

**THE SURF CLUB CONDOMINIUM ASSOCIATION
TELECONFERENCE MEETING
DECEMBER 16, 2008**

The meeting was called to order at 2:00 p.m. at the Hilton Grand Vacations Regional Office, Marco Island, Florida. Board members in attendance were: Bill Chandler, Joe McCluskey (via telephone) and Jim McCanna (via telephone). Attending from Hilton Grand Vacation (HGV) were: Sharry Luneke – Resort Manager, Randy Piatt - Regional Vice President Resort Operations (via telephone), Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting. Also in attendance Attorney Morris via telephone

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

APPROVAL OF AGENDA & CERTIFICATION OF MEETING NOTICE

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

BY-LAW AMENDMENTS

Based on the voting strategy approved by the Board on October 23, 2008. **MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve the limited proxy form as amended today and prepared by Attorney Morris and authorize management to implement the strategy starting with week 1, year 2009.** Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.** (Attached as Addendum A)

HOT WATER BOILER ON ROOF

MOTION was made by Mr. McCanna and seconded by Mr. McCluskey to approve management's recommendations that we replace boiler # 2 with a new Lochinvar "Armor" boiler instead of repairing it and make the necessary adjustments to our reserve schedule. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.**

Ms. Kilpatrick stated we have received one candidate form to date which is a person who has not served on the board.

The term limits will be made clear to all potential candidates and owners.

INVESTMENTS OF RESERVES

The Board discussed the investment of reserves and was in agreement to have comparisons from Morgan Stanley and Comerica at the January 2009 meeting.

MOTION was made by Mr. McCluskey and seconded by Mr. McCanna to place the reserve funds with Morgan Stanley and revisit the investments at the January meeting. Mr. Chandler voted aye, Mr. McCluskey voted aye and Mr. McCanna voted aye. **Motion carried unanimously.** (Morgan Stanley application Addendum B)

REQUEST FOR INFORMATION FROM DBPR

Mr. McCanna asked Mr. Piatt why he did not respond to his request for all correspondence to and from the Florida Department of Business and Professional Regulations. Mr. Piatt stated he would be happy to send any correspondence that HGV legal department approved to be sent to the Board. HGV will have a response to the request at the January 2009 meeting.

ELEVATORS

Mrs. Luneke has received three bids from Tim Murk. Mr. Murk will review the bids and provide the Board with an analysis prior to the January 2009 meeting.

ADJOURNMENT

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

Meeting adjourned at 3:05 p.m.

APPROVED 12/18/2008