

Association of Apartment Owners
Wailea Fairway Villas
Board of Directors' Meeting Minutes
February 23, 2011

Board Members Present: Ed Small, Edy Salenger, Janet Coflin and Gordon Johnston
(In Person)

Board Member Present: Sanford Skaggs, Jordan Ayan and Mary Henig
(By Telephone)

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

I. DECLARATION OF QUORUM

There was a roll call, and a quorum was declared with six Directors present at call to order. Director Coflin joined the meeting at 9:15 a.m. as noted in the Minutes.

II. CALL TO ORDER

President Sanford Skaggs 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 that the Notice of Meeting was sent to all Directors in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

IV. CONSENT CALENDAR

Items on the Consent Calendar included: 1) Approval of Minutes of the January 12, 2011, Board of Directors' Meeting; and, 2) Authorization to destroy ballots for approved Declaration and Bylaw items.

The President asked if any Director would like to remove any item on Consent Calendar for further discussion.

There was a correction noted to the Minutes in the previous consent calendar, i.e. correct the amount of 10,00 to 10,000.

MOTION: To approve all Consent Calendar items, as follows:

- 1) Approval of Minutes of the January 12, 2011, Board of Directors' Meeting

as corrected

2) Authorization to Destroy Ballots for approved amendments to Declaration and Bylaws.

Small/Salenger Unanimous Approval

V. TREASURER'S REPORT

Treasurer Small updated the Board on the financial status of the Association as of January 31, 2011. He reported the budget is tracking on target, with only minor positive variances experienced.

The Treasurer suggested that delinquencies be monitored closely.

(Director Coflin joined the meeting at this time.)

MOTION: To authorize DMI to waive late charges on failure to pay the Special Assessment, provided the owner pays within 30 days after receiving notice of failure to pay the correct assessment.

Ayan/Small Unanimous Approval

VI. SITE MANAGER'S REPORT

Mr. Schreiner submitted a written report dated February 23, 2011.

Mr. Schreiner reported that he had information on a better product for runner mats in the restroom that will last longer.

MOTION: To authorize Mr. Schreiner to purchase runner mats for the pool bathroom at a cost not to exceed \$500, with a Board member present to select the appropriate color.

Salenger/Coflin Unanimous Approval

Mr. Schreiner suggested purchase an extended ladder to check the roofs and fix holes in the vent soffets made by the birds. By consensus, the Board agreed to the purchase.

Rainbow Roofing will be submitting a report on the results of the random roof inspection requested for Buildings A, F V and D. The Board will be forwarded a copy of the report when received.

Negotiations for an annual roof maintenance agreement with Rainbow Roofing are underway. Directors will receive a copy of the proposal for review and consideration.

VII. MANAGING AGENT'S REPORT

Ms. Price reported the monthly landscape meeting was held yesterday. The landscaper is halfway through the two year program of ground cover rehabilitation. The landscaper provides 40 hours per month of extra work for special projects as part of the contract terms. The logging of special projects extra hours began anew on January 1, 2011. Ms. Price will continue to monitor the special project hours logged by the contractor.

Ms. Price conducts monthly property inspection with Site Manager Schreiner. Along with Treasurer Ed Small and Accountant Carol Resurrection, she worked with the auditor to provide information requested for the 2010 Annual Audit Report. In addition, she has worked with the Association's Attorney on the amendments to the Bylaws and Declaration.

VIII. OLD BUSINESS

A. Status Update on Smoking Ballot

The amendment to the Bylaws to prohibit smoking passed by a 67.694% majority vote. Owners voting against the amendment totaled 17.5499%.

The attorney has advised the President and Secretary to sign and notarize the Amendment for recordation in the State Bureau of Conveyances. Subsequently, the Managing Agent will notify owners of the new rule, giving them 30 days before enforcement.

B. Annual Owner Meeting Election

Ms. Price informed the Board that no action on this agenda item needs to be taken.

IX. NEW BUSINESS

A. Kalai Wa'a Street Noise

This agenda item was brought to the Board's attention by an owner through Director Gordon Johnston. As commercial trucks are not permitted on Kalai Wa'a Street, concern was voiced about the level of noise from vehicles speeding down the roadway. There is a safety issue also, with traffic not stopping at the stop sign.

The President will write a letter outlining the concern of owners and send to Wailea Community Association, Maui Police Department and South Maui Council Member Don Couch. A copy of the letter will be forward to Gordon Johnston to give to the owner with concerns.

B. Entrance Sign

A roadway identification sign for the entry into the south end of the property was suggested. In addition, Director Salenger suggested that signs with instructions about recycling be posted in the refuse removal area. Ms. Price and Mr. Schreiner will work with Directors Salenger and Johnston and solicit proposals from sign companies.

C. Kayak Storage

Josh and Sam drafted a design for the kayak storage rack. Director Johnston is working with the Wailea Community Association Design Committee regarding kayak storage standards and rack location. Standards include use of specific paint product on structure, limitations on height of structure, proper screening and installation of gravel around the structure.

The President will write an article in the next newsletter announcing the potential of a kayak storage area and seek advice from the Association attorney regarding requirements of the governing documents for such an installation.

D. Website Update

Director Salenger updated the Board on the status of the website, which is almost complete. Ms. Price will notify all owners on how to access the website. It will be up and running before the Annual Meeting.

X. NEXT BOARD MEETING DATE

The next Board meeting will be held on March 19, 2011, following adjournment of Annual Meeting business

XI. EXECUTIVE SESSION

The Board moved to Executive Session at 10:10 a.m. Regular business resumed at 10:50 a.m.

XII. ANNOUNCEMENT OF DECISIONS MADE IN EXECUTIVE SESSION

MOTION: To authorize any two officers to execute a contract with DMI to act as the Rental Agent for Unit C-201.

Small/Ayan Unanimous Approval

MOTION: To commence foreclosure procedures on unit X-202, but only when such action is permitted by the bankruptcy court.

Salenger/Small Unanimous Approval

XIII. ANNUAL MEETING

The terms of three Directors will expire at this Annual Meeting. Ms. Price has received four statements of interest in seeking to serve on the Board. Annual Meeting Notices have been sent.

XIV. ADJOURNMENT

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The meeting adjourned at 10:55 a.m.

Respectfully submitted,

Louise Rockett

Louise Rockett
Transcriptionist

Approved for distribution by Sanford Skaggs, President