

April 26, 2014 CMC Board Minutes

9:10am Call to Order

Attendance Matt Stevens

Kevin Duncan, President; Matt Stevens, Secretary; Uwe Sartori; Scott Otteman; John Spidell; Kevin Volz; Donna Lynne; Tracy Atkins; Craig Clark; Matt Biscan

Guests: Katie Blackett, CEO; Chun Chiang, Director Finance

Absent: Ray Shem, VP; Linda Lawson, Treasurer

EXECUTIVE SESSION

The Board went into executive session to discuss the CEO search process.

Finance report from Chun Chiang

In good position financially. Membership is hurting but makes up less than 1/3 of revenue.

10:45am

OPEN SESSION

George Barisas arrived

Tracy Atkins moved to authorize the Search Committee to expend up to \$30,000 to retain a search firm/consultant to assist with the CEO search process. Uwe Sartori seconded, and the motion passed with unanimous consent.

10:53am Break

11:10am

Call to Order Kevin

Attendance: Matt Stevens

Biscan moved to approve as amende, Tracy seconded, Unanimous Consent/

Uwe Discussed Year of Mountaineer

High Altitude Mountaineering Committee

Report to the Board

YOM World Summit Series Update

The six summits targeted have leaders and dates.

Our current work is focused on promotion, marketing & participant recruitment.

The initial e-mail announcement distributed by the state office and an earlier notice from HAMC to its community of climbers have generated 70 inquiries. Denali had enough inquiries to have two trips. The CMC website has been updated to contain a YOM link and HTML pages are built with more being added. Please take a moment to review the site and HTML pages for the YOM campaign.

The division of labor between HAMC and Adventure Travel represents a tag team working well. Steve can speak to the climbs they are handling.

Everest has been an adventure and we haven't even left Colorado.

Chronology

Original Plan - work with Denver Sister Cities International and Kunming for an Everest American-Chinese Climb team with great sponsorship, story, etc. - DOA

Move on to plan B:

Straight up, self-funded climb. We have secured an outfitter and a rate of \$24K if CMC can put up 3-4 climbers to do the NE Ridge route on the North side.

Look at an alternative - Plan C:

AT & HAMC sponsored Everest Base Camp Trek and Island Peak climb. Everest climbers participate, using the Island Peak climb as 'on-site' high altitude training. AT has as its leader, Pemba Sherpa from Boulder, and a unique opportunity to train a future AT leader for adventures in this area. The Everest climbers would stay on at Everest base camp and continue their climb up the South side. This is attractive to AT because such trips can handle up to 30 people. A potential high revenue generator for CMC. This can go on whether or not the Everest climbers go or not go.

The Everest considerations

The price for the Everest climb goes from \$24K to \$34K if going from North to South. A barrier for at least three people who expressed an interest. For me, so very close to a deal breaker. Throw into the mix the Mt. Everest catastrophe this year, the enthusiasm for doing a south col route is low. Maybe next season is the best, maybe it is a zoo- "The Return of Everest" and even more expensive.

I have two drivers - my personal question - how high can I go? The other is putting a CMC flag on the summit. For a mountaineering club it is an appropriate aspiration. Thus far this has been a quixotic adventure, with all things fluid and uncertainty of outcome - similar to some climbing adventures I have had.

The CMC marketing department - Rachel, is doing good work in branding the program and there is an on-going marketing plan for traditional and social medias. I was on the website yesterday and happily surprised to see a banner of the World Summit Series.

At this time, we are not pursuing fund raising for WSS.

Current Tasks:

Program details for each climb

Recruit and secure participants

Training

Continue the brand building of the program

World Summit series 6/7 summits, leaders and dates assigned. Focusing of marketing and participation. Joint Venture between HAMS and Adventure Travel.

Steve Bonowski added the Aconcagua (Bill Blasic (SP) and Kilimanjaro (NAME?) have leaders, Australia, and Steve will lead Elbrus; Everest Base camp/Island Peak trip have AT liaison. A few other peaks may be added, looking at Ecuador (Cotopaxi, Chimborazo, etc.).

Also working on “canned trips” that are offered regularly, with the same itinerary and the local outfitters. Did two trips to Orizaba for first time in a decade. Looking to offer again in 2015, may be part of the YOM.

Several ways to become a leader, need technical leadership experience for some peaks. Have a fewer than 20 people who can lead technical. Had class on March 1st, had 7 new leaders, some who may be able to lead technical climbs. We also have a growing mentorship program.

George Barisas favored adding a trek approach with a Lotse option. The North is a good route to the summit, but the South offers more fun, big vista. Cost is a big driver, and the South is \$34k rather than \$24k.

Linda and Judith are leading the RMNP work – liaison with the park itself on web marking and the history of the CMC in RMNP. The Park’s centennial is September 2014-September 2015. Our goals are already 50% there, with leaders.

11:32am Uwe and Steve were thanked

Officers; Reports:

Katie – CEO

Working with Matt on handing over role, she’s doing the SCFD report in July. Online Summit Register is ramping up marketing this climbing season. Sending list to all leaders of peaks that need registers added. Laminated forms to be put in the registry boxes. The paper registers come down in illegible form.

Bonowski: can we give leaders decals to put on top of the 14ers.com decal on the canisters? Yes – we’ll give the leaders Mysummits decals to put on the register box.

Forest Service: some peaks they give feedback that they don’t want a register and we won’t put a register on. Wilderness Ranger in Leadville doesn’t like registers because he thinks they violate the Wilderness Act. Rather than fight, we are not putting a register on those peaks.

Trying to put a flier in the trailhead.

AMC: create a board level task force about the building. Renting out the building better but that limits use for CMC ad Denver group. Tension between AAC and CMC

regarding use and rental. Prevents having staff throughout the state, which could help the other groups and education. Capital costs coming in next 5 years: steps area about \$110k, HVAC will need to be \$120k (budgeted for \$28k repair rather than replace). Not sure repair will work. Is owning a building in Golden in line with the CMC mission. Window replacement \$100k.

Craig moved to create an AMC task force, Matt Biscan volunteered to lead. Seconded by George Barisas. Passed by unanimous consent.

Katie was thanked.

12:01pm Break for Lunch

Linda Lawson joined the meeting.

Call to Order 12:22pm

Allan Morton presented discussion of CMC insurance. Met with leaders on Thursday to discuss insurance issues. Felt the presentation went well. Appreciates the CMC's reference to standards and safety. Does a 14er per year with his sons.

Linda discussed the Thursday night Denver Safety and Leadership gathering on Thursday. Allan discussed what the CMC insurance means to me. To clarify the interaction between the CMC and leaders in the case of injuries and law suits. Alan and Matt Biscan discussed the process by which CMC and its insurer would defend the leaders and the CMC.

Is out coverage comparable to other organizations with similar types of risk. Allan looked at Mazamas' and Seattle Mountaineers' coverage. Organizations vary broadly in their amounts and types of coverage. Most insurers would not write an umbrella insurance policy for an organization like ours. Medical Payments coverage may be the better use of any additional insurance premiums. One option would be to use part of the membership fee for \$5000 medpay coverage for . However, CMC has been running well without the additional coverage and the waiver does a good job on stating that the club is not responsible for injuries. Could use it like AAC does with its insurance policy. May be a good selling point.

Volunteers and the members are additional insureds on an endorsement to the CMC policy.

Health insurers, depending on the terms of the policy, may cover the cost of evacuation. They may then try to subrogate that cost to another source; meaning that they would pay the evacuation fee but then seek to be reimbursed from someone else.

CMC policy now is \$1M occurrence, \$2M aggregate per year. There was a fatality on a CMC AT trip to the Gran Canyon. No claim made against CMC policy because local outfitter had named CMC as an additional insured.

What do commercial outfitters carry? IMGA? RMI? Guiding services, etc.? AMGA certified guides. Whittaker Mountaineers.

MATT STEVENS to write list of comparable guiding services. HAVE KEVIN REVIEW.

Biscan – the releases are very strong, unless a leader acts in a way that is grossly negligent. May be better off banking a larger deductible rather than a larger policy that makes you a bigger target for suit. \$1M/\$2M is reasonable for trucking companies, and other commercial.

Evacuation Insurance: AAC has \$10K in evacuation insurance. Do we want to offer that to our members? Discussion of whether or not it would be valuable to the members. Travel insurance broker in Indiana that Allan works with, with many different options. Look at a Medical/Evac/AT package as an add-on to the membership. 7-Corners is the name of the insurance broker.

Bonowski had an evacuation in China and found the AAC evacuation insurance was not helpful. CMC does not insure international trip leaders. Is it now cost effective? There are broad policies. Altitude didn't seem to be a factor but carrying ice axes and crampons increased premium by 50%.

Allan will discuss options with 7-Corners.

George Barisas – concern whether or not my number of locking carabineers or my first aid is not up to some standard.

Bonowski – AT has an international waiver, with reference back to the CMC waiver, which is revised and new issues come up.

Waiver was last updated 4-5 years ago with Kathy Hansen-Stamp.

Are the waivers limited to the length of a membership? Need to check on the language. MATT STEVENS TO CHECK.

Encourage leaders to have an personal liability umbrella insurance policy.

Allan recommends that you email your insurance agent and ask for an umbrella policy that confirms it covers me for what I do as a leader in the CMC?

Rolf Asplough has a description of the volunteer act, BRENDA HAS.

Uwe – State Safety and Leadership with address the questions leaders should ask their insurance providers.

1:11pm Allan was thanked.

Linda presented discussion by Finance committee on updates to financial goals. [USE BLUE AND RED SHEET OF GOALS AND SUGGESTIONS] Some of the goals are simply not attainable. Goal of achieving \$100k/year has only been achieved one of past 3 years. Fin Comm suggests the goal be revised to break even, with loss of \$100k after depreciation.

Goal 2: growth of CMC Perpetual Endowment fund from \$250k to \$125k. B, change distribution from fixed \$20k to 3-5% of endowment gross value.

Goal 3: debt and reserves –

AMC task force will determine amounts needed in AMC C

Biscan Moved to approve as amended. Craig seconded, passed by unanimous consent.

Linda was thanked 1:25pm.

Ray Shem VP report

Ray will put together a list of committees. Kevin will add list of what the Board members need to be doing regarding contact local groups, taking trips, attending schools, and donations to club.

State Nominating Committee is looking for additional members.

1:30 pm Ray was thanked

Linda discussed the auditors request that the group treasurers be more consistent in their provision of audit data to Chun Chiang. Chun developed a Treasurers manual that gives guidance on the data and timing of information provided to the state for the audits. Manual will be sent out to the group treasurers and the group chairs.

1:33pm Linda was thanked

MEMBER COMMENT

Steve Bonowski – San Miguel County Charlie Fowler and Christine Boscoff, named some unnamed peaks after them, deceased, she was the mountain madness owner. Lost in SW china avalanche in 2006, Steve Johnson Telluride atty is working on getting peaks names. Steve would like to forward to Kevin and Matt and see whether or not the Club would like to take a position.

Toponymics committee – Dan ____ - forward to Dan and he'll research and submit to Kevin and Matt regarding suggestions. BRENDA has Dan's contact info, and is

Also talk about naming Carl Blaurock and Bill Ervin regarding two unnamed Centennials.

1:35p Steve was thanked

Scott Otteman re Website joining friends of Colorado – Friends of CMC

Suggestions for easier links to donation websites.

Scott will email the interim CEO.

1:40pm

Thanking Katie for her years of service to the CMC

And wished well for her new career.

Motion to adjourn. 1:45pm.