

Association of Apartment Owners of
Wailea Fairway Villas
Board of Directors' Meeting Minutes
June 20, 2013

Board Members Present: (In Person) Edy Salenger, President; Mike Luckado, Secretary; Ed Small, Assistant Treasurer; and Tom Logan, Director

Board Members Present: (By Telephone) Gordon Johnston, Vice President; and Bill O'Connell, Treasurer

Board Member Absent: Janet Coflin, Director

Owner Present: Steve Pettice, I103

Other Attendees: Chris Bandy and Nancy Price, Destination Maui, Inc.; Sam Schreiner, Site Manager; and Louise Rockett, Recording Secretary

I. DECLARATION OF QUORUM

A quorum was declared with six Directors present either in person or by telephone. Director Johnston joined the Meeting in progress, as noted 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 9:02 a.m. The meeting was held at Wailea Fairway Villas, Wailea, Maui, Hawaii.

III. PROOF OF NOTICE

Chris Bandy 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. CONSENT CALENDAR

The Board reviewed the Minutes of the March 16, 2013, Annual Owners' Meeting and the March 16, 2013, Organizational Board Meeting. A correction was noted on page 3 in the Minutes of the 2013 Annual Owners Meeting. The first sentence in the second paragraph should be changed to read, as follows: "As of December 31, 2012, only three owners were seriously delinquent in fees due the Association; in recent years, the previous total was nine."

MOTION: To approve the Minutes of the March 16, 2013, Annual Owners' Meeting as corrected; and the Minutes of the March 16, 2013, Organizational Board of Directors' Meeting as submitted.

O'Connell/Logan Unanimous Approval

V RATIFICATION OF EMAIL APPOINTMENT OF DIRECTOR

Motion: To ratify the Board's email vote to appoint Tom Logan to serve on the Board of Directors.

O'Connell/Luckado Unanimous Approval

VI. TREASURER'S REPORT

Accounts receivable was briefly reviewed. Treasurer O'Connell reported that \$30,000 in maintenance fees previously written off was added to membership income through the sale of unit X202. There are some other owner accounts past due, and discussion on these delinquencies was deferred to Executive Session.

(Director Johnston joined the Meeting by telephone at this time.)

The Treasurer updated the Board on the financial status of the Association year-to-date. The Budget is generally tracking on target. Revenues, however, exceeded expenses by \$32,300. Variances, both over and under target, were noted and explained, including water, sewer, irrigation and landscaping improvements. The Treasurer answered questions Board members had about the operating contingency.

VII. SITE MANAGER'S REPORT

Mr. Schreiner previously emailed copies of his report, dated June 20, 2013, to the Board. He updated the Board on Association projects and activities, including: 1) Raspberry-ice bogie hedge growing well next to 16th fairway; 2) The patch of Firecracker plants that was removed near the footbridge and replaced with Golden Glory is well established; 3) The loop was completed on the main irrigation line, improving pressure and irrigation of the lawn; and. 4) Isolation valves were installed at each end of the pipe buried under the gulch.

There are no major projects underway, and the staff is focusing on cleaning and maintenance. The bathrooms have been cleaned, damaged tile has been replaced, and heat damage caused by an outdoor grill at D Building was repaired.

The Site Manager answered questions Board members had.

VIII. MANAGING AGENT'S REPORT

Mr. Bandy and Mr. Schreiner are conducting monthly property inspections and reporting to the Board. They work well together.

Mr. Bandy has been working with owners on delinquencies, and he has been successful in collecting some payments.

Mr. Schreiner and Mr. Bandy have been working on the pool deck project, which will be discussed later in the Meeting.

IX. PRESIDENT'S REPORT

President Salenger meets regularly with Mr. Schreiner. She reported that the staff has accomplished a great deal this year.

X. OLD BUSINESS

A. Irrigation System Upgrade

Director Luckado reported steps implemented to save on water consumption have resulted in savings of about \$2,500 per month. With the new loop installed in the irrigation system, the next steps will be to test water pressure and add modules to the Smart Clock timers.

With a question from an owner, the President noted that the landscaper has irrigation slated at different times throughout a 24-hour period.

The President noted that Director O'Connell compiled a chart of average gallons per day irrigation water use from 2010-13. Water use this year is dramatically lower. Changes made so far have been effective, and further steps are planned in an effort to return to 2010 levels of usage.

Irrigation water pressure appears to have improved and equalized and brown spots are going away.

B. Pool Deck

The Site Manager obtained bids to clean, restore and seal the pool deck, and the prices ranged from \$4,500 to \$17,000.

He and Mr. Bandy visited another property, with a heavily used pool area. The property has its own equipment, similar to a floor polisher, to clean the pool deck weekly. Mr. Schreiner thinks Wailea Fairway Villas' may be able to maintain and slowly restore its pool deck by acquiring a machine and scrubbing it on a regular basis.

The Site Manager wants to conduct more research on a scrubber before the Board commits to a costly cleaning process by a contractor.

Mr. Schreiner will continue researching the various alternatives and costs. The goal is to clean the pool deck for an improved appearance at a reasonable cost. Further discussion was deferred to the next Board Meeting.

Mr. Pettice had questions about the temperature of the pool. The Site Manager said sunny weather and spa water entering the pool are factors. The pool is not heated in the summertime. The Site Manager will check for a solution.

XI. NEW BUSINESS

A. Board Policy on Major Projects

The Board considered a suggestion to enact a policy prohibiting major building projects between Thanksgiving and New Year's Day. Board members supported the proposal, excluding emergencies, safety issues or a complication that extends an active project into that time period. The President will draft a Resolution for the Board's review at the next Meeting. The Site Manager noted that other properties have policies restricting the timing of homeowner projects as well during high season.

B. Cleaning the Buildings

The buildings are painted on an every eight to ten year basis. In between the painting project, only one side of the building is washed. The Board discussed alternatives to wash the other three sides of the buildings, including the pros and cons of each alternative and costs. Mr. Schreiner solicited bids. Funding for the cleanings could be added to the budget. Director Luckado and the Site Manager will investigate cleaning just the ocean and mountain sides of the buildings, obtain bids and determine the frequency of cleanings.

C. Discussion of Resolution for Budgeted vs. Non-budgeted Items

The Site Manager asked for clarification from the Board on the price range and limitations he uses when making payments to vendors.

Mr. Bandy provided the Board with possible guidelines for discussion and possible implementation on a trial basis. After discussion, it was decided that Mr. Bandy will make changes in his proposed guidelines, and Mr. Schreiner will implement on a trial basis. The Board can evaluate the guidelines at the next meeting, pass a Resolution and post it on the website upon agreement.

D. Dryer Vent Cleaning

Per past practice, when an owner has a dryer vent that needs cleaning, the Association pays for it. The cost per cleaning is \$120. The vent cleaning contractor also charges \$15 to run wires across the roof vent to keep birds from nesting in it.

Mr. Schreiner keeps detailed records of when vents are cleaned. Mr. Schreiner said dryers will shut down automatically if operations are too hot, so there is no safety issue. Vents will be cleaned upon owner's request to the Site Manager.

XII. OWNERS' FORUM

The Board was recognized for its volunteer efforts and hard work.

With a request to install a lanai shade; Mr. Pettice was asked to bring a diagram and written proposal for the Board's review.

XIII. NEXT MEETING DATE

The next Board Meeting will be held on September 27, 2013. A Pre-budget Meeting will be

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held November 6, 2013, in the offices of Destination Maui at 9 a.m.

XIV. ADJOURNMENT

The meeting adjourned at 10:40 a.m.

Respectfully submitted,

Louise Rockett

Louise Rockett
Transcriptionist

Approved for distribution by Edy Salenger