
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors of Brightwater Club Property Owners Association April 23, 2015

A Meeting of the Executive Board of Directors of the Brightwater Club Property Owners Association, Gypsum, Eagle County, Colorado, was held on April 23, 2015 at 10:00 a.m., at the offices of Marchetti & Weaver, 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:

- Joe Spencer (By Telephone)
- Darrel Schmidt (By Telephone)
- Renzo Renzi (By Telephone)
- Brian Kueker (By Telephone)

Also in attendance were:

- Colleen Romsa (By Telephone)
- Kim Berggren (By Telephone)
- Lynn Janklow (By Telephone)
- Eric Weaver, Marchetti & Weaver, LLC
- Nicole Hetzer, Marchetti & Weaver, LLC
- 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 Eric Weaver, noting a quorum was present. It was noted Karl Mosch sold his lot and resigned his position on the Board. The Board commended Mr. Mosch for his service to the community.

Agenda

Director Spencer requested an update from GHC related to plans for the property and related marketing plan.

Minutes

The Board reviewed the meeting minutes of the December 1, 2014 Executive Board Meeting and the December 5, 2014 Continuation Board Meeting. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the minutes of the December 1, 2014 Executive Board Meeting and December 5, 2015 Continuation Board Meeting as presented.

Operations

GHC Update – Director Renzi reported there are two employees currently on staff to maintain the condition of the property and there are once again no plans to open the golf course this year.

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An online database for the property has been developed and GCH is talking to potential brokers. Director Schmidt questioned the availability of the marketing plan. Director Renzi stated GCH is providing information to parties who have been in contact with GCH about the property.

Director Replacement – The Board has ability to appoint a Director to serve out the term vacated by Director Mosch. James Benjamin was recommended by Darrel Schmidt and the Board reviewed Mr. Benjamin’s qualifications. The Board asked the members of the public if they themselves were interested in serving on the Board or if they knew of anyone who might be interested, to which there was no response. Upon motion duly made and seconded it was unanimously

RESOLVED to appoint James Benjamin to serve on the Board until January 2017.

Weed Control Bid Review – Mr. Weaver explained the purpose of hiring a contractor to control the weeds on common area property, as well as individual properties. GCH will provide weed control on the golf course and common areas that they are still responsible for. The bids were broke out into three section, landscaping maintenance, weed control, and the District. The Association will be awarding the contract for landscaping maintenance and weed control.

Mr. Weaver reviewed the bidding process that included distribution of a detailed RFP with specific tasks and estimated needed occurrences as well as an onsite visit with all interested contractors. The bids were reviewed and Mr. Weaver clarified the difference of the bids. Shades of Green was the lowest bidder and the only contractor to submit a complete bid for all three sections. Scott Green, a homeowner and the owner of Shades of Green, anticipates only two weed applications will be needed on the residential lots instead of the three applications proposed on the bid form, further decreasing his estimated costs. It was noted the cost of the weed control is divided evenly by the 312 lots per the Association declaration of Covenants, Conditions, Restrictions and Easement for Brightwater Club. After detailed review of the bids and discussion, upon motion duly made and seconded it was unanimously

RESOLVED to award the contract to Shades of Green with only two estimated weed control applications for the residential lots.

Capital Maintenance - Mr. Weaver reported the final crack filing and repair of the road depressions are nearly completed. The installation of the entrance landscaping will be completed by Brush Creek Landscaping in the next few weeks. The north gate was repaired and seems to be working properly.

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Mr. Weaver suggested installing edging at the roundabouts to protect plantings. The edging options are metal or concrete. The estimate for concrete is approximately \$2,000. The Board authorized Mr. Weaver to proceed with the colored concrete border.

Director Spencer reported the drainage for the concrete scuppers at the main entrance was never completed. Mr. Weaver is working with Pepi Hernandez to get the project completed, as Pepe would prefer to do the work since there are critical irrigation lines running through the area.

Fencing Proposals – Two proposals were presented to the Board for the installation of the buck and rail fence adjacent to the north gate. Michael Schneider's proposal was for \$4,300. The proposal from RPM Excavating was \$3,463. Mr. Weaver noted that since this is a reserve fund expense he has proposed that GCH would share in this cost, Mr. Renzo stated that he would review this request and get back to the Board. By motion duly made and seconded it was unanimously

RESOLVED to approve contract for \$3,463 with RPM Excavating to install the buck and rail fence at the north gate.

Aerators – Mr. Hernandez is working to get all the aerators working. Pond 2 is now working and but the aerator on Pond 5 is still not operating. The irrigation ditches are running low due to an early call on water rights, which has caused the pond levels to also come down but it is anticipated that they will begin to rise again in the coming weeks.

Conservation Easement – GCH has conveyed the Conservation Easement Property to the Association and the Association is now responsible for management and maintenance of the property. A draft of the revised Management Agreement (Agreement) was presented to the Board.

There have been questions on how beavers affect cold water fishing. Matt Stern with the Eagle Valley Land Trust agrees with the position that beavers are beneficial as long as they don't take over control of the creek.

Cheatgrass is considered a noxious weed that is prevalent in Brightwater. The Board requested Cheatgrass be removed from the Agreement. The Town of Gypsum will have to approve the Agreement, and may require Cheatgrass remain in the Agreement.

The Fishermans Trail provides public access on south end of property to the Conservation Easement property. The Association contributes \$20 per sold lot to

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the Eagle Valley Land Trust for their costs to monitor the property. By motion duly made and seconded it was unanimously

RESOLVED to approve the Management Agreement with the changes presented.

Covenant Enforcement – A trampoline was placed on a property by a renter of the property. The renter's lease expires in August and owner has agreed to include trampolines are not allowed in future leases. The Board agreed to not proceed with having the trampoline removed until the lease renews. Mr. Weaver introduced Nicole Hetzer with Marchetti and Weaver who will be driving through several Gypsum communities including Brightwater to address covenant violations and to monitor the status of the upkeep on the common elements by hired contractors.. Marchetti and Weaver also have a handyman available for manual labor. Director Spencer requested Ms. Hetzer drive through the community monthly after dark to note street light issues.

Financials Mr. Weaver reviewed the March 31, 2015 financial report. The cash balances have increased due to property owners paying dues in advance to get the prepayment discount.

Revenues and expenditures are both running positive to the 2015 budget. The common area costs are favorable due to reduced snowplows required. The capital costs are currently within budget with contingency funds still available if there are any unanticipated expenses.

**Accounts
Receivable**

Mr. Weaver reviewed the accounts receivable summary, noting the Association continues to make progress on the remaining delinquent accounts. Most lot owners are current. There are eight lots that are in the collection process. Three lots were considered for foreclosure, however, the taxes owed are greater than the value. One property was purchased in the Sheriff Sale by GCH and the Association will receive 100% of the balance owed. There are four additional lots subject to Sheriff Sale. The Association fees, along with property taxes owed, are consistent with the market value of the lots. GCH may be interested in bidding on the properties and will have to recuse themselves from discussions or voting.

Mr. Weaver presented options to bid full price or a discounted price. Director Schmidt suggested bidding at a discounted price to encourage a bidder to purchase the lot, allowing the Association to not be forced to take ownership. After discussion, the Board asked Mr. Weaver to perform additional analysis as to what would be a proper bid amount and to send out correspondence to the community to try and obtain a bidder at the sale. Mr. Weaver noted that if the

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Association is the high bidder at the sale it would take the properties subject to the property tax balances owed, but can continue to leave the property taxes outstanding to avoid requiring the use of Association funds.

The other property owners not paying were reviewed. Mr. Weaver reported two property owners recently became current. One lot was transferred during a tax lien transfer and the new owner has been invoiced. Two lots with significant balances are not being pursued due to the amount of taxes owed on the properties. Several other property owners have been turned over to collections. Additional properties will be turned over to collections, contingent of the Board approving a resolution. Rampart Holdings have indicated they will be bringing several of their properties current and might consider conveying others with high property tax balances to the Association. Mr. Weaver recommended the Board not turn the Rampart Holdings properties at this time to avoid undue costs. The Board agreed to not proceed with collection process with Rampart Holdings properties to see which are brought current and the taxes owed on the remaining properties.

By motion duly made and seconded it was unanimously

RESOLVED to approve continue pursuit of accounts previously sent to collections which include:

- Filing 2 Lot 52
- Filing 3 Lot 20
- Filing 2 Lot 5
- Filing 4 Lot 11
- Filing 5 Lot 50

AND FURTHER RESOLVED to commence collections on additional accounts which include:

- Filing 2 Lot 12
- Filing 2 Lot 99
- Filing 3 Block K Lot 14
- Filing 3 Block K Lot 15
- Filing 5 Lot 60

Accounts Payable

The Board reviewed the accounts payable list. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the accounts payable list as presented.

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Next Meeting Director Renzi agreed to obtain information on the marketing plan before the Board determines the next meeting date.

Adjournment 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 23rd day of April, 2015.

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting