

Orient Land Trust Board of Directors Regular Meeting
Seitz Residence - Valley View Hot Springs
Saturday, December 13, 2008

MINUTES

- I. Record attendance – Dan Jones, Kai-Uwe Allen, Doug Bishop, Paul Zoric, John Eiseman and Neil Seitz present. John Eiseman and Harold Pratt arrived shortly after the meeting was called to order. Betsy Miller acting as secretary in Barbara Tidd’s absence.
- II. Meeting call to order – Dan called the meeting to order at 9:06 AM.
- III. Changes to Agenda – There were no changes to the agenda.
- IV. Minutes from Sept. 13 meeting and executive session – Doug proposed a minor change to section V (“under” changed to “below”) Doug moved to approve all three sets of minutes (see V. below.) John seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Minutes from Oct. 29 and Nov. 24 special meetings and executive sessions – Approved as above in item IV.
- VI. Questions/comments from guests – Dan welcomed guests Don Geddes, Chris Miller and Terry Seitz. There were no comments.
- VII. Executive Director’s report – Neil discussed aspects of his report (attached,) including the renewal of the drinking water waiver, as well as future options for water treatment. He noted that Sid will be certified as the Operator in Responsible Charge of the Valley View water distribution and collection system. Neil reported Fundraising had dropped off but staff was hoping to get a membership mailing out soon. Over 2,400 raffle tickets sold in 2008 with total sales of \$11,289. Doug asked if the newsletter had gone out, since it generates donations. Neil said it had not been mailed but was under construction, and expected it would go out in mid-January. Program revenue remained the same as 2007. A seismic station was installed near the old powerhouse as part of the Earth Scope program, which is placing stations every 50 miles on the North American continent. Neil also discussed Ewan O’Leary’s analysis and recommendations for the computer network. Ewan is Microsoft Certified. Neil reported he preferred to utilize Ewan’s volunteer services over those of WSB in Alamosa. There was discussion as to the benefit of using a local vendor as opposed to more remote support. John was concerned about the ongoing network issues impacting the ORS and suggested the board issue a clear mandate to the ED that he establish a good solid relationship with the tech support needed for the system and a backup plan. The ED would provide updates to the board at each meeting. Harold agreed there should be benchmarks so the board can measure results. The report also included information on Current Land Projects, Volunteers, and Staff Notes.
- VIII. Secretary’s report/correspondence – Betsy presented a letter from Crestone Performance, Inc., regarding an OLT response to a Crestone Music Festival questionnaire. There was some discussion as to the quality of OLT’s ad in the poster. The letter was referred to staff for follow-up.

IX. Treasurer's report –

- a. Income Statements, Balance Sheet, Cash Flow Statement – John reported he had met with Neil and Terry by phone to discuss finances from January through November 2008 (attached.) Revenues have fallen off at the end of the year but December is usually a good month for last-minute donations. The business continues to be consistent and program revenues are in line with 2007. Regarding the balance sheet, John noted OLT is now nearly a \$2M organization due to the ranch payoff and receipt of the mine donation. There was discussion of the Restricted Funds & Cash Investments (attached.) Neil and John agreed they would continue to watch the cash flow carefully, particularly in light of the possibility of lower donations in 2009 due to the economy. He said OLT should be prepared to do some hard thinking in the budgeting process as to areas that could be trimmed if revenues do fall off. Doug moved to approve the Treasurer's Report. Harold seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- b. Stats Charts – Terry presented the performance charts (attached.) The charts reflected the income drop as discussed above.

Following a break, the meeting resumed at 10:42 AM. Dan asked what time the board would like to start the visioning workshop on Sunday and the board agreed to an 8 AM until 2 PM session.

X. Committee reports – The Board packet included descriptions, membership and proposed mission statements for each committee.

a. Board Development –

- i. ED hiring process – Dan reported the position has been advertised online and in print with dozens of inquiries to him and about 14 solid applicants. Dan said he responded to each inquiry with a brief description of the position, including the remote location, the arid climate, the clothing optional aspect and other unique features of OLT. Dan, Neil and Doug have reviewed resumes and conducted phone interviews. There may be candidates attending the January meeting.
- ii. Review working copy of mission statement – Dan said he had not received any responses regarding his proposed mission statement. Kai noted having mission statements in place are part of LTA's Standards & Practices for OLT's accreditation. The board consensus was that the statement was acceptable as presented. Chris noted he was stepping down as a member of the committee, but suggested Dan tap other former board members as possible members.

b. Resource Development –

- i. General Report – Dan said he had been writing personal notes to donors, but that this is probably a project the Resource Development Committee could assume. Paul reported that a committee meeting in December included discussions of a raffle vs. an auction for fund-raising. The committee brainstormed other ideas for fund-raising, and will narrow that list for 2009. The committee also discussed the vendor policy to see if there is a way to generate income from vendors. There was discussion of OLT sponsored excursions to surrounding

places of interest, or fishing/hiking/horse expeditions. Neil cautioned the board to focus on the OLT mission statement. There will be another committee meeting in January and Paul said the vendor discussion would continue.

- ii. Review proposed mission statement – The statement was acceptable to the board.

c. Land Management Plan –

- i. General Report – Doug discussed the ongoing development of the Land Management Plan. He asked if the board would support a survey and/or appraisal of OLT. Neil responded that a survey would be a good idea, but an appraisal of the full business could be very expensive. The board agreed a survey was necessary, and an appraisal could be done at the time of a land transfer. Doug also recommended a baseline study be in place at the time of donation. Neil knows someone that could do the baseline study for OLT and it might be possible to leverage that study for a survey and/or appraisal. A baseline study would need to be in place if a third-party holds the conservation easement. Harold asked the board to consider taking action to approve any action required for the committee to proceed. The board agreed the committee should move forward with a survey and donation contract development. John said he would start work on a preliminary appraisal. Doug said it would be beneficial to begin a baseline study as well and would proceed with that. Doug said the committee will focus on the land transfer in 2009 and deal with a management plan afterwards.
- ii. Review proposed mission statement – Doug said the board could consider the committee’s mission statement as the final version.
- iii. Fire management plan/Wildfire mitigation – Kai reported he is working on a plan and hopes to have a draft version in the spring, but that mitigation could continue without a finalized plan in place. Dan noted that there may be volunteers to assist with brush clearing and other fire mitigation tasks. Kai also reported the Forest Service might be able to assist with fire mitigation, both on their own properties adjacent to OLT and by providing funds for OLT projects. There may be other organizations that could leverage federal funds for trail repair and other projects as well at OLT. To participate, OLT will need to have “shovel-ready” plans in place should such funding emerge. Dan asked Kai if his committee could finalize such plans; Kai asked staff if they could assist in development.
- iv. Oil & Gas Drilling; Baca Nat’l Wildlife Refuge and SLV mineral leases update – Kai reported a decision had been made on the Baca to do seismic testing and that approval had been given for two 20,000-ft test holes to be drilled for natural gas exploration. Due to property rights, there was no way to block the test drills, but there had been many strict rules included in the approval to mitigate the impact of the tests.

d. Land Action –

- i. General Report – Kai said the committee’s mission statement can also be considered as the final version. Kai said he would like to work on establishing committee procedures and work on having policies in place according to LTA Standards to start receiving conservation easements. Staff will email Kai a preliminary version of such a policy already on file.
- ii. Strategic Conservation Plan – The committee has developed this plan (attached); see agenda item XIa below.

e. Investment –

- i. General Report – John outlined the committee’s mission statement and accepted Chris’ resignation from the committee. John stated that this is a challenging environment for investments. The Restricted Funds & Cash Investments portion of the Treasurer’s Report (attached) outlines current investments. There was discussion of various investment instruments and government insured accounts. OLT will not enter the equities market at this time, but will leave monies invested in CDs and money market accounts for the near future. These monies could be invested elsewhere if the outlook improves and the committee will review these options in March.

f. Visitor Experience –

- i. General Report – Dan had no new report, but said the committee will meet in January or February to take the results from the Sunday visioning session under consideration.

During a lunch break, the following names were chosen as winners in the 2008 raffle:

1. Artie T. #3659
2. Liza P. #0900
3. Carl W. #3038
4. Lisa C. #1139
5. Gregory P. #1049
6. Greg P. #1296
7. Cyndi M. #0702
8. Hannah L. #0883
9. Keith R. #0056
10. Denise B. #1546
11. Talouda F. #3066
12. Rachael P. ##2657
13. Clinton B. #2146
14. Liza P. #0894

Alternates:

1. David S. #0842
2. John D. #2600

3. Angela C. #1005
4. Jeff M. #0218

The meeting resumed at 12:52 PM.

Questions/comments from guests – There were no comments.

XI. Unfinished Business -

- a. Land Conservation Strategy – Kai asked the board for approval of the plan (attached.) There was some discussion as to terminology in the document. Kai said the document is an effort to focus the efforts of OLT. John agreed this will help with meeting LTA standards and Neil said it will help OLT evaluate land donations. John moved to accept the Orient Land Trust Strategic Conservation Plan that has been issued from the Land Action Committee. Doug seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- b. Online Reservation System-status – Chris said the project had slipped several months and the design team is on hold. There are issues to be resolved to formalize the existing methods, for instance, regarding how membership levels impact allowable reservations. Chris said a document regarding admission rules needs to be created for the programmers to use as a design specification for how reservations can be made online. Currently there are “fuzzy logic” rules in that certain membership levels allow certain privileges. Also, staff has had flexibility, for instance, in determining the length of a guest stay, but an online system can’t have such flexibility. Staff needs to formalize the rules into a document. Neil said John Lorenz is the point of contact for development of the ORS. Chris said questions with the design spec, lack of feedback on the look of the system, and continuing network issues had delayed the project. To clarify for John, Chris responded that he needed to know the priority of the project in John L’s schedule, and to have a structured design spec. Chris asked the board to establish the priority for the project and for direction on a revised project timeline. Terry said the ORS should have a high priority. After discussion of item XIId below, the ORS was given third priority.
- c. Valley View Village donation timeline, update from attorney – This item was covered to the board’s satisfaction in the committee report above, Xci. Dan said October 2009 is still the target date for completion of the donation.
- d. Credit card encryption and security update – Terry outlined a vendor’s proposal to assist with evaluating security issues for handling credit cards. Chris said while on hold with the ORS, he could work on security, encryption and tax tables as they relate to the database. The board direction was that it would be good to have the tax tables in place for Jan. 1, 2009, with encryption as a secondary priority. When those items are completed, work on the ORS can be resumed. Terry will be the contact point for Chris on the tax tables, and staff will establish policies for security access and name a point of contact for the encryption project.
- e. Worker’s Comp coverage of volunteers – Workers comp and Pinnacol Assurance did not cover volunteers, so Terry found a policy that would cover volunteers for accident

or injury to themselves for about \$250 per year. Any accident or injury caused by a volunteer would be covered under the existing liability policy.

- f. Bat Cave Trail Signage – Terry presented a letter from Lea Bonewell and Mark Hayes expressing their appreciation for the proposal to name the bat cave trail in their honor.

XII. New Business -

- a. Park creation north of Saguache – Neil gave an update from the VGAMA meeting. Two tracks of land around the Saguache town site are being designated as parks. OLT pledged \$500 to assist the town in obtaining matching funding from GOCO to purchase the land. The town will hear shortly if their grant request has been funded.
- b. Revision of electronic voting policy – Paul moved to adopt the revised email policy updated December 13, 2008 (attached.) Harold seconded. There was no further discussion and the motion was adopted: all in favor, none opposed, no abstentions.
- c. Incident Reporting Policy – Harold moved that in order to keep the board informed on complaints received at OLT the Visitor Services Manager will submit a monthly report to the entire board stating the names of the people involved with each incident along with a brief summation, including how it was resolved. Complete incident files may be reviewed by board members during normal office hours. John seconded. There was no further discussion, and the motion was adopted: all in favor, none opposed, no abstentions.
- d. Collateral for SCCU Everson Ranch Loan - John moved that the Board direct the ED to renew the CD invested at the Saguache County Credit Union which matures on 12/15/08, and to use this CD as collateral for the balance of the Everson Ranch loan at SCCU, thereby releasing the Seitz funds which have been the security for the loan. Paul seconded. There was no further discussion and the motion was adopted: all in favor, none oppose, no abstentions
- e. Review Susman contract/payments – John proposed an early payment to the donor as a thank you for the support. He said he believed it was a good way to treat a generous donor. He noted there was already \$30,000 in 2009 restricted funds earmarked towards the \$88,000 due in 12/6/2010 that could be released early to the donor’s benefit, with only a loss of interest to OLT. Harold proposed that the board consider this proposal at the January meeting while reviewing the 2008 year-end finances and the 2009 budget. Staff and the Investment Committee will work out the details.
- f. Work Session/Retreat for Board/Staff in December 2009 – Since the board meeting schedule has changed, Dan proposed a work session/retreat. The board consensus was that any decision on the proposal could wait until the new ED was hired.
- g. 2009 Budget including diverting funds to capital improvement – John presented the proposed budget (attached,) which he characterized as more conservative than the 2008 budget. Total income is estimated at \$842,100 with \$716,400 in total expenses. Interest earned is expected to be lower with less cash invested and at lower rates. Admission and accommodation income is budgeted the same as 2007 and 2008 with an expected larger drop in donations by the end of December. John noted that to date,

we have felt impact due to the economic downturn only in donations. With more uncertain times ahead John suggested the board and staff look for ways to delay or trim expenses now to be prepared for any large changes in income, at the same time, increasing efforts to increase donation income. John, Neil and Terry explained many of the individual line items with subsequent board discussion and input. Harold expressed concern that the budget might not allow for a further economic downturn, but John and staff felt there was enough in reserves and flexibility in operations to weather any uncertainties. Dan pointed out the budget is just a guideline and can be revised as necessary during the year. John said he had the direction he needed to finalize the budget for the January meeting.

XIII. Executive Session - The regular Board meeting adjourned at 3:20 PM and, following a break, the Board convened in Executive Session at 3:32 PM.

Executive session adjourned at 4:20 PM, and the regular board meeting reconvened.

XIV. Announcements -

- a. Confirm evening informal gathering – tonight at 7:00 PM and the Sunday visioning session is at 8 AM until 2 PM tomorrow.
- b. Confirm next meeting date – **Saturday, Jan. 17, 2009 at 9:00 AM** at Seitz residence.
- c. The meeting was adjourned at 4:22 PM.

Submitted by:

Approved by:

_____/_____
Betsy Miller, Acting Secretary Date

_____/_____
Dan Jones, Chairperson Date

Guests: Don Geddes, Chris Miller, Terry Seitz