

Approved 9-11-2008

**THE CHARTER CLUB OF MARCO BEACH®  
BOARD OF DIRECTORS MEETING  
MARCH 12, 2008**

The meeting was called to order at 8:30 a.m. by President, R. Lyman Wood in the management office at The Charter Club of Marco Beach. Board members in attendance were: Noel Briggs, Lee Huston, John Konarski, Jim MacArthur, Lyman Wood and Board Consultant Gary Jacobson. Attending from Hilton Grand Vacations (HGV) were: Matt Fox – Resort Manager, Scott Shook – Assistant Resort Manager, Ada Grzywina – Regional Director, Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting. Mrs. Grzywina joined the meeting at 9:07 a.m.

**APPROVAL OF AGENDA**

**MOTION was made by Mr. Briggs and seconded by Mr. MacArthur to approve the agenda as amended to discuss elevators first and planters/walkways second.** 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 PREVIOUS MINUTES**

**MOTION was made by Mr. Konarski and seconded by Mr. Huston to approve the minutes of the February 11, 2008 teleconference meeting as corrected.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**MANAGER UPDATE**

**a. Elevators**

Tim Murk of Lerch Bates joined the meeting at 8:40 a.m. The Board discussed the concerns of poor service from General. Mr. Fox and Mr. Wood will meet with Tim Murk of Lerch Bates next week to negotiate the elevator maintenance contract. **MOTION was made by Mr. Huston and seconded by Mr. Briggs to approve the elevator contract with General in the amount of \$98,270.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**b. Walkways/Planters**

Jeff Anderson joined the meeting 9:20 a.m. – 9:55 a.m.

The Board reviewed the proposals for the walkways/planters. **MOTION was made by Mr. MacArthur and seconded by Mr. Huston to approve the contract with Gulfstream Painting and Waterproofing, Inc. in the amount of \$88,300 to repair and cap the planters.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**c. Kitchens**

The Board discussed the options for the modernization of the kitchen. A survey will be sent to owners to help the board determine which kitchen option to undertake and how to pay for the more expensive if selected. Model kitchen will be completed April 6 for the owners to view and comment on.

**d. Marriott Agreement**

Mr. Fox has presented the revised draft from Michael Belle to the Marriott for approval.

**e. Financials**

The Board reviewed the financials.

**f. Correspondence**

The Board reviewed the comment cards.

**g. Project List**

Management will present proposals to the board for internet options.

**MOTION was made by Mr. MacArthur and seconded by Mr. Huston to authorize Mr. Fox to proceed with bids to modernize the elevator cabs at a cost of approximately \$10,000 per car. 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. Konarski to cap the wood beams on the generator building for \$1,920. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. Motion carried unanimously.**

Management will make recommendation for gate and traffic flow. Mr. Fox has a study that had been previously presented and he will include it in the next managers update.

**MOTION was made by Mr. MacArthur and seconded by Mr. Briggs to recess the meeting for lunch. Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. Motion carried unanimously.**

**Lunch break 12:00 p.m. – 12:45 p.m.**

**MOTION was made by Mr. MacArthur and seconded by Mr. Briggs to purchase guest bedroom lamps not to exceed \$1,500. Mr. Briggs voted aye, Mr.**

Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**h. Credit Card Fees**

Mrs. Grzywna does not have a favorable answer on the issue of whether the association would be able to charge a fee to owners for using a credit card to pay maintenance fees. She advised the board that our Director of Finance indicated that Master card and Visa are considering allowing this practice and we will inform the board as soon as we learn of the outcome of those conversations.

**i. Week 53**

To be discussed tomorrow with Michael Belle.

**j. Elevator Lobbies**

Mr. Huston gave an overview of updating elevator lobbies at a cost of approximately \$54,000 for each elevator lobby. Mr. Wood suggested adding elevator lobbies to the owner survey.

**k. Other Projects**

Mr. Fox presented a new product for outdoor floor covering. **MOTION was made by Mr. MacArthur and seconded by Mr. Huston to install Superior Surfacing floor covering to the front of the sales center to improve the look of the property.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

The Board was in agreement to leave the cat issue as is unless additional complaints are received.

**NEW BUSINESS**

**MOTION was made by Mr. MacArthur and seconded by Mr. Konarski to refurbish the interior of the elevator cabs.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

**Rental Policy**

Management is revising rental program procedures and will take into consideration that renters preferences come first when determining which unit is rented. Mr. Fox will report back to the Board of Directors in May.

**OLD BUSINESS**

The Board of Directors has concerns with the errors made in the Annual meeting mailing. Hilton Grand Vacations communication department sent a revised managers letter to be

The Charter Club of Marco Beach®

Board of Directors Meeting

March 12, 2008

Page 4 of 5

used by all properties. A mistake was made and going forward the management team and a member of the board will review annual meeting mailing packet prior to printing.

### **Randy Piatt Letter**

The board discussed the incident with Mr. Piatt at the October 31, 2007 board meeting regarding the name tags and the emotional outburst that followed. They are considering contacting the President of Hilton Grand Vacations to discuss this issue. The board indicated their desire to speak to the new CEO of Hilton prior to renewal of their contract to discuss several issues. Mrs. Grzywna indicated that she can not commit to arranging such meeting since Mr. Wang has a pretty tight schedule. The BOD then requested to speak to the next in command. Mrs. Grzywna indicated that she will find out the possibility of arranging such meeting possibly for October and will report back to the BOD.

The BOD indicated that they do not want changes to the language or content of their contract. Mrs. Grzywna advised them that there might be some minor changes to conform to legal language requirements as Hilton Grand Vacation's legal department is in the process of revising all management contracts. The board requested that The Charter Club of Marco Beach management contract be kept the same where possible and to highlight any changes. Mrs. Grzywna will make the request.

Mrs. Grzywna has meetings scheduled at the corporate office on March 19 & 20. She will report back to the Board after her meetings regarding the delay in mailing the foreclosure letter.

**MOTION was made by Mr. Huston and seconded by Mr. Konarski to recess the meeting.** Mr. Briggs, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

### **Meeting was called to order at 8:30 a.m. Thursday, March 13, 2008**

The board chose not to accept the options presented by Jeff Anderson on behalf of Gulfstream Painting and Waterproofing to paint the balcony railing. The in-house maintenance staff will paint the railing.

Mrs. Grzywna joined the meeting at 8:52 a.m.

### **FUTURE MEETING DATES**

Teleconference meeting May 9, 2008 @ 8:30 a.m.

Annual/Board meeting March 24 & 25, 2009

Michael Belle joined the meeting @ 9:15 a.m.

Mr. Belle suggested keeping the Annual meeting open for 90 days to get the number of votes needed for the fixed and flex week amendment.

The Charter Club of Marco Beach®

Board of Directors Meeting

March 12, 2008

Page 5 of 5

**MOTION was made by Mr. MacArthur and seconded by Mr. Huston to go into Executive meeting to discuss the issues of week 53.** 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 revert back to the previous method of payment for all unit owners. When week 53 occurs, the owner will be charged the additional cleaning fee. This will be effective with the 2009 billing.** 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. Konarski to adjourn from Executive session.** 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. Konarski to recess 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 recessed at 9:45 a.m. Meeting reconvened at 11:50 a.m.**

**MOTION was made by Mr. MacArthur and seconded by Mr. Briggs to reconvene 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.**

**MOTION was made by Mr. Huston and seconded by Mr. Briggs to re-establish the same slate of officers to continue for this term.** Mr. Briggs voted aye, Mr. Huston voted aye, Mr. Konarski voted aye, Mr. MacArthur voted aye and Mr. Wood voted aye. **Motion carried unanimously.**

The board agreed to add the resort directory to the survey.

**MOTION was made by Mr. Briggs and seconded by Mr. Konarski to appoint Gary Jacobson as Board Consultant for a one year term.** 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. 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 12:00 p.m.**

The Charter Club of Marco Beach®  
Board of Directors Meeting  
March 12, 2008  
Page 6 of 5