

**Approved 5-19-2007**

**THE SURF CLUB CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING  
JANUARY 19, 2007**

The meeting was called to order at 9:00 a.m. by President M.T. Myers at the Surf Club Marco Island, Florida. Board members in attendance were: William Chandler, Joe McCluskey and M.T. Myers. Attending from Hilton Grand Vacations Company (HGVC) were: Matt Fox – Resort Manager, Anthony McHugh – Assistant to the Resort Manager, 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. Chandler to appoint Riki Martin as Recording Secretary for this meeting.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**APPROVAL OF AGENDA & CERTIFICATION OF MEETING NOTICE**

Mr. Chandler requested an executive session at 12:30 p.m. **MOTION was made by Mr. Chandler and seconded by Mr. McCluskey to approve the agenda with the addition of an executive session after lunch and certification of meeting notice.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**APPROVAL OF PREVIOUS MINUTES**

**MOTION was made by Mr. Chandler and seconded by Mr. McCluskey to approve the minutes of the October 5, 2006 meeting as corrected.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**MOTION was made by Mr. McCluskey and seconded by Mr. Chandler to approve the minutes of the October 6, 2006 meeting.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**OWNER COMMENTS & QUESTIONS**

Mr. Fox explained the process of listing units for rental with HGVC. He will also add the information to the next newsletter.

How many times a year does the board meet? Mrs. Myers stated that three meetings per year are held, January, May and October. Teleconference meetings are held as needed. Mr. Fox will also add this information to the next newsletter.

An owner expressed concerns with the beach access being used as a drive through area. The Marco Island police force has an agreement to use the area it is also used by the beach concessionaire. Also of concern was that locals park in the parking lot and use the beach and pool area. Mrs. Myers will address this concern at the May meeting.

Ms. Kilpatrick explained the guidelines to obtain the Gold Crown status. The standards have been raised by RCI. RCI guests should be urged to fill out the comment card that is mailed to their home after their resort stay. The determination is made by RCI in August each year for the following year status.

#### **MANAGER UPDATE**

##### **a. Maintenance Fee/Line of Credit & Assessment Review Status**

Mr. Fox will address the maintenance fee and assessment review in the next newsletter. On June 1, 2007 the last half of the special assessment for Phase II, will be sent out.

##### **b. Project Innovo Phase I/II/III update**

The Board reviewed the update on Project Innovo. The interior renovations have been completed. 2007 projects are mattresses and kitchen table and chairs.

##### **c. ALE Insurance Update**

Ms. Kilpatrick gave an update on the ALE insurance checks. Coverage remains in place for maintenance and real estate tax reimbursement (not applicable if owner has taken advantage of other vacation opportunities, i.e. exchange).

There were unprecedented increases for insurance in the state of Florida this year; some associations weren't even able to get insurance. Premiums increased due to losses from Hurricane Wilma and the forecast of an increasingly active hurricane season. Hopefully we'll see a softening of the market next year. Currently all four HGVC beach front resorts on Marco Island are under the \$100,000 deductible.

##### **d. Resale Report/Association owned Weeks**

#### **2006 SALES**

Number of Weeks Sold	50
Dollar Volume	\$579,100
Average Price	\$11,582

#### **2005 SALES**

Number of Weeks Sold	53
Dollar Volume	\$575,600
Average Price	\$9,756

Number of Weeks Currently listed	229
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Volume	\$2,636,750 based on listing price
Average Price	\$11,514.19
List Price Range	\$6,500 - \$35,000

**Delinquency Report  
December 2006**

	# of Accounts	Outstanding Balance
Foreclosure Action	13	\$ 28,937.89
Lien Action	0	\$
Other Legal Action	1	\$ 3,313.43
Legal Action on Hold	0	\$
Association Owned Weeks	19	\$136,339.01
Current Due 2007*	978	\$833,422.91
Total	<u>1011</u>	<u>\$1,002,013.24</u>

**e. Rental Program Update**

**MOTION was made Mr. Chandler and seconded by Mr. McCluskey to authorize Mr. Fox as the Association agent to transfer the deed of 209/48 for week 111/38. Mr. Chandler voted aye, Mr. Chandler voted aye and Mrs. Myers voted aye. Motion carried unanimously.**

**f. Owner Letter**

Mr. Rose case is closed.

**Break 10:50 –11:05**

**g. Tennis Courts**

The Board discussed the possibility of a public membership program for one tennis court. Mr. Fox would prepare the flyer in-house, sign up sheet with the disclosure of the trial program and a waiver of release that must be signed by the tennis player. The income would go directly to miscellaneous income dedicated to the tennis courts. Mr. Chandler will research the amount of clay courts that are available on the island.

**MOTION** was made by Mr. Chandler and seconded by Mr. McCluskey to authorize management to implement a public membership program for one of the clay tennis courts as demand and availability permits with a maximum of four designated parking places and execution of a standard waiver of liability. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**h. RCI Report**

The Board reviewed the RCI report. Ms. Kilpatrick gave an overview of the process to maintain the Gold Crown.

**i. Beach Concession Contract**

**MOTION** was made by Mr. McCluskey and seconded by Mr. Chandler to authorize management to contact an attorney to negotiate the end of the automatic renewal of beach concession contract. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

Lunch break 12:00 p.m. –12:30 p.m.

**EXECUTIVE SESSION**

**12:50 – 1:23**

No action taken in this session

**j. Flex Use Program Update**

Mr. Fox will send out with flex week reservation form the grid of the flex weeks that he produced so owners can see what is available. The grid was printed in the newsletter and is available to all owners. The Surf Club is in compliance with provision subject to Florida statute.

**OLD BUSINESS**

No old business to discuss.

**NEW BUSINESS**

**a. Building Maintenance/Repair**

Using original specs and have the job bid out to the board for review.

**b. Marco Association of Condominium Membership**

**MOTION** was made by Mr. Chandler and seconded by Mr. McCluskey to become a member of the Marco Association of Condominiums (MAC). Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. **Motion carried unanimously.**

**c. Policy Manual Review**

The board reviewed the policy manual and will update the manual.

**d. Rules and Regulations Review**

A summary of rules and regulation that are in the condo documents will be printed on the back of pre-arrival letter.

**MOTION was made by Mr. McCluskey and seconded by Mr. Chandler to charge an additional cleaning fee of \$100.00 per offense per day, when owners or guests cause damages or the need for extensive cleaning to a unit. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. Motion carried unanimously.**

**2007 SURF CLUB ANNUAL MEETING/ELECTION**

**MOTION was made by Mr. Chandler and seconded by Mr. McCluskey to request attorney Morris to tabulate the election ballots at a price not to exceed \$2,000 with ballots to be mailed to his office. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. Motion carried unanimously.**

**REVISION TO BY-LAWS**

The Board reviewed the proposals for the by-law revision. **MOTION was made by Mr. Chandler and seconded by Mr. McCluskey to send the underlined revision to Attorney Morris for finalization for incorporation to the 2007 ballot. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. Motion carried unanimously**

**MOTION was made by Mr. McCluskey and seconded by Mr. Chandler to hold the May 2007 meeting open for 30 days (only for the purpose of attaining the required number of votes for the proposed By-Law Amendment) if at least 1200 votes are received as of the 2007 Annual meeting. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mrs. Myers voted aye. Motion carried unanimously**

**INTEGRATED TIMELINE**

The board reviewed and approved the integrated timeline and project list

**ADJOURNMENT**

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

**Meeting adjourned at 4:50 p.m.**