

RECORD OF PROCEEDINGS  
Brightwater POA – Board of Directors Meeting  
March 26, 2010

The meeting was called to order at 3 p.m. by President D Janklow. Others present were R Melun, G Mussman, D Lupens, Hoffmans, Clarks, Hope, Budd, Wilkersons, Roach. Participating by conference call were J Spencer, C Luppens, J Nelson, S Boothby. Also present were J Orten, POA attorney and K Krohlow & R Cuddihee of RPS.

1. Establish Quorum and Additions/Deletions to the Agenda: There were no additions/deletions to the agenda.
2. Minutes: There was a motion to approve the minutes of February 16, 2010, February 25, 2010 and March 12, 2010. Melun seconded motion. The vote to approve passed 4-1 w/Luppens voting no. Board recognized the minutes would be subject to amendment at a later time.
3. Financial Report: Melun reviewed. The Board will modify budget by the end of the second quarter; once budget is approved there would be no changes in budget line items.

There was a general discussion of delinquencies. The Board affirmed that all owners have right to review the financial records and to review copies of the delinquency report. The management company is not required to mail or email copies; owners must arrange to review in the management company office.

4. Manager's Report: Krohlow reviewed work to date which mostly involved reviewing records given to the management company by the previous management companies.

5. New Business:

Collection Policy: Orten and Janklow reviewed the proposed delinquency policy. There was a motion to approve by Spencer, Nelson Seconded. The vote was 4 – 1 w/Luppens voting no.

Collection Status: Janklow reviewed process to date. Focus of collections is on CDI (developer) and Kennedy Funding. Using the adopted delinquency policy and using the liens currently in place Orten has been directed to begin the collection process to include foreclosure on CDI liens. Other collection activity against other individuals will proceed as directed by the Board.

Valagua Metro District: Melun reviewed. The Metro District is responsible for re-paying Eagle County for their approved tax abatement. As result, the District is effectively out of funds. The District is working w/current security contractor so that that function can continue through the end of this fiscal year. C Luppens referenced the \$21M in debt that the Metro District has; it was his opinion that there are no funds to pay for debt service.

Filing 5: D Janklow reviewed. The Town of Gypsum is processing the performance bond which would complete the streets but there is no time for completion of the process.

POA Communications: J Nelson reviewed. She has established a separate email address for the Brightwater POA which will be used for official communications of the Brightwater Board. She is heading a committee that will be more aggressive in its goal of communicating with the owners. She asked that all emails have only one topic.

CDI Transition to Brightwater POA: D Janklow reviewed. The POA has not received and audited financials to date. J Orten reviewed statute. The developer is required to deliver all records, audited by a CPA, of POA activities prior to 11/7/9. The developer is required to pay for the audit. Janklow to send a formal request as informal process is not proceeding.

There was a general discussion of whether to accept 24 – 30 parcels of property that are identified as general common elements. C Luppens stated that the POA should not accept the parcels as that would relieve the developer of obligation to pay taxes on them; by not accepting the developer would also be required to maintain them. Orten stated that that may not be true and that the Board should review who is responsible to maintain.

The meeting was recessed at 5 p.m. as room was no longer available.