VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS
Meeting Minutes for August 19, 2024

The meeting convened at 15725 Elk Circle, Brighton, CO, on August 19, 2024, at 6:35 pm.

Present at the Meeting were:

- **Board Members:**
  - Ed Cole (1A)
  - Maureen Bendure, Vice-President (1B)
  - Buddy Goeritz (2B)
  - Charles Elliston, President (Director At-large)
  - Ron Stites, Stites & Associates, LLC (Office Manager, attending electronically)
  - Tom Edwards (2A) was absent
  - Secretary Jenny Mack attended electronically
  - Treasurer Jim Baker was absent
- **Guests**:
  - Jim Vyduna (fuel committee)
  - Don Smallwood

1. Director Elliston called the meeting to order at 6:35 pm.

2. Secretary Mack
   - verified that meeting notice was issued in accordance with the bylaws,
   - conducted a roll call,
   - verified that a quorum is present,
   - verified that the previous month's meeting minutes have been approved via email.

3. Director Elliston presented the proposed meeting agenda and called for a motion to approve the agenda as presented with amendments. Director Cole moved to accept the amended agenda as presented, Director Bendure seconded, motion approved.

4. **President's Report**:
   - During the recent hail storm, the wind socks were shredded. Director Bendure fortuitously purchased two new windsocks at KOSH. Brandon Jewett graciously agreed to install them and got it done very quickly. A big **THANK YOU** to both Director Bendure and Mr. Jewett for their initiative and energy in solving this problem quickly.

- Shortly after the last monthly board meeting, Casey Meeks contracted with Prairie Dog Pros to mitigate our colony on the west end of the common area. It appears this will be an ongoing problem. **KUDOS** to Mr. Meeks for his initiative and energy is dealing with it in a timely manner.
- Director Tom Edwards drew upon his extensive experience as an FBO line boy many years ago, and took it upon himself to disassemble, repair, lubricate, and reassemble the formerly defective fuel dispensing nozzle at the VASC Fuel Facility that had been replaced with an inappropriately-sized automotive fuel nozzle (my bad, says Charles), thus restoring our fuel dispensing system to its originally aircraft-friendly status. A **BIG THANK YOU** to Tom Edwards for that very helpful action!
- Office Manager Stites and I had an extensive conversation with VASC tax attorney John Valentine regarding the failure of Verdad Resources to pay severance and Ad Valorem taxes to the state that they withheld from our disbursements. Mr. Valentine will be researching the law and communicating with Verdad to resolve this problem.

5. **Treasurer's Report**:
   - Financials:
     - Officer Manager Stites, updated the board on the financial health of the corporation. At the moment, we are still under budget, and the corporate finances are healthy and balanced.
     - Office Manager Stites also noted that the AvGas report seemed to be off by around $12K. Fuel Facility Committee member Jim Vyduna noted that a fuel purchase of around that amount was made in July. It appears that the pictures of the invoice and Veeder Root readings did not get to Office Manager Stites. Mr. Vyduna sent the pictures again. Office Manager Stites will revise the financials and post them to the website.
     - Office Manager Stites provided more detailed explanations to the board regarding the situation with Verdad Corporation’s withholding of Colorado Severance Taxes, and our efforts to recover from them the payments we were forced to make to the state, and the fine the state levied on us for non-payment of the monies Verdad withheld but did not remit.
     - Office Manager Stites also reported that a payment of $87,000 in estimated quarterly federal income taxes and $21,000 in estimated state taxes will need to be remitted prior to September 15, 2024. The board informally agreed to move forward with these remittances.
     - Director Elliston reported on progress regarding an EFTPS (Electronic Federal Tax Payment System) payment to the IRS for 2023. The IRS is aware that we

have paid the money but it will take time to get the payments credited properly. Apparently, the problem was a consequence of the taxes being paid using an incorrect reporting form (something very easy to do given the complexity of the IRS website). Because of this, the money went to the wrong department of the IRS. It also resulted in the IRS erroneously fining us for not paying our taxes (which we did pay). Director Elliston, Office Manager Stites, and former board president John Conroy are working with the IRS to resolve this issue as expeditiously as possible.

  - Office Manager Stites discussed the possibility of creating a specific budget line item to identify and quantify the Operations and Maintenance (General) reserve fund. More on this at the next meeting.

6. **Committee Reports:**
   - **Architectural Control Committee:**
     - The board discussed a proposal by Adam Vaughn to partner with Rod Woodard in creating a drainage system that would spill into the bar ditch on the east side of Fortune Court towards 160^{th} Avenue. Director Cole moved, and Director Goeritz seconded that the ACC should require that Adams County formally approve the plan prior to the ACC granting approval. The idea is that if something goes wrong later, the County will be on the hook, not VASC. Two board members voted to approve the motion, one abstained. The motion was approved by a majority of the quorum present, so the motion passed. The Architectural Control Committee will be tasked to notify Mr. Vaughn in writing of the board's decision ASAP.

   - **Audit Committee:**
     - Director Elliston suggested that an external audit has not been performed in living memory. The VASC bylaws and good operating practices require that an external audit be performed from time to time. Office Manager Stites stated that a true external audit could cost $10,000 or more. The board decided that a less expensive external "review" might be adequate and preferable from a cost standpoint. Director Goeritz and Office Manager Stites agreed to search for an auditing firm to conduct a review, for presentation at the annual meeting in 2025.

   - **Common Area Committee:**
     - Don Smallwood briefed the board on the presence of a ditch just inside the western property line of the recently acquired southeast property into which a neighboring home's leach field is leaking. He suggested we should call

    Adams County to seek remediation of this problem.
  - Mr. Smallwood also indicated that the bar ditch on the south side of the same property was accumulating storm water and also required remediation.

- **Covenant/Bylaw Review Committee:**
  - Director Goeritz has identified possible committee members but has not yet contacted them.
  - Director Goeritz briefed the board on the need for a corporate "Approved Vendor's List/Vendor Management Policy" to ensure that future vendors are qualified and capable of providing the services for which they have been approached. He further provided the board with copies of a proposed vendor management policy to study, in preparation for discussion at the next scheduled board meeting (see attached).
  - Director Goeritz discussed the need to amend the Bylaws to make them consistent with other governing documents, and reflect how we have been doing business. He will present an outline version of suggested amendments to the board for consideration at the next board meeting (see attached).

- **Fuel Facility Committee:**
  The Fuel Committee is currently comprised of Jim Vyduna, Charles Elliston, Ed Cole, Ryan Bendure, and Dan Metz.
  - Fuel Facility Committee representative Jim Vyduna and Director Elliston updated the board on the recent fuel purchase, replacement of the fuel nozzle, installation of a new hose, completion of the annual state required inspection, and progress on the fuel shack door keypad problem.

- **Investment Committee:**
  - The Investment Committee is comprised of Director Bendure, and Office Manager Stites.
  - Office Manager Stites indicated that recent payments from Verdad will be placed in CD's in September.

- **Nominating Committee:**
  The Nominating Committee is comprised of Maureen Bendure, Tom Edwards, and Kathy Metz.
  - Director Bendure reported on progress toward identifying candidates for director positions that will become vacant and need to be filled at the 2025 Annual Meeting. Currently, Ed Cole is the only Director known to be retiring at the end of this year.

- **Runway/Facility Committee:**
  The Runway/Facility Committee is currently composed of Vince Phelps, Charles Elliston, Wayne Henke, John Conroy, and Leon Brodie.
  - Director Elliston updated the board on progress with crack sealing for the 2024 season. Last year's contractor refused to honor requests for warranty work to mitigate substandard work last year. Efforts are currently being made to locate a competent contractor who will meet the requirements of the proposed Vendor Management Policy for this year's work.

- **Oil and Gas Committee:**
  The Oil and Gas Committee is comprised of Don Smallwood and John Allison.
  - The Committee representative, Don Smallwood, had nothing new to report.

7. **Old Business:**
    - No old business topics were discussed.

8. **New Business:**
   - A cursory review of the membership survey forms indicated a significant shortcoming in the design of the forms. Due to the late hour, the board decided to defer examination of the survey to the next meeting
   - The board agreed to set the date for the Annual VASC Fly-in Picnic for September 28^{th}, 2024. The board further decided to invite the Colorado Pilot's Association as well.
   - The board set the date for the VASC Annual Membership Meeting in Q1 2025 to January 11^{th}, 2025.
   - The board decided informally to move forward with securing liability insurance coverage for the newly acquired common area properties through Flood and Peterson. Director Elliston will follow through with that action.
   - Director Elliston discussed the need to electronically record board meetings to better facilitate accurate minute taking.
   - Jim Vyduna presented an option to facilitate electronic attendance of board meetings and electronically record meetings. He will purchase the necessary hardware for his own purposes, but bring it to the next board meeting to exhibit its capabilities and allow the board to decide if it is worth the cash investment.
   - Director Elliston discussed the need for a VASC Mission and Vision Statement to guide the board in short-term and long-term decision making (see attachment). The board will consider this proposal and render a decision at the next meeting.
   - There was further discussion of the proposed "Vendor Management Policy" (see attachment). The board will consider this proposal and render a decision at the

next meeting.
- The Board adjourned into Executive Session per VASC Bylaws ARTICLE VIII, Section 2, (e).

9. **The next board meeting** was scheduled to be held at 6:30 pm on September 16th at the Grady's residence.

10. **Adjournment**: The meeting was adjourned at 9:27 pm.

Addendum:

Record of Board Motions at the August 19, 2024 Meeting:

- The board moved to require formal Adams County approval of a proposal by Adam Vaughn to partner with Rod Woodard create a drainage system that would spill into the bar ditch on the east side of Fortune Court towards 160th Avenue prior to Architectural Committee approval of the plan. Further, the board directed that Mr. Vaughn should be notified of this decision in writing ASAP.