knowledge, true and complete when given.

Section 4.10 IRS Listing. The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is an issuer of obligations whose arbitrage certifications may not be relied upon.

Section 4.11 Tax-Exempt Status. The District has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Loan from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.

Section 4.12 Financing Documents. Each representation and warranty of the District contained in any Financing Document is true and correct as of the Closing Date.

Section 4.13 Regulations U and X. The District is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U or X issued by the Board of Governors of the Federal Reserve System); and no

proceeds of the Loan will be or have been used to extend credit to others for the purpose of purchasing or carrying any margin stock.

Section 4.14 Default, Etc. The District is not in default in the performance, observance, or fulfillment of any of the obligations, covenants or conditions contained in any Financing Document or other resolution, agreement or instrument to which it is a party which would have a material adverse effect on the ability of the District to perform its obligations hereunder or under the other Financing Documents, or which would affect the enforceability hereof or thereof.

Section 4.15 Sovereign Immunity. Except for actions that lie or could lie in tort, the District does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under this Agreement or any of the other Financing Documents.

Section 4.16 No Filings. No filings, recordings, registrations or other actions are necessary to create and perfect the pledges provided for herein; the obligations of the District hereunder are secured by the lien and pledge provided for hereby; and the liens and pledges provided for herein constitute valid prior liens subject to no other liens.

Section 4.17 Outstanding Debt. Except for the Loan and the General Obligation Indebtedness described in section (ii) of the definition of General Obligation Indebtedness, the District has no Debt outstanding as of the date hereof (other than the Refunded Bonds which are redeemed as of the date hereof).

Article V

COVENANTS OF THE DISTRICT

While any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the District continuously warrants and agrees as follows:

Section 5.01 Performance of Covenants, Authority. The District covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in this Agreement and the other Financing Documents to which it is a party and all its proceedings pertaining thereto as though such covenants, undertakings, stipulations, and provisions were set forth in full herein (for the purpose of this provision the Financing Documents shall be deemed to continue in full force and effect notwithstanding any earlier termination thereof so long as any obligation of the District under this Agreement shall be unpaid or unperformed). The District covenants that it is duly authorized under the constitution and laws of the State of Colorado, including, particularly and without limitation, the Public Securities Refunding Act, to issue the Loan and to execute and deliver the this Agreement and the other Financing Documents to which it is a party, and that all action on its part for the issuance of the Loan and the execution and delivery of the Financing Documents to which it is a party has been duly and effectively taken and will be duly taken as provided herein, and that the Loan, the Note, and this Agreement are and will be valid and enforceable general obligations of the District according to the terms hereof and thereof; provided, however, that only the taxable

property of the Mountain District (and not the taxable property of the Original District) shall be subject to the Mill Levy to pay the principal of and interest on the Loan.

Section 5.02 Laws, Permits and Obligations. The District will comply in all material respects with all applicable laws, rules, regulations, orders and directions of any governmental authority and all agreements and obligations binding on the District, noncompliance with which would have a material adverse effect on the District, its financial condition, assets or ability to perform its obligations under this Agreement and/or the other Financing Documents to which it is a party; provided that the District may in good faith contest such laws, rules, regulations, orders and directions and the applicability thereof to the District to the extent that such action would not be likely to have a material adverse effect on the District's ability to perform its obligations hereunder.

Section 5.03 Tax Covenants.

(a) The District covenants for the benefit of the Bank that it will not take any action or omit to take any action with respect to the Loan, any funds of the District, or any facilities refinanced with the proceeds of the Loan, if such action or omission (i) would cause the interest on the Loan to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code, (ii) would cause interest on the Loan to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustments applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would cause interest on the Loan to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.

(b) In the event that at any time the District is of the opinion that for purposes of this Section 5.03 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Bank or held by the District, the District shall so restrict or limit the yield on such investment or shall so instruct the Bank in a detailed certificate.

(c) The District specifically covenants to comply with the provisions and procedures of the Tax Certificate.

(d) The covenants contained in this Section 5.03 shall remain in full force and effect until the date on which all obligations of the District in fulfilling such covenants under the Code and Colorado law have been met, notwithstanding the payment in full or defeasance of the Loan.

(e) The District hereby designates the Loan as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.

Section 5.04 Bonding and Insurance. The District shall carry general liability coverage, workers' compensation, public liability, and such other forms of insurance on insurable District property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the District would ordinarily be carried by entities having

similar properties of equal value, such insurance being in such amounts as will protect the District and its operations. In addition, each District official or other Person having custody of any District funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.

Section 5.05 Other Liabilities. The District shall pay and discharge, when due, all of its liabilities, except when the payment thereof is being contested in good faith by appropriate procedures which will avoid financial liability and with adequate reserves provided therefor.

Section 5.06 Proper Books and Records. The District shall keep or cause to be kept adequate and proper records and books of account in which complete and correct entries shall be made with respect to the District, the Pledged Revenue, and all of the funds and accounts established or maintained pursuant to any of the Financing Documents. The District shall (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting consistently applied throughout the accounting periods involved; (b) provide the Bank with such information concerning the business affairs and financial condition (including insurance coverage) of District as the Bank may request; and (c) without request, provide the Bank with the information set forth in Section 5.07 hereof.

Section 5.07 Reporting Requirements.

(a) The District shall notify the Bank promptly of all interim litigation or administrative proceedings, threatened or pending, against the District which would, if adversely determined, in District's reasonable opinion, have a material effect on the District's financial condition arising after the date hereof.

(b) The District shall provide the following to the Bank at the times and in the manner provided below:

(i) *Audited Financial Statements* – As soon as available, but not later than 270 days following each Fiscal Year, the District shall furnish to the Bank its unqualified audited financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent certified public accountants selected by the District and satisfactory to the Bank;

(ii) *Preliminary Certified Assessed Valuation* – As soon as available, but in no event later than September 1 of each year, the District shall furnish to the Bank the preliminary certified “actual value” and assessed valuation of all property subject to the Mill Levy within the Mountain District for such calendar year;

(iii) *Final Certified Assessed Valuation* – As soon as available, but in no event later than December 31 of each year, the District shall furnish to the Bank the final certified assessed valuation of all property subject to the Mill Levy in the Mountain District, as calculated, recorded and certified by the county assessor on or before December 10 of such calendar year;

(iv) *Mill Levy Certification* – Promptly upon certification of the Mill Levy by the District to the County but in no event later than January 31 of each collection year,

the District shall furnish to the Bank appropriate documentation reflecting the amount of such Mill Levy certified in the immediately preceding certification/levy year;

(v) *Annual Budget* – As soon as available, but in no event later than January 31 of each Fiscal Year, the District shall furnish to the Bank the District’s annual budget for such Fiscal Year and, as soon as available, shall furnish a copy of any proposed amendments thereto;

(vi) *Annual Compliance Certificate* – No later than 270 days after the end of each calendar year, an Annual Compliance Certificate in substantially the form attached as **Exhibit C** hereto, certifying that the Minimum Cash Balance Requirement has been satisfied for the preceding calendar year; and

(vii) *Requests for Information* – Promptly upon request of the Bank, the District shall furnish to the Bank such other reports or information regarding the Pledged Revenue or the assets, financial condition, business or operations of the District, as the Bank may reasonably request.

(c) The District shall promptly notify the Bank of any Default or Event of Default of which the District has knowledge, setting forth the details of such Default or Event of Default and any action which the District proposes to take with respect thereto.

(d) The District shall notify the Bank as soon as possible after the District acquires knowledge of the occurrence of any event which, in the reasonable judgment of the District, is likely to have a material adverse effect on the financial condition of the District or affect the ability of the District to perform its obligations under this Agreement or under any other Financing Document.

Section 5.08 Visitation and Examination. Unless otherwise prohibited by law, the District will permit any Person designated by the Bank to visit any of its offices to examine the District’s books and financial records, and make copies thereof or extracts therefrom, and to discuss its affairs, finances and accounts with its principal officers, all at such reasonable times and as often as the Bank may reasonably request.

Section 5.09 Further Assurances. The District shall do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged and delivered, such amendments hereto and such further acts, instruments, and transfers as the Bank may reasonably require for the better assuring, transferring, and pledging unto the Bank the Pledged Revenue.

Section 5.10 Covenant To Impose Mill Levy. The District hereby covenants as follows:

(a) For the purpose of paying the principal of, premium, if any, and interest on the General Obligation Indebtedness as the same become due and payable respectively, the District covenants that it shall take all actions necessary to cause to be levied by the Board of County Commissioners of the County on all of the taxable property in the Mountain District, general ad valorem taxes which will be sufficient, together with other legally available moneys at the time the levy is set (excluding transfers from a reserve fund for any other General Obligation

Indebtedness), to meet promptly such payments. Such general ad valorem taxes shall be in addition to all other taxes levied to effect the purposes of the District. Upon receipt of tax revenues, the District shall allocate such revenues to the designated bond funds or account for the General Obligation Indebtedness (including the General Obligation Indebtedness represented by the Loan). Such allocations shall be made, to the extent permitted by law, on a pro rata basis according to the debt service requirements of the General Obligation Indebtedness in the calendar year in which such tax revenues are received. Said taxes when allocated to the Loan shall be applied solely for the payment of the principal of and interest on the Loan, respectively, until the Loan shall be fully paid, satisfied and discharged; provided, however, that nothing herein contained shall be so construed as to prevent the District from applying any other funds or revenues that may be in the treasury of the District and available for that purpose, to the payment of the principal of or interest on the Loan, as the same respectively accrue and mature, and upon the application of any other such funds or revenues as aforesaid, the mill levy or levies herein provided may thereupon, to that extent, be diminished.

(b) It is the intent of the District that, to the extent permitted by law, the Loan shall be secured on a parity with all additional General Obligation Indebtedness, and the revenues produced from the District's pledge of ad valorem taxes shall be for the equal and ratable benefit and security of all present and future owners of the General Obligation Indebtedness, without preference, priority or distinction as to lien or otherwise, of any one General Obligation Indebtedness over any other General Obligation Indebtedness.

(c) Said direct annual taxes levied to pay said principal and interest shall be in addition to any, and all other, taxes levied to effect the purposes of the District. No statutory or constitutional provisions enacted after the delivery of the Loan herein authorized shall in any manner be construed as limiting or impairing the obligation of the District to levy ad valorem taxes for the payment of the principal of and interest on the Loan.

(d) The foregoing provisions of this Section 5.10 are hereby declared to be the certificate of the Board of the District to the Board of County Commissioners of the County, showing the aggregate amount of taxes to be levied for the purpose aforesaid by the Board of County Commissioners of the County from time to time, as required by law, and for the purpose of paying the principal of, premium, if any, and interest on said General Obligation Indebtedness as the same shall hereafter mature and accrue.

(e) The amounts necessary to pay the interest on the Loan and to discharge the principal thereof when due are hereby appropriated for said purposes, and such amounts as appropriate for each year shall also be included in the annual budget and appropriation resolutions to be adopted and passed by the Board in each year, respectively, until the Loan has been fully paid, satisfied, and discharged.

(f) Said taxes shall be levied, assessed, collected and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the state, and when collected said taxes shall be paid to the District as provided by law. In the event any of the levies or the charges that may be made by the District shall fail to produce an amount sufficient to pay the interest on and the principal of the General Obligation Indebtedness becoming due in the next succeeding year, the deficit shall be made up in the next levy, and taxes shall continue to

be levied until the General Obligation Indebtedness and the interest thereon shall be paid in full. The Board shall take all necessary and proper steps to enforce promptly, or to cause the appropriate officials of the County to enforce promptly, the payment of taxes levied.

Section 5.11 Additional Debt.

(a) **Bank Consent Required.** Except for the Permitted Debt issued in accordance with the provisions of subsection (b) of this Section 5.11, the District shall not issue any Debt without the prior written consent of the Bank.

(b) **Permitted Debt.** The District shall be authorized to issue Debt without the prior written consent of the Bank provided that such Debt complies with the following limitations (the “Permitted Debt”):

(i) the ratio of the assessed value of property in the District (excluding assessed value of any tax-exempt property and/or property that would be acquired with proceeds of the Permitted Debt) multiplied by the Available Mills when divided by the Maximum Annual Debt Service is greater than 150 percent; and

(ii) such Permitted Debt shall not be subject to acceleration (except for Debt which is secured solely by the capital asset, if any, purchased with the proceeds thereof).

Section 5.12 Continued Existence. The District shall maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Loan, and will continue to operate and manage the District and its facilities in an efficient and economical manner in accordance with all applicable laws, rules and regulations.

Section 5.13 District Operations. The District shall manage its finances and day to day operations in an economical and efficient manner and in accordance with all applicable laws, rules and regulations.

Section 5.14 Enforcement and Collection. The District shall diligently collect all Pledged Revenue and shall take all necessary and proper action to enforce such collection.

Section 5.15 Material Adverse Action. The District shall not take any action nor consent to any action that would materially adversely affect any portion of the Pledged Revenue.

Section 5.16 No Change in Financing Documents. The District shall not cancel, terminate, amend, supplement, modify or waive any of the provisions of any of the Financing Documents or consent to any such cancellation, termination, amendment, supplement, modification or waiver, without the prior written consent of the Bank. The District shall take no action under any of the Financing Documents to which it is a party inconsistent with the rights of the Bank under this Agreement including, without limitation, its obligations to make payments to the Bank hereunder.

Section 5.17 References to Bank. The District shall not refer to the Bank in any official statement, offering memorandum, or private placement memorandum without the Bank’s

prior written consent thereto; provided, however, that references to the Bank contained in the District's audited financial statements are permitted.

Section 5.18 Termination of Agreement. So long as the District's obligations hereunder remain unpaid or unperformed, the District shall not terminate this Agreement. At such time as no amounts are due and owing to the Bank hereunder, this Agreement shall terminate.

Section 5.19 Taxable Property. The District shall not transfer, sell, convey or otherwise dispose of any taxable property within the District in any manner which would cause such property, following such transfer, sale, conveyance, or other disposition, to be exempt from ad valorem property taxation without the prior written consent of the Bank.

Section 5.20 No Exclusion of Property. The District shall take no action nor consent to any action that could have the effect of excluding property from its boundaries if such action or actual exclusion would have a materially adverse effect on the amount of Pledged Revenue.

Section 5.21 No Lien or Security Interest in Pledged Revenue. Except for the Loan and the other General Obligation Indebtedness, the District shall not grant or permit to be granted any lien on or security interest in and to any portion of the Pledged Revenue.

Section 5.22 Electoral Authorization. The District shall not take any action, or consent to any action, which would have the effect of reducing the parameters of its electoral authorization, including, without limitation, the interest rates, maturities, mill levies, tax increases, and maximum repayment cost as approved by the qualified electors of the District voting at the elections held by the District as of the date hereof.

Section 5.23 Minimum Cash Balance Requirement. At all times, the District shall maintain an Unencumbered Cash Balance in an amount of not less than Five Hundred Thousand U.S. Dollars (\$500,000) (the "Minimum Cash Balance Requirement"), measured as of the last day of each calendar year. The District shall provide the Bank with a completed Annual Compliance Certificate in substantially the form attached hereto as **Exhibit C** as required pursuant to Section 5.07(b)(vi).

Article VI

RESERVED

Article VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01 Events of Default. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Agreement (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment,

decree, rule, regulation or order of any court or any administrative or governmental body):

- (a) The District fails to pay interest on the Loan when due at the applicable rate then borne by the Loan;
- (b) The District fails to pay principal on the Loan when due;
- (c) The District fails to pay any other amount due and owing to the Bank hereunder within five (5) Business Days after the date on which such sum was due;
- (d) the District fails or refuses to impose the Mill Levy;
- (e) the District fails to appropriate moneys sufficient to pay all amounts when due hereunder;
- (f) the occurrence and continuance of an event of default or an event of nonperformance under any of the other Financing Documents to which the District is a party after the expiration of any grace period;
- (g) the District fails to satisfy the Minimum Cash Balance Requirement;
- (h) the District fails to observe or perform any other of the covenants, agreements or conditions on the part of the District in this Agreement or the other Financing Documents and such failure is not remedied to the satisfaction of the Bank within 30 days after such failure;
- (i) any representation or warranty made by the District in this Agreement or in any other Financing Document to which the District is a party or any certificate, instrument, financial or other statement furnished by the District to the Bank, proves to have been untrue or incomplete in any material respect when made or deemed made;
- (j) default in the payment of principal of or interest when due on any financial obligation of the District other than the Loan including, without limitation, the Permitted Debt, and continuance of such default beyond any grace period;
- (k) any judgment or court order for the payment of money exceeding any applicable insurance coverage by more than \$25,000 in the aggregate is rendered against the District and the District fails to vacate, bond, stay, contest, pay or satisfy such judgment or court order for 60 days;
- (l) the District shall initiate, acquiesce or consent to any proceedings to dissolve the District or to consolidate the District with other similar entities into a single entity or the District shall otherwise cease to exist;
- (m) a change occurs in the financial or operating conditions of the District, or the occurrence of any other event that, in the Bank's reasonable judgment, will have a materially adverse impact on the ability of the District to generate Pledged Revenue sufficient to satisfy the District's obligations under this Agreement and the District fails to cure such condition within

the time specified by the Bank in a written notice from the Bank informing the District of an occurrence under this subsection (j);

(n) (i) the District shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; or (B) seeking appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of its property, or the District shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the District any case, proceeding or other action of a nature referred to in clause (i) above and the same shall remain undismissed; or (iii) there shall be commenced against the District any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 days from the entry thereof; or (iv) the District shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the District shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(o) this Agreement or any other Financing Document, or any material provision hereof or thereof, (i) ceases to be valid and binding on the District or is declared null and void, or the validity or enforceability thereof is contested by the District (unless being contested by the District in good faith), or the District denies it has any or further liability under any such document to which it is a party; or (ii) any pledge or security interest created hereunder fails to be fully enforceable with the priority required hereunder;

(p) the District's auditor delivers a qualified opinion with respect to the District's status as a going concern;

(q) any funds or investments on deposit in, or otherwise to the credit of, any of the funds or accounts established hereunder shall become subject to any writ, judgment, warrant or attachment, execution or similar process; or

(r) any determination, decision, or decree is made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on the Loan is includable in the gross income for federal income tax purposes of the Bank by virtue of the occurrence of any event, including any change in the Constitution or laws of the United States of America or the State of Colorado, which results in interest payable on the Loan becoming includable in the gross income of the Bank pursuant to Section 103(b) of the Internal Revenue Code, and the rules and regulations promulgated thereunder if and so long as such determination, decision or decree is not being appealed or otherwise contested in good faith by the District.

Section 7.02 Remedies. Upon the occurrence and during the continuance of any Event of Default, the Bank at its option, may do any one or more of the following:

(a) Apply all amounts constituting Pledged Revenue to the unpaid principal of the Loan and all interest accrued and unpaid thereon, and all other amounts owing or payable to the Bank hereunder or under any other Financing Document, in any order of priority determined by the Bank; and

(b) take any other action or remedy available under the other Financing Documents or any other document, or at law or in equity.

Notwithstanding anything to the contrary herein, acceleration shall *not* be a remedy for the occurrence or continuance of an Event of Default.

Section 7.03 Notice of Default. Notwithstanding any cure period described above, the District will immediately notify the Bank in writing when the District obtains knowledge of the occurrence of any Event of Default or any event which would, with the passage of time or the giving of notice, constitute an Event of Default.

Section 7.04 Termination of Disbursements; Additional Bank Rights. Upon the occurrence of an Event of Default the Bank may at any time (a) Setoff (as defined below), and/or (b) take such other steps to protect or preserve the Bank's interest in the Pledged Revenue.

Section 7.05 Credit Balances; Setoff. As additional security for the payment of the obligations described in the Financing Documents (collectively the "Obligations"), the District hereby grants to the Bank a security interest in, a lien on and an express contractual right to set off against all depository account balances, cash and any other property of the District now or hereafter in the possession of the Bank *except* deposits held by the Bank as escrow agent or trustee, and the right to refuse to allow withdrawals from any such account (collectively, "Setoff"). The Bank may, at any time upon the occurrence of an Event of Default hereunder Setoff against the Obligations whether or not the Obligations (including future payments to be made) are then due, all without any advance or contemporaneous notice or demand of any kind to the District, such notice and demand being expressly waived.

Section 7.06 Delay or Omission No Waiver. No delay or omission of the Bank to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient.

Section 7.07 No Waiver of One Default To Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Bank provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

Section 7.08 Other Remedies. Nothing in this Article VII is intended to restrict the Bank's rights under any of the Financing Documents or at law or in equity, and the Bank may exercise all such rights and remedies as and when they are available.

Article VIII

MISCELLANEOUS

Section 8.01 Loan Agreement and Relationship to Other Documents. The warranties, covenants and other obligations of the District (and the rights and remedies of the Bank) that are outlined in this Agreement and the other Financing Documents are intended to supplement each other. In the event of any inconsistencies in any of the terms in the Financing Documents, all terms will be cumulative so as to give the Bank the most favorable rights set forth in the conflicting documents, except that if there is a direct conflict between any preprinted terms and specifically negotiated terms (whether included in an addendum or otherwise), the specifically negotiated terms will control.

Section 8.02 Assignments, Participations, etc. by the Bank. Any assignment or participation by the Bank is not subject to the District's consent, but shall be subject to Section 8.15 hereof. In connection with any such assignment or participation, the Bank may disclose to any proposed assignee or participant any information that the District discloses pursuant to this Agreement and the other Financing Documents. Any such assignment or participation is also subject to the following conditions:

(a) Subject to Section 8.15 hereof, the rights, options, powers and remedies granted in this Agreement and the other Financing Documents will extend to the Bank and to its successors and assigns, will be binding upon the District and its successors and assigns and will be applicable hereto and to all renewals and/or extensions hereof.

(b) Subject to Section 8.15 hereof, in addition, the Bank may collaterally assign and pledge, without the consent of the District, all or any portion of the obligations owing to it to any Federal Home Loan Bank, any Federal Reserve Bank, or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by any such Federal Home Loan Bank or Federal Reserve Bank; provided that any payment in respect of such assigned obligations made by the District to the Bank in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such collateral assignment shall release the Bank from its obligations hereunder.

(c) Subject to Section 8.15 hereof, the Bank may at any time, without the consent of the District, sell to one or more commercial banks or other Persons not affiliates of the District (a "Participant") participating interests in its rights and obligations hereunder or under the other Financing Documents; provided, however, that (i) the Bank's obligations hereunder shall remain unchanged, (ii) the Bank shall remain solely responsible for the performance of such obligations, and (iii) the participation of one or more Participants shall not reduce or alter the Bank's obligations hereunder or affect in any way the rights or obligations of the District hereunder and the District has the right to continue to deal solely with the Bank. The Bank will

give notice of the sale of such participation and the name of the Participant to the District within 30 days of the date of such sale. In the case of any such participation, the Participant shall be entitled to the benefit of Sections 2.09 and 8.03 hereof as though it were also the Bank hereunder, and if amounts outstanding under this Agreement are due and unpaid, or has been declared or has become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as the Bank under this Agreement.

Section 8.03 Litigation/Indemnification. The District agrees, to the extent permitted by law and as set forth herein, to completely indemnify and hold harmless the Bank and its agents, employees, officers, directors and controlling Persons, together with any Participant and its agents, employees, officers, directors and controlling Persons (hereinafter collectively referred to in this Section 8.03 as the “Indemnitees”) from and against any and all claims, damages, liabilities, settlements, judgments, losses, legal fees and costs or expenses incurred (including all reasonable fees and disbursements of the Indemnitees’ legal counsel and allocated cost of in-house counsel and staff and all of the Indemnitees’ reasonable travel and other out-of-pocket expenses incurred in connection with the investigation of and preparation for any such pending or threatened claims and any litigation and other proceedings arising therefrom) arising out of or based upon (a) the Loan; or (b) the holding or owning by the Bank, the Participant, or their respective nominees of any collateral securing the obligations of the District hereunder; or (c) any matters for which neither the Bank nor any Participant has any liability as set forth under Section 8.16 of this Agreement; provided, however, that the District shall not be required to indemnify the Indemnitees pursuant to Section 8.03(c) above for any claims, damages, losses, liabilities, settlements, judgments, legal fees or costs or expenses to the extent proven to be caused by the Bank’s willful or grossly negligent failure to make lawful payment under the Loan. Nothing in this Section 8.03 is intended to limit the District’s obligations contained in Article II hereof.

If any action, lawsuit or claim shall be brought or asserted against the Indemnitees in respect of which indemnity may be sought by the Indemnitees from the District under this Section 8.03, the Indemnitees shall promptly notify the District in writing, and the District shall promptly assume the defense thereof, including, but not limited to, the employment of counsel (the selection of which has been approved by the Indemnitees and such approval shall not be unreasonably withheld), the payment of all legal fees and expenses and the right to negotiate and consent to settlement; provided, however, that the District shall not settle any such action which may adversely affect the Bank without the Bank’s written consent, which consent shall not be unreasonably withheld.

In the event that the Indemnitees shall be advised by counsel experienced in matters of banking or securities laws that the Indemnitees have defenses or causes of action separate from those of the District, or that there is otherwise a conflict of interest, the Indemnitees have the right to employ their own counsel (“Independent Counsel”) to defend the Indemnitees against such action at the expense of the District, who shall pay all legal fees and expenses incurred by such Independent Counsel. The Indemnitees’ selection of Independent Counsel shall be approved by the District, and such approval shall not be unreasonably withheld. With respect to claims against the Indemnitees defended by Independent Counsel, the Indemnitees have the right

with a copy to:

Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202
Telephone: (303) 330-2300
Facsimile: (303) 330-2301
Attention: Dee Wisor

if to the Bank:

U.S. Bank National Association
950 17th Street, 8th Floor
Denver, Colorado 80202
Telephone: (303) 585-4873
Facsimile: (303) 585-6949
Attention: Jason Edrington, Vice President

Section 8.06 Payments. Payments due on the Loan shall be made in lawful money of the United States. All payments may be applied by the Bank to principal, interest and other amounts due under the Note and this Agreement in any order which the Bank elects.

Section 8.07 Applicable Law and Jurisdiction; Interpretation; Severability. This Agreement and all other Financing Documents will be governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Agreement will not affect any other provision. THE DISTRICT AND THE BANK HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTE, THE PLEDGED REVENUE, ANY OTHER FINANCING DOCUMENT, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING. Nothing in this Agreement will affect the Bank's rights to serve process in any manner permitted by law. This Agreement, the other Financing Documents and any amendments hereto (regardless of when executed) will be deemed effective and accepted only at the Bank's offices, and only upon the Bank's receipt of the executed originals thereof. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

Section 8.08 Copies; Entire Agreement; Modification. The District hereby acknowledges the receipt of a copy of this Agreement and all other Financing Documents.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE SHALL ALSO BE EFFECTIVE WITH RESPECT TO ALL OTHER CREDIT AGREEMENTS NOW IN EFFECT BETWEEN THE DISTRICT AND THE BANK. A MODIFICATION OF ANY OTHER CREDIT AGREEMENT NOW IN EFFECT BETWEEN THE DISTRICT AND

THE BANK, WHICH OCCURS AFTER RECEIPT BY THE DISTRICT OF THIS NOTICE, MAY BE MADE ONLY BY ANOTHER WRITTEN INSTRUMENT. ORAL OR IMPLIED MODIFICATIONS TO ANY SUCH CREDIT AGREEMENT ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON.

Section 8.09 Waiver of Jury Trial. THE DISTRICT AND THE BANK HEREBY JOINTLY AND SEVERALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. THE DISTRICT AND THE BANK EACH REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

Section 8.10 Attachments. All documents attached hereto, including any appendices, schedules, riders and exhibits to this Agreement, are hereby expressly incorporated by reference.

Section 8.11 No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the Board, or any officer or agent of the District, acts in good faith in the performance of his duties as a member, officer, or agent of the Board or the District and in no other capacity, no civil recourse shall be available against such member, officer or agent for payment of the principal of and interest on the Loan. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the delivery of the Note evidencing the Loan and as a part of the consideration for such transfer, the Bank and any Person purchasing or accepting the transfer of the obligation representing the Loan specifically waives any such recourse. This Section 8.11 shall not limit recourse against any Person guarantying payment of the Loan, in his capacity as guarantor, whether or not such Person is also a member or officer of the Board or the District.

Section 8.12 Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Agreement is entered into pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Agreement after delivery for value.

Section 8.13 Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Loan shall be commenced more than 30 days after the authorization of the Loan.

Section 8.14 Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure the payment of the principal of and interest on the Loan as provided herein and in the Note shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Note, and the Authorizing Resolution. The amounts pledged to the payment of the principal of and interest on the Loan shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such

pledge shall have a first priority. The lien of such pledge shall be valid, binding, and enforceable as against all Persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such Persons have notice of such liens.

Section 8.15 No Liability. Any action taken or omitted by the Bank under or in connection with the Financing Documents, if taken or omitted in good faith and without willful misconduct or gross negligence, shall be binding upon the District and shall not put the Bank under any resulting liability to the District. The Bank, including its agents, employees, officers, directors and controlling Persons, shall not have any liability to the District, and the District assumes all risk, responsibility and liability for (a) the form, sufficiency, correctness, validity, genuineness, falsification and legal effect of any demands and other documents, instruments and other papers relating to the Loan even if such documents, should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (b) the general and particular conditions stipulated therein; (c) the good faith acts of any Person whatsoever in connection therewith; (d) failure of any Person (other than the Bank, subject to the terms and conditions hereof) to comply with the terms of the Loan; (e) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telex, telegraph, wireless or otherwise, whether or not they be in code; (f) errors in translation or errors in interpretation of technical terms; (g) for any other consequences arising from causes beyond the Bank's control; or (h) any use of which may be made of the proceeds of the Loan, except to the extent of any direct, as opposed to indirect, consequential, or special damages suffered by the District which direct damages are proven by the District to be caused by the Bank's willful or grossly negligent failure to make lawful payment under the Loan.

Section 8.16 No Waiver; Modifications in Writing. No failure or delay on the part of the Bank in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Bank at law or in equity or otherwise. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, nor consent to any departure by the District therefrom, shall be effective unless the same shall be in writing and signed by or on behalf of the Bank. Any amendment, modification or supplement of or to any provision of this Agreement, and any consent to any departure by the District from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. No notice to or demand on the District in any case shall entitle the District to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Bank to any other or further action in any circumstances without notice or demand.

Section 8.17 Payment on Non-Business Days. Whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of the amount due.

Section 8.18 Document Imaging. The Bank shall be entitled, in its sole discretion, to image all or any selection of the Financing Documents, other instruments, documents, items and records governing, arising from or relating to the Loan, and may destroy or archive the paper

originals. The District hereby waives any right to insist that the Bank produce paper originals; agrees that such images shall be accorded the same force and effect as the paper originals; and further agrees that the Bank is entitled to use such images in lieu of destroyed or archived originals for any purpose, including as admissible evidence in any demand, presentment or proceedings.

Section 8.19 Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement.

Section 8.20 Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 8.21 Headings. Article and Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

Section 8.22 Waiver of Rules of Construction. The District hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

Section 8.23 Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 8.24 Patriot Act Notice. The Bank hereby notifies the District that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the District, which information includes the name and address of the District and other information that will allow the Bank to identify the District in accordance with the Patriot Act. The District hereby agrees that it shall promptly provide such information upon request by the Bank.

Section 8.25 No Rating, DTC, or CUSIP. The Loan shall not be (a) assigned a separate rating by any rating agency, (b) registered with the Depository Trust Company or any other securities depository, (c) issued pursuant to any type of offering document or official statement, or (d) assigned a CUSIP number by Standard & Poor's CUSIP service.

[End of Loan Agreement; Signatures on Following Page]

IN WITNESS WHEREOF, the undersigned have executed this Loan Agreement as of the date set forth above.

U.S. BANK NATIONAL ASSOCIATION, a national banking association

By _____
Jason Edrington, Vice President

CORDILLERA METROPOLITAN DISTRICT, Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado

By _____
Authorized Officer

[SEAL]

Attest:

By _____
Secretary

[Signature Page to Loan Agreement]

EXHIBIT A

FORM OF PROMISSORY NOTE

PROMISSORY NOTE

**UNITED STATES OF AMERICA
STATE OF COLORADO
CORDILLERA METROPOLITAN DISTRICT
(EAGLE COUNTY, COLORADO)**

**PROMISSORY NOTE
IN THE AGGREGATE PRINCIPAL AMOUNT OF
\$[_____]**

US \$[_____] [_____, 2017]

FOR VALUE RECEIVED, CORDILLERA METROPOLITAN DISTRICT, Eagle County, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of U.S. BANK NATIONAL ASSOCIATION, a national banking association, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee at U.S. Bank National Association, 950 17th Street, 8th Floor, Denver, Colorado, Attention: Jason Edrington, or at such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal sum of [_____] (US \$[_____] (this “Note”) pursuant to the terms of the Loan Agreement dated of even date herewith by and between Maker and Payee (the “Loan Agreement”), in lawful money of the United States of America.

This Note shall bear interest, be payable, and mature pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

Amounts received by Payee under this Note shall be applied in the manner provided by the Loan Agreement. All amounts due under this Note shall be payable without setoff, counterclaim or any other deduction whatsoever by Maker.

Unless payments are made in the required amount in immediately available funds in accordance with the provisions of the Loan Agreement, remittances in payment of all or any part of the amounts due and payable hereunder shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Payee in funds immediately available at the place where this Note is payable (or any other place as Payee, in Payee’s sole discretion, may have established by delivery of written notice thereof to Maker) and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Payee of any payment in an amount less than the amount then due shall be deemed an acceptance on

account only and any unpaid amounts shall remain due hereunder, all as more particularly provided in the Loan Agreement.

In the event of nonpayment of this Note, Payee shall be entitled to all remedies under the Loan Agreement and at law or in equity, and all remedies shall be cumulative.

It is expressly stipulated and agreed to be the intent of Maker and Payee at all times to comply with applicable state law and applicable United States federal law. If the applicable law (state or federal) is ever judicially interpreted so as to render usurious any amount called for under this Note or under the Loan Agreement, or contracted for, charged, taken, reserved or received with respect to the indebtedness evidenced by this Note, then it is Maker's and Payee's express intent that all excess amounts theretofore collected by Payee be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid in full, refunded to Maker), and the provisions of this Note shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and under the Loan Agreement. All sums paid or agreed to be paid to Payee for the use, forbearance and detention of the indebtedness evidenced hereby and by the Loan Agreement shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the maximum rate permitted under applicable law from time to time in effect and applicable to the indebtedness evidenced hereby for so long as such indebtedness remains outstanding.

Maker and any endorsers, sureties or guarantors hereof jointly and severally waive presentment and demand for payment, protest and notice of protest and nonpayment, all applicable exemption rights, valuation and appraisal, notice of demand, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note and the bringing of suit and diligence in taking any action to collect any sums owing hereunder or in proceeding against any of the rights and collateral securing payment hereof. Maker and any surety, endorser or guarantor hereof agree (a) that the time for any payments hereunder may be extended from time to time without notice and consent; (b) to the acceptance of further collateral; (c) to the release of any existing collateral for the payment of this Note; (d) to any and all renewals, waivers or modifications that may be granted by Payee with respect to the payment or other provisions of this Note; and/or (e) that additional makers, endorsers, guarantors or sureties may become parties hereto all without notice to them and without in any manner affecting their liability under or with respect to this Note. No extension of time for the payment of this Note shall affect the liability of Maker under this Note or any endorser or guarantor hereof even though Maker or such endorser or guarantor is not a party to such agreement.

Failure of Payee to exercise any of the options granted herein to Payee upon the happening of one or more of the events giving rise to such options shall not constitute a waiver of the right to exercise the same or any other option at any subsequent time in respect to the same or any other event. The acceptance by Payee of any payment hereunder that is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver

of the right to exercise any of the options granted herein or in the Loan Agreement to Payee at that time or at any subsequent time or nullify any prior exercise of any such option without the express written acknowledgment of Payee.

Maker (and the undersigned representative of Maker, if any) represents that Maker has full power, authority and legal right to execute, deliver and perform its obligations pursuant to this Note and this Note constitutes the legal, valid and binding obligation of Maker.

All notices or other communications required or permitted to be given hereunder shall be given in the manner and be effective as specified in the Loan Agreement, directed to the parties at their respective addresses as provided therein.

This Note is governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by federal law. Invalidity of any provisions of this Note will not affect any other provision.

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to and under the authority of certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, Part 2 of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value and shall conclusively impart full compliance with all provisions and limitations of said statutes, and this Note shall be incontestable for any cause whatsoever after delivery for value.

Maker hereby designates the Note as a “qualified tax exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder. Maker covenants that the aggregate face amount of all tax exempt obligations issued by Maker, together with governmental entities which derive their issuing authority from Maker or are subject to substantial control by Maker, shall not be more than \$[_____] during calendar year 2017. Maker recognizes that such tax exempt obligations include notes, leases, loans, warrants, and bonds. Maker further recognizes that any bank, thrift institution, or other financial institution that owns the Note will rely on Maker’s designation of this Note as a qualified tax exempt obligation for the purpose of avoiding the loss of 100% of any otherwise available interest deduction attributable to such institution’s tax exempt holdings.

MAKER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN THE COUNTY OR FEDERAL JURISDICTION OF PAYEE’S BRANCH WHERE THE LOAN WAS ORIGINATED, AND WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS NOTE, THE LOAN AGREEMENT, THE PLEDGED REVENUE, ANY OTHER FINANCING DOCUMENT, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING.

MAKER HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS NOTE, THE LOAN AGREEMENT, OR

ANY OF THE OTHER FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. MAKER REPRESENTS TO PAYEE THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

THE PROVISIONS OF THIS NOTE MAY BE AMENDED OR REVISED ONLY BY AN INSTRUMENT IN WRITING SIGNED BY MAKER AND PAYEE. THERE ARE NO ORAL AGREEMENTS BETWEEN MAKER AND PAYEE WITH RESPECT TO THE SUBJECT MATTER HEREOF.

IN WITNESS WHEREOF, an authorized representative of Cordillera Metropolitan District, as Maker, has executed this Note as of the day and year first above written.

CORDILLERA METROPOLITAN DISTRICT,
Eagle County, Colorado, a quasi-municipal
corporation and political subdivision of the State
of Colorado

By _____
Authorized Officer

[SEAL]

Attest:

By _____
Secretary

[Signature Page to Promissory Note]

CERTIFICATE OF AUTHENTICATION

Date of Registration and Authentication:

This Promissory Note constitutes the “Note” or “Promissory Note” as defined in the within-mentioned Loan Agreement.

U.S. Bank National Association,
Denver, Colorado, as Bank

By _____
Authorized Signatory

EXHIBIT B

PRINCIPAL PAYMENT SCHEDULE

<u>Year</u> <u>(December 1)</u>	<u>Amount</u>
2017	
2018	
2019	
2020	
2021	
2022*	

* Maturity Date

EXHIBIT C
FORM OF ANNUAL COMPLIANCE CERTIFICATE
ANNUAL COMPLIANCE CERTIFICATE

This **Annual Compliance Certificate** (“Compliance Certificate”) is submitted by **Cordillera Metropolitan District**, Eagle County, Colorado (the “District”) to **U.S. Bank National Association** (the “Lender”) pursuant to Sections 5.07(b)(vi) and 5.23 of that certain Loan Agreement dated as of [_____, 2017] (the “Loan Agreement”) between the Lender and the District. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

The undersigned hereby certifies to the Lender that, as of the last calendar day of the year ending December 31, 20[___]:

(a) The undersigned is the duly authorized officer of District and is familiar with the facts herein and is authorized to certify the same.

(b) With respect to an Event of Default:

No Event of Default has occurred or is continuing.

An Event of Default occurred on _____. The following is a description of such Event of Default and the remedial action the District is taking: _____

(c) The District’s Unencumbered Cash Balance as of the date of this Compliance Certificate is \$_____.

The District has been in full compliance with the Minimum Cash Balance Requirement for the calendar year 20__.

The District has *not* been in full compliance with the Minimum Cash Balance Requirement for the calendar year 20_____.

Dated: _____

**CORDILLERA METROPOLITAN
DISTRICT**, Eagle County, Colorado

By _____
Name / Title

R E S O L U T I O N

WHEREAS, Cordillera Metropolitan District, Eagle County, Colorado (the “District”), is a duly and regularly created, established, organized and existing metropolitan district, existing as such under and pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, the District was formed by the consolidation of the former Cordillera Mountain Metropolitan District (as it existed immediately prior to consolidation on April 14, 2003, the “Mountain District”) with the former Cordillera Metropolitan District; and

WHEREAS, pursuant to such consolidation, the general obligation indebtedness of each former district is to remain the obligation of the area which originally incurred such indebtedness; and

WHEREAS, the District has heretofore duly authorized, sold, issued and delivered to the purchasers thereof its General Obligation Refunding Bonds (Cordillera Mountain Project), Series 2006B, originally issued in the aggregate principal amount of \$6,840,000 and currently outstanding in the aggregate principal amount of \$[_____] (the “Refunded Bonds”); and

WHEREAS, the Refunded Bonds maturing on and after December 1, 2017 are subject to redemption prior to maturity on and after December 1, 2016, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date; and

WHEREAS, the District is not delinquent in the payment of any of the principal of and interest on the Refunded Bonds; and

WHEREAS, Section 32-1-1302 of the Special District Act (Title 32, Article 1, C.R.S.) authorizes the District to issue refunding bonds without an election to refund, pay, and discharge all or any part of its outstanding general obligation bonds for the purpose of reducing interest costs or effecting other economies; and

WHEREAS, pursuant to Article X, Section 20 of the Colorado Constitution, refunding indebtedness may be incurred without an election if issued at a lower interest rate than the bonds being refunded; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that it is in the best interests of the District and, particularly, the residents and taxpayers of the Mountain District, that the Refunded Bonds be paid and canceled (the “Refunding Project”); and

WHEREAS, the District intends to enter into a Loan Agreement (the “Loan Agreement”) with U.S. Bank National Association (the “Bank”) to obtain a loan in an amount not to exceed \$[_____] (the “Loan”) in order to finance the costs of the Refunding Project; and

WHEREAS, pursuant to the aforementioned consolidation proceedings, the Loan shall be secured by a general ad valorem tax levied exclusively against the taxable property of the Mountain District; and

WHEREAS, the Loan shall be entered into pursuant to the provisions of the Refunding Act and all other laws thereunto enabling; and

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Act”), to the Loan; and

WHEREAS, the Loan will be exempt from registration under the Colorado Municipal Bond Supervision Act pursuant to the exemption described in Section 11-59-110(1)(b), C.R.S.; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate Board members have made disclosure of their personal and private interests relating to the Transaction Documents (as defined in Section 1 hereof) in writing to the Colorado Secretary of State and the Board; and finally, said officials have stated for the record immediately prior to the adoption of this Resolution the fact that they have said interests and the summary nature of such interests and the participation of said officials is necessary to obtain a quorum or otherwise enable the Board to act; and

WHEREAS, after consideration, the Board has determined that obtaining the Loan and entering into the Loan Agreement is in the best interests of the District and the residents thereof; and

WHEREAS, there has been presented to this meeting of the Board the current forms of the Transaction Documents; and

WHEREAS, the Board desires to authorize District to incur the indebtedness of the Loan; to issue the Note to evidence the Loan; to execute and deliver the Transaction Documents; and to execute, complete, and deliver such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CORDILLERA METROPOLITAN DISTRICT:

Section 1. Definitions. Unless the context indicates otherwise, as used herein, capitalized terms shall have the meanings ascribed by the preambles hereto and the Loan Agreement, and the following capitalized terms shall have the respective meanings set forth below:

Authorized Officer: the person or persons authorized to execute the Transaction Documents, which shall be the President or Secretary, or in the absence of the President and Secretary, the Vice President and Assistant Secretary.

Delegated Authority: the authority delegated by this Resolution to any Authorized Officer to make any determination delegable pursuant to Section 11-57-205(1)(a-i) of the Supplemental Act with respect to the Loan in the Loan Agreement, which determinations shall be subject to the restrictions and parameters set forth below:

- (1) the interest rate or rates on the Loan shall be such that the Loan bears interest at a net effective interest rate (as defined in the Refunding Act) which is less than the net effective interest rate (as defined in the Refunding Act) of the Refunded Bonds;
- (2) the Loan shall mature not later than December 1, 2022;
- (3) the principal amount of the Loan shall not exceed \$[_____].

Note: the promissory note in the form attached to the Loan Agreement executed by the District and delivered to the Bank evidencing the District's obligations to pay the Loan.

[*Placement Agent Agreement:* the Placement Agent Agreement between the District and Stifel, Nicolaus & Company, Incorporated, as placement agent, in connection with the placement of the Loan.]

Refunded Bond Requirements: the payment of (i) the interest due on the Refunded Bonds, both accrued and not accrued, as the same becomes due on the Redemption Date; and (ii) the principal of the Refunded Bonds as the same becomes due on the Redemption Date.

Redemption Date: the date the proceeds of the Loan are made available to the District.

Resolution: this resolution which authorizes the Transaction Documents.

Transaction Documents: collectively, the Loan Agreement, the Note, and [the Placement Agent Agreement].

Section 2. Approvals, Authorizations, and Amendments. The Transaction Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the Transaction Documents in the form of such documents presented at this meeting, with only such changes as are not inconsistent herewith. The Authorized Officers are hereby authorized and directed to execute the Transaction Documents and to affix the seal of the District thereto, and further to execute and authenticate such other documents, instruments or certificates as are deemed necessary or desirable in order to secure the Loan. Such documents are to be executed in substantially the form presented at this meeting of the Board, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Resolution. Copies of all of the Transaction Documents shall be delivered, filed and recorded as provided therein.

Upon execution and delivery of the Transaction Documents, the covenants, agreements, recitals and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals and representations are hereby adopted and incorporated herein by reference.

The proper officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the Loan and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any instrument by an Authorized Officer of the District in connection with the issuance, sale or delivery of the Transaction Documents not inconsistent herewith shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Authorization. In accordance with the Constitution of the State of Colorado; the Special District Act, the Supplemental Act; and all other laws of the State of Colorado thereunto enabling, the District shall execute and deliver the Transaction Documents for the purpose of paying a portion of the costs of the Refunding Project. The Loan shall constitute a general obligation of the District as provided in the Loan Agreement; provided, however, only the taxable property of the Mountain District shall be subject to the levy of an ad valorem tax to pay the principal of and interest due on the Loan pursuant to the Loan Agreement and the Note.

Section 4. Delegated Authority. Pursuant to Section 11-57-205, C.R.S., the Board hereby delegates the Delegated Authority to an Authorized Officer and authorizes the signing of the Transaction Documents subject to the parameters contained in the Delegated Authority.

Section 5. Payment of Refunded Bonds. The proceeds of the Loan shall be promptly delivered to UMB Bank, n.a., Denver, Colorado, as successor to American National Bank, Denver, Colorado, as the paying agent for the Refunded Bonds (the "Paying Agent"), and be applied to the payment of the Refunded Bond Requirements as of the Redemption Date.

Section 6. Permitted Amendments to Resolution. The District may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Loan Agreement.

Section 7. Authorization to Execute Collateral Documents. Each Board member and each officer of the District is hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including but not limited to the execution of such certificates and affidavits as may be reasonably required by the Bank.

Section 8. Costs and Expenses. All costs and expenses incurred in connection with the Loan and the transactions contemplated by this Resolution shall be paid from legally available moneys of the District and such moneys are hereby appropriated for that purpose. The Placement Agent Agreement is hereby approved and the District Manager is hereby authorized to execute the same for and on behalf of the District.

Section 9. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization, execution and delivery of the Transaction Documents and the refunding of the Refunded Bonds, are hereby ratified, approved and confirmed.

Section 10. Resolution Irrepealable. After the Loan has been funded this Resolution shall constitute a contract between the Bank and the District, and shall be and remain irrepealable until the Loan and the interest accruing thereon shall have been fully paid, satisfied and discharged, as herein and in the Transaction Documents provided.

Section 11. Repealer. All orders, bylaws and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 12. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 13. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

(the remainder of this page intentionally left blank)

PASSED, ADOPTED AND SIGNED this [_____, 2017].

(SEAL)

Chair of the Board of
Directors and President

ATTEST:

Secretary

STATE OF COLORADO)
)
 COUNTY OF EAGLE) SS.
)
 CORDILLERA)
 METROPOLITAN DISTRICT)

I, the duly qualified and acting Secretary of the Board of Directors (the “Board”) of Cordillera Metropolitan District, Eagle County, Colorado, do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution (the “Resolution”) passed and adopted by the Board at a special meeting of the Board held on [_____, 2017].

2. The Resolution was duly moved and seconded and the Resolution was adopted at the special meeting of [_____, 2017] by an affirmative vote of a majority of the members of the Board as follows:

<u>Name</u>	<u>“Yes”</u>	<u>“No”</u>	<u>Absent</u>	<u>Abstain</u>

3. The members of the Board were present at such special meeting and voted on the passage of the Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the Chair of the Board and President, sealed with the District seal, attested by the Secretary and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of the Resolution.

6. Notice of the special meeting of [_____, 2017] in the form attached hereto as Exhibit A was posted in at least three public places within the limits of the District, and, in addition, such notice was posted in the office of the County Clerk and Recorder of Eagle County, Colorado, not less than three days prior the meeting in accordance with law.

WITNESS my hand and the seal of the District this [_____, 2017].

Secretary

(SEAL)

EXHIBIT A

(Attach Notice of Meeting)

**RESOLUTION OF
THE BOARD OF DIRECTORS OF
CORDILLERA METROPOLITAN DISTRICT**

**FIRST AMENDMENT TO
2017 ANNUAL ADMINISTRATIVE MATTERS RESOLUTION**

WHEREAS, Cordillera Metropolitan District (the “District”) was organized pursuant to Section 32-1-101 *et seq.*, C.R.S. of the Special District Act; and

WHEREAS, the District’s Board of Directors (the “Board”) are required to perform certain administrative obligations during each calendar year to comply with certain statutory requirements and to assure the efficient operations of the District; and

WHEREAS, on January 31, 2017, the Board of the District adopted that certain 2017 Annual Administrative Matters Resolution (“Administrative Matters Resolution”) to set forth such obligations herein and to designate, where applicable, the appropriate person or person(s) to perform such obligations on behalf of the District; and

WHEREAS, the District enters into certain routine services agreements (“Service Agreements”) with third parties throughout the fiscal year that may need to be entered into by the District prior to a District Board meeting; and

WHEREAS, Service Agreements include, but are not limited to, professional service agreements with auditors, accountants, engineers, and other professionals, and operational and maintenance, and administrative-related contracts such as snow removal, landscape services including installation and repairs, office supply, printing and equipment purchase contracts, design review board contracts, Bearcat Stable maintenance and supply contracts, and public safety equipment purchase contracts; and

WHEREAS, the Board desires to amend the Administrative Matters Resolution to include the Board’s authorization of the District’s General Manager to enter into certain Service Agreements on behalf of the District; provided, that such Service Agreements do not exceed \$_____ and the District has appropriated funds for such Service Agreements, and that such Service Agreement are ratified at the next Board meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CORDILLERA METROPOLITAN DISTRICT:

1. Paragraph 28 is hereby added to the Administrative Matters Resolution as follows:

28. The Board hereby authorizes the District’s General Manager to enter into certain Service Agreements on behalf of the District; provided, that such Service Agreements do not exceed \$_____ and the District has appropriated funds for such Service Agreements, and that such Service Agreement are ratified at the next Board meeting.

2. Except as otherwise provided herein, the provisions of the Administrative Matters Resolution shall remain in effect and valid.

3. This First Amendment to Administrative Matters Resolution shall take effect on the date and at the time of its adoption and shall remain effective until otherwise supplemented or amended by the Board.

(Signatures Begin on Next Page.)

ADOPTED AND APPROVED THIS 24th DAY OF MARCH, 2017.

CORDILLERA METROPOLITAN DISTRICT

By: Robert B. Egan, President

ATTEST:

By: _____
David Davies, Secretary

CORDILLERA METROPOLITAN DISTRICT

A RESOLUTION REGARDING FINANCIAL ACCOUNT AUTHORIZATION

WHEREAS, Cordillera Metropolitan District (the “District”) was organized pursuant to Section 32-1-101 *et seq.*, C.R.S. of the Special District Act; and

WHEREAS, pursuant to Section 32-1-1001(1), C.R.S., the Board of Directors of the District (the “Board”) has the power to manage, control, and supervise all of the business and affairs of the District and may exercise all rights and powers necessary or incidental to or implied from the specific powers granted to the District; and

WHEREAS, the Board desires to open a banking account with Wells Fargo Bank, N.A. (the “Account”) and delegate transaction authorization with respect to the Account.

NOW, THEREFORE, in consideration of the above, the Board of Directors of the Cordillera Metropolitan District hereby resolves as follows:

1. The Board hereby designates the members of the Board, including Robert Egan, David Bentley, Judith McBride, David Davies, and Kitty George as authorized users on the Account (“Authorized Users”). Berniece Gutierrez, HR/Administration Manager, and Rachel Oys, General Manager, shall additionally be Authorized Users.
2. The Authorized Users shall be authorized to sign checks, make deposits, and conduct any and all other transactions related to the Account as may be necessary, including requesting any and all information and documentation related to said Account from Wells Fargo Bank, N.A.
3. This Resolution shall take effect on the date and at the time of its adoption and shall remain effective until otherwise supplemented or amended by the Board.

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ADOPTED AND APPROVED THIS 24th DAY OF MARCH, 2017.

CORDILLERA METROPOLITAN DISTRICT

By: Robert B. Egan, President

ATTEST:

By: _____
David Davies, Secretary

Cordillera Metro District
Schedule of Revenue & Expenditures and Changes in Fund Balance
2016 Actual and 2017 Budget

	12/31/2015 Unaudited Fund Bal	2016 Actual				12/31/2016 Fund Bal	2017 Budget			Increase (Decrease) Fund Bal	12/31/2017 Projected Fund Bal
		Revenues	Expenditures	Transfers In/Out	Increase (Decrease) Fund Bal		Revenues	Expenditures	Transfers In/Out		
CMD											
General or Operating Fund	2,066,575	5,259,741	(4,123,639)	(1,250,000)	(113,898)	1,952,677	5,733,383	(4,533,089)	(1,182,000)	18,295	2,117,632
Water Enterprise Fund	1,822,024	232,702	0		232,702	2,054,726	247,000	0		247,000	2,301,726
Capital Projects Fund	194,076	7,550	(1,179,580)	1,250,000	77,971	272,047	0	(1,242,037)	1,182,000	(60,037)	212,010
Equestrian Center Fund	125,109	305,435	(283,883)		21,551	146,660	To Gen Fund	To Gen Fund	To Gen Fund	To Gen Fund	To Gen Fund
CMD - Debt Service Fund	149,379	1,771,626	(2,091,264)	333,157	13,519	162,898	1,684,094	(2,086,518)	299,997	(102,427)	60,470
CMMD - Debt Service Fund	135,870	802,038	(886,621)	44,453	(40,130)	95,740	794,361	(1,009,316)	215,003	48	95,788
CMD - Debt Service Reserve Fund	145,108			22,390	22,390	167,498	0		(115,000)	(115,000)	52,498
	4,638,141	8,379,092	(8,564,988)	400,000	214,105	4,852,246	8,458,838	(8,870,960)	400,000	(12,122)	4,840,124

Cordillera Metropolitan District (Consolidated)
Balance Sheet
12/31/2016
Unaudited

ASSETS

CASH

Cash - Alpine Bank-Operating Chk	979,328	
Alpine Bank PR Checking	17,304	
Cash - Alpine Bank Flex Ben Acct	7,574	
Cash - Alpine Bank CMD MM	74,880	
Petty Cash	200	
Cash - Alpine Bank CTF Account	537	
Cash - CMD Petty Cash Checking	573	
Total Operating Cash		1,080,395

ColoTrust - Operating	1,101,532	
Cash - ColoTrust CMD D.S. Funds	69,812	
Cash - ColoTrust CMMD D.S. Funds	146,425	
Cash - ColoTrust DRB Deposits	183,230	
Cash - Bank One - Lease Proceeds Escrow	(51)	
Cash - Millenium Bank - Wildlife Chk	73,470	
Cash - Millenium Bank - Wildlife CD	170,660	
Charles Schwab MM	1,077,769	
Cash - ColoTrust Sinking Fund	89,298	
Total Cash		2,912,145

OTHER CURRENT ASSETS

Accounts Receivable	198,137	
Year End Receivables	4,089	
Allowance for Doubtful Accounts	(19,195)	
Accounts Receivable - Eq Center	2,261	
A/R - Eagle County Treasurer	0	
A/R - Eagle County Treasurer CMD Debt	0	
A/R - Eagle County Treasurer CMMD Debt	0	
Accts Receivable - Eagle County	25,623	
Health Insurance Deposits	0	
A/R Other	(669)	
Due to/from CPOA	1,326,472	
A/R - Employee Advances	0	
Advances-Ski Passes	(711)	
Prepaid Expenses	1,175	
Prepaid Expenses - Eq Center	6,533	
Property Taxes Receivable	6,217,395	
Total Other Current Assets		7,761,110

FIXED ASSETS

Land	7,285,224	
Road Infrastructure	15,036,866	
Improvements	4,432,482	
Equipment - Vehicles	1,822,830	
Equipment - General Inland Marine	652,905	
Buildings	7,421,330	
Less: Accumulated Depreciation	(19,396,120)	
Assets		17,255,517

Cordillera Metropolitan District (Consolidated)
Balance Sheet
12/31/2016
Unaudited

OTHER ASSETS

Bond Refunding Costs	32,794	
Accrued Interest Payable	(49,337)	
Unrealized Gain on Investments	(0)	
Deferred Issue Premium	(63,223)	
GASB 34 Adjustments		
Total Other Assets		(79,766)
TOTAL ASSETS		28,929,401

LIABILITIES & EQUITY

CURRENT LIABILITIES

Accounts Payable	101,374	
Year End Accounts Payable	3,201	
Accounts Payable - Credit Cards	9,153	
Accounts Payable - Credit Cards	18,507	
Accounts Payable - Home Depot	1,374	
Accrued Payrol/Liabilities	(0)	
Deferred Revenue	0	
Accrued Vacation/Sick Payable	174,036	
Federal Income Tax W/H Payable	24,847	
Cordillera Wildlife Funds	415	
Deposits - Equestrian Center	97,052	
Deferred Prop Taxes Receivable	6,217,395	
Other Deposits	10,000	
Total Current Liabilities		6,657,354

LONG-TERM LIABILITIES

Bonds Payable - CMD 2006	3,530,000	
Bonds Payable - CMD 2012	4,900,000	
Total CMD Bonds Payable		8,430,000
Bonds Payable - CMMD 2006	3,365,000	
Bonds Payable - CMMD 2015	1,445,000	
Total CMMD Bonds Payable		4,810,000
Total Long-Term Liabilities		13,240,000
TOTAL LIABILITIES		19,897,354

Fund Balance - Operating Fund	2,066,575	
Fund Balance - CMD Debt Service	149,379	
Fund Balance - CMMD Debt Service	135,870	
Fund Balance - Capital Fund	194,076	
Fund Balance - Eques Center	125,109	
Fund Balance - Debt Reserve Fund	145,108	
Assets Net of Debt	1,625,754	
Fund Balance Wild Life	243,720	
Fund Balance - Water Tank	1,822,024	
Revenues Over/(Under) Expenditures	2,524,432	
TOTAL FUND BALANCE		9,032,047
TOTAL LIABILITIES AND FUND BALANCE		28,929,401

Cordillera Metropolitan District (Consolidated)
 General Fund
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	YTD Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget	Percent 2017 Budget Over (Under) 2016 Actual	\$ Amount 2017 Budget Over (Under) 2016 Actual
					Variance Favorable (Unfavorable)	Actual % Received or Spent			
Revenues									
Property Taxes - Net	3,272,666	3,455,195	3,455,195	3,426,719	(28,476)	99.2%	3,627,955	5.9%	201,236
Specific Ownership Taxes - Operating	305,928	290,000	175,000	289,558	(442)	99.8%	227,000	-21.6%	(62,558)
CPOA Administration Fees	1,258,267	1,145,175	1,190,923	1,190,923	45,748	104.0%	1,093,447	-8.2%	(97,476)
Interest Income Operating	9,858	6,406	6,406	25,458	19,052	397.4%	6,406	-74.8%	(19,052)
CVC Public Safety Revenue	262,102	263,793	263,793	248,636	(15,157)	94.3%	295,854	19.0%	47,218
Public Safety Revenue	49,268	33,950	33,950	40,258	6,308	118.6%	33,950	-15.7%	(6,308)
Other Revenue	112,831	76,726	74,762	38,189	(38,537)	49.8%	75,515	97.7%	37,326
Total Revenues	5,270,920	5,271,245	5,200,029	5,259,741	(11,504)	99.8%	5,360,127	1.9%	100,386
Expenditures									
Administrative Expenses									
Administration Wages & Benefits	546,057	543,184	543,184	553,496	(10,313)	101.9%	589,703	6.5%	36,206
Employee Benefits	72,150	16,300	30,824	71,769	(55,469)	440.3%	16,300	-77.3%	(55,469)
Audit & Accounting Fees	41,550	39,500	39,500	46,557	(7,057)	117.9%	39,500	-15.2%	(7,057)
Insurance-Property/Casualty	68,704	72,839	63,500	66,202	6,637	90.9%	72,839	10.0%	6,637
Legal-General	146,273	126,000	276,000	256,426	(130,426)	203.5%	206,000	-19.7%	(50,426)
MIS & Computer Fees	49,502	30,342	33,967	45,336	(14,994)	149.4%	50,925	12.3%	5,589
Other Operating Expenses	180,891	287,422	320,479	277,114	10,308	96.4%	371,237	34.0%	94,123
Utilities	12,209	0	12,119	9,812	(9,812)	#DIV/0!	12,410	26.5%	2,598
Subtotal Administrative Expenses	1,129,780	1,115,586	1,319,573	1,326,712	(211,125)	118.9%	1,358,913	2.4%	32,202
Community Operations									
Community Operation Wages & Benefits	1,129,556	1,141,871	1,141,871	978,289	163,582	85.7%	1,007,221	3.0%	28,932
Flowers Maintenance	112,278	109,942	110,969	110,969	(1,027)	100.9%	109,942	-0.9%	(1,027)
Mowing & Irrigation	32,602	53,715	53,185	53,185	530	99.0%	53,715	1.0%	530
Engineering	4,694	9,430	6,000	8,698	732	92.2%	11,280	29.7%	2,582
Utilities	67,002	74,607	61,471	72,312	2,295	96.9%	62,946	-13.0%	(9,366)
Other Operating Expenses	88,126	75,308	76,215	74,238	1,070	98.6%	79,125	6.6%	4,887
Natural Resource Management	35,177	57,105	38,311	39,607	17,498	69.4%	50,755	28.1%	11,148
Roads - Snow & Maint.	128,966	118,763	118,682	119,145	(382)	100.3%	128,779	8.1%	9,634
Other Recreation Activities	29,607	26,595	30,632	30,444	(3,849)	114.5%	25,210	-17.2%	(5,234)
Subtotal Community Operations	1,628,008	1,667,336	1,637,336	1,486,887	180,449	89.2%	1,528,973	2.8%	42,086

Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	YTD Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget	Percent 2017 Budget Over (Under) 2016 Actual	\$ Amount 2017 Budget Over (Under) 2016 Actual
					Variance Favorable (Unfavorable)	Actual % Received or Spent			
Equipment Maintenance & Repair	208,508	239,189	233,189	210,205	28,984	87.9%	242,640	15.4%	32,435
Public Safety Expenditures									
Public Safety Wages & Benefits	1,052,625	1,082,615	1,086,615	1,048,959	33,656	96.9%	1,039,352	-0.9%	(9,607)
Public Safety Utilities	15,412	16,632	16,632	15,755	877	94.7%	17,694	12.3%	1,939
Other Operating Expenses	35,573	40,402	38,409	35,122	5,280	86.9%	37,955	8.1%	2,833
Subtotal Public Safety Expenditures	1,103,610	1,139,649	1,141,656	1,099,836	39,813	96.5%	1,095,001	-0.4%	(4,835)
Total Expenditures	4,069,906	4,161,760	4,331,754	4,123,639	38,121		4,225,528	2.5%	101,889
Revenue Over (Under) Expenditures	1,201,014	1,109,485	868,276	1,136,102	26,617		1,134,600	-0.1%	(1,503)
Transfer to Capital Projects Fund	(895,000)	(1,032,000)	(1,250,000)	(1,250,000)	(218,000)	121.1%	(1,182,000)		68,000
Total Other Financing Sources (Uses)	(895,000)	(1,032,000)	(1,250,000)	(1,250,000)	(218,000)		(1,182,000)		
Change in Fund Balance	306,014	77,485	(381,724)	(113,898)	(191,383)		(47,400)		
Beginning Fund Balance	1,760,561	2,066,575	2,066,575	2,066,575	0		1,952,677		
Ending Fund Balance	2,066,575	2,144,060	1,684,851	1,952,677	(191,383)		1,905,277		
Assessed Valuation	80,216,150	98,641,540					101,811,020	3.2%	
Mills Levied	42.091	36.111					36.736	1.7%	

Cordillera Metropolitan District (Consolidated)
 Operating/Contractual Obligations Fund
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2015	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	% Spent	
Revenues							
Property Taxes Operating	3,374,047	3,562,057	3,562,057	3,532,940	(29,117)	99.2%	3,740,160
Treasurers Fees	(101,381)	(106,862)	(106,862)	(106,220)	641	99.4%	(112,205)
Net Property Tax Revenue	3,272,666	3,455,195	3,455,195	3,426,719	(28,476)	99.2%	3,627,955
Specific Ownership Taxes - Operating	305,928	290,000	175,000	289,558	(442)	99.8%	227,000
CPOA Administration Fees	1,258,267	1,145,175	1,190,923	1,190,923	45,748	104.0%	1,093,447
Interest Income Operating	9,858	6,406	6,406	25,458	19,052	397.4%	6,406
CVC Public Safety	262,102	263,793	263,793	248,636	(15,157)	94.3%	295,854
Other Revenue							
Sewer Lift Revenue	20,200	21,126	21,126	16,738	(4,388)	79.2%	19,426
Lottery Proceeds	1,340	1,600	1,600	1,171	(429)	73.2%	1,600
Holy Cross Refunds	17,774	10,000	7,547	7,547	(2,453)	75.5%	10,000
Internal Service Revenue	29,477	44,000	44,000	1,539	(42,461)	3.5%	44,000
Other Revenue	44,040	-	489	11,194	11,194		489
Subtotal Other Revenue	112,831	76,726	74,762	38,189	(38,537)	49.8%	75,515
Public Safety Revenue							
Transponders Revenue	13,970	12,000	12,000	13,155	1,155	109.6%	12,000
Road Impact Fees	8,443	2,000	2,000	5,183	3,183	259.2%	2,000
Escort Fees	0	150	150	0	(150)	0.0%	150
Trailer Storage Fees	26,855	19,800	19,800	21,920	2,120	110.7%	19,800
Subtotal Public Safety Revenue	49,268	33,950	33,950	40,258	6,308	118.6%	33,950
Total Revenues	5,270,920	5,271,245	5,200,029	5,259,741	(11,504)	99.8%	5,360,127
Expenditures							
Admin Wages & Benefits							
Administration Wages	455,802	441,716	441,716	474,199	(32,483)	107.4%	502,535
Administration Overtime	3,402	3,317	3,317	(2,720)	6,037	-82.0%	2,500
Administration Benefits	86,853	98,151	98,151	82,018	16,133	83.6%	84,668
Subtotal Admin Wages & Benefits	546,057	543,184	543,184	553,496	(10,313)	101.9%	589,703
CMD Employee Benefits							
Medicare & State Unemployment	46,747	39,495	39,495	75,941	(36,447)	192.3%	39,368
Retirement Plan ER Share-401 (a)	185,853	168,874	168,874	161,192	7,681	95.5%	168,333
Retirement Plan ER Share-457	21,733	16,300	16,300	11,859	4,441	72.8%	16,300
Workers Compensation	78,876	77,974	92,499	93,629	(15,655)	120.1%	80,350
Wellness Program		16,483	16,483		16,483	0.0%	19,600
Life & Disability Insurance		25,605	25,605		25,605	0.0%	20,665
Health Insurance Premiums	420,360	411,427	411,427	362,328	49,098	88.1%	299,625
Benefits Allocated	(681,420)	(739,857)	(739,857)	(633,181)	(106,677)	85.6%	(627,941)
Subtotal CMD Employee Benefits	72,150	16,300	30,824	71,769	(55,469)	440.3%	16,300
Audit & Accounting Fees	41,550	39,500	39,500	46,557	(7,057)	117.9%	39,500
Insurance-Property/Casualty	68,704	72,839	63,500	66,202	6,637	90.9%	72,839
Legal-General	146,273	126,000	276,000	256,426	(130,426)	203.5%	206,000
MIS & Computer Fees	49,502	30,342	33,967	45,336	(14,994)	149.4%	50,925
Edwards Community Authority Contribution	12,444			0	0		
Utilities - Administration	12,209		12,119	9,812	(9,812)		12,410
Electric	32,758	34,273	25,000	33,411	862	97.5%	25,600
Gas	10,693	14,950	11,471	9,438	5,512	63.1%	11,746
Water	11,954	16,032	14,000	16,629	(597)	103.7%	14,336
Trash	11,598	9,352	11,000	12,834	(3,482)	137.2%	11,264
Other Admin Operating Expenses							
Board Meeting Expenses	9,492	15,915	7,353	9,685	6,230	60.9%	9,800
Strategic Initiatives							120,000
Election Expense	2,217	3,083	5,383	4,172	(1,089)	135.3%	3,944
Facility Study							2,500
Community Day							2,500
Dues & Subscriptions	8,526	13,007	13,007	10,392	2,615	79.9%	12,229
Drug/Alcohol/CDOT Testing	2,292	1,114	1,114	459	655	41.2%	2,294
Employee Recruitment	23,687	12,635	12,635	14,207	(1,572)	112.4%	14,436
Safety Program		3,000	3,000	1,526	1,474	50.9%	3,000
Benefits Consultant		18,000	18,000	15,000	3,000	83.3%	15,000
Employee Morale & Welfare	5,980	17,340	17,340	14,083	3,257	81.2%	33,500
HR & Comp Analysis	23,600			2	(2)		
Seminars & Education	9,820	35,000	35,000	21,977	13,023	62.8%	30,335
Background Checks	3,244	3,886	3,286	2,593	693	66.8%	1,625
Payroll Administration	23,117	25,203	33,203	31,700	(6,497)	125.8%	24,844

Cordillera Metropolitan District (Consolidated)
 Operating/Contractual Obligations Fund
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2015	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	% Spent	
Bad Debt Expense	5,000			0	0		
Miscellaneous Office Equipment	3,909	21,003	46,003	26,365	(5,362)	125.5%	25,670
Office Supplies	10,940	13,430	13,430	14,480	(1,050)	107.8%	17,810
Paying Agent & Bank Fees	6,566	9,688	9,688	4,635	5,053	47.8%	9,688
Postage & Courier	4,360	4,740	4,740	3,962	778	83.6%	4,470
Printing	134	84	860	1,653	(1,569)	1968.3%	245
Copier Maintenance	6,822	6,687	6,687	6,501	186	97.2%	6,227
Travel & Entertainment	780	1,000	1,345	1,654	(654)	165.4%	2,000
Communications Expense		61,074	61,074	61,074	0	100.0%	-
Telephone Expense G&A	30,404	22,133	27,331	30,995	(8,862)	140.0%	29,120
Subtotal Other Admin Operating Expenses	180,891	287,422	320,479	277,114	10,308	96.4%	371,237
Subtotal Administrative Expenses	1,196,782	1,190,193	1,381,044	1,399,024	(208,830)	117.5%	1,421,860
Community Operations Wages & Benefits							
Community Operation Wages	860,647	839,204	839,204	737,984	101,220	87.9%	758,161
Community Operations Overtime	26,579	49,836	49,836	32,493	17,343	65.2%	50,000
Community Operations Benefits	242,330	252,830	252,830	207,811	45,019	82.2%	199,060
Subtotal CommOps Wages & Benefits	1,129,556	1,141,871	1,141,871	978,289	163,582	85.7%	1,007,221
Flowers Maintenance	112,278	109,942	110,969	110,969	(1,027)	100.9%	109,942
Mowing & Irrigation	32,602	53,715	53,185	53,185	530	99.0%	53,715
Engineering	4,694	9,430	6,000	8,698	732	92.2%	11,280
Roads - Snow & Maintenance							
Road Shoulders/Drainage Maintenance	9,940	2,761	2,680	476	2,285	17.2%	11,216
Asphalt Patch/Crack Seal	40,491	28,861	28,861	18,551	10,310	64.3%	29,670
Cinders, Gravel, Chemicals	51,285	54,850	54,850	72,862	(18,012)	132.8%	55,803
Road Maintenance	11,458	9,691	9,691	6,472	3,219	66.8%	9,290
Leased Loader	15,793	22,600	22,600	20,784	1,816	92.0%	22,800
Subtotal Roads - Snow & Maintenance	128,966	118,763	118,682	119,145	(381)	100.3%	128,779
CommOps Other Operating Expenses							
Repair & Maintenance-Radios	864	2,535	1,793	2,351	184	92.7%	-
Supplies	785	1,618	1,618	1,397	221	86.3%	1,720
Uniforms-Community Operations	8,595	8,569	8,569	7,499	1,070	87.5%	9,965
Street & Holiday Lights	59	2,632	2,632	2,369	263	90.0%	4,337
Street Signage	14,515	12,233	12,233	10,884	1,349	89.0%	12,486
Repairs & Maintenance	16,569	16,579	16,579	19,323	(2,744)	116.6%	15,884
Parts & Supplies - Facilities	21,799	7,647	8,500	9,194	(1,547)	120.2%	10,614
Parts & Supplies - Maintenance	2,105	4,069	4,069	4,525	(456)	111.2%	4,693
Sewer Lift Station Expense	22,836	19,426	20,222	16,697	2,729	85.9%	19,426
Subtotal Other CommOps Operating Expense	88,126	75,308	76,215	74,238	1,070	98.6%	79,125
Natural Resource Management							
Tree/Pest Removal	4,625	19,755	17,185	18,362	1,393	92.9%	13,405
Mosquito Control	0	1,350	461	461	890	34.1%	1,350
Weed Control	30,552	36,000	20,665	20,785	15,215	57.7%	36,000
Subtotal Natural Resource Management	35,177	57,105	38,311	39,607	17,498	69.4%	50,755
Equipment Maintenance & Repair							
Equipment Rental	0	75	75	137	(62)	182.4%	15,070
Fuels & Fluids	69,759	97,805	77,805	69,580	28,225	71.1%	84,261
Parts & Supplies-Equipment	120,196	128,309	128,309	129,735	(1,426)	101.1%	128,309
Major Repairs-Equipment	18,553	13,000	27,000	10,753	2,247	82.7%	15,000
Subtotal Equipment Maintenance & Repair	208,508	239,189	233,189	210,205	28,984	87.9%	242,640
Recreation							
Community Events	2,500	2,500	2,500	2,500	0	100.0%	-
Ski Shuttle Program		-	-				-
Community Parks	5,661	2,141	6,178	6,178	(4,037)	288.6%	2,671
Trail Maintenance	3,446	3,954	3,954	3,766	188	95.2%	4,539
Nordic Trail Maintenance	18,000	18,000	18,000	18,000	0	100.0%	18,000
Subtotal Recreation	29,607	26,595	30,632	30,444	(3,849)	114.5%	25,210
	1,769,514	1,831,918	1,809,054	1,624,779	207,138	88.7%	1,708,667
Public Safety Wages & Benefits							
Public Safety Wages	736,680	778,408	778,408	740,847	37,561	95.2%	789,459
Public Safety Overtime	87,522	48,911	52,911	70,411	(21,500)	144.0%	25,000
Public Safety Benefits	228,423	255,297	255,297	237,701	17,595	93.1%	224,893
Subtotal Public Safety Wages & Benefits	1,052,625	1,082,615	1,086,615	1,048,959	33,656	96.9%	1,039,352
03/16/2017		92					Page 7 of 14
Utilities -Public Safety	15,412	16,632	16,632	15,755	877	94.7%	17,694

Cordillera Metropolitan District (Consolidated)
 Operating/Contractual Obligations Fund
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2015	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	% Spent	
Other Public Safety Operating Expenses							
Maintenance & Repairs - Gates	12,075	9,243	9,243	3,676	5,567	39.8%	4,850
Supplies-Public Safety	2,457	4,230	4,230	5,868	(1,638)	138.7%	7,710
Signage	70	1,100	433	433	667	39.4%	750
Sticker Program	1,262	1,326	-	1,469	(143)	110.8%	1,490
Transponders/Proximity Cards	13,908	15,723	15,723	15,439	284	98.2%	12,159
Uniforms-Public Safety	5,800	8,780	8,780	8,237	543	93.8%	10,996
Subtotal Other Public Safety Opex	35,573	40,402	38,409	35,122	5,280	86.9%	37,955
Subtotal Public Safety	1,103,610	1,139,649	1,141,656	1,099,836	39,813	96.5%	1,095,001
Total Expenditures	4,069,906	4,161,760	4,331,754	4,123,639	38,121	99.1%	4,225,527.53
Revenue Over (Under) Expenditures	1,201,014	1,109,485	868,276	1,136,102	26,617	102.4%	1,134,600
Other Financing Sources (Uses)							
Transfer to Capital Projects Fund	(895,000)	(1,032,000)	(1,250,000)	(1,250,000)	218,000	121.1%	(1,182,000)
Total Other Financing Sources (Uses)	(895,000)	(1,032,000)	(1,250,000)	(1,250,000)	218,000	121.1%	(1,182,000)
Revenue Over (Under) Expenditures	306,014	77,485	(381,724)	(113,898)			(47,400)
Beginning Fund Balance	1,760,561	2,066,575	2,066,575	2,066,575			1,952,677
Ending Fund Balance	2,066,575	2,144,060	1,684,851	1,952,677	(191,383)		1,905,277

Cordillera Metropolitan District (Consolidated)
 Debt Service Fund - CMD
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget	Percent 2017 Budget Over (Under) 2016 Actual	\$ Amount 2017 Budget Over (Under) 2016 Actual
					Variance Favorable (Unfavorable)	Actual % Received or Spent			
Revenues									
Property Taxes CMD Debt Service	1,704,721	1,756,211	1,756,211	1,750,181	(6,030)	100%	1,683,211	-3.8%	(66,970)
Tap Fee Revenue	60,850			12,494	12,494			-100.0%	(12,494)
CMD Debt Service Interest	3,804	883	883	8,950	8,067	1014%	883	-90.1%	(8,067)
Total Revenues	1,769,375	1,757,094	1,757,094	1,771,626	14,532	101%	1,684,094	-4.9%	(87,532)
Expenditures									
Treasurers Fees CMD DS	51,209	52,686	52,686	52,589	97	100%	50,496	-4.0%	(2,093)
Debt Service	1,970,656	2,038,697	2,038,697	2,038,675	22	100%	2,036,022	-0.1%	(2,653)
Total Expenditures	2,021,865	2,091,383	2,091,383	2,091,264	119	100%	2,086,518	-0.2%	(4,746)
Revenue Over (Under) Expenditures	(252,490)	(334,289)	(334,289)	(319,638)	14,651	96%	(402,424)	25.9%	(82,786)
Transfer from CPOA	331,410	333,157	333,157	333,157	0	100%	223,101	-33.0%	(110,056)
Transfer from Reserve Fund							76,896		
Total Other Financing Sources (Uses)	331,410	333,157	333,157	333,157	0	100%	299,997		
Change in Fund Balance	78,920	(1,132)	(1,132)	13,519	14,651	-1194%	(102,427)		
Beginning Fund Balance	136,702	215,622	215,622	215,622	0	100%	229,141		
Ending Fund Balance	215,622	214,490	214,490	229,141	14,651	107%	126,713		

Cordillera Metropolitan District (Consolidated)
 Debt Service Fund - CMMD
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Property Taxes CMMD Debt Service	890,999	794,161	794,161	771,895	(22,266)	97%	794,161
Tap Fee Revenue	44,066			24,106	24,106		
CMMD Debt Service Interest	3,259	200	200	6,037	5,837	3019%	200
Total Revenues	938,324	794,361	794,361	802,038	7,677	101%	794,361
Expenditures							
Treasurers Fees CMMD DS	26,796	23,825	23,825	23,273	552	98%	23,825
Total Debt Service	839,503	863,349	863,349	863,348	1	100%	985,491
Total Expenditures	866,299	887,174	887,174	886,621	553	100%	1,009,316
Revenue Over (Under) Expenditures	72,025	(92,813)	(92,813)	(84,583)	8,230	91%	(214,955)
Other Financing Sources (Uses)							
Transfer from CPOA	0	44,453	44,453	44,453	0	100%	176,899
Transfer from Reserve Fund							38,104
Total Other Financing Sources (Uses)	954	44,453	44,453	44,453	0	100%	215,003
Change in Fund Balance	72,979	(48,360)	(48,360)	(40,130)	8,230	83%	48
Beginning Fund Balance	62,891	135,870	135,870	135,870	0	100%	95,740
Ending Fund Balance	135,870	87,511	87,511	95,740	8,230	109%	95,788

Cordillera Metropolitan District (Consolidated)
 Debt Service Fund - 2002 Bond Reserve
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2014	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable Unfavorable	Actual % Received or Spent	
Revenues							
Sinking Fund - Chaveno Interest Income	56			327	327		
Total Revenues	<u>56</u>	<u>0</u>	<u>0</u>	<u>327</u>	<u>327</u>		<u>0</u>
Transfer From CPOA	68,590	22,390	22,390	22,390	0	100.0%	
Transfer to Debt Service Funds							(115,000)
Total Other Financing Sources (Uses)	<u>68,590</u>	<u>22,390</u>	<u>22,390</u>	<u>22,390</u>	<u>0</u>		<u>(115,000)</u>
Revenue Over (Under) Expenditures	<u>68,646</u>	<u>22,390</u>	<u>22,390</u>	<u>22,717</u>	<u>327</u>		<u>(115,000)</u>
Beginning Fund Balance	76,462	145,108	145,108	145,108	0		167,825
Ending Fund Balance	<u>145,108</u>	<u>167,498</u>	<u>167,498</u>	<u>167,825</u>	<u>327</u>		<u>52,825</u>

Cordillera Metropolitan District (Consolidated)
 Capital Projects Fund
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2014	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Bearcat Stables Improvements	6,749	6,749	6,749	7,550	801	112%	-
Cordillera Preservation Found. Donation	9,422			0			
Sale of Equipment	24,075			0	0		
Total Revenues	40,246	6,749	6,749	7,550	801	112%	0
Expenditures							
2017 Projects Unallocated							1,242,037
Building Stabilization			250,000	177,181			
Road Repair	388,860	627,378	627,378	565,695	61,683	90%	
Engineering Projects		46,000	46,000	43,548	2,453	95%	
Heavy Equipment Purchases	361,235	301,922	301,922	297,905	4,017	99%	
Admin Building Projects:	10,450						
Maintenance Facility Projects:	3,329	-	-	16,464	(16,464)		-
Summit Tent			16,283	16,464			
Equestrian Center Projects:	10,074				0		
Eq. Center - Replace Lower Bard Siding		52,404	60,000	58,764	(6,360)		
Parks & Recreation		20,000	20,000	20,023	(23)	100%	
Community Parks/Rec - Fencing							
Water Feature & Ponds	16,724						
Irrigation Upgrade	25,627						
Security & Telecom Upgrades:							
Other Projects							
Bearcat Pavilion	18,446						
Total Expenditures	834,745	1,047,704	1,321,583	1,179,580	45,305	113%	1,242,037
	(794,499)	(1,040,955)	(1,314,834)	(1,172,029)	142,805	113%	(1,242,037)
Transfer from General Fund	895,000	1,032,000	1,250,000	1,250,000	(218,000)	121%	1,182,000
Total Other Financing Sources (Uses)	895,000	1,032,000	1,250,000	1,250,000	(218,000)	121%	1,182,000
Revenue Over (Under) Expenditures	100,501	(8,955)	(64,834)	77,971	86,926	-871%	(60,037)
Beginning Fund Balance	93,575	194,076	194,076	194,076	0	100%	272,047
Ending Fund Balance	194,076	185,121	129,242	272,047	360,805	147%	212,010

Cordillera Metropolitan District (Consolidated)
 Water Enterprise
 Statement of Revenues and Expenditures
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual 12/31/2014	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable Unfavorable	Actual % Received or Spent	
Revenues							
Water Usage Fees	251,349	247,000	247,000	232,702	(14,298)	94%	247,000
Water Tap Fees				0	0		
Total Revenues	251,349	247,000	247,000	232,702	(14,298)	94%	247,000
Revenue Over (Under) Expenditures	251,349	247,000	247,000	232,702	(14,298)	94%	247,000
Beginning Fund Balance	1,570,675	1,822,024	1,822,024	1,822,024	0		2,054,726
Ending Fund Balance	1,822,024	2,069,024	2,069,024	2,054,726	(14,298)		2,301,726

Cordillera Metropolitan District (Consolidated)
Equestrian Center
Statement of Revenues and Expenditures
Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
December 31, 2016

	2015 Actual 12/31/2014	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Boarding Stall Revenue	197,103	205,865	205,865	187,394	(18,471)	91%	218,405
Paddock Revenue	121,674	111,068	111,068	114,122	3,054	103%	150,000
Other EQ Ctr Revenue	4,573	4,189	4,189	3,919	(270)	94%	4,851
Total Revenues	323,350	321,122	321,122	305,435	(15,688)	95%	373,256
Expenditures							
Equestrian Center Wages	144,377	142,084	142,084	135,321	6,763	95%	134,049
Equestrian Center Overtime	9,702	5,845	5,845	6,143	(298)	105%	-
Benefits	48,847	51,054	51,054	32,226	18,828	63%	36,963
Subtotal Wages & Benefits	202,926	198,983	198,983	173,690	25,293	87%	171,012
Office Supplies	980	1,449	1,449	404	1,045	28%	1,469
Advertising	15	10,641	10,641	3,989	6,652	37%	11,110
Training	0	290	290	0	290	0%	290
Admin Fee (Internal Service Fee)	22,916	25,080	25,080	0	25,080	0%	-
Bad Debt Expense	8,600						
Uniforms	1,571	1,779	1,779	1,291	488	73%	1,686
Subtotal Administrative Expenses	34,082	39,239	39,239	5,684	33,555	14%	14,555
Manure Disposal	6,369	7,965	9,565	9,347	(1,382)	117%	6,501
Grain	1,664	7,632	7,632	4,660	2,972	61%	4,829
Hay	47,184	45,336	45,336	36,984	8,352	82%	43,380
Shavings	12,668	12,512	12,512	12,612	(100)	101%	13,281
Subtotal Boarding Expenses	67,885	73,445	75,045	63,603	9,842	87%	67,991
Maintenance	14,553	29,856	29,856	19,241	10,615	64%	24,825
Electric	10,120	11,516	11,516	8,847	2,669	77%	11,998
Gas	10,274	9,551	10,000	9,065	486	95%	12,529
Trash	937	940	940	792	148	84%	969
Water	3,444	3,703	3,703	2,962	741	80%	3,682
Subtotal Utilities	24,774	25,710	26,159	21,666	4,044	84%	29,178
Total Operating Expenses	344,220	367,233	369,282	283,883	83,350	77%	307,561
Net Operating Revenue	(20,870)	(46,111)	(48,160)	21,551	67,662	-47%	65,695
Beginning Fund Balance	145,979	125,109	125,109	125,109	0		146,661
Ending Fund Balance	125,109	78,998	76,949	146,661	67,662	186%	212,356

Briefing: Design Review Board Application Fees

Issue

DRB tracks the revenue and expense for each project. The Board had a year-end project review and found large projects were adequately charged but small project were not being charged enough to cover the review cost. Cordillera's DRB fees are substantially less when compared to the other DRB fees for other communities within the valley.

Staff Recommendations

Approve the revised fee schedule: modification, tree removal for Fire Mitigation, Building Addition, Accessory Building, and Building Envelope Amendment are the items that were revised.

Board Consideration

The Design Review Board is asking approval from CPOA to adopt the proposed application fee.

Design Review Board - Application Fee per Structure

DRAFT PROPOSED FOR ADOPTION April 2017

Checks payable to Cordillera Property Owners Association

Application Type	Fee
Pre-Design Plan Submittal – New Construction	\$1,000
Sketch Plan Submittal – New Construction up to 4,500 square feet of Habitable Space ((\$4,500 Sketch fee, if Pre-Design was not submitted))	\$3,500
Sketch Plan Submittal – New Construction over 4,500 square feet of Habitable Space	\$1 / sq. ft.
DRB meeting beyond one meeting for each application	\$1,000
Deviation from Guidelines / Variance (Example: Solid Stain siding is a \$500 Variance fee plus the color change)	Up to \$,2000
Minor Modification – single item (Example: minor landscaping, color change, new roof, fencing, hot tub, fire pit, address marker, exterior lights, bocce court)	\$200
Modification without adding Building sq. ft. – multiple items (Example: deck, patio, landscape, water feature, window changes, several minor modifications)	\$500
Tree / Vegetation Removal for Fire Mitigation	\$100

Building Addition of Livable sq. ft. – Minor (under 500 sq. ft.)	\$700
Building Addition of Livable sq. ft. – Major (500 sq. ft. – 1,000 sq. ft.) (Over 1,000 sq. ft. - \$1 / sq. ft.)	Minimum \$1,000
Accessory Building	\$1,000
Building Envelope Amendment (Amended Final Plat)	\$1,000
Modification to Approved Plans (Prior to or during Construction)	See Modifications
Final Plan Approval – Extension with no Changes to Plans (Maximum of Two Extensions)	\$500
Compliance Deposit	Deposit
Road Cuts Deposit –	\$3,500
Compliance Deposit – New Construction of Habitable Space 2,500 – 5,000 sq. ft.	\$20,000
Compliance Deposit – New Construction of Habitable Space 5,001 – 7,000 sq. ft.	\$30,000
Compliance Deposit – New Construction of Habitable Space 7,001 – 10,000 sq. ft.	\$40,000
Compliance Deposit – New Construction of Habitable Space 10,001 – 15,000 sq. ft.	\$50,000
Compliance Deposit – Addition, Remodel, Landscape Construction Cost < \$100,000	\$5,000
Compliance Deposit – Addition, Remodel, Landscape Construction Cost > \$100,000	\$10,000

*Projects fees outside the scope of the current fee schedule will be determined by DRB staff.

***Projects started without approval will be charged double the review fee.**

Design Review Board - Application Fee per Structure

October
2015

Checks payable to Cordillera Property Owners Association

Application Type	Fee
Pre-Design Plan Submittal – New Construction	\$1,000
Sketch Plan Submittal – New Construction up to 4,500 square feet of Habitable Space	\$3,500
Sketch Plan Submittal – New Construction over 4,500 square feet of Habitable Space	\$1 / sq. ft.
DRB meeting beyond one meeting for each application	\$1,000
Deviation from Guidelines / Variance	Up to \$2,000

Minor Modification (Landscaping, Color change, Recreational Equipment, Fencing)	Minimum \$150
Modification without adding Building sq. ft.	Minimum \$500
Building Addition of Livable sq. ft. – Minor (under 500 sq. ft.)	Minimum \$500
Building Addition of Livable sq. ft. – Major (over 500 sq. ft.)	\$1 / sq. ft.
Building Envelope Amendment (Amended Final Plat)	\$500
Modification to Approved Plans (Prior to or during Construction)	\$250
Final Plan Approval – Extension with no Changes to Plans (Extension = 6 months, Maximum of Two Extensions)	\$500
Compliance Deposit	Deposit
Road Cuts Deposit –	\$3,500
Compliance Deposit – New Construction of Habitable Space 2,500 – 5,000 sq. ft.	\$20,000
Compliance Deposit – New Construction of Habitable Space 5,001 – 7,000 sq. ft.	\$30,000
Compliance Deposit – New Construction of Habitable Space 7,001 – 10,000 sq. ft.	\$40,000
Compliance Deposit – New Construction of Habitable Space over 10,001 sq. ft.	\$50,000
Compliance Deposit – Addition, Remodel, Landscape Construction Cost < \$100,000	\$5,000
Compliance Deposit – Addition, Remodel, Landscape Construction Cost > \$100,000	Minimum \$10,000

*Projects fees outside the scope of the current fee schedule will be determined by DRB staff.

***Projects started without approval will be charged double the review fee.**

Briefing: Short Course Summer Operation Plans

Short Course Golf Pro Shop

2017 Summer Schedule

- Opening Day is Friday, May 19.
- Closing Day is Sunday, October 8.
- Course will be closed Wednesdays for maintenance.

Rates

- Property owner: no green fee
- Property owner guest: \$25 green fee
- Public rate: \$35 green fee
- Junior rate: \$15 green fee
- \$13 cart fee (cart not required)
- Property owners will receive 20 percent off merchandise

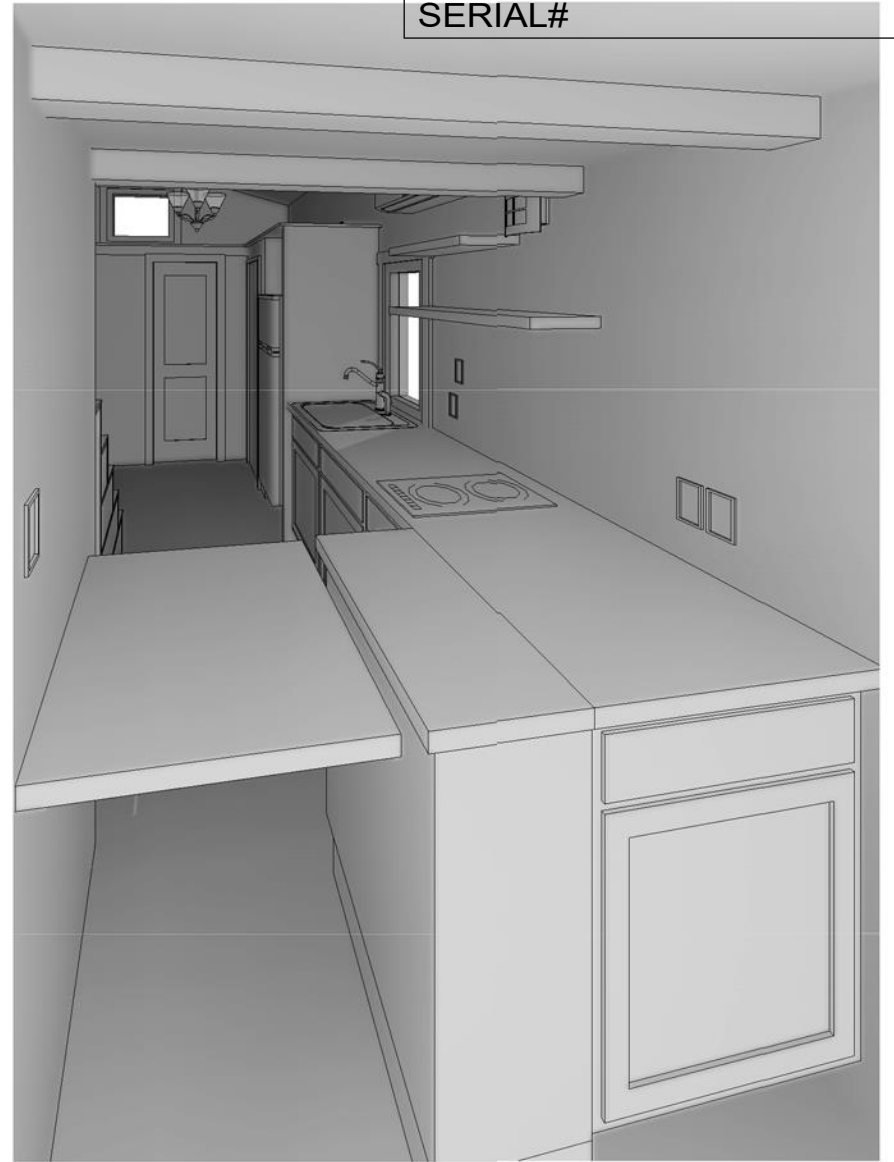
Events and Clinics

- Tuesdays at 10:00 a.m.: Ladies Short and Sweet (30-minute clinic followed by 9 holes)
- Saturdays at 3:00 p.m. and 4:00 p.m.: One hour short game clinics covering a new topic each week.
- Sundays 3:00 p.m. - 5:00 p.m.: Play with the Pro
- Tim Mahoney, Top 50 Instructor and Troon's Director of Education, will lead Saturday's Short Game Clinics and Play with the Pro.



A tiny home was purchased to serve as the Golf Pro Shop for this upcoming season. It will be placed by the Short Course maintenance facility; additional parking, road base and golf cart storage will be added. \$80,000 was budgeted for 2017. The tiny home cost \$80,858.07. The tiny home is anticipated to be resalable for the original cost; whereas a trailer would have been unrecoverable costs. An additional \$70,000 is formally requested; estimated costs include road base \$10,000, new parking spaces \$11,000, fill for \$15,000, seal coat \$4,000, tent \$9,000, electrical \$10,000, fence \$5,000 and dozer rental for \$4,000.

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Cordillera Property Association
Roanoke 26 Vista

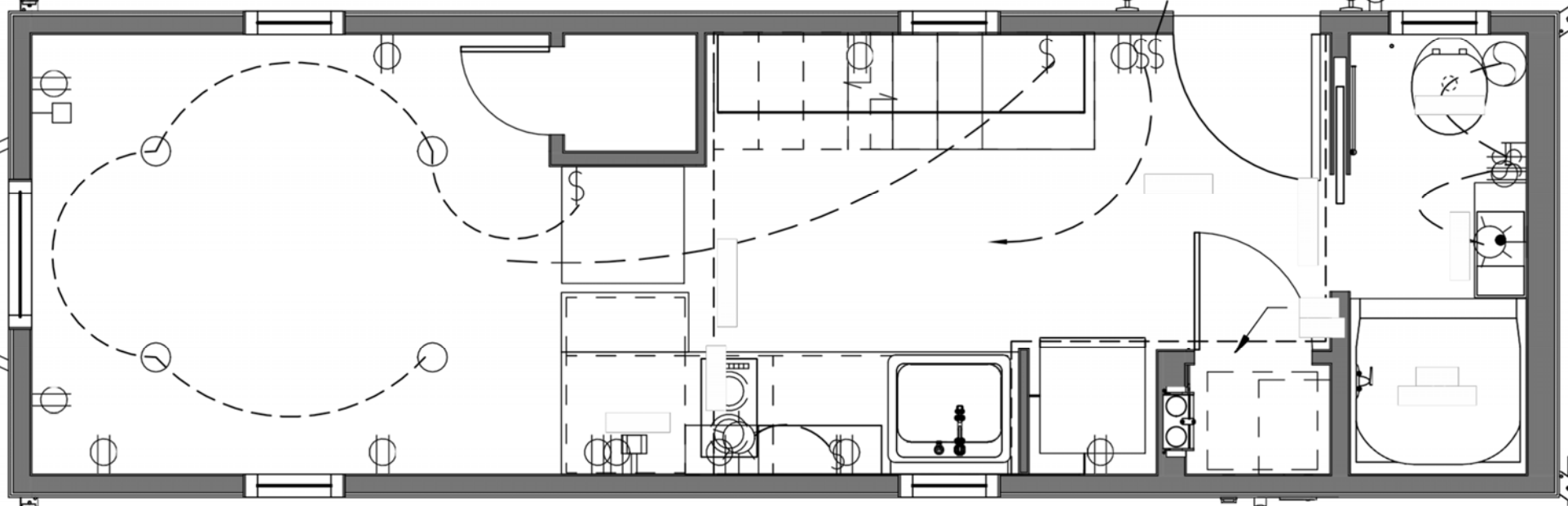
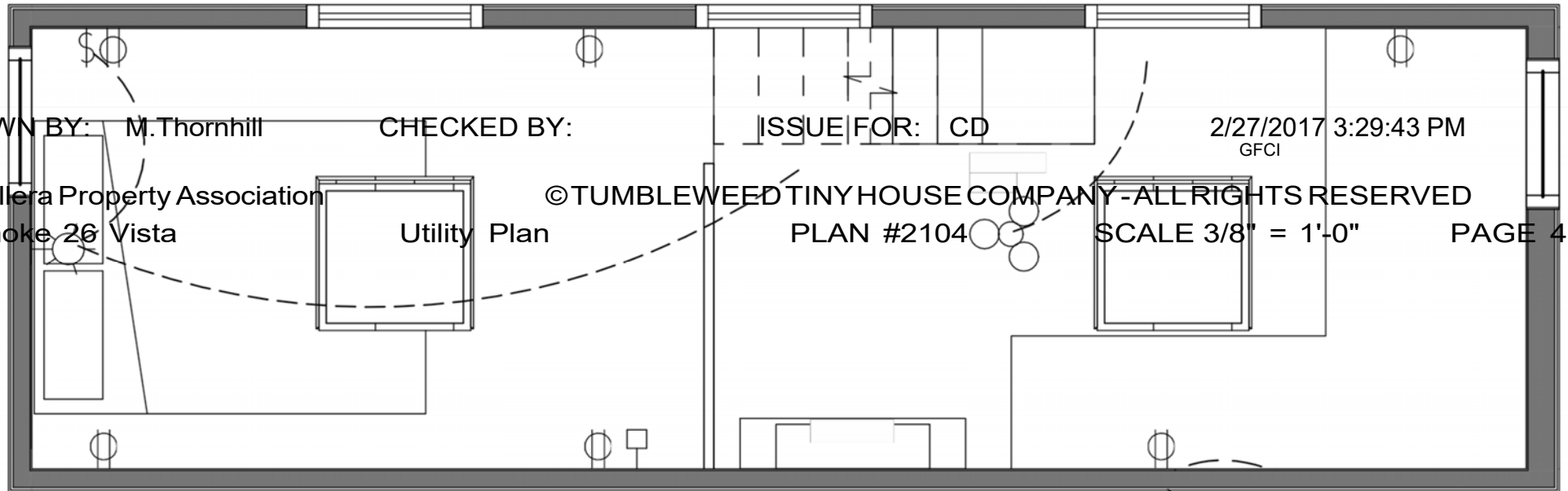
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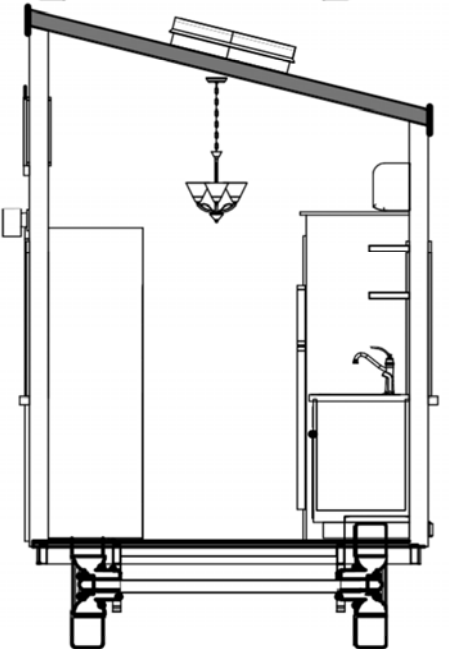
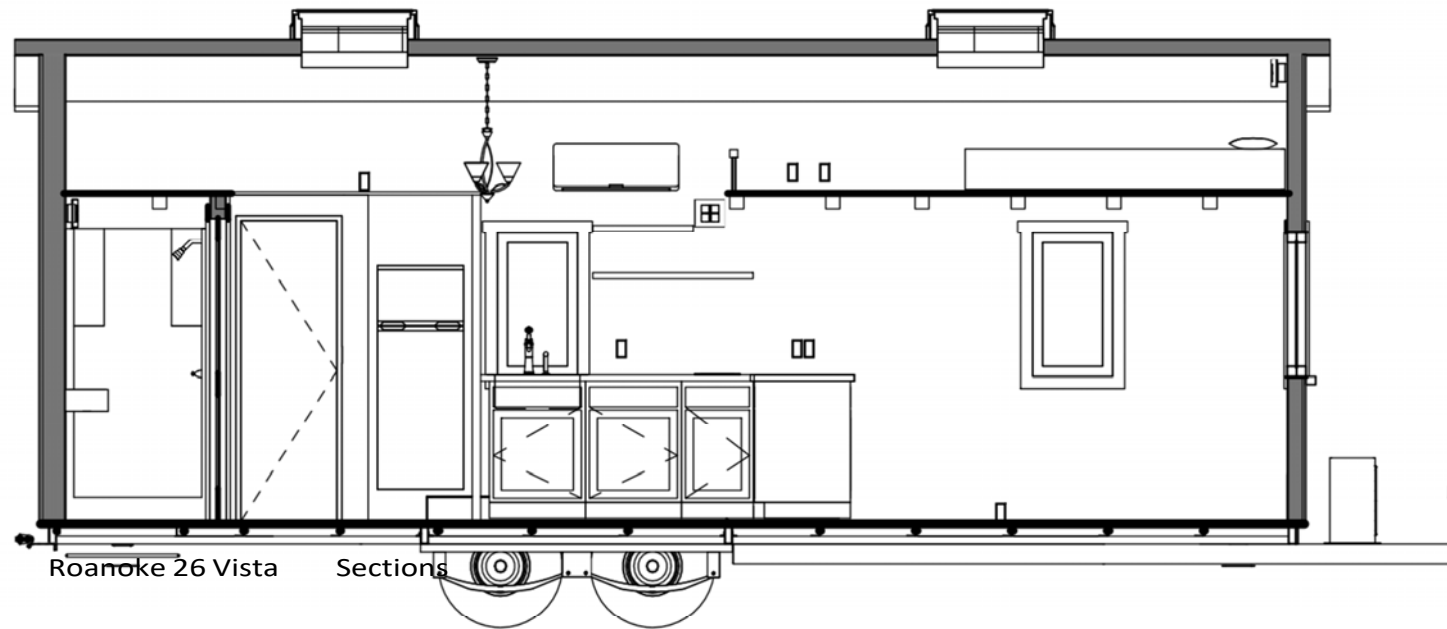
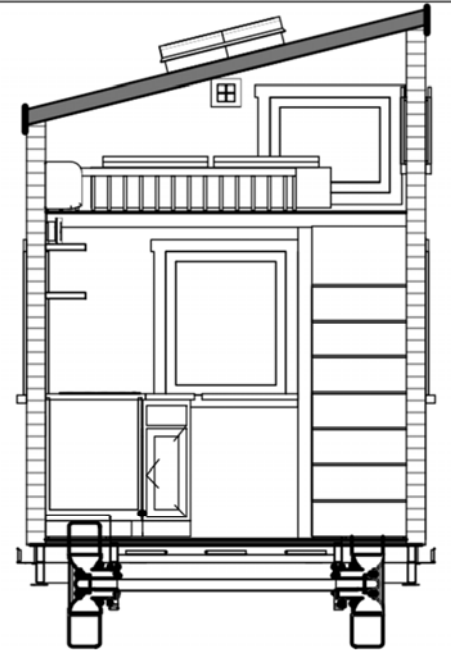
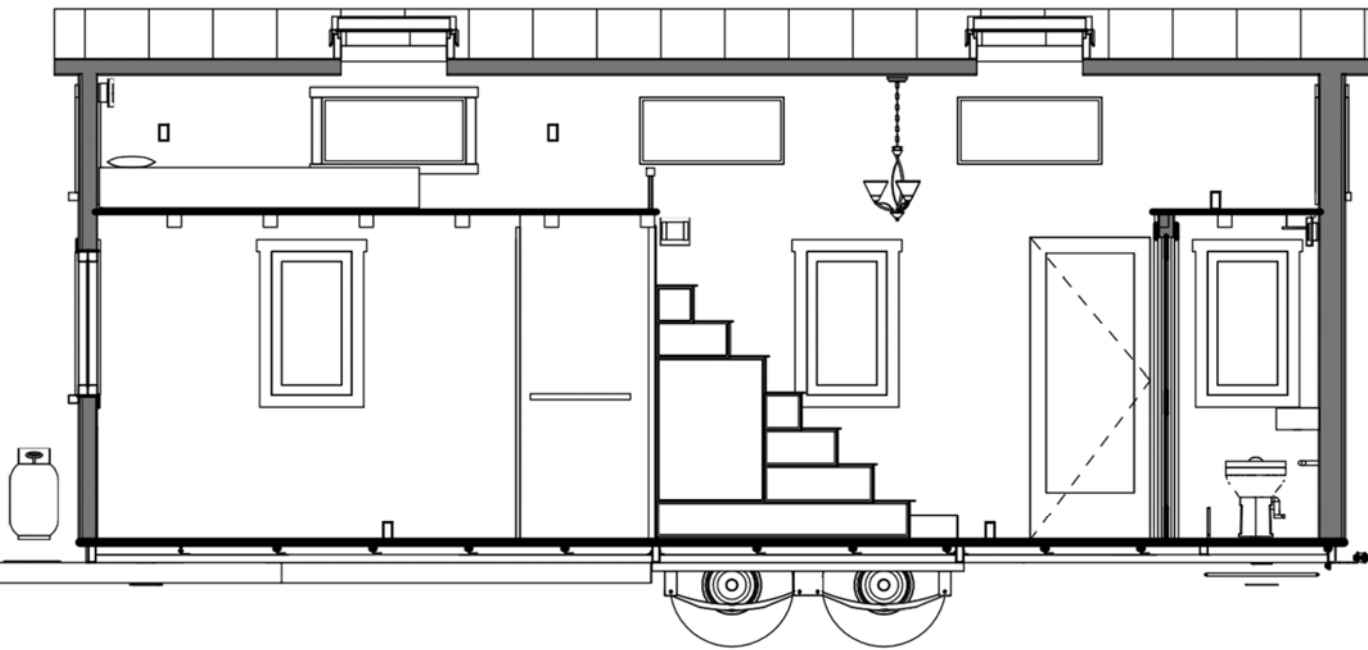
Utility Plan

PLAN #2104

SCALE 3/8" = 1'-0"

PAGE 4





Roanoke 26 Vista Sections

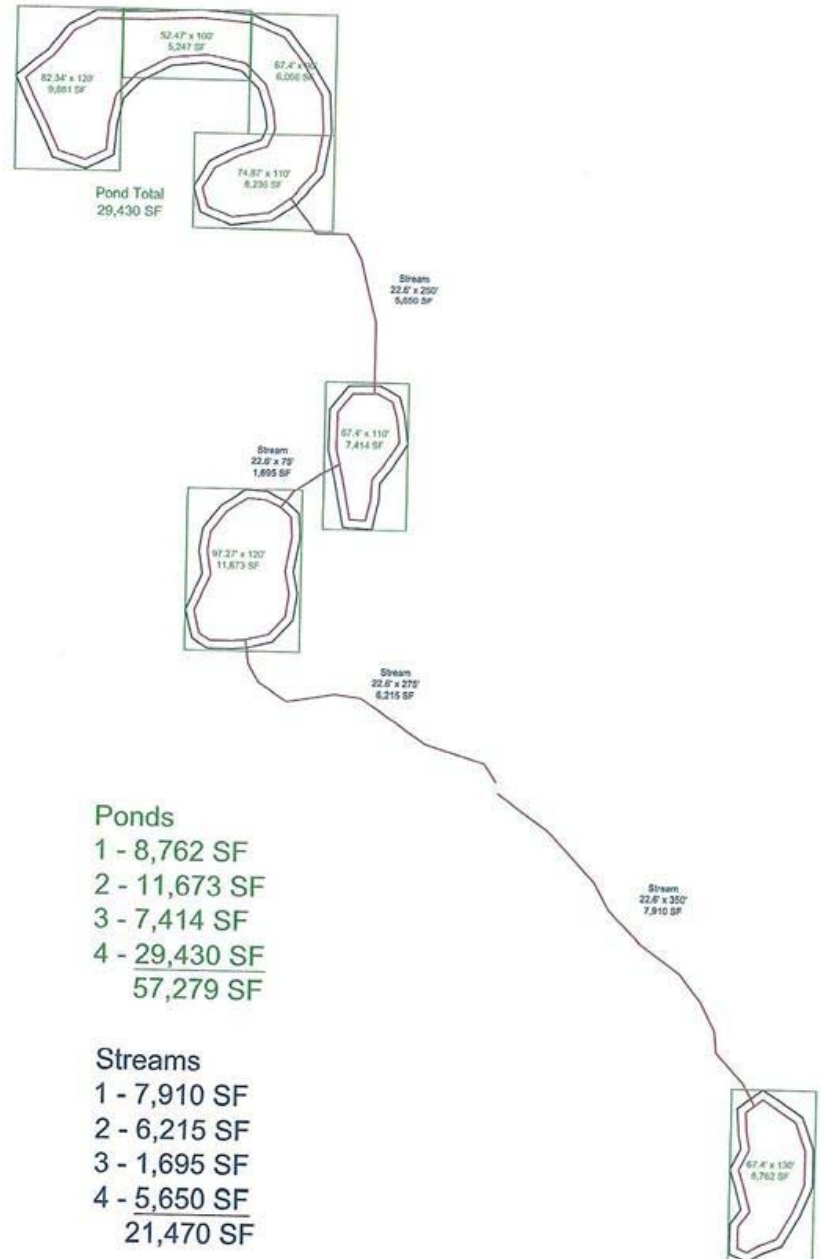
Briefing: Short Course Ponds and Water Feature

Issue

Cordillera's Short Course has a water feature that consists of four ponds and three connecting streams. It was observed by David Soltvedt, Director of Agronomy for the Club at Cordillera, that the ponds are losing a minimum of 25,000 gallons of water in a 24 hour period from running the water feature. It is extremely hard to calculate the exact amount of water loss in this situation. Observations of the streams show that the old liner has deteriorated to the extent that large chunks are missing and the water now goes under the streams liner. Observations also show that the ponds hold water, which means the ponds leak down to the elevation of the stream entrance and stabilize at the expected level. A secondary issue with the water feature is that the last pond serves as the main irrigation pond used to water the course. Currently the irrigation pond holds enough water for three days of water. With major issues plaguing the river line that feeds the Short Course irrigation pond, CPOA and Troon remain concerned about the water holding capability in the event of a lengthy breakdown of the river line pump house or in a drought.

Staff Recommendations

Four quotes have been obtained by various pond experts, and with the large range in costs combined with uncertainty of where the actual water leak is located, staff recommends that Trevor Broersma work with David Soltvedt on further testing the water feature and ponds to try to identify the leak during the 2017 season. In addition, a pump truck can be hired to remove silt buildup around the intake pipe in the irrigation pond this spring. Updates will be provided to the Kensington HOA as tests are completed and alternative solutions identified.



Board Consideration

Costs to repair all four ponds and all three streams range from \$250,000 to \$850,000. Costs to repair just the irrigation lake are \$84,000 to \$236,000. Costs to repair just the stream beds range from \$73,000 to \$290,000. Timing of this project will have to take place in the fall shutting the course down early. A pump truck costs \$2,000 a day and will be needed for the three to four days with a total cost of \$8,000 to \$10,000.

Briefing: Roof Replacements

Issue

Cordillera Trailhead

Advanced Exteriors,

www.advancedexteriors.com

This report is intended to provide an objective assessment of the condition of the roof. There is both an assessment of the current condition as well as a professional opinion on what action if any the homeowner should pursue. The photos are intended to show a sampling of the general condition the roof.

Assessment:

This building was roofed using a medium Cedar Shake roof tile. I would rather not speculate on the age of the roof but instead will comment on the beauty and artistry with which it was originally installed.

The ascetic detail is impressive and I found it a unique opportunity to see and inspect. Unfortunately, that is where the good news ends. This roof is plagued with issues, as seen in the photos below. The widespread failing of the shakes is exhibited in broken and missing tiles, holes in the roof and erosion gaps that are far too numerous to be repaired. The repairs would be to widespread to be cost effective even if the remaining shake tiles were in good enough condition to withstand the manipulations of a repair. Which I do not believe they are.

Recommendation:

It is my opinion that this roof must be replaced in full at the most immediate opportunity. Due to the weather conditions in that area, that replacement would likely take place in the spring. This leaves the building vulnerable over the winter months. Estimated cost: \$93,000.

CMD staff recommends replacement/repairs this spring.





Overview of right slope



Many broken shake tiles



Many broken shake tiles



Ridge tiles broken and missing



Missing tiles



Holes in roof



Crumbly chimney stone



Holes in roof



Holes in roof, this one in a valley apex



Again



Holes in roof (under headwall)



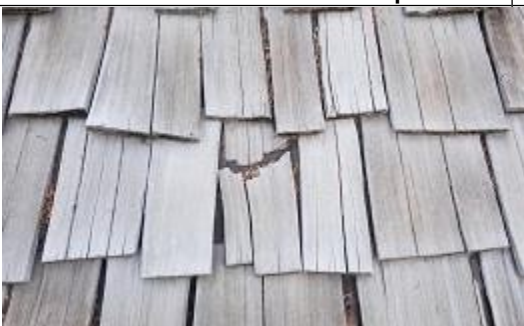
Again



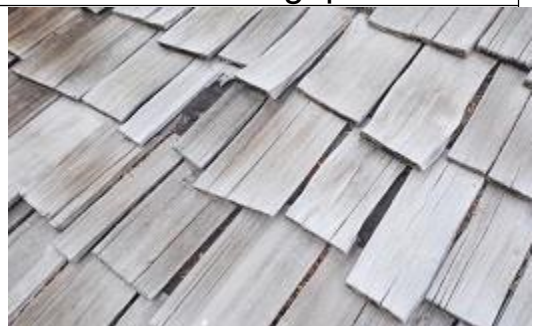
Overview of rear slope



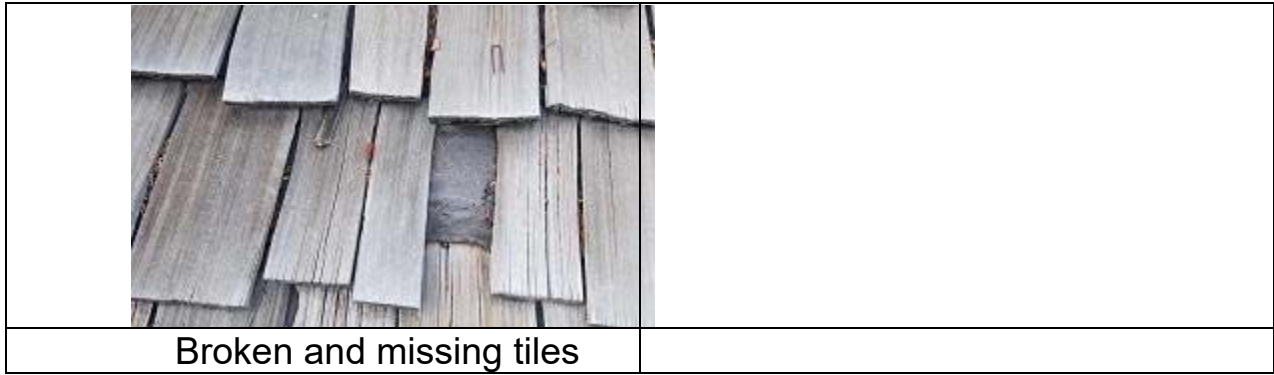
Erosion gaps



Broken tiles



Broken and missing tiles



Cordillera Athletic Center

Advanced Exteriors,

www.advancedexteriors.com

This report is intended to provide an objective assessment of the condition of the roof. There is both an assessment of the current condition as well as a professional opinion on what action if any the homeowner should pursue. The photos are intended to show a sampling of the general condition the roof.

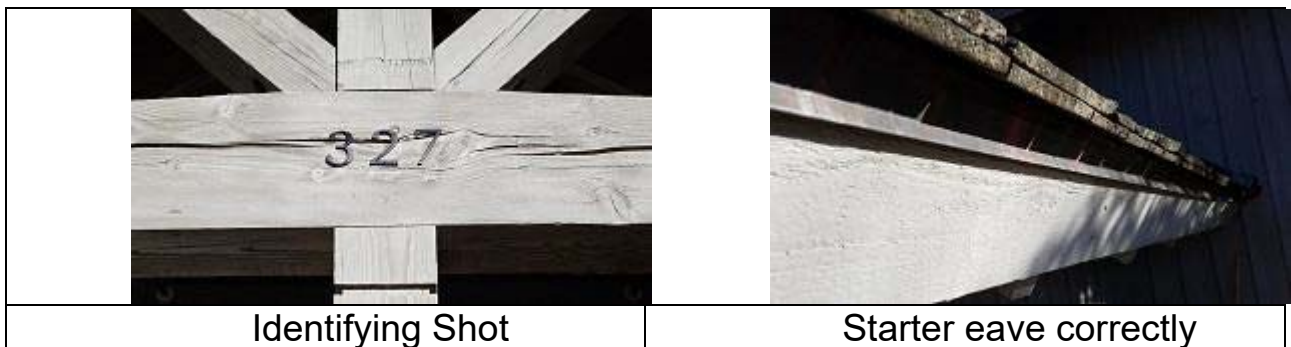
Assessment:

This building has a medium Cedar Shake roof installed. It appears to have possibly been installed in two phases the pool enclosure being constructed more recently. The roof overall is in fairly good condition. With the exception of the southern slope over the forward section of the building. This section of the roof could use some repairs in the relatively near future. A few erosion gaps and slightly cracked pipe jacks are of the most pressing concern. The slope also shows a fair amount of degradation of the shingles, some shingle replacement would be helpful. It should also be noted that moss growth was seen on the northern slopes.

Recommendation:

Repairs to the southern slopes on the forward section of the building including some pipe jack repairs and shingle replacement. Also the moss growth that is beginning on the northern slopes should be seen as an indication of accelerated aging of the roof in those sections. As there is little that can be done to stem this, it should be seen as an indication that the life of the shake has been severely limited.

CMD staff recommends postponing replacement/repairs to the ACC roof until a later date.



	installed and properly flashed
	
<p>Straight even courses & properly flashed step walls</p>	<p>One of only a handful of erosion gaps</p>
	
<p>Slightly bowed ridge shingle</p>	<p>Minor moss growth should be watched</p>
	
<p>Overview</p>	<p>Overview of south slope</p>
	
<p>General overview of conditions on north stepwall</p>	<p>Close-up of moss growth</p>



Moss growth again



Overview of south slope
(minor cupping)



One of a handful of broken
singles on south side



Overview of south slope over
pool enclosure



Again



South slope near headwall &
vent



Close up of same



Cracked pipe jack

CORDILLERA PROPERTY OWNERS ASSOCIATION

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE CONTRACTS ON BEHALF OF THE CORDILLERA PROPERTY OWNERS ASSOCIATION

WHEREAS, pursuant to Section 7.1(h) of the Second Amended and Restated Bylaws of Cordillera Property Owners Association, Inc. (the “Bylaws”), the Board of Directors (the “Board”) of the Cordillera Property Owners Association, Inc. (the “Association”) has the power to make contracts, administer financial accounts and incur liabilities in the Association’s name; and

WHEREAS, pursuant to Section 7.1(f) of the Bylaws, the Board has the power to employ a managing agent, independent contractors or employees as it deems necessary and prescribe their duties; and

WHEREAS, on January 1, 2017, the Association and the Cordillera Metropolitan District (the “District”) entered into that certain 2017 Services Agreement, as may be extended annually, pursuant to which the Association agreed to utilize the District’s employees, including the District’s General Manager, to provide certain Services (as defined in the Agreement) to the Association to provide a cost savings to the Association and allow the District to make more efficient use of its employees and office space; and

WHEREAS, the Association desires to authorize the General Manager to execute contracts and agreements on behalf of the Association and bind the Association to the terms and conditions of such contracts and agreements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CORDILLERA PROPERTY OWNERS ASSOCIATION:

1. The Board hereby authorizes the District General Manager to execute contracts and agreements on behalf of the Association and to bind the Association to the terms and conditions of such contracts and agreements. Any and all such contracts and agreements executed by the District General Manager on behalf of the Association shall be reviewed and ratified by the Association Board at the next Board meeting.

2. This Resolution shall take effect on the date and at the time of its adoption and shall remain effective until otherwise supplemented or amended by the Board.

(Signatures Begin on Next Page.)

ADOPTED AND APPROVED THIS 24th DAY OF MARCH, 2017.

CORDILLERA PROPERTY OWNERS ASSOCIATION,
INC.

By: Ed Shriner, President

ATTEST:

By: _____
Lois Bruce, Secretary

CONTRACT APPROVAL PROCESS

Objectives:

1. To establish authorization levels and protocol for the General Manager to enter into contracts on behalf of Cordillera Metropolitan District (CMD) and Cordillera Property Owners Association (CPOA). This process will also serve to provide greater consistency across all CMD and CPOA departments.
2. All contracts and agreements that CMD or CPOA enter into must be reviewed and signed by the General Manager or his/her designee.
3. All contracts or agreements needing additional funding must first be approved by the appropriate Board for additional funding before the contract process can begin.

Process:

1. Once a vendor has been selected, chose the appropriate contract template provided (found on the H:drive;contracts) and make a copy to use as your own. Please put that copy in the appropriate year folder and name the contract with the vendor name with the date and the words DRAFT with your initials in the title (ex. Mitchell and Company 11.21.16 DRAFT ts). This will allow for multiple contracts with the same company to be stored in the same folder.
 - a. CMD or CPOA Professional Service Agreement Templates (used for consulting services, auditors, engineers, etc.)
 - b. CMD or CPOA Operations and Maintenance (O& M) Service Agreement Templates (used for all contracts involving operations and/or maintenance (including repairs) of District or CPOA facilities and improvements)
 - c. Supply Agreement Template (used for purchasing hay or other materials/supplies)
 - d. Amendment to change scope is provided for 2017
2. After you copy and store your document, edit the contract with the appropriate information. All highlighted areas need to be filled in.
3. A draft version of your contract will go to Tracy Stowell to coordinate with the General Manager for review along with any Exhibits from the vendor. A scope of work defining the work or services to be provided should be included and clearly outlined along with an insurance certificate.
4. General Manager or his/her designee will have 5 business days to review draft contract. An email will be sent with a clean version of the contract to be signed.
5. Two copies of a clean contract should be provided to the vendor for signature (prior to CMD or CPOA signature). Upon return of contracts to the District, please request an updated W-9 from the vendor for accounts payable.
6. Once you have both copies signed by the vendor, please give to Tracy to coordinate General Manager Signature.

7. Fully executed contracts will be emailed to staff member who initiated the contract and a fully executed copy will replace the draft copy in the appropriate year folder on H:drive.
8. One original executed copy will be filed in the black file cabinet under vendor name and one original executed copy will be mailed via USPS to vendor.

List of Current Vendors:

Administration	Communications	Operations	Recreation	Public Safety
FreeForm Consulting (Training and Development) Hays Consulting Cigna Post Office Pure Design (Design Review Board) Slifer Smith and Frampton (General Store lease) Mitchell and Company Steve Thompson ADP CYMA Iceanogle Seaver Pogue Bond Financing	Collage Creative Cordillera Spirit Vail Beaver Creek Magazine aka Rocky Mountain Media or Sagacity Media N2 Publishing Vail Daily Professional Printing Center ReComm Civic Plus	Borne Engineering McDowell Engineering (Traffic Study) Indian Summer Outfitters (Bearcat Stables lease) Fly Fishing Outfitters Eagle River Fire District (Fuel agreement) Rocky Mountain Custom Landscapes Eagle County IGA (Snow removal) Mountain Water Works Preventative Tree Spraying CEC Borders Eagle River Water and Sanitation (Water permits) Facility Dude	Taste 5 Catering (Café lease) Troon VGC lease	Otis ABDI Honey Wagon A&A Septic Service Alpine Arms (511 Tactical) Comcast Holy Cross Supra Orkin Fleet Matics Community Controls Edwards Electronics Trailer Parking leases Cordillera Valley Club (Public Safety)

CORDILLERA PROPERTY OWNERS ASSOCIATION

A RESOLUTION REGARDING FINANCIAL ACCOUNT AUTHORIZATION

WHEREAS, the Cordillera Property Owners Association (the “Association”) is a Colorado non-profit corporation, organized to promote the health, safety, and welfare of all members of the Association and to establish, provide and maintain a desirable community and environment for all owners and residents in the Cordillera community; and

WHEREAS, pursuant to the Second Amended and Restated Bylaws of Cordillera Property Owners Association, Inc. (the “Bylaws”), the Board of Directors of the Association (the “Board”) has the powers and duties necessary for the administration of the Association’s affairs and for the operation and maintenance of the Cordillera community; and

WHEREAS, the Board is specifically empowered to make contracts, administer financial accounts and incur liabilities in the Association’s name, pursuant to 7.1(h) of the Bylaws; and

WHEREAS, the Board desires to open a banking account with Wells Fargo Bank, N.A. (the “Account”) and delegate transaction authorization with respect to the Account.

NOW, THEREFORE, in consideration of the above, the Board of Directors of the Cordillera Property Owners Association hereby resolves as follows:

1. The Board hereby designates the members of the Board, including Ed Shriner, Larry Brooks, Nanette Kuich, Lois Bruce, and Rick Smith, as authorized users on the Account (“Authorized Users”). Berniece Gutierrez, HR/Administration Manager, and Rachel Oys, General Manager, shall additionally be Authorized Users.
2. The Authorized Users shall be authorized to sign checks, make deposits, and conduct any and all other transactions related to the Account as may be necessary, including requesting any and all information and documentation related to said Account from Wells Fargo Bank, N.A.
3. This Resolution shall take effect on the date and at the time of its adoption and shall remain effective until otherwise supplemented or amended by the Board.

(Remainder of Page Intentionally Left Blank)

ADOPTED AND APPROVED THIS 24TH DAY OF MARCH, 2017.

CORDILLERA PROPERTY OWNERS ASSOCIATION

Ed Shriner, President

ATTEST:

Lois Bruce, Secretary

Cordillera Property Owners Association
Schedule of Revenue & Expenditures and Changes in Fund Balance
2016 Actual and 2017 Budget

	12/31/2015 Unaudited Fund Bal	2016 Actual				12/31/2016 Fund Bal	2017 Budget				12/31/2017 Projected Fund Bal
		Revenues	Expenditures	Transfers In/Out	Increase (Decrease) Fund Bal		Revenues	Expenditures	Transfers In/Out	Increase (Decrease) Fund Bal	
CPOA											
Operating Fund	402,525	3,122,920	(3,529,114)	406,195	0	402,525	3,049,852	(3,399,823)	349,971	0	402,525
Capital & Debt Reserve	2,278,307	1,366,262	(322,018)	(806,195)	238,049	2,516,356	1,250,000	(608,370)	(749,971)	(108,341)	2,408,015
	2,680,832	4,489,181	(3,851,132)	(400,000)	238,049	2,918,881	4,299,852	(4,008,193)	(400,000)	(108,341)	2,810,540

Cordillera Property Owners Association
Balance Sheet
12/31/2016
Unaudited

ASSETS

CASH

Operating Cash 4,438,858

Total Cash 4,438,858

OTHER CURRENT ASSETS

Due to/from CMD (1,327,025)
Petty Cash 200
Accounts Receivable 2,627,889
Vail Club Receivables 73,835
Year End Receivables 59,630
Allowance for Doubtful Accounts (25,000)
DRB Fines Receivable 5,000
Prepaid Expenses 49,962
AR Clearing 151

Total Other Current Assets 1,464,642

Total Current Assets 5,903,500

FIXED ASSETS

Equipment 52,894
Accumulated Depreciation (329,939)
Accumulated Depreciation (503,342)
Leasehold Improvements - Vail Club 569,689
Market/Post Office 1,075,734

Total Fixed Assets less Depreciation 865,036

Total Assets 6,768,536

LIABILITIES & EQUITY

CURRENT LIABILITIES

DRB Interest Payable 15,298
DRB Deposits 543,392
Gratuities Payable 100
Deferred Revenue 2,337,200
Year End Payables 18,600
Accounts Payable 57,535
Accounts Payable - Credit Cards 6,830
Deposits 6,667

Total Current Liabilities 2,985,621

Fund Balance

Working Capital 401,525
Investment in Fixed Assets 865,036
Capital Reserve - Operating Fund 2,278,305
Revenues Over/(Under) Expenditures 238,049

Total Fund Balance 3,782,915

Total Liabilities and Equity 6,768,536

Cash and Investment Accounts - Detail

Operating Checking Alpine Bank 814,720
Money Market - Alpine - Replacement Fund 93,881
Money Market - Paine Webber 40
Charles Schwab MM 1,000,773
Alpine Bank - RETA Account 2,529,444
4,438,858

Cordillera Property Owners Association
 General Fund
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	YTD Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget	Percent 2017 Budget Over (Under) 2016 Actual
					Variance Favorable (Unfavorable)	Actual % Received or Spent		
Revenues								
Assessments	2,150,500	2,150,000	2,141,600	2,141,300	(8,700)	99.6%	2,147,200	0.3%
Communications Contributions	33,035	61,074	61,074	61,074	0	100.0%	0	-100.0%
DRB Revenue	78,283	65,650	65,650	69,026	3,376	105.1%	62,000	-10.2%
Community Assets	135,478	115,969	84,379	88,191	(27,778)	76.0%	86,950	-1.4%
Vail Gondola Club Revenue	661,006	635,195	637,380	676,454	41,259	106.5%	644,752	-4.7%
Other Revenue	134,480	127,786	128,286	86,875	(40,911)	68.0%	108,950	25.4%
Total Revenues	3,192,783	3,155,674	3,118,369	3,122,920	(32,754)	99.0%	3,049,852	-2.3%
Expenditures								
Administrative Expenses								
Administration Contract CMD	1,258,267	1,145,175	1,190,923	1,190,923	(45,748)	104.0%	1,093,447	-8.2%
River Parcel Management	27,096	26,215	26,215	26,270	(55)	100.2%	28,525	8.6%
DRB Expenses	62,841	71,440	71,440	65,219	6,221	91.3%	67,430	3.4%
Other Operating Expenses	260,625	181,724	332,174	372,314	(190,590)	204.9%	250,515	-32.7%
Trash and Recycle Program	124,003	130,545	130,545	125,964	4,581	96.5%	151,308	20.1%
Vail Gondola Club	617,129	589,822	586,436	568,608	21,214	96.4%	596,112	4.8%
Community Assets	941,670	947,506	848,178	945,826	1,680	99.8%	922,195	-2.5%
Communications	270,083	293,418	286,060	235,286	58,132	80.2%	292,768	24.4%
Total Administrative Expenses	3,561,714	3,385,844	3,471,970	3,530,409	(144,565)	104.3%	3,402,300	-3.6%
Post Office Revenue	41,414	37,634	37,634	43,784	(6,150)	116.3%	39,356	-10.1%
Post Office Expenses	39,638	36,882	36,882	42,490	(5,608)	115.2%	36,879	-13.2%
Net Post Office Revenue (Expense)	1,776	752	752	1,294	(542)		2,477	91.4%
Total Expenditures	3,559,938	3,385,092	3,471,218	3,529,114	(144,022)	104.3%	3,399,823	-3.7%
Revenue Over (Under) Expenditures	(367,155)	(229,418)	(352,849)	(406,195)	(176,777)		(349,971)	-13.8%
Beginning Fund Balance	402,525	402,525	402,525	402,525			402,525	
Transfer From (To) the Capital Reserve	367,155	229,418	352,849	406,195	(53,346)		349,971	
Ending Available Cash Balance	402,525	402,525	402,525	402,525	(123,431)		402,525	

CPOA Budget Report - Income Statement
Staff Report

	2015 Actual	2016 Original Budget	2016 Projected Actual	YTD Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Assessments	2,371,600	2,374,400	2,366,000	2,366,000	(8,400)	99.6%	2,371,600
Assessment Discounts	(221,100)	(224,400)	(224,400)	(224,700)	(300)	100.1%	(224,400)
Net Assessments	2,150,500	2,150,000	2,141,600	2,141,300	(8,700)	99.6%	2,147,200
Communications Contributions	33,035	61,074	61,074	61,074	0	100.0%	-
DRB Review Fees	78,283	65,650	65,650	69,026	3,376	105.1%	62,000
Vail Gondola Club	661,006	635,195	637,380	676,454	41,259	106.5%	644,752
Community Assets							
Short Course	64,953	38,644	-	3,511	(35,133)	9.1%	-
Athletic Center	2,845	1,720	1,720	2,265	545	131.7%	1,750
Trailhead	67,680	75,605	82,659	82,415	6,810	109.0%	85,200
Subtotal Community Assets	135,478	115,969	84,379	88,191	(27,778)	76.0%	86,950
Other Revenue							
Interest Income	1,281	1,000	1,000	1,216	216	121.6%	1,000
Late Fees,penalty Interest and Other Revenue	78,273	71,500	71,500	28,971	(42,529)	40.5%	50,000
Fishing Program Revenues	0		500	500	500		
Market & Café Revenue	10,800	11,400	11,400	11,500	100	100.9%	13,200
Fishing & Recreation Contribution	3,587	3,886	3,886	3,608	(278)	92.8%	3,670
Sales Center Lease	40,540	40,000	40,000	41,080	1,080	102.7%	41,080
Subtotal Other Revenue	134,480	127,786	128,286	86,875	(40,911)	68.0%	108,950
Total Revenues	3,192,783	3,155,674	3,118,369	3,122,920	(32,754)	99.0%	3,049,852
Expenses							
Administration Contract CMD	1,258,267	1,145,175	1,190,923	1,190,923	(45,748)	104.0%	1,093,447
River Parcel & Pond Management	27,096	26,215	26,215	26,270	(55)	100.2%	28,525
Trash and Recycle Program	124,003	130,545	130,545	125,964	4,581	96.5%	151,308
Design Review Board Expenses							
Architect Fees	8,537	10,800	10,800	11,657	(857)	107.9%	9,600
Landscape Architect Fees	2,680	2,880	2,880	4,188	(1,308)	145.4%	2,070
DRB Meeting Expenses	487	660	660	304	356	46.1%	660
DRB - Legal Fees	0	4,700	4,700	826	3,874	17.6%	4,700
DRB Administration	51,137	52,400	52,400	48,245	4,155	92.1%	50,400
Subtotal Design Review Board Expenses	62,841	71,440	71,440	65,219	6,221	91.3%	67,430
Other Operating Expenses							
Insurance Expenses	57,791	62,121	62,121	61,699	422	99.3%	62,121
Audit/Tax Prep Fees	9,175	9,100	9,550	10,600	(1,500)	116.5%	9,100
Legal Fees - General	67,172	38,700	188,700	227,385	(188,685)	587.6%	118,700
Bad Debt Expense	18,791			3,000	(3,000)		
Bank Charges	2,500	3,000	3,000	0	3,000	0.0%	3,000
Depreciation Expense	28,091	-	-	0	0		-
Cordillera Post Office & Market - Utilities	26,500	23,131	23,131	23,649	(518)	102.2%	25,467
Cafe & Post Office Repairs	14,512	-	-	161	(161)		-
Cafe - Coffee & Newspapers	1,809	2,142	2,142	1,161	981	54.2%	2,256
General Store Utilities	8,282	6,610	6,610	9,954	(3,344)	150.6%	8,726
Community Enrichment Events	23,772	35,150	35,150	32,318	2,832	91.9%	19,375
Credit Card Discount Fees	2,155	1,400	1,400	2,371	(971)	169.3%	1,400
Communications & Website Expense	0	370	370	0	370	0.0%	370
Misc. Operating Expenses	75			16	(16)		
Subtotal - Other Operating Expenses	260,625	181,724	332,174	372,314	(190,590)	204.9%	250,515
Post Office Revenues	41,414	37,634	37,634	43,784	6,150	116.3%	39,356
Post Office Operations	39,638	36,882	36,882	42,490	(5,608)	115.2%	36,879
Subtotal - Post Office	(1,776)	(752)	(752)	(1,294)	542	172.1%	(2,477)
Vail Gondola Club Expenses	617,129	589,822	586,436	568,608	21,214	96.4%	596,112
Community Assets							
Recreation Management - Wages & Benefits	76,527	68,034	68,034	80,276	(12,243)	118.0%	64,642
Short Course	497,005	481,144	379,527	465,436	15,708	96.7%	402,095
Athletic Center	205,445	217,590	216,315	229,327	(11,737)	105.4%	243,407
Trailhead	162,693	180,738	184,302	170,786	9,952	94.5%	212,051
Subtotal Community Assets	941,670	947,506	848,178	945,826	1,680	99.8%	922,195
Communication Expenses							
Program Staff	90,989	108,850	108,850	82,179	26,671	75.5%	115,680
Staff Benefits	20,185	30,642	30,642	14,560	16,082	47.5%	23,637

CPOA Budget Report - Income Statement
Staff Report

	2015 Actual	2016 Original Budget	2016 Projected Actual	YTD Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Advertising	34,509	39,973	26,276	21,462	18,511	53.7%	42,428
Public Relations	59,687	65,695	76,485	72,272	(6,577)	110.0%	52,600
Broker Program	0			0	0		
Collateral	24,862	19,500	10,130	10,532	8,968	54.0%	14,615
Promotions	9,316	14,550	4,667	5,092	9,458	35.0%	27,900
Production	6,336	1,881	1,881	1,850	31	98.3%	2,683
Web Site	24,130	12,327	27,129	27,338	(15,011)	221.8%	13,225
Creative/Photography	70			0	0		
Subtotal - Communication	270,083	293,418	286,060	235,286	58,132	80.2%	292,768
Total Expenditures	3,559,938	3,385,092	3,471,218	3,529,114	144,022	104.3%	3,399,823
Revenue Over (Under) Expenditures	(367,155)	(229,418)	(352,849)	(406,195)	(176,777)	177.1%	(349,971)
Beginning Fund Balance	402,525	402,525	402,525	402,525	0	100.0%	402,525
Transfer from (to) the Capital Reserve	367,155	229,418	352,849	406,195	(176,777)	177.1%	349,971
Ending Cash Balance	402,525	402,525	402,525	402,525	0	100.0%	402,525

Cordillera Property Owners Association
 Debt Service & Capital Reserve Fund
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenue							
Real Estate Transfer Assessments	1,334,461	1,250,000	1,250,000	1,366,262	116,262	109.3%	1,250,000
Interest Income							
Total Revenues	1,334,461	1,250,000	1,250,000	1,366,262	116,262	109.3%	1,250,000
Expenditures							
Healthy Forest Program	69,279	83,900	81,000	79,447	4,453	94.7%	66,770
Engineering		9,000	9,000	4,882	4,119	54.2%	-
ACC Projects	173,428	220,085	220,085	145,299	74,786	66.0%	161,050
Trailhead Projects	12,912	95,740	95,740	92,391	3,349	96.5%	296,550
Short Course Projects	32,566	0	0	0	0		84,000
Total Capital Projects	288,185	408,725	405,825	322,018	86,707	78.8%	608,370
Debt Service	400,000	400,000	400,000	400,000	0	100.0%	400,000
Transfer to (From) CPOA	364,205	229,418	352,849	406,195	(176,777)	177.1%	349,971
Total Expenditures	1,052,390	1,038,143	1,158,674	1,128,213	(90,070)	108.7%	1,358,341
Revenue Over (Under) Expenditures	282,071	211,857	91,326	238,049	26,192	112.4%	(108,341)
Depreciation (added for Cash Basis)	84,960						
Beginning Available Fund Balance	1,911,276	2,278,307	2,278,307	2,278,307	0	100.0%	2,516,356
Ending Available Fund Balance	2,278,307	2,490,164	2,369,633	2,516,356	26,192	101.1%	2,408,015

Cordillera Property Owners Association
 Gondola Club
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Membership Revenue	39,000	20,000	20,000	37,250	17,250	186.3%	20,000
Membership Dues	594,075	597,126	599,311	617,259	20,133	103.4%	604,102
Locker Rental Revenue	7,925	8,730	8,730	13,441	4,711	154.0%	11,250
Seasonal Lease Revenue	20,006	9,339	9,339	8,504	(835)	91.1%	9,400
Misc Income	2,950			0	0		-
Total Revenues	661,006	635,195	637,380	676,454	41,259	106.5%	644,752
Expenses							
Vail Gondola Club Wages	90,193	115,975	115,975	101,982	13,993	87.9%	107,128
Vail Gondola Club Benefits	13,982	19,151	19,151	24,026	(4,875)	125.5%	20,395
Subtotal Wages & Benefits	104,175	135,127	135,127	126,009	9,118	93.3%	127,523
Lease	279,400	290,748	290,748	290,757	(9)	100.0%	299,479
Lease Securitization Cost	0			0	0		
Subtotal Lease	279,400	290,748	290,748	290,757	(9)	100.0%	299,479
Common Area Maintenance	60,349	62,173	62,173	59,089	3,084	95.0%	62,479
Repair & Maintenance	9,715	11,805	11,805	11,582	223	98.1%	12,375
Subtotal CAM & Repair & Maint.	70,064	73,978	73,978	70,671	3,307	95.5%	74,854
Depreciation	56,869			0	0		
Member Entertainment	13,000	19,500	-	0	19,500	0.0%	4,500
Daily F&B	41,718	38,408	52,000	53,126	(14,718)	138.3%	54,766
Subtotal Member Expenses	54,718	57,908	52,000	53,126	4,782	91.7%	59,266
Vail Gondola Club Marketing/Promo	14,411	6,300	6,300	3,080	3,220	48.9%	6,300
Dues & Subscriptions	355	500	500	20	480	4.0%	500
Flowers & Decorations	0	300	300	36	264	12.0%	300
License, Fees & Permits	318	325	341	341	(16)	104.9%	325
Legal	0	2,500	2,500	0	2,500	0.0%	2,500
Insurance	1,400	1,400	1,400	0	1,400	0.0%	1,400
Telephone, Cable & Internet	2,499	2,874	4,300	4,274	(1,400)	148.7%	4,260
Supplies	9,365	8,956	8,956	10,279	(1,323)	114.8%	8,716
Mileage & Parking	7,310	7,804	9,000	8,872	(1,068)	113.7%	9,304
Uniforms	709	1,102	986	1,143	(41)	103.7%	1,385
Subtotal Other Operating Expense	36,366	32,061	34,583	28,045	4,016	87.5%	34,990
Total Operating Expenses	601,593	589,822	586,436	568,608	21,214	96.4%	596,112
Capital Expenses							
Paint VGC	7,550			0	0		
Fixtures & Furniture	7,987			0	0		
Total Capital Expenses	15,537	0	0	0	0	0	0
Total Expenses	617,129	589,822	586,436	568,608	21,214	96.4%	596,112
Revenue Over (Under) Expenditures	43,877	45,373	50,944	107,846	62,473	237.7%	48,640

Cordillera Property Owners Association
Athletic Center
Statement of Revenue, Expenditures and Changes in Fund Balance
Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Class Revenue	0	0	0	0	0		0
Personal Training Revenue	2,845	1,720	1,720	2,265	545	131.7%	1,750
Total Revenues	2,845	1,720	1,720	2,265	545	131.7%	1,750
Expenditures							
Wages	62,332	66,406	66,406	66,023	382	99.4%	82,467
OT Wages	1,366	1,785	1,785	3,643	(1,858)	204.0%	0
Benefits	14,494	14,902	14,902	16,070	(1,169)	107.8%	14,598
Subtotal Wages & Benefits	78,192	83,093	83,093	85,737	2,644	103.2%	97,065
Telephone, Cable & Internet	9,016	5,939	6,305	7,666	(1,727)	129.1%	8,759
Licenses, Fees & Permits	271	0	230	230	(230)		0
Laundry Expense	11,154	12,120	13,500	16,271	(4,151)	134.2%	16,596
Linen	1,675	1,830	2,403	2,403	(573)	131.3%	2,230
Locker Room Supplies	6,487	6,223	7,500	8,160	(1,937)	131.1%	6,371
Office Supplies	1,117	575	811	811	(236)	141.1%	700
Uniforms	383	240	211	302	(62)	125.8%	600
Pool & Spa Supplies	2,003	3,769	2,068	2,522	1,247	66.9%	3,345
Coffee & Snacks	5,060	4,846	6,250	6,171	(1,325)	127.3%	5,648
Pest Control	94	0	0	0	0		0
Trash Removal	150	189	175	125	64	66.1%	200
Fire Protection	1,926	0	0	0	0		0
Subtotal Operating Expenses	39,336	35,731	39,453	44,659	(8,928)	125.0%	44,449
Equipment Maintenance	1,196	2,350	2,000	1,890	460	80.4%	2,390
Landscaping	6,979	14,730	13,197	13,197	1,533	89.6%	13,355
Boiler R&M	0	0	0	0	0		0
Elevator Maintenance	3,572	2,532	2,532	2,120	412	83.7%	2,600
Parking Lot Maintenance	736	740	570	570	170	77.0%	740
Facilities R&M	4,336	7,618	6,800	8,162	(544)	107.1%	10,551
Facility Parts & Supplies	2,144	2,254	2,000	2,294	(40)	101.8%	3,214
HVAC R&M	0	0	0	0	0		0
Pool & Spa R&M	3,511	3,436	3,436	13,918	(10,482)	405.1%	4,212
Subtotal Repair & Maintenance Expense	22,473	33,660	30,535	42,151	(8,491)	125.2%	37,062
Fitness Supplies	1,580	2,072	1,000	1,024	1,048	49.4%	2,035
Fitness Instructions	4,689	4,800	4,000	3,806	994	79.3%	4,800
Subtotal Fitness Expenses	6,269	6,872	5,000	4,830	2,042	70.3%	6,835
Electricity	23,907	23,429	23,429	20,744	2,685	88.5%	24,456
Natural Gas	27,647	26,997	26,997	22,553	4,444	83.5%	25,080
Water	7,621	7,808	7,808	8,652	(844)	110.8%	8,460
Subtotal Utilities	59,175	58,234	58,234	51,949	6,285	89.2%	57,996
Total Operating Expenses	205,445	217,590	216,315	229,327	(11,737)	105.4%	243,407
Net Operating Revenue (Expense)	(202,600)	(215,870)	(214,595)	(227,062)	(11,192)	105.2%	(241,657)
Capital Expenses							
2017 Projects							161,050
Steam Generator Replacement	11,802			0	0		
ACC Steam Room Remodel	30,611			0	0		
Pool & Spa Replaster	36,715			0	0		
ACC Remodel/Renovation	63,984	220,085	220,085	145,299	74,786	66.0%	
Weight & Cardio Equipment Purchases	0			0	0		
Pool Boiler/Water Heater Replacement	22,283			0	0		
Concept Design - Addition/Remodel	8,033			0	0		
0							
Total Capital Expenses	173,428	220,085	220,085	145,299	74,786	66.0%	161,050
Total Expenditures	378,873	437,675	436,400	374,625	63,049	85.8%	404,457
Revenue Over (Under) Expenditures	(376,028)	(435,955)	(434,680)	(372,360)	62,319	85.7%	(402,707)

Cordillera Property Owners Association
 Trailhead
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
 December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Cordillera Day Camp Revenue	67,180	74,505	81,400	81,165	6,660	108.9%	83,550
Facility Fees	500	1,100	1,259	750	(350)	68.2%	1,650
Trailhead Rental	0			500	500		
Donation for Equipment	0			0	0		
Total Revenues	67,680	75,605	82,659	82,415	6,810	109.0%	85,200
Expenses							
Wages	58,637	65,574	65,574	50,199	15,375	76.6%	78,278
OT Wages	3,299	3,027	3,027	2,398	629	79.2%	0
Benefits	5,814	6,253	6,253	5,078	1,175	81.2%	12,497
Subtotal Wages & Benefits	67,749	74,854	74,854	57,676	17,179	77.1%	90,775
Telephone, Cable & Internet	3,512	2,669	2,669	3,077	(408)	115.3%	3,299
Licenses, Fees & Permits	3,880	3,725	3,725	4,226	(501)	113.4%	4,178
Laundry Expense	5,546	5,826	6,734	6,734	(908)	115.6%	9,000
Locker Rooms Supplies	841	1,104	1,165	1,165	(61)	105.6%	1,500
Linen		600	644	644	(44)	107.3%	2,140
Office Supplies	324	442	555	555	(113)	125.6%	1,775
Uniforms	882	1,135	1,155	1,155	(20)	101.7%	1,240
Pool & Spa Supplies	5,433	5,254	1,785	1,785	3,469	34.0%	5,673
Landscaping	12,863	19,009	17,137	17,137	1,872	90.2%	20,784
Pest Control	0	0	0	0	0		0
Fire Protection	1,682	1,492	1,492	0	1,492	0.0%	0
Subtotal Operating Expenses	34,962	41,256	37,061	36,479	4,777	88.4%	49,589
Parking Lot Maintenance	925	925	570	570	355	61.6%	765
Facilities R&M	4,248	3,978	6,206	6,604	(2,626)	166.0%	9,293
Facility Parts & Supplies	957	531	577	874	(343)	164.6%	930
Pool & Spa R&M	1,948	4,751	13,799	17,797	(13,046)	374.6%	5,648
Subtotal Repair & Maintenance Expense	8,078	10,185	21,152	25,845	(15,660)	253.8%	16,636
Electricity	9,359	9,420	9,420	7,882	1,538	83.7%	10,068
Natural Gas	8,504	10,082	10,082	10,306	(224)	102.2%	8,916
Trash Removal		190	190		190	0.0%	190
Water	11,240	9,142	10,926	11,883	(2,741)	130.0%	10,572
Subtotal Utilities	29,102	28,834	30,618	30,071	(1,237)	104.3%	29,746
Background Checks	382	516	358	358	158	69.4%	465
Training & Education	815	1,575	751	757	818	48.0%	1,555
Day Camp - License	121	121	134	134	(13)	110.7%	134
Advertising	1,966	2,320	2,277	2,277	43	98.1%	2,550
Inspection Fees	60	60	60	60	0	100.0%	60
Camp Games, Supplies, and Snacks	1,925	3,255	2,770	2,863	392	88.0%	3,930
Day Camp Clinics	11,898	10,476	7,810	7,810	2,666	74.6%	9,761
Camp Transportation	5,637	7,286	6,457	6,457	829	88.6%	6,850
Subtotal Camp Expenses	22,803	25,609	20,617	20,715	4,894	80.9%	25,305
Total Operating Expenses	162,693	180,738	184,302	170,786	9,952	94.5%	212,051
Net Operating Revenue (Expense)	(95,013)	(105,133)	(101,643)	(88,371)	16,762	84.1%	(126,851)
Capital Expenses							
2017 Projects							
Concrete Fill & Repair		24,100	24,100	25,975	(1,875)	107.8%	296,550
Carpet Replacement		12,800	12,800	11,002	1,798	86.0%	
Trailhead - Parking Lot Paving & Repair				0	0		
Lightning Detection	9,154			0	0		
Major Pool Repairs	3,759			0	0		
Log Work & Decking & Staining		58,840	58,840	55,414	3,426	94.2%	
Total Capital Expenses	12,912	95,740	95,740	92,391	3,349	96.5%	296,550
Total Expenditures	175,605	276,478	280,042	263,177	13,302	95.2%	508,601
Revenue Over (Under) Expenditures	(107,925)	(200,873)	(197,383)	(180,762)	20,112	90.0%	(423,401)

Cordillera Property Owners Association
Short Course
Statement of Revenue, Expenditures and Changes in Fund Balance
Actual 2015, Original Budget & Projected Actual 2016, Actual YTD Through
December 31, 2016

	2015 Actual	2016 Original Budget	2016 Projected Actual	Actual Through 12/31/2016	Actual vs. Original Budget		2017 Original Budget
					Variance Favorable (Unfavorable)	Actual % Received or Spent	
Revenues							
Expense Reimbursement	30,497	31,144	0	3,511	(27,633)	11.3%	0
Revenue Sharing	34,456	7,500	0	0	(7,500)	0.0%	0
Total Revenues	64,953	38,644	0	3,511	(35,133)	9.1%	0
Expenditures							
Wages & Benefits							
Short Course Contract	425,000	425,000	345,000	425,000	0	100.0%	375,000
Property Taxes			2,095	2,095	(2,095)		2,095
Pro Shop Rent	10,500	10,500	0	0	10,500	0.0%	0
Course & Range Supplies	0			0	0		
Dues & Subscriptions			0	16	(16)		
Fire Protection Expenses	1,116	1,054	0	896	158	85.0%	0
Facilities R&M	6,895	638	0	327	311	51.2%	0
Facilities Parts & Supplies	3	0	0	0	0		0
Subtotal Repair & Maintenance Expense	6,898	638	0	327	311	51.2%	0
Telephone, Cable & Internet	4,168	4,428	0	1,109	3,319	25.0%	0
Natural Gas	1,158	1,156	0	476	680	41.2%	0
Electric - Comfort Station	682	828	0	175	653	21.1%	0
Electric - Pump Station	9,909	6,324	0	378	5,946	6.0%	0
Electricity	1,860	2,208	0	619	1,589	28.0%	0
Water	3,999	4,008	0	986	3,022	24.6%	0
Subtotal Telephone & Utilities	21,775	18,952	0	3,742	15,210	19.7%	0
Irrigation Water	31,716	25,000	32,432	33,360	(8,360)	133.4%	25,000
Total Operating Expenses	497,005	481,144	379,527	465,436	15,708	96.7%	402,095
Net Operating Revenue (Expense)	(432,052)	(442,500)	(379,527)	(461,925)	(19,425)	104.4%	(402,095)
Capital Expenses							
2017 Projects							
Repair Water Feature	22,443						84,000
Lightning Detection	5,003						
Comfort Repair Station	5,120						
Total Capital Expenses	32,566	0	0	0			84,000
Total Expenditures	529,571	481,144	379,527	465,436	15,708	96.7%	486,095
Revenue Over (Under) Expenditures	(464,618)	(442,500)	(379,527)	(461,925)	(19,425)	104.4%	(486,095)

Administration

Limited Amendment

Orten Cavanagh & Holmes has filed the Notice of Hearing and Petition on behalf of Cordillera Property Owners Association, Inc. The hearing on the petition will be held Tuesday, April 18, 2017 at 9 a.m. in the Eagle County District Court. This is **not a lawsuit** against any person or entity related to Cordillera Property. The petition is to approve the proposed Limited Amendment to the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Cordillera (“Limited Amendment”). Notice was sent via mail to property owners March 14.

Finance

RETA

The RETA total for 2016 is \$1,366,261.80, which includes \$52,695.60 received from FOCUS February 17, for the transfer of 287 Bearden, which occurred July 18, 2016. Staff is working on reconciling District records to Eagle County’s records and to confirm that all property transfers in Cordillera subject to the 2 percent RETA were either granted a waiver or paid the RETA. The initial data provided by Eagle County did not include property transfers that occurred for zero dollars. Subsequent data appears to be comprehensive, but each record must be checked manually through the Eagle County Assessor’s website to compare it with the District’s RETA list.

Year-End

The year-end accounting work required to close out 2016 and to generate properly reviewed December 31, 2016 trial balances for the auditors is underway. Scott, Stacey and Steve are identifying and completing various year-end tasks to prepare the year-end trial balance financial statements. This effort includes:

- Completing bank reconciliations for the latter half of 2016.
- Completing credit card account reconciliations for the latter half of 2016.
- Reconciling FSA accounts.
- Reconciling the CMD/CPOA due to/due from accounts.
- Allocating Lodge legal fees between CMD/CPOA.
- Completing year-end billing for various customers.
- Obtaining and reconciling Schwab and Centennial Bank statements.
- Adjusting unemployment liability.
- Adjusting year-end PTO balances.

Audit

The CMD/CPOA audits are scheduled with McMann and Associates for documentation review and on-site review in April 2017.

2017 CMD Budget Amendment

Guiderail Replacement

This item was included in the October 21, 2016 budget presentation but was erroneously not included in the budget adoption for 2017.

The Cordillera Community has 14,487 linear feet (lf) of guide rail. Of which, 4,830 lf or 26 guide rails are constructed with round posts (not treated) and W-rail or round posts and round rails (not treated). Staff is recommending replacing all current round post guide rails with steel I-beam and W-rail this year. The rationale behind this recommendation is twofold with safety being the main factor. The current round post guide rails do not meet county standards and do little to prevent a moving vehicle from going completely off

the road. Additionally, it takes 100 man hours per year of staff time to stain the posts and rails. By going with a steel I-beam and W-rail, staff maintenance will be reduced by 100 man hours per year along with the expense for materials needed to execute the maintenance, approximately \$2,800 per year. Staff believes that outsourcing the work to replace the remaining 11 failed or poor conditioned guide rails in 2017 is the best course of action and financially beneficial. The guide rails identified as failing or poor conditioned are, El Mirador 1 & 2, Elk Woods 1 & 2, Timber Trail 2, Saddle Ridge right and left, Fenno, Red Draw 1, Redtail Ridge 1 & 2. This equates to 1,923 linear feet of guide rail replacement at approximately \$85,100.00.

Equestrian Center Billing

Past invoices, which did not have adequate itemized billing descriptions, have been revised for all customers to reflect proper detail and provide better clarity. Individual invoices now show more detail to specifically indicate billing period and specific charges. The billing is on time and currently there is only one substantially past due customer, with whom Scott contacted and is expecting payment soon.

Wells Fargo Purchase Cards

Wells Fargo is currently underwriting the credit exposure for purchasing cards, as well as underwriting the ACH exposure for electronic payments. We expect to hear back from them any day, and they do not anticipate any underwriting challenges.

We provided Wells Fargo with a comprehensive list of payments that CMD and CPOA made to vendors in 2016. Wells Fargo completed a review of these payments and the vendors that received them. For CMD, they identified \$2,061,363 (detail attached) in payments to vendors that accept credit card. For CPOA, they found \$838,515 (detail attached) in payments to vendors that accept credit card. However, Wells Fargo estimates that only approximately 20% of these total payments would be accepted by vendors as purchasing card payments. Staff is optimistic that the acceptance rate will be higher, both for the sake of operational efficiency and for the sake of earning a rebate on payments made by a purchasing card.

Treasurer's Meeting

Both board presidents and treasurers, Steve Thompson, Rachel Oys and Scott Proper met on March 9 to complete the following review of:

- Financials for CMD and CPOA for 2016.
- 2016 RETA revenue totaling \$1.4 million.
- The transfer of \$183,000 in unclaimed DRB deposits from our Colotrust account to the State of Colorado.
- 2006B bond refinancing loan papers and is expected to yield \$250,000 in net present value savings and are less restrictive than current bonds.
- Preparation for the 2016 annual audit, which is scheduled for early April.
- The 2017 CMD capital budget which is missing the \$85,100 in guiderail project costs
- CMD's workers' compensation expense was budgeted for \$80,350 and actual costs for 2017 is \$113,000, due to historic claims. Staff expect to absorb the difference in personnel savings.
- A Wells Fargo's banking proposal which includes an online portal for CMD and CPOA to accept payments online.
- The approximate \$900,000 in receivables on CPOA's balance sheet is largely comprised of approximately \$325,000 in seriously delinquent balances. Scott and Ed are going to meet to review strategies to collect outstanding balances.
- Modifications to the financial statement formatting were requested and will be completed for the financial package for the upcoming board meeting

Human Resources

Anniversaries

January

- 1 year: Trevor Broersma, Community Operations
- 1 year: Mike Hyslop, Community Operations
- 7 year: John Gulick, Public Safety

February

- 1 year: Ron Martini, Equestrian Center
- 10 year: Glen Tomasko, Community Operations
- 20 year: Rob Renzelman, Fleet

March

- 1 yr. Kirk Pliske, Public Safety

New Hires

December

- Janet Hill, Recreation
- Steve Friend, Public Safety
- Maria Soto-Escalera, Community Operations

January

- Matthew Cornell, Public Safety
- Christopher Sturt-Dilley, Equestrian Center

February

- Christopher Comroe, Equestrian Center
- Senta Schleder, Recreation

Open Positions

Full-time

- Barn Hand
- Mechanic II

Part-time

- Barn Hand

Committees

The Recognition & Engagement Committee met February 9 at 10 a.m. to begin planning for 2017 events. Moving forward, the meetings will be held on the second Thursday of every month from 10 a.m. - 11 a.m. at the administration building. On February 22, a luncheon was held in memory of Perry Kleist.

The committee also met on March 9 to discuss the upcoming events: highway clean up, department luncheons and upcoming employee events for the summer.

The Safety Committee met January 17. The team shared updates on items from the 2016 building walkthroughs and items community operations is addressing. Committee roles were clarified, and recruiting for new participants is underway.

The committee also met February 21. Adam Johnsen from Colorado Special Districts Property and Liability Pool discussed a safety grant program. Johnsen toured the facilities and shared some valuable safety strategies for the committee to implement. The committee decided to purchase traction devices for work boots for Community Operations and Public Safety. The next meeting is scheduled for March 21.

Workers' Compensation

Currently there are five open claims in Community Operations.

Monthly Staff Meetings

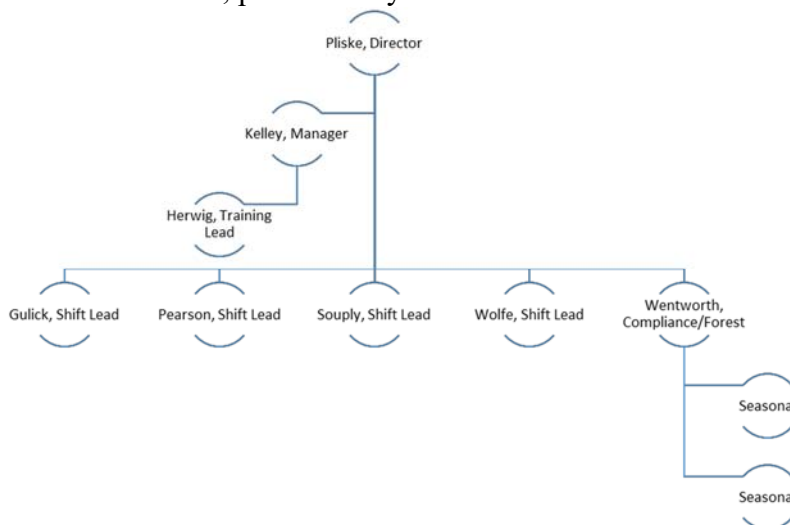
Meetings were scheduled for January 24 from 9 - 10:30 a.m. or January 26 from 2 - 3:30 p.m. to accommodate all work schedules.

- Berniece reviewed medical, dental, vision, flexible spending benefits and the new wellness program along with an update on performance evaluations.
- Angelo announced the employee survey to open February 6.
- Scott gave an update on our retirement plans.
- Jaime gave a review of the website changes.
- Trevor gave an update on the capital projects that are scheduled for this year.
- Kirk conducted a communications exercise along with his department update of the new structure and new shifts for public safety.
- Employee staff meetings will be conducted every other month in 2017. The next staff meetings are scheduled for March 28 and March 30. MSEC will be onsite presenting the employee opinion survey results.

Announcements

Over the past several months, staff have been working on a reorganization for the Public Safety team. This is an effort to elevate the service level, increase customer service and, most importantly, provide greater support for the team. Effective January 1, 2017 the following employees in Public Safety were promoted:

- Teri Herwig, public safety training lead/officer;
- Cindy Souply, public safety lead/officer;
- John Gulick, public safety lead/officer; and
- Brook Pearson, public safety lead/officer.



The following staff changes were announced:

- Trevor Broersma has been promoted to Director of Operations. He will manage Operations, Facilities and Fleet.
- Rob Renzelman's, Fleet Supervisor, last day was February 24. Rob and his wife, Mari, moved to St. George, Utah. His 20 years of service is appreciated and he will be missed.
- Cody Calcaterra, Barn Supervisor, submitted his resignation and will be leaving at the end of May. He and his wife will be hiking the Colorado Trail this summer and are moving to Brazil.

Training and Career Development

- Rachel Oys' ICMA Credentialing Program renewal was approved. Oys submitted an ICMA Professional Development Report for 2016 (40 hours annual training requirement) and developed ICMA Professional Development Plan for 2017 (ICMA approved the plan for 2017, January 25, 2017).
- Aubrey Lewis, Bill Morris and John Gulick are currently enrolled in the Vail Centre Community Leadership Academy. The course runs January through July 2017. The Community Leadership Academy is an experience for individuals who want to enhance their leadership capabilities and connect with like-minded professionals in Eagle County. The program helps participants develop strong values-based leadership skills, create a broad network of confidants, as well as build trust and consistency between Eagle County businesses and agencies. This unique environment also presents the opportunity for participants to learn about the practical application of the skills and strategies through roundtable discussions, group collaboration and case study analysis.
<https://vailcentre.org/course/community-leadership-academy-100/>
- Tracy Stowell attended an I-9 Compliance Training at Colorado Mountain College. This training will help guide staff in filling out the new I-9 form for new hires and outline compliance and best practices.
- Scott Proper has received five hours of individualized CYMA training and attended unemployment insurance seminar hosted by the State of Colorado March 10.
- Berniece Gutierrez attended the Mountain States Public Employers Conference March 10. The agenda included:
 - Keynote Dr. Benard Amadei, PhD: A Systems Approach to Building Communities
 - Legal Update and What to Expect from the Trump Administration
 - How the First Amendment Freedom of Religion Interacts with the Civil Rights Act Protection
 - Creating High Feedback Cultures
 - Employee Engagement and Retention
 - Innovation in a Resourced Constraint Environment Brian Elms, Founding member of Denver's Peak Academy
 - Ethics: Why Good People Sometimes Do Bad Things
- Katarina Glutova attended the AAI-ISMA fitness conference in Colorado Springs, March 10 -12. Katarina updated her personal training and class instruction certificates. In addition, Katarina attended educational seminars including the Barre Above instructor training program and is now certified.
- Monday, April 3, 2017, Brian Elms from Denver Peak Performance will provide a four-hour Green Belt training for employees. The Green Belt training is a process improvement and change management program that supports staff to innovate processes and deliver a premier community where everyone matters. Investing in district employees reshapes current business processes and enables innovation. To empower employees and management, the Green Belt provides training in and support using continuous process improvement methodologies, focusing on the identification and elimination of waste within a process. Watch this video to learn more about lean!
<https://www.youtube.com/watch?v=EedMmMedj3M>

Benefits

Wellness

The 2017 wellness program was implemented. Eligibility is the first of the month following 60 days of employment for all full-time, year-round employees. Employees have two options:

1. Ski Pass: the cost of the pass may be submitted for reimbursement up to \$829 (2017/2018 ski pass rates; rates may change for 2017/2018). Employees who elect this option and terminate employment before the end of the ski season will be responsible for reimbursement for their portion of the pass per the schedule that is distributed in October.
2. \$400 wellness: employees may submit receipt(s) for reimbursement up to \$400. Items that can be submitted for reimbursement include: gym membership/punch card, biking gear, hiking gear, running

shoes, work out tapes, hunting and fishing licenses, exercise equipment, etc. as long as it is related to health and wellness.

W-2 tax forms and 1095 C, Affordable Care Act forms, were compiled and distributed the end of January.

Performance Evaluations

Employee performance evaluations were conducted in January for 2016. Merit increases were effective January 2, 2017 and paid out February 3, 2017.

Information and Technology

Records Retention

Paper Wise, a document shredding and recycling company, will have their equipment at the administration building Thursday, April 6, from 1 - 3 p.m. Property owners are encouraged to shred their **confidential** documents courtesy of the District. Please no magazines, newspapers or catalogs. Staff will be shredding records that have met the retention requirement and are no longer needed.

Communications

Website

Staff attended three days of training in the beginning of February for the new website platform. Since training, content was transferred from the previous site, revised and new content added.

The new platform went live, on schedule, February 24. A new design accompanies the platform, one that brings the most used features of the website—news and the calendar—to the home page while also enhancing the navigation on the interior pages. New features of the website also include the ability to submit an email directly to staff for specific, but common, requests, manage email subscriptions, post real estate listings, view the property owner directory and, coming soon, make online payments (the online payment feature will be available when a vendor is selected and implemented through the Finance Department.) Additional pictures and videos also enhance the user experience.

Unlike the previous website, content can be added, edited or deleted at any time by staff. The turn-key modules provided by the platform allow for easy management and access to agendas, minutes and important District and Association documents. Additional built-in functionality includes home page, email and/or text message alerts when there is an emergency or important notification, job opening notification and online forms submittal. Please visit www.CordilleraLiving.com to see the new site.

A post card announcing the new site, customized with individual login information for the property owner directory, will be sent in the coming weeks. In the meantime, if property owners want access to the directory, they can call the administration offices for login credentials.

Communications since mid-December

- Six “Cordillera Connection” newsletters with an average of 61 percent open rate. This open rate is higher than in recent months, perhaps because of the twice monthly schedule rather than the once a week schedule.
- Two Lodge Updates were sent since December. In consultation with the attorneys, staff suspended the weekly Lodge Updates to focus efforts on communicating when substantive pleadings are filed, hearings are scheduled or other substantive activity takes place. The open rate was 72 percent and 68 percent, respectively, for the Lodge-related Flashes.
- Nine general announcement Flashes were sent on a variety of topics including: a letter from CPOA Board President, notice of special meetings, ice rink conditions and seven Flashes relating to the Limited Amendment election.

- Ongoing social media updates continue. The Cordillera Equestrian Center Supervisor Cody Calcaterra posted a video to the Cordillera Equestrian Center Facebook page of a small herd of elk in the paddocks. This post generated 5,700 views and reached 11,203 people with 645 of those engaging.
- Cordillera's 2016 Annual Report which highlighted the results achieved through the many quality programs and services was distributed via email with a link to a FlippingBook December 31, 2016. It had a 64 percent open rate and a 34 percent click through rate.

Advertising

- Contracted with "Vail/Beaver Creek Magazine" to advertise in the three 2017 issues. Collage Creative designed an ad for the midwinter edition which was out in stands in January. Copies of the magazine can be found at the post office, administration building and at the Vail Gondola Club.
- Executed advertising contract with Bravo! Vail for a three-year commitment.
- Designed and submitted March and April "Cordillera Spirit" advertisements.

Events

- Staff contacted four regional bands to perform at the Sounds of Summer Concert Series; Hardscrabble Band will perform July 7. Details are currently being negotiated with another band for the August concert. Staff is hoping to partner with Bearcat Stables as the concert venue again this summer.
 - Planning is underway for the Vail Valley Partnership (VVP) hospitality day. Staff is coordinating with The Club and Bearcat to offer VVP members discounts on golf and horseback ride packages.
 - **Save the Date 2017 Events!**
 - July 2: Community Day
 - July 4: VGC BBQ
 - July 7: Sound of Summer Concert
 - Aug. 16: Sound of Summer Dirt Dance
 - Sept. 16: Horsin Around Day
- *Subject to change

Miscellaneous

- Staff is working with ABDI, our community security software provider, to integrate the ABDI GateAccess.net into the website. Moreover, a new license will be purchased so that the ABDI database records can be updated more efficiently. Currently there are eight different databases throughout the CMD/CPOA organization creating a significant duplication of data and effort to maintain the data.
- Due to race scheduling conflicts, CMD/CPOA was not able to host a Ski and Snowboard Club Nordic race this year.
- Board portraits are scheduled for the March 24 meeting. These portraits will be used for the website and other uses as identified.
- Staff is researching Google Street View for images for better Google SEO.

New Homeowner Program

The Cordillera Property Owners Association will proactively outreach to new property owner/members in 2017. Upon learning of a property transfer, by way of RETA payment or copy of a warrant deed, new property owners will be sent a welcome letter, a gift and a homeowner packet, sent to the address of record with Eagle County. The welcome letter will also offer property owners the opportunity to dine with staff and board members, if they so choose, as well as invite them to a reception proceeding each of the summer wine tastings.

Communication Plan

Staff is drafting a Crisis Communication Plan to include recommendations from ReComm Global on managing the media. The plan will also tie into Public Safety's and Eagle County's Emergency Operations Plan. Ultimately, a "go kit" will be ready to be implemented when need arises.

Recreation

Management Team Report

Vail Gondola Club

Membership Status (As of 3/1/16)

17 memberships sold 2016, 10 resignations

1 membership sold 2017, 5 resignations

201 current members

65 percent CPOA/CVCPOA members

198 total revenue generating units

4 memberships available

Usage

November through February skier visits were down 10 percent from 8,591 in 2015/2016 to 7,704 in 2016/2017. This is a result of the lack of snow and the delay of the mountain opening in November. Usage in December, January and February was consistent with the 2015/2016 season, the busiest season to date.

March guest locker reservations are strong, historically the busiest month. Vail Mountain is scheduled to close Sunday, April 23.

Member Ski Days

Weekly on Wednesdays, January through March.

Remaining Events

- Final Member ski day cookout: Wednesday, March 29 held on Vail Mountain in conjunction with the Club at Cordillera.
- Pink Vail: Saturday, March 25. Team Vail Gondola Club raised over \$6 thousand in 2016 and has raised over \$50 thousand over the past four seasons.
- Ski and Tee: Saturday, April 22, 9:30 a.m. at the Vail Gondola Club; 2 p.m. Shot Gun at the Valley Club

Survey/Advisory Committee

The annual Member survey will be conducted in late April. The Vail Gondola Club advisory committee will meet in June.

Athletic Center

Cardio Equipment Upgrade Completed

The cardio room at The Athletic Center at Cordillera (ACC) was completed February 15. Renovations include fresh paint, new flooring and new-state-of-the-art Life Fitness cardio equipment, as well as enhanced Wi-Fi capability throughout the building. New equipment includes (4) treadmills, (2) elliptical cross trainers, (1)

powermill stair machine, (1) flexStrider, (2) recumbent bikes, (2) upright bikes, (1) rowing machine and (1) IC7 indoor cycle.

Open seven days a week to residents and owners, the ACC provides attendant assistance from 7 a.m. - 5 p.m. Weight machines, fitness class studio, locker rooms, steam rooms and the pool/spa are also available unattended from 5 - 7 a.m. and from 5 - 11 p.m. with a proximity/key card.

Spring Facility Upgrades

The pickleball court resurfacing and equipment upgrades as well as locker room shower and restroom tile renovations are scheduled for completion in the spring of 2017.

ACC Tracking

Measures taken to ensure more accurate facility usage include new sign-in sheets, additional signage, staff training and a new computer to improve the FOB system which is ordered and will be installed March/April 2017.

Usage

- January through February usage was up 7 percent when compared to 2016.
- 2016 overall usage was up 44 percent when compared to 2015.

Fitness Classes

Currently the Athletic Center offers nine weekly complimentary fitness classes including yoga, hydro cycling, Basi Pilates, Fit Ball, Total Tone and Tai Chi. Staff will continue to monitor class attendance, frequency, timing and offerings as summer approaches.

Senta Schleder joined the ACC team in February as a personal trainer. Coming highly recommended by property owners, Senta brings 18 years of fitness experience and 12 years of Cordillera community experience as the former health and fitness specialist at the Lodge and Spa.

Cordy Camp/Trailhead Pool Complex

Camp Dates

- Registration scheduled to open April 17, 2017.
- Camp is offered Monday through Friday, May 30, through August 15, 2017 for children ages 5 - 12.

Rates

\$40 Property Owners/Residents, \$50 Non-Property Owners

Planning/Staffing

- Keegan Duffy is returning for his third season as the new camp director. Keegan previously held the position of lead counselor during the summers of 2015 and 2016. Hired in November as a year-round staff member, Keegan spent the ski season at the Vail Gondola Club and has also spent time assisting at the Athletic Center.
- Recruiting of Camp Counselors and Lifeguards is ongoing.
- Staff will complete 15 hours of pre-camp state required training. In addition to policy/procedure and rules/regulations training, medical administration, universal precautions and CPR/first aid certifications will be obtained.

- Camp attendees will be offered a wide variety of outdoor and educational activities including professional golf, tennis and swimming instruction, sports, hiking, fishing, games, arts and crafts, educational field trips and adventure days.
- Advertising efforts will include newspaper, flyer/signage distribution, radio, past camp attendee outreach and newsletter communication.

Licensing

The Colorado Department of Human Services Childcare License was renewed February 2017.

Trailhead Pool

- The Pool Complex will be open daily from 11 a.m. - 7 p.m., beginning Saturday, May 27, through Monday, September 4.
- Lifeguards will be on duty during pool hours of operation.
- Children age 12 and under should be under adult supervision while using Trailhead Facilities.

Art Classes

Class Schedule

- Thursdays: Oil Painting 101 5:30 p.m. - 8:30 p.m.
- Saturdays: Oil Painting Open Studio 9 a.m. - noon.
- Location: Cordillera Café.
- Instructor: Mio Cirkovic.
- Contact: 970-376-3184 or miojcir@yahoo.com.

Summer Community Event Calendar

Cordillera Metro District staff will again offer enrichment events in an effort to supplement the robust schedules of the Club at Cordillera, Bearcat Stables and valley-wide organizations. Highlights include concerts, wine tastings, CPR classes, dinners, equestrian, hiking, golf and fly fishing clinics, community day, Independence Day events and more. A full schedule will be available at cordilleraliving.com.

Operations

Management Team Report

Projects

- The new summit storage facility has provided an improved service level to the Summit and resulted in a minimum of \$3,536 in fuel and labor savings.
- The vehicle storage building stabilization is predominantly completed. The total budgeted was \$230,000 for 2016. \$179,824.98 was spent in 2016 and \$50,000 is projected for 2017 expenditures. The warranty is for 25 years. The paving will be finished mid-summer when crews are on-site overlaying roads in the territories.
- Snow removal is ongoing; when it is not snowing, crews widen all roads around the property.
- Facility Dude has finished the Facility Condition Assessment and it will be uploaded to an online account by the end of March. Information will be presented at an upcoming board meeting.
- The Operations team finished the update of the ACC cardio room. The team painted, installed new floors and made new floor board trim to match. Weight room painting is also complete.
- Administration building and Operations building will be getting new carpet installed the week of March 27.

- The gatehouse remodel project will begin in late April.
- The road program for 2017 will begin in May. Starting with the overlay of Fenno to the gatehouse. The overlay of Kicking Horse and Summit Trail will occur in late summer.
- The Trailhead roof continue to deteriorate. While shoveling the roof in February, Operations discovered more missing shingles and water draining down into the cold rack roof. Interior leaks have yet to be discovered.

Fleet

- Car wash hours have been updated to year round Monday through Friday 5:00 p.m. – 10:00 p.m., Saturday and Sunday 8:00 a.m. – 8:00 p.m. Trainings are held Tuesdays and Thursday between 2:30 – 5:00 p.m. by appointment only. Contact Fred Scheim at 970-569-6285.
- The new Western Star plow truck is working perfectly and is a great addition to the fleet.
- Operations is currently demoing a RPM loader mounted snow thrower. This machine is already proving to be twice as fast as the Oshkosh. Being loader mounted, it is useful in cul-de-sacs and small neighborhoods.
- The new Bobcat Tool Cat has increased efficiency within the smaller communities, like Bentgrass, quickly piling snow and widening roads.
- New air compressor, metal band saw and metal chop saw arrived and will be installed in the next week.

Trails

- The ice rink is now closed. Thank you to Nick Boye for his hard work building and maintaining it.
- The new snowmobile allowed trails to be packed that historically were unable to be used with large amounts of snow.

Equestrian Center

- The demolition of the breakroom and office began and will be complete by March 31. New flooring, lighting, cabinets and drywall will be installed.
- Operations is currently looking for a new place to dispose of the equestrian centers manure. Diamond S will no longer take it, so currently it is being hauled to the landfill.
- Installation of the indoor water lines to horse stalls started and will be finished by the middle of the month.
- CMD staff hosted a meeting with Equestrian Center Boarders on March 9. Boarders provided feedback on the strengths, weakness and opportunities regarding the service model and facility. Feedback was also collected on knowledge, skills and abilities beneficial for staffing model. A survey will be sent to boarders that were unable to participate. In addition, staff are hosting meetings with equine leaders and organizations in the valley before recruitment begins for the barn supervisor position.

Current Boarders

- 16 paddock horses
- 3 partial care paddock horses
- 15 stall horses
- Boarders are comprised of 10 homeowners, 21 non homeowners and one employee

Indoor Arena Project

- The Indoor arena project will begin after the breakroom remodel is complete.

Events

- CEC will be a Gold Sponsor for the 2017 Eagle County Fair and Rodeo to be held July 19 – 22, 2017. As a Fair and Rodeo sponsor, Cordillera will benefit from exposure to over 12,000 event attendees and

- gain exposure in print, TV, radio and internet advertising.
- Horsin' Around Day is scheduled for September 16.

River Parcel and Ponds

- All pumps have been winterized and shut down.
- Granada Glenn aeration pump was serviced and left on to maintain winter oxygen levels to keep the fish alive.
- Nick has begun river clean up as the snow melts.

Spring Cleaning and Yard Debris Pickup

To assist Property Owners in disposing of bulk household items during spring cleaning, Community Operations will place a dumpster in each neighborhood for use on a first come, first serve basis until it is full from 9:00 a.m. to 4:00 p.m. according to the following schedule on Thursday's in June. These dumpsters are intended for property owner use only. DO NOT discard paint products, tires, batteries, fluorescent lights, chemicals or Freon in the dumpsters.

Divide/Community Dog Park Parking Area (Carterville Road): Thursday, June 8

Ranch/Trailhead Parking: Thursday, June 15

Summit/Golf Maintenance: Thursday, June 22

To assist Property Owners in disposing of yard debris on their properties, Community Operations will collect yard debris neatly stacked and placed alongside the road according to the following pick-up schedule on Tuesday's throughout the summer:

Divide:	June 6	July 11	August 8
Ranch:	June 13	July 18	August 15
Summit:	June 20	July 25	August 22

CMD asks that all property owners call the Divide Gatehouse at 970-926-2335 to schedule pick-up on the dates corresponding to each neighborhood (Divide, Ranch and Summit). Woody debris should not be brought to the edge of the road until the week before the scheduled pick-up.

Trailer Parking

CMD will be making improvements to the Trailer Storage Area. Rothkopf is contributing \$10,000 towards the trailer area improvements. Costs of construction include, without limitation, engineering, surveying, labor, equipment rental, materials and landscaping costs. CMD and Rothkopf specifically acknowledge and agree that the Storage Area will be used to store vehicles and equipment including, without limitation, equestrian trailers, RVs, campers, utility trailers, car trailers, construction trailers, enclosed trailers, open flatbed trailers, motorhomes, boats, other vehicles and equipment owned, leased, or used by the District or by members of the Cordillera Property Owners Association. Privacy fences are proposed to be installed, subject to Eagle County regulations and requirements, along those portions of Carterville Road that are adjacent to the Storage Area. Improvements are planned for May 2017.

Exhibit A: Description of Storage Area

That certain portion of real property owned by the Cordillera Metropolitan District that is not designated as open space and used as a storage area, located on Tract B, Cordillera Subdivision Filing 43 AKA Chaveno, County of Eagle, State of Colorado.

FYI

- The gates will be updated and replaced this spring and summer. The guest-lane gate at the Ranch is broken and will be replaced by the end of this month. The other gates are scheduled to be replaced late spring or early summer.
- The weight restrictions on CMD roads are in place due to the freeze/thaw cycle.
- March has the potential for large snow accumulations and difficult winter driving. Public Safety asks drivers to be careful and drive slower when roadways are wet, snow packed or icy.
- Patience and distance around snow plows/equipment helps keep the roads safe for driving.

Incident Reports

January

Public Safety responded to 41 calls ranging from alarms (fire, intrusion, low temp and water flow), animal incidents, property damage, gas leak, homeowner assists, medical and vehicle assists.

On January 16, Public Safety was notified of wild turkeys damaging a residence at 662 Saddle Ridge. When patrol arrived on scene they found a broken window on the front of the house. Upon further investigation, the patrol officer noticed a turkey flying around in the house. Public Safety notified the property manager and was given the code to the key box. Before the patrol could enter the house, the turkey broke a back window and escaped. The house was inspected for further damage while the property manager arrived to secure the broken windows and the rest of house.

February

Public Safety responded to 23 calls ranging from alarms (fire, intrusion and low temp and motion), abandon vehicles, stuck vehicles, medicals, suspicious activity, homeowner assists and vehicle assists.

On February 1, Public Safety was notified of a child locked inside a parked running car at 126 El Mirador. Public Safety patrol responded along with Alpine Lock and Safe and the Sheriff's Department. Alpine Lock and Safe unlocked the vehicle.

On February 28, Public Safety patrol found two snowmobiles on the road in the trailer parking area and a snowmobile trailer parked in an unassigned spot. The trailer and snowmobiles could not be identified, so the Sheriff's Department was called to run a vin check while Public Safety secured the snowmobiles and trailer offsite. While waiting for the vin information, the owner called. The owner is a resident and owns a snowmobile business in Eagle. He had an employee

exchanging equipment, but the employee left the snowmobiles and trailer with the intent to return later. Public Safety reminded the owner that the trailer and its equipment must be in its assigned spot.

Healthy Forest

The Healthy Forest program is preparing notifications to be sent to the properties that have inspections this summer. The notification informs owners about the program and the property walkthroughs in the spring. Staff will notify property owners of the improvements that need to be made or if the property complies with Healthy Forest guidelines. There are 85 properties that are scheduled to be inspected for summer 2017.

Open Houses

Historically, Public Safety has managed the open house days and times for the Cordillera community. The current procedure permits open houses on Tuesdays for the Divide and Ranch communities from 1:00 – 4:00 p.m., Thursdays for the Summit and Territories from 1:00 – 4:00 p.m., and Saturdays all communities from 1:00 – 4:00 p.m. Metro District approved signs are the only signs allowed in the community and are placed out by Public Safety prior to the open houses. The realtors also email the Divide Gate house with at least 24 hour notice giving the day, address and time of event. The Divide Gate house then enters the event in the ABDI security software calendar.

Public Safety receives phone calls and requests on a consistent basis asking to adjust the hours of the open houses. These requests prompted us to take a look at other gated communities and inquire about their operations for open houses. The commonalties of the other gated communities consists of no restricted days; thus permitting open houses from 11:00 a.m. – 7:00 p.m. daily, and realtors use approved signage and are responsible for putting out and removing the signs.

At this time, staff is in the process of:

- Drafting regulations that are similar to other local gated communities on open house regulations.
- Allowing open houses Monday through Sunday
- Adjusting open house times will be 11:00 a.m. to 6:00 p.m.
- Requiring realtors to use CMD/CPOA approved signage.
- Requiring realtors to be responsible for placing and removing open house signs.
- Requiring realtors to email information of event to Divide Date house with a minimum of 24-hour notice.

Staff will communicate with Cordillera based Relators, Vail Board of Realtors and property owners regarding the modified process. Changes will be effective April 14, 2017.

ATV Resolution

Property owners have noticed and reported the use of All Terrain Vehicles (ATV's) on District roads, specifically on Red Draw. Per Resolution NO.2005-03, ATV's on all District roads are prohibited except for CPOA and CMD personnel when conducting maintenance operations. With spring quickly approaching, allowing for maintenance of District and Association facilities, and more homeowners in residence, there will be an increase in ATV activity. Public Safety will monitor Red Draw and surrounding areas and educate anyone found in violation of this policy.

RESOLUTION
of the
BOARD OF DIRECTORS OF THE
CORDILLERA METROPOLITAN DISTRICT
COUNTY OF EAGLE, STATE OF COLORADO

RESOLUTION NO. 2005- 03

WHEREAS, the Cordillera Metropolitan District ("District") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District has the authority to adopt, amend, and enforce rules and regulations pursuant to C.R.S. § 32-1-1001(m); and

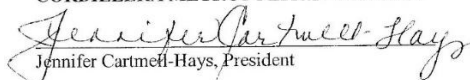
WHEREAS, pursuant to C.R.S. § 32-1-1001(h) and § IV.A of the Amended and Restated Consolidated Service Plan for Squaw Creek Metropolitan District and Cordillera Metropolitan District (dated Jan. 17, 2005) (the "Service Plan") the District has the power to regulate the use of all terrain vehicles ("ATVs") on District owned property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORDILLERA METROPOLITAN DISTRICT AS FOLLOWS:

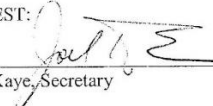
1. It is in the best interest of the District's residents and property owners to adopt a policy with respect to the use of ATVs on District owned property.
2. The use of ATVs on all District owned property is hereby prohibited; provided, however, that District and Cordillera Property Owners Association maintenance personnel shall be permitted to use ATVs on District owned property to the extent necessary to properly maintain the District's and the Association's property and facilities.
3. The Cordillera Public Safety Director is directed to amend the District's Rules and Regulations to reflect the policy adopted herein.

ADOPTED THIS 13th DAY OF NOVEMBER, 2005.

CORDILLERA METROPOLITAN DISTRICT


Jennifer Cartmell-Hays, President

ATTEST:


Joel Kaye, Secretary

SupraBoxes

In 2005, the CPOA sponsored the installation of electronic SupraBoxes to be used for emergency access at individual homes. Now that the boxes are more than 10 years old, the manufacturer warns that the batteries have reached the end of their life expectancy and the boxes should be replaced.

The process to replace the SupraBoxes started in 2015 with the collection of payment information from property owners who wanted to upgrade their box. With the turnover in staff, the new boxes were not ordered and payment information had expired. An email communication went out from Public Safety in early March informing property owners of this error and cancellation of their payments.

Moving forward, property owners who currently participate in the program or who would like to participate should complete an emergency release form located on the website and submit payment by April 17, 2017. The form authorizes Public Safety to enter your home in case of an emergency. The cost of the new box is \$100.

If property owners already have a SupraBox, Public Safety will test and reuse keys that are in the existing box. Property owners who have changed their locks or who are having a box installed for the first time must provide Public Safety a key to their house with a tag with the address at the time of install. Boxes are typically attached to either the electric meter or the gas meter. However, property owners may work with Public Safety to arrange an alternative location.

Trash and Recycling

One of the amenities provided to property owners by the CPOA is the use of trash and recycling dumpsters located behind the Operations Building. These dumpsters are used frequently by property owners when their recycling or trash exceed the capacity of their trash and recycling cans or when they need to dispose of their trash and/or recycling outside of the regular trash pickup days. The privilege of having large trash and recycling dumpsters available, free-of-charge, is abused during busy season as evidenced by the following:

1. Contractors using the trash dumpsters for construction materials.
2. Parties other than property owner's using the dumpsters for personal trash.
3. Hazardous materials such as paint, chemicals, electronics and other prohibited items being disposed of in the dumpsters.
4. Homeowners disposing of items in the wrong dumpster (such as trash in the recycling dumpster) or just leaving objects on the ground outside of the dumpster.

At times, the trash dumpster is picked up three times in one week due to it quickly being filled. Electronics which are frequently left alongside the dumpsters are not picked up by the Association's trash provider, Vail Honeywagaon. Rather, Public Safety takes disposed of electronics to the Eagle County Landfill monthly or more often if needed, incurring additional charges. Additionally, when trash is mixed with recycling the Association is fined by the landfill.

Costs:

Type of Dumpster	Cost to CPOA for each pick up
------------------	-------------------------------

40-yard trash	\$200
30-yard co-mingle recycle	\$150
20-yard paper recycle	\$150
Electronics	20 cents per pound

At this time, staff is in the process of:

- Posting new signs labeling each dumpster.
- Posting signs stating Cordillera Property Owners only along with a list of prohibited items.
- Exploring other methods for monitoring, including an enhanced camera system with a recorder capable of at least 90 days of video storage. The cost of the camera, software, recorder and labor is approximately \$2,400.

Short Term Rentals

CPOA has received a few inquiries and reports concerning short term rentals of neighbor homes. Staff are following up with specific reports and issuing notices where appropriate. In addition, a reminder will be sent to known rentals reminding the property owners of the declarations.

Initial review conducted thus far shows 15 homes in Cordillera available for short term rental on VRBO and on Homeaway and several more listed on Airbnb.

Renting a home for a short-term rental through VRBO, Airbnb, or a similar site/ process is not prohibited by the Declaration per se:

Section 8.4 Leasing. Any Owner has the right to lease or allow occupancy of a Unit upon such terms and conditions the Owner deems advisable, subject to restrictions of this Declaration, any other restrictions of record. All leases will provide that the lessee and all occupants of the leased Unit will be bound by the terms of the Governing Documents.

Any terms and conditions listed by the Owner on VRBO or any other site should state that use of the Unit is subject to the Declaration including.

- **8.2 – Residential/Business Use.** The Owner or resident residing in the Unit is permitted to conduct “ancillary business activities” within the Unit so long as (i) the business activity isn’t apparent or detectable by sight, sound, or smell from outside the Unit; (ii) the activity doesn’t involve visitation of the Unit by employees, clients, customers, suppliers, or other business invitees in greater volume than would normally be expected for guest visitation to a residential Unit without business activity, including but not limited to short term activities such as garage, moving, or rummage sales or similar activities; and (iii) does not increase traffic in the Community in excess of what would be normally expected for residential Units without the business activity, other than a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other similar delivery services. *Note – there are several other conditions that also must be met for a business activity to be allowed, but those are not clearly*

applicable here, and the failure to meet just one condition would result in an impermissible business use.

The terms “business” and “trade” have their ordinary meanings and include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or *services to persons other than the provider’s family* and for which the provider receives a fee, compensation, or other form of consideration, whether the activity is engaged in full or part time; the activity is intended to or does generate a profit, or a license is required for the activity.

- **8.8 – Prohibition of Nuisance.** Owners or residents may not conduct activities within a Unit or use a Unit in a manner that unreasonably interferes with or causes unreasonable disruption to the use and quiet enjoyment of another Unit by its respective Owner or resident.

The Declaration includes a non-exhaustive list of “specific unauthorized and unreasonable annoyances or disturbances” such as:

(b) the use of any alarm, equipment, or device, mechanical *or* otherwise, which creates or produces excessively loud sounds or any vibrations either outside of a Unit at any time or within a Unit if such sounds can be heard or vibrations felt in the normal course of activities in any other Unit(s);

(e) excessively loud activities either outside of a Unit at any time or within a Unit if the conduct can be heard in the normal course of activities in any other Unit(s);
[and]

(j) using or allowing the use of the Unit or the Common Areas in any manner which creates noise between the hours of 10:00 p.m, and 8:00 a.m. which can be heard by persons in another Unit that will, in the Board's reasonable discretion, unreasonably interfere with the rights, comfort or convenience of any other Owner, members of his family, guests, or residents, unless the Owner has obtained prior written Association approval for an event.

- **8.11 – Vehicles and Parking.** This section requires that vehicles with commercial writing be “kept in enclosed garages.”

Traffic Radar System

Staff met with Beaver Creek Metro District and reviewed their speed radar detection system, All Traffic Solutions. Staff hosted a conference call with All Traffic Solutions and identified some inherent weaknesses, specifically the quality of the photo radar system. Staff are researching alternative systems and will report back to the board in June.

Cordillera Wildlife

A wildlife study for elk populations was conducted in January by Colorado Parks and Wildlife (CPW). This year's study did not incorporate any direct flights over Cordillera homes or within the core of the community. The closest flight pattern encompassed Squaw Creek and Lake Creek drainages. At the time the fly over occurred and in those specific drainages, only seven elk were identified. CPW suspects the low numbers were due to deeper snow depths this winter which restrict areas where the elk can reside and the limited area observed.

Education and Training

Community CPR/AED and First Aid classes will be offered this spring to the remainder of staff who were not able to attend previous classes. The goal is to have all staff members trained in CPR/AED and First Aid. CPR/First Aid classes will also be offered to the community this summer.

Cordillera Valley Club

The Cordillera Valley Club held their joint board meeting February 28, 2017. Public Safety presented the revised organizational structure, service model change including hours of operations (PowerPoint provided below). The boards unanimously approved the proposal which aligns CMD and CVC staff and hours (specifically only patrol between 1:00-5:00 a.m.). The service model and staff shifts will change March 27.

The image displays two slides from a PowerPoint presentation. The left slide is the title slide, featuring a collage of outdoor scenes including a golf course, a group of people on a path, a field of tall grasses, and a person skiing. The text on the slide reads "Public Safety 2017 Service Model and Budget" and "February 28, 2017" above the "CORDILLERA" logo. The right slide is an agenda slide with the "CORDILLERA" logo and "Overview" in the top right corner. The agenda items are listed as follows:

- Purpose and structure
- Current schedule and limitations
- Proposed schedule
- Budget
- Board Discussion

CORDILLERA **Current CVC schedule**

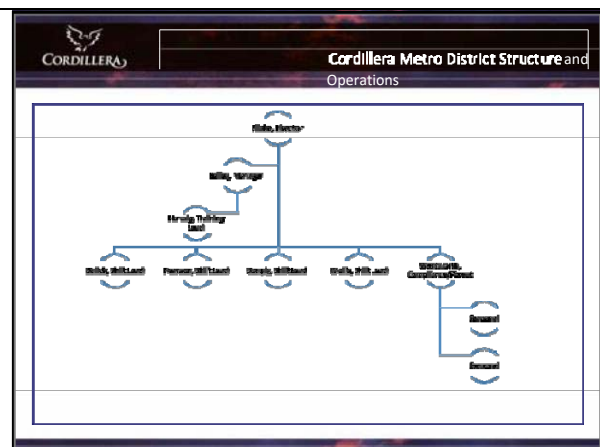
- Gatehouse staffed 24 x 7 x 365
 - Shifts are 12.5 – 16 hours long
 - Regular recurring overtime
- Peak hours Monday – Sunday, 7am - 5pm
- Unmanned gate due to community patrols, approximately
 - 2.5 hours between 7am - 6pm
 - 3 hours between 8pm - 5am
 - = 5.5 total hours in a 24 hour period

CORDILLERA **Challenges**

- Lack of gate house coverage during patrols
- Inefficient patrol hours
- Cars line up at times between 7am - 5pm
- Minimal DRB patrol
- Regular recurring overtime costs
 - 2016 approx. \$25,000
 - 2015 approx. \$41,000
 - 2014 approx. \$36,000
- Difficult to staff (long hours, odd hours)
- Not aligned with Cordillera Metro District operations

CORDILLERA **Challenges**

- Paid Time Off (actual)
 - 2016: 584 hours
 - 2015: 592 hours
 - 2014: 1,258 hours
- 5 calls total received between 1am - 5am in 2016
 - 3 Fire Alarms
 - 1 Intrusion Alarm
 - 1 Noise Complaint (barking dog)

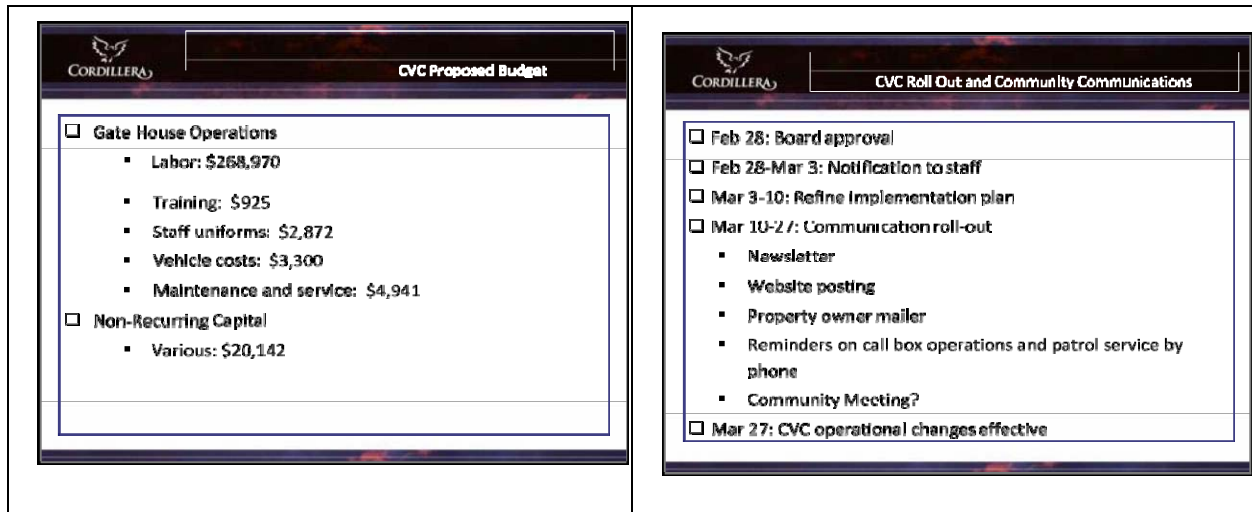


CORDILLERA **CVC Proposed Operations**

- Gatehouse staffed from 5am - 1am (20 hours)
- Shifts scheduled for 10 hours
- Patrol available 24 hours a day
 - Four patrols conducted between 5am - 1am
 - One patrol conducted between 1am - 5am
- Gate Access from 1am - 5am
 - Property owners use transponders
 - Property owners & guests can use callbox to contact patrol (remote gate access can be granted via patrol phone)

CORDILLERA **CVC Operational Change Benefits**

- Enhanced service level
 - Gates staffed during all peak hours
 - Patrol and DRB inspections conducted randomly
 - Less gate and vehicle damage
- Minimize overtime
 - Recurring overtime is removed from the schedule and budget (\$15,000 savings)
 - New triage schedule for overtime implemented in 2017
- Alignment with CMD
 - Same schedules provide greater ease of PTO or



Design Review Board

DRB Appeal

CPOA received an appeal from Grant and Susie Cunningham regarding the DRB denial of the proposed sketch plans for 166 Peregrine on March 16, 2017. At the March 24, 2017 regular board meeting, CPOA will schedule a special board meeting for review of the appeal.

Section 9.10 Right to Appeal.

An Owner may request that the Design Review Board reconsider its decision on an application or a fine. A request for reconsideration by the DRB and additional materials, if any, must be submitted within 30 days of the date of the ORB decision. After DRB reconsideration, an Owner may appeal any decision of the Design Review Board to the full Board of Directors by written appeal submitted to the Board of Directors within 30 days of the date the most recent DRB decision or date that the DRB notice is mailed to the Owner. Review by the Board of Directors will be limited to evaluation of whether the DR B's decision was inconsistent w1th the criteria set forth in this article and the Design Guidelines or is arbitrary and capricious, The Board of Directors will review the DRB's decision and the materials submitted to the DRB. Any decision of the DRB may be overruled and reversed by a majority of the members of the Board of Directors by a written decision setting forth there reasons for the reversal when the Board of Directors concludes that the DRB decision is not consistent with this article and the Design Guidelines or is arbitrary and capricious. If the Board fails to make a decision on the appeal within 60 days of the date submitted by the Owner, then the appeal will be deemed denied, The Design Guidelines may establish reasonable fees for an Owner to file for a reconsideration by the DRB or to appeal a DRB decision to the Board of Directors.

JAMES WM. STOVALL
ATTORNEY
PHONE: (970) 949-4200
FACSIMILE: (970) 797-1874
EMAIL: Jim@VailValleyLaw.net

March 16, 2017

Via: e-mail (edwardshriner@gmail.com); (ldbruce2445@gmail.com); (roys@cordillerametro.org) ;
(tstowell@cordillerametro.org)

To: Edward Shriner, Cordillera Property Owner's Association – President
Lois Bruce, Cordillera Property Owner's Association – Secretary
Rachel Oys, Cordillera General Manager
Tracy Stowell, Cordillera Executive Manager

Re: 166 Peregrine Drive

Cordillera Property Owner's Association,

Please be advised that this firm represents Grant and Susie Cunningham (the "Cunninghams") in regards to their property located at 166 Peregrine Drive (the "Property"). The purpose of this correspondence is to appeal a decision made by the Cordillera Design Review Board.

The Cunninghams initially presented a sketch of their plans for the Property to the Cordillera Design Review Board (the "DRB") on December 13, 2016. At that time, the DRB requested several changes before approving the sketch plans. The Cunninghams took the instructions under advisement, responded in detail to each item, and created new plans.

Later at the DRB meeting on February 14, 2017, the Cunninghams presented a revised sketch. At the meeting, their sketch for the Property was denied. The DRB cited the following reasons for denying the sketch: site disturbance, size of house compared to lot, two driveway cuts of Peregrine, four garage bays, four story appearance on east side, tower element, roof top hot tub deck, commercial appearance on east side, extensive amount of glass, and potential for light pollution.

The Cunninghams amended their sketch plans again, taking the DRB's instructions under consideration, and resubmitted them. On March 14, 2017 DRB held a vote and denied the plans again citing similar reasons as the initial denial. At the March 14 meeting, it was clear to the Cunninghams that that the DRB had a predetermined decision prior to the meeting and did not review the changes to the sketch. The Cunninghams believe strongly that they have fully complied with the Cordillera Design Criteria and the actions of the DRB are arbitrary and capricious.

The Cunninghams are appealing this decision pursuant to Section 9.10 of the Amended and Restated Declarations of Protective Covenants, Conditions, and Restrictions for Cordillera. In light of this appeal of the DRB's decision, the Cunninghams are requesting to be added to the agenda for the Cordillera Property Owner's Association meeting on March 24, 2017.

Please advise as to the agenda and time to present the Cunningham's appeal at the March 24, 2017 meeting.

Very Truly Yours,

STOVALL ASSOCIATES, a Professional Corporation



James Wm Stovall

DRAFT

Buildout Analysis

Neighborhood	Total Units Allowed *	Completed	Review Process	Under Construction	% Buildout**
Divide (minus 60 Lodge)	202	164	0	4	81%
Ranch	400	315	2	2	79%
Summit	248	98	1	4	40%
Totals (PUD 910)	850	577	3	10	68%

* 910 is total density allowed by the current PUD

** Does not include properties under construction

Under Construction	
Divide	Status
220 Casteel	exterior materials
270 Cordillera Way	Final inspection
322 Granada Glen	Framing - ILC
465 Little Andorra	foundations - ILC NOT APPROVED

Ranch	Status
2623 Fenno	Final inspection
832 Forest Trail	Framing

Summit	Status
1282 Gore Trail	Framing - ILC
49 Lady Belle Way	Framing ILC
96 Lady Belle Way	Framing ILC

Territories	Status
7 Territories	framing - ILC

Review Process	
Divide	Status

Ranch	Status
121 Elk Springs Tr	HOLD
205 Elk Springs Tr	Sketch 2.14.17 A
166 Peregrine Dr	Sketch 2.14.17 D

Summit	Status

Territories	Status
19 Territories	Final 2.14.17 A

**Design Review Board - Minutes
Tuesday, 15 November
2016**

408 Carterville Road, Cordillera, Colorado

ATTENDANCE

Members Present Gene Shanahan Chair
 Lee Hegner, Board Member
 Judy LaSpada – Board Member
 Dennis Moran – Alternate Board Member
 Eric Jung – Alternate Board Member
Members Absent Henry Reed – Board Member
 David Staat, Board Member
Others present: Millie Aldrich - DRB Administrator
 Paul Miller – DRB Architectural Consultant

CALL TO ORDER

9:02 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Declaration was noted for the record a quorum was present for the purpose of doing business of the Cordillera Design Review Board.

DISCLOSURE MATTERS – No conflicts of interest were noted.

APPROVAL OF AGENDA –DRB unanimously approved the agenda.

APPROVAL OF MINUTES – Minutes from October 11, 2016 approved, moved by Hegner second by LaSpada all in favor.

PUBLIC INPUT – No public input was noted.

DRB ACTION ITEM –

1. Wilson Residence – 832 Forest Trail

10:30 a.m.

Review: Fine amount

Present: Millie Aldrich / DRB Coordinator

Fine amount \$3700 / reduce amount of service berries per Cordillera Healthy Forest Wildfire Mitigation submit changes to site plan.

Fine amount will be deducted from Compliance Deposit unless owner prefers to pay separately

- Removal of rocks, plants or other similar items
 - Second notice \$100 – not correctable
- Careless treatment of native plants
 - Second notice \$100 – not correctable
- Removal of site fencing
 - Corrected
- Unauthorized Area Disturbance
 - Second notice \$2,500 – not correctable

- Failure to Submit Construction Management Plan Modifications or Other Exterior Modifications
 - First notice Request to Cure
 - Second notice \$1000 – corrected after second notice

2. Lahti Residence – 465 Little Andorra 11:07 a.m.

Review: changes to approved plans

Present: Randy Lahti / Owner

Modification approved with conditions – See memo located in Page 4

- Provide a revised grading plan
- Provide a floor plan showing the new square footage of the basement.
- Review fee is based on new square footage not \$250 changes to approved plans.

3. Becker Residence – 59 Norgaard Way 11:45 a.m.

Review: additional garage space

Present: Alex Becker

No action

- Minimize access to basement.
- Board will review grading, wall heights and area of disturbance.
- Provide drive material, modifications to the exterior, etc.

STAFF APPROVALS - 7

- Johns – 158 Cimarron Trail – Final – landscape improvements – HOA / DRB Approved w/ conditions
- McLain – 44 El Mirador – Final – lower level slab repair, exterior stain, landscape – Approved
- Wilson – 832 Forest Trail – Final – modification to approved plans (deck, windows) – Approved
- Pattee – 1282 Gore Trail – Final – modifications to approved plans (chimney, window) – Approved
- Dowling – 407 Black Bear Trail – window well – Approved
- Dowling – 407 Black Bear Trail – address marker – Approved
- Ralph – 79 Saddle Ridge – tree removal / fire mitigation – HOA / DRB Approved

CONSTRUCTION STARTS - 0

FINAL INSPECTION - 2

- Smith – 657 Saddle Ridge Rd., addition
- Rhoden – 928 Webb Peak, Final Landscape inspection

COMPLIANCE OFFICER UPDATES

ADMINISTRATIVE UPDATES

- Cordillera Healthy Forest Wildfire Mitigation: Bill Wentworth
 - CPOA Amended Wildfire Mitigation Resolution takes the most restrictive language: Cordillera DRB, Eagle County, Colorado State Forest Service.
 - Zone 1 now includes drip edge from structure to drip edge of mature tree to be 30 feet
 - Zone 1 includes separation between flammable shrubs such as service berries or scrub oak.
 - Roof overhang drip edge should be lined with crushed stone / gravel rather than mulch
 - DRB will Review with CPOA and revise Design Guidelines
- Active Construction Sites / Build-out Analysis
- Negrin Residence – 737 Granite Springs –owner removed irrigation and fencing on adjacent property, fire hydrant clearance is acceptable with ERWSD
- New roof shake product – Turada
 - Bring sample to the next meeting
- Active Construction Sites / Build-out Analysis
- DRB Fees
 - Review fee comparison next meeting
- DRB Budget and Consultants
 - Review Budget next meeting

OTHER BUSINESS

- Combining lots – Contact Eagle River Water Sanitation District to discuss their requirements when a property owner combines lots.

ADJOURNMENT

12:40 p.m.

There being no further information before the Cordillera Design Review Board, the meeting was adjourned.

Design Review Board

Gene Shanahan – Chairperson
 David Staat – Board Member
 Lee Hegner - Board Member
 Judy LaSpada - Board Member
 Henry Reed - Board Member

Dennis Moran – Alternate Board Member
 Eric Jung -Alternate Board Member
 Millie Aldrich – DRB Administrator
 Paul Miller - Architect Director
 Scott Sones - Landscape Arch. Dir.

December 13, 2016 DRB Agenda
 Administrative Offices, 408 Carterville Road

All times are approximate and subject to change

9:30 a.m. Call to order
 Approval of September Minutes
 Review Agenda – Project overview

10 a.m. Cunningham Residence – 166 Peregrine – Sketch Review

Applicant: Brent Alm – Architect, Grant & Susie Cunningham / owners

Staff Approvals - 0

Single Family Construction Starts

Single Family Final Inspection – 1

Millsap residence– 2728 Kicking Horse Trail – Lot 7 Territories

11 a.m.

Staff Updates

New roof shake product – Turada

Wildfire Mitigation

Vacating lot line / ERWSD requirements

Active Construction Sites / Build-out Analysis

DRB Revenue / Expense Report

DRB Fees

Compliance Officer Updates

Other Business

12 p.m.

Adjourn

Design Review Board - Minutes
Tuesday, 13 December 2016
408 Carterville Road, Cordillera, Colorado

ATTENDANCE

Members Present

Lee Hegner, Acting Chair
David Staat, Board Member
Henry Reed – Board Member
Dennis Moran – Alternate Board Member
Eric Jung – Alternate Board Member

Members Absent

Gene Shanahan Chair
Judy LaSpada – Board Member

Others present:

Millie Aldrich - DRB Administrator
Paul Miller – DRB Architectural Consultant

CALL TO ORDER

9:32 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Declaration was noted for the record a quorum was present for the purpose of doing business of the Cordillera Design Review Board.

DISCLOSURE MATTERS – No conflicts of interest were noted.

APPROVAL OF AGENDA – DRB unanimously approved the agenda.

APPROVAL OF MINUTES – Minutes from November 15, 2016 approved, moved by Staat second by Moran all in favor.

PUBLIC INPUT – No public input was noted.

DRB ACTION ITEM –

4. Cunningham Residence – 166 Peregrine **10:11 a.m.**

Review: Sketch

Present: Brent Alm – Architect, Grant & Susie Cunningham – Owners

- The Board was ok with the 2 driveway access point, if the service drive is a different material. Minimize the appearance of a driveway.
- The Board was ok with the storage space. The Garage has 3 bays, the storage space is allowed per 4.03.11 (storage for recreational equipment)
- The dog run – was not shown on this version but a significant disturbance to the site is made to create a lawn area.
- Roof Plan: primary / secondary roof forms. One way to help is allowing the master bath gable read as a stronger form. This could be achieved with different window language used for the shed and flat roof.
- Elevations:
 - The tower: minimize the windows, increase the overhang.
 - The relationship of the house to the tower seems to be out of proportion and a different architectural style.
- The light pollution from the tower is a real concern in Cordillera. The DRB cannot rely on interior shades or how the owner will occupy the space. DRB can only review that amount of glass on three sides and at that height it will become a light tower to the other residence.
- Notifications to the adjacent neighbors within 75 feet must be sent certified mail with return receipt.
- Landscape Architect’s comments attached: We have had several meeting regarding fire mitigation and being proactive with Cordillera Health Forest.
- Architect’s comments attached

Sketch – Tabled with comments

STAFF APROVALS -0

CONSTRUCTION STARTS - 0

FINAL INSPECTION - 1

- Millsap – 2728 Kicking Horse Trail, Final inspection

COMPLIANCE OFFICER UPDATES

ADMINISTRATIVE UPDATES

- Wildfire Mitigation: Cordillera Healthy Forest Bill Wentworth / Cordillera Landscape Architect Consultant Ric Fields
 - Defining Zone 1 regarding CPOA Resolution, County Regulations, Colorado State Forest Service
- DRB Fees
 - Proposed fee increase for small projects / Tabled to January meeting
- DRB Budget and Consultants
- Vacating lot line
 - Eagle River Water Sanitation District requires the property owner to cap the water and sewer at the main when combines lots. The feeds from the main put in by the developer to service the individual lots are weak links in the system. If an owner vacates a property line ERWSD requires the feeds be removed and capped at the main.
 - The Board felt this is an ERWSD requirement not Cordillera DRB. It is the responsibility of the property owner to satisfy the ERWSD requirements not DRB.
 - Eric Jung can precede with his DRB application and submittal to combine his lots prior to satisfying ERWSD requirements.

OTHER BUSINESS

ADJOURNMENT

12:42 p.m.

There being no further information before the Cordillera Design Review Board, the meeting was adjourned.

Design Review Board

Gene Shanahan – Chairperson
David Staat – Board Member
Lee Hegner - Board Member
Judy LaSpada - Board Member
Henry Reed - Board Member

Dennis Moran – Alternate Board Member
Eric Jung -Alternate Board Member
Millie Aldrich – DRB Administrator
Paul Miller - Architect Director
Scott Sones - Landscape Arch. Dir.

January 17, 2017 DRB Agenda
Administrative Offices, 408 Carterville Road

All times are approximate and subject to change

8:30 a.m. **Call to order**
Review Agenda

- Process overview of minutes
- Process overview of project review
- Project overview

Approval of December Minutes

10:15 a.m. M.L.W.S. Residence – 205 Elk Springs Trail – Sketch Review
Applicant: Michael Lauterbach, owner

11 a.m. Jung Residence – 1562 Red Draw – Combine lots 20 & 21
Applicant: Eric Jung, owner

Staff Approvals – 1

Robert residence– 2829 Territory Trail – Combine lots 8 & 9 / vacate lot 9 building envelope

Single Family Construction Starts - 0

Single Family Final Inspection – 1

662 Saddle Ridge – renovation due to fire

11:30 a.m. Staff Updates

Active Construction Sites / Build-out Analysis

DRB Revenue / Expense Report

DRB Fees

Compliance Officer Updates

Other Business

12:30 p.m. Adjourn

Design Review Board - Minutes
Tuesday, 17 January 2017
408 Carterville Road, Cordillera, Colorado

ATTENDANCE

Members Present Gene Shanahan Chair
 David Staat, Board Member
 Lee Hegner, Board Member
 Judy LaSpada – Board Member
 Henry Reed – Board Member
 Eric Jung – Alternate Board Member

Members Absent Dennis Moran – Alternate Board Member
Others present: Millie Aldrich - DRB Administrator
Paul Miller – DRB Architectural Consultant (9:30 – 12:30)
Ed Shriner – CPOA president (11:30 – 12:30)

CALL TO ORDER

8:31 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Declaration was noted for the record a quorum was present for the purpose of doing business of the Cordillera Design Review Board.

DISCLOSURE MATTERS – Eric Jung has a conflict of interest and removed himself during the discussion of 1562 Red Draw – Combine lots 20 & 21.

APPROVAL OF AGENDA – DRB unanimously approved the agenda.

APPROVAL OF MINUTES – Minutes from December 13, 2016 approved, moved by Staat second by Hegner all in favor.

PUBLIC INPUT – No public input was noted.

DRB ACTION ITEM –

5. M.L.W.S. Residence – 205 Elk Springs

10:20 a.m.

Review: Sketch

Present: Mike Lauterbach

Sketch – Not Approved (See memo located in Page 3)

6. Jung Residence – 1562 Red Draw

11:15 a.m.

Review: Lot Line Vacate

Present: Eric Jung - owner

Discussion

- Owner would like to combine his lots 20 & 21 and amend the building envelope
- Owner must provide: application, application fee, amended plat
 - Landscape calculations cannot be verified until summer. If owner request conditional approval prior to submitting the landscape calculations a compliance deposit will be required.
- ERWSD was requesting the owner to vacate the water and sewer feeds if the lot 20 is vacated. The owner would like to build a caretaker unit, if this is done ERWSD would allow the water and sewer feeds to remain.
 - Owner to provide email or letter from ERWSD that ERWSD requirements have been satisfied
- DRB administrator to verify allowable site development for caretaker units on this property per Cordillera PUD.

STAFF APPROVALS - 1

- Robert residence– 2829 Territory Trail – Combine lots 8 & 9 / vacate lot 9 building envelope – **Approved**

FINAL INSPECTION - 1

- 662 Saddle Ridge – renovation due to fire

ADMINISTRATIVE UPDATES

- Active Construction Sites / Build-out Analysis
 - 10 homes under construction
 - 3 homes in the review process
- DRB Revenue / Expense Report
 - 2016 budget revenue \$64,000 / expense \$71,440
 - 2016 actual revenue \$56,079 / expense \$64,152
- DRB Fees
 - Time spent on small projects are exceeding fees collected
 - Fee increase proposed on small projects - approved by DRB.
 - Submit fee increase to CPOA for final approval.

OTHER BUSINESS

- Process overview of minutes
 - Action items
 - Submittal accepted by the submittal date allowed
 - Reviewed prior to the meeting
 - Fees have been paid
 - Requires an action by the Board
 - Action items – Tabled
 - Allows the applicant to table their project without an additional fee
 - The project has already been reviewed by consultants
 - The Board has already discussed the project in the meeting
 - A project ‘tabled’ is a freebie for the applicant to receive feedback and not pay an additional fee
 - Minutes are not recorded on a tabled projects, but followed up with the administrator informally
 - Administrative update
 - Inform the Board of items such as: wildfire mitigation, PUD items, DRB fees, Buildout analysis, revenue / expense report, etc.
- The Design Review Board is a committee and does not have to follow Roberts Rules of Order.
- Ed Shriner provided update on CPOA and lawsuit with the Lodge.

ADJOURNMENT

12:25 p.m.

There being no further information before the Cordillera Design Review Board, the meeting was adjourned.

Design Review Board - Staff Memorandum

Date: 1/17/2017

Applicant: Elk Spring Trail Residence
Location: 205 Elk Spring Trail / Lot 15, Filing 7
Representative: Michael Lauterbach
DRB Coordinator: Millie Aldrich

Review: **Sketch**

Project Overview

The Elk Spring Trail Residence is a new residence located 205 Elk Spring Trail / Lot 15, Filing 7. The site is 2.432 acres. The proposed residence is 4,116 square feet, per drawing set 7/27/16. The Elk Spring Trail Residence is being reviewed for Sketch and is subject to the Ranch Design Guidelines.

Board Comments:

Site and Landscape Plan

Site Plan:

- Label all existing and proposed contours
- No Survey was provided to determine which and how many trees are within the house footprint, to determine how many if any are being removed. Coordinate existing trees to be removed with site and landscape plans.
- The driveway grading needs some refinements
 - 1st 6ft must be 0% slope, next 15 ft must be 2%-4%
 - Proposed 1st 20ft is shown at 5%, without a flat section for the 1st 6ft
 - Contour lines are shown at the drive between contours 30' and 32' slope varies between 8% and 11%.
 - The drive slope between the first garage door and contour 32' is 12.7%
 - Any driveway slope greater than 10% needs to be heated.
 - Lowering the garage floor will help the driveway
- Widen entry walk at interface with driveway to make more inviting
 - Clarify entry patio and entry step material
 - Will there be snowmelt for guest arrival
- Limits of Disturbance:
 - The cluster of trees north of the proposed house are split for those to remain and those to be removed. The distinction is in the signature of the tree. The Limit goes through one of the trees to remain. Show a Limit line to represent a protective fence.
 - The large evergreen South of the house will be impacted by the Limit as shown. To preserve the tree in a healthy state, disturbance shall not infringe on the tree's drip line.
 - The Limit does not reflect site disturbance to include the lower portion of the proposed drainage swale South and East of the hammerhead. The existing trees in that area to remain are within that disturbed area and should be depicted to remain by the limit line.
 - The large evergreen tree and deciduous tree south of the house are represented to remain, though the Limit line infringes on the root structure of the evergreen and the entire deciduous tree, revise.
- Indicate contours 38 and 34 at the front entry.
- Provide type of boulder retaining wall.
- Clarify the window well with a section, wall construction and finish material?

Landscape Plan:

- The following plants do not appear on the Fire Wise list of acceptable plants within 30 feet of the structure and should be replaced
 - Golden Elder
 - Purple Leaf Plum
 - Ural False Spirea
 - Mountain Snowberry
 - White Snowberry
 - Feather Reed Grass
 - Blue Avena Grass
- Fire Wise design guidelines requires a completely non-flammable material within 5ft. of the house. This can include driveways, walks, patios, stone mulch, irrigated beds, turf, etc. The planting beds at the front entry do not have a delineation for how they are to be irrigated. It can be assumed the shrubs are to the drip-irrigated and would not qualify as totally inflammable.
- No irrigation calculation is provided.
- No lighting is proposed, including the address Marker.
- No plant material is proposed in the bench of the retaining walls below the hammerhead. The walls should be softened by vegetation.
- Several deciduous trees, south of the house are proposed to remain on the Landscape Plan but do not appear on the Site Plan, coordinate.

Architectural

- Metal roofing should be used as an accent to the main roofing material. Section 4.03.04E
 - All metal roof requires a variance / deviation from Design Guidelines
 - Samples are required
 - Provide renderings with the 3D modeling, to show the Board the proposed roofing material
- Provide all partial elevations.
- 4.03.09 Chimneys are a strong visual elements of ta home and an important aspect of the Ranch’s design theme. Fireplace flues as well as mechanical flues and vents should be consolidated and enclosed within chimneys.
- Windows in stone need a header, structural expression.
- Consider adding stone base to the study.
- Metal siding is listed as a prohibited material for use as exterior siding. Section 4.03.05H
 - Metal siding would requires a variance / deviation from Design Guidelines
 - Samples are required
 - Provide renderings with the 3D modeling, to show the Board the proposed metal siding material
- North elevation – master bedroom gable: show horizontal siding up in to the upper gable to be consistent with condition shown on east elevation.
- Entry gable: match post size for trim at wall corner so it appears as an engaged timber post.
- The entry door is under stated, enlarge entry door or add sidelights to distinguish entry door from side door.

- Garage door header should extend into stone 6” to appear structural
- The cantilevered forms, deck at garage, must be expressed with structure supporting them

General Comments

This has been the 2nd review of sketch, an additional fee of \$1,000 is required at the next sketch review.

A deviation from the Design Guidelines requires a variance application and fee of \$500. Provide more detail in the 3D model, fenestration and materials.

Sketch – Not Approved

Design Review Board

Gene Shanahan – Chairperson
 David Staat – Board Member
 Lee Hegner - Board Member
 Judy LaSpada - Board Member
 Henry Reed - Board Member

Dennis Moran – Alternate Board Member
 Eric Jung -Alternate Board Member
 Millie Aldrich – DRB Administrator
 Paul Miller - Architect Director
 Scott Sones - Landscape Arch. Dir.

February 14, 2017 DRB Agenda
 Administrative Offices, 408 Carterville Road

All times are approximate and subject to change

8:30 a.m. Call to order

Approval of January Minutes
 Review Agenda - Project overview

9:45 a.m. O’Connor Residence – 594 Winchester Trail – Final Review
 Applicant: Kyle Webb – K.H. Webb Architects

10:30 a.m. M.L.W.S. Residence – 205 Elk Springs Trail – Sketch Review #4 / Variance Request
 Applicant: Michael Lauterbach, owner

11:15 a.m. Cunningham Residence – 166 Peregrine – Sketch Review #3
 Applicant: Brent Alm – Architect, Grant & Susie Cunningham / owners

Staff Approvals – 0

Single Family Construction Starts - 0

Single Family Final Inspection – 1
 810 Cordillera Way – renovation

Staff Updates

1562 Red Draw – Combine lots 20 & 21 update
Active Construction Sites / Build-out Analysis

Compliance officer Updates

Other Business

12:45 p.m. Adjourn

Design Review Board - Minutes
Tuesday, 17 January 2017
408 Carterville Road, Cordillera, Colorado

ATTENDANCE

Members Present	Gene Shanahan Chair David Staat, Board Member Lee Hegner, Board Member Judy LaSpada – Board Member Henry Reed – Board Member Eric Jung – Alternate Board Member
Members Absent	Dennis Moran – Alternate Board Member
Others present:	Millie Aldrich - DRB Administrator Paul Miller – DRB Architectural Consultant (9:30 – 12:30) Ed Shriner – CPOA president (11:30 – 12:30)

CALL TO ORDER

8:31 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Declaration was noted for the record a quorum was present for the purpose of doing business of the Cordillera Design Review Board.

DISCLOSURE MATTERS – Eric Jung has a conflict of interest and removed himself during the discussion of 1562 Red Draw – Combine lots 20 & 21.

APPROVAL OF AGENDA – DRB unanimously approved the agenda.

APPROVAL OF MINUTES – Minutes from December 13, 2016 approved, moved by Staat second by Hegner all in favor.

PUBLIC INPUT – No public input was noted.

DRB ACTION ITEM –

- 7.** M.L.W.S. Residence – 205 Elk Springs
Review: Sketch
Present: Mike Lauterbach
Sketch – Not Approved (See memo located in Page 3)

10:20 a.m.

8. Jung Residence – 1562 Red Draw

11:15 a.m.

Review: Lot Line Vacate

Present: Eric Jung - owner

Discussion

- Owner would like to combine his lots 20 & 21 and amend the building envelope
- Owner must provide: application, application fee, amended plat
 - Landscape calculations cannot be verified until summer. If owner request conditional approval prior to submitting the landscape calculations a compliance deposit will be required.
- ERWSD was requesting the owner to vacate the water and sewer feeds if the lot 20 is vacated. The owner would like to build a caretaker unit, if this is done ERWSD would allow the water and sewer feeds to remain.
 - Owner to provide email or letter from ERWSD that ERWSD requirements have been satisfied
- DRB administrator to verify allowable site development for caretaker units on this property per Cordillera PUD.

STAFF APPROVALS - 1

- Robert residence– 2829 Territory Trail – Combine lots 8 & 9 / vacate lot 9 building envelope – **Approved**

FINAL INSPECTION - 1

- 662 Saddle Ridge – renovation due to fire

ADMINISTRATIVE UPDATES

- Active Construction Sites / Build-out Analysis
 - 10 homes under construction
 - 3 homes in the review process
- DRB Revenue / Expense Report
 - 2016 budget revenue \$64,000 / expense \$71,440
 - 2016 actual revenue \$56,079 / expense \$64,152
- DRB Fees
 - Time spent on small projects are exceeding fees collected
 - Fee increase proposed on small projects - approved by DRB.
 - Submit fee increase to CPOA for final approval.

OTHER BUSINESS

- Process overview of minutes
 - Action items
 - Submittal accepted by the submittal date allowed
 - Reviewed prior to the meeting
 - Fees have been paid

- Requires an action by the Board
 - Action items – Tabled
 - Allows the applicant to table their project without an additional fee
 - The project has already been reviewed by consultants
 - The Board has already discussed the project in the meeting
 - A project ‘tabled’ is a freebie for the applicant to receive feedback and not pay an additional fee
 - Minutes are not recorded on a tabled projects, but followed up with the administrator informally
 - Administrative update
 - Inform the Board of items such as: wildfire mitigation, PUD items, DRB fees, Buildout analysis, revenue / expense report, etc.
- The Design Review Board is a committee and does not have to follow Roberts Rules of Order.
- Ed Shriner provided update on CPOA and lawsuit with the Lodge.

ADJOURNMENT

12:25

p.m.

There being no further information before the Cordillera Design Review Board, the meeting was adjourned.

Design Review Board - Staff Memorandum

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