

Approved October-28-2008

**THE CHARTER CLUB OF MARCO BEACH®
BOARD OF DIRECTORS TELECONFERENCE MEETING
THURSDAY, SEPTEMBER 11, 2008**

The meeting was called to order at 9:00 a.m. by President, R. Lyman Wood at the Hilton Grand Vacations Regional Office, Marco Island, Florida. Board members in attendance via telephone were: Noel Briggs, Lee Huston, John Konarski, Jim MacArthur and Lyman Wood. Attending from Hilton Grand Vacations (HGV) were: Matt Fox – Resort Manager, Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting.

APPROVAL OF AGENDA

MOTION was made by Mr. MacArthur and seconded by Mr. Briggs to approve the agenda adding executive session after old business. 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 PAST MEETING MINUTES

MOTION was made by Mr. MacArthur and seconded by Mr. Konarski to approve the minutes of the Board of Directors meeting held on March 12, 2008. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

MOTION was made by Mr. MacArthur and seconded by Mr. Huston to approve the minutes of the teleconference meeting held on March 25, 2008. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

MOTION was made by Mr. Huston and seconded by Mr. Konarski to approve the minutes of the teleconference meeting held on May 9, 2008. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

MOTION was made by Mr. Huston and seconded by Mr. Konarski to approve the minutes of the teleconference meeting held on June 27, 2008. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

MOTION was made by Mr. Huston and seconded by Mr. MacArthur to approve the minutes of the teleconference meeting held on July 21, 2008. 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 UPDATE

a. Review of Monthly Manager's Update

The Board expressed concern over the changes made by Hilton Grand Vacations in regard to Paid Time Off (PTO). Employees can accrue up to 150% of their benefits. Mr. Fox will provide the board members with the current break down on PTO time.

The Board asked Ms. Kilpatrick to review the management contract. They would like to know does Hilton Grand Vacations have the right to grant increased employee benefits that aren't budgeted.

b. Project Update

1. Walkways/Railings/Planters South Building

We are currently working on floors 5 & 6. The project should be completed on schedule.

2. Elevator Project

The elevator project has been completed.

3. Kitchens North Building

Kitchens are on schedule. The replacement tile that was ordered is an exact match as far as color, although the size was off slightly the difference is made up with the grout lines.

4. Telephone/Internet

Installation has begun and is on track.

5. Tropical Storm Clean Up

Some trees have been uprooted by the storms and will be straightened. The cost of the storm clean up is less than \$1,000.

c. Other Projects

Mr. Fox expressed the need for a full turn of unit linens which includes all sheets, pillow cases and towels total cost \$11,200. **MOTION was made by Mr. Briggs and seconded by Mr. MacArthur to approve a half turn of linen this year in the amount of \$6,000.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

d. Gary Jacobson

Board Consultant Gary Jacobson has passed away after suffering a heart attack. The Board is considering options of recognizing Mr. Jacobson on the resort property. **MOTION was made by Mr. Briggs and seconded by Mr. MacArthur to thank Mr. Jacobson for all of his years of effort on the board and consultant. The Board of Directors deep appreciation for all he has done for The Charter Club of Marco Beach.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

e. RCI

The Charter Club of Marco Beach® did not meet the threshold for gold crown status, mostly due to the unit walkways and construction issues. Mr. Fox has appealed to RCI in writing detailing all the projects currently underway.

OLD BUSINESS

EXECUTIVE SESSION

The Board of Directors asked the Resort Manager Matt Fox to leave the room and invited Ms. Kilpatrick stay for the executive session.

The Board asked Ms. Kilpatrick if there were any changes to the management contract. She stated there will be no changes. The board requested a cover letter accompanying the contract that states that there are no changes to the contract with the exception of the date.

Ms. Kilpatrick has been in contact with Mr. Rex and he is tentatively set to be here for lunch on the 28th he will confirm that prior to the meeting. After lunch the board would like to meet in private with Mr. Rex to discuss the outburst from Mr. Piatt during the budget meeting last year.

ADJOURNMENT

MOTION was made by Mr. MacArthur and seconded by Mr. Konarski 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 10:45 a.m.