

**EAGLE'S NEST ON MARCO BEACH
BOARD OF DIRECTORS WORKSHOP
SATURDAY, MARCH 12, 2011**

The meeting was called to order at 10:30 a.m. by President, Wayne Gruber at Eagle's Nest Resort, Marco Island, Florida. Board members in attendance were: President – Wayne Gruber, Vice President – Mitch Moore, Secretary/Treasurer – Bob Kelsey, Director - Sharon Bohrer and Director - Fred Bathon. Attending from Hilton Grand Vacations Company (HGVC) were: Mona Fohlbrook – Resort Manager, Claudia Phoenix – Assistant Resort Manager, Neil Hutchinson – Vice President Association Management Services, Lael Kilpatrick – Regional Director Resort Operations and Riki Martin – Executive Assistant and Acting Recording Secretary for this meeting. Also in attendance was Jeff Anderson of Karins Engineering.

Mr. Gruber congratulated Mr. Kelsey and Mr. Bathon for the outstanding job they have done in preparing for the unit renovations.

SPECIAL ASSESSMENT DISCUSSION – Bob Kelsey

Mr. Kelsey stated this is the first major renovation in 26 years. Last year, the Board, after much research, consideration and analysis, and in an effort to avoid the assessment, decided not to accelerate the timing for the unit renovation project from the reserve scheduled date of 2015. This year, however, plumbing damage and repair costs have, out of necessity, brought the project to the immediate forefront. After decades of processing heavily treated island water, the cast iron drain lines and copper feed lines in our buildings are in need of a behind-the-walls structural overhaul. Therefore, we are combining several individual repair projects into one comprehensive renovation project that will span two years. We will start in the Tower with 39 units slated to be renovated in August, September and October of 2011, and the remaining Tower units will be completed in May and June of 2012. A model Villa unit will be completed by June of 2011 for the purpose of planning the renovations that will commence in the Villa units the following year.

The Tower project specification manual was established by the engineering firm of Karins Engineering, and was put out for competitive bid by qualified contractors. Following review of the bids, a contractor will be selected based not only on price, but also on quality of work history and understanding of the scope of our time sensitive work.

The objective of the project is to do an efficient renovation to bring Eagle's Nest up to excellent standards in a financially responsible way with a one time special assessment. Once the renovations are completed the board will look at the reserves to fund future projects.

Mr. Gruber stated that the decision will be announced at the Annual meeting on selection of the contractor and the amount of the special assessment.

Fred Elsasser commented that the special assessment has not been communicated to the owners. Mrs. Fohlbrook stated that the special assessment has been mentioned in the last two newsletters and also in the maintenance fee billing letter.

Mr. Ed Krommer has attended many of the Tuesday morning owners meetings and Mrs. Fohlbrook always gives a recap of where we stand on the upcoming renovations. He complimented the Board and Management on the model unit renovations and our project communications with owners.

Mr. Bathon agreed that the model unit is something to be very proud of. He will be available after the meeting to answer questions.

CONTRACTOR BID REVIEW AND DISCUSSION – Jeff Anderson, Karins Engineering

The Contractor that the committee is recommending is going to install a stand alone independent elevator for the removal and installation of material needed for the renovation.

Hours of operation will be in compliance with Marco Island Noise Ordinance 8:00 a.m. – 7:00 p.m.

Mr. Anderson will be available after the meeting to answer any questions.

ADJOURNMENT

MOTION was made by Mrs. Bohrer and seconded by Mr. Bathon to adjourn the meeting. Mrs. Bohrer voted aye, Mr. Bathon voted aye, Mr. Gruber voted aye, Mr. Kelsey voted aye and Mr. Moore voted aye. **Motion carried unanimously.**