

MAUI LEA TIME INTERVAL OWNERS ASSOCIATION  
BOARD OF DIRECTORS REGULAR  
September 26, 2017

I. Call to Order

President Bob Jacalone called the meeting to order at 1:06 p.m. at Maui Hill.

I. Establish Quorum

Members Present: Bob Jacalone, Bill Petro, CJ Law, Tim Ohm, Loren Knott, Dick Endean, Paul DiMarchi.

Maui Hill Board: Dick Endean, Loren Knott, Carl Carlson, Alex Cordas, CJ Law.

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

II. Executive Session (joint with Maui Hill)

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

The Board went into executive session at 1:07 p.m. Upon coming out of executive session, the regular meeting resumed at 4:37 p.m. During the executive session, the Board discussed legal matters.

The meeting was recessed at 4:37 p.m. and resumed at 2:37 p.m. on 9/27/17 at the Residence Inn, Maui Wailea.

Owners Present: Sam Wong, Rosemary Jacalone, Madonna Petro.

II. Approval of Agenda

**MOTION #2: Dick Endean moved to approve the agenda as circulated. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

III. Approval of Minutes 4/19/17 Regular Meeting

**MOTION #3: Loren Knott moved to approved the minutes as circulated. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

IV. Treasurer's Report

1. Financial Review – Bill Petro reviewed the 7/31/17 financials.
2. Delinquencies & Collections – To be discussed in executive session.
3. Investments – Frank Robar reported on investments of the Association's Scheduled Reserves.

**POLICY**

**MOTION #4: Loren Knott moved to proceed with continuous laddering of investment instruments as recommended by Frank Robar with review of the investment at each maturity. The Board will be advised of all investments as they mature and are reinvested. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

V. Ad Hoc Committee

1. Energy Audit – Reviewed during the owners meeting. This topic and sub-topics will remain on the agenda.
  - A. ACs with Timers – There are about 40 – 50 units with AC that have a timer. It was suggested that instructions on use be placed in the room or handed out at check in. Dennis Costa will review and handle.
  - B. Efficient AC – Higher BTU
  - C. Solar Power
  - D. Pay for Use of AC – General discussion followed on changing the charge for electricity for non-owners. Dennis will provide to the Board trends of the electrical usage throughout the year by bedrooms at the next meeting and provide his recommendation on the amount of the charge including the possibility of different charges for upper and lower units.

VI. Standing Committee

1. Contract Committee
  - A. Aqua-Aston – Paul DiMarchi reported that the committee has redlined the contract and once finalized, the Association’s legal counsel will review it.
2. Budget Committee – Bill Petro stated there is nothing to report at this time. The preliminary budget will be sent to the committee in February.
3. Renovation Committee – It was agreed that Bill Petro would Chair this committee with Paul DiMarchi, Dick Endean and CJ Law as members.

Bob Jacalone announced that the officers of the Board would remain the same for another year.

VII. Manager’s Report

Dennis Costa provided his report at the owners meeting. There was nothing new to add.

VIII. Unfinished Business

1. Timeshare Resales – Nancy Benson reviewed the resales report. She also noted that there are companies who are misrepresenting themselves as Maui Lea. She will give the number to Paul DiMarchi who will call them and report back to the Board. Nancy will also draft and finalize a permanent article for the newsletter regarding these companies. CJ Law and Loren Knott will assist Nancy in finalizing the article. If these companies do not cease and desist, the Board may ask the Association’s legal counsel to send a letter.
2. Constant Contact Email – Nancy Benson reported that there are less email bounce backs. She will add a request to provide email addresses in your questionnaire that is sent out with each newsletter. General discussion followed on the use of this email service. Nancy confirmed that she does not use this for Lea Properties. The Board advised Nancy that she can add a link to Lea Properties in emails sent out by Maui Lea. General discussion followed on using this site to email the annual meeting notices. Ruth Okada will work with Nancy Benson and Mike Robar to determine how this site will be used for the next annual meeting notice.

IX. New Business

1. AOA Affairs – A report was provided at the annual meeting. There was nothing to add.

2. Amendments – Ruth Okada explained that the Board approved the amendments via email and therefore should ratify the approval at this meeting.

**MOTION #5:** Paul DiMarchi moved to ratify the approval of the following amendments as drafted by legal counsel and sending to the owners for approval:

- Proposed amendments to Article V, Section 4 and Article VI, Sections 6 and 7 of the Bylaws to amend notice requirements for owners' and Board to allow notice by electronic transmission
- Proposed amendments to Article V, Sections 2 and 9(b) and Article VI, Sections 1(b) and 2 of the Bylaws to allow voting for directors via proxy
- Proposed amendment to Article 13, Section 13.1 of the Declaration to allow restatement of the Declaration and Bylaws by Board resolution
- Proposed amendments to page 12, Background Information, Article 6, Section 6.8 and Article 13, Section 13.2 of the Declaration to enable a lease extension.

The motion was seconded by Loren Knott and passed by unanimous consent.

- A. Owners Approvals – All amendments passed with the following percentages. The instruments will be drafted by legal counsel to record the amendment. Ruth Okada will obtain a quote for the restatement.

Article V, Section 4 and Article VI, Sections 6 and 7 of the Bylaws

Yes: 91.46%

No: 1.71%

Article V, Sections 2 and 9(b) and Article VI, Sections 1(b) and 2 of the Bylaws

Yes: 98.16%

No: 1.71%

Article 13, Section 13.1 of the Declaration

Yes: 95.80%

No: 3.94%

Page 12, Background Information, Article 6, Section 6.8 and Article 13, Section 13.2 of the Declaration

Yes: 98.82%

No: 1.05%

3. Ratify Insurance – Information on the insurance renewals were sent to the Board for review. The Board asked that copies of the proposals and policies be sent to Tim Ohm.

**MOTION #6:** Loren Knott moved to ratify the approval of the following insurance.

- Worker's Comp 5/31/17 – 5/31/18; Rate 2.37
- 7/1/17 – 7/1/18
  - ✓ D & O Limit \$3,000,000; Premium \$11,957
  - ✓ Property Limit \$4,312,119; Premium \$7,703 without TRIA
  - ✓ General Liability Limit \$2,000,000 aggregate; Premium \$4,233 without TRIA

- ✓ **Umbrella Liability Limit \$5,000,000; Premium \$5,557 without TRIA**

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

4. Real Property Tax Increase 7.8% - Reviewed at the annual meeting and there was nothing to add.
5. No Smoking Policy – Discussed at the annual meeting.
6. Candidate Resume – Dick Endean explained that the Board limited the number of words on the candidate's resume to 100 words and suggested that the limit be increases. General discussion followed.

**POLICY**

**MOTION #7: Dick Endean moved to limit Board candidate resumes to one paragraph not to exceed 200 words. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

**RESCIND POLICY**

**MOTION #8: Dick Endean moved to rescind the policy motion limiting Board candidate solicitation to 100 words. The motion was seconded by Loren Knott and passed by unanimous consent.**

**X. Next Meeting**

1. Board
  - A. 12/6/17 Conference Call 8:00 am HST
  - B. 1/17/18 Maui 4:00 pm Executive Session Joint with Maui Hill; Open Session 1/18/18 9:00 am
  - C. 4/25/18 Vegas 8:30 am Executive Session Joint with Maui Hill; Open Session 4/26/18 9:00 am
  - D. 9/18/18 Maui 4:00 pm Executive Session Joint with Maui Hill; Open Session 9/19/18 Following Annual Meeting
2. Annual 9/19/18 9:30 a.m. (registration 9:00 a.m.)

**XI. Executive Session**


**MOTION #9: CJ Law moved to go into executive session. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

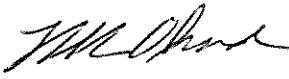
The Board went into executive session at 4:07 pm. Upon coming out of executive session, the regular meeting resumed at 4:35 p.m. During the executive session, the Board discussed legal matters.

**XII. Adjournment**

**MOTION #10: CJ Law moved to adjourn the meeting. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

The meeting was adjourned at 4:35 p.m.

Approved by:   
Richard Endean, Secretary  
Board of Directors

  
Ruth Okada  
Recording Secretary

Approved by the Board of Directors on 12/6/17.

