
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors of Brightwater Club Property Owners Association July 19, 2013

A Meeting of the Executive Board of Directors of the Brightwater Club Property Owners Association, Gypsum, Eagle County, Colorado, was held on July 19, 2013 at 9:00 a.m., at the offices of Robertson & Marchetti, 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:

- Darrel Schmidt
- Louis Amato
- Joe Spencer (By Telephone)
- Garrett Smith (By Telephone)
- Renzo Renzi (By Telephone)

Also in attendance were:

- Don Janklow
- Mike Budd
- Ora DeMaria
- Brett & Donna Gilbert
- Jim Bittner
- Kathy Schmidt
- Russ Hatle
- John & Linda McCarty
- Dominic DeMaria (By Telephone)
- Karl Mosch (By Telephone)
- Kevin Summers (By Telephone)
- Lynn Janklow (By Telephone)
- Kirk French (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 Eric Weaver, noting a quorum was present.

Agenda

The conveyance of common area was removed from the agenda.

Minutes

The Board reviewed the meeting minutes of the April 19, 2013 Executive Board Meeting. Upon motion duly made and seconded it was unanimously

RECORD OF PROCEEDINGS

Brightwater Club Property Owners Association July 19, 2013 Meeting Minutes

RESOLVED to approve the minutes of the April 19, 2013 Executive Board Meeting as presented.

**Engineering &
Reserve
Study**

Mr. Weaver briefly reviewed the road engineering study and reserve study. A map of the community showing potential common areas was presented, indicating there are question on ownership of certain parcels. The reserve study was recently completed and presented to the Board. It was agreed to allow the Board time to review the reserve study prior to scheduling the next meeting or distributing it to property owners.

**Security
System**

Mr. Weaver reviewed the recent issues experienced with the security system and process for allowing access when guest or contractors are at the gates. Gate codes are being issued to property owners and contractors who work in the community on a regular basis. Deposits are required for license plate transponders that will be refunded when the transponder is returned.

There is a known occasional problem with north gate. The security system provider sent a technician from Denver who could not duplicate the problem while on site and is working with Tim Taagen to assist with the gate system issues.

Financials

The June 30, 2013 financials were presented and the year to date revenues and expenses were reviewed. The preliminary 2014 budget was also presented, which now includes a new replacement reserve fund for current and future common area maintenance costs.

**Accounts
Receivable**

Mr. We reviewed the accounts receivable summary, noting a significant decrease in the balance since the end of the year. Currently, 262 of the 312 accounts are current in their dues and the majority of the delinquent accounts are in the collections process though Mountain Law Group. Total accounts receivable has decreased from \$489,958 at the end of 2012 to \$332,245 as of June 30th of 2013.

Collections

Mountain Law Group retained a flat fee of \$25,000 for the foreclosure process on 38 properties. Demand letters have been sent allowing a 30 days collection period prior to starting the foreclosure process. Several property owners have contacted Mr. Wolf with reasons for not paying assessments in the past.

The title search has been completed on properties that foreclosure will be filed against. The first foreclosure was filed on July 18, 2013. Director Amato noted

RECORD OF PROCEEDINGS

Brightwater Club Property Owners Association July 19, 2013 Meeting Minutes

the Board is aware not all foreclosures will result in money being collected by the Association. The Board is hoping to force out non-paying owners to be preplaced with paying property owners.

Mike Budd questioned the Board's position on foreclosing on properties that have three years of tax liens already, and are subject to being sold at the tax lien sale. It is possible the taxes owed on the property could exceed the value of the property. Mr. Weaver explained the tax lien amount was considered when determining which properties would be foreclosed.

Don Janklow questioned whether the Board was prepared to pursue a personal lien against the property owner. Director Amato will discuss the possibility of filing a personal lien with Dan Wolf. Director Schmidt stated it would be an economic issue to decide if it would be financially beneficial to pursue a personal lien.

Mr. Weaver informed the Board that in the past the Association has agreed to not waive late fees and interest. Three property owners have requested the Board waive finance charges. Mr. Weaver reviewed the three requests, with each property owner agreeing to bring the account current on past due assessments and requesting finance charges be waived. Mr. Weaver also noted there is new legislation currently passed that will require the Board to adopt a new collection policy that will require the Association to set a policy for the collection process and the collection of finance charges. Upon motion duly made and seconded it was unanimously

RESOLVED to not waive finance charges on any past due accounts.

**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.

**Orten Cavanagh
& Holmes
Balance**

The prior Board disputed invoices from Orten Cavanagh & Holmes of approximately \$23,000. Mr. Orten maintains the Association owes that amount. The current Board is unsure how to address the dispute. Mr. Weaver suggested having Mr. Orten provide an explanation of the charges to justify collection. Mr. Janklow agreed to provide input after reviewing the information provided.

RECORD OF PROCEEDINGS

Brightwater Club Property Owners Association July 19, 2013 Meeting Minutes

Collection

Policy

Mountain Law Group is willing to prepare a new collection policy for the Association. Mr. Janklow suggested the Board receive a proposal from the Attorney before proceeding. Director Amato stated Mr. Wolf has stated the charges be reasonable since a boiler plate policy will be developed for a number of association represented by his firm.

Brightwater Preservation Corporation

The Brightwater Preservation Corporation (BPC) is no longer necessary and the dissolution process has begun. The corporation has been funded by the Association. Three of the four BPC Board members do not feel tail coverage is necessary. Upon motion duly made and seconded it was

RESOLVED by a vote of 4 ay's and Director Smith recusing himself to not fund tail coverage for the BPC.

Other Business

Dominic DeMaria requested the Board commit to reviewing the road engineering study and the reserve study and then distribute to the members via the website by next meeting. The Board agreed to make the documents available prior to the next meeting.

Mr. DeMaria questioned whether any road repairs would be made in 2013, including crack sealing. Mr. Weaver reviewed the replacement reserve in the financials showing the budget for 2014 addresses a significant portion of the road issues. Director Schmidt stated his position is to make repairs as soon as the common area property conveyance is addressed.

Mr. Janklow questioned the weed control of common areas. GCH is currently addressing weed control on common property and the golf course property. The Town of Gypsum will spray noxious weeds and bill owners if weeds are not addressed by the property owner.

John McCarty questioned whether GCH has developed a plan for the community. Director Amato stated GCH has not found a viable buyer for the property in the short term.

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 July 2013.

RECORD OF PROCEEDINGS

Brightwater Club Property Owners Association July 19, 2013 Meeting Minutes

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting