

Minutes
CARIBBEAN BEACH CLUB ASSOCIATION, INC.
Board of Directors Teleconference Meeting
Ft. Myers Beach, FL

January 7, 2014

I. CALL TO ORDER/ROLL CALL

President John Vary called the meeting to order at 7:03 p.m. for Caribbean Beach Club, Ft. Myers Beach, Florida. The following persons were in attendance or participated via teleconference:

Board of Directors:

John Vary, President
Dave Zibolski, Vice President
Tom Andres, Treasurer
John Thomson, Secretary
Dick Garrett, Director
Tony Annunziato, Director

Excused:

Ed O'Connor, Director

Vacation Resorts International (VRI):

Jan Samson, Sr. VP of Resort Operations, VRI
Jeff Wharton, Director of Resorts, VRI
Laurie Meier, General Manager

Owners:

4 owners present

II. NOTICE VERIFICATION/QUORUM

Management stated that meeting notice was posted in the Board approved location in accordance with the condominium documents and Florida statutes.

A quorum was established with six of seven Board members available in person or via teleconference.

III. APPROVAL OF MINUTES

MOTION: Richard Garret moved to approve the November 20, 2013 Board of Directors meeting minutes as presented. The motion was seconded by Tom Andres.

Changes:

Page 2 of 3, Item IV A, second paragraph: ~~Joe Takacs~~ Management provided minor details of the agreement between the two companies and how it would affect Caribbean Beach Club.

Page 2 of 3, Item IV A, second motion: **MOTION:** Ed O'Connor moved to table the negotiations with TheMVPSERVICE and ~~InnSeason~~ Timeshare Liquidators

Page 2 of 3, Item IV A, fourth paragraph: ~~Management reported that Mr. Takacs is committed to finishing the registration as previously planned.~~

MOTION: Richard Garrett moved to approve the amended minutes. The motion was seconded by Tom Andres and approved unanimously.

7:35 p.m. Joe Takacs, President of TheMVPSERVICE joined the meeting via teleconference.

IV. UNFINISHED BUSINESS

A. Sales Contracts (TheMVPSERVICE, Timeshare Liquidators)

Joe Takacs outlined plans for the new marketing program, beginning with a meeting planned later in the week with the management team, instituting a new marketing coordinator to set sales appointments, utilizing off-site marketing for vacation packages, providing sales-sponsored activities, and possibly hiring an additional salesperson. Jan Samson reiterated the offer from Timeshare Liquidators.

B. Public Offering Statement Review

Jan Samson provided a status report with the filing of the Public Offering Statement to register the Association as a Subsequent Developer, providing the Association the ability to sell more than 50 intervals per year.

John Vary explained that the Association is agreeing to Florida's requirement that the Association will comply with the regulations as a Subsequent Developer.

MOTION: John Vary moved to approve the filing of the POS and table the discussion of the sales contracts until the March meeting for the units that come available via the POS. The motion was seconded by Dave Zibolski and approved unanimously (POS exhibit attached).

C. Water Line Contract

MOTION: John Thomson moved to table the discussion of the issue of the water line contract until the March 3, 2014 meeting for two reasons: 1. The high season CBC owners do not need such an inconvenience. 2. I have asked for current & proposed water line and shutoff valve diagrams and as of yet have seen none. The motion was seconded by Tony Annunziato and approved unanimously.

Requests for future discussion include: Provide diagrams of the existing water lines; submit drawings of current and proposed water lines and valves; have the project permitted.

Joe Takacs exited the meeting.

D. Smoking on Balconies Status

MOTION: John Vary moved to postpone any discussion until the March meeting. The motion was seconded by Richard Garrett and approved unanimously.

E. Lawsuit Update

John Vary reported that the lawsuit status is unchanged, with the Axis brief expected by January 11, 2014, when the Association will then file its final brief so that the date for oral argument will be set. This information is provided on the Association's web site.

V. **NEW BUSINESS**

A. Insurance

Owners have asked why we cannot obtain higher insured limits for the Ordinance and Law endorsements on our first party property insurance.

The reasons are due to the age of the South building and the fact that they are at sea level.

For flood, FEMA (US government) sets the rates and the coverage limit. \$35,000 is the maximum.

For wind, we were able to obtain \$500,000 Ordinance and Law coverage for the North building but no coverage for the South building.

For all other perils (except terrorism), the Board voted to accept \$1,000,000 coverage for the resort vs. \$0 for the South building and a higher limit for the North building as we felt that the North building would have less \$ exposure for compliance than would the South building.

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B. Owner Request

John Vary reported that an owner contacted him to accept an offer to pay the closing costs in conjunction with accepting the property back to the Association. As the authority was previously given to the Manager, all requests will be forwarded to the Manager and added to future reporting.

VI. **MANAGER REPORT**

A. Foreclosure Status Report

Management reported on recent activity with 21 closed sales, 8 pending sales, and other owner to owner sales that occurred recently. We will continue to monitor the activity and update the owner lists in System 9900, which also includes mailing new owner packets, and providing 2014 statements (exhibit attached).

Management reported on the process toward completing the legal requirements in establishing the Association as eligible to conduct non-judicial foreclosures.

MOTION: Richard Garrett moved to authorize the Secretary to sign the resolution affirming the use of trustee foreclosure in a non-judicial process. The motion was seconded by Tony Annunziato and approved unanimously.

B. Wi-Fi Status Report

Management reported the Wi-Fi installation is scheduled for January 29, 2014.

C. 113/213 Condition Report

Management reported that the investigation is complete, and from the recommendations all repairs to minimize water penetration into the units are complete. We will continue to evaluate the areas during and after each rain event to address the leak situation.

D. North Building A/C Report

Management reported that a final inspection of the new equipment is scheduled for the following day.

E. Owner Comments:

Referring to the 2019 decision, an owner questioned if the Board considered the potential of setting up a real estate trust and leaving it to a developer who may contact interested parties for re-development. Mr. Rebhac asked if the Board would consider engaging a real estate consultant to see if there is value in redeveloping the property.

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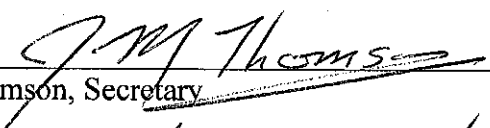
Dave Zibolski commented that the Association is looking into all possibilities within the statutory requirements, including but not limited to discussion with a potential developer, although it is a premature discussion until we have adequate response from the ownership.

VII. FUTURE MEETING DATES

- A. March 3, 2014 – 8:30 a.m. Board Meeting
- B. August 25-26, 2014 – 8:30 a.m. Budget Workshop
- C. October 27, 2014 – 8:30 a.m. Budget/Annual Owners Meeting

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:20 p.m.

BY: 
John Thomson, Secretary

DATE: April 05 / 2014

CERTIFIED COPY OF RESOLUTION

THE UNDERSIGNED being the Secretary of CARIBBEAN BEACH CLUB ASSOCIATION, INC., a Florida Non Profit Corporation (the "Association"), hereby certifies that the following is a true and correct copy of a resolution duly adopted by the Directors of the Association at a duly called meeting of the Board of Directors held on January 07, 2014, at which a quorum of Directors were present and voting throughout.

BE IT RESOLVED that there is nothing in the governing documents prohibiting trustee foreclosure; and,

BE IT RESOLVED that the Board of Directors affirmatively approves the use of trustee foreclosure for Caribbean Beach Club in accordance with Chapter 721, Florida Statutes.

THE UNDERSIGNED CERTIFIES that the foregoing resolutions were duly and regularly enacted at a meeting of the Board of Directors called for that purpose and held in accordance with the By-Laws of the Association and the laws of the State of Florida; and that the resolutions are in full force and effect as of the date of this Certificate and have not been altered, modified or rescinded.

THIS CERTIFIED COPY is dated this 07 day of January, 2014.

CARIBBEAN BEACH CLUB ASSOCIATION, INC.,
a Florida corporation

BY: John Thomson
JOHN THOMSON, Secretary Director

