

ASSOCIATION OF APARTMENT OWNERS  
MAUI HILL  
BOARD OF DIRECTORS REGULAR MEETING  
January 19 & 20, 2017

I. Call to Order

President Dick Endean called the meeting to order at 4:03 p.m. on 1/19/17 at Maui Hill.

II. Establish Quorum

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

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

By Invitation: Dennis Costa, General Manager; Mike Robar, Maui Lea Co-Plan Manager; Ruth Okada, Aqua-Aston Hospitality, LLC, Managing Agent.

III. Executive Session

**MOTION #1: Loren Knott moved to go into a concurrent executive session with Maui Lea. The motion was seconded by Carl Carlson and passed by unanimous consent.**

The Board went into executive session at 4:03 p.m. Upon coming out of executive session, the regular meeting resumed at 5:20 p.m. on 1/19/17. During the executive session, the Board discussed legal and personnel matters.

The meeting was recessed at 5:20 p.m. on 1/19/17 and resumed at 12:50 p.m. on 1/20/17 at the Residence Inn Wailea.

IV. Establish Quorum

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

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

Owners Present: Richard Werner, Todd Niehoff, Madonna Petro, Rosemary Jacalone, Susan & Sandy Roberts.

By Invitation: Dennis Costa, General Manager; Kristi Kahai; Nancy Benson, Maui Lea Owner Services; Tom VonRosen, Maui Hill Sales; Mike Robar, Condominium Fiscal Management, Inc., Maui Lea Fiscal Co-Plan Manager; Ruth Okada, Aqua-Aston Hospitality, Managing Agent.

V. Waiver of Notice

Ruth Okada explained that notices were mailed to the owners since waiver of notices were not signed by the Board.

VI. Approval of Agenda

**MOTION #2: Loren Knott moved to approve the agenda as circulated. The motion was seconded by Alex Cordas and passed by unanimous consent.**

VII. Approval of Board Meeting Minutes – 11/18/16 Meetings

**MOTION #3: Loren Knott moved to approve the meeting minutes of the 11/18/16 Regular meeting as circulated. The motion was seconded by CJ Law and passed by unanimous consent.**

### VIII. Treasurer's Report

Carl Carlson reported on the following.

1. Financial – Reviewed the 12/31/16 financial statements for operating and capital.
2. Investments – Ruth Okada still reviewing options for investments.
3. Delinquencies/Collections – Collections discussed in executive session. Delinquencies remain nominal.

### IX. Standing Committee

1. Architectural Review – CJ reported that no owner's request has been submitted.

### X. Ad Hoc Committee

1. Energy Conservation – Dick Endean reported that Alex Cordas will take over as the chair of this committee.
  - A. Solar – HNU Energy
    - a. Administration & Maintenance Buildings
      - Working over the last 15 months with HNU.
      - The contract which includes only the administration and maintenance buildings is at the attorney's office for review.
      - There will be batteries in the maintenance building to allow for the golf cart charging at night. The current golf carts cannot be converted to solar charging.
      - Carports will be added for additional PV panels.
    - b. PPA (Purchase Power Agreement)
      - 20 years agreement \$.25/kwh with step of annually 2.75%.
      - The average increase of MECO has been 5% over the last 30 years.
      - There will be an option to buy after the investors recoup their expenses.
      - Maintenance of the equipment will remain with the investor.
    - c. Roof Work & Electrical Work Not Covered by PPA (Approved \$25,000)
      - This \$25,000 is based on figures provided by contractors.
      - HNU will be paying for a portion of the roof repair.
      - The AOAO's cost is the structure of the roof and some minor electrical work.
      - The tile on the building will be removed and some will be saved for other buildings.
      - A composition roof will be installed.
    - d. Other CAMS – There was nothing to report at this time.
    - e. Timeshare & Whole Units – There was nothing to report at this time.

### XI. Manager's Report.

Dennis Costa reviewed his manager's report and the following.

1. Termite Treatment of Attic Without Tenting (Approved Camera Inspection via Access Hole) – There is still termite activity in some units. General discussion followed. The Board asked Dennis to add funds to the next year's budget for inspections and spot treatment. Access holes on all upper floor units should be added.
2. Cushions for Pool Chaise Lounges – The new experimental cushions are holding up well and positive comments have been received. Continue to test.
3. Stucco Colormatch Exterior – Status (Approved \$300,000 includes housing) & Landscaping – Project should start in March. There are three color samples by unit #115 and the Board has selected the one on the left.
4. Project Status
  - A. Capital Reserve Budget Expenditures (subject to approval of actual bids):
    - a. Lobby Nylon Canopy - \$6,120 – Not necessary at this time

- b. Pool Furniture - \$19,680 – Replacement is not necessary at this time. The furniture is being refurbished when needed.
  - c. Pool Pump - \$5,760 – Not necessary at this time
  - d. Pool & Spa Decking Resurface (Approved \$25,080) – Completed in house and will be done every 2 months.
  - e. Spa Retime – (Approved \$7,680) Not necessary at this time.
  - f. Tennis Court Resurface & Restripe (Approved \$11,520) – Project should be completed by next week. Grounds staff will make sure sprinklers are not hitting the courts and will also add a border of gravel.
  - g. Asphalt Seal, Stripe & Repair - \$88,680 – Not necessary at this time
- B. Other Projects
- a. Irrigation Wells – Explained the requirements.

**MOTION #4: Loren Knott moved to approve PMI (Water Controls & Pump Systems) to perform the following tasks at a cost of \$478.33 plus tax per quarter:**

- **Take monthly well samples**
- **File the required monthly reports to the State Commission of Water Resources Management**
- **Perform periodic electrical, mechanical and operational maintenance and inspections**

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

- b. Window Cleaning – Hired a professional company to clean 23 inaccessible three bedroom stationary living room windows. This will be done every 6 months.
  - c. Shuffleboard Surface – Soliciting quotes to replace.
5. BBQ Cleaning & Repair Plans – Cleaned weekly and if additional cleaning necessary users should advise management.
  6. Roof Repairs – General discussion followed on the leaks. Funds should be added to the capital reserves.
  7. Hawaii Gas – Working to add Maui Hill on to Aston's bulk gas contract, but prior to doing so, the property needs to be plumbed. Noted that Maui Hill pays \$29.99 per gallon and Aston's contract is \$3 per gallon. Will continue to research and report back to the Board.
  8. Pool Deck Astroturf – Investigating whether this installation is feasible for the pool deck.
  9. Employee Wages – General discussion followed on employee wages. The Board agreed that the wages and incentives should be at Dennis' discretion.
  10. Thank you – The Board thanked Dennis for all his diligent work.

#### XII. Unfinished Business

1. Lease Extension – Dick Endean reported negotiations have been stalled for now but new legal counsel has been hired to assist with the negotiations.
2. Status of Legal Counsel Transition (Lahne to Sheldon) – Ruth Okada reported that all records will be transferred.

#### XIII. New Business

There was none.

#### XIV. Next Meeting

1. Board

- a. 4/19/17 – Vegas 8:30 a.m. Concurrent executive session with Maui Lea & open session at 9:30 a.m.
  - b. 9/28/17 Following Annual Owners Meeting
  - c. 1/18/18 Board meeting
  - d.
2. Annual – 9/28/17 9:00 a.m. (8:30 a.m. registration)

XV. Adjournment

**MOTION #5: Loren Knott moved to adjourn the meeting. The motion was seconded by CJ Law and passed by unanimous consent.**

The meeting was adjourned at 2:22 p.m.

Approved by:



Alex Cordas, Secretary  
Board of Directors



Ruth Okada  
Recording Secretary

Approved by the Board of Directors on 4/19/17.