

AAFPO Special Board Meeting 11/30/23

The meeting was called to order at 5:30 PM MST.

Roll Call – Price

Erik Sevigny, President	Present
Bruce Roach, Vice President	Present
David Simon, Treasurer	Present
Kyle Price, Secretary	Present
Kellie Buchanan, Director	Present
Kristen Devlin, Director	Present
Michael Martin, Director	Present
Glen Tillery, Director	Present
Samantha Weeks, Director	Present
Andy Whitacre, Ex Officio	Present

Quorum established.

1. Approval of Agenda – Sevigny

2. New Business

- a. Resolution Vote: Funding Structure for the Addition of a Pickleball Center and New Chairlift in Partnership with the Resort – Sevigny
 - i. Erik explained that he called the Special Meeting to discuss and vote on the aforementioned Resolution. He gave a brief overview of the Resolution and a brief history on previous discussions between AAFPO and the Resort.
 - ii. The Resolution is to add 8 Pickleball courts, a Pro Shop and other improvement to Olympic Park and make this an Amenity and add a new high-speed chairlift to the front side of the ski mountain.
 - iii. The Resolution defines three sources of funding: Capital Improvements, New Amenity, and Discretionary Funds.
 - iv. The Pickleball Center will come from New Amenity Funds, the New High-Speed Chairlift will come from Capital Improvement and Discretionary Funds.
 - v. Total AAFPO costs will be approximately \$5.2M of the total cost of \$18M to \$20M. Seventy percent of the Discretionary funding will go toward the Pickleball Center and 30% toward the High-Speed Chairlift. The BOD must approve these funding sources.
 - vi. Approval of this Resolution will allow AAFPO to move forward with the Resort in developing a Partnership Agreement, defining the specifics of the contract for the project.

- vii. Erik pointed out that these improvements have been vehemently supported by the membership and will add to the property values of all members, regardless of membership level.
- viii. Erik opened the floor to questions from the Board.
 1. Kyle asked a number of questions regarding what this Resolution will obligate AAFPO to, specifically the \$5.2M and a 1.75% annual assessment increase to all members. It was pointed out that this Resolution allows for further detailed negotiations with the Resort and paragraph 5 gives us the option to decommit should project or negotiations go south. This Resolution provides for good faith negotiations going forward. Erik mentioned we have a written legal opinion from our attorney stating paragraph 5 gives us this escape clause. Erik will forward the e-mail to Kyle.
 2. Kyle asked if other sources of funding could be pursued and if paragraph 1 of the Resolution would preclude this. (Paragraph one states the three sources of funding mentioned previously). While it currently looks like the Board will not pursue other sources (i.e., excess Operating Funds), should this change, the Partnership Agreement could address this.
 3. Kyle asked about AAFPO protection against project over-runs. It was previously discussed that AAFPO costs would not be impacted should the overall costs increase. This is still the case and will be addressed in the Partnership Agreement.
 4. Kyle asked if committing 50% of our Discretionary Fund over the next 15 years will put current amenities at risk (this is the 4% funds AAFPO receives from the Resort annually to drive maintenance and improvement to the amenities. This Resolution will commit 50% of these funds to pay for this project). Erik pointed out that the terms reached for building the new Country Club were similar, committing 50% of Discretionary to pay for the building, and the amenities did not suffer. Bruce pointed out that the Resort has a vested interest in keeping the amenities in good condition and will commit the resources necessary to do this.
 5. There were no further questions.
 6. David reiterated what Kellie previously suggested, that we should boil the cost down to the dollar amount each member will see, by membership level, as an annual increase in dues. All agree this should be put into the Member Communication package that Kristen has already started.
 7. Kristen talked about the Membership Communication package that she has already begun creating. The plan is to update this with the details as the negotiations on the Partnership Agreement progress and to keep the membership fully informed.

- ix. Erik made a motion to vote on the Resolution, Bruce seconded, motion passed.
- x. Erik asked for individual votes for the record:
 - 1. Sevigny – Approve
 - 2. Roach – Approve
 - 3. Simon – Approve
 - 4. Price – Approve
 - 5. Buchanan – Approve
 - 6. Tillery – Approve
 - 7. Devlin – Approve
 - 8. Weeks – Approve
 - 9. Martin – Approve
 - 10. Whitacre – Non-voting member
- xi. The Resolution to proceed with the Pickleball Center and High-Speed Chairlift improvements was unanimously approved!
- xii.
- xiii. Next steps – Erik will appoint a committee to further the discussions and enter into a Partnership agreement with the Resort.

3. Adjourn

- a. Erik motioned to adjourn the meeting, Kyle seconded, motion was passed.
- b. Meeting was adjourned at 6:01 PM MST.

4. Action Items:

- a. Erik to send attorney opinion e-mail to Kyle. Due 5.
- b. Erik to appoint Committee to develop Partnership Agreement. Due ?