

MAUI LEA TIME INTERVAL OWNERS ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
September 17, 2018

I. Call to Order

President Bob Jacalone called the meeting to order at 4:05 p.m. at Maui Hill.

II. Establish Quorum

Members Present: Bob Jacalone, Bill Petro, Dick Endean, Loren Knott, CJ Law, Tim Ohm, Paul DiMarchi (connected by phone later in the meeting & disconnected early).

Maui Hill Board: Dick Endean, Carl Carlson, Loren Knott, Alex Cordas, CJ Law (arrived during executive session).

By Invitation: Frank Robar & Mike Robar, Condominium Fiscal Management Inc., Co-Plan Manager Maui Lea; Dennis Costa, General Manager; Ruth Okada, Aqua-Aston Hospitality, Inc. Managing Agent, Kristi Kahai, Guest Services Manager (joined during the open session), Nancy Benson (joined during the open session),

III. Executive Session (Joint with Maui Hill)

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

The Board went into a joint executive session with Maui Hill at 4:05 p.m. on 9/17/18. Upon coming out of executive session, the regular meeting resumed at 5:49 p.m. During the executive session, the Board discussed legal and personnel matters.

The meeting was recessed at 5:49 p.m. and resumed at 12:57 p.m. on 9/18/18.

President Bill Petro continued the meeting as Chair.

Paul DiMarchi joined the meeting via phone at 12:57 p.m.

Owners Present: Madonna Petro, Rosemary Jacalone, Maureen & Joe Neglia.

IV. Approval of Agenda

There being no objections, the agenda was approved as circulated.

V. Approval of Minutes 4/25/18 Regular Meeting

MOTION #2: CJ Law moved to approve the minutes of the 4/25/18 meeting as circulated. The motion was seconded by Tim Ohm and passed by unanimous consent.

Bill Petro announced the new officers and committee chairs as follows:

President – Bill Petro
Vice President – Bob Jacalone
Treasurer – Tim Ohm
Secretary – Loren Knott
Assistant Secretary – Dick Endean

Renovation Committee – Paul DiMarchi
Budget Committee – Tim Ohm
Contract Committee – Paul DiMarchi

VI. Treasurer's Report

Bill Petro reported on the following.

1. Financial Review – Additional information was provided on the fiscal ending 8/31/18 financials.
2. Delinquencies & Collections – To be discussed in executive session.
3. Investments – Frank Robar reported on the status of the investments on CD maturities and their yields.

VII. Ad Hoc Committee

1. Energy Audit – Dick Endean reported on the following.
 - A. Efficient AC – Higher BTU – The committee and Dennis Costa are reviewing the following:
 - a. Different BTU Units – It was noted that if a higher BTU unit is considered, the opening would have to be enlarged.
 - b. Better Air Circulation - The committee is also reviewing larger fans to improve the air movement in the unit.
 - c. Motion Detectors – To shut off the AC unit when no movement is detected.
 - d. Timers – 220 timers are costly, but will also be reviewed as an option.
 - B. Solar Power for TS Units – Met with HNU to discuss the possibility of installing solar for the timeshare units. In order to do so, all timeshare units in each building would have to be converted to one single meter.

MOTION #3: Dick Endean moved to appoint a committee of Alex Cordas, Dennis Costa and Dick Endean to reopen the discussion with HNU for solar energy for the 76 timeshare units and present to the Board a proposal at the January meeting. The motion was seconded by Bill Petro.

Discussion: It was noted that if this installation is done, some of the roofs will be fixed and there will be a federal tax benefit with no cost to the timeshare owners. Alex Cordas will confirm the tax credits that are available. Also a legal opinion would have to be obtained on the effect on the other units. The committee is also still reviewing options to include all units.

The motion passed by unanimous consent.

VIII. Standing Committee

1. Contract Committee
 - A. Aqua-Aston – Bob Jacalone reported on the status noting that he and Paul DiMarchi are working on it.

Paul DiMarchi disconnected from the meeting at 1:30 p.m.

2. Budget Committee – Bill reported on the budget and the collections and bad debt.

DEFEATED

MOTION #4: Dick Endean moved to do the following:

At the end of the 6th month of the fiscal year true up the accrued bad debt expense to actuals on the financials.

The motion was seconded by CJ Law.

Discussion: General discussion followed on how the financial statements will look each month and whether this makes sense.

In Favor: Endean.

Opposed: Petro, Jacalone, Knott, Ohm, Law.

The motion was defeated.

3. Renovation Committee – A renovation schedule was sent to the Board for review. Bill Petro reviewed the schedule at the annual meeting and explained the scheduled and non-schedule funds renovation plans and forecast.

IX. Manager's Report

Dennis Costa reviewed his manager's report at the annual meeting and the following was also discussed.

1. Pool Towel Policy

POLICY

MOTION #5: Bob Jacalone moved to approve the following pool towel policy:

- **Occupants can pick up pool towels from the front desk at any time during their stay**
- **Cards will be issued for each towel at check in**
- **# of towels allowed by unit type:**
 - ✓ **1 bedroom – 5 towels**
 - ✓ **2 bedroom – 7 towels**
 - ✓ **3 bedroom – 9 towels**
- **Towel exchanges can be made once per day**
- **\$15 will be charged for each towel that is not returned**
- **Towels must be returned to the front desk before check out**

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

2. Announced Gold Crown – The RCI Gold Crown designation was discussed during the annual meeting. Nancy Benson will send an email blast to the owners.

X. Unfinished Business

1. Timeshare Resales – CJ Law stated that he saw an advertisement on TV by a company that says they can get rid of your timeshares noting that this will be a huge problem. General discussion followed. Nancy Benson continued and reviewed Tom VonRosen's report on resales and special promotions for Timeshare Association intervals including email blasts via Constant Contacts. CJ stated that the resales program has been successful because of Nancy's and Tom's efforts and the Board's support.
2. Electronic Mailing to Owners – Ruth Okada explained the current situation that there are 2 owner data bases being maintained one by Nancy Benson and the other by Mike Robar. Dick Endean reported that he has reached out to David Petrie for assistance and Nancy has received a quote of \$5,000 to upgrade her system to be able to do electronic mailing to owners. Both Nancy and Mike explained their security protection of data and back-up processes. A lengthy discussion followed on this matter, how the data bases are protected and backed by and whether Maui Lea

should only have one data base. There was no desire to consider Dick's concerns of one data base with protection and back-up.

MOTION #6: Loren Knott moved to approve an amount not to exceed \$5,000 to upgrade Nancy Benson's software to be able to do electronic mailing to owners. The motion was seconded by Tim Ohm and passed by unanimous consent.

3. Declaration & Bylaws Restatement (Approved \$2,000) – Loren Knott and Bob Jacalone are reviewing the Declaration and Bylaws to update them which will include incorporating all amendments and taking out all reference to the developer. They should be completed by the January meeting.

XI. New Business

1. AOA Affairs – Dick Endean provided a report at the annual owners meeting and there was nothing more to add.
2. Rescind Motion to Change of Insurance Agents – Ruth Okada reported that at this time, we will not be changing agencies.

MOTION #7: Dick Endean moved to rescind Motion #9 that was approved at the 4/25/18 meeting as follows:

“To approve the change in Insurance Agent to Marsh & McLennan”

The motion was seconded by Tim Ohm and passed by unanimous consent.

3. Ratify Insurance Renewals 7/1/18 – 7/1/19 – A copy of the proposal was sent to the Board.

MOTION #8: Loren Knott moved to ratify the following insurance renewals effective 7/1/18 – 7/1/19 as follows:

- D & O – \$3M Limit; \$5K Deductible; \$13,152 Annual Premium
- Property – \$4,312,119 TIV; \$1,000 Deductible; \$7,703 Annual Premium
- General Liability – \$1M Limit; \$4,233 Annual Premium
- Umbrella – \$5M Limit; \$5,557 Annual Premium
- Worker's Comp 5/31/18 – 5/31/19; Rate 2.44

The motion was seconded by Tim Ohm and passed by unanimous consent.

4. Marriott Vacation Worldwide Acquisition of ILG – Ruth Okada explained the acquisition of ILG (parent company of Aqua-Aston) on 9/1/18. No other information is available at this time.

XII. Next Meeting

1. Board
 - A. 12/13/18 10:00 a.m. (Conference Call)
 - B. 1/28/19 4:00 p.m. Executive Session; 1/29/19 9:30 a.m. Open Session (Maui)
 - C. 4/25/19 9:00 a.m. (Las Vegas)
 - D. 9/25/19 Following Annual meeting
2. Annual 9/25/19 9:30 a.m. (Registration 9:00 a.m.)

XIII. Executive Session

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

The Board went into executive session at 3:51 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.

XIV. New Business (cont.)

1. Document Review Policy – A recommended policy was sent to the Board for review.

POLICY

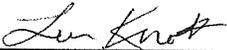
MOTION #10: Tim Ohm moved to approve the Document Review Policy a copy of which is attached and made a part of these minutes. The motion was seconded by Bob Jacalone and passed by unanimous consent.

XV. Adjournment

MOTION #11: Tim Ohm moved to adjourn the meeting. The motion was seconded by Dick Endean and passed by unanimous consent.

The meeting was adjourned at 4:43 p.m.

Approved by:



Loren Knott, Secretary
Board of Directors



Ruth Okada
Recording Secretary

Minutes approved on 12/13/2018

Attachment: Document Review Policy

MAUI LEA TIME INTERVAL OWNERS ASSOCIATION
POLICY FOR EXAMINATION OF DOCUMENTS BY OWNERS

The Maui Lea Time Interval Owners Association ("Association") values all of its members and encourages member participation in the governance of the Association, including each member's right to review certain of the Association documents under Hawaii Revised Statutes ("HRS").

The Association is also concerned with maintaining member confidentiality with respect to certain types of information that is within the possession of the Association. To that end, the Association wishes to make clear its policies and procedures with regard to a member's request to view and examine Association documents. The Board of Directors of the Association (the "Board") has resolved that policies and procedures need to be clearly communicated to members so that members understand their rights and obligations.

This Policy is issued and enforceable by the Board acting pursuant to the Article 9, Section 5.0 of the Restated By-Laws of the Maui Lea Time Interval Owners Association ("Bylaws") and Hawaii Revised Statutes Chapter 414D.

A. Documents Available for Viewing, Examination and Copying.

1. Every owner shall have the right to view, examine and/or copy the Association's documents in compliance with the Bylaws, statutes and this Policy.
2. The Board may withhold from viewing, examination and production documents, records and other information if the release of such information may constitute an invasion of privacy, a waiver of attorney-client privileged information, disclosure of confidential or sensitive information, violation of the law, and/or compromise the integrity of a contractual bidding process, and/or the information is not requested for a purpose reasonably related to the member's interests as a member.

B. Procedure for Examination of Documents by Owners.

1. Examination and copying of records, documents and information shall be limited to those documents specifically requested in advance, in writing, by completing and submitting the Document Request Form ("Form") attached hereto as Appendix A and Affidavit of Good Faith ("Affidavit") attached hereto as Appendix B, or other forms adopted by the Board from time to time. The owner must identify the specific documents requested and specify the pertinent dates or time periods. The Association shall not have an obligation to provide the requested documents if the Form and Affidavit are not executed and delivered to the managing agent. The Form shall be submitted to the managing agent for the Association via personal delivery, mail, email or fax at:

Loreen Hulihee
Aqua-Aston Hospitality, LLC
2155 Kalakaua Avenue, 5th Floor
Honolulu, Hawaii 96815
Fax: 808.202.5815
Email: Loreen.Hulihee@aqua-aston.com

2. The Association may provide the documents by downloading on an internet site if such internet site is available or via electronic transmission if the documents are available in electronic format

3. Owners are required to pay reasonable fees for duplication, postage, stationery and shipping costs associated with handling the request. The copying shall not exceed One Dollar (\$1.00) for each page of 8 ½ inches by 14 inches. Additional copying costs may apply for pages exceeding that size. The owner shall pay for the duplicating costs prior to receipt of the documents.

4. Pursuant to HRS § 414D-303(c), for all documents other than governing documents of the Association, owners are required to pay for reasonable charges covering the costs of labor associated with handling the document request. The labor costs include the time of employees of the Association, the Managing Agent and the Association's legal counsel and its staff in locating, identifying and producing the records and documents.

C. Manner of Examination or Copying.

1. Owners shall not alter, destroy, mutilate or conceal any documents or records of the Association in any way.

2. Owners shall not use any information for purposes not reasonably related to the regular business of the Association and the member's interest in the Association. Owners shall not use any information for commercial or political solicitations or to harass or disturb any other owner or resident, Association agent, officer, director or employee.

D. Enforcement of Policy.

1. Any violation of this Policy shall cause the immediate suspension of the examination or copying of documents until the violator agrees in writing to comply herewith.

2. The Association, in accordance with its Declaration, Bylaws and House Rules, may take any available legal action to enforce this Policy, including the levy of a fine.

3. If an owner refuses to pay for the copying or labor costs associated with the request, the Association may impose such costs against the owner's property interests as a special assessment.

IN WITNESS WHEREOF, the undersigned directors have executed this Policy the
____th day of ____ in the year 20__.

**MAULEA TIME INTERVAL OWNERS
ASSOCIATION**

Signature

Printed Name
Its: President

CERTIFICATE

I, hereby certify that the foregoing is a true copy of the Policy duly adopted at a meeting
of the Board of Directors duly held on _____ and duly
entered in the book of minutes of the Association, and that this Policy is in full force and effect.

**MAULEA TIME INTERVAL OWNERS
ASSOCIATION**

Signature

Printed Name
Its: Secretary

APPENDIX A

**MAUI LEA TIME INTERVAL OWNERS ASSOCIATION
OWNER'S REQUEST FORM FOR ASSOCIATION DOCUMENTS**

Owner name: _____ Date: _____

Mailing Address: _____

Unit No.: _____ Interval No. _____ Tel. #: _____ Email: _____

A. I hereby request examination of the following documents of the following time periods of the Maui Lea Time Interval Owners Association (the "Association").

<u>Document</u>	<u>Time Period</u>
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

(Please attach additional piece of paper if necessary)

B. Please initial on the line(s) below if you permit electronic transmission or internet downloads of the documents, if the documents are available in such format:

____ I authorize the Association to provide the requested documents to me or my authorized agent via email.

____ I authorize the Association to provide the requested documents to me or my authorized agent via downloading through an internet site.

C. If you designate an authorized agent, please initial the line below and provide your agent's information:

____ I hereby authorize the Association to allow my authorized agent, _____, whose email address is _____, and phone number is _____ to view, examine and/or receive the documents requested on this Form.

Owner signature _____ Date _____

APPENDIX B

AFFIDAVIT OF GOOD FAITH

STATE OF _____)

COUNTY OF _____)

_____, being first duly sworn
upon oath, deposes and says as follows:

1. I am an owner of Unit Number(s) _____, Interval Number(s)
_____ at the Maui Hill condominium project and a member of the Maui Lea Time
Interval Owners Association ("Association");

2. I certify and declare that all documents requested by me from the
Association are for a purpose reasonably related to my interests as a member of the Association.

3. The purpose(s) for requesting documents from the Association is/are as
follows:

AFFIANT SAYETH NAUGHT.

Signature
Printed Name: _____

Subscribed to and sworn by oath on
this ____ day of _____, 20__.

Notary Public, State of Hawaii

(Print)
My commission expires: _____