

**ORIENT LAND TRUST (OLT) BOARD OF DIRECTORS MEETING
SEITZ RESIDENCE ADJACENT TO THE OLT WELCOME CENTER
SATURDAY, OCTOBER 15, 2011, 9:00 AM**

MINUTES

- I. Record Attendance – **Those present - Board:** Camille Richard, Dan Jones, Doug Bishop, Harold Pratt, John Eiseman, Paul Zoric. Board member Mike Blevins was absent with prior notice. Jessica DuBoe arrived at 2:58 PM (with prior notice) **Staff:** Suzanne Ewy, Barbara Tidd, Mark Jacobi, Mike May, Neil Seitz, Terry Seitz. **Guests:** Don Geddes, Jay Printz, Mikela Tarlow, Bruce Boyd, Jim Melcher, Barbara and Gary Shannon, Diane and Larry Wuerfel, Conrad Pera.
- II. Meeting Call to Order – Dan called the meeting to order at 9:07 AM.
- III. Changes to Agenda – Dan made one change to the Agenda moving Item XV.b. to the January 2012 meeting.
- IV. Guest Questions/Comments – Dan welcomed guests. Guests, including board candidates Mikela Tarlow, Jay Printz, and Jim Melcher, introduced themselves.
 - a. Visitor Liaison Report (in packet) – Don G. said the report reflects what is going on. He feels positive about the Visitor Liaison position. The basic purpose of the position is to have another direct conduit for visitors and supporters to communicate to the Board and receive responses, if desired. A comment may have an author's name or be anonymous. So far, responses have been anonymous. As requested, improvements to the entrance to the waterfall and top ponds are being worked on. Don has received positive responses from visitors about the Board in that the Board is interested enough to want to hear from visitors through the Liaison. If a more immediate need comes up, Don contacts the Facilities Mgr. or Board Chair directly.

John is interested in comments about pricing. Of 40 people interviewed in Sept., Don has not received any comments about pricing. In the summer, about one-half of the comments about pricing were from former petitioners. Pricing comments have been minimal and mostly positive.
- V. Executive Director Report (in packet and Revised Addendum to packet) – Suzanne said that community is an important part of our mission. She thanked visitors for being here. We are progressing with our concept of respect and conservation with the air, water, land, and each other and thanked visitors for helping us on this.

Paul asked for a status on the website/database Bird contract. OLT paid Bird \$5,000 up front on a \$10,000 contract. Initially, there were weekly meetings. Bird did not follow through. A little over one month ago, Bird asked for a \$3500 draw on a final \$5,000. About 10 days later, Bird said he would pull the project until OLT paid him. At that point, staff and Mike Blevins discussed this and came to the conclusion that OLT would not go forward with the project. No more funds were paid to Bird. Bird hasn't delivered anything yet. Bird either missed deadlines or didn't deliver what he promised. We have some website/database information, but it is subpar. Of the \$5,000 paid to Bird, Suzanne said OLT has no value in what has been delivered. Suzanne said another reason OLT

pulled the project is because OLT wouldn't have future technical support if OLT continued on with the project with Bird.

Volunteer Doug Bates, who is currently working on the project with others, has a better database design. John asked if we need to tighten up our purchasing process. Suzanne said that in hindsight, we have learned a huge amount. Internally, a huge amount of information has been pulled together that will help with the new database and website. Before OLT contracted with Bird, Mike B. said that this is a \$50,000 project. Since the initial discussions about the database/website project and the Wastewater Treatment Facility (WWTF) RFP, we are getting a better sense of the RFP process. John offered to Suzanne to let the Board know if she needs help with the RFP process and indicated Paul is an excellent resource.

Suzanne said that our current database technology is old; we need to bring it up-to-date. We need to rebuild our website and would like to have an on-line reservation system. Paul said that this project has been on the table for 3 1/2 years and we have changed direction several times before Suzanne's time; we need to be tighter on our project management and focus for this project. Suzanne said that our team of Mike M. (project leader), Doug Bates and Mike B. includes substantial talent for this project. Paul said that this is not a crisis at this time. Suzanne said that when she joined OLT, she was told that the database and website were a 'crisis.' OLT's current staff is computer savvy, so that if the database goes down now, staff can handle it. Doug Bishop wondered about on-line reservations. He suggested that it may be reasonable to drop that out and focus on the database and website.

More discussion ensued about the Bird contract. Further discussion will be in Executive Session.

Mike M. reported on the website/database project and agreed with Paul that getting the scope accurately defined is important. Costs for changes increase as the project gets further along from possible increases of 2% up to 50% or more depending on when during the project the changes are initiated. This project has a big scope. Compartmentalizing and separating the project into parts will help us manage the project and manage our costs. We have staff and volunteer talent to assist with the project. Web content can be worked on. Web and database will be worked on separately. The on-line reservation system is interactive. The database is both informational and interactive with accounting; it would have to dovetail with a reservation system. Volunteer management is another aspect of the project. Going forward, we are looking at a disaster recovery plan, business continuity, and possible intranet. Paul asked for Mike M. to show the Board in terms of time and money what the project looks like. Paul said some visual changes to the website initially would be good to show progress. Paul will act as 'translator' on this project for the Board.

Mikela said that there are many open source platforms available and, therefore, such things are cheaper. Mike M. is aware of this; however, he said such a platform must have a proven reliability and has to be completely vetted.

Neil asked, what is the goal of this technology? What do we want to create? This would provide a clearer start. John said goals of the website are to disseminate information, be customer friendly. Suzanne added income generating. An example is Facebook. The easier and more up-to-date the website is, the more people are likely to visit it. Mike M. agreed that we need to nail down our customers' needs. Neil commented further about the database. Neil said the Board may want to think about a task force and how to simplify what we are doing. Dan said that staff brainstorming is taking care of this and that continuity with Mike M. will serve us well. Paul asked for a status report at the January meeting including high level goals.

Suzanne highlighted OLT's one-year contract with Tara (see ED Report). Suzanne said that although we have experimented with new products in the Welcome Center, our margin is low. Tara will help us with this. Our goal is a 40% margin.

Doug asked about the Ranch lease. The Ranch lease will be adjusted (see Revised Addendum) because of the lack of water. We are losing 1 cfs from the power house. We couldn't get water to the hay meadows this summer. Lessees were allowed to graze their cattle on BLM land only for about 6 weeks this summer because of the drought (see Lessee's report). Suzanne talked and met with Div. of Water Resources water engineers, the Water Commissioner, and lessee David Frees. There are issues with the reservoir in addition to the meanders. When OLT communicated with USF&W Partners for Fish and Wildlife and DOW about the Hot Springs Creek restoration project, perhaps OLT didn't communicate about its agricultural use. The drought doesn't affect OLT's water much. We are losing 75% of our water through the meanders. Stakeholders think we should cut off the meanders, put the water back into the old channel, and get water to the Ranch. Cottonwood trees along the driveway are not getting water; some have fallen into the driveway.

Suzanne's plan is to get the stakeholders together quickly to discuss needs and solutions. There is more information still to come. Once all the information is gathered, we need to make decisions quickly. Suzanne will keep the Board apprised. Flumes were just installed and are working beautifully, so we have just now been able to measure the results of the meanders. We have no storm surges; the water's flow is at a constant rate. Camille said they didn't design the project to manage the flow because water has broken out of the meanders. Suzanne said the conservation easement precludes us from drilling another well at the Ranch.

USF&W Partners for Fish and Wildlife worked on one meander. It didn't make a difference. Neil said that no one is following the clay. Neil said we need to inspect and be careful before jumping into things.

Suzanne said we have learned to get every possible voice before going into a project. Dan said that Suzanne understands the science, and we are in good hands going forward. Suzanne said that we need to make a decision in the next month about how to proceed with this project, possibly putting the water back into the old channel and phasing the meanders back in gradually. Camille will keep the Board informed.

- VI. Board Chair Report (in packet) – Dan acknowledged Suzanne and staff for their heroic efforts through the summer. Dan summarized his report and received confirmation from the Board concerning the new processes, email forum, and the Board 360 review. Concerning email addresses on the website, it was decided to use BoardChair@olt.org and BDCChair@olt.org. BoardChair@olt.org will be at multiple places on the website for contacting the Board with concerns, commendations, etc. BDCChair@olt.org will be clearly marked on the website as the address to submit an application to be a director. Info@olt.org will remain on the website as the general email for OLT.

- VII. Board Vice Chair Report (in packet) – Dan gave the report in Mike’s absence. There are now 40-acre parcels for sale around the real property that sold at auction.
- VIII. Facilities Manager Report (in packet) – Mark reported that the WWTF RFP has not yet been sent out. We have 5 potential bidders. Dan knows a vendor in Taos who is interested in bidding on the project. John thought the RFP was professionally done. A deadline for submission of RFPs is not yet established. Suzanne is working with Jerry Kaiser, an engineer and OLT visitor. The team of Suzanne, Mark, Jerry, and Neil will select the vendor via consensus. The team is working on cost and the process. Mark is going to be sure the process is in place before selecting a vendor. John needs to know the timeline. He asked Mark to work with Terry and John on the timeline and financial commitment. Terry and John need to be brought in toward the end of the process in selecting a vendor.

Mark said we already have a conventional system submittal. A vendor may submit more than one system proposal. Harold asked, how will OLT decide on a type of system in terms of cost? Suzanne said it depends on the proposals received. See the RFP regarding “cycle of sustainability” and other variables. It depends on what vendors present in their proposals. Paul is concerned about design changes and who will be responsible for costs. Paul said that references must be required. Paul will go over the RFP with Suzanne before it goes out.

In response to Doug’s questions, Mark gave details about geothermal heating of Sunset floors. The system recently went online. He is monitoring and adjusting the system as necessary. As the new governor goes online, hotter water will be possible. We’ll have a really good idea by the end of winter if people are using the baseboard heaters less than previously. We can save 6kW, 10% of our effective output of electricity, with this system. Dan suggested educating visitors about energy/electricity conservation. Suzanne said that there is already signage to educate visitors of the effect of using more electricity in relation to the hot tub temperature. Mark said if heat is adequate with only geothermal, the baseboard heaters could be taken offline, which would then give us the full 6kW savings.

Willow/Elm remodeling will start Oct. 17, 2011. It will take 3 1/2 weeks to complete the slabs and kitchens. Then, we’ll do the other three slabs. Between Nov. and January, Mark doesn’t think we can do the other three cabins. We plan to get the governor online during that time. We’ll have a really good idea of cost per sq. ft. for renovation and a better idea for a credit line for renovation of the other cabins once the Willow/Elm remodeling is completed. We are on track budget wise and may even be a bit leaner. We have \$2500 per cabin budgeted. Mark thinks we’re at \$3,500 for both cabins, not including insulating the walls and floors. Suzanne said that before or in about May 2012, we’ll do the other three cabins. Neil and Terry are donating their old cabin (which is now their kitchen) as an additional accommodation. Mark is considering the logistics of moving the cabin with a crane. The heating leg from the governor may work for this cabin too.

Suzanne said the facilities staff is overwhelmed at this time. Mark reported that the team is doing great and acknowledged help received from Jim Melcher.

- IX. Visitor Services Manager Report (in packet) – In Matt’s absence, Suzanne asked if there are any questions on the VSM Report. Suzanne commented on the difference between visitors who responded to the survey and those who visit Facebook. John commented that it was a fabulous summer for bats and complimented the bat hosts. Suzanne said that the staff interpretive training has really helped. Doug asked about the signage coming in from the Black Canyon Trailhead. Suzanne said it is going up. Doug said that hunting season would be a good time to educate folks who come through that way. Doug also mentioned the kiosk at the intersection of the trail coming from the Black Canyon TH and the road from the hot springs to the bat cave. Suzanne clarified that the three panels are one for DOW, one for BLM, and one for OLT. We also may put signage at the beginning of the Black Canyon Trailhead. Dan asked if BLM, DOW, and OLT could collaborate and get the signs printed together. Suzanne said that BLM and DOW are also overwhelmed.

Suzanne complimented the volunteers, especially concerning their professionalism. John mentioned the importance of a leader with volunteers as well. Suzanne complimented Matt in this regard. Colorado College student volunteer work at the Ranch was very productive. John would like to set up a way to recognize Colorado College (CC) students, perhaps with a scholarship program. Suzanne thought of this perhaps along with an intern. John said we need to put our money where our mouth is in letting CC administration know how much we appreciate CC volunteers. John said perhaps after next year. Mike M. said that given that our mission involves the Northern San Luis Valley (SLV), a scholarship/internship could be given to a student from the SLV.

- X. Secretary Report and Correspondence (in packet) – Barb reported that official public board correspondence consisted of two thank you letters to past volunteers and an email exchange with a visitor about her concerns during a visit to the hot springs. Barb reported that she had been contacted by a writer for the *Crestone Eagle* who is doing a series of articles about water in the SLV. He would like an article from us for next March from the point of view of the Northern SLV Conservation Roundtable and OLT as to how we view the water situation and future of water in the Northern SLV.

XI. Treasurer Report

a. Income Statements, Balance Sheet, Cash Flow Statement (in packet) John reported that we have had a really good 9 months. We’re about \$17,000 over budget on gross profit. Expenses are under expectations. Overall, we are under budget. We’re about \$80,000 over budgeted income.

John’s recommendation is that we create a reserve fund by project. Terry will create sub-accounts under the capital reserve fund. Harold suggested that the ledger reflect the seed money for projects as soon as possible.

Cost of Goods Sold and Gross Sales of Inventory are both on a cash rather than accrual basis. Terry thinks we have \$6,000 to \$7,000 in inventory, which is adjusted annually in January. Re: Inventory control – Terry said expensive items are locked up. Suzanne said we’re moving toward stricter inventory control.

Land Conservation (LC) Budget – John reported that donations are a bit disappointing. Suzanne said a donor solicitation mailing is going out next week. John said that he doesn’t see a problem with the land conservation side. Suzanne said our donations are at 100% of last year. We have

additional ranch expenses that weren't budgeted (mostly the corral), which were expected to be in 2012. In the LC budget, the figures \$380 and \$18,500 under Budget should be switched.

Balance Sheet - Current liabilities – most are the Flexible Spending Accounts plus the \$78,816 owed on the Essen parcel. We'll pay \$40,000 of that on Dec. 15, 2011. Our liabilities are very small; most is equity. The Balance Sheet is excellent.

Cash Flows – We added \$210,000 since the beginning of the year. We'll spend at least \$23,000 in capital improvements by year-end.

Restricted Funds: \$133,682. Unrestricted: \$278,309. With operating restrictions and upcoming obligations, we still have a reserve of almost \$67,000.

Conservation Projects owes Operating Account \$62,800.

Camille moved to approve the Treasurer's Report correcting the two numbers, \$380 and \$18,500 in the Land Conservation budget that should be switched. Doug seconded the motion and the motion carried; all in favor, none opposed, no abstentions.

b. CPA review or audit for 2011 fiscal year - This year will be a review year. John doesn't see any anomalies and no difficult transactions needing guidance on how to report from a GAAP or not for profit audit standpoint. John moved to approve a review from Taylor Roth for the fiscal year ending 12/31/2011 rather than a full-blown audit. Camille seconded the motion and the motion carried; all in favor, none opposed, no abstentions.

c. Annual review of operating checking balance unrestricted amount - John thinks that the \$40,000 and \$120,000 balances are good standards. This gives comfort to our employees for continued cash flow. He asked for comments. Doug commented that because we don't have a lot of liabilities against our net worth, it seems \$40,000 is enough. John agreed. Doug said that if we were closer to the bone in liabilities to equities, we may want to have a bigger reserve. John said that as your balance sheet risk goes up, he agrees with Doug that we would want a bigger reserve.

d. Stats Charts (in packet) – Dan skipped Barb's report since the stats charts are self-explanatory and we are short on time. John commented that we have a loyal clientele that seems to be somewhat depression resistant. Suzanne said we continue to attract first time visitors. Camille said that while she was in the office on Friday, staff was great in getting information to new visitors.

XII. Committee & Task Force Reports –

a. Board Development (BDC)

i. Introduce board candidates to fill current vacancy – Harold summarized the process for board candidates. The open seat term is through July 2012. The BDC is responsible for the board candidate process. The BDC will make its recommendations to the Board. Board candidates gave a brief introduction of themselves.

Mikela Tarlow, from Crestone, has been in the Valley about 20 years. She got involved with OLT at the time of the inception of the Roundtable. She is excited about the different aspects of OLT and is particularly interested in building a deeper interface with colleges/universities. Her deepest experience is in online strategies, helping organizations tell their stories. She holds two masters degrees and spent about 10 years in academia, then consulting mostly for Fortune 500 companies around digital media and online strategies. Mikela offered to volunteer whether or not she serves on the Board.

Jim Melcher thanked the Board for considering him. He has spent 25 years in Silverton and now lives in Durango. He has been in business 34 years. He recently built a rail car with his brother. He is involved in all aspects of his business. He does not claim to be an engineer. He cannot describe what he is currently working on because of confidentiality.

Jay Printz said that this place is magical. He is a conservationist and naturalist. He is a licensed attorney in Colorado and retired Judge from Texas and has a small business in Westcliffe. He ran an oil and gas marketing company for 22 years, which he gave to the employees and is still operating (marketenergy.com). It is a privilege to be considered. He is committed to OLT's mission – preserving this for future generations. He took a special interest in our discussion of the Bird contract. He liked that he didn't see any one really strong person on the Board; every opinion counts. He is currently legal counsel for a radio station in Westcliffe. It's a balancing act between our obligation of what we're here for and our obligation to our benefactors and contributors. Jay has an MBA in marketing; he would assist with legal counsel if he is not on the Board; he is not a builder. He considers himself a pantheist.

Harold brought up board term limits and the possibility of implementing them at some point. More discussion is needed and BDC will consider the matter.

ii. Amend Strategy to Attract New Board Members (in packet) – Harold highlighted the changes in the Strategy: i) cover lodging to a certain extent for prospective board members who will attend one meeting; ii) concern that the Board was not as extensively involved in discussion of board candidates as it would like to be. Therefore, these changes are recommended.

On behalf of the BDC, Harold moved that the amendments to *Strategy to Identify and Attract New and Diverse Board Members* as indicated by the underlined passages in the document on pp. 45-46 in the Board print packet be approved by the Board. Doug seconded the motion and the motion carried; all in favor, none opposed, no abstentions.

iii. Topic winnowing for Jan. 21 retreat (in Board/ED's packet) - Harold said that we want to reduce the number of topics for the retreat. Harold suggested ballots. Dan suggested items 7 and 8 could be done quickly in the morning (e.g., in 15-20 minutes). Harold clarified that this will not be a decision-making session. John said that it is indispensable that the Board must talk about items 4, 5, and 6. The Board concurred with Dan and John.

b. Investment

i. Investment Policy Statement, annual review per policy (not addressed) - John reported for the Investment Committee that we are very light on investments; very short, very liquid; there has been a lot of risk in the markets for the past month. We have a \$60,000 CD that will roll over Dec. 15, and we need to decide what to do with that. We'll have another \$60,000 about then to invest. John recommends we stay in the CD, stay short and liquid. We'll look at 3, 6 or 9 month CDs up to limits of FDIC or NCUA and stay local. The Board concurred. Paul suggested possibly a short-term bond fund. John will provide recommendations for a bond fund and give them to the Board to consider.

- c. Land Action/Land Management – Camille reported that she has researched where we want to take our properties and overall mission. She brainstormed with staff yesterday to get the committee up and running and moving forward. They came up with task items. She proposed officially merging the two land committees into a Conservation Committee to cover not only land action and management, but also conservation action and broad Valley education. Steps:
- i. change name to Conservation Committee
 - ii. create new overarching goal statement, combine committee missions and actions into one and have a draft for Jan. meeting or sooner; this will be accomplished with the staff task force and committee; want to ensure mission/actions reflect LTA best management practices and primarily our goals and mission which include providing strategic guidance for conservation of our properties in the northern SLV
 - iii. Ranch management – great opportunity to develop ecological and economically sustainable operation, including generating profit, carbon sequestration, proper use of our water resources, good biological diversity. Plan will show us going in that direction.
 - iv. hold a 2-3 hour workshop with key stakeholders (ranchers, agencies) after the regular Northern SLV Conservation Roundtable meeting, and work through conceptual framework for our plan
 - v. as a committee, develop 5 to 10 yr. strategic plan to be put together over a year’s time.
 - vi. meet soon with any agency (NRCS, BLM), volunteers (ranchers, lessees, Roundtable participants, college students), conservation easement holders (DOW, TNC) interested in monitoring our properties as part of a long-term conservation strategy.

Harold said we need to be educated and revisit our plan for the ranch and help Board members understand ranching and specifically our plans for the ranch. Camille suggested David Frees to educate the Board about ranching. Camille likes to facilitate perspectives and bring them into a plan.

Dan asked the Board if it concurred with the combining of the committees and new name. Doug concurred. Camille said the ranch needs a cohesive conservation goal. It would provide students with something to cut their teeth on.

The Board previously voted to combine the committees. Don G. agreed with Doug’s response. Camille asked for other volunteers for the committee.

Baseline Documentation Report Policy, annual review per policy – This was not mentioned in Camille’s report.

- d. Resource Development – Paul reported that timing has been off; not too many major accomplishments since last meeting; major donors is backburnered; RDC is monitoring the raffle; talking about donor benefit structure. Suzanne said the problem with the raffle is you spend all your time selling other businesses. Staff is talking about raising reservation levels by \$10 with each person being given a raffle ticket, which could potentially raise \$15,000. Prizes would be all OLT based. Additional raffle tickets could be purchased. Harold suggested a percentage increase in reservation levels. John said that we’re spoiled because of the hot springs revenue stream. We would like to bring fundraising skills to the Board. Suzanne said she received positive comments during Rural Philanthropy Days, which is why she wants to bring youth and education into our mission. During the next 6 months, Suzanne wants to

spend over 20% of her time on fundraising. She needs the Board to know what OLT is doing and how the Board and staff can be a team. This will be addressed at the retreat. Fundraising is not a strength of the current Board. Camille said there are two different skill sets of fundraising: getting donors and grants/foundations.

Dan wonders about a new injection of energy. Ann Bunting wants to be on the RDC. Dan mentioned the Change 4 Conservation program. He suggested perhaps Terry and Suzanne could reintroduce this. Jessica and Ann may be key in moving this program forward. This program currently brings in \$400 per year from The Villa Grove Trade and a total of \$1,500 per year, including donations of change at the front desk. There is potential. As part of the program, OLT is to recognize business partners on its website, which has not been done.

XIII. Guest Questions/Comments – Larry W. commented that he prefers an auction over a raffle.

- e. Site Planning (in packet) – Doug referred to the minutes and hot tub walk-around in the packet. Doug said he plans to hold a meeting in the next couple of weeks. In response to John’s question, Doug said that the Seitz cabin will cause the SPC to have to make a decision on the run again. Dan said that as the SPC progresses and looks at the big picture, and if we had designated 4 spots for a cabin, then when this came up, we could choose one of those 4 spots. There is still work to be done. Dan suggested that the SPC come up with the philosophical underpinnings for locations of items. Dan said he is seeing the importance of staff. We’ll be talking about where to site the Seitz cabin. Consensus for the hot tub was the spot in the trees. Doug said there are pros and cons for that site. Doug planned to have a recommendation for the Board for this meeting, but does not have one. Camille asked for a table to show sites, energy consumption, and costs of each. Doug thinks this is not up to the SPC, but rather up to staff to decide costs.

Suzanne suggested that the SPC become a Master Plan Committee to come up with an overarching philosophy, policy making and principles. The SPC could look at all sites and determine potential projects; leave the specifics, details, and siting up to staff with input from the SPC and Board.

Harold thought the original intent of the SPC was to be philosophical, for example, using the term ‘rustic’ and defining what that means; also, suggesting designated areas (but not specific siting) for certain activities, such as for meditation or quiet. Without a master site plan, items like the hot tub and the Seitz cabin can only be located with existing roads, trails and parking; no new planning is available to us.

- f. Human Resources - Establish this task force as permanent committee – Suzanne wants to formalize this committee. Camille moved to formally create a Human Resources Committee (HRC) from the task force previously set up. John seconded the motion. There was a short discussion about committee chair and mission statements. The motion carried; all in favor, none opposed, no abstentions. The HRC will report on a chair and mission statements at the January meeting.

Business

XIV. Unfinished Business

- a. Wastewater Treatment Facility – Mark reported that they have 5 or 6 potential respondents to the RFP. Doug asked for a timeline. Suzanne said that \$20,000 is seeded this year; another \$20,000 is to be seeded in 2012. John said we have \$87,000 in capital reserves, which could potentially be directed to the WWTF, if it's determined it is the priority. Mark said the project could conceivably start next spring, but don't count on it. John said he thought the Board would allow in the budget for local labor. John and Dan would not like to see this go three years out. Suzanne commented on the following timeline: 30 days for bid process; 45-60 days out to review bids is not realistic. Figure March to July to make a decision. Then put the project together. Suzanne is thinking next summer.

Doug said July is not the best time to start a project. John said once a decision is made, do it. Neil said once the project is started, you must follow the CDPHE inspections timeline. Dan said the project resides at the top of the priority list. Dan said the Board will not be a stumbling block in delaying the project.

- b. Survey analysis – Suzanne said people wanted more hot water, and we are moving forward on that. The sauna with dual purpose is being well-received. Once we have extra electricity, we will be doing a hot tub. Please give Suzanne/Mark your ideas. People want bathrooms, kitchens, eating space and community. We don't want to give up community spaces. People want a steam facility. The steam sauna helps with this for now. Staff is looking at possibilities for other kitchen facilities and community meeting space to take pressure off the Oak House. Staff is also looking at the Seitz cabin as a possible kitchen. Possibilities: 1) at end of Sunset (also ADA facility), maybe outdoor kitchen, showers; this may affect Sunset folks; it is away from campers 2) Pavilion-temporarily close in during winter; multi-purpose space 3) bathroom, outdoor sink near Welcome Ctr.

Suzanne suggested possibly using the pavilion as community space temporarily. John said that these ideas need to be integrated with the SPC. Gary said that it wouldn't affect RVs so long as community gathering was *in* the pavilion. Dan said that the pavilion may be 'sacred' to a significant number of members and may not be well received if altered through a reconstruction. John suggested that with flexibility, enclosing the pavilion for winter use could overcome some of this.

Harold said we each have our own interpretation of the data. Our discussion now is the same as before we had the survey results. We need a finer, sharper look at data with which to make decisions. Suzanne said a volunteer is working on a survey analysis, a reduction for the Board to look at. Suzanne said this is coming, but does not have an ETA on it.

- c. Volunteer Program – Suzanne reported that it is continuing. Elaine and other volunteers have helped put together preliminary training materials and selection criteria for summer hosts. This summer has been a time of learning. Suzanne mentioned the cost of volunteers because of the staff time investment. Suzanne suggested it be made into a program including recognition, information from hosts, volunteer manual, and continuity from host to host.

- d. Naturism and the Mine Parcel

i. Bat tour attire (see packet) – Dan introduced two emails from the VSM that were in response to a visitor's comments concerning her group's visit to see the bats. Dan read an additional short email from Matt with his suggestions, including signage about naturism on bat

hikes. Discussion ensued about signage. John said to ensure that funds are budgeted in 2012 for at least two signs. Suzanne said this is a winter project. Bat tours will remain naturist/clothing optional.

ii. Mine Declaration of Restriction – Dan said that any Board could undo what this Board does in terms of a Declaration of Restriction. Dan thinks it is more important that we do what was talked about above. Neil said it is important for future generations to spell out what we mean by naturism. This goes along with OLT’s naturist education, including a brochure at the front desk. A declaration may not be necessary. Naturism is there, and perhaps is being ignored. OLT can put some language on signage to make it clearer. Neil thinks it would be worthwhile to designate that property as naturist.

Doug commented that signage will do more than a legal document stuck away somewhere.

A Resolution specifically for the Mine property was suggested and that it be part of a packet of information visitors receive.

Neil and Harold will draft a resolution for the January meeting packet. Neil said that we are behind in that we were supposed to have a granite slab about naturism a couple of years ago. Ideas will be coalesced in the resolution.

e. Memorandum of Understanding (MOU) with LTUA and CBLT (in Revised Addendum to packet) –Suzanne described conservation easements (CEs) for guests. OLT has decided that it does not want to hold CEs at this time, but rather collaborate with LTUA and CBLT on holding CEs. LTUA and CBLT hold CEs. The MOU begins this formal relationship among the land trusts.

Paul asked if we are using this for public relations. The Board concurred with the intent. Doug isn’t sure he’s ready to relinquish OLT’s ability to hold CEs by not continuing our State certification. The MOU is an umbrella agreement. We could draft additional more specific MOUs. The Board concurred that this need not be run by our attorney for review. Suzanne said CBLT and LTUA have not commented on this version of the MOU and therefore the Board will hold off on a vote approving this MOU. This will be on the January agenda unless a vote is needed before then.

XV. New Business

a. Review of current quota numbers – Dan said the intent of this was to be sure that the staff knew that it could flex a bit on the quota. Suzanne said we are enforcing rules; it’s important to experience, then make decisions based on experience. Suzanne has received feedback from locals that the quota should not be enforced with locals. Neil pointed out that at a certain donor level, one may make a day visit without a reservation. Suzanne said that we may consider allowing in new visitors who have not experienced the hot springs even if quota has been met.

b. Employee handbook revisions – Suzanne (DISC/DEC – 15 min.) Dan postponed this item to the January 2012 meeting.

c. Renew Colorado State land trust certification – Discussion ensued. John moved not to renew OLT’s State Certification that is required for OLT to hold conservation easements for which a state tax credit is claimed. Harold seconded the motion. Discussion: Doug is not so comfortable

with not renewing. John pointed out OLT's diverse programs. Camille pointed out that with CEs, we need staff to steward and monitor the CEs. Doug would prefer to work with LTUA on CEs. Paul asked if the annual certification fee should perhaps come from the SMLD or land conservation projects fund. [Secretary note: It has in the past.] Dan suggested a fund for our collaborative work with LTUA and CBLT. Suzanne suggested the fee that would otherwise be paid to the State for OLT's State certification go toward staff time and expenses for the collaborative process. Paul amended the motion to state, "and OLT use the 2011 annual certification fee to seed funding for collaboration in support of the MOU among OLT, CBLT, and LTUA." Harold seconded the amendment. Vote on the amendment to the motion: Harold, John, Camille, and Paul in favor, none opposed, Doug abstained. The amendment carried. Vote on the motion: Harold, John, Camille, and Paul in favor, Doug opposed, no abstentions. The motion carried.

- d. Declarations concerning Stewardship, Monitoring & Legal Defense Fund and Land Conservation Fund (in packet) – Camille reported that Suzanne, Barb, and Camille held a conference call. We need to reevaluate the declarations in that they don't include the goals in support of our mission statement. We want to reword the declarations and table the decision about the declarations until the January meeting. This goes along with the Conservation Committee realignment. Suzanne, Barb and Camille will redraft the declarations to ensure they are in accordance with LTA guidelines and OLT's goals in support of its mission.
- e. & f. Prioritize 2012 projects and goals as basis for 2012 work plan and Draft of 2012 budget (in Revised Addendum to packet) – Suzanne lead the discussion on this and the draft budget.
 - Tree pruning is at the Ranch; it must be done.
 - Roof leak must be addressed.
 - Beehive refers to 'beehive' building on which Mike M. is working.
 - Calving Barn - possible indoor/outdoor community center
 - Bunk house – substantial project; floors need to be redone; want to put in 2 dormer windows; could house community kitchen, 2 private rooms and 10 beds upstairs
 - Mouse house – in good condition, could put in bathroom and 2 or 3 rooms like Oak House

Suzanne said these could be revenue generating; looking at potential.

About 15-20 old pieces of equipment were excavated, including an 1850's Harvester; barns, beehive house, other shops are cleaned out; roof fixed on one building.

Harold asked what are our goals and purpose with the Ranch. All of our donations are going into improving the Ranch. That is a shift. The Board hasn't dealt with this. Planning, consensus building, and long-range thinking is needed. Harold is uneasy about this portion of the budget. Suzanne said funders will not give us any money for the hot springs. The ranch can bring in funding for education, youth, and historic preservation. Camille said donors would want to see the organization's investment in the ranch such as ranch improvements. Examples of ranch projects that may be donor funded include sustainability, education, and renewable energy. Harold said we are putting the budget before we have a plan. Suzanne said the Conservation Committee will be putting together a plan. Suzanne needs plans from the Board in order to go to funders with requests. OLT has to make a commitment to the ranch; that will bring in funding. Paul asked, is this an appropriate use of stewardship funds? Mikela said if

money is already spent, funders will not match it. It is better to leverage it. Suzanne said that we have to budget matching funds for potential donated funds.

Neil said that rebuilding structures for other uses is good. What is the goal for use of the ranch if we add 12 or 18 beds at the ranch? Is it going to be for live-in staff, volunteers, paying or clientele? How does this tie into the hot springs quota? People staying at the ranch will want to use the hot springs.

John said we need a master plan for the ranch.

Suzanne said we have volunteers who want to stay with OLT, but there isn't room at the hot springs. We need housing at the ranch. Camping is difficult at the ranch because it is windy.

Neil suggested projects to be done at the hot springs including a trail to the top ponds, fire mitigation, and other land conservation projects.

John said to set aside funds for repair and maintenance at the ranch. Also, look at funds in Visitor Services and if there are extra funds, seed some of the ranch projects. We need to work on Harold and Neil's point, i.e., goals for the ranch. We have an operating ranch. A sustainable ranch would be John's overall goal. Paul said to do outreach and education with a goal of having an economically viable ranch after that. Camille said there are critical things that need to be done at the ranch such as stabilization of certain buildings. What has to be done this year? It was suggested that the SPC work with the Conservation Committee to determine goals for each of the buildings and their use; this overlaps with conservation. Developing a master plan for the buildings would fall under the Conservation Committee. The SPC is specifically for the Village. What is the overall ranch plan? How does fixing up the ranch buildings fit into the overall ranch plan?

John suggested perhaps more protocol for making decisions on the budget for ranch projects.

Harold said we need to educate ourselves about ranch projects and improvements that this is what was intended in setting aside 100% of donations. Camille said the purpose of a strategic land conservation plan is to define why we're setting aside that money. Harold said this is a huge upfront financial commitment. Camille offered that in the future when talking about a sustainable ranch operation, whoever may be leasing the ranch property would show a profit based on our guidelines. Suzanne said there is potential donor funding for the ranch; 200 people visited the ranch this summer. There was discussion about getting on the local and State historic registers. Suzanne said getting on the State Historical Register can be costly and limiting as to how buildings can be restored, and we don't want to do that.

Dan for Mike stated that we want to be cautious about funds going to the ranch because of feedback from visitors.

Terry, Suzanne, and John will work on 3 categories concerning ranch improvements: absolute necessities, maintaining the status quo (repairs), and wish list.

Suzanne said developing a plan for the ranch will take one year.

Harold said we are making a major shift in where donation dollars are going if they are going for ranch improvements.

John said that other than necessities, it is the Board's job to balance out other projects.

Camille asked about a trail from the hot springs to the ranch.

Paul commented that the ranch is a strategic part of our fundraising strategy. A lot of ranchers could be potential donors. We've raised \$750,000 for the ranch in the past. Camille

said a major donor would want to see a strategic plan. Camille suggested a January survey focused on conservation. Suzanne said we still have to finish up results from the past survey. Suzanne would like to plan, educate, and in the meantime, take care of immediate maintenance issues at the ranch.

Salaries are apportioned between Visitor Services and Land Conservation funds/accounts.

Neil asked, what do you want the Ranch to produce?

Land Conservation expenses

John thinks with strong fundraising, we could possibly raise these funds. We couldn't at current fundraising levels.

Contributors may restrict their donations if they choose. However, it is the Board's decision whether or not to accept a restricted donation. At present, there is no provision for donations remaining with the Visitor Services operating account rather than going to Land Conservation.

Visitor Services (see draft budget)

John pointed out that elasticity on the revenue side for accommodations is limited in summer because of quota. Winter revenue could increase. John is comfortable on the revenue side.

Suzanne: Technology consultants line item is increased because of potential outside consultants to build components. This assumes a carryover of \$5,000 set aside this year which it is anticipated will not be spent.

Seitz cabin is out of the budget because we will get a construction loan for it.

Sunset bath, ramp – We may not do this.

Pavilion-raised to \$50,000 (not set)

Hot tub-\$15,000 is for completed project

WWTF-John said that this could be mostly paid but it would be pulling down all of our cash. ($\$87,000 + 60,000 = 147,000 + 20,000$ (2011 seed) + $\$20,000$ (2012 seed))

John suggested putting in a 2% cost of living adjustment for salaries and wages.

Terry: insurance is through CIA Leavitt; Camille suggested that LTA may be able to provide a discount for D&O insurance.

Suzanne: fleet – stick with what we have. Black truck is 2004.

Suzanne: will add \$1,000 to telephone; internet is rolled into telephone

John suggested mileage payment to prospective board candidates.

Suzanne: once per month we run on diesel to fill pool faster after cleaning and give diesel a workout

John: Could probably make another \$75,000 to \$100,000 in net income before we consider construction projects. Tighten up on telephone, customer service. Make 3 categories: necessities, maintaining status quo, and wish list.

Suzanne: Mike is working on technology cost estimate. John asked for it by late November.

Suzanne confirmed this is enough information for her to draft a 2012 work plan, which she'll provide to board by late November.

There will be no price increases in 2012.

John wants to set \$5,000 aside for the astronomy program as the Board agreed to at the July meeting. Jim M. asked the status of the astronomy program. Program volunteers

requested \$25,000. The Board seeded \$5,000 to construct a structure to house a telescope. A couple of volunteers were going to move this forward; they then got busy. Suzanne will talk with Jim after the meeting. Jim will get with Mike Blevins too. Jim would like to see something tighter in the budget. Jim will chair the Astronomy Task Force. A site has not been settled on. Harold pointed out that the Board needs a proposal for the site and the building.

John thanked Suzanne and Terry for getting this draft budget out early to the board.

- XVI. How did we do today? Self-examination on our governance – Camille: Meeting finished early. John: good substantive discussion/direction. Harold: We did well; we need to grow - we're not doing the work we should be doing - more focus on long-range planning; stop some things until you get there. Too easy to go hand to mouth. We have to say, wait a minute until we have a plan. Camille: She reviewed the Strategic Plan; it has nothing of substance. Harold said it gave rise to an action plan and will do the same for 2012, but it is reasonably short-term. Camille: It should include site management, conservation plan, long-term budget needs, and resource development. Suzanne: the more of this the Board can do, the better the staff can operate. Camille: We need to get our ducks in a row and find funding. John: We achieved our strategic objectives of refocusing on Village and Village experience, and now we must expand. We have things that are functioning that weren't functioning. Mikela thinks OLT is in the top tier of boards she's observed in staying on task, getting materials out ahead of time; morning is most productive – keep more thoughtful items in the morning. Dan said committee reports are first because they feed into later discussion items. Harold: a parliamentarian can say a topic is out. We could be more efficient in our discussions. Mikela: perhaps use the first hour of the meeting for visioning, budget. Jay: productive meeting without confrontation. Would like to see a committee that would look at, "If we had all the money in the world, here's what we envision." Jay thinks it is okay to digress some so long as it is still on topic. He was concerned about if the intent of the Board is to not have any salary increases. Don: proud of the Board; it is providing direction and guidance, less micromanaging than in past. The challenge is to make improvements. Mike M.: interesting from a continuing education perspective; this is the first Board meeting he has attended. [Jessica arrived at 2:58 PM.] Jim: impressed by some of the details. Organization well done, including agenda and budget. He learned more about OLT.

Dan asked for thoughts about having Executive Session Friday nights. Camille would have to see. John thinks he could adjust his schedule. Harold would vote for Sunday morning. Paul and John prefer Friday night. Doug said he is around all weekend. Camille suggests we keep the schedule as is.

- XVII. Announcements
- a. 2012 Board Meeting Schedule
 - i. January 21, April 21, July 21, October 20
 - ii. January 22 – Board & Management Retreat, Great Sand Dunes National Park
 - b. Northern SLV Conservation Roundtable meeting: Thurs., Nov. 10, 9 AM-Noon at Methodist Church, 6th & Christy, Saguache followed by tour of Kerber Creek Restoration Project from 1-3 PM.

XVIII. Executive Session - The regular Board meeting adjourned at 3:04 PM, and the Board reconvened in Executive Session at 3:19 PM to discuss personnel and operations, land conservation/real property transaction(s), and board matters.

Executive Session adjourned at 4:53 PM, and the Board briefly reconvened in regular session to approve a motion concerning Barbara Tidd's hourly rate effective January 1, 2012. John moved that the Board increase Barbara Tidd's hourly rate to \$25.00 effective January 1, 2012. Jessica seconded the motion. There was no additional discussion, and the motion carried: all in favor, none opposed, no abstentions.

The regular meeting was adjourned at 4:54 PM.

Submitted by:

Approved by:

_____/_____
Barbara Tidd, Secretary Date

_____/_____
Dan Jones, Chair Date