

ASSOCIATION OF APARTMENT OWNERS
MAUI HILL
BOARD OF DIRECTORS REGULAR MEETING
January 17, 2018

I. Call to Order

President Dick Endean called the meeting to order at 3:05 p.m. on 1/17/18 at Maui Hill.

II. Establish Quorum

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

Maui Lea Board: Bob Jacalone, Bill Petro, CJ Law, Tim Ohm, 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 (Joint with Maui Lea)

MOTION #1: CJ Law moved to go into executive session. The motion was seconded by Alex Cordas and passed by unanimous consent.

The Board went into a joint executive session with the Maui Lea Board at 3:05 p.m. Upon coming out of executive session, the Regular meeting resumed at 4:34 p.m. During the executive session, the Board discussed legal matters.

The meeting was recessed at 4:45 p.m. and resumed at 11:16 a.m. on 1/18/18 at St. Theresa's Church, Kihei Maui.

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

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

Owners Present: Rosemary Jacalone, Bill & Mary Williams, Sandy Roberts.

By Invitation: Dennis Costa, General Manager; Kristi Kahai, Guest Services Manager; Nancy Benson, Owners Services; Mike Robar, Maui Lea Co-Plan Manager; Ruth Okada, Aqua-Aston Hospitality, LLC, Managing Agent.

Everyone present introduced themselves.

IV. Approval of Agenda

MOTION #2: Carl/ Carlson moved to approve the agenda with the addition of Reserve Study Proposal under New Business. The motion was seconded by Alex Cordas and passed by unanimous consent.

V. Approval of Board Meeting Minutes – 12/11/17 Regular Meeting

MOTION #3: Loren Knott moved to approve the minutes of the 12/11/17 Regular Meeting as circulated without change. The motion was seconded by Carl Carlson and passed by unanimous consent.

VI. Treasurer's Report

Carl Carlson reported on the following.

1. Financial Review – Reviewed the 12/31/17 financials.
2. Delinquencies/Collections – Delinquencies remains nominal.

VII. Standing Committee

1. Architectural Review
 - A. Owner Renovations, if any (Approved & Denied) – CJ Law reported on the following.
 - a. Unit #85 – The owner is renovating and updating their interior of the unit with no structural changes. They are installing laminate flooring also in the bedroom and tiling the bathroom. This unit is a downstairs unit so there are no issues with the hard surface flooring. The Committee has approved this renovation.
 - b. Hard Surface Flooring
 - i. Units #8 & #116 – Dennis Costa reported that Unit #116 will not be doing hard surface flooring. The Committee is waiting for the document from attorney for Unit #8.
 - ii. Establish Detailed Policy – General discussion followed on the policy that needs to be established for hard surface flooring. General discussion followed. The Board asked Alex Cordas to draft a detailed policy for hard surface flooring installation. Dennis Costa will provide Alex with the products used for Unit #36 and any information from flooring contractors regarding industry standards.
 - B. Owner Renovations, if any (For Board Approval) – There was none.

VIII. Ad Hoc Committee

1. Energy Conservation
 - A. Photovoltaic System Status – Alex Cordas stated there was nothing more to add from the report given at the Maui Lea Board meeting.
 - B. Use of Area under the PV System (Landscaped Area) – No carports will be added nor panels over landscaped areas. Alternatives are being reviewed.

The meeting was recessed at 11:49 a.m. and resumed at 12:38 p.m.

IX. Unfinished Business

1. Lease Extension – Dick Endean reported on the status. Both the AOAO and Timeshare Boards approved the terms and the AOAO's attorney was notified to prepare the new Memorandum of Understanding.
2. Parking or Amenity Fees – Loren Knott explained that it is not prudent to proceed with charging this fee, but this topic will remain on the agenda.
3. Maui Hill Board Candidate Solicitation for Maui Lea – Dick Endean stated that this was discussed at the Maui Lea meeting and noted that a solicitation for the AOAO Board will also be sent to the Maui Lea owners with their March candidate solicitation.

X. Manager's Report

Dennis Costa reviewed his report and reported on the following.

1. Projects Status
 - A. Stucco (Approved \$300,000) / Removal of Decorative Wood (Approved \$200,000) / Replacement of Wood Surfaces (Approved \$117,120) – Reported on the status.
 - B. Final Expense Summary @ FYE 2018 for the following – This will be summarized on the financials for FYE 2018. This topic will be removed from the agenda for now unless questions arise.

- a. Hallway Carpet (\$3,960)
 - b. Irrigation Well Repairs (\$3,000)
 - c. Pool Deck Repairs (\$960)
 - d. Walkway Repairs (\$960)
 - e. Roof Repairs (\$9,960)
2. Special Events at Center Courtyard & Pool – Will report at the next meeting on the following.
 - A. Marketing
 - B. Recommendations to Establish Rental Rates
 3. Cushions for Pool Chaise Lounges – People are using and enjoying the cushions. Can review and add to the next budget.
 4. Shuffleboard Astroturf Quotes – Obtaining quotes for Astroturf for the concrete portion, but for now will continue to power wash.
 5. Better Locations for Smoking Areas – Noted that there is actual no better location on the property for smoking areas other than near the trash bins. This topic will be removed from the agenda.
 6. Wood Stairs & Landings - Trex & Other Alternative Quotes – The Trex steps that have been installed have shown no wear and tear even after over 6 years. The Board will continue to research.
 7. Painting of Unit/Utility Doors & Electrical Structures Quotes – Will review with the budget process.
 8. Black Boxes for Spectrum – The existing contract expires on 5/12/19. The extension of the existing contract for 4 years will be reviewed at the April meeting. The extra box for the 3-bedroom units will continue to be paid.
 9. Telephone System (PBX) – Dick Endean stated that the system was installed a long time ago. The Board determined not to replace it and continue to work with a vendor to repair as necessary. This has been working, but eventually parts will not be available. Similar systems today are less costly. Owners present were asked if they actually use their phones in their units and the census was that they do use it occasionally but mostly between rooms. A budgetary quote was received for \$45,000 to replace the PBX system. General discussion followed. Dennis noted that the contract with BlackBox was just signed for one year. The Board asked that a contract for purchase of a new systems be presented to the Board at the April meeting and have Dennis determine if the contract with BlackBox can be cancelled.
 10. Renting Bicycles – Working with Boss Frogs and will report on this at the April meeting.
 11. Thanked Kristi – Thanked Kristi for setting up and organizing everything for this meeting.

XI. New Business

1. Approval of Annual Owners Meeting Minutes – Ruth Okada explained the current policy established as meeting rules for the annual meeting whereby the Board can approve the owners' meeting minutes. She also explained the requirements in the law and recommended removal of the rule at the annual meeting.

MOTION #4: Loren Knott moved to recommend rescinding the following Rule #11 of the Meeting Rules at the next annual owners meeting:

“The board of directors is authorized to approve the minutes of the Association meetings.”

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

2. Reserve Study – Proposals for both an inspection and use of the SmartProperty website was distributed to the Board for review and consideration.

MOTION #5: Loren Knott moved to approve a one-year use of the SmartProperty website for \$1,100 for the reserve study preparation. The motion was seconded by CJ Law and passed by unanimous consent.

3. Insurance – Ruth Okada distributed the insurance summary and reviewed the coverages and how deductibles are handled. Also reviewed the need for owners to also carry their own coverages for gaps in the AOAO's coverages. The best solution is to have the owner's agent speak to the AOAO's agent to ensure that owner's exposures are covered adequately. Ruth also explained the differences with insurance coverages and maintenance responsibilities.

XII. Next Meeting

1. Board
 - A. 4/25/18 Vegas 8:30 am Executive Session Joint with Maui Hill; Open Session 9:00 am
 - B. 9/18/18 Maui 4:00 pm Executive Session Joint with Maui Hill; Open Session 9/20/18
Following Annual Meeting
2. Annual 9/20/18 9:30 a.m. (registration 9:00 a.m.)
3. 1/28/19 (tentative)
4. Location – The Board agreed that meetings continue to be held at the Residence Inn at Wailea as the St Teresa's Church venue is noisy. Dennis Costa confirmed that he has already reserved the Residence Inn for the future meetings.

The meeting was recessed at 2:13 p.m. and resumed at 2:19 p.m.

XIII. Executive Session

MOTION #6: Carl Carlson moved to go into exec session. The motion was seconded by CJ Law and passed by unanimous consent.

The Board went into executive session at 2:19 p.m. Upon coming out of executive session the regular meeting resumed at 4:45 p.m. During the executive session the Board discussed legal matters.

XIV. Adjournment


MOTION #7: Carl Carlson moved to adjourn the meeting. The motion was seconded by Alex Cordas and passed by unanimous consent.

The meeting was adjourned at 4:45 p.m.

Approved by:



Alex Cordas, Secretary
Board of Directors


Ruth Okada
Recording Secretary

Approved by the Board of Directors on 04/25/2018