

ASSOCIATION OF APARTMENT OWNERS
MAUI HILL
BOARD OF DIRECTORS REGULAR MEETING
January 29, 2015

I. Call to Order

President Dick Endean called the meeting to order at 11:23 a.m. at the Makena Beach & Golf Resort, Makena, Hawaii.

II. Establish Quorum

Members Present: Dick Endean, CJ Law, Loren Knott, Carl Carlson, Alex Cordas.

Maui Lea Board: Bob Jacalone, Loren Knott, Dick Endean, Bill Petro, Paul DiMarchi, CJ Law, Denise Smith.

Owners Present: Jack & Marlene Silburn, Todd Niehoff, Alvin Dykun, Dave Detz, Bill & Mary Williams.

By Invitation: Dennis Costa, General Manager; Mike Robar & Frank Robar, Condominium Fiscal Management, Inc., Maui Lea Co-Plan Manager; Ruth Okada, Aston Hotels & Resorts, LLC, Managing Agent.

III. Waiver of Notice

The Board signed a waiver for all scheduled meetings. Notices are only emailed to the Board.

IV. Approval of Agenda

MOTION #1: Loren Knott moved to approve the agenda with the addition of "Retention of Records" under New Business. The motion was seconded by CJ Law and passed by unanimous consent.

V. Approval of Board Meeting Minutes – 12/8/14 Regular Meetings

MOTION #2: Loren Knott moved to approve the minutes of the 12/8/14 Regular meeting as circulated. The motion was seconded by CJ Law and passed by unanimous consent.

VI. Treasurer's Report

1. Financial 12/31/14 – Carl Carlson reviewed the financials. There were no questions.
2. Investments – Ruth Okada explained that interest still remains low.
3. Delinquencies/Collections - To be discussed in executive session.

VII. Standing Committee

1. Architectural Review

- A. Status Unit #36 - Alex Cordas reported on the installation and noted that after 6 months, the Board will review to allow for other units to do the same installation.
- B. Owner Renovations, if any (Approved & Denied) – There were none.
- C. Owner Renovations, if any (For Board Approval) – There were none.

VIII. Ad Hoc Committee

1. Building Signs for Location of Units – Dennis Costa and Alex Cordas will present a recommendation to the Board at the April meeting which can then be added to the budget.

2. Maintenance/Housekeeping Building – Dick Endean and Dennis Costa reported that the committee is reviewing options to provide a hospitality suite for owners/guest after they check out and also an exercise area. Converting unit #101 was no longer a possibility. The committee will continue to research and will report back to the Board. Dennis noted that additional storage is also needed.

MOTION #3: Carl Carlson moved to approve an amount not to exceed \$15,000 to build additional storage near the maintenance/housekeeping building. The motion was seconded by Loren Knott and passed by unanimous consent.

IX. Manager's Report

Dennis Costa distributed and reviewed his manager's report. The following was also discussed.

1. Showers in Existing Pool Restrooms – This topic will be removed from the agenda as it will be added to the expansion of the maintenance/housekeeping area.
2. Cushions for Pool Chaise Lounges – This topic will remain on the agenda as it is still being reviewed.
3. Hawaii Energy – The Board agreed that an Ad Hoc Committee be set up for Energy Conservation. Alex Cordas will chair the committee.
4. Major Improvements (Approve & Schedule) – The Board agreed that when the budget is approved these expenditures are automatically approved and Dennis Costa has the authority to proceed with these projects.
 - A. Continuous replacement of the hallway carpets - \$10,000
 - B. Roof Leaks - \$5,000
 - C. Irrigation Well Repairs - \$3,000
 - D. Pool Deck Repairs - \$15,000
 - E. Walkway Repairs - \$2,000
 - F. Upgrade to Landscaping - \$25,000
5. Capital Projects (Approve & Schedule)
 - A. Spalling - \$3,720 – Moved to operating budget and Dennis is authorized to proceed when needed.
 - B. Water Feature - \$12,000 – Garden side of the pool.

MOTION #4: Carl Carlson moved to approve \$12,000 to install a water feature at the garden side of the pool. The motion was seconded by Loren Knott and passed by unanimous consent.

- C. Pool Outdoor Carpet - \$5,640

MOTION #5: Loren Knott moved to approve \$5,640 to install outdoor carpet at the pool. The motion was seconded by CJ Law and passed by unanimous consent.

X. Unfinished Business

1. Mai Tai Agreement – Ruth Okada explained that once Aston responds, the agreement will be finalized. The Board thanked Loren Knott for working on the agreement.
2. Lobby Kiosk – General discussion followed on the kiosk. Ruth Okada will obtain a quote for the April meeting. The Board agreed that the kiosk would be at the cost of Maui Lea with a lease agreement with Maui Hill.
3. Use of Common Area by Large Groups – Dick Endean explained the issues with large groups and presented his recommendation and form. General discussion followed.

MOTION #6: Loren Knott moved to approve that the group reservations procedure and form be approved by email and ratified at the next meeting. The motion was seconded by CJ Law and passed by unanimous consent.

4. Short Form House Rules – Dick Endean stated owners receive the House Rules and that a short form should also be placed in the unit. He also noted that if a rule is made that it should be enforced. A short form House Rule drafted by Dick and Dennis was distributed to the Board for review. When people check in they will be given the short form house rules and will be asked to sign.

POLICY

MOTION #7: Loren Knott moved to approve the short form House Rule a copy of which is attached and made a part of these minutes. Upon check in, occupants will be given a copy and asked to acknowledge and sign the form. The motion was seconded by Alex Cordas and passed by unanimous consent.

5. Phone System / 911 Capabilities Without PBX) – Dick Endean reported that the PBX is just being repaired and maintained. 911 can be called from cell phones and the police can locate the person. This topic will be removed from the agenda.

XI. New Business

1. Maui Lea Board Attendance to Maui Hill Conference Call Board Meeting – Dick Endean explained that Bob Jacalone had requested that the Maui Lea Board members participate in Maui Hill conference calls. Since the cost is nominal, Maui Lea Board can continue to participate at the AOAO's expense.
2. Retention of Records – Ruth Okada explained the change.

RESCINDED POLICY

MOTION #8: Loren Knott moved to rescind the following motion approved at the 11/12/08 meeting:

“To approve the record retention list as a board policy, a copy of which is attached and made a part of these minutes.”

The motion was seconded by Carl Carlson and passed by unanimous consent.

POLICY

MOTION #9: Loren Knott moved to approve the following retention of record policy:

RECORD RETENTION POLICY (Excluding Human Resource/Personnel Records)

- **Permanent Records**
 - Legal
 - Documents (Declaration, Bylaws, House Rules, Trade Name and Logo Registrations etc.) – including documents prior to restatements
 - Plans (As-builts, electrical, mechanical, etc.)
 - Budget
 - Income Taxes (State & Federal)
 - Audits & Cash Verifications
 - General Ledger

- Minutes (Board & Annual)
 - Payroll Taxes (State & Federal) & W-2s
 - State General Excise Tax & Transient Accommodation Tax
 - List of Insurance Policies (to include the following: 1) Type of Coverage, 2) Carrier Name, 3) Policy Period, 4) Insurance Broker Name & Contact Information)
- Contracts – after warranty expires or 7 years after termination whichever is sooner
 - Leases – 7 years after termination
 - All other records will be retained for 7 years and/or 7 years after obligation is completed

The motion was seconded by Carl Carlson and passed by unanimous consent.

XII. Next Meeting

1. Schedule Next Year's Meetings – The January meeting was tentatively scheduled for 1/22/16.
2. Board
 - A. Monday, 4/27/15 (Vegas) – 9 a.m.
 - B. Tuesday, 9/22/15 – after Annual meeting
3. Annual - Tuesday, 9/22/15 (registration 9 a.m.)

The meeting was recessed at 12:36 and resumed at 1:35 p.m.

XIII. New Business (cont.)

1. Electricity – General discussion followed on unit use of electricity. This is not an AOA responsibility. Dennis Costa will work with the resort and timeshare.
2. Water Consumption – General discussion followed. Dennis Costa explained that meters for water usage is already separated for domestic and irrigation use. The well also provides water for irrigation.
3. Auditor – Ruth Okada provided a proposal to the Board. Frank Robar recommended that the Board remain with the same auditing firm.

MOTION #10: Loren Knott moved to approve hiring Shaun Thayer for 3 years for audit, tax and cash verification as follows:

FYE 6/30/15 - \$4,000
FYE 6/30/16 - \$4,100
FYE 6/30/17 - \$4,200

The motion was seconded by CJ Law and passed by unanimous consent.

XIV. Executive Session

MOTION #11: Alex Cordas moved to go into executive session. The motion was seconded by Dick Endean and passed by unanimous consent.

The Board went into executive session at 2:13 p.m. Upon coming out of executive session, the regular meeting resumed at 4:51 p.m. During the executive session, the Board discussed legal matters.

XV. Adjournment

MOTION #12: Alex Cordas moved to adjourn the meeting. The motion was seconded by CJ Law and passed by unanimous consent.

The meeting was adjourned at 4:51 p.m.

Approved by: 

Alex Cordas, Secretary
Board of Directors


Ruth Okada
Recording Secretary

Attachment: Short Form House Rules
Rescinded Record Retention Policy

Short Form House Rules



THANK YOU FOR OBSERVING THE FOLLOWING HOUSE RULES

Please help us to serve you by adhering to the resort rules listed below. These rules are designed to insure maximum enjoyment of our amenities and comfort for all resort guests. These rules are also intended for the protection of all occupants from any nuisance caused by improper use of the condominium units and to protect the fine reputation and desirability of the property. Tenants and guests shall abide by normal accepted standards of reasonable conduct whether covered by these rules or not.

Neither the board of Directors nor the Managing Agent shall be responsible for the violation of the rules by any party. Moreover, full authority and responsibility of enforcing these rules may be delegated to the Managing Agent by the Board of Directors of the Association of Apartment Owners. Furthermore, the rules may be amended by the Association as provided in their By-Laws.

- OCCUPANCY

- Number of occupants

- i. The maximum allowable occupancy for any one bedroom apartment is four (4) persons.
 - ii. The maximum allowable occupancy for any two bedroom apartment is six (6) persons.
 - iii. The maximum allowable occupancy for any three bedroom apartment is eight (8) persons.
 - iv. The laws of the County of Maui may further restrict number of occupants.

- Number of guests

- i. There is a limit of two (2) guests per apartment in addition to the current occupants of the apartment.
 - ii. Occupants must accompany and be responsible for the conduct of any guest.

- COMMON AREAS, ENTRANCES AND LANAIS

- Children under the age of five (5)

- i. Children under the age of five (5) and small children may be susceptible to overheating and are allowed in the hot tub only when accompanied by a parent who is in the hot tub and who is solely responsible for the child's safety.

- Children under the age of twelve (12)

- i. Children under the age of twelve (12) must be under the poolside supervision of a responsible adult.

- Guests

- i. Occupants must accompany and be responsible for the conduct of any guest in the pool or hot tub area.

- Displaying of Laundry, etc.

- i. No items, including but not limited to, towels, bathing apparel and clothing, brooms, mops, cartons, etc., shall be placed on lanais or passages or in windows so as to be in view from the building or from the apartments above.

- Lanais- Furniture, Plants, etc.

- i. Only appropriate furniture, as determined by the Board of Directors and small plants shall be used on lanai. Any items deemed to be unsightly or inappropriate in the judgment of the Board or Management shall be removed upon the request of Management. These areas are not to be used for storage purposes of any kind. Appropriate banners commemorating holidays or festivals may be displayed from lanais only on and immediately before the holiday or festival except that if two holidays or festivals, such as but not limited to Christmas and New Year's Day, are less than a week apart, banners may remain in place between the two holidays or festivals.

This is to acknowledge that I/We have read the House Rules for the Maui Hill Resort located at 2881 South Kihei Road, Kihei, HI 96753. This is further to acknowledge that the house rules have been explained to me by the Guest Service Agent and I/We will adhere to these rules.

GUEST PRINTED NAME

GUEST SIGNATURE

DATE

AGENT INITIAL

RM #

DATE

RESCINDED

**Maui Hill
 RECORD RETENTION**

File Name	Current File	Storage
Annual Reports	2 years	Permanently
Articles of Incorporation, if any	Permanently	
As-Built Specification Plans	Permanently	
Assessment Information	1 year	7 years
Assessment Status	1 year	7 years
Bank Reconciliations	1 year	1 year
Budget	1 year	7 years
Canceled Checks and Bank Statements	1 year	7 years
Cash Disbursements Journal	1 year	7 years
Cash Receipts Journal	1 year	7 years
Certificates of Insurance	1 year	7 years
Committee Reports	1 year	3 years
Contracts	1 year after end of contract	7 years after end of contract
Correspondence: General Matters	1 year	3 years
Correspondence: Legal and Contract	1 year	7 years after end of contract
Declaration	Permanently	
Deeds	Permanently	
Duplicate Deposit Tickets	1 year	1 year
Employee Applications (only if not hired)	1 year	1 year
Employee Files	1 year	7 years after termination
Federal Income Tax Returns	3 years	Permanently
Monthly Financial Statements	1 year	7 years
General Ledgers	1 year	7 years
General Journals	1 year	Permanently
State and Federal Identification Numbers	Permanently	
Insurance Policies	1 year	Permanent
Open Insurance Claims	Until Settled	
Settled Insurance Claims	1 year	7 years
Investments Statements and Closed Passbooks	1 year	7 years
Supply Invoices	1 year	3 years
Unexpired Leases		Until Expired
Expired Leases		7 years
Open Legal Files	Until Closed	
Closed Legal Files	1 year	7 years
Mailing Lists	1 year	
Management Notices	1 year	3 years
Board Meeting Minutes	1 year	Permanently
Newsletters	1 year	3 years
Payroll Records	1 year	7 years
Plat of Survey	Permanently	
Proposals	1 year	7 years
Purchase Orders	1 year	3 years
Real Estate Taxes	1 year	7 years
Right of First Refusal Letters	1 year	Permanently
Rules and Regulations	Permanently	
State Income Tax Returns	3 years	Permanently
State and Federal Unemployment Taxes	3 years	Permanently
Unexpired Warranties		Until Expired
Expired Warranties		7 years
State and Federal Withholding Tax Returns	3 years	Permanently