

Association of Apartment Owners
Wailea Fairway Villas
Board of Directors' Meeting Minutes
January 15, 2015

Board Members Present: Edy Salenger, President; Judy Beneventi, Vice President; Bill O'Connell, Treasurer, Mike Luckado, Secretary; and Directors Joe Schultz and Tom Logan

Board Member Present:
(By Telephone) Gordon Johnston, Director

Owner Present: Jamie Marusich, E201

Other Attendees: Alexander Gat, Destination Maui, Inc.; Sam Schreiner, Site Manager; and Deidre Rockett, Recording Secretary

I. DECLARATION OF QUORUM

A quorum was declared with six Directors present in person at call to order. Director Johnston joined the meeting by telephone at 9:08 a.m. as indicated in the Minutes.

II. CALL TO ORDER

President Edy Salenger called the Wailea Fairway Villas Association of Apartment Owners Board of Directors' Meeting to order at 9:01 a.m. The meeting was held at Wailea Fairway Villas, Wailea, Maui, Hawaii.

III. PROOF OF NOTICE

It was certified Notice of Meeting was sent in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

IV. INTRODUCTIONS

Introductions were made at this time.

V. CONSENT CALENDAR

MOTION: To approve the Consent Calendar, as follows: Minutes of the November 13, 2014, Board of Directors' Meeting.

O'Connell/Schultz Unanimous Approval

VI. TREASURER'S REPORT

(Director Johnston joined the meeting by telephone during the course of the Treasurer's Report.)

Treasurer O'Connell updated the Board on the financial status of the Association as of December 31, 2014. Variances in income and expenses were noted and explained.

VII. SITE MANAGER' REPORT

Mr. Schreiner submitted a written report dated January 15, 2015, updating the Board on landscaping activities, building maintenance, work-in-progress, planned projects and deferred projects. Mr. Schreiner answered questions the Board had.

The President noted the lawn was aerated at no cost to the Association with the use of Island Plant Company special hours.

VIII. MANAGING AGENT'S REPORT

Mr. Gat reported the major challenge is the collection of delinquent accounts, but progress has been made. He was pleased to note that there is only one delinquent owner.

IX. PRESIDENT'S REPORT

President Salenger was pleased with progress that has been made, and she thanked the Board and management for their contributions. She recognized the editors of the newsletter, especially with the amount of useful information being published. Owners should be reminded in the Minutes to go online and read the publication. Owners can receive emergency notification from the Civil Defense, as necessary, by signing up for the service on the internet.

The President has been working with Mr. Schreiner and consulting with an expert on the potential of retrofitting the parking lot lights to LED fixtures. This would save the Association money on electric costs. Options are being explored.

The President met with the new Association insurance agent, Atlas Insurance, and the following items were discussed: 1) Level of insurance coverage; 2) Cybercrime insurance coverage; and 3) Defibrillator.

X. OLD BUSINESS

A. Photovoltaic System Status

Director Luckado updated the Board on the status of the potential of a Photovoltaic System at Wailea Fairway Villas. Currently, the application is in the permitting stage. Approval, however, is anticipated "any day now". Funding is available.

The goal is to install by the Annual Owners Meeting.

Director O'Connell explained how tax credits would be issued. He has collaborated with a tax consultant on this matter.

The PV system, as designed, will power the Recreation Center, which includes the exercise room, office and pool. It is designed to meet 83% of the Association needs in this area.

B. Recreation Center Kitchen and Barbecue Remodeling Committee

There are three items involved in this project: 1) Kitchen Remodel; 2) Fitness Center; and 3) Barbecue (possibly).

Director Luckado received a bid from Home Depot from a layout he drafted for the kitchen remodel. The Merchandise and Service Summary Quote was dated January 6, 2015. Director Luckado reviewed the merchandise list, including quality, colors and costs. The prices are valid through January 13, 2015. It was agreed that other bids will be solicited. Additionally, it was noted, that there are some funds in the reserve budget for the Kitchen Remodel and fitness center update, but there are no funds allocated for the Barbecue work.

With three major projects proposed, the President recommended establishing priorities. Some Directors considered the barbecue area a significant priority, with use occurring every day. Budgeting and Reserve funding strategy was assessed. The Reserves are currently funded at the 60% level. Options to build the Reserves and conduct all three projects were discussed.

The President recommended gathering more information, including costs, on both the exercise and barbecue equipment. Director Luckado is meeting with a "fitness equipment" supplier tomorrow. The current condition of the exercise equipment was assessed by the Board and Mr. Marusich along with room usage. Optional equipment styles will be explored.

C. Dumpster Enclosures

The full cost of the Dumpster Enclosures Project is not included in the Budget. Director Logan updated the Board on the status of the project. He reported several walk-arounds were conducted. He distributed a drawing of the current dumpster enclosure design and the proposed changes, describing the modifications and outlining the benefits of the new scheme for the four enclosures. He answered questions the Board had. If the concept is approved, the next step would be to consult with a contractor. The President recognized the "Dumpster Enclosure Committee" for their "amazing" presentation.

MOTION: To approve the Dumpster Enclosures concept and proceed to consult with a contractor and solicit bids, forwarding the bids to the Board for review and approval.

Schultz/O'Connell Unanimous Approval

D. Footbridge Renovation Update

Mr. Schreiner updated the Board on the status of the Footbridge Renovation Project.

The hardware and the timbers have been ordered. Once delivered, the project is ready to proceed. The anticipated time frame for the project to commence is about the first week of February, and the work should take about two weeks to complete. The work will be accomplished in-house, saving the Association money. Logistics were discussed. Owners will be notified of the project in advance by email blast.

E. Automatic Electronic Defibrillator (AED)

The life-saving equipment has been installed on the inside of the pool gate. The insurance company was consulted as to liability, and the agent said that the Association is totally covered by the Good Samaritan Act. It is easy to operate. The President suggested a demonstration be conducted at the Annual Owners Meeting.

F. Oceanic Cable Contract

Directors Logan and O'Connell and Mr. Schreiner met with a representative from Oceanic Cable in an effort to upgrade services. The representative was unable to answer some critical questions, and the installation logistics were not acceptable. Director O'Connell recommended no action at this time.

XI. NEW BUSINESS

A. Owner Survey

The President appointed Director Schultz to evaluate the policy regarding hard surface flooring in the second floor units. Director Schultz will research this matter, surveying the owners to determine if the policy is acceptable. When the information is gathered and assessed, Director Schultz will report back to the Board.

XII. OWNERS' FORUM

Mr. Marusich spoke during the Owners' Forum about the following subjects: 1) Oceanic Cable service and installation at another property in Kihei; 2) Overwatering or misdirected watering; 3) Replacement of deteriorating wood in planters; 4) Aeration of grass area; and 5) Commendation of Board, management and staff.

Mr. Schreiner will consult with the landscapers about the watering.

XIII. NEXT MEETING DATE

The next Board of Directors' Meeting will be held on February 26, 2015, 9 a.m. onsite.

XIV. EXECUTIVE SESSION

The Board moved to Executive Session at 10:28 a.m. to discuss accounts receivable. Regular business resumed at 11:30 a.m.

XV. OTHER BUSINESS

MOTION: To direct the Managing Agent and the Attorney to proceed with the foreclosure process on Unit N103.

Schultz/Luckado Unanimous Approval

Association of Apartment Owners
Wailea Fairway Villas
Board of Directors' Meeting Minutes
January 15, 2015 -- Page 5

XVI. ADJOURNMENT

The meeting was duly adjourned at 11:35 a.m.

Respectfully submitted,

Louise Rockett

Transcriptionist

Approved for distribution by Edy Salenger, President