
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors of Brightwater Club Property Owners Association September 18, 2015

A Meeting of the Executive Board of Directors of the Brightwater Club Property Owners Association, Gypsum, Eagle County, Colorado, was held on September 18, 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 in attendance:

- Don Janklow
- Michael Schneider
- Renzo Renzi (By Telephone)
- Brian Kueker (By Telephone)
- Inga Causey (By Telephone)

Also in attendance were:

- Scott Green
- Malcolm Gray
- Jim Bittner (By Telephone)
- Kim Berggren (By Telephone)
- Kirk French (By Telephone)
- Wells Marvin (By Telephone)
- Garrett Smith (By Telephone)
- Dan Wolf, Mountain Law Group
- Eric Weaver, 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.

**Changes to
Agenda**

Wells Marvin requested meeting notices, board member emails and transparency be added to the agenda. Jim Bittner would like density changes added to the agenda and presented by Dan Wolf.

**Meeting
Minutes**

The minutes from the September 1, 2015 Executive Board meeting were reviewed by the Board. By motion duly made and seconded it was unanimously

RESOLVED to approve the minutes from the September 1, 2015 Executive Board meeting as presented.

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Community Updates

Director Renzi reported GCH continues to talk with interested developers and home builders in the area, noting that they have seen a slight uptick in interested parties from 2014 to 2015 as construction of new homes has increased in the Gypsum area.

GCH has hired a land planner to look at potential options for the project but has now put that process on hold with no anticipated timeline for restarting the analysis. GCH is currently maintaining the property at a minimal level and is now only maintaining three golf course holes adjacent to existing homes.

Wells Marvin reported the lack of maintenance is destroying the property. Director Renzi stated GCH is looking at the market and meeting the needs of a community of this nature. Mr. Marvin requested the bathroom water be turned on and the bathrooms open to the community. Director Renzi reported GCH has made a proposal to the Association to participate in the cost of maintaining the facilities. Mr. Bittner believes Frost Creek is successful because there was an operating golf course. Mr. Marvin reported Darrel Schmidt has quit the Board and is selling his properties. Mr. Bittner questioned why Director Renzi was not present in person at the meeting. Director Renzi informed members he is in Denver for a meeting with potential developer and was not able to attend the meeting in person. Garrett Smith reported he was on the Board at time of GCH took ownership of the property. He stated there has been minimal marketing reported for years and the community needs better updates. GCH is working with private developers and home builders to continue to develop Brightwater.

Kim Berggren questioned if property is being marketed as a golf course or redeveloped as different type of community. Director Renzi stated GCH is hoping to transfer the property to a developer who will continue with the original vision for the property. The status of the golf course has not been decided. Some interested parties have indicated they would like the golf course and other interested parties do not.

Mr. Bittner questioned the marketing strategy. The Principals with GCH have reached out to known developers as well as speaking with other interested buyers that have reached out to them. The property was not listing with CBRH since a failed sale could hurt the property. Malcolm Gray questioned the sales price. Director Renzi stated the prices has not been determined since different parties are looking at different areas for purchase, i.e. the golf course, the west parcel, and/or east parcel.

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Director Janklow noting lightning started a fire in area and if a fire made it to Brightwater it would not be good given the dry grass on the golf course. Mr. Marvin indicated water rights could be jeopardized if the water rights are not being used. Director Renzi stated GCH has sought legal opinion on water rights and believes they are protected.

Ms. Berggren noted areas in disrepair and the status of golf course conditions. Director Renzi thanked her for comments.

Notice of Meetings

Community members requested that earlier notice of meetings be provided via email.

Board Member

Contact

Members have requested Board member email addresses be available upon request with the option to make them public and posted on the website. The Board directed staff to look into email options for Board members.

PUD

Amendment Dan Wolf has look at the PUD from the prospect of the Association. 535 total lots were originally approved, plus the commercial aspect. There is nothing in the PUD indicating where the development of the 535 lots would be located. Development parcels will be subdivided through the approval process from the Town of Gypsum. Mr. Marvin clarified the development defined areas for houses. The Association Declaration of Covenants and Conditions, Restrictions and Easements (CC&R's) prohibit re-platting of already defined lots. Any developer would need approval from the Association to re-plat development lots. The CC&R's currently control the design for homes within Brightwater. Mr. Wolf will look into other allowable uses of the golf course parcels.

Snowplowing

Contract

Beaumont Excavating is interested in continuing with the snowplowing contract at the same rate as the previous year. The community was pleased with the service provided and by motion duly made and seconded it was unanimously

RESOLVED to approve the contract with Beaumont Excavating for the 2015-2016 winter season.

Landscape & Weed

Control

Shades of Green Landscaping was the successful bidder for the landscaping and weed control in 2015 and is interested in continuing with landscaping and weed control in 2016. It was noted the Conservation Easement will be mowed in 2015 and again in 2016, along with spraying of the weeds both years. It was noted the

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quantities specified in the contract will be adjusted to address the needs of the community but the per time cost will remain the same. By motion duly made and seconded it was unanimously

RESOLVED to approve Shades of Green Landscaping to perform common area maintenance and weed control for 2016.

Gorebridge

Lots

A memorandum on the status of the Gorebridge lots foreclosure was sent to all Board members. Colorado Capital Bank, who held the Deed of Trust on the properties, failed and the loans were conveyed to First Citizens Bank. Although First Citizens Bank was notified of the foreclosure, they did not attempt to collect on the Deed of Trust. Title Companies are unwilling to issue a clean title without extinguishing the Deed of Trust on the properties. It could be possible to obtain quiet title with a reduced value for the lots. GCH is still interested in purchasing the lots with the stipulation the Association obtain a clean title. Mr. Wolf requested permission to proceed with the steps to obtain a clean title. Mr. Wolf is also contacting additional title companies as an attempt to obtain a title commitment. Director Janklow questioned having a judge enter and order or decree to extinguish all rights of First Citizens Bank. Another option would be to serve a Quiet Title on First Citizens Bank.

It was noted the lots are subject to tax lien sales in 2015. The Board has taken the position to not pay off the tax liens as to not use Association funds. Director Renzi noted if First Citizens Bank takes action, it would wipe out the Association's position. Director Janklow suggested contacting the bank directly, prior to taking further legal action. Director Renzi suggested the Association demand a release from First Citizens Bank. The Board directed Mr. Wolf to contact First Citizens Bank directly with an offer to release the Deed of Trust to avoid future legal actions.

Director

Terms

Three Directors were appointed at the September 1, 2015 Meeting to replace the Directors who resigned in August 2015. Two of the terms expire in 2017 and one term expires in 2018. It was agreed Director Janklow will serve until 2018 and Directors Schneider and Causey's term will expire in 2017.

Election of Officers

By motion duly made and seconded it was unanimously

RESOLVED to Appoint Don Janklow as President and Michael Schneider as Secretary/Treasurer. All others Directors will serve as assistant Secretary/Treasurer.

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Financial Report

The August 31, 2015 Financial Report was reviewed by Mr. Weaver. The Association is continuing to bring lot owners current on assessments. The preliminary 2016 budget was presented. The budget includes assessment remain consistent at \$300 per quarter with the 25% discount if paid in full by January 31, 2016, however any costs of operating any of the club facilities is not yet included.

The issues with the gates and cameras continue but are less than in 2014. The common area maintenance is over budget with the increased scope of services. The amount available for transfer to the Reserve Funds is less than recommended but given the uncertainty of the community is at a reasonable level.

Mr. Weaver questioned whether the Board and owners were interested in partnering with GCH to have access to the castoff cabin and/or lake house. Director Renzi recommended contacting Ms. Hernandez for cleaning. GCH wants to allow the community to enjoy the amenities, as long as expenses are covered by the Association. It was suggested having a commercial operator run the facilities for a possible break even position. Marchetti & Weaver staff will present the costs associated with opening the cast off cabin and the lake house at the next meeting.

Mr. Weaver questioned GCH about their potential desire to combine platted but undeveloped lots into large tracks as this would likely change the number of units paying dues to the Association. Mr. Renzi responded that the 312 lots will remain for at least the 2016 budget.

Mr. Weaver noted that with the changeover of the Board, the Association will need new signers on the bank accounts as his office does not sign any checks. By motion duly made and seconded it was unanimously

RESOLVED to have the three local Board members as check signers for the Association.

Accounts Receivable

The prior Board agreed to proceed with foreclosure on the remaining lots with overdue balances. Because of the Gorebridge lot issues, the foreclosures were temporarily delayed. The Board reviewed the list of properties with outstanding balances. Obtaining a Deed in Lieu for some of the Rampart Lots was discussed. Director Renzi suggested offering an assessment credit on certain lots in exchange for a deed in lieu as opposed to trying to foreclose on certain lots. It was proposed offering Rampart \$1,500 as this would net to approximately the same cost as a foreclosure to the Association. Mountain Law will proceed with

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foreclosures on remaining lots. By motion duly made and seconded it was unanimously

RESOLVED to proceed with the foreclosure process on the following lots:

Filing 2, Block I, Lot 003
Filing 2, Block E, Lot 070
Filing 2, Block E, Lot 071
Filing 2, Block I, Lot 009
Filing 2, Block F, Lot 085
Filing 2, Block D, Lot 052
Filing 2, Block I, Lot 012

Director Janklow suggested looking at bringing lawsuits against former owners who were delinquent on assessments that were not collected due to foreclosures. Mr. Wolf will provide a cost to the Association for filing a lawsuit against a former owner.

Accounts

Payable By motion duly made and seconded it was unanimously

RESOLVED to approve the accounts payable list as presented.

Adjournment By motion duly made and seconded it was unanimously

RESOLVED to adjourn the Meeting of the Brightwater Club Property Owners Association Board of Directors this 18st day of September, 2015.

Respectfully submitted,



Cheri Curtis
Secretary for the Meeting