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# RECORD OF PROCEEDINGS

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**Minutes of the Meeting  
Of the Board of Directors of  
Brightwater Club Property Owners Association  
May 19, 2011**

A Meeting of the Executive Board of Directors of the Brightwater Club Property Owners Association, Eagle County, Colorado, was held May 19, 2011 at 3:00 p.m., at the offices of Robertson & Marchetti, P.C., 28 Second Street, Suite 213, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado. The Board met in joint session with the members of the Board of the Brightwater Club Metropolitan District.

**Attendance**

The following Directors were present and acting:

- Joe Spencer
- Julie Nelson – (By Telephone)
- Don Janklow – (By Telephone)
- Garrett Smith – (By Telephone)

Also in attendance were:

- Janice Spencer
- Scott Green
- Denny Gray – (By Telephone)
- OB Nelson – (By Telephone)
- Carl and Diane Luppens – (By Telephone)
- Eric Weaver & Cheri Curtis- Robertson & Marchetti, P.C.

**Call to Order**

The Meeting of the Board of Directors of Brightwater Club Property Owners Association was called to order by Ms. Nelson, noting a quorum was present.

**Bankruptcy  
Information**

The Board presented a list of questions and related answers which had been asked by property owners since the start of the bankruptcy. The list will be put into an email format of frequently asked questions and distributed via email to the owners. Some of the more important items discussed included the following:

It was noted the Association are involved in the bankruptcy as secured creditors by the super liens filed against CDI. The Association is also involved as an unsecured creditor for dues not covered by the super liens as well as unreimbursed expenses due from the Club and CDI. Each owner that paid a club deposit is also involved as an unsecured creditor for the amount of their deposit.

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## BRIGHTWATER CLUB PROPERTY OWNERS ASSOCIATION May 19, 2011 Meeting Minutes

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At this time it is not anticipated that the Association will be required to assess a special assessments to cover legal expenses. This could however change based on the outcome and timeline of the proceedings.

There will be a golf course presence in Brightwater via protection provided in Association Declaration of Covenants, Conditions, Restrictions, and Easements.

Mike Budd was a professional witness and stated the value of the CDI property is between \$8.1 and \$9.3 million.

It is not known whether property values will improve. Three firms have been recommended by the Creditor Committee to market Brightwater. It is not know if Brightwater will be rebranded.

Questions remain on who the parties are that are involved in Reconcile, although there is confusion as to what Mr. Hatle stated in court related to this. Ms. Luppens stated she is disappointed that only \$91,000 is designated for the golf course. Ms. Nelson explained that \$91,000 is for the initial portion of the DIP loan and there is a total of \$397,000 for the golf course, based on the Montage report.

Ms. Nelson recommended all club members should file a proof of claim for club deposits. The stalking horse bid requires the golf course to be brought to the same quality as Eagle Springs or Arrowhead golf courses. SEMA Golf has a mechanic lien on the back nine golf course holes that is second to property taxes and super liens.

### **Adjournment**

There being no further business to come before the Board at this time, upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Brightwater Club Property Owners Association Board of Directors this 19th day of May, 2011.

Respectfully submitted,

Cheri Curtis  
Secretary for the meeting