

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE CLUB AT COBBLE CREEK, INC.

A meeting of the board of directors of THE CLUB AT COBBLE CREEK, INC. (the "Club") was held on March 23rd 2022 at 5pm. Present and participating at the meeting:

Mike Weber, President
Pat Pitz, Vice President
Betsy(Betty) Willy, Secretary
Gary Poteet
Eddie Anderson, General Manager
Chris Cox, HOA liaison

Buck Andrews, treasurer, was absent due to work commitments

Approval of Agenda: The agenda was approved as distributed

Approval of Minutes: The minutes from February 23, 2022 were ratified as approved by email.

General Manager's Report:

Directors and Officers Liability Insurance: The bid for Directors and Officers liability insurance to be added to The Club's current liability insurance plan will be sought next week. This policy is due for renewal by the end of March 2022. The intent of the board is to secure this addendum to the policy in accordance with the Club Bylaws.

Small Business Association Loan: The additional documentation requested by the Grantor will be submitted Monday by Eddie Anderson. The board is optimistic regarding the successful reception of this application.

City Of Montrose loan: The plans for renovation of the Tavern Kitchen and Creekside are in process of being developed . Eddie, Kala and the Board are looking at how best to utilize the space available in Creekside building. Needs include increased office space, storage, ProShop and the possible addition of a golf simulator which would be used year round and generate revenue. Also under consideration could be possible expansion of the fitness center and/or the rental space for The Spa in Creekside. Eddie plans to meet with Bill Bell (city Manager) during the 2nd week of April. Once plans are drawn up, they will work with Dave Wadlington's Community Education committee to share this proposal with Club Members.

Landscape buffer: Plans for a landscape buffer along 9th fairway and limiting access to the driving range from the proposed HUB development are on hold until the HUB developer further defines his landscape plan. The city manager has assured Eddie that funds for this project are available.

Health Care Benefit for employees: Ned Frazier and Eddie have negotiated a proposal for health care benefits for eight exempt employees to be provided through Trailhead Clinics. Per their marketing information, Trailhead Clinics is a membership based family medicine clinic whose membership “covers a wide range of medical services with no co-pay or additional fees.” Services include annual exams with blood work, routine office visits, chronic disease management, same day care for Acute Problems. Also, services are available for discounted fees for skin and wound care, Women’s Health and Pregnancy, pediatrics, radiology services, laboratory blood work, and minor procedures.

The proposal would involve an agreement between Trailhead Clinics and The Club at Cobble Creek to trade services: Premium Corporate Membership in Trailhead Clinics for eight Club employees in exchange for a non-voting social membership for five Trailhead Clinic employees. Eddie and Celeste Anderson are current members and were highly impressed with the services and thoroughness of the care which they have received.

The board unanimously approved securing this agreement. Stabilizing our key employees is critical to the stabilization of the Club’s operations. In the past we have not been able to secure health care for our employees due to the high cost of insurance premiums.

Water Rights Agreement: Cobble Creek and the U.S. Department of the Interior Bureau of Reclamation have a 40 year contract dated December 23, 2002 which outlines the rights to irrigation water used by the golf course and patio homes. This is a “use it or lose it” agreement which needs to be addressed every six years.

The Board authorized Eddie to work with Mary Whitworth, the attorney who drew up the original agreement, to refile with the courts The Club’s desire to continue the agreement in general while allowing the agreement for use of the four substandard wells to expire.

The name of the contractor will also need to be updated to “The Club at Cobble Creek”.

Club Financials: The first quarter financials will be published for the members within two weeks following the end of the quarter.

Golf Course: Paul Heide, course superintendent, and Eddie report that there are two irrigation pumps which require immediate replacement. The total cost for the two pumps is estimated at \$15,000. The board unanimously approved this expenditure.

Additional Operating expenses:

HVAC unit needs repair or replacement. Eddie was authorized by the board to seek bids.

Tennis court resurfacing: The court surfaces have deteriorated to the point of requiring resurfacing. Estimated cost is \$8,000 to \$10,000.

Personnel: Eddie informed the board that Anna Boggs, our part-time office manager, is leaving her position effective the end of March and returning to Kentucky for personal reasons. The Club will truly miss her. She has been an excellent employee during her short tenure and a true asset to our team. We wish her well!

Eddie has initiated interviews to fill this vacancy.

Articles of Incorporation: Each year the Club must file an update with the state of Colorado. Eddie will follow up with this requirement.

General Discussion:

Communication with Members:

Coffee Hour Discussions: Gary and Mike will provide an opportunity for discussion and Q&A for members during the Men's coffee Hour once a month. Betsy Willy will do the same during the women's coffee hour. Dates to be announced in our weekly update.

Weekly Update: There was a general discussion regarding the need to provide access for all members of the community to the "Weekly Update". It was agreed that this would provide non-members direct information regarding events that are occurring at the club house without having to get this information second hand. It will also serve as a marketing opportunity to inform non-members of activities which they could attend if they were members of The Club.

Eddie and staff are consistently listing which activities are club members only on this communication. The weekly update could be given to the HOA management agent "Source" for distribution to the entire community. Chris Cox (HOA liaison) will take this request to the HOA board.

Access to Board Members for Q&A: The board discussed having board members available at the club house for members to drop in and discuss questions or issues that they may have. No specifics were decided. Just a reminder that the Club BOD and Eddie monitor and respond to emails from members sent to theclub@cobblecreek.com. This avenue is available to members at any time.

LRPC: The Long Range Planning Committee is currently working on an educational document to be shared with all members which will outline the pros and cons of various options to improve the financial stability of the Club.

Realtor Education and Incentives: The board discussed various means to involve realtors who sell properties within Cobble Creek Community in promotion of Club membership. Several board members have agreed to approach the

president of the local Realtor Board to seek their ideas in addition to realtors who live within the community.

Several ideas put forward for follow-up include:

- Providing an incentive fee to any realtor who converts a non-member property to a member property during the sale of the property or who sells a member property without losing the membership during the course of the transaction.
- Meet with the Board of Realtors to provide information regarding member transfers and new memberships which they could provide potential buyers during home tours.
- Meet with realtors in their respective offices to provide the same information.

Executive session was then convened to discuss progress of the LRPC.

LRPC: Following the executive session, the board reconvened and approved inviting a liaison from Spruce Point HOA to participate in the Long Range Planning Committee as their input is critical to creation of a plan which is inclusive of the entire Cobble Creek Community. This committee is currently composed of members from both the Club board and CC HOA.

There being no further business, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 7pm.

Betsy Willy

Secretary