

Orient Land Trust Board of Directors Regular Meeting  
Seitz Residence – OLT/Valley View Hot Springs  
**Saturday, November 11, 2006 – 9 AM**

**MINUTES**

- I. Record attendance – Barb Tidd, Amy Beatie, Doug Bishop, Bruce Goforth, John Eiseman, Mark Hayes, Harold Pratt, Chris Miller, Neil Seitz, Terry Seitz, Greg Good and Betsy Miller present.
- II. Meeting called to order at 9:05AM
- III. Changes to Agenda (attached.) – Neil asked to add a motion concerning Lexam drilling in the Baca Wildlife Refuge. The item was added as the first item under new business.
- IV. Approve minutes from Sept. 16, 2006 regular meeting (attached) – John moved to approve the minutes from the September 16, 2006 regular meeting, Doug seconded. There was no discussion and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Questions/comments from guests – Rob Zabrecky presented a petition (attached) requesting reservation of vehicle spots: Barb asked Rob to provide a copy to staff and for Neil to address the plan. Neil indicated the spots are now designated for the staff's reference, but are not available for specific reservation because the staff is at capacity for taking phone reservations for existing accommodations. But it is in the plan for the future when there is an updated reservation system (either more staff, web reservations, or an automated phone system.) Barb thanked Rob for taking the time to present the issue to the board.

ED, Officer, and Committee Reports-- Barb wanted to acknowledge Mia Foster's resignation (attached) from the board. Barb thanked Mia for her service to OLT on the board, as well as her volunteer hours and committee service. Mia will continue to serve on the Land Management Committee.

- VI. Executive Director's report (attached.) – Neil Seitz's report covered Fundraising, Board and Staff Development, Outreach, Current Land Projects and Staff Notes. Neil said the response to the raffle exceeded expectations with 75% of the tickets sold for a total of \$22,002. Board members complimented Neil and Terry on the quality of the fall newsletter.
- VII. Secretary's report/Correspondence – Correspondence was presented (attached) from Lois McLauchlan who expressed her dismay reading in the fall newsletter that the wood-burning sauna would not be replaced. Barb asked Neil to address the letter, and he will draft a response by Dec. 11 (attached.) Neil said there have been many similar comments about not rebuilding the sauna. Neil said OLT is an organization based on the environment, and that its actions needed to reflect that mission. John suggested the board develop an effective way to communicate its goals on such issues. Barb added this as a topic for discussion during the budget session, regarding capital improvements, as well as an agenda item for the next meeting.
- VIII. Treasurer's report (attached.) –

- a. Income statement, Balance sheet, and Cash flow statements were presented by John Eiseman who characterized it as a “bang up summer,” noting that OLT did very well in revenues and expenditures and has a strong balance sheet and cash position to consider in budget deliberations. Amy moved to approve the Treasurer’s report, Chris seconded. There was no further discussion and the motion was adopted: all in favor, none opposed, no abstentions.
  - b. Stats Charts (attached.)– Chris Miller presented charts showing updated OLT performance statistics including income from donations and admissions and number of visitors. There was discussion regarding how often quota is exceeded, how often accommodations are empty, or visitors come to the valley to find OLT full. Chris will provide reports to address these questions. In response to John’s question, there were comments from guests regarding perceived “crowding” of facilities.
  - c. Status update on auditor’s recommendations (from May 2006 audit) – Terry Seitz reported many of the auditor’s recommendations have been addressed as specific agenda items, and staff is making progress or has completed other items.
- IX. Resource Development Committee report, including report on presentation(s) for targeted donors – Neil Seitz, Acting Chair; said the focus this year was on the raffle and collecting in-person donations, as well as a big fall effort to obtain donations. Starting in 2007, staff hopes to send follow-up letters to visitors who have not contributed, to encourage donations. (Only some 20% of visitors are contributors.) Neil noted goals for 2006 were met or exceeded. Mark Hayes, Chair, added that he and Lea Bonewell are organizing a fund-raising dinner in Boulder later in 2007. Mark’s brother, a CIA-trained specialty pastry chef will provide a meal to present OLT and its goals to potential donors. Mark said there is an opportunity for OLT to work with DOW on a booth at the March 2007 RV Sport/Boat/and Travel Show in Denver. There are also partnerships developing with the Colorado Bat Society and Bats in Active Mines Project. Mark said Lea is interested in taking a leadership role in outreach projects and the board expressed its appreciation of her efforts.
- X. Land Management Plan Committee report, including list of OLT’s needs – Doug Bishop, Chair, followed up on his email to the board regarding land issues including state land, the Orient Mine, Valley View Village (hot springs grounds), BLM cattle lease issues, and the hydro-electric plant area (attached). Doug reviewed items from the strategic plan regarding land management issues. Doug said a top priority is to expedite the transfer of the founders’ land to the OLT, and to investigate what needs to happen to accomplish that transfer. Issues in the Valley View Village area include issues such as the wood-burning sauna, future development at the trash pit in front of sunset, and other infrastructure considerations. The committee intends to discuss with the founders a five-year plan for land management issues. Doug noted that there may need to be funds budgeted to facilitate completion of the committee’s tasks. He said one of his primary questions is the advisability of a third-party trust compared to a conservation easement in the property transfer. Barb asked that Doug email the board regarding the committee’s work and ask for comment. It was agreed that the committee needed to move forward on a management plan and the mechanisms for receiving the founders’ land donations. Amy said the board needed to identify procedures to have in place to secure the transfer of property. Barb asked if the board wanted to engage legal counsel before the end of the year. Bruce indicated having one document to provide to counsel would be helpful. It was agreed that Doug’s preliminary list, finalized in a manner

similar to the document Bruce provided earlier, would be desirable. Barb asked Bruce to obtain names of potential attorneys. Amy agreed to join the committee and stressed that the committee needs to choose someone to help guide them through the process. Barb directed the committee to proceed as discussed, with a goal of obtaining counsel by the next meeting.

Following a break at 10:45 AM the meeting resumed at 11:55 AM

- XI. Land Action Committee report – Mark Hayes reported that Neil and Greg are in the process of putting together a GIS map of the area around OLT for reference, and have access to a large format printer to print maps.
- XII. Unfinished business
  - a. Deputy Director hiring – Barb Tidd acknowledged the Oct. 3, 2006 passage of an email motion and vote (attached) approving the hiring of Greg Good as Deputy Director and welcomed him to OLT.
  - b. Debt Policy for General Fund (attached.) – John Eiseman presented a version of the proposed policy. Harold moved to adopt the policy, Doug seconded. Following some discussion John amended the motion to revise 2<sup>nd</sup> paragraph of the policy to state, “..., in the event that OLT assumes new contractual debt.” Barb called for a vote on the amendment to the motion. The amendment to the motion passed: all in favor, none opposed, no abstentions. Barb called for a vote on the original motion: The policy was adopted: All in favor, none opposed, no abstentions.
  - c. Investment Policy – John Eiseman presented a rough draft (attached) reflecting discussion from previous board meetings. Topics addressed in the policy were Competitive Transactions, Selection of Financial Institutions and Broker/Dealers; Selection of Banks and Savings and Loans, Safekeeping and Custody of investments and securities; Performance Benchmarking; Reporting and Policy Revision. The board indicated it would favor FDIC guarantees, a bias toward local financial institutions and suggestions from John regarding investment houses. It is now uncommon for buyers to actually hold securities, but John can describe electronic criteria to assure ownership. Performance Benchmarking is essential to assure the board’s investment goals are met. Chris noted that the rate of return can be affected by OLT’s philosophy on investments in that “green” investments might not give as high a rate of return as more traditional investments. John said the rate of return desired by the board can be tied to an index. John said he will bring a working document to the next meeting and that the board should be able to finalize the document at the March meeting. Barb noted that board members can provide input to John via email to facilitate finalization of the document.
  - d. Policy re: Criteria for Acquisition of Conservation Easements (attached.) – Bruce Goforth presented a document based on his experiences elsewhere, and gave credit to Amy for the final polished document. John moved to adopt the policy regarding Acquisition of Conservation Easements. Mark seconded. There was no further discussion. The motion was adopted: all in favor, none opposed, no abstentions. Bruce and Amy were commended for their efforts in developing the policy document.

- e. Computer offsite back-ups (per auditor's comment in 3/16/06 letter) – Neil Seitz said staff is still investigating various mechanisms for back up of large amounts of data, but is doing a daily backup. Staff also is seeking a new source for IT support.
- f. Charitable solicitations registration in other states – Neil Seitz reported on an updated analysis of what is required for non-profit solicitations in each state. He said it is a board decision as to the cost benefit of staff time and money required to register in each state. Each state has different requirements: some require a full audit each year, a copy of the non-profit paperwork each year, etc.

There was a break at noon for lunch and the raffle ticket drawing. (Policy attached.) Raffle winners were as follows: #1 Ron Grubbs (05090); #2 Jane Breneman (03374); #3 Jennifer Lang (00568); #4 Barb Westfall (01327); #5 Joe Lewandowski (00814); #6 Becky Toepfer (00039); #7 Mic Fairchild (01198); Alternate #1 Rick Padillo (05907); Alt #2 Rob Zabrecky (00233); Alt #3 Laurie Van Vliet (04315); Alt #4 Jesse Gwidt (02486); Alt #5 Jimmy Murphy (04986); Alt #6 Brenda Baldwin (05004); Alt #7 Harry Barkley (02557.)

The regular meeting resumed at 12:30 PM with continued discussion on state registration issues. Barb asked Terry to provide an estimate of staff time and costs, to be discussed via email and considered at the January meeting. The board needs to consider risk/reward ratio.

- g. Implementation of inventory control system in database – Chris Miller reported this feature will be functional by the beginning of 2007.
- h. Email protocol guidelines – Chris Miller discussed a draft version (attached) from July for email protocol guidelines. It was agreed that a formal policy is not needed, but that it is helpful for procedures to be formalized. Board members indicated that the use of phrases such as “Response Required” or “For Information Only” in the subject line would be helpful. Chris noted that it is essential that the subject line be specific, and that content of the email be concise and on topic. Terry pointed out that it is helpful, when catching up on your email, to follow all the threads to completion before responding. Chris will finalize the guidelines and the document will be added to the new board members’ packet.

### XIII. New Business

- a. Neil Seitz outlined a project to drill for oil and gas exploration in the Baca Wildlife Refuge. The San Luis Valley Citizens Alliance asked for OLT support in monitoring this project. Amy moved that Orient Land Trust support San Luis Valley Citizens Alliance in its commitment to safeguard the ecology and water resources of the San Luis Valley throughout the permitting process and operation of drilling and seismic testing by Lexam Explorations, Inc. on the Baca Grande National Wildlife Refuge; John seconded. Following some discussion, the motion was adopted: all in favor, none opposed, no abstentions. Neil will support the Alliance with funds already budgeted from the OLT grant program.

- b. Policy for board members re: conflict of interest (C of I) and confidentiality, including presentation of form for signature (re: C of I and confidentiality; separate acknowledgement re: statement of ethics and values) (attached.) – Amy Beatie presented the policy which she and Barb prepared from several reference documents, as required for compliance with the LTA standards and practices. There was some discussion as to the signing of the acknowledgment documents. It was noted that board, officers, staff, employees, and volunteers can have interests which are not necessarily *conflicts* of interest, but can be of mutual interest. Amy also noted there are multiple options for the board when faced with conflicts of interest. Harold moved to approve the policy and acknowledgements as presented, John seconded. Following discussion (it was noted that the acknowledgement re: conflict of interest and confidentiality must be re-signed yearly) the motion was adopted: all in favor, none opposed, no abstentions. As “The Statement of Values and Code of Ethics” was previously approved by the board, no action was required on the Acknowledgement form presented by Amy. (The Acknowledgement form re: statement of values and ethics must be signed by incoming board members at the beginning of their term.) Barb directed board members to sign the acknowledgements of the policies before the end of today’s regular meeting (attached.)
- c. ED Evaluation Process: Neil Seitz reported on the progress made on Objectives and Tasks in the 2006 Staff Work Plan submitted to the board (attached.) – Barb noted that this is the board’s opportunity to ask questions of the ED in anticipation of their evaluations due later in the year. Bruce said further clarifying the status of the items on the work plan would be helpful and stated that it was difficult to assess some of the items on the work plan without more information. He suggested a more concise evaluation form. Doug said he liked the current document because it was created from the strategic plan and provides an outline for fulfilling that plan. Barb referred the board to the procedure and criteria adopted by the board at the March 2006 board meeting. There was discussion as to how to prioritize items on the work plan, and how to evaluate performance on disparate tasks. It was agreed the 2006 plan was acceptable as presented, but would grow for 2007 and 2008. Barb said she will be emailing out the procedure and criteria for evaluation and expects board members to respond by Dec. 1.
- d. Staff Work Plan for 2007 (attached) – Neil Seitz presented a detailed, objective by objective staff work plan for the next year, but asked to postpone this item until January to refine the plan. In discussion, Neil indicated it would be helpful to have a work session with board members or a committee to prepare the work plan. The board agreed to establish a committee to assist Neil. Doug volunteered, and Don Geddes and Greg Good also will participate in the process.
- e. LTA Standards and Practices (2004 revised) – This item is a continuation of reports from Board members on OLT’s following of guidelines.
- LTA S&P 11: Conservation Easement Stewardships (attached.) – Barb requested this item be postponed and the board concurred.

- f. Board Training Session/Report from 9/25 Conservation Easements Seminar (attached.) – Bruce Goforth reported that it was a good seminar, bringing people up to date on some of the latest court cases and issues in the land trust community regarding easements and appraisals and an update on the tax credits program. Neil noted easements are getting more complicated everyday as people try to find loopholes to try to maximize their advantages. Bruce said many easements are being audited, particularly in regard to valuations. Bruce provided a handout for the board regarding conservation easements and tax benefits to assist in understanding some of the basic issues.
- g. Executive Session – The regular board meeting adjourned at 2:05 PM and the board convened in executive session to discuss a conflict of interest matter. Executive session adjourned at 2:35 PM. Following a break, the regular session reconvened at 3:35 PM.

XIV. 2007 Budget with amounts for 2006 (actual as of 11/4/06) and 2005 (audited) Version A (attached.) – Neil Seitz presented a preliminary operating budget for 2007. As per Neil’s request in the 1/14/2006 meeting, the board is to give Neil direction regarding the amount of budget to go to infrastructure or specific projects. It was agreed that completing existing infrastructure projects currently underway will be a top priority for 2007. Neil briefly explained the income/expense line items. In this draft budget, expenses exceed income so some adjustments will need to be made. Neil also noted that many contributions are received in December, so the figures for 2006 will change when finalized. The board agreed the structure of the budget was in line with OLT goals and directed staff to continue to refine the budget. Neil said by January, there will be finalized figures for 2006 to complete the budgeting process.

XV. Board members whose terms expire March 2007 (Amy, Barb, Harold) – Barb Tidd noted that letters of interest are due to the Board Development Committee by Jan. 1, 2007; Amy’s has been received. Barb has already indicated she will not be returning to the board, but expressed a possible interest in continuing to serve on the Board Development Committee. Harold asked where he should send his letter of interest. It was noted that with Mia’s resignation, there are actually four board positions to be filled.

XVI. The next regular board meeting was confirmed for Saturday, January 13, 2007 at 10:00 AM at the Seitz residence with a potluck lunch. Barb will not be attending the January meeting, so Chris will serve as acting chair.

XVII. Regular meeting adjourned at 5:35 PM. Doug moved to adjourn, Chris seconded. All in favor, none opposed, no abstentions.

Submitted by:

Approved by:

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\_\_\_\_\_ / \_\_\_\_\_

Betsy Miller, Secretary

Date

Barb Tidd, Chairperson

Date

Guests: Don Geddes, Kathy Geddes, Rob Zabrecky, Bill Hatcher and Keno Menechino, Lisa Forrest and Tracy Smith