

**SEAWATCH ON THE BEACH
BOARD OF DIRECTORS TELECONFERENCE MEETING
THURSDAY, JULY 8, 2010**

The meeting was called to order at 3:30 p.m. by President, Tim Pellerin at Seawatch on the Beach, Ft. Myers Beach, Florida. Board members in attendance via telephone were: Mike Dammeyer, Tim Pellerin, Deborah Stevens, and John Sykora. Steve Couch was in attendance at Seawatch. Attending from Hilton Grand Vacations Company were: Michele Jenkins – Resort Manager, Lael Kilpatrick – Regional Director Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting.

RECONSIDERATION OF THE MOST RESPONSIBLE BIDDER OF THE BATHROOM/KITCH PROJECT

The Board of Directors discussed the concerns with Queenslander Construction being unable to provide accurate paperwork and the required bonds. The final proposal presented to the Seawatch Board was in the name of Gulf Coast Power & Electric and Queenslander Construction. The contract was executed by Queenslander Construction. The Seawatch Board of Directors discussed their concern that the bid bond was (and the performance and payment bonds will be) in the name of Gulf Coast Power & Electric who, in reality, is a subcontractor to the General Contractor, Queenslander. In addition, we were informed by Bob Cory of Queenslander Construction that our project proceeds would have to be made payable to a third party escrow company for later disbursement to supply houses and subcontractors due to the bond company requirement. The Board was in agreement that they were no longer comfortable with Queenslander construction as their chosen contractor. They requested management to ask Seawatch legal counsel Becker & Poliakoff to send a letter to Queenslander Construction stating they would not be using their company for the bathroom/kitchen project. Mr. Pellerin will also call Bob Cory with the Boards decision.

MOTION was made by Mr. Couch and seconded by Mr. Sykora to ask Becker & Poliakoff to send a letter to Queenslander Construction stating they would not be the contractor for the bathroom/kitchen renovation project. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. Motion carried unanimously.

The Board was in agreement to have management contact Frazee Construction, who was the next choice for the project to submit a revised bid for the bathroom/kitchen project.

NEW BUSINESS

The bedspread fabric to be used in the master bedroom is no longer available. Diana of Bayfront Interiors is making a sample bedspread with an alternate fabric and will present to the Board along with additional options at the budget meeting.

Mrs. Jenkins feels that the laundry company is providing excellent service and that the owners/guests are pleased with the upgraded sheets and towels.

The new BBQ grills are working well and are being heavily used.

ADJOURNMENT

MOTION was made by Mr. Sykora and seconded by Mr. Dammeyer to adjourn the meeting. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. Motion carried unanimously.

Meeting adjourned at 4:30 p.m.

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