

**ASSOCIATION OF APARTMENT OWNERS OF  
WAILEA FAIRWAY VILLAS  
BOARD OF DIRECTORS MEETING  
Friday, January 20, 2023**

**DIRECTORS PRESENT:** Alan Cook, President; Doug Hellstrom, Treasurer; Renee Stigers, Secretary (joined the meeting at 9:12 a.m.); L. A. Bannowsky, Rick Duguay, Karen Frangipane, Mary Jurkonis, Directors.

**OTHERS PRESENT:** Steven Berger, Site Manager.

**OWNERS PRESENT:** Joe O'Donnell, G201; Andy Krakoff, L101; Tim Engberg, Y201; Marc Warensky, B102; Hector Sanchez, V103; Michael Luckado, K202; Rich Young, R102; Charles Haase, T102; Rob and Sharon Zurn, U103; Dave Smith, X102; Robert Baker, Y103; Nova Kitayama, B201.

**CALL TO ORDER:**

Mr. Cook called the meeting to order at 9:06 a.m. Hawaii Standard Time via Zoom. A quorum was established.

**MEETING NOTICE:**

Mr. Berger stated that Meeting Notice was emailed to Directors of record, filed in the office of the managing agent, posted on property in accordance with Section 125 of Chapter 514B Hawaii Revised Statutes.

**MEETING RULES:**

The Meeting Rules of Conduct were reviewed.

**CONSENT CALENDAR:**

**Motion:** *To approve the Board of Directors Meeting minutes dated October 28, 2022 as written. (Duguay/Bannowsky)*

**CARRIED** unanimously.

**Motion:** *To approve the Board of Directors Meeting minutes dated November 4, 2022 as written. (Duguay/Frangipane)*

**CARRIED** unanimously.

## **REPORTS:**

### President's Report

Mr. Cook presented his report.

- The Association ended the 2022 fiscal year with a deficit of approximately \$4,000. The Association has a balanced budget in 2023 despite the rise in inflation.
- Major projects, including painting, were accomplished in 2022 and this trend will continue into 2023.
- Energy conservation efforts and how the Association can be “greener” is being explored.

Mr. Cook acknowledged Mr. Berger and Mr Morrison for their excellent efforts for the property.

### Treasurer's Report

Mr. Hellstrom reviewed the Association's financials through December 31, 2022.

#### *Operations:*

- Members' equity showed a decrease of 1% compared to 2021.
- There are no material significant variances as most costs remain within budgeted limits.
- Costs that showed a negative variance, such as the non-judicial foreclosure costs and the building and repairs maintenance expenditures, were explainable variances and were offset by favorable gains in areas such as insurance costs and utility expenses.
- Overall, revenues and operating expenditures were well within acceptable limits relative to the budget constraints. This was evidenced by the 1% overall variance for the year.

#### *Reserves:*

- Painting project, \$73,000 overbudget.
- Roof Tile underlayment project, \$9,000 overbudget.
- Overbudget projects were partially offset by favorable projects related to pool furnishings, landscape replacement, and unit patio repairs.
- Overall, reserves showed a net decrease for the year of \$290,000, or 13%, with the painting costs accounting for over 94% of the total year-to-date expenditures.
- The anticipated ending reserve balance as of 12/31/22 is approximately \$2M.
- With the protected funding increase in place for 2023, the reserve balance is expected to be close to 82% funding.

### Site Manager's Report

Mr. Berger discussed the following items:

- The ground cover restoration project is about 70% complete.
- Replaced diffuser and two-way valve on spa pump.
- Purchased new pressure washer.
- Property upgrades: landscaping; installed new drain and large dry well in front of Building P; and installed new drain at Building Q.

- Two (2) recent major storms caused damage to two (2) Areca Palm trees on the side of Building A, one (1) Travelers Palm tree on the side of Building H, and one (1) Monkeypod tree between Buildings X and Y. Replacement trees will be discussed under New Business. There was no damage to buildings or vehicles.
- Trimming of the Hong Kong Orchid trees commenced in December. Monkeypod trees will be trimmed on February 8<sup>th</sup>, at which time the eight (8) invasive African Tulip trees on the border of Wailea Fairway Villas and Wailea Ekolu will be removed. There is no cost to remove the African Tulip trees as this was negotiated into the new contract with Island Plant that became effective on 1/1/23.

*Secretary Renee Stigers joined the meeting at 9:12 a.m.*

### **OLD BUSINESS:**

#### Update on EV Charging Stations

Mr. Duguay stated that the Charge UP Commercial application for grant funding of the EV charging stations was submitted at the end of November 2022. A site visit occurred in December to ensure there was no environmental contamination at the selected location on property. Confirmation was received that the application was accepted. It was indicated that applications would be accepted through mid- January and that the initial review process would take place through the month of February.

#### Update on Website

Mr. Cook stated that a “shadow” website has been created and Board members will be given access to review and provide input. The intention of the new site is to eliminate redundancies, update language, and improve ease of access.

#### Update on Smoking Ballot

Mr. Berger stated that to date, the ballot has not been approved. The deadline to vote is May 31, 2023.

#### Review of House Rules

A review of the House Rules to determine needed updates is in process.

#### Discussion on Rock Wall

A more permanent solution to address the gulch area that separates the property from the golf course is being explored. Two (2) contractors have inspected the area. One (1) written bid in the amount of \$12,000 was received and proposed work would create a retaining wall that matches the other rock walls on the property with a spillway to guide the water over the rock wall. Additional written bids are forthcoming.

## **NEW BUSINESS:**

### Feedback on New Spectrum Contract Activation on January 17, 2023

There was a general discussion from Board members regarding the transition to the new Spectrum contract. There were no issues encountered.

### Recent Thefts from Vehicles on Property

The recent thefts occurred from 8 vehicles throughout the property on January 6, 2023. It is assumed that the vehicles were not locked as there was no damage to the vehicles such as broken windows or jimmed doors. CCTV monitoring signs and “dummy” CCTV cameras were installed in certain areas of the property at the end of 2022 to discourage such activity. The Board further requested Mr. Berger to install signage indicating CCTV monitoring at the drive-in entrances of the property. Owners are encouraged to be more diligent in locking their vehicles.

### Discussion of Replacement Trees (Between X and Y Buildings)

Mr. Berger stated that a replacement Monkeypod tree (about 8 feet tall/25-gallon pot) is \$650 and that a tree of this size could be planted by staff. A larger “field stock tree” requires the use of cranes and could be cost prohibitive. The Board requested Mr. Berger to solicit the specific cost of a field stock tree.

### Car Wash Station at Building W

There was a discussion regarding the car wash station at Building W. It was noted that the station is not conveniently located; causes overspray onto vehicles resulting in water spots; and when used, blocks access to parking spaces. It was further noted that the car wash stations are used by unauthorized persons. The Board is considering the installation of shutoffs so that water is available during limited hours; and relocating both car wash stations to a new co-located station.

### Discussion on Vacation Rentals

There has been recent short-term vacation rental activity on property, which is prohibited per Association documents. The Board discussed the impact of such activity on the community. After discussion, the Board agreed as follows:

- To review the fine structure to ensure that it is in alignment with current rental rates.
- To report violation incidents to the County.
- To encourage owners to notify Mr. Berger with concerns or suspicions of violations.
- To send a letter to owners regarding the matter. (Letter to be sent after the House Rules are revised.)

### Level 1 Reserve Study

A bid from Hawaii Inspection Group (a local company) to conduct a Level 1 Reserve Study will be reviewed in Executive Session.

## **DATE OF NEXT MEETING:**

The Annual Owners Meeting is scheduled for Saturday, March 18, 2023. A Board of Directors Organizational Meeting will follow.

**OWNERS' FORUM:**

The meeting was recessed for Owners' Forum.

**EXECUTIVE SESSION:**

**Motion:** *To recess to Executive Session at 10:48 a.m. HST to discuss legal, contractual, and personnel matters. (Bannowsky/Duguay)*

**CARRIED** unanimously.

**Motion:** *To adjourn Executive Session and reconvene to regular session at 12:50 p.m. HST. (Stigers/Jurkonis)*

**CARRIED** unanimously.

*Director Rick Duguay left the meeting at 12:30 p.m.*

**MOTIONS FROM EXECUTIVE SESSION:**

**Motion:** *To approve the bid from Hawaii Inspection Group to conduct a Level 1 Reserve Study. (Jurkonis/Bannowsky)*

**CARRIED** unanimously.

**Motion:** *To close the car wash station at Building W and to provide two (2) weeks' notice of closure. This will result in one (1) remaining car wash station at B Building. (Stigers/Frangipane)*

**CARRIED** unanimously.

**Motion:** *To allocate funds in the amount of \$8,000 from Reserves for landscape replacements and restoration for 2023. (Frangipane/Bannowsky)*

**CARRIED** unanimously.

**Motion:** *To allocate funds in the amount of \$12,000 from Reserves for lanai spalling repairs for 2023. (Stigers/Hellstrom)*

**CARRIED** unanimously.

**Motion:** *That Island Plant install Ruellia in the Hemigraphis beds that run the length of Kalai Waa Street. (Jurkonis/Bannowsky)*

**CARRIED** unanimously.

**Motion:** *To modify the fine for V102. (Bannowsky/Stigers)*

**CARRIED** unanimously.

**Motion:** *To rescind the violation for R103. (Hellstrom/Jurkonis)*

Motion **CARRIED**.

Abstained: Bannowsky

**ADJOURNMENT:**

**Motion:** *To adjourn the meeting at 12:59 p.m. HST. (Stigers/Jurkonis)*

**CARRIED** unanimously.

Respectfully submitted,

Enza Froio  
*Aloha Office Services*  
Transcriptionist