

October 4, 2018

Dear Newport Coast Villas Owner,

Attached is the draft of the September 11, 2018 Boards of Directors Special Meeting Minutes. These minutes are being distributed to Owners as outlined in the Newport Coast® Villas Master Association By-Laws, Article 6, Section 6.17 Minutes of Meetings; the Newport Coast® Villas Condominium Association Declaration of Conditions, Covenants and Restrictions (CCRs), Article VI Management, 6.2 Specific Powers and Duties of the Condominium Association, (l) Minutes, Agenda and Policies; and By-Laws, Article 6, Section 6.17 Minutes of Meeting; and the Newport Coast® Villas Timeshare Association Declaration of CCR's, Article IV. Management, 4.2 Specific Powers and Duties of the Timeshare Association, (p) Minutes, Agenda and Policies.

Please also consider opting-in to receive mailings required by the Association's governing documents or applicable law via electronic transmission through an email address. Examples of required mailings may include: notices of meetings, financial statements, budgets and amendments to the governing documents.

In order to receive these items by electronic transmission, Owners must first explicitly provide consent (or "opt-in"). Consent to receive required mailings by electronic transmission is effective unless it is revoked at a later time.

To opt-in, log into your Owner account on <https://owners.marriottvacationclub.com>. Click on "Account". Click on "Profile". Click on "Register for Online Document Notification". Click on "Edit Settings".

In order to expedite service to you, I ask that you contact Owner Services at (800) 845-4226 for any questions regarding your deed, address changes or reservation questions.

Financial questions can be directed to Jennifer Kammerer, Market Director of Finance, at [Jennifer.Kammerer@vacationclub.com](mailto:Jennifer.Kammerer@vacationclub.com).

Inquiries about our operations should be directed to my assistant, Lisa Romero, at [Lisa.Romero@vacationclub.com](mailto:Lisa.Romero@vacationclub.com).

For questions regarding minute content, please contact me at [James.Marks@vacationclub.com](mailto:James.Marks@vacationclub.com).

Warmest regards,

*Jim Marks*

General Manager

Marriott's Newport Coast Villas

**Newport Coast Villas Master Association  
Newport Coast Villas Condominium Association  
Newport Coast Villas Timeshare Association**

**Board of Directors Meetings**

**September 11, 2018**

A special meeting of Newport Coast Villas Master Association, Newport Coast Villas Condominium Association and Newport Coast Villas Timeshare Association Boards of Directors was held concurrently on September 11, 2018 at Marriott's Newport Coast Villas, 23000 Newport Coast Drive, Newport Coast, California 92657.

**Present from the Boards of Directors were:** John Albert, President; Don Baarman, Vice President; Bill Whelihan, Secretary; Vince Tobin, Treasurer and Keven Rowe, Director

**Present from Marriott Vacation Club® International, representing the Management Company, were:** Steve Belna, Director of Facilities; Jane Berg, Regional Vice President-West; Sean Ellison, Project Manager; Jennifer Kammerer, Market Director of Finance-Southwest; Jim Marks, General Manager; Eduardo Rodrigues, Director of Operations and Lisa Romero, Executive Assistant

**Guest present was:** Chris Van Ruiten, Comerica Securities, Inc.

**CALL TO ORDER**

John Albert, President of Newport Coast Villas Master Association, Newport Coast Villas Condominium Association and Newport Coast Villas Timeshare Association, called the meetings to order at 9:01 a.m., Pacific time.

Overview of Senate Bill Section 4900, est. seq (Open Meeting Act) of California Civil Code  
Mr. Albert reminded those present of Davis-Stirling Act, Section 4900, (Open Meeting Act).

Approval to run meetings concurrently

**A motion was made by Vince Tobin to run the meetings of Newport Coast Villas Master Association, Newport Coast Villas Condominium Association and Newport Coast Villas Timeshare Association concurrently. The motion was seconded by Bill Whelihan and unanimously carried.**

**PERSON DESIGNATED BY BOARDS**

**A motion was made by Don Baarman to ratify Jim Marks as the person designated by the Boards, pursuant to Section 4090(b) of California Civil Code, to be present at the physical location of the Board Meetings identified in the Notice of Board Meetings. The motion was seconded by Keven Rowe and unanimously carried.**

**ESTABLISHMENT OF QUORUM**

With all Board Members present from each Association, the quorum requirement for each Association was met.

**APPOINTMENT OF RECORDING SECRETARY**

Mr. Albert appointed Lisa Romero to serve as Recording Secretary.

**PROOF OF NOTICE OF BOARD OF DIRECTORS SPECIAL MEETING**

Notice of Board of Directors Special Meeting was emailed to all Board Members on August 27, 2018, as required by each Association's Bylaws.

**APPROVAL OF AGENDA**

**A motion was made by Bill Whelihan to approve the Agenda as presented. The motion was seconded by Vince Tobin and unanimously carried.**

**NEW BUSINESS**

Investments

Jennifer Kammerer presented an update on Investments for each Association.

Chris Van Ruiten presented an update on the Investment Policy for each Association and provided an overview of current investments. Mr. Van Ruiten proposed updates to each Association's Investment Policy which includes changes to the investment maturity dates and clarification of investment types.

**A motion was made by Don Baarman to approve the Investment Policy changes including maturity restrictions and allowed securities for Newport Coast Villas Timeshare Association, Newport Coast Villas Condominium Association and Newport Coast Villas Master Association as presented. The motion was seconded by Keven Rowe and unanimously carried.**

#### Reserves

Jim Marks presented an update on Reserve Projects. Highlights included:

- HVAC condenser units replacement in Phases 3B and 4 in the amount of \$877,983
- Five-year painting of building exteriors in Phases 3B and 4 in the amount of \$251,586
- Elevator cabs interior refurbishment in Phases 3B and 4 in the amount of \$76,258

**A motion was made by Keven Rove to approve 2018 and 2019 Newport Coast Villas Condominium Association Reserve Projects to include replacement of HVAC units in Phases 3B and 4 at a cost of \$877,983; five-year painting of building exterior in Phase 3B and 4 at a cost of \$251,586 and refurbishment of elevator cabs in Phases 3B and 4 at a cost of \$76,258, for a total of approved expenditures in the amount of \$1,205,827. The motion was seconded by Bill Whelihan and unanimously carried.**

#### California Statutes

Ms. Kammerer presented an update on California statutes pertaining to Davis-Stirling Act and Vacation Ownership and Timeshare Act.

Specific provisions discussed included:

- Section 5673 of Davis-Stirling Act pertaining to recording liens for outstanding maintenance fees. The Management Company will include material in the May 14, 2019 Board Meeting and will request the Board provide Management direction as to how to proceed on any inventory that will have a lien assessed.
- Section 5665 of Davis-Stirling Act pertaining to payment plans. Management requests the Board formally approve the desired action for payment plans at the November 13, 2018 Board Meeting.
- Section 5650 of Davis-Stirling Act regarding debt of owner; late charges and interest and Section 11265.1 of Vacation Ownership and Timeshare Act regarding delinquency of assessments. Management requests the Board formally document the desired action for this issue at the November 13, 2018 Board Meeting.

#### Announcement of Next Meeting Dates

- Board Meeting and Annual Meeting – November 13, 2018

#### ADJOURNMENT

**There being no further business to come before the Board, a motion was made by Bill Whelihan to adjourn the meeting at 9:42 a.m. The motion was seconded by Vince Tobin and unanimously carried.**

Submitted by:

Approved by:

\_\_\_\_\_  
Lisa Romero  
Executive Assistant

Date

\_\_\_\_\_  
John Albert  
President, Newport Coast Master Association  
President, Newport Coast Condominium Association  
President, Newport Coast Timeshare Association

Date

**These minutes are subject to approval at the next Board of Directors Meeting**