

**ASSOCIATION OF APARTMENT OWNERS OF  
KAI MAKANI BEACH VILLAS  
BOARD OF DIRECTORS MEETING**

**July 19, 2018**

**DIRECTORS PRESENT:** Ken Travers, President; Ken Doolin, Treasurer; David Lovejoy, Secretary.

**DIRECTORS EXCUSED:** Steve Ibach.

**OTHERS PRESENT:** Lysa Tracy, Management Consultants Hawaii

**OWNERS PRESENT:** Nancy Keenan, 18-202; Alex Cuevas 24-201; Christy Jones, 26-101; Monika & Malik Solsberg, 26-202; Nina Hart, 10-202; Bob Harris, 42-202; Jay Hewitt, 22-202; Gordon Baldwin 40-202; Douglas Callihan, 42-103; Marilyn Hoover, 30-202.

**CALL TO ORDER:**

President Ken Travers called the meeting to order at 2:00 p.m.

**MEETING NOTICE:**

Proof of Meeting notice was posted on property and emailed to all Directors.

**BOARD MEMBER RESIGNATION:**

The Board has accepted the resignation of Doug Callihan from the Board of Directors (effective July 13, 2018) and thanked Mr. Callihan for his service.

**BOARD VACANCY:**

**Motion:** *To appoint Alan Breese to fill the vacancy on the Board until the next Homeowners Meeting in February 2019. (Travers/Doolin)*

**CARRIED** unanimously.

**APPROVAL OF PREVIOUS MEETING MINUTES:**

**Motion:** *To approve the Board of Directors meeting minutes dated May 17, 2018 as presented. (Lovejoy/Doolin)*

Motion **CARRIED**.

Abstained: Breese

**PRESIDENT'S REPORT:**

President Ken Travers presented his report and highlighted items including the following:

- In the ongoing legal action of the AOA against Armstrong Builders, the initial offer in the Mediation process was deemed by the Board to be insufficient. The Mediator has requested a counter offer which will be presented by our legal counsel. If Mediation is not successful, the Board has authorized proceeding with the case. Because the action is on a contingency basis, no AOA funds are being expended.

- **SECURITY:** Security cameras for the S. Kihei Rd. entrances to the property and front row buildings were investigated. To obtain cameras of adequate resolution, the minimum estimated cost was more than \$50,000. The Board did not think this was a good allocation of AOA funds and alternate security measures have been assessed. Some owners have installed individual cameras on their lanais. There are eight stairwells facing S. Kihei Rd. and owners of these units have been offered motion detector lights. Six of the eight owners have agreed to the lights which Ken Doolin has volunteered to install at no cost with the owners reimbursing the cost of the materials.
- The AED/defibrillator has been relocated to the outside of the pool fence at the entrance near the site manager's office to allow 24/7 access.
- Faulty front lanai lights have been replaced throughout the property. Any that stop working properly should be reported to the site manager.
- Replacement of drip lines for foliage adjacent to our buildings, removal of loose stones from entrances to front stairwells, and planting of ground cover has begun. A minimum of two buildings a month is being completed by the grounds keeping crew.
- An estimate has been received from Rising Sun for solar for common areas; a bid is pending from Haleakala Solar.
- A recent review by the AOA insurance agent found 29 out of 112 owners on their records as having no, or expired, HO6 policies. A new monthly monitoring system for HO6 coverage has been put in place.

### **TREASURER'S REPORT:**

Treasurer Ken Doolin reviewed the Association's financials as follows:

- Total Operating Cash, \$62,993.96
- Reserve \$678,569.36
- Total Assets, \$877,348.17

### **NEIGHBORHOOD WATCH REPORT:**

Director Dave Lovejoy reported that the MPD has appointed a new officer to replace our previous Neighborhood Watch contact officer. Areas to consider are the back entrance and illegally parked vehicles.

President Ken Travers noted that the number of police patrols are proportional to incidents reported; owners are encouraged to report any incidents.

### **OLD BUSINESS:**

There is none.

### **NEW BUSINESS:**

#### **6 Month Budget Review/Budget Planning 2019**

A midyear budget and Reserves review was instituted last year. The six month review allows the Association to carefully monitor expenses and make necessary adjustments for the remainder of the year. For the 2019 six month analysis, MCH representative Lysa Tracy indicated that the 2019 budget, which had been approved by former management company Hawaiiana, contained an error with a built in \$8000 shortfall. None-the-less, our six month review has been completed and our financials are doing well for the year to date.

**SmartProperty Reserve Program Proposal**

Ms. Tracy reviewed for discussion a computerized program to update our Reserves study at the same time projects are completed, altered, or new data is obtained. This program is expected to facilitate a clearer understanding of how much maintenance fees in the following year's budget might need to be adjusted to keep the Reserves up to date as the three year special assessment comes to an end this year.

**Motion:**      *To accept the SmartProperty Reserve Program proposal at \$56 per month.  
(Doolin/Lovejoy)*

**CARRIED** unanimously.

**Website Management**

**Motion:**      *To engage Ian Ferguson for web maintenance and updates. (Lovejoy/Breese)*

**CARRIED** unanimously.

**Appoint of Director to Serve until Annual Meeting**

As discussed above.

**DATE OF NEXT MEETING:**

The next Board of Directors Meeting is scheduled for September 20, 2018.

**OWNERS' FORUM:**

- Marilyn Doolin requested the Board consider the installation of a faucet with an automatic turn-off in the women's bathroom.
- There was a discussion regarding the Site Manager's performance.
- Doug Callihan was acknowledged for his service on the Board.

**RECESS TO EXECUTIVE SESSION:**

Hearing no objection, the meeting was recessed to Executive Session 3:29 p.m. The Executive Session was adjourned at 4:12 p.m. and the open meeting was reconvened.

**ADJOURNMENT:**

There being no further business to come before the Board, the meeting was adjourned at 4:12 p.m.

Respectfully submitted,

Enza Froio

*Aloha Office Services*

Transcriptionist\*

\*These minutes were transcribed from audio recording as the Transcriptionist was not present at the meeting.