

**THE CHARTER CLUB OF MARCO BEACH®**  
**BOARD OF DIRECTORS TELECONFERENCE MEETING**  
**THURSDAY, SEPTEMBER 9, 2010**

The meeting was called to order at 9:00 a.m. by President R. Lyman Wood at Hilton Grand Vacations Regional office, Marco Island, Florida. Board members in attendance via telephone were: Lee Huston, John Konarski, Jim MacArthur and Lyman Wood. Noel Briggs attended the meeting at the regional office. Attending from Hilton Grand Vacations Company were: Matt Fox – Resort Manager, Scott Shook – Assistant Resort Manager, Neil Hutchinson – Vice President Association Management Services (via telephone), and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting. Michael Belle, PA was in attendance for the discussion on the non-smoking issues.

**APPROVAL OF AGENDA**

**MOTION was made by Mr. Briggs and seconded by Mr. Konarski to approve the agenda.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**APPROVAL OF PRERVIOUS MINUTES**

**MOTION was made by Mr. MacArthur and seconded by Mr. Briggs to approve the minutes of the July 8, 2010 teleconference meeting.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**MANAGERS REPORT REVIEW**

**a. Financials**

The Board reviewed the July financials.

Matt will add a line item to the budget for telephone repairs beginning in September.

Michael Belle joined the meeting 9:30 a.m. – 9:50 a.m.

Charter Club has a non-smoking policy in the units and is now looking at expanding it to include unit balconies, clubhouse and sales office. Mr. Belle advised designating a smoking area for each building or one or two locations for the entire property. He would like to review the final board decision on the smoking ban prior to final approval. Mr. Hutchinson will check on the limitations at other properties and report at the budget meeting.

**b. Project List**

The Board reviewed the project list.

Foot wash/shower will be installed on south side of boardwalk adjacent to the pool area. The Health Department does not require a permit if the foot wash/shower remains in the same location.

The Board agreed that the water shut off in unit 1002 need to be repaired ASAP.

Matt will have a cost for improvements to the garbage dumpster area at the budget meeting.

**c. Comment Cards/Owners Comments/RCI**

Comment cards will be added to next month manager's report for discussion at the budget meeting.

In the past Eagle's Nest provided Charter Club with service by checking in our owners/guest after hours. The option of Eagle's Nest using our parking lot will be discussed at the budget meeting.

**PROJECT UPDATES**

**a. Spa**

Project has been completed.

**b. Stonework/North Building**

Project has been completed.

**c. North Building Renovations**

Renovations began this week on floors 7 & 8 with remaining floors 9 & 10 to complete the project. Owner feedback has been positive, and all aspects of the project are on schedule.

**d. Fire Alarm System**

The fire alarm system control panel project began on September 7. Matt will keep the board members updated on the progress.

**e. Exterior Building Painting**

The Board discussed the exterior building painting project and agreed to have Karins Engineering contact the four lowest bidders and ask for all potential repairs to be added to an all inclusive bid to be presented to the Board for review.

Matt will submit the color choices to the bidders to see if a third coat of paint would be required if he chose the color yellow. The Board agreed due to cost not to change the building color if it would require a third coat of paint.

**f. Flooded Units Update**

On June 21<sup>st</sup> we had approximately 8 units that were flooded with water. Some units were relocated within the Charter Club, and one had to be re-located to The Surf Club. The cause was found to be a pressure regulating needle valve in the jockey pump located on the first floor of the North Building. The valve had become clogged with calcium deposits and was not properly regulating the pressure to the units causing the pressure relief valves to fail randomly all around the property. The result was several flooded units. Servepro was called out to begin clean-up and the drying out process. Several days later, the units were complete and back on line. The Board agreed pump valve should be added to the maintenance check list. Costs for response and clean-up have reached nearly \$30,000 to date. Invoices have been paid, and copies sent to Andy Burchak at HHC for insurance follow up. There is a possibility we will recoup costs that are over our \$25,000 deductible.

**g. Building Undercroft Update**

The Board had previously discussed enclosing the south building undercroft to keep out street traffic and to allow usage for owner functions during inclement weather. It has been brought to Matt's attention that the City of Marco Island does not allow for the area to be used for holding meetings. The Board will discuss possible options at the budget meeting.

**h. Association Owned Weeks**

Currently there are 16 Association owned weeks available for sale. Included in that are fixed weeks 501/51 and 205/52. Matt suggested that the two fixed weeks be removed from the closed bid sale and sold separately with the standard commission due to sales associate. He also recommended that the remaining flex weeks to be sold will take occupancy in 2011 as there are no remaining flex weeks available to book for 2010. **MOTION was made by Mr. Huston and seconded by Mr. Konarski the Board agreed to sell the remaining flex weeks taking occupancy in 2011. Weeks 501/51 and 205/52 to be removed from the closed bid sale with standard commission due to the sales associate.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted no and Mr. Wood voted aye. **Motion carried.**

**i. 2011 Budget Information**

Matt suggested the 2011 preliminary budget to be posted on the resort website instead of including the budget in the newsletter mailing. Owners may call the resort if they would like a hard copy of the budget sent to them.

**j. Preliminary Budget/Newsletter Opt-In for Email**

The Board discussed on-line voting and electronic mailings. In addition to capturing voting details, owners would be asked to verify their email address if they would like

to receive future communications electronically, annual meeting minutes, newsletters, welcome letters, etc. Email capture will decrease mailing/printing costs for future mailings. If the email is not opened after 10 days, a hard copy will automatically be sent. **MOTION was made by Mr. Huston and seconded by Mr. Konarski allow the preliminary budget to be posted on the resort website and to offer the opt-in for electronic mailing with Nordis Direct.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

#### **OLD BUSINESS**

The resort beach staff has been trained on the rescue craft and is able to launch the craft quickly. The rescue craft is locked to the trailer and is covered and management feels it is secure.

#### **NEW BUSINESS**

Mr. Briggs suggested employing a handy man to take over the responsibilities on the project list to free up the maintenance staff. He would like to discuss at the budget meeting.

#### **ADJOURNMENT**

**MOTION was made by Mr. Briggs and seconded by Mr. MacArthur to adjourn the meeting.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**Meeting adjourned at 11:20 a.m.**

Approved 10-23-2010