

Orient Land Trust Board of Directors Regular Meeting  
Seitz Residence - Valley View Hot Springs  
Saturday, January 17, 2009

**MINUTES**

- I. Record attendance – Dan Jones, Doug Bishop, Harold Pratt, John Eiseman, Paul Zoric, Neil Seitz, and Barbara Tidd present. Kai-Uwe Allen arrived at 9:12 AM.
- II. Meeting call to order – Dan called the meeting to order at 9:07 AM.
- III. Changes to Agenda – Item XII., add c. discussion of staff structure/org chart. Add d. discussion of voting in Scott Rodwin and Mike Blevins as Board members. Item XIII. Executive Session, add three Personnel items.
- IV. Minutes from December 13, 2008 regular meeting –Dan discussed timing of making changes to the minutes. John suggested that all changes be made by the end of the month in which the meeting is held. All agreed. Doug moved to approve these minutes. Harold seconded, and the motion was adopted: all in favor, none opposed, no abstentions.
- V. Questions/comments from guests – Dan welcomed guests.
- VI. Executive Director’s report (attached) – Neil presented his report. Donations began decreasing in November 2008. Harold pointed out that we should take this into account for 2009 when developing the budget. Dan brought up that our solicitation letters didn’t go out until December, which may have had an impact. Paul said that we had a 60% decrease for the quarter. John brought up that that is why he created the scenario tool to look at projections in connection with approving the budget. Donations are coming in this month.

We may not get the van from Denver because of the list of repairs. It doesn’t run now. There are no funds in the budget for purchase of vehicles.

Volunteers from Colorado College (CC) came in January and cleaned off the ice up to the top springs. A CC group is coming in February.

Nothing is holding up the newsletter. All articles are in. It will go out in February. It’s about three weeks from the time it is print ready until mailing is complete.

- VII. Secretary’s report/correspondence – Barb reported that Dan as Chair had received and she provided to Terry the Dec. 18 2008 letter from Bessemer Historical Society acknowledging OLT’s \$500 donation (attached). Neil reported that the museum has two warehouses of documents, some of which we may be interested in to learn more about the Orient Mine. John suggested obtaining a volunteer from CC to research the Orient Mine history and write a report. Harold suggested that it be someone’s senior thesis. John will follow-up on this. KRCC public radio is asking for stories about the Orient Mine as part of their radio show this evening. This dovetails into the historical grant from the Colorado Historical Society.

Further, Barb reported that she compared OLT's bank statements to the Treasurer's report and found no discrepancies. She also reviewed the unused check supply with Terry and reported that all was in order and all missing check numbers were accounted for as voids. Barb announced that Harold and Kai need to sign updated Acknowledgments Concerning Policies Governing Conflict of Interest and Confidentiality and Conflict of Interest Disclosure Statement.

Dan provided Barb the original signed OLT Conflict of Interest letter from Scott Rodwin.

#### VIII. Treasurer's report – John

a. John presented the Income Statements, Balance Sheet, Cash Flow Statement which are through December 31, 2008 (attached). John is going to try to integrate the non-profit organization and the for-profit ways that banks look at financial statements. John presented the OLT 2009 Budget Sensitivity Analysis Jan. 18, 2008 (attached). Dan stated that the 2008 budget prepared by Greg Good was aggressive. John stated that although our income didn't meet budget, we had a good year. The \$200,000 income for a grant that we did not receive was a wash with the \$200,000 expense that didn't occur. Neil stated that we don't usually include grant applications in the budget. No major repairs were required in 2008. Vehicles expense was for purchase of a dump truck. Neil stated that sometimes there is an overlap from one year to the next of grant income and grant expense where the income comes in one year and the funds are expensed the next year. Total liabilities are \$32,972, which is the remaining payment to SCCU on the Everson Ranch. The Susman property becomes a liability the year we contract the payments, i.e., the year payments are due. Harold pointed out that the value of the Everson Ranch that we're using now is based on the purchase price, not current market value. John indicated that we may have to adjust the values of our assets at some point. We increased our cash balance by \$32,000 in 2008, which is reflected on the last page of the Statement of Cash Flows.

Neil discussed the Restricted Funds & Cash Investments. John stated that about \$320,000 of the Restricted Funds are actually available and being built into our budget and is now set aside for future projects.

Doug moved to approve the Treasurer's Report. Paul seconded, and the motion was adopted: all in favor, none opposed, no abstentions.

b. Stats Charts (attached) – Barb presented the Performance Stats, which reflect a drop in total income from 2007, although admissions income was slightly higher. Individual donations were down from 2007. Terry pointed out that the stats charts do not include 2008 raffle income of about \$11,000 for Nov., 2008 because 2008 raffle income was not included in the database.

#### IX. Committee reports –

##### a. Board Development – Dan

i. ED hiring process – Dan reported that Andrew's visit has gone very well. We have four or five candidates that have been spoken to with experience not as broad as Andrew's that are being kept in mind.

- ii. New board candidates – Scott Rodwin would be delighted to be voted in today and get involved in committee work. Dan spoke to another candidate, Mike Blevins, on Jan. 16, who is very well liked by every staff person. Mike brings another perspective and has had a lot of interaction with guests through his volunteering as camp and discovery hosts. He is very strong in computers. Dan, John L. and Mike discussed revamping the website. Mike has had some interaction with Chris on the database. Kai brought up gender diversity on the Board. All are aware that the Board lacks gender diversity. Dan has been talking to Ed Self about filling the remaining Board position. Kai mentioned Amy W-B. Dan stated that perhaps she would serve as an advisor. Neil mentioned that the Board may want to leave a Board position open.

Dan presented the “Board member list 2001 to present” as a resource tool for drawing on the skills of past board members. The ED may also find it useful. Mia F. is poised to assist with a baseline documentation report because of her plant biology background.

- iii. Role of liaisons to board: do we want a bylaw update? Dan stated that our current reality does not mesh with our bylaws and suggests we be less specific in the bylaws concerning liaisons. The bylaws intend that liaisons attend meetings; however, in reality, they do not. Neil said that the liaisons were not initially “governmental” liaisons but rather representatives from the neighboring towns and from the Rio Grande Headwaters Land Trust. Neil said it was meant as outreach. The Board initially intended for a Board member to attend meetings/functions at neighboring towns/organizations. Harold and Neil suggested that we be more casual with the liaisons. John suggested a guideline rather than a mandate. Our Saguache representative is very good about attending meetings and keeping in touch. The distance is an issue. Neil suggested that we list organizations that we want to communicate with and try to have a small pool of Board members and/or ED who could attend those organizations’ meetings or events, including the Crestone/Baca Land Trust.

Dan reported that Mike Blevins will chair the Visitor Services Committee freeing Dan up to chair the Board Development Committee. Dan will work with Neil to create a list of organizations and people with whom OLT will maintain communications. Harold indicated that the downside of ‘informal’ is that it doesn’t get done.

Terry recommends we delete Sec. 3.13 and change 3.12 to include “individual” as suggested in option 3. of the attachment. Barb will make the changes to the Bylaws for presentation at the April meeting for approval.

b. Resource Development – Paul

- i. General Report – The committee now meets regularly. The meeting date will change to allow for Don G.’s attendance. A core group is attending. Raffle is the major fundraiser. Calendar and an additional social event held on site such as an ice cream social or bake off are the focus to raise additional minimal funds and increase social activities. Dinners are back-burnered right now. We are soliciting donations for the raffle, set the price of raffle tickets, and discussed

networking to sell tickets. The committee will give a donation update next week. Printing of a 16-month calendar is going out for bids. We're thinking of using the calendar as a premium rather than selling them. OLT possibly profiting from on-site vendors has been taken off the table right now. Dan suggests that we have calendars available for those who may want to purchase them, even if we plan to use them only as premiums.

John suggested an event at the Ranch, incorporating the ice cream social. Perhaps we could get food donated. The committee will discuss this outreach further.

Harold has agreed to donate a stay at his condo as a prize for the Raffle. We are asking donors and the Board to sell raffle tickets. Paul mentioned Board members taking \$1000 worth of raffle tickets to sell.

c. Land Management Plan – Doug

- i. General Report – Committee has not met. We need a baseline documentation report (BDR) and survey, but we must wait for the weather. Neil has a general commitment from a volunteer who will do a BDR. The volunteer needs to become familiar with our equipment. Mia F. can contribute to the BDR. The new ED may be able to assist. A survey is budgeted under professional fees. Bigelow has surveyed the property before. Dan suggested we get bids from three surveyors.
- ii. Fire management plan/Wildfire mitigation – Kai will continue to work on this and run it through the committee. Wildfire mitigation for land management agencies is a huge chunk of funds that the agencies are requesting in the Federal stimulus package. Kai intends to have a plan in place by March or April. Neil said that some trees and branches have been cut down for safety purposes. There are piles of brush along the road to the mine. Neil suggested using the cut wood for firewood.
- iii. Oil & Gas Drilling – Baca Nat'l. Wildlife Refuge and SLV mineral leases update – Kai referred to the *Center Post Dispatch* January, 2009 article that Neil provided. A lawsuit is postponing drilling activities.

Neil is researching geothermal activity in the area.

d. Land Action – Kai

- i. General Report – Kai reported no activity. Doug reported that there is a new For Sale sign at the junction. Neil said that the parcel(s) for sale is about ½ of the 640 acres. One sold earlier for about \$1,000/acre. Kai stated that the Land Action Committee can continue to move forward on LTA Standards and that will be his focus the next two to three months.

e. Investment – John

- i. General Report – Neil reported that the 6-month CD with Community Banks is coming due soon. Rates are really in flux, and we should plan ahead for reinvesting it. John commented on the current general state of investing. Our

investments are adequately insured. Charles Ready feels we should keep our investments where they are at this time. The American Funds Money Market fund will become uninsured at the end of 2009 unless the law now insuring them is renewed. We must think about different investments. John suggested possibly treasury bonds. We need to think about safe insured investments and not necessarily maximum yield.

f. Visitor Experience – Dan had no report other than to ask if anyone has an objection to Mike Blevins chairing the committee. There were no objections.

X. Andrew Mackie introduction – Andrew stated that he believes it's the breadth of his experience that would be beneficial to OLT, including stewardship, easements, BDRs for and monitoring of easements. The land trust he worked for in CT had a huge number of parcels for which they were working on a stewardship program. A lot of his experience has been with the Audubon Society that included numerous visitor programs, construction of a sewage treatment plant, building construction, trail design and construction, visitor services management and access, publications, advertising, marketing, fundraising, grant writing including a \$500,000 grant, cultivating donors, membership, newsletters, acquisition projects, restoration projects, and staff management. He is an avid birder. Priorities he identified for OLT were: 1) LTA accreditation; 2) fundraising; 3) building relationships with staff, board, land owners, government agencies; and 4) identifying one or two little projects with finite end dates. He considers that he has broad computer knowledge, but does not consider himself an expert. He wants to improve his land trust management skills and have land preservation be more a part of his position. He also wants to manage staff more directly.

Questions/comments from guests – There were none.

#### XI. Unfinished Business

a. Database Update: ORS, database encryption of credit cards and tax tables – Dan reported that the ORS is on hold.

Chris has been working with Terry on the tax tables. He will be testing the tables on a separate database. Neil discussed the possibility of asking visitors if they want to donate their change; the database could handle this. Taxes paid are 1% county tax and 2.9% state sales tax. We also pay a 3% fee for credit card purchases. Dan stated that Terry has estimated a \$7,500 increase in revenue annually by adding taxes on top of prices. Auditors prefer that the taxes be added on top of any prices rather than being included in them as they are now.

If we want database encryption of credit cards to be a priority, we need to communicate this to Chris. He said it's an easy change. Neil said we need a process in the database where staff has access to the credit card information in order to charge a credit card. John asked Dan to communicate to Chris that the Board asks Chris to give some priority to this. The Board was in agreement.

b. Computer Update: Status of functionality – Neil reported that we still experience occasional slowdowns. Neil continues to work with Ewan, who makes recommendations. Neil told Ewan to go from volunteer to paid status to make the

changes required, i.e., updates that aren't happening. Ewan O. is a Microsoft Certified Engineer. He runs OLT's Microsoft on his laptop. The network drive set up by the original installer causes the computer to go into slow mode which eventually shuts down the computers when documents are saved onto that drive. John said that we were to have a stable computer system by now. Neil said the computers lock up on a save, and in 5 minutes the computers can be rebooted. No files yet have been lost. However, productivity is lost. According to Paul, the standard is that computers are to work 99.9% of the time. Neil said the computers sometimes go weeks without a problem. We don't have the information on the install. Neil is not pleased where we're at, but he is pleased with the process that Ewan can track down the problem and fix it. This is Ewan's first time working on this problem. Neil instructed Ewan to spend money to fix the problem. He made a full assessment after Thanksgiving. Some changes were made right away. There is more to do. Neil is managing the server process. John stated that we can't operate at 80%. John L. communicated that there are serious computer issues, that the computer was crashing multiple times in a day. Neil can try a more forceful communication with Ewan, and if there is not a desired result in one week, we can look at another IT person. There is no one in the organization who is a server person. Neil stated that step one would be to determine if John L. wants to undertake this. Paul would be available for questions if John L. were to communicate with Ewan about this through the ED.

Ewan manages remotely six servers at the local credit union. Neil would like to get Ewan to do the same for OLT. Neil will communicate with Ewan to find out if he wants to be able to do this. Paul mentioned that sometimes a fresh set of eyes helps to identify the problem. WSB had no recommendations other than to use other software. John thinks establishing a professional contract with Ewan would be best. John E. suggests that John L. be the point person for the computer issues. Neil's suggestion is to hire Ewan.

The Board directed the ED that there are to be no computer crashes between Feb. 15 and March 1, 2009. The ED is to report back to the Board shortly after March 1 as to whether the computer system met the standard of 99.9% of error free operation. If it did not, he is to provide the board with recommendations on how to meet the standard in the future. The Board agrees that some of the funds under Professional Fees in the 2009 budget may be used for IT consultant(s).

Discussion ensued about who is responsible for the day-to-day maintenance of computers. The ED job description seems to be adequate for what the Board wants to accomplish.

- c. Donation Update: Valley View Village – It was decided that Doug should get three surveyors' bids before the next meeting. Neil will make a list of issues concerning the donation.
- d. Update: Credit card security compliance – Terry had no report. OLT is being charged \$5 per month. There are no longer papers that are not locked up or crossed out that contain credit card information.

- e. Update: “Shovel-ready” plans for possible funding or volunteers through governmental agencies – Kai reported that there will likely be a lot of money available for public lands. A request for \$3M was made to the Dept. of Transportation for the construction of trails. As part of this, there is no new hiring. Projects need to be ready to go. Kai doesn’t know what agencies will be responsible for distributing the funds. Discussion ensued about extending the trail beyond the mine. Kai suggested OLT hire a trails contractor who OLT would pay from these funds, if they become available. Neil suggested a GOCO grant for a bike trail from the mine to Villa Grove on the old railroad grade. It’s completely surveyed. Very little of it is on private land.
- f. Septic System: estimates, funding plans – Neil does not have any cost estimates. He must get engineers onsite to get estimates. The goal is a bigger aerobic system and an anaerobic system. Waste would be treated and returned to the stream. The current system was built in 1980. Dan talked about possibly leveraging our assets to be able to complete the project in one year. Andrew stated that in this climate a living system would have to be enclosed. They’re considered experimental in many states which causes additional permitting requirements.
- g. Review Susman contract/payments – John said this will be covered in the budget discussion.
- h. 2009 Budget – John presented as a basis for the discussion pp. 20, 21 and 22 of the Board packet (attached), the Sensitivity Analysis Jan. 18, 2009 (attached), and the OLT Cash Planning budgeting tool (attached) that he created. \$50,000 new construction expense is toward a wastewater treatment plant. The Land Conservation Specialist position is not budgeted, although included in staff structure. There is no bonus for ED or Office Manager currently in budget. Other professional fees will be revised to include IT consultant(s). Neil said that \$3,000 may be sufficient to start. Other professional services include \$2,000 for a Village survey. This is the first time that OLT is showing a negative net income. It was noted that OLT is budgeting for a \$50,000 wastewater treatment plant, \$85,000 for land acquisition, and \$32,972 to pay off the Everson Ranch.

The Sensitivity Analysis runs through both best and worst case scenarios. John indicated that the Board needs to look at best and worst case scenarios, current budget, and then determine and approve the 2009 budget.

Harold wants to see a budget with income shown more conservatively. Harold thinks that income projection in Version F is too high. Harold thinks attendance will stay the same, and donations will decrease 8-10%. John has created the planning tool in order to reduce expenses as necessary if income decreases. Harold would be more comfortable if the budget showed a \$50,000 decrease in net income (not including the potential \$50,000 special fundraiser(s)). Further discussion ensued.

Harold moved to approve an amended budget Version F as follows: 1) to include an additional expense of \$4,000 for Colorado land trust certification; 2) a \$20,000 decrease from the special fundraising event 3) a \$30,000 decrease from cash contributions; and 4) an additional \$3,000 expense under Other Professional Services

for IT consultant(s). Doug seconded the motion, and the motion was adopted: all in favor, none opposed, no abstentions.

XII. New Business

- a. State land trust registration – budget/staff time – Dan stated that Andrew indicated that it’s possible that if a land trust achieves LTA accreditation, it may stand in for state certification. Terry said that we must be certified before we can accept a conservation easement for which a holder may get state tax credits. The Board discussed the timing of certification.
- b. Village Visioning process – Dan referred to Betsy’s notes on projects that flowed from the visioning process. He has updated the projects list so that it is in chronological order.
- c. Discussion of staff structure/org chart – Dan presented a revised org chart with the Facilities Manager reporting to the ED and on the same level as the Project Manager who also reports to the ED. Dan stated that perhaps job descriptions need to be revised. John moved to accept the new hierarchy as proposed in the revised org chart in which the Facilities Manager reports to the ED. Harold seconded the motion, and the motion was adopted: all in favor, none opposed, no abstentions.
- d. Discussion of voting in Scott Rodwin and Mike Blevins as Board members – Doug mentioned that he would like to see the Board adopt a policy that Board members serve on a committee before serving on the Board, but the Board can make exceptions to that policy. Harold brought up about a possible third person and leaving a position open for gender diversity. Harold moved to accept Scott and Mike for terms expiring July 2009. John seconded the motion, and the motion was adopted: all in favor, none opposed, no abstentions. The term expiration dates in this motion were based on incorrect information provided during this discussion. The correct expiration dates of Scott and Mike’s terms are: Scott - July 2009. Mike - July 2010.

XIII. Executive Session - The regular Board meeting adjourned at 3:37 PM and, following a break, the Board convened in Executive Session at 3:45 PM. Executive session adjourned at 5:05 PM, and the regular board meeting reconvened.

XIV. Announcements

- a. The informal gathering tonight (Saturday, Jan. 17) was changed to meeting at 5:30 pm at the Welcome Center for dinner at the Trade.
- b. Next meeting date of Saturday, April 18, 2009 at 9:00 AM at Seitz residence was confirmed.

The meeting was adjourned at 5:05 PM.

Submitted by:

Approved by:

\_\_\_\_\_/\_\_\_\_\_  
Barbara Tidd, Secretary      Date

\_\_\_\_\_/\_\_\_\_\_  
Dan Jones, Chairperson      Date

Guests: Terry Seitz, Andrew Mackie, Lucia Seitz