

BRAVO DEL MAR  
BOARD MEETING  
March 8, 2008

The meeting was called to order at 10:12 a.m. by Rose Burr. Rose welcomed Charlotte McWhinney, who came to observe the meeting. Also present were board members Chet Warfel, Bob Lloyd, Dick Paul, Barbara Dahl, Russ Reetz, and Donna Miller. Absent were Marina McDearman, Secilia Parsons and Cesar Valdez.

Donna Miller made a motion, Russ Reetz seconded, to approve the minutes from the December 1, 2007, Board Meeting. The motion passed unanimously.

Dick Paul announced we had 20,016.01 pesos in our HSBC peso account and \$10,615.68 in our HSBC dollar account. There is \$6,697.05 in Accounts Payable, of which \$5,870.36 is owed by the Bravo Del Mar Ferre. \$15,175 is still owed Bravo Del Mar by 3 members for membership fees.

A discussion ensued regarding the members who are delinquent in paying their fees. Rose received a letter from Jim and Sharon Reser stating they would pay off their loan in 4 equal payments starting in November. To date we have received only 1 payment. Rose has prepared a letter to send to the Resers next week while she is in the states. It was decided to charge a 10% penalty on any balance still unpaid after 3/31/2008.

Rose made a motion which Russ seconded to allow Barbara to talk to Nolo Gaston about the status of their delinquent membership and try to resolve the issue of their delinquency. The motion was passed unanimously.

Chet presented the budget (see attached). It was noted the figures for interest payments on our \$150,000 debt were in error. Chet will make the correction. (Budget is attached)

Barbara reported she had asked Cesar if Mexican law allowed profit disbursement from Bravo Del Mar Ferre before year end. Cesar said it is allowable, but there are stiff tax penalties. Chet said if Bravo Del Mar needed money from Bravo Del Mar Ferre before year end we could possibly take it as a loan. We will check this with Cesar to see if Mexican law allows.

Russ presented the following 3 contingency plans for meeting our loan debt the end of June:

1. Members assessed \$5500 to pay off loan.
2. Members assessed \$1500 to pay interest due and 1/5 of principle.
3. Members assessed \$ 500 to pay interest due.

Russ made a motion we go with the \$500 assessment, Donna seconded. The vote was unanimous. Russ and Donna will write the letter to all members informing them of the assessment.

Chet discussed the ongoing partnership agreement negotiations with the Ferre family. There was some concern about the ownership of the well permit. The change in name on the well permit from Fermin Ferre to the partnership remains a part of the partnership agreement.

Russ questioned whether there was any provisions being made for expiring "Jaime" leases. Chet said most of the existing leases had a renewal clause written in them. The plan is to "honor" these clauses. Where there isn't a renewal clause, the member must pay the "going" price.

Russ wondered if it would be possible to charge the \$2500 transfer fee at the end of each 10 year renewal period instead of only the transfer of any rental agreement. After a short discussion it was decided to table this for now, continue to keep it on the agenda and bring it up as a possible Board recommendation to be voted on at the January 2009 meeting.

Barbara said it was necessary to amend the By-laws to allow 2 stock classifications. The two classifications would be Founders and Regular. Members classified as Founders pay \$8500 and are the original "Jaime" leaseholders and members classified as Regulars pay \$5,000 plus \$50 a month for 10 years. Becky Warfel and Barbara will follow through with the change.

The two guidelines that did not pass will be dropped for now. It was agreed that a Building permit committee be formed, but Donna did not want to chair. Donna said guidelines will be included with our marketing material and will be enforced by peer pressure for the moment.

Bob Lloyd said he would buy a tractor in the states for use here in Costa Brava to maintain roads, dig ditches, etc. However, Bob said tractors officially imported into Mexico are often stolen before they arrive at their destination. Barbara volunteered to check with the local berry operators and see if they had any suggestions how we might get a tractor here safe and sound and report back to Bob.

Rose reported Cyd has reconsidered her resignation as Security chairman and agreed to stay on. Rose will send out an email to all members reminding them to let Cyd know their comings and goings.

Barbara reported the survey is about \$3,000 under budget to date. Our surveyor, David Cuevas, has asked for a written ruling from the state government offices in Mexicali regarding the width of streets in the San Ramon Fraccionamiento, which includes our parcel. Once he has received this written ruling he will complete the job. They are 90% complete and have the monuments to place and the 4 corner boundaries of each rented lot. The monuments will be permanent markers, but the lot markers will be a piece of rebar, sunk in concrete, with a red or orange or pink piece of plastic attached. Barbara asked the Board if they would agree to hiring someone to make the rebar markers into permanent markers. Everyone felt it was a good idea as long as we stayed within budget.

John Graesser returned the Title Insurance information and said if he was around when the time came to continue with the process he would pursue it. Barbara said Charlotte McWhinney volunteered to take it over if John did not complete the job.

Rose reported the return receipt requested forms were received for Bill Van Dever and Pat Haney. Bill Van Devers was undeliverable because of an out of date address. Pat Haney received her letter, but did not respond. Barbara suggested we have Marina call her and see if she could find out what Pat wants to do. John Kelly signed his letter, and Nolo Gaston's return receipt was returned as "not claimed".

The Mission lawsuit against the Ferres was heard in San Quintin and the judge ruled in the Mission's favor. There isn't any impact to us as of now. Chet said the Ferres would like to file a lawsuit against the Gastons and would probably require our help. Chet was unsure of exactly what they wanted so the discussion was tabled for the moment.

Rose said an email would go out, after the partnership was signed, telling everyone how to obtain their new comodato.

Meeting was adjourned at 12:40 p.m.