

**ASSOCIATION OF APARTMENT OWNERS OF
KAI MAKANI BEACH VILLAS
BOARD OF DIRECTORS MEETING
Thursday, September 20, 2018**

DIRECTORS PRESENT: Ken Travers, President; Ken Doolin, Treasurer; Alan Breese, Director.

DIRECTORS ABSENT: David Lovejoy, Secretary; Steve Ibach, Director.

OTHERS PRESENT: Mike Fahnert, Site Manager; Lysa Tracy, Management Consultants Hawaii.

OWNERS PRESENT: Bob Hager, 21-102; Tom Erickson, 22-101; Nina Hart, 10-202; Bob Harris, 42-202; Douglas Callihan, 42-103; Shirley Breese, 18-203; Marilyn Hoover, 30-202; Sue Fahnert, 41-202.

CALL TO ORDER:

President Ken Travers called the meeting to order at 2:01 p.m.

MEETING NOTICE:

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

APPROVAL OF PREVIOUS MEETING MINUTES:

Motion: *To approve the Board of Directors meeting minutes dated July 19, 2018 as presented. (Breese/Doolin)*

CARRIED unanimously.

CONSENT AGENDA:

Solar for Common Areas

Haleakala Solar was selected as the provider of solar for common areas. Ken Doolin, acting as a citizen rather than a Board member, has agreed to purchase the system. The AOA will get the system for the total cost minus the tax breaks resulting in a savings of over 50%.

Mr. Doolin has not participated in any votes related to this topic. The Board consulted the AOA attorney to ensure there have been no breaches in law and/or ethics.

Because it was expected that two (2) Board members would not be participating in today's meeting, an email vote was taken of the remaining four (4) Board members (not including Mr. Doolin). Mr. Travers announced that the Board unanimously approved via email to proceed with solar for common areas as described.

PRESIDENT'S REPORT:

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

- After receiving the resignation from the former Site Manager, the Board placed an ad, reviewed resumes, and conducted interviews for a replacement. The Board has selected Mike Fahnert as the new Site Manager. Because Mr. Fahnert is an owner and lives on property, the Board will consider ways to ensure he will receive adequate off-duty time, including proper communication venues, honoring

boundaries, and re-educating the ownership. It was noted that the Site Manager is a salaried professional, rather than an hourly worker, and by job description is expected to provide 40 hours of week in service to the community.

- The Armstrong action against the builder is in mediation and awaiting response from Armstrong.
- The make-up day for dryer vent cleaning is October 3.
- Some storage doors are deteriorating. Condominium apartments that were considered affordable units when originally sold did not have a storage unit. A cost estimate for replacement doors is being sought. Once cost estimates for material and installation is known, the Board will develop a protocol in keeping with the governing documents as to how to handle payment.
- In response to an owner's comment at the last Board meeting, spigot inserts in the pool restrooms have been installed.
- There are 12 units in non-compliance with the H06 insurance policy and may require force placement.
- There have been Owner complaints about a stray dog on property. The owner of the dog agreed to install chicken wire on his side of fence and adjustments were made to the AOA side of the fence as well. This item continues to be monitored.
- In an effort to increase the number of persons who take a shower before entering the pool, a system to warm the shower water was installed. Mr. Doolin explained how the system works.

TREASURER'S REPORT:

Treasurer Doolin reviewed the Association's financials as of August 31, 2018 as follows:

- Total Operating Cash, \$89,076.94
- Total Reserves, \$684,709.51
- Total Assets, \$893,729.25

COMMITTEE REPORTS:

Emergency Preparedness

Residents received reminders of appropriate preparations for the recent hurricane threats.

Neighborhood Watch

There have been more drive throughs on the property by the Maui County Police as a deterrent. There have been no major issues.

UNFINISHED BUSINESS:

There is none.

NEW BUSINESS:

Rescind Priority of Payments Resolution (Originally Adopted January 13, 2010)

Motion:

In accordance with Hawaii Legislature Act 195, the Board officially rescinds the resolution regarding priority of payments adopted by the Board of Directors on January 13, 2010. (Breese/Doolin)

CARRIED unanimously.

Adopt Revised Collection Policy (Originally Adopted January 13, 2010)

Motion: *To adopt the revised Collection of Delinquent assessments resolution as presented eliminating all reference to priority of payments in accordance with Hawaii Legislature Act 195. (Breese/Doolin)*

CARRIED unanimously.

DATE OF NEXT MEETING:

The next Board of Directors Meeting is tentatively scheduled for November 15, 2018.

OWNERS' FORUM:

Owners present were allowed the opportunity to ask questions and provide feedback.

- A budget workshop will be scheduled the third week of October.
- Mower repair update. Mr. Fahnert to discuss height of mower blade with landscape crew.
- Television will be installed in fitness center on 9/21/18.
- Acknowledgements:
 - to the Board for owner communications
 - to Bob Harris for providing disaster preparedness information.

RECESS TO EXECUTIVE SESSION:

Hearing no objection, the meeting was recessed to Executive Session at 3:29 p.m. The Executive Session was adjourned at 4:10 p.m. and the open meeting was reconvened.

RESULTS OF EXECUTIVE SESSION:

The Board directed MCH to refer accounts 22570 and 22527 to counsel for collection.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 4:11 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.