MINUTES OF REGULAR MEETING OF THE VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS June 19th, 2023

The meeting was convened at the home of Ron Stites on June 19, 2023. It was noted that Maureen Bendure was the only person responding to the call for nominations to the 1B Board Member position. Hence, Maureen became the 1B Board Member. The meeting was called to order by President John Conroy at 6:31 pm.

Present at the Meeting were:

- Board Members
  - John Conroy (President and 2B)
  - Ed Cole (Treasurer and 1A)
  - Maureen Bendure (1B)
- Visitors
  - Ron Stites, Stites & Associates, LLC (Office Manager)
  - Charles Elliston
  - Carl Goeritz ("Buddy")

John presented the Agenda from the June 12th Meeting. That Meeting was postponed because there was not a quorum. The June 11th Agenda was accepted by acclamation (see attached).

The draft of the May Board Minutes was approved without objection.

Treasurer's Report.

- Financials:
  - Monthly Profit/Loss
  - YTD Profit/Loss compared to Budget (to be posted on the website)
  - Balance Sheet (to be posted on the website)
- Ron summarized our financial position and noted that we have more than $250K in some of our checking accounts. These amounts exceed the FDIC cap of $250K per account per institution. We need to move more money into CDs. In the interim, we may want to leave the TBK account open and open up a couple of savings accounts. Moving the money into two checking and savings accounts would increase our FDIC insurance coverage to $1 million. John moved that we keep the TBK account for now, and Ron worked on setting up savings accounts at both TBK and Bank of Colorado (BoC). Maureen seconded. The motion passed unanimously.
- Ron reported an incident with the most recent direct deposit from Verdad. Because we were working on closing the TBK checking account, we requested that our direct deposit be changed from TBK to BoC. We had made only one direct deposit to TBK. When Verdad saw that we had made only one direct deposit before asking for a change, they thought this was suspicious. They tried to contact Van Aire but had only an old phone number for some reason. The

Member called Ron, and he talked to Verdad. They asked specific security questions and wanted to speak to our Treasurer, Ed Cole, to ensure everything was legit. They talked to Ed, and the direct deposit cleared into BoC by that afternoon.

- Ron reported that John Valentine of Balson Faix & McVey reviewed our Covenants and Bylaws to determine if the purchase of real estate adjacent to the ends of our runways would be an acceptable use of O&G money relative to our 501(c)(7) tax-exempt status. He replied via email:
  - "The purchase of the adjacent real estate with the O&G money appears to further Van Aire's tax-exempt purposes by protecting the airport. Therefore, the purchase should not jeopardize Van Aire's tax exemption."
- Ron reported on a letter from Altitude Law. This report is in the Covenant and Bylaw Review Committee section of these Minutes (see below).

Audit/Internal Fiscal Review Committee:

- Nothing new to report.

Fuel Committee:

- John volunteered to check on our fuel inventory and reorder if needed.
- Charles Elliston is back on the Fuel Committee.
- Charles offered to review the Draft Fuel SOP and resubmit that to the Board.

Nominating Committee:

- The Committee has no members. John volunteered to bring this up at the June 24th gathering and solicit volunteers (see below under Old Business).
- Nothing additional to report at this time.

Runway Committee:

- John reported that Mike Beckhoff (PE) with Armstrong Consultants visited Van Aire and sent us a quote for work. The quote contained four elements:
  1. Review current status and needs.
  2. Detailed review and evaluation of a list of issues.
  3. Engineering design for locating and painting displaced thresholds.
  4. Replace the VASI system with a PAPI system that would run 24/7.
- John suggested that this be another topic of discussion at the June 24 gathering.
- Charles presented a long list of questions that need to be answered before making a decision on displaced thresholds. These are summarized below:
  1. Why were the original displaced thresholds put where they were? Specifically, was placement based on regulatory or safety concerns at that time?
  2. Did the Board re-evaluate the regulatory and safety concerns of Question 1 (if they existed)? Was that re-evaluation the basis for making a change? Was that documented?
  3. Without adequate answers to Questions 1 and 2 above, could a shrewd attorney construe removing the thresholds as contributory negligence should a plane landing at Van Aire strike a passing semi or another vehicle on one of the roads at the ends of our runways? Could such an event result in damages

(perhaps even punitive) that could seriously harm Van Aire and its Owners? Could such a result even put Board Members in jeopardy?

4. Given Questions 1-3, would it not be prudent to have an outside expert give us an opinion on reasonable things to do on displaced thresholds? Would not such an opinion, if followed, reduce our exposure?

- Ed moved to implement Option 1 of the Armstrong quote. It became unclear whether Option 1 would give us enough information to make a good decision. It died without a second. John volunteered to get more details from Armstrong and report back to the Board.

Common Area:

- Nothing new to report.

Investment Committee:

- It was noted that we need to move more money into CDs.
- Ed moved that we hire an attorney to negotiate property acquisitions to carry forward negotiations that can be presented to the Members for approval. John seconded. The motion passed unanimously.

Oil and Gas Committee:

- Nothing new to report.

Covenant Review Committee:

- Ron reported that Altitude Law was asked to review our Covenants and Bylaws to determine the Membership vote needed to approve real estate purchases. David Firmin replied with a letter (attached) and a follow-up email clarifying points (also attached). The responses dealt with that question and went a little further in explaining voting. The “bottom line” is summarized below:
    - It takes a 75% vote of all owners to authorize real estate purchases.
    - CCIOA 38-33.3-103 defines Van Aire as a Common Interest Community (CIC).
    - CCI)A 38-33.33-117 classifies Van Aire as a pre-existing CIC and says what other CCIOA Sections apply.
    - CCIOA 38-33.3-209.5 lists “good governance” policies we must write.
    - CCIOA 38-33.3-217 tells us that changes in Covenants require a 67% vote of all owners.
- It was noted that John Valentine was moving to another firm. Ed moved that we stay with John Valentine since he seems to have the needed expertise. John seconded. The motion passed unanimously.

Old Business:

- June 24th gathering.
    - This gathering will be a brainstorming session at the Green Valley Grange. The hours will be 1 pm to 5 pm. Five flip charts will capture ideas at five different “stations.” John will send out a reminder.
- Tax Strategy

  - We will gather information at the June 24th gathering.
- Airport Rules and Regulations:
  - See above under Runway Committee.
- Revision of Bylaws and Covenants:
  - See Covenant Review Committee above.
- Walking Path:
  - We will gather information at the June 24th gathering.

New Business:

- There will be a Special Members Meeting at 1 pm on July 16th at the Pavillion (Picnic area). The purpose will be to elect a Board Member at Large. Nominations are open now and will remain open until three days before the Meeting.

Next Meeting: It will be in July, but the date remains open. John will try to coordinate with Tom Edwards for a date and time that works for him.

The Meeting Adjourned at 9:45 pm.

AGENDA OF THE REGULAR MEETING
OF THE
VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS

12 June 2023

PRESENT:

Directors: 1A Ed Cole (Treasurer) __________
1B Vacant _________
2A Tom Edwards__________
2B John Conroy (President)__________
Member At-Large (vacant)__________
Ron Stites (Office Manager)__________

Guests:

The meeting was called to order by ______________ at _______,

Meeting Minutes for May 2023 board meeting minutes review, approved_______________.

Financials - Ron Stites
* Tax strategy issues brought up at Annual Meeting
* Tax Attorney responses to questions

Committee Reports

- **Audit Committee** – Wendy Odenbrett, Ed Cole, Laura Larkin, Helen Gaines
  - We are planning an external audit for 2024
- **Fuel Committee** – Tom Thrall, Jim Vyduna, John Conroy, Ed Cole, Ryan Bendure
  * Fuel availability issues - do we need new vendor?
- **Nominating Committee** - Vacant
- **Runway Committee** – Vince Phelps, Charles Elliston, Wayne Henke, John Conroy
  * Continued discussion around displaced threshold, other runway markings and improvements.
  * Have received bids from Armstrong Consulting re: runway/common area analysis for varying levels of work.
- **Common Area Committee** – Terry Jackson, Vince Phelps, Charles Elliston
- **Architectural Control Committee** – John Conroy, Laura Larkin, Maria Riehl
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- **Investment Committee** –Jim Vyduna
  * Discuss CD and Deposit accounts in light of O&G receipts, FDIC limits
  * Progress on potential 156th property acquisition info

- **Oil & Gas Committee** –Don Smallwood and John Allison
  Update on Oil & Gas royalties received
- **Covenant/Bylaw Review Committee** – Carl Goeritz
  * Clarifications letter received from Altitude Law re: voting criteria for future elections
  * Second letter sent to Altitude requesting more precise language for their answers

OLD BUSINESS -

* Changes to Airport Rules and Regulations - discuss softening the language and re-titling the first chapter.
* PES pursuit and financial status
* Develop document control policy/system.
* Bylaw and Covenant Overhaul this year
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NEW BUSINESS

Discuss agenda items/methods for First Annual Van Aire Get Together (24 June)
Recruit Block 1B board member and set Special Meeting to replace At-Large member.
Need members for Covenant/Bylaw Committee

Tabled Items

Notes from the Secretary

- June 2023 VASC Board Meeting schedule? ______________