
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors of Brightwater Club Property Owners Association October 19, 2012

A Meeting of the Executive Board of Directors of the Brightwater Club Property Owners Association, Gypsum, Eagle County, Colorado, was held on October 19, 2012 at 10:00 a.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.

Attendance The following Directors were present and acting:

- Don Janklow
- Darrel Schmidt
- Julie Nelson (By Telephone)
- Garrett Smith (By Telephone)

The following Director was absent and excused:

- Joe Spencer

Also in attendance were:

- Lynn Janklow
- Mike Budd
- Cathy Schmidt
- Scott Green
- Renzo Renzi, GCH (By Telephone)
- Louis Amato, GCH (By Telephone)
- Randy Mize, GCH (By Telephone)
- Carl Luppens (By Telephone)
- John McCarthy (By Telephone)
- Karl Mosch (By Telephone)
- Dominic DeMaria (By Telephone)
- Kirk French (By Telephone)
- Kevin Summers (By Telephone)
- Eric Weaver, Robertson & Marchetti, P.C.
- Cheri Curtis, Secretary to the Meeting

**Call To
Order**

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

Agenda

The snowplowing contract was added to the agenda.

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Minutes The Board reviewed the meeting minutes of the July 20, 2012 Executive Board Meetings. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the meeting minutes of the July 20, 2012 Executive Board meeting as presented.

**Development
Update**

Mr. Amato reported Gypsum Creek Holdings (GCH) has wired funds to the Association's bank account for the assessments from date they took possession of the property through the end of 2012.

Per Mr. Amato, there is no update on potential future developers. Director Schmidt requested information on discussions that have taken place with possible developers. Mr. Amato reported there is nothing to report since GCH is working to understand the assets before having discussions with possible developers. Director Nelson questioned whether discussions have taken place with Lee Singletary. Mr. Renzi stated the two parties are too far apart financially so there are no plans to discuss anything further with Mr. Singletary at this time.

Director Schmidt question plans for future discussions. Again Mr. Amato stated GCH is attempting to understand the problems in Brightwater before scheduling discussions with possible developers. Mr. Renzi added GCH is reviewing the entrance sinkhole and determining a solution to have the road repaired properly. GCH is also looking at the maintenance required on the buildings, the golf course, and the irrigation system.

The Board questioned between the POA, GCH, and the previous developer who owns and/or is responsible for maintaining the assets. Director Nelson suggested that GCH hire an engineer to evaluate the assets that are contemplated to be conveyed to the Association. GCH is aware of issues on Valley Road between the gates along with the sinkhole at the main gate. There are also road issues on Valley Road north of Brightwater Club that GCH is working with Town of Gypsum on to address. The Town of Gypsum is aware of the existing performance bond.

Director Nelson questioned the status of the Super Lien payments. Mr. Amato reported they are waiting for a response from their attorney's which should be coming very soon. Director Nelson reminded GCH they would need to be current on dues to be allowed to vote at the Annual Meeting and she explained there are two Super Priority Liens estimated at \$185,600. Director Janklow questioned the timing of property taxes payments since that will affect the Valagua metropolitan District and related security contract. Mr. Amato reported

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GCH plans to pay the delinquent and 2012 property taxes by October 31 to avoid the property being subject to the tax lien sell.

Director Nelson questioned the liquidity of the GCH. Mr. Renzi and Mr. Amato stated GCH agreed to pay all obligations owed to the Association and that since it is a private corporation that information is not available.

Director Schmidt questioned whether GCH received engineering reports and as-builts for the Development. Mr. Renzi reported the documents are in a locked storage unit and GCH is working to gain access to the documents. They have received the as-builts. Director Nelson questioned the status of the personal property. GCH has received a comprehensive inventory list and is waiting for an independent appraisal to negotiate the purchase of the personal property.

Director Schmidt questioned the plans to keep a positive spirit going within the community. GCH is looking for a buyer or joint venture partner for the property. They are preserving the golf course through the winter and maintaining the common property. Director Nelson inquired about a marketing plan with new branding. Mr. Renzi stated there would be no rebranding. Director Schmidt questioned the asking price and Mr. Renzi stated it would be a market driven price. Kirk French stated GCH needs to disclose the price and plans so property owners can understand how it will affect property values. GCH will try and distribute a press release in the near future.

John McCarty suggested holding a holiday party for property owners that may be able to be combined with the Annual Property Owners meeting.

Compliance There was a \$250 fine assessed against a property for not completing the restoration of the area where a trampoline was installed. The Property Owner requested the fine be waived. The Board agreed to waive the fine once it was confirmed the area had been restored to the original condition.

Security System The gates are working with the new online system but a special cable is needed to make the cameras operable. Protection One is working with the old company on communication issues. Currently the system is still functioning off of the old system until the remaining issues are resolved. The Board requested information on the new security system be communicated to property owners once complete.

Acceptance of Infrastructure The Association will require a civil engineer's study before accepting any infrastructure to guarantee the assets are built to applicable specifications. Acceptance of infrastructure will increase maintenance costs. GCH has provided

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a budget for maintaining common areas to Mr. Weaver. Mr. Amato proposed having golf course staff provide maintenance and then bill the cost to the POA at an agreed upon amount. The Board agreed to review the budget and obtain other proposals for comparison. Mr. Weaver stated the Association will need to determine the requirements for accepting the roads.

Snowplowing

Contracts Mr. Weaver has received two snow plowing proposals. One proposal is based on plowing when 2" of snow accumulates and the other proposal is based on 4" of accumulation. The Board requested revised proposals using both 3" and 4" accumulations as well as for plowing all roads and only roads with houses.

September 30, 2012

Financials Mr. Weaver reported receivables have been reduced, based on moving the balances from CDI to an allowance for uncollectible. Mr. Weaver reviewed the financial statement focusing on the 2013 preliminary budget. GCH stated they will not fund any security costs since they have already housed staff onsite to oversee the community. Discussion followed on whether to fund manned security. Mr. Weaver noted the budget was presented for discussion purposes only and to receive input from property owners.

Accounts

Receivable Mr. Weaver reviewed the summary accounts receivable list. The Board reviewed the collections report and agreed to proceed with foreclosure on multiple entities which were not named.

Adjournment There being no further business to come before the Board, 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 October 2012.

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting