
RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Board of Directors Cordillera Valley Club Metropolitan District June 29, 2016

A Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held June 29, 2016 at 9:00 a.m., at the office of Marchetti & Weaver, LLC, 28 Second St, Suite 213, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Metro District Directors were present and acting:

- Tom Jaffe
- Paul Wible
- Kent Myers (By telephone)
- Bob Engleby (By telephone)
- Suzi Apple (By telephone)

Also in attendance were:

- Marchetti & Weaver, LLC
Ken Marchetti, CPA
Anne Clarke, Recording Secretary
- Marcin Engineering
Tom Marcin
- Steve Smith, POA Director (By telephone)

Call to Order

The Special Meeting of the Board of Directors of Cordillera Valley Club Metropolitan District was called to order by Director Wible, noting a quorum present.

Potential Conflicts

Of Interest Directors Engleby and Myers reported that they are also members of the executive board of Cordillera Valley Club Property Owners Association (CVCPOA). There are significant business transactions between the District and CVCPOA. While both the District and CVCPOA serve substantially the same constituency, transactions between the two entities could constitute a potential conflict of interest. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Agenda There were no changes to the agenda.

Public Input There was no public input.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT June 29, 2016 Meeting Minutes

Wind Rose Agreement

The Board reviewed and discussed the Construction and Acquisition Agreement for construction of the berm, which was delivered to Wind Rose on 6/26/16. The Board expects a response by 7/1/16. By motion duly made and seconded, it was unanimously

RESOLVED to authorize the Chairman to sign the Construction and Acquisition Agreement with Wind Rose Properties, LLC pending review of any Wind Rose changes by the District's legal counsel. The Chairman will provide the Directors with a copy of all edits in red-line format and a special meeting can be called for approval of changes if necessary.

Berm – Expenses

Mr. Marcin presented an engineer's estimate of probable construction costs for the berm. After discussion of the estimates and by motion duly made and seconded, it was unanimously

RESOLVED to amend the landscaping scope, reducing evergreen tree average height from 10' to 6', reducing deciduous tree diameter from 3' to 2', and reducing shrub size from 3 gallon to 2 gallon.

Financial Statements

Mr. Marchetti presented the preliminary May 31, 2016 financial statements and a long range financial plan, noting that the District will need to adopt an amended budget due to the berm project construction costs. The financial plan shows that the funding for the District's share of the berm construction costs will be obtained from the District's replacement reserve fund. The long range financial plan shows that with the expenditure of funds from the replacement reserve the District will likely need to borrow funds for the road overlay when that becomes necessary. The berm project substantially depletes the replacement reserve for the next several years and accordingly Mr. Marchetti does not see a need for a separate accounting "replacement reserve fund" at this time. It was noted that the District's voter authorization for debt was initially approved in 2002 and bond counsel has advised that the voter authorization will expire in 2022. The Board discussed the budget amendments, noting the berm project landscaping expense reductions. By motion duly made and seconded, it was unanimously

RESOLVED to amend the 2016 budget for the first phase of construction of the berm in 2016 noting that a formal budget amendment process will need to be done to ratify this amendment. The next regular meeting, August 16, 2016, will be published as a public hearing to amend the 2016 budget.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT June 29, 2016 Meeting Minutes

Adjournment

By motion duly made and seconded, it was unanimously

RESOLVED to adjourn the meeting of the Cordillera Valley Club Metropolitan District Board of Directors held on June 29, 2016.

Respectfully submitted,



Anne Clarke
Recording Secretary