

Approved 3-3-2010

**THE SURF CLUB OF MARCO ISLAND
BOARD OF DIRECTORS TELECONFERENCE MEETING
FEBRUARY 16, 2010**

The meeting was called to order at 10:00 a.m. by President William Chandler at Hilton Grand Vacations Regional Office, Marco Island, Florida. Board members in attendance via telephone were: William Chandler and Jim McCanna. Joe McCluskey attended the meeting at the HGV Regional office. Attending from Hilton Grand Vacations (HGV) were: Sharry Luneke – Resort Manager, Chris Schmadtke – Assistant to the Resort Manager, Neil Hutchinson – Senior Director Association Management Services (via telephone), Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting.

APPOINTMENT OF RECORDING SECRETARY

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to appoint Riki Martin as recording secretary for this meeting. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

APPROVAL OF AGENDA & CERTIFICATION OF MEETING NOTICE

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve the agenda and certification of meeting notice. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

APPROVAL OF PREVIOUS MINUTES

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve the minutes of the Special Owners meeting and Board of Directors meeting held on January 4, 2010. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

CERTIFICATION OF BALLOT AND CANDIDATES

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to certify the following:

- a. Two Directors will be elected at the Annual Meeting on May 7, 2010 for two year terms.**
- b. Five candidate forms were received prior to the deadline of January 31, 2010 all of which are in compliance.**
- c. There will be an organizational meeting of the Board to elect Officers at the conclusion of the Annual meeting or as soon there after as can be arranged.**
- d. The President is authorized to contact each of the five candidates to advise them of the above and to ascertain their availability for the organizational meeting.**

Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

MANAGERS UPDATE

Crowther Roofing has almost completed the air conditioner project and removing the old condensers from the roof.

The spa renovations will begin on Monday, July 12.

Mrs. Luneke will provide proposals for the fire pump replacement at the May 7 meeting.

Andy Curiel, maintenance technician at Surf Club, is retiring on February 28 after 23 years of service. Surf Club is currently interviewing for the maintenance technician I position

BEACH CONTRACT

The Board discussed the beach concession contract with Marco Island Ski and Water Sports. The current contract is dated February 23, 2000, on a five year term, and has automatic five year rollovers. The contract provides that Surf Club must send notice of a fee increase, based on CPI, (not to exceed 5%) for the ensuing term to Marco Island Ski and Water Sports at least ninety days prior to the anniversary date of the contract. Marco Island Ski and Water Sports has sixty days prior to the anniversary date within which to respond. The lack of a response from Surf Club signifies its acceptance of the terms set forth for the ensuing term.

Mr. McCanna would like to set up a meeting with Mark Bahr owner of Marco Island Ski and Water Sports prior to the May board meeting. The contract will be further discussed at the May meeting.

Ms. Kilpatrick will provide beach concession rental information for the other HGV managed properties on Marco Island at the May meeting.

SHUFFLEBOARD COURT SURFACE/VENDING MACHINES

At the budget meeting the board approved the purchase of new vending room equipment.

Allen R. Shuffleboard Co. Inc. proposal for 2- Poly Courts (52 ft. by 6 ft.) including tax and shipping for \$2,675.00. This price would include 2 new sets of disks.

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey that the board agreed to proceed with vending machines and shuffleboard courts at this time. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye.
Motion carried unanimously.

SECURITY

a. FRONT DESK

The Board was in agreement to keep the night shift security person.

b. SECURITY CAMERA

Mrs. Luneke will provide pricing for security cameras at the May meeting.

CABLE TV/INTERNET ACCESS CONTRACT

Mrs. Luneke has not yet received the contract from Comcast Cable. The cable agreement was tabled until the contract is received. Ms. Kilpatrick volunteered to contact Comcast Cable regarding the contract.

ASSOCIATION OWNED WEEKS

The Board and Management discussed the sale of association owned weeks. Due to the complexity of the weeks for sale. Ms. Kilpatrick will draft a cover letter explaining the specifics of the closed bid sale. The discussion was tabled to the next teleconference meeting.

Ms. Kilpatrick has spoken to Attorney Michael J. Belle regarding Surf Club Association owned weeks in bankruptcy. Attorney Belle agreed with Mr. Chandler's recommendation of a release of stay on unit 109/34 with an outstanding balance of \$10,755.29. **MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to authorize Attorney Belle to remove the unit from bankruptcy.** Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

The Board of Directors discussed the hardship case letter that was received by Mrs. Luneke. **MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to accept the week in lieu of foreclosure.** Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

Mrs. Luneke presented an owner email asking to convert a fixed week to a flex week. The board agreed to review the policy manual and discuss at the next teleconference meeting.

MANAGEMENT CONTRACT

The Board of Directors and Management reviewed the management contract. **MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve the timeshare condominium management agreement effective January 1, 2010 as submitted by management and to authorize and direct board President Bill Chandler to sign on behalf of the Association and deliver a signed copy to management on or before February 26, 2010.** Mr. Chandler voted no, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried.**

Management will send a copy of the contract to Mr. Chandler for signature with a return Federal Express packet to be sent to Neil Hutchinson for Hilton Grand Vacations signature.

APPROVAL OF INTEGRATED TIMELINE

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to approve the integrated time line as updated through this meeting. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

ADJOURNMENT

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to adjourn the meeting. Mr. Chandler voted aye, Mr. McCanna voted aye and Mr. McCluskey voted aye. **Motion carried unanimously.**

Meeting adjourned at 11:25 a.m.