

Board Meeting Minutes_Draft
ORIENT LAND TRUST (OLT) BOARD OF DIRECTORS MEETING
SPRUCE HOUSE ACROSS FROM THE OLT WELCOME CENTER
SATURDAY, JANUARY 16, 2016, 9:00 AM AND
SUNDAY, JANUARY 17, 2016

ORIENT LAND TRUST IS A NONPROFIT LAND TRUST DEDICATED TO THE PRESERVATION OF VALLEY VIEW HOT SPRINGS (VVHS) AND ITS VIEWSHED—INCLUDING NATURAL AND BIOLOGIC RESOURCES, AGRICULTURAL LANDS, WILDLIFE HABITAT, OPEN SPACE, AND HISTORIC AND GEOLOGIC FEATURES OF THE NORTHERN SAN LUIS VALLEY— FOR THE EDUCATION AND ENJOYMENT OF CURRENT AND FUTURE GENERATIONS.

Record Attendance

Attendance: Board Members: Chris M, Deb H, Martin J, Myron H, Geneva M, Scott H, John S, Sarah H. was on conference call and google hangout.

Staff: Doug Bishop, Scott M. and others for part of the meeting, Robin :Rosie” R, Mike O, Cherrye O,

Guests: Don G, Dan J, Roger C, Jane J, Karin D, Barb T, Betsy M, David W, Bruce R, David M, Cynthia L

Board chair John S. called the meeting to order at 9:05 am

Questions or comments from guests

Two guests were named as possible board candidates and gave brief introductions Roger C and Bruce R.

Consent Agenda

Previous Meeting minutes were not approved and the approval tabled until next meeting so typos can be fixed and the draft minutes corrected.

Reports

Management Reports

Executive Facilitator (Executive Director)

Board member Scott H. asked about the water lines to the water tanks on OLT ranch and neighboring BLM land. ED Doug Bishop shared that every fall these water lines must be turned off in preparation for winter.

In response to board chair John S., ED Bishop shared that another circuit board for the hydroelectric governor has been ordered and will take some time to build. In the meantime, the old board is the backup.

Board member Chris M. asked if the old manager house was now available for rental. ED Bishop answered that yes the newly christened Spruce House has two rooms for rental available this winter and that OLT may need the space again for staff housing for summer.

Board member Scott H. liked the comment that was shared from Colorado College (CC) student volunteers and praised the collaboration with CC.

ED Bishop shared that emergency response staff and volunteers from the valley were invited for day to visit and use the hot springs for one special day in December.

ED Bishop shared that the vaults for the ranch wastewater treatment system are complete.

Board member Chris M. commented that it might be nice to have more than one night for the volunteer appreciation event in December.

ED Bishop mentioned that a water treatment system was installed for the ranch well water because of high manganese levels.

Facilities Manager

Facilities Manager Mark J. gave kudos to all the wonderful volunteers.

Board member Scott H. asked for more information on the proposed controlled burn at the ranch.

Mark J. responded that there is a good amount of tumbleweed on the east pasture that needs to be cleared. Mark J. also shared that he would be coordinating with local fire fighting teams. Guest Dan F. offered support for the burn.

Visitor Services Supervisor

Board member Scott H. asked if OLT was hiring another Visitor Services Manager? ED Bishop shared that he was not going to hire a new manager at this time as different staff was sharing the responsibilities and he was going with a team approach and either a supervisor or team leader.

Acting Visitor Services Supervisor and Volunteer Coordinator Robin "Rosie" R. shared that OLT staff helped 4000 more guests in 2015.

Board member Scott H. pointed out the success of OLT's volunteer program as 5,000 hours of volunteer time is equivalent to 2.5 full time staff.

Board chair John S. followed up on the increase in visitors, asking if these numbers were reached without increasing the capacity quota per day. Robin R. answered in the affirmative pointing to increased visitor-ship during the week and an increase in visitors every month of the year over the previous year.

Board member Chris M. asked what percentage of days we are hitting the capacity number. ED Bishop shared that he would need to investigate this.

Chris M. also asked if the 90 day limit for advanced reservations was still appropriate. Robin R.

shared that this cap good adding that if reservations could be made farther out there would be more cancellations. ED Bishop shared that OLT should stay with the current capacity of 140 (105 overnight and 35 day.)

Board member Geneva M. asked that ED and staff keep an eye open for any negative impacts of having more days where we reach capacity. ED Bishop shared that vehicles make a large impact.

Robin R. shared that 2015 was a great year for volunteer help. ED Bishop suggested board members keep track of their hours as the numbers for 2015 were estimated.

ISS Report

Board Member Scott H. asked who volunteer Tom B is. ISS D Bates gave a brief history. Tom B. was a guest who took a hydro tour and then donated time, tools and materials to help set up remote hydro system monitoring.

Board member Scott H shared that it would be nice to have pond temps online and a weather station. D Bates shared that OLT has a weather station (volunteer Tom B is also responsible for this) and has also talked about an automated valve for monitoring water heated from the governor. John S. confirmed that this water temperature changes depending on electric usage. ED Bishop mentioned that the weather station is at the hydro plant at about 8054 feet elevation.

Scott H. asked about augmenting alternative energy. ED Bishop answered that solar was probably a better option than wind.

Office Manager Report

Office Manager Cherrye O mentioned that the nice hooded robes OLT sells are being phased out by the supplier so she is going to order a large quantity while supplies are available.

A guest suggested that OLT could sell robes made from recycled sweaters.

There was discussion about how to market OLT's pork products. Cherrye O. shared that she has looked into selling shares, as well as retail and wholesale outlets. Guest Dan F suggested more awareness so that folks know OLT has these products. Board member Geneva M. mentioned the 4th Street Market in Saguache and the valley food coalition.

Board member John S. commended Cherrye for a job well done, mentioning her warm inviting-ness and attention. Cherrye O. commented about the overall team spirit amongst staff saying "we love each other and we are happy."

Ranch Manager

Board member Scott H. asked what is going on at the reservoir meanders? ED Bishop shared that the meanders need maintenance. There are areas that leak and some that overflow.

Scott H. asked for status on the bathhouse kitchen at the ranch. ED Bishop shared that staff is

working on finishing the interior, setting sinks and toilets etc. This could be done by spring including a ceiling for the stalls.

Board member Myron H. asked what size and type of truck are needed for the ranch? ED Bishop mentioned that one idea is to put a flatbed on the the existing one ton truck and purchase another $\frac{3}{4}$ ton.

Myron H. mentioned that the board has already approved an amount to finish the gated pipe project at the ranch. ED Bishop mentioned projects that haven't been talked about yet including a pole barn for hay and a new tractor. ED Bishop also mentioned that the "Beehive" house at the ranch does have a small hive and the moving a hive is tough typically losing 2/3's of the population.

Board member Chris M. asked if these things that staff would like at the ranch are in the budget. ED Bishop answered that though they have talked about all these things, they are not all in the budget this year.

Ranch Manager Mike O'Donal joined the meeting and shared that the countertops are set in the bath house/kitchen and sheetrock installation will begin next week, then only finish and plumbing will be left he continued when asked when the facility will be ready. Mike O. continued that proper venting should prevent mixing of any bathroom and kitchen smells as that the toilet areas will be enclosed.

Myron H. asked Mike O. about the income potential at the ranch. Mike O. responded that it depends on the direction we take. Educational classes and workshops can generate income, especially with existing buildings. ED Bishop talked about owning cattle as producing income as well as being critical for improving soil health.

Board member Scott H. asked if it was appropriate to mention another farming and ranching operation and suggested that maybe they could visit.

ED Bishop suggested that this topic about generating revenue at the ranch should be it's own agenda item and not interrupt reports. Soil restoration is the right thing to do, though it doesn't make money he added. Myron H asked if it was feasible to buy manure as fertilizer to help with soil health.

Mike O replied that would probably not be the way to go and returned to the idea of the ranch being an environmental school, making revenue as a demonstration and educational site. Board member Geneva M. remarked that then OLT could qualify for Vista volunteers and grants.

Board, Committee and Task Force Reports

Board Chair Report

Geneva M remarked that board chair John S is doing a great job. There was no additional questions or comments.

Treasurer Report

Treasurer Myron H. shared that OLT had a great year in 2015 with new financial reports and processes in place. He suggested that perhaps a cash planning report could be useful. Myron H. also recapped OLT's financial goals to continue to build reserves, pay off the remainder of the WWTP loan and finding financial stability for the ranch.

Guest Barb T. asked if it was appropriate to ask a question on the financials at this time and it was decided to hold that question until the financial review later in the agenda.

Board Chair John S. called a break at 10:32 am. At 10:44 am he called the meeting to order again.

Committee Reports

Board member Scott H. suggested that the OLT board have an at-large board member position elected by the membership. The Governance Committee is the correct place to address this and that lead to a discussion about looking for a new chair for the Governance Committee. Current chair Don G. shared that he would like a younger person to take this on. Board member Geneva M. shared that chairing this committee is not the right spot for her. John S. clarifies that he is no longer the co-chair of the Governance Committee.

External Affairs Committee

Back to the External Affairs Committee business, ED Bishop shared that OLT will not be having as many outside events this year and no firm decision has been made on whether to have a big dinner event, though he personally has a soft spot for an outreach events like this.

Conservation Committee

Committee chair David M. gave an oral report as there was not a printed report in the packet. He mentioned that ground photo points have been taken and boundaries identified an part of the Essen parcel baseline report. The grass is recovering and it was discussed that the new report will include changes in vegetation and annual monitoring to ensure the land is being taken care of. ED Bishop added that this parcel is not fenced, so sometimes cattle from BLM lease held by others overlaps this land.

Committee member Dan J is getting soil samples for testing "garden" area, hay fields, grazing and water samples and he would like to map the results. Dan F also mentioned that it may be necessary to add trace mineral supplements to help sustain nutrient rich soil, though the distance to ship manure and other supplements may be an issue. Dan F pointed at the key failure point in conservation programs is that though they are good ecologically they do not always make sense economically.

ED Bishop shared that he is attending soil health workshops and is learning that the first years of ecologically beneficial conservation are the most intensive.

Long Term Vision Task Force

Chris M. shared that the task force had a great meeting at the work session of the last board meeting. ED Bishop has been tasked with writing the first draft of the vision statement, working on the framework. Chris M. talked about the work of this task forces crossing many areas. ED Bishop shared that he likes the idea of taking time to plan right now instead of doing.

Old Business

Approve 2016 Budget

Board member Scott H. commented that the increase in income vs. the increase in payroll expense was the elephant in the room, with revenue up 11% and payroll expense up 20% comparing 2015 actuals to 2014. ED Bishop commented that that he looks at the payroll expense ratio to net and gross and asked to confirm if this ratio is a good measurement to which Chris M. answered that the general consensus is that this is a good measurement. Myron H. mentioned different circumstances in the different years that would need to be factored out to get a good comparison.

Board member Chris M. expressed concern that the elimination of the Visitor Services Manager not be overwhelming to ED and current staff and suggested leaving room in the budget to add help if necessary. John S. echoed Chris M's concerns. ED Bishop spoke to this by mentioning the processes in place like the property gate and motion sensors have helped eliminate overnight nuisance calls so the overnights he's taken on are not a burden. He shared that he also likes the awareness of signing donation thank you letters.

Myron H brought up that the strategy of this budget is to underestimate revenue and overestimate expenses. He asked if the board likes this approach or if they would like to tighten it up. Myron H continued that he is OK with the operations part of the budget, but until we get more data on the new database project, the board should hold off approving the capital expenses part of the budget. Further Myron H. suggested that the budget not include paying off the WWTP loan this year and though he favors bonuses for staff if OLT does well but they should not be in the budget.

After more budget discussion, Board Chair John S asked where the board was at in approving the budget. Myron H. shared that he was comfortable approving the ranch this year.

Motion

Board member Scott H made a motion to approve the budget operations net ordinary income line removing \$25,000 from the WWTP payoff and bonuses and increasing the amount for the new website from \$7500 to \$10,000. Board member Martin J seconded the motion. With little further discussion the motion passed unanimously. (Note: The capital expenditures part of the budget was not approved though the Ranch WWTP, Ranch Irrigated Pipe and Ranch Bathhouse/kitchen projects have been previously approved even.)

Lunch

Board Chair John S called break for lunch at 12:09 pm.

Board Chair John S called the board meeting back together at 1:15 pm.

OLT Permanent File Storage

ED Bishop recommended that OLT's permanent file cabinet currently off site at the current board secretary residence, be moved to OLT's storage unit in Villa Grove.

Motion

Board member Geneva M made a motion to move the permanent file cabinet to the storage in Villa Grove. Board member Deb H seconded the motion.

Former board secretary Barb T, commented she was ready to have it moved and the motion passed unanimously without further discussion.

Back to the budget discussion for a moment, board members wanted to address capital expenditures in the budget that were already approved last year. Board member Chris M asked if everything else was in the budget for capital projects. It was agreed that the motion that approved the budget, did not approve capital expenditures. These items will need to be approved at a subsequent meeting.

Updates

October Dinner Recap

Board member Chris M suggested we decide if we will continue the annual dinners-or not. ED Bishop shared that he sees both sides. The event could be an outreach event and not a dinner and there has also been talk about a Ranch event.

WWTP Donations Campaign Recap

ED Bishop asked that we wrap the WWTP campaign removing the progress bar from the website and communicating the success of the project. Board member Chris M suggested that we review the details of this campaign and learn from our mistakes in communicating about it. The board reached consensus in wrapping up the WWTP campaign with a communication narrative and a BIG thank you to those contributors.

Financial Reports

Board member Chris M suggested that the report on page 73 of the board member packet may not be necessary. Board member Myron H shared that the allocation amount reflects priorities. Guest Barb T asked the board if they should keep an allocation to the Stewardship Monitoring Legal Defense Fund once OLT obtains conservation insurance. Staff bookkeeper and board assistant Scott M shared that there will be a proposal at the next board meeting related to this once the insurance is in place.

Questioning the financials board member Chris M mentioned the increase in employee and payroll expenses. Myron H commented that he would prefer to see precise estimates on the budget rather than conservative estimates and asked that Scott M run those expense ratios to total income after factoring out the anomalies of severance, and extra pay period. ED Bishop commented that a reasonable estimate of ratios based on income percentages should be constant.

Break

Board chair John S called for a break at 2:40 pm and the meeting resumed at 2:50 pm.

New Business

“Bee Hive” House renovation

ED Bishop commented about the proposal in the packet to renovate this structure at the ranch, pointing out that the most expensive thing for the 10X20 structure would be the slab with solar thermal. He asked if ranch capital projects should be funded from board designated Land Conservation Fund and not the board designated Capital Saving Fund. Board member Chris M asked if there is anything that might increase cost estimates. Guest David M asked if all the electric costs were accounted for. ED Bishop replied that the wiring costs need to be accounted for.

Motion

ED Bishop asked for \$5400 to allow \$500 for the wiring. Board member Deb H made a motion to approve the renovation of the “Beehive” House at the ranch up to \$5400. The motion was seconded by Martin J. Board member Sarah H abstained from voting and the motion passed with all other board members voting in the affirmative.

Policy Review

Everson Ranch

As outlined in the board packet for the meeting board member Myron H has proposed allocations for operations and capital project expenditures for OLT's Everson Ranch.

Board member Chris M said that this proposal puts the weight on the ED to come up with incentives with Staff to come up with income at the ranch.

Board guest David M asked how much agricultural potential is being utilized at the ranch and also suggested that maybe guests could pay to stay at the ranch.

Board member Scott H commented that Myron M's proposal gives the ED room for enacting his vision at the ranch.

Motion

Board member Myron H proposed three motions as outlined in the board packet. Board member Geneva M seconded. Myron H then asked to table the first two motions and asked ED Bishop to propose a plan at the April board meeting that would comply with those two motions, which would be re-introduced at that time. Geneva M asked if the April time frame was realistic. The revised motion passed unanimously with no abstentions.

Adjourn Regular Meeting: 3:40 PM

The regular session of the board ended at 3:45 pm.

At the work session on January 17, 2016 board chair John S reconvened the board meeting at 9:02 am.

Resolution in support of OLT founders Neil and Terry Seitz

Board Chair John S read the draft of this resolution asking for suggestions or corrections.

Motion

Board member Myron H made a motion to approve the resolution which was seconded by Martin J. After a little discussion about the time frame the motion passed unanimously.

Board Terms Expiring

Checking in with the board members whose terms are expiring in 2016;

Myron H will step down when his term ends.

Deb H is willing to stay on for another three year term.

Geneva M would like to stay on for another three year term.

John S would like a one year extension of his term and stay on as chair.

Board member Scott H suggested that we put the word out for a good candidate for the Treasurer position. Myron H mentioned financial and managerial accounting knowledge as qualifications for a new treasurer.

Board chair John S reiterated that the president of the board cannot also chair in the Governance Committee. Current Governance Committee Chair would like to step down as well. Board chair John S asked if any current board members that would like to take this on. Board member Sarah H asked if there was a description for this position. Board chair John S suggested that the Governance Committee could have co-chairs, one that is a board member and one that is not.

Board member Sarah H is looking into the member at large suggestion that Scott H made at the board meeting. Chris M put it out that the committee is going to have to research this significant structural change.

Chris M. shared that he is stepping down as the chair of the Long Term Vision Task Force and

that he will recruit a new chairperson from within the task force.

2016 Budget Approval

This was being addressed because the capital expenditures in the draft 2016 budget were not approved. After further discussion no decision was reached and the matter was tabled to be taken up at a special meeting of the board later.

At 10:25 am board chair John S closed the meeting of the board.

Submitted by:

Approved by:

_____/_____
Debra Hoffman, Secretary Date

_____/_____
John Standish, Chair Date