

Association of Apartment Owners
Wailea Fairway Villas
Board of Directors' Meeting Minutes
October 26, 2011

Board Members Present: (In Person) Edy Salenger, President; Ed Small, Treasurer; Janet Coflin, Secretary; and, Directors Gordon Johnston and Mary Henig (Arrival 10:24 a.m.)

Board Members Present: (By Telephone) Sanford Skaggs, Vice President; and, Jordan Ayan, Director

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

I. DECLARATION OF QUORUM

A quorum was declared with five Directors present at call to order. Directors Henig and Coflin joined the meeting after call to order as indicated in the body of this document.

II. CALL TO ORDER

President Edy Salenger called the Wailea Fairway Villas Association of Apartment Owners Board of Directors' Meeting to order 9:05 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 on September 27, 2011, in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

IV. WRITTEN CONSENT CALENDAR

The Board considered approval of the Consent Calendar: a) Approval of Minutes of September 14, 2011. There was one correction noted, as follows: Delete the last six paragraphs of the Treasurer's Report.

MOTION: To approve the Consent Calendar: a) Approval of Minutes of September 14, 2011, Board Meeting, as corrected.

Skaggs/Johnston Unanimous Approval

V. TREASURER'S REPORT

Treasurer Small emailed a report to the Board prior to the meeting. After consulting with the Association CPA, he addressed questions regarding capital gains taxes.

(Janet Coflin joined the meeting in person at this time.)

VI. MANAGING AGENT'S REPORT

Mr. Gat has been working with Sam Schreiner on the solicitation of multiple proposals. Two bids for re-sealing the asphalt in the parking lot were included with the information given to the Board. A second quote for landscaping along the golf course border was also received. Additionally, Mr. Gat has been working with owners to resolve delinquencies.

VII. PRESIDENT'S REPORT

President Salenger noted there was a lot of business to address at the meeting. She asked the Directors to approach each subject in an efficient yet thorough manner.

President Salenger reported it has been a busy few months, with a number of projects underway. She recognized fellow Directors for their interest and actions toward improving the property.

If an owner is absent for more than ten days, Mr. Schreiner/Site Manager has permission to turn off the water. After a warning is given, owners are fined \$500 if the water is not shut-off. Owners will be informed about the water shutoff policy in the newsletter. Instructions about how to shut off the water are posted on the website.

The Bollard Light Replacement Project is on the action list. There was discussion and questions about whether to replace or maintain the fixtures.

VIII. SITE MANAGER'S REPORT

Mr. Schreiner previously emailed a written report to the Board. He added that the soffits screened on G and H Buildings are highly corroded. He ordered material to replace and protect the buildings from nesting birds. There are at least 300 screens to replace per building. It will be a big job.

IX. OLD BUSINESS

A. Status of Installation of Electronic Lock System

The Electronic Lock System has been successfully installed and programmed by "Josh". A proposed revised policy was provided to the Board by Director Skaggs. It was reviewed. He answered questions the Board had about the electronic fob system.

MOTION: To issue two keys per unit. If there is an additional request from a registered owner, then a third key should be issued at the owner's expense.

Ayan/Coflin

Directors Coflin and Ayan voted in favor of the Motion. Directors Skaggs,

Salenger, Small and Johnston voted against the Motion. The Motion failed by a majority vote.

Fobs in the possession of unauthorized persons should be deactivated. Optional costs to reactivate were discussed. It was agreed that the first fine for unauthorized use of the fobs would be \$50; thereafter, at the Site Manager's discretion, the fines could be as much as \$250.

Director Skaggs presented the proposed tenant fob policy.

MOTION: To approve the policy regarding the new Fob Lock System as revised.

Small/Ayan Unanimous Approval

The Fob policy will be added to the House Rules and it will be posted on the Website.

B. Kayak Rack Status

Director Johnston updated the Board on the status of the Kayak Rack. The plans were resubmitted to WCA based on the newly proposed plant screen material, and the plans were approved based on a site located behind the trash container in front of S Building.

A second location is also being considered by C Building. The cost for the two racks would be approximately \$4,000. The Treasurer said there is funding for the project available.

A kayak storage policy has been drafted. It was discussed.

(Director Henig joined the meeting at this time, 10:24 a.m.)

MOTION: To approve the concept and plans and authorize the expenditure of funding. Also, to move forward and develop rules and terms of Kayak Rack usage before the facility is constructed.

Skaggs/Ayan Unanimous Approval

Director Skaggs volunteered to draft a Kayak Rack Usage Policy for the Board to consider.

C. Status of House Rules Revisions

In 2010, the Board decided that the rules with regard to lanais were stricter than desired. A policy was adopted allowing a reasonable amount of decorative elements and plants. The Site Manager was given the authority and discretion to enforce. This will be added to the House Rules. Policies for fobs and kayak storage, as agreed to in this meeting, will also be added to the House Rules. Smoking rules are included in the Bylaws and will be repeated in the House Rules

Director Skaggs suggested mailing the proposed revisions to the owners, with notification

that the new rules will be adopted at the next Board Meeting. Owners will be given the opportunity to comment at the next meeting or by written correspondence. Director Skaggs will compile the new House Rules into one document and forward to the Board for examination before mailing to the owners. He suggested mailing to the owners at the same time the dues information is sent to the owners.

MOTION: To authorize the distribution of the proposed revisions of rules that have previously been circulated to the Board for comments and give notice of a Board Meeting in the first quarter of 2012 where the rules will be considered. Further, the revisions and notification will be mailed at the same time as the dues coupons.

Skaggs/Johnston Unanimous Approval

D. 2012 Draft Budget

The draft 2012 Budget was presented at the last Board meeting.

MOTION: To approve the 2012 Budget as proposed.

Small/Johnston Unanimous Approval

X. NEW BUSINESS

A. Asphalt Project

The solicitation of bids for this project has been challenging. Two bids have been received, and the costs range from \$41,000 to \$48,000. It was agreed to proceed with the asphalt work during the slow, summer season next year. This project is included in the Reserve Schedule for 2012. Mr. Gat explained the importance of re-sealing every four to five years to preserve and protect the surface.

XI. EXECUTIVE SESSION

The Board moved to Executive Session at 10:42 a.m. to discuss contractual matters. Regular business resumed at 10:53 a.m.

XII. NEW BUSINESS (continued)

A. Asphalt Project (continued)

MOTION: To authorize management to negotiate with Sunny Vic's Paving to do the restriping and resealing sometime after June 1, 2012, and that the officers be authorized to sign a contract in an amount not to exceed \$45,000.

Skaggs/Henig Unanimous Approval

Management was asked to draft a written plan in advance on the management of vehicles during the course of the project, including notification to the owners.

(Janet Coflin was excused from the meeting at 11 a.m.)

XIII. EXECUTIVE SESSION

The Board moved to Executive Session at 11 a.m. to discuss contractual matters associated with the bougainvillea border project. Regular business resumed at 11:25 a.m.

XIV. NEW BUSINESS (continued)

B. Landscaping

MOTION: To proceed with the planting of the bougainvillea along the property line of the 16th Fairway and WFV. Further to accept the bid from Island Plant for the project without any of the add-ons, i.e. drip irrigation or edging, and to authorize the President to sign the contract after all concerns have been addressed.

Small/Henig

Concerns include the details of the irrigation and labor hours.

Directors Henig, Small and Johnston voted in favor of the Motion. Directors Skaggs and Ayan voted no. The Motion passed by a majority vote.

XV. EXECUTIVE SESSION

The Board moved to Executive Session at 11:35 a.m. to discuss legal matters. Regular business resumed at 12 noon.

(Director Johnston was excused from the meeting at 11:55 a.m.)

XVI. NEW BUSINESS (continued)

C. Lanai Storage Cabinet Policy

The Lanai Storage Cabinet Policy was previously sent to the Board for review. The question is whether the Association will allow lanai storage cabinets or not. The pros and cons of permitting storage cabinets were discussed. The proposed standards were reviewed. Two modifications to the policy were recommended and noted by the President. Owners will be responsible for maintaining the cabinets. If not maintained, the owners are responsible for returning the lanai to its original condition and correcting all damages.

MOTION: To approve the Lanai Storage Cabinet Policy with the two modifications as noted by the President.

Small/Henig Unanimous Approval

XVII. ADJOURNMENT

The meeting adjourned at 12:05 p.m.

Respectfully submitted,

Louise Rockett

Louise Rockett
Transcriptionist

Approved for distribution by Edy Salenger, President

Wailea Fairway Villas

Lanai Storage Cabinets - Policy, Minimum Standards

Lanai storage cabinets for 3 bedroom units and 2 Bedroom units without an AC unit on the Lanai:

An owner, may petition the BOD for approval to install a free standing storage cabinet to be placed between the column supporting the upstairs lanai and the living room exterior wall, usually opposite the AC for 3 Bedroom units. The proposed cabinet must include the following minimum requirements:

- Cabinet to be the size of kitchen base cabinets, and wide enough to fill the space available, using filler strips if necessary. (24" deep, 34-36" high)
- Cabinet top to be granite, with finished front and backsplash.
- Cabinet back to have "Hardi-backer" or cement board overlaying the cabinet back to support the backsplash, and to provide a weatherproof surface for STO-like stucco finish.
- Stucco-finished back will be painted to match building base color.
- Cabinet doors to be neutral wood tones or painted to match building.
- As cabinet is free standing, back and front face-frame should fit close, but not be fastened or caulked to either wall surface, though it may be attached to the concrete slab.
- Cabinet required to have two hinge mounted doors to conceal contents.
- Cabinet-style locks may be used, but no hasp and staple with padlocks.
- To preserve cabinet integrity, granite top can be "lightly" caulked to walls.

Lanai bench with storage:

An owner, or resident may petition the BOD for approval to add a bench-type piece of furniture that has closed-in storage below the seat. The proposed bench must meet or exceed the following minimum requirements:

- Bench to be clear coated natural wood, or solid wood painted to match building, or other lanai furniture.
- Cushions, if used, to be covered with materials suitable for outdoor use, in muted tones, and kept clean and in good repair.
- If locked, only flush-mounted cabinet-style locks permitted.
- The location of the Bench cannot restrict emergency egress.
- NO plastic "Rubbermaid" type benches or vertical cabinets allowed.

Applicant must agree to keep clean and in good repair, all finish, paint or fabric used in any cabinet or bench. Applicant also agrees to restore the building to original condition should the cabinet and top be removed.

October 2011