

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 January 17, 2022 5pm. Those present and participating at the meeting:

Mike Weber, President
Pat Pitz, Vice President
Lisa Hylton, Treasurer
Randy Griffin, Director at Large
Betsy(Betty) Willy, Secretary
Eddie Anderson, General Manager
Chris Cox, HOA liaison
Charles Buck Andrews
Gary Poteet

Approval of Agenda: The agenda was approved by the BODs as circulated by email. This was a transition meeting of the board to welcome new board members and thank Lisa Hylton and Randy Griffin for the many hours of service which they have contributed to the community and the BOD over the past two years.

Approval of Minutes: The minutes for December 29, 2021 BOD meeting were ratified as approved by email.

Welcome to new board members: Buck Andrews was appointed by the developer to replace Randy Griffin, who has resigned his board position at the end of his two year term. Gary Poteet was elected by the membership to replace Lisa Hylton whose two year term has expired. Both Buck and Gary will serve two year terms on the BOD. The board wishes to thank Tom Dombeck, Randy White and Nick Parrot for volunteering to be candidates for the BOD.

Mike Weber briefly introduced the new board members and then described the board's overriding intent and purpose is to "do the right thing" in the best interest of the Club at Cobble Creek and the community as a whole.

Review of current issues: For the benefit of the new board members, the Board discussed the status of community and club issues which the board is currently researching and addressing. They include:

- The need to ensure **financial stability** of the Club at Cobble Creek: The BOD has been in receipt of multiple emails proposing various options to achieve this. The Long Range Planning Committee has been tasked with researching the legalities of various proposals, assessing the reality of these proposals and to present the BOD with options including the pros and cons of each viable proposal.

The **LRPC** is composed of representatives from the Club and the HOA. They include Lee Dusa, Pete Joufflas, Sherry Koester, Susan Hansan(HOA) and Chris Cox(HOA). Buck Andrews was appointed to the committee. He brings a strong financial background and previous HOA experience from other communities to the table. Randy Griffin has resigned as Chairperson of this committee and is replaced by Pat Pitz.

Among **proposals to ensure financial stability** currently being researched and discussed in the LRPC are:

the current business plan to reduce expenses and increase revenues as each cost center (tavern, golf course, events) becomes able to cover their own costs plus their share of the club overhead.

By the end of January, Eddie anticipates being able provide the membership and BOD with a financial report detailing each cost center's financial status based on 2021 YTD figures.

If each cost center covers its own expenses and its share of club overhead, a portion of the revenues could potentially be utilized to contribute to capital expenditures and enhance the club's reserve fund in the future.

The possibility of **increasing Club members** and revenue:

The Committee will do a complete review of the membership agreement along with related documents to identify ways in which we might increase the current membership.

However, each proposal carries legal and political impacts which would need to be weighed by the community and by the Board of Directors and could possibly require modification of the member agreement and related documents.

Funding from the HOA to the Club at Cobble Creek.

Previous legal enquiries have revealed that the HOA under CCIOA law cannot legally provide funds to the Club for maintenance and upkeep of properties which the HOA does not lease, own or directly utilize. This limits the possibility of the HOA extending funding to the Club.

The BOD will provide the membership with additional details included in the 2016 Easement Agreement and its 2020 amendment and a reference to the entire document for its review in the near future.

The possibility of modifying the Easement agreement could be explored.

Potential Merger of the HOA and the Club:

Explore different organizational structures which could merge the HOA and the Club. One such possibility would be for The Club to become a subsidiary of the HOA. This would involve modification of the HOA and Club documents.

There are many pros and cons and legal issues involved in this option which are being researched by both boards with their legal counsel and would be presented to the community at large (HOA and Club) before any decision could be made.

Possible approval of a low interest long term loan to support current operations

A recent email was sent to the membership outlining a low interest loan available through the Federal Government.

The application deadline for this loan was December 31, 2021. In order to get in under the deadline, the BOD directed Eddie to place an application for the 30 year conventional loan of the amount of \$199,600 at 2.75% interest. If this application is approved, the board of directors will review our need and make a decision regarding acceptance of the loan. Cost to the club would be approximately \$775/month and could be retired at any time with no penalty.

Business expansion grant: As previously reported, the City is offering business expansion grants to local businesses which must be used to benefit the economy of the City of Montrose. As noted in an email to the community reviewing a recent meeting with the city, the plans outlined were well received by Mr. Bell and Mr. Reed. No specific dollar amounts were discussed. Next step would be to move forward with a written description to the city of the plans.

Phase one: Our plan is to request funds for a landscaping buffer between the future HUB development and to control access from the HUB development to the driving range.

The landscape proposal includes xero-scaping, berms and spruce trees to be placed along the South side of Cobble Drive by the 9th fairway to reduce the impact of increased traffic and light pollution from HUB traffic on Cobble Drive.

A barrier to limit access to the driving range would include stone pillars, similar in design to those seen at the Bridges Golf Course, connected by rod iron rails. This fence line would extend from the cart barn to Spruce Point development. It would serve as a safety barrier to control vehicle and pedestrian traffic. This will push pedestrian traffic to a marked intersection and a pedestrian crosswalk. Golf cart access to the driving range would be through the Club parking lot and cart path.

Before these landscaping plans can be pursued, the committee needs to know what landscaping Matt Miles plans to implement on the North side of Cobble Drive.

In addition, we will request funds to enhance our current tavern and catering businesses by expanding and updating tavern kitchen, expand patio space and create a cover to protect the patio seating from winter and summer weather.

Securing a restaurant for Creekside building:.

While the membership at large appears to be in agreement that they would enjoy having a community restaurant as an amenity for the Club and/or open to the public, there are multiple issues which need to be explored in regards to the impact staffing shortages, location, and competition with the tavern would have on its potential success.

Mike Weber approached the owners of Trattoria De Sophia restaurant when it became known that there was a possibility that they might be looking for a location other than Colorado Outdoors. He was told that they have been able to negotiate an extension on their current lease in anticipation of the completion of the unit they will be leasing at Colorado Outdoors. They have no interest in moving to Cobble Creek at this time.

It should be noted that we have had a number of excellent restaurant managers attempt to make the Creekside restaurant a profitable business for the community over the past 20 years and each has failed for various reasons.

A committee will be formed to explore the pros and cons of the Club leasing the building to a restaurant or possible repurposing the site. Anyone interested in serving on this committee should submit their name and background to Eddie at gm@cobblecreek.com.

Member comments and questions regarding these issues are welcome and may be directed to the BOD through email to: theclub@cobblecreek.com.

General Manager's Report:

Financials: Eddie reported that YTD financials for the year 2021 will be available to the BOD and membership by the end of January. Cost Center based data will be provided as a part of this report. Club membership and BOD can expect timely quarterly financial reporting going forward.

Current Events: With the goal of enhancing the social value of club membership, Michelle Robbins (events coordinator) and Eddie have created a tentative schedule of Club events for the membership. In addition to the regularly scheduled tavern events which are open to all, the schedule will include the following member only events:

Chili Cookoff – January 23

Member Breakfast – February 5

Cobble Family Game Night – February 10

Super Sunday – February 13

Family Movie Night – February 17

Hold em or fold em Poker Tournament – February 19

Mardi Gras Party and Parade – March 1

Cobble Family Game Night – March 10

St. Patrick’s Day Party – March 17

Family Movie Night – March 30

National Beer Day Tasting Party – April 7

Masters Sunday – April 10

Easter Egg Hunt with breakfast – April 16

Family Movie Drive-in Night- April 28

National Wine and Cheese day – May 25

US Open – June 19

Breakfast at Wimbledon Pickleball – July 10

Kids Space: There are plans to use the Poker room for kids during some events.

Televisions: A TV has been installed in the poker room. A twenty foot inflatable screen has been purchased for use upstairs or outdoors for viewing Super Bowl and Movie nights.

Volunteers: Eddie and Michelle are looking for volunteers to help with Valentine’s day and the Mardi Gras celebration. If you are interested, please contact Michelle at events@cobblecreek.com or Eddie at GM@cobblecreek.com.

Tavern Menu: An expanded and upgraded menu is coming soon. There will be increased menu choices.

Bands and live music: Eddie and Michelle are exploring live music sources for events. If you have suggestions, please pass them forward to either Eddie or Michelle. Eddie stated that bands cost on average \$200 and \$250. There are two music studios in Montrose and the high school has a music program which might be sourced for some occasions.

Election Committee: The BOD wishes to extend their heartfelt thanks to the volunteers headed by Tracy Dickinson, who helped verify and count the votes during the recent BOD's election.

Information sharing: Gary Poteet suggested that the board could be more proactive in regards to sharing information and seeking input from members.

It has been suggested that the BOD schedule “**coffee with Eddie or Mike**” or other BOD members to encourage active dialogue between members and the board. More on this to follow soon.

In the meantime, **the minutes** will continue to carry as much detail regarding board discussions and concerns as possible along with background context.

Members are again reminded that they can **communicate any thoughts, concerns or questions to the board by email** at theclub@cobblecreek.com. This email goes directly to each of the board members and to Eddie, our general manager. Although it may take a few days to research the response, the board will respond either personally to these emails or through a public communication to all members.

Board meetings: BOD meetings will be held once a month on the third Monday going forward.

There being no further business, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 6:15pm.

Betsy Willy

Secretary