

Association of Apartment Owners of Wailea Fairway Villas  
Annual Owners Meeting Minutes  
March 9, 2019

Board Members Present: Tara Weikum, President; Michael Luckado, Vice President; William O'Connell, Treasurer; Dennis Adams, Assistant Treasurer; Mark Waite, Secretary; and Directors Tom Logan and Renee Stigers

Other Attendees: Steven Berger, Miriam Loetscher and Rena Tamura, Destination Maui, Inc.; JD Livingstone, Site Manager; and Mark Vieth, Recording Secretary

I. DECLARATION OF QUORUM

A quorum was declared with 66% of the owners represented either in person or by proxy.

II. PROOF OF NOTICE

It was certified Notice of Meeting was sent to all owners of record on January 9, 2019, in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

III. CALL TO ORDER

President Tara Weikum called the Association of Apartment Owners of Wailea Fairway Villas Annual Owners Meeting to order at 9:06 a.m. The Meeting was held at the Wailea Fairway Villas, Wailea, Maui, Hawaii.

IV. MEETING RULES OF CONDUCT

The President announced meeting business would be conducted according to Robert's Rules of Order, Newly Revised. A copy of the customary meeting rules was distributed to owners at registration and were briefly reviewed.

V. INTRODUCTIONS

Introductions were made at this time.

VI. APPROVAL OF MINUTES

The Minutes of the March 10, 2018, Annual Owners Meeting were included with the information distributed to owners at registration. The Board has reviewed and approved the Minutes. With no objections voiced, the President waived reading of the Minutes of the 2018 Meeting.

MOTION: To approve the Minutes of the March 10, 2018, Annual Owners Meeting as presented.

Gary Salenger / Joseph Schultz      Unanimous Approval

## VII.    PRESIDENT'S REPORT

The President began by welcoming everyone to the Meeting. Last year and early 2019 have brought many changes to the Association.

The Site Manager left in September; and, after a search process, the new Site Manager, JD Livingstone, started work in December. Mr. Livingstone has been learning all about the property and getting to know the owners.

The aloha spirit among owners was definitely on display in January, when the property was threatened by a brushfire. Neighbors helped neighbors during the fire, and the Association was fortunate to emerge unscathed. The Board at its January Meeting invited a representative from Atlas Insurance to review the Association's insurance coverage.

Last year, some monkey pod trees on the south end of the property were poisoned, and it cost the Association more than \$8,000 to have the trees safely removed. Last year, two palm trees near the bridge toward the south end of the property were also poisoned. Reports were filed with Maui Police Department, and the Association will fully prosecute anyone found guilty of poisoning the trees. The President emphasized that the Association will not tolerate this kind of activity, and she reminded owners that the policy at Wailea Fairway Villas is it will not remove trees to improve owners' views.

It will be a significant cost for Island Plant to remove and replace a poisoned palm tree, and the Board is considering offering a reward for information on the person(s) responsible for poisoning the trees. The Board is consulting with an attorney and will share updates with owners.

Last April, the Board notified owners that the Association's insurance company raised the building/property deductible to \$25,000. All owners must ensure that their minimum required coverage for the dwelling is \$25,000. This resulted from incidents of leaks in the last two years, and the Association almost lost its coverage. The President asked owners to be diligent in maintaining their units and to check the batteries in their water sensor alarms.

As of January 1, 2019, the Association switched to Island Waste as its refuse removal contractor. Additional recycling bins were installed. Owners should make sure that only proper items are put into the bins for recycling and share this information with guests.

The President reminded owners that Wailea Fairway Villas is not a vacation rental property, and units may only be rented for a minimum of six months.

As owners checked in today, they were asked to confirm or update their e-mail addresses with Destination Maui, Inc. and Mr. Livingstone. The Board will provide information, including the newsletter, to owners via e-mail.

Owners who haven't yet voted were asked to vote on the proposal to make Wailea Fairway Villas a nonsmoking property; ballots were provided at check-in.

The President thanked Treasurer O'Connell, who has been a tremendous asset to the Board and Association. He is retiring from the Board and will be greatly missed.

She concluded by thanking everyone for making Wailea Fairway Villas an incredible place to live, and she looks forward to a wonderful year ahead.

#### VIII. TREASURER'S REPORT

Treasurer O'Connell reported that the Association is in really good shape financially. Operating Cash is robust at \$377,144, and the Reserve Fund totals nearly \$1.7 million.

Funding the Reserves has been a Board priority. The Reserve level is about 79 percent fully funded — very close to the Board's goal of between 80 and 100 percent. The funding level was 57 percent in 2014.

The Treasurer noted that utility expenses fell from \$291,850 in 2017 to \$252,096 in 2018. Water usage is down, and the combination of solar and new LED lights in the parking lot cut the Association's electricity bill in half.

Increases in maintenance fees have been below inflation at just 4.2 percent.

A new Reserve Study will be conducted for the Association in about a month. After experts inspect all common areas, gauge their lifespan and price out repairs, the 79 percent fully funded percentage level of the Reserves will probably drop about 6 percent.

The Treasurer answered questions owners had.

#### IX. SITE MANAGER'S REPORT

Site Manager, JD Livingstone, who has 20 years of experience in property management and construction, started work in December 2018. He thanked owners for their warm welcome.

After a learning curve getting to know his job and the property, Mr. Livingstone and the Board are identifying needs and upcoming projects at Wailea Fairway Villas.

He works Mondays through Fridays from 7 a.m. to 3 p.m. and carries a cell phone with him when he is off-property.

Recent projects and activities include: 1) Catching up on power washing; 2) Checking the backflow preventers; 3) Cleaning up the bike rack; 4) Participating in safety and risk management meetings with other Wailea properties.

Owners are encouraged to approach him anytime with comments or concerns.

The Site Manager answered questions owners had.

#### X. MANAGING AGENT'S REPORT

Mr. Berger introduced himself. He recognized the Board of Directors for their hard work,

and Mr. Livingstone and Brian Heffernan for their efforts to take care of the property.

Mr. Berger thanked Treasurer O'Connell and Vice President Luckado, whose terms on the Board are ending, for their volunteer service.

He submitted a written report dated March 9, 2019, updating the owners on administrative matters, Association insurance policies, and coverage details.

The information distributed to owners at registration includes a Summary of Insurance prepared by Atlas Insurance Agency. Owners can contact him with any questions on insurance.

#### XI. ELECTION OF DIRECTORS

A seven-member Board of Directors governs the Association. With the terms of Directors Bill O'Connell and Michael Luckado expiring, there are two vacancies on the Board for three-year terms. The following owners have expressed an interest in serving on the Board, and their names have been placed on the ballot: Kristi Dunning, Michael Luckado and Philip Kajunski. The President called for nominations from the floor. With no further nominations, the President declared nominations closed. Mr. Berger explained the election process. The candidates introduced themselves.

Two volunteers, Patti Cipro (U101) and Gerry McBroom (R103), were appointed to serve as inspectors of election to assist in tabulating the votes.

A recess was held at 10:04 a.m. to collect and tabulate the votes. Regular Annual Meeting business resumed at 10:41 a.m.

#### XII. ELECTION RESULTS

Kristi Dunning and Michael Luckado were elected to the Board for three-year terms.

The newly elected Board of Directors will hold a short Organizational Meeting after the Annual Meeting to elect officers and set future Meeting dates.

Treasurer O'Connell was thanked for his service on the Board.

#### XIII. ANNUAL MEETING RESOLUTIONS

MOTION: To destroy all proxies and ballots 30 days after this Meeting.

Gary Salenger / Joseph Schultz Unanimous Approval

MOTION: Be it Resolved, that any excess of membership income over membership expenses for the year ending December 31, 2019, shall be applied against the subsequent tax year member assessments as provided by Internal Revenue Service Ruling 70-604.

A Motion was duly made, seconded and unanimously approved

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Annual Owners Meeting Minutes  
March 9, 2019

XIV. NEXT ANNUAL MEETING DATE

The next Annual Owners Meeting was scheduled for March 28, 2020, at 9 a.m.

XV. ADJOURNMENT

There being no further business, the meeting adjourned at 10:46 a.m.

Respectfully submitted,  
Louise Rockett  
Transcriptionist

Approved for distribution by

Association of Apartment Owners of Wailea Fairway Villas  
Organizational Board of Directors' Meeting Minutes  
March 9, 2019

Board Members Present: Michael Luckado, Tom Logan, Mark Waite, Tara Weikum,  
Dennis Adams, Renee Stigers, and Kristi Dunning

Other Attendees: Steven Berger, Destination Maui, Inc.; and Mark Vieth,  
Recording Secretary

I. DECLARATION OF QUORUM

A quorum was declared with all Directors present.

II. CALL TO ORDER

The Organizational Board of Directors' Meeting of the Association of Apartment Owners of Wailea Fairway Villas was called to order at 11:37 a.m. The Meeting was held at the Wailea Fairway Villas, Wailea, Maui, Hawaii.

III. PROOF OF NOTICE

It was certified Notice of Meeting was sent to all owners of record on January 9, 2019, in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

IV. ELECTION OF OFFICERS

The following Directors were duly elected by acclamation to serve as Officers: Tara Weikum, President; Michael Luckado, Vice President; Dennis Adams, Treasurer; and Renee Stigers, Secretary.

V. NEXT MEETING DATE

The next Board of Directors' Meeting will be held on April 12, 2019, at 9 a.m.

VI. ADJOURNMENT

There being no further business, the meeting adjourned at 11:44 a.m.

Respectfully submitted,  
Louise Rockett  
Transcriptionist

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