

Board Meeting Minutes ~~Draft~~ Final
ORIENT LAND TRUST (OLT) BOARD OF DIRECTORS MEETING
OLT EVERSON RANCH, RANCH HOUSE
SATURDAY, APRIL 16, 2016, 9:00 AM

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: Chris M., John S., Geneva M., Scott H., were present in person. Sarah H., Martin J., Deb H., were present by conference call or video conferencing. Myron H. was absent.
Staff: Scott M., ED Doug Bishop, Mike O., Eric F., Rosie R.
Guests: Roger C., Dan F., Don G., David M.

Meeting Call to Order

Board chair John S. called the meeting to order at 9:08 am and asked if there was any guest comments. Guest Betsy M. commented that the Sunset House looks great and thanked staff for their efforts.

Consent Agenda

Board member Chris M. made a motion to approve the October, 17, 2015 Regular Board Meeting minutes. Martin J. seconded and the motion passed unanimously.

Board Member Scott H. made a motion to approve the January 16, 2016 Regular Board Meeting minutes. Chris M. seconded and the motion was approved by all except Martin J. who had dropped off the call.

Board Member Scott H. made a motion to approve the February 10, 2016 Special Board Meeting Phone Conference minutes. Chris M. seconded and the motion was approved by everyone except Sarah H. and Geneva M. abstaining.

Management Reports

Executive Facilitator

Board member Scott H. followed up on the report's reference to mats around the pool asking if they work. ED Bishop explained that the mats around the south section of the pool have warm water running through small pipes. The mats were installed to prevent slipping on icy surfaces during winter.

Addressing a comment from Scott H., ED Bishop confirmed that he lowered the overall capacity for guests during the winter from 140 to 120 because of stress and overcrowding at the Apple Tree pools which everyone wants to use during colder weather.

Board member Scott H. commented that he has questions about the ranch and he will wait for the ranch discussion later on the agenda. ED Bishop commented that he has been talking to other ranchers and farmers, but he is not ready to make a ranch proposal at the meeting.

ED Bishop shared that he is working on new grant opportunities in the valley. He is not ready to make a land acquisition proposal yet.

Scott H. thanked ED Bishop for the research that he is doing with other ranches and farms.

ED Bishop elaborated on the Ranch Bathhouse Kitchen progress. The toilets are working.

Board chair John S. asked what is the most significant thing that was learned from talking to Venetucci Farms. ED Bishop shared that the operation is really quite different from OLT and closer to a larger population base. The farm is part of conservancy and was gifted to the Pikes Peak Community Foundation which helps sustain it as a working farm. They charge for all tours etc.

Board member Chris M. asked if the ED's research turned up any ideas to increase ranch revenue. ED Bishop shared that it is important to have the market for goods set-up before hand.

Scott H. asked ED Bishop to comment on why they can't make money. ED Bishop shared that they are trying to be a non profit and agriculture is going through a tough time.

ED Bishop shared that Colorado Parks and Wildlife, Baca Wildlife Refuge and forest service personnel walked the meanders with OLT Ranch Manager Mike O., Facilities Manager Mark J., and other staff who received good kudos for the work on this project.

Commenting on the Action Plan report included in the board meeting packet, ED Bishop shared that he does need to have more staff meetings. Scott H. concurred that having employee feedback more often is good.

Responding to another action plan item, Chris M. shared that the Governance Committee needs to step up and elect a new chair to keep things moving. Geneva M. added that current committee co-chair Don G. is looking to step down.

Facilities Manager Report

Guest Dan F. commented about how guests can let staff know of things that need to be fixed. Facilities Manager Mark J. mentioned a clipboard for this.

Scott H. asked about the controlled burn. Mark J. reported that the burn went OK. The fire department was called and OLT's fire truck did get stuck in the field. You only learn this on the ground by doing it and the burn was a success said Mark J. Mark J. also went over which area was affected by the controlled burn.

Scott H. asked about how the ventilation is going in the ranch bathhouse kitchen. Mark J. assured that proper ventilation is addressed and should not cause any issues. In the planning stages is solar panels for hot water and hot air for ventilation, Mark J. shared.

John S. suggested that during lunch anyone interested could tour the bathhouse facility.

Visitor Services Supervisor (VSS)

Chris M. asked if Visitor Services Supervisor Robin (Rosie) R. is getting burned out. Rosie replied no. More front desk staff is being hired for the summer season. Chris M. followed up to make sure the split of overnight duties between the ED and VSS is also working OK. ED Bishop answered that it was working with front desk staff taking the nightly rounds sometimes and then camp hosts pitching in with rounds and overnights for the summer season.

Chris M. stressed how important it is that we monitor impacts closely with increased visitation in the winter and summer. ED Bishop added that OLT has "gone viral" and it is not a secret anymore.

Chris M. asked about the status of nude recreation at the ranch. Rosie R. shared that staff uses proactive language around naturist recreation which is available on all OLT properties.

A guest commented that the feeling from staff and guests at the Welcome Center is inviting like we know each other, which is appreciated.

Responding to a question about the Kid's Science Camp, Rosie R. shared that the naturist aspect is not a problem. Parents are on the property with their kids and the kids themselves have no problem with a mix of participants who choose to wear clothes and those that do not.

Chris M. encouraged the External Affairs Committee to leverage the grant support letters and good comments in OLT's communication.

Comments on this report ended with Chris M. encouraging that Rosie R. please let us know if she is getting burned out.

Office Manager Report

Speaking in Office Manager Cherrye O.'s absence, ED Bishop encouraged folks to try the new pork products from the ranch including bratwurst and italian sausage. He also mentioned that the reason for the higher amounts in Cost of Goods sold was stocking up on OLT's popular robes for sale that are being discontinued.

Ranch Manager Report

Ranch Manager Mike O. shared an update of the work on the ranch bathhouse kitchen. There is trim and tile work still to be done and the kitchen need a stove. The space is useable and Mike will now need to shift his time to outdoor activities. The gated pipe has been delivered and is ready to install. A garden area is being prepped.

Scott H. asked about water loss from the Hydro plant to the reservoir. Mike O. replied that half the water is being lost and he is working on a water bypass from the hydro. ED Bishop added that the meanders system will mature to have less water loss and that our partner on the project, NRCS, is happy with the progress.

Mike O. shared that if we get more spring moisture we'll have more hay. In response to questions about finding a truck for the ranch, Mike O. shared that it has been hard to find the right used truck with the engine and flatbed that would be most useful. He'll keep looking. ED Bishop added that the auction that was mentioned to the board in emails did not have a suitable truck.

The ranch is like an apple tree, Mike O. shared. By the fifth year it's producing fruit, but the work and effort until then is necessary and worth it. He also mentioned possible revenue producing projects like a greenhouse over the methane digester.

ED Bishop mentioned the recreational bike path project from the collection box at the hot springs to the reservoir as a project that may have the consensus to move forward and is approved by The Nature Conservancy who holds the easement.

ISS Report

Scott H. asked about the new database mockup from Nexustek. ISS Bates shared that the customer service has been great. The mockup did not show reservations so that is still a big piece that needs further discovery, which is very important.

Chris M. shared information about the current database upgrade stopgap that he is volunteering to do. He has sent his requirements document to staff and needs a decision to proceed by May

if he is going to make the December implementation. This stopgap will take staff time to test and implement as well.

Answering Chris M.'s question, ISS Bates shared that the backup server will have a new domain.

Break

Chair John S. called for a break at 10:40 am and the meeting resumed at 10:50 am.

Board, Committee and Task Force Reports

Board Chair Report

With no additional questions about the report, John S. shared the importance of reinvigorating the Governance Committee which was echoed by Geneva M. The committee needs new co-chairs, John S. continued. One from the board and one volunteer from the public that is not a board member. Martin J. volunteered to be the board co-chair. Geneva M. also volunteered pointing out that she is not currently chairing a committee. Martin J. withdrew his name for consideration and shared his support for Geneva M. Geneva M. is more comfortable with the governance activities of the committee and would like to recruit a good co-chair to focus on the board recruitment duties.

Current Governance Committee co-chair Don G. shared that there has been several applications received and interest expressed from prospective board member candidates.

Treasurer's Report

There was no other questions about the report. Bookkeeper Scott M. shared an update on the annual financial audit by the accountants. The fieldwork was completed in February and the final exit interview and report will be completed later in April.

External Affairs Committee Report

There was little additional discussion about this report. The committee will be engaged with the new website and ranch celebration event.

Conservation Committee Report

Committee chair David M. presented photos and aerial assessment for the Essen Parcel baseline report.

There was no report for the Internal Affairs Committee or the Site Planning Committee.

Long Term Vision Task Force Report

Scott H. is the new chair of this task force. Scott H. shared that this process of the task force is useful.

New Database Task Force Report

Much of the status on this task force has already been reported and discussed so there was little additional discussion.

Old Business

Ranch Plan and Funding Allocation Proposal

ED Bishop asked that the motions based on completing a ranch plan be postponed because he doesn't feel comfortable presenting a finished plan at this point. He pointed out that the packet includes the existing ranch plan as well.

Scott H. asked if there was anything more to share from the information gathering staff is involved in. ED Bishop shared that he talked with grass fed beef operations that have more land and own their own cows. "Good thing my wife was a teacher," the owner commented.

It could be viable for OLT to own our own cows targeting positive impact on the land and feeding them hay that we grow, ED Bishop continued. Our current lessee has the BLM allotment and we couldn't have animals on those lands. The impact of animals on the land is good for soil and water.

Scott H. shared that he is concerned that half the water is being lost from the hydro plant to the reservoir. ED Bishop said that the current agreement for maintaining the meanders lasts until 2020. Mike O. chimed in how important it is to continue the protection of endangered species of fish at the meanders. This work fits very well with OLT's conservation goals he continued. We can be productive growing hay and even hemp with the current amount of water. ED Bishop mentioned that the partnerships with the NRCS, CPW and others that built and maintain the meanders and fencing are also very important.

Can we increase water for ranch activities without endangering the fish habitat, Scott H. followed up. Mike O. discussed the maintenance of the meanders and David M. chimed in about monitoring water loss. ED Bishop answered that the NRCS does monitoring, adding that to him the question is how can we best use the water we have given the long term nature of the meanders project.

Board member Scott H. wanted to bring up the discussion about whether growing pot has any viability. Board member, Geneva M. responded that as a federally designated 501c3 we must follow federal laws and growing pot is not legal under federal law.

Other ranch revenue discussion mentioned the potential of growing quinoa, honey from beekeeping and even green burial and memorial park services. ED Bishop stressed the need for diversification of the ecosystem and to understand the markets and product demand before we settle on a crop/idea. Mike O. mentioned that educational opportunities at the ranch could be pursued.

Scott H. asked about the use of hydroponics and greenhouses to leverage the warm water for growing. Mike O. pointed out that we must stay within the building envelope designated by the easement and this could include at the hydro plant before water goes through the meanders to the ranch. By the time the water gets to the ranch it is not very warm he concluded. Chris M. asked about the possibility of a new well at the ranch.

ED Bishop urged that we look at costs and benefits and take the long view. Let's do the best with what we have and let the capital investments we've made work, he continued. Guest and conservation committee member Dan F. commented that slow and steady was OLT founders Neil's and Terry's way of doing things and it works.

Scott H. brought the discussion back to the proposed \$50,000 per year allocation for capital investment. He asked if there is a way to spend more on investment now to lessen the amount in subsequent years. Show me the market and I will invest, ED Bishop replied. Chris M. mentioned his concern about project creep with the ranch so we protect against the allocation for the ranch becoming larger than donations can sustain. Geneva M. said the challenge for the board is finding the balance.

Chris M. asked about the status of the old bunkhouse building at the ranch. Mike O. commented that the first priority is fences and water, then buildings.

OLT Staff member Eric F. shared that OLT is in a unique position with the ranch given the disappearance of small diverse family farms and he also spoke in favor of educational goals which he commented are very important.

Lunch

Board chair John S. called a break for lunch at 12:02 pm. At 1:08 pm the meeting was called to order again.

Transfer Funds from Stewardship Monitoring and Legal Defense Fund

At past board meetings, the board discussed transferring funds from the board designated Stewardship Monitoring and Legal Defense Fund (SMLDF) to other board designated funds. These funds were not moved because OLT did not have Conservation Defense Insurance that would help cover the intent of the SMLDF. Now that OLT has obtained this insurance, the board considered this again.

Motion

Chris M. made a motion to transfer funds in excess of \$60,000 out of the board designated Stewardship Monitoring and Legal Defense Fund (SMLDF) into the board designated Operating Reserve Fund. Scott H. seconded and with no further discussion the motion passed unanimously.

Chris M. made a motion to suspend the quarterly allocation of transfers to the SMLDF (contingent on OLT maintaining Conservation Defense Insurance) and amend the quarterly allocation of funds so that 100% of Land Conservation Program revenues minus Land Conservation Program expenses now go to the board designated Land Conservation Fund. Geneva seconded the motion. Chris M. commented that the board should review and reevaluate the amount of funds that are necessary to hold in the SMLDF at each January meeting. Without further comment the motion passed unanimously.

Financial Reports

ED Bishop brought up the surplus that OLT is likely to have at the end of April in the Winter Savings account.

Scott H. asked if the asset values of land parcels on the balance sheet are based on what OLT paid? ED Bishop answered no, not on the Sussman and Ranch parcels. Scott H. commented that he didn't believe there was a way to increase these values on the balance sheet.

Chris M. suggested that the Internal Affairs Committee review OLT's investment of cash reserves.

Scott H. questioned the 60% employee expense to total income. ED Bishop commented that the first months of the budget underestimated employee expense and that more staff was hired earlier in the year.

Guest Roger C. was given permission to ask about the expenses in the Village Improvement category. ED Bishop answered that this increase in expenses is due to the pool mat project.

Scott H. mentioned that there has been lots of positive feedback.

In relation to the Stats Charts, Chris M. commented that he likes the running sums on Donations excluding Government.

Scott H. asked what the maximum income would be if OLT was at capacity every day. Probably maxed out at \$200,000 a month.

There was a brief discussion about the Methane Digester during this section of the meeting ED Bishop reminded the board that the leach field was budgeted to complete a septic system, but the upgrades to complete the system as a methane digester are not in the budget for this year.

Sarah H. reminded the board of founder Neil S.'s concerns about producing methane gas that he expressed at the board meeting last October. To her questions about the need for a no open flames policy, ED Bishop responded that we need to know if the system is not working but such a policy would be a last resort.

John S. asked if it was feasible to have appliances work with propane as well. ED Bishop pointed out that there are two different sized jets and that we'd set it up for propane first.

Break

John S. called for a break at 2:15 pm and resumed the meeting at 2:27 pm.

New Business

Proposed Ranch Celebration Event

Board member and External Affairs Committee Chair Deb H. shared that staff and committee members are excited about having a dinner event at the ranch in the fall. Chris M. commented that if we have a 100 people at the event we may need additional porta-potties. Chris M. spoke in favor of the event and called it great outreach even if we lose a little bit of money. Addressing concerns about access and ticket prices, staff mentioned that there would be reduced ticket prices for anyone that volunteers to help with the event. No formal board approval for this event was necessary and staff and the External Affairs Committee were given the go ahead to proceed with the event.

Treasurer Position and checklist documents

Motion

Geneva M. made a motion to approve the additions to the board treasurer description as written in the packet. Scott H. seconded. Chris M. commented that the motion could be approved barring any conflict with OLT Bylaws. John S. commented that these changes to the description are additional to the the Bylaws. Without further comments, the motion passed unanimously.

Policy Review

Member at Large Board Position

Board member Sarah H. brought up the topic of creating a Member at Large position on the OLT board. There are many questions about how to design this position to achieve the goals. Scott H. commented that the Bylaws would have to be changed and it would have to be worked out if this position would be involved in Executive Session.

Sarah H. mentioned that OLT used to have a board liaison position which was non-voting. Sarah H. also shared that she has not found a good model from the Sierra Club for this position. Scott H. shared that he feels strongly about this because of concerns that the board doesn't become too insular. It was mentioned that perhaps the Governance Committee can serve this same purpose.

Chris M. commented that perhaps the existing member social media group that already exists, could be a more proactive channel. John S. summed up the goal to broaden support from the whole membership. ED Bishop commented that the current OLT structure was successful in dealing with past problems and responding to a wide range of member interests.

Board member Geneva M. commented that she would like Sarah H. to be on the Governance Committee and more active membership participation on the committee. Scott H. thought that expanding Governance Committee participation and representation was key and would be a good avenue to follow.

Adjourn Regular Meeting

Board chair John S. adjourned the regular board meeting at 3:35 pm.

Submitted by:

Approved by:

 / 7/14/16
Debra Hoffman, Secretary Date

 / 7/16/16
John Standish, Chair Date