

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION  
BOARD OF TRUSTEES MEETING MINUTES**

Monday, December 10, 2018

**I. ROLL CALL/CALL TO ORDER**

The meeting of the Board of Trustees was called to order by Marcia Svetkey at 10:00 a.m. in Hyannis, MA, at the VRI Office. The following persons were in attendance:

Board of Trustees:

Tom Connors	Dorothy Fulginiti
Marcia Svetkey	John Winston

Absent:

Dennis Ducharme

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI  
Clayton Walsh, Resort General Manager

**II. APPROVAL OF AGENDA**

**MOTION:** Tom Connors moved to approve the agenda as presented. Motion was seconded by John Winston and approved unanimously.

**III. APPROVAL OF PREVIOUS MEETING MINUTES (10/15/18)**

**MOTION:** Tom Connors moved to approve the October 15, 2018 Regular Meeting Minutes as written. Motion was seconded by John Winston and approved unanimously.

**IV. EXECUTIVE SESSION**

Scott Dravis, Sr. VP of Resort Operations joined the meeting

Clayton Walsh presented a list of employees and recommended a Christmas bonus program based on the employees' exceptional performance over the last six months related to the April fire and guests who were relocated.

**MOTION:** John Winston moved to adjourn to Executive Session at 10:15 a.m. Motion was seconded by Dottie Fulginiti and approved unanimously.

**MOTION:** Tom Connors moved to return to Regular Meeting at 10:46 a.m. Motion was seconded by John Winston and approved unanimously.

**MOTION:** Dottie Fulginiti moved to approve year-end bonuses as revised and stipulated by the Board in appreciation for work performed over the past season related to the fire and relocations. Motion was seconded by John Winston and approved unanimously.

Scott Dravis left the meeting.

## V. MANAGEMENT REPORTS

### A. Resort Update

Clayton Walsh reviewed the following projects:

#### Northstar Mechanical:

Northstar is currently scheduling the pressure testing with a subcontractor. We are awaiting a price for taking the old five-ton chiller and tapping it into the East/Center wing of the resort. Scott, the owner of Northstar, researched the possibility of this during his last site visit and it does look possible.

#### High Efficiency:

Preventative maintenance took place on the water boilers for heat system. In doing so, it was noticed that one of the four boilers was damaged and needs to be replaced. The manufacturer was contacted and approved the boiler to be replaced under warranty covering the parts only. The Board had approved via email the labor costs of \$7875, ultimately \$6,375 after receipt of a rebate. High Efficiency completed the work the first week of December and a rebate for \$1,500 needs to be filed.

#### Fraser Construction:

Jordan, project manager with Fraser, received the deposit for banister replacement and took final measurements on November 26<sup>th</sup>. Parts have been ordered and once delivered, installation will be scheduled.

#### Studio Owners:

Studio owners have been issued refunds through Week 34. Refunds for Week 35 owners are currently on hold until additional funds are released from the insurance company who requested detailed information for each week's guest/owner for which they need to release funds for the Loss of Business portion of the claim.

#### Loss of Business Portion of the Claim:

A forensic accountant was assigned to the claim to ensure the necessary information is obtained in order to file the Loss of Business portion of the claim. Several documents were requested which are on hand at the resort. Other items were provided by VRI. The insurance company is moving slowly on installment payments, demanding additional paperwork for each item which is involved with the claim. Additional funds, as they pertain to the construction, etc., should be released as needed and approved by the adjustor.

#### Comcast:

A new service agreement with Comcast has been signed for two years. There is a slight delay in that Comcast is trying to bundle the VRI modem which runs the operating system

into the hospitality account. It was reported that this will be completed before December 21, 2018.

Preventative Maintenance:

Preventative maintenance has begun on unit interiors. The following items are being addressed on the first lap around the property:

- Re-scaling the shower interiors using tile paint and sealer.
- Painting of coffee tables, end tables and dining room tables
- Painting of television/fireplace surround

Units 715/716:

Belfor has removed the damaged floors and stored the contents in a storage container while the work is taking place. There is a foundation issue that allows water to seep into the crawl space which has the potential to cause the floors to buckle. Purchasing a commercial dehumidification system as a remedy to this problem is being researched along with scaling the foundation, etc.

Non-Recorded Owner Project:

Albena has sent letters to remaining non-recorded owners and signatures are slowly being obtained. Each week batches have been dropped off at Leon Narbonne's attorney's office, and we have not yet seen anything recorded.

B. Review of Action Items

Marcia Svctkey and Michael McManus reviewed the action items. Items were added and those items completed were removed from the list.

C. Owner Communications

Marcia asked the Board to submit any articles to be included in the winter newsletter. The newsletter is to be mailed out in January 2019.

**VI. FINANCIAL REPORT**

A. Financials

Michael McManus stated that accounting was completing the October 2018 financial statements and that they would be distributed to the Board by the end of the week.

B. Collections

Michael McManus distributed the Continental Central Credit collection report dated November 15, 2018 showing that 57% of the \$127,869 principal assigned has been collected.

C. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end October 31, 2018.

**VII. OLD BUSINESS**

A. Reserve Report Updated

Clayton Walsh distributed a Five Year Capital Spending report showing completed projects from 2017 forward and proposed items over the next five years. The following project proposals were included:

- High Efficiency - proposal to add a second heater to pool room
- Jones Technology Solutions - proposal for security cameras
- Pro Fence Co., etc. - proposals for new pool fence and gates
- Jones Technology Solutions - proposal to rebuild Wi-Fi infrastructure and services

B. Special Assessment/Capital Expenditure Project Report

- i. Design
- ii. Construction
- iii. Budget

Michael McManus reported that the Design Committee changed designers in November. Jim Mirabella from Granite State Contracting distributed a proposal to the Design Committee to consider for the studio units.

C. Sales

Michael McManus reported that there was no monthly sales report from ImSeason for November, but weekly appointments are being scheduled on Tuesdays at the resort with Scott Roschund during the month of December.

**VIII. LEGAL COUNSEL**

A. NERM Update

Michael McManus reported that a yearly meeting to reconcile the developer's remaining inventory is being scheduled for late January at the VRI office with Tom Connors, Marcia Svetkey, Dennis Ducharme, Attorney Gary Blank and Leon Narbonne. An email will be distributed when the meeting time and date have been confirmed.

B. Amendment to Trust

Tabled until the next meeting.

**IX. NEW BUSINESS**

A. 2018 Year End Bonus

Covered under IV. Executive Session.

B. Open Discussion

Michael McManus distributed a letter dated December 5, 2018 from Sedgwick outlining insurance appraisal proposal for the Board to review and consider.

**MOTION:** John Winston moved to approve the insurance appraisal proposal from Sedgwick at a cost of \$4,950 and authorized Marcia Svetkey to sign the proposal on behalf of the EBR Trust. Motion was seconded by Tom Conners and approved unanimously.

**X. NEXT MEETING DATE**

Board Meeting, Monday, February 11, 2019, 10:00 a.m. at the VRI Office  
Special Meeting, Saturday, May 4, 2019, 10:00 a.m. at the Sea View Restaurant

**XI. ADJOURNMENT**

**MOTION:** There being no further business, Tom Conners moved to adjourn the meeting at 2:13 p.m. Motion was seconded by Dottie Fulginiti and approved unanimously.

Clayton Walsh tendered his resignation at the end of the meeting, stating that his last day of work would be Friday, December 21, 2018, and that he has accepted a position with Marriott.

  
John Winston, Secretary

MJM/smt

ebr: 121018min