

SEAWINDS II
BOARD OF TRUSTEES REGULAR MEETING MINUTES
Saturday, May 10, 2008

I. CALL TO ORDER/ROLL CALL

The Board meeting was called to order by Jeff Farres at 12:10 p.m. at Riverview Resort. The following people were in attendance:

Board Members:

Jeff Farres	Frank Goodyear
David Rapaport	Rowena Flynn
Sheila Farres	

Absent: Nancy Kritzman

Vacation Resorts International and Resort Management Staff:

Jan Samson, Senior Vice President of Corporate and Business Development/VRI
Jonathan Del Negro, Vice President of Finance/VRI
Scott Dravis, Vice President of Resort Operations/VRI
Michael McManus, Director of Resorts/VRI
Israel Soares, Resort General Manager

II. APPROVAL OF AGENDA

MOTION: David Rapaport moved to approve the agenda as written. Motion was seconded by Frank Goodyear and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES (02/09/08)

MOTION: David Rapaport moved to approve the February 9, 2008 meeting minutes as written. Motion was seconded by Frank Goodyear and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

Israel Soares distributed his Manager's Report which included the following items:

Front Desk

- Front Desk staff is collecting security deposit prior to giving the door code for all electronic locks.

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General Resort News

- Beach Umbrellas have been fabricated and installed.
- Town of Dennis Department of Public Works is working on the drainage project at the beach entrance.
- Still working to get the approval to use the additional parking spaces on Uncle Rolf Rd.

Maintenance

- All regular maintenance requests have been completed with no major problems.
- The touch-ups on the renovations in both units #5 & #6 are complete.
- Maintenance staff installed carbon monoxide detectors in all six units in accordance with the Town of Dennis fire department regulations.
- Sky-lights have been installed on the supply shed.

Housekeeping

- Regular turnover cleaning and mid-week services are being completed.
- Seawinds II changed laundry service from Barnstable Laundry Co. to Mama's Laundry with a savings \$0.24 per pound.

B. Financial

Michael McManus introduced Vice President of Finance Jonathan Del Negro. Jonathan reviewed the financial statements as of March 31, 2008. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement, and Cash Flow Analysis.

C. Owner Correspondence

Michael McManus distributed a newsletter that is scheduled to be mailed by the end of May. Michael asked all Board members to send any changes to him by May 20, 2008.

Jeff Farres asked that the mailing include Timesharing Today Information.

V. OLD BUSINESS

A. Renovations

Michael McManus reported that the renovations have been completed and the beach umbrellas have been installed. Michael invited the Board members over to the resort after the meeting to view the property.

B. Contract Matrix

No contracts have been entered into since the last meeting.

C. Resort Amenities

i. Parking

Michael McManus reported that the parking signs were installed in March on the land owned by Seawinds II on Uncle Rolf Road. The Town asked the resort to remove the signs until the resort has received sign permits.

Michael verified that the signs were removed and permits have been applied for with the Town of Dennis. Copies of Seawinds II's deeds and plot maps were included with the applications.

ii. TV

Tabled until the next meeting.

iii. Beach

Michael McManus reported that six umbrellas have been placed on the beach. Mike distributed two letters from owners at "Seawinds I" that were sent to Seawinds II Resort requesting information about the umbrellas and our intentions for the beach in 2008.

The Board instructed management to draft a response letter to Seawinds I regarding the beach, the use of a security company during the summer, and wristbands that will be distributed to owners who have beach rights.

D. ARDA Non-Judicial Foreclosure

Scott Dravis explained the efforts of ARDA New England to sponsor legislation in Massachusetts in favor of non-judicial forfeiture (foreclosure). The legislation will be geared toward streamlining the process of foreclosure of timeshare interests to make it less expensive. ARDA is asking Massachusetts developers and resorts for monetary donations in support of the effort.

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MOTION: David Rapaport moved to approve the sum of \$300 as a contribution toward the ARDA non-judicial forfeiture effort. Motion was seconded by Rowena Flynn and approved unanimously.

VI. NEW BUSINESS

A. VRI Contract Renewal

Jeff Farres introduced Jan Samson, Senior Vice President of Corporate and Business Development for VRI. Jan presented different management contract proposals to the Board including a three, six, or ten year renewal with increases varying and annual savings for each long term contract.

The Board also discussed the sub-management contract with Riverview Resort. David Rapaport stated that he was working with Ted Schuster, Treasurer for Riverview Resort and would present a proposal at the next meeting.

The Board discussed the management contract proposals and asked that some changes be made and a revised proposal sent to Jeff Farres.

MOTION: Frank Goodyear moved to approve renewal of the management contract as presented for a 10 year term at a 2.5% yearly increase, starting in 2009. Motion was seconded by David Rapaport and approved unanimously.

B. Sub-Management Contract

Michael McManus stated that he meet with David Rapaport and Ted Schuster of the Riverview Board on April 24th, 2008 to discuss the sub-management agreement between Riverview Resort and Seawinds II. Both Treasurers will continue to negotiate a proposal, present it to each Board in August and work to have an agreement in place by September, 2008. The meeting was productive and there appeared to be agreement on the major issues.

C. Open Discussion

No discussion at this time.

D. TimeSharing Today

Jeff Farres reported that he was in Las Vegas for the ARDA National Meeting and he spent sometime with Shep Altshuler of TimeSharing Today. TimeSharing Today is offering two programs that Jeff would like management to utilize.

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1. A free copy of TimeSharing Today magazine in each unit. Timesharing Today mail a bundle of magazines to the resort address to be placed in each room at no cost to the resort.
2. TimeSharing Today will contribute to the cost of mailing a newsletter if a small section is dedicated to Timesharing Today. The advertisement would generate 12 ½ cents per piece of mail for Seawinds II Association.

VII. OTHER

A. Schedule Meeting Dates for 2008

The next Board meetings are scheduled as follows:

Regular Board meeting on Saturday, August 16, 2008, 12:00 p.m. at Riverview Resort.

Regular Board meeting on Friday, September 19, 2008, 6:00 p.m. at Riverview Resort.

Annual Board meeting on Saturday, September 20, 2008, 10:00 a.m. at Riverview Resort.

VIII. ADJOURNMENT

MOTION: There being no further business, David Rapaport moved to adjourn the meeting at 2:15 p.m. and to drive over to the resort for a site inspection of the renovated units. Motion was seconded by Frank Goodyear and approved unanimously.

Sheila Farres, Secretary

MJM/jmf

swb: 051008min