

**ASSOCIATION OF APARTMENT OWNERS OF
WAILEA FAIRWAY VILLAS
ANNUAL OWNERS' MEETING
Saturday, March 18, 2023**

CALL TO ORDER:

President Cook called the meeting to order at 9:10 a.m. on property.

INTRODUCTIONS:

Directors Present: Alan Cook, President; Douglas Hellstrom, Treasurer; Renee Stigers, Secretary; Karen Frangipane, Rick Duguay, L.A. Bannowsky, and Mary Jurkonis, Directors.

Others Present: Steven Berger, Site Manager; Maile Wright, Destination Maui, Inc; Ilse Menger, Recording Secretary, Aloha Office Services.

ESTABLISHMENT OF QUORUM:

The By-laws of the Association of Apartment Owners of Wailea Fairway Villas specify that a quorum exists when there is present at any meeting, in person or by proxy, a majority of apartment owners.

President Cook announced that owners comprising 61.5264% are present in person or represented by proxy, thus constituting a quorum.

NOTICE OF MEETING:

A Notice of this Annual Meeting was sent to all owners of record on January 12, 2023. A copy of this notice will be made a part of the Annual Meeting file.

PARLIAMENTARY AUTHORITY:

Robert's Rules of Order, Newly Revised, will be the governing authority for this meeting in any instances not covered by the Association Bylaws, meeting rules or Hawaii Revised Statutes 514B.

APPROVAL OF PREVIOUS ANNUAL MEETING MINUTES:

The minutes of March 19, 2022, Annual Owners Meeting were included with the information distributed to owners at registration. Hearing no objection, reading of the minutes was waived.

Motion: *To approve the Annual Meeting Minutes dated March 19, 2022 as presented. (Weiner/Welsch)*

CARRIED unanimously.

REPORTS OF OFFICERS:

President's Report

President Cook presented his report.

2022 Review

- The Year-End audit is complete and posted on the website. At year-end 2022, the Association had a deficit of \$3,590.95.
- The Painting Project was completed for a total cost of \$554,118 v. \$500,224 budgeted. The contingency fund helped to defray the \$54,000 over budget amount.

2023 Projects

- Hawaii Inspection Group, a Hawaii-based company, was hired to perform an updated Level 1 Reserve Study.
- The amount of \$15,000 has been budgeted for landscaping reserves in 2023.
- A large Monkeypod tree was lost in the recent storm. Planting of a replacement tree and other shade producing vegetation are in progress.
- Additional Oleander shrubs have been planted at the property border at Z building and the golf course.
- The Board is obtaining proposals to remove boulders from the gulch area to build a rock wall on the south side of the gulch, to use the soil to fill in the wash out area at the border with the golf course, and to plant sod.
- Island Plant removed eight (8) invasive African Tulip trees at the property border at Ekolu at no cost. Island Plant will maintain the Ekolu border of the property as part of their regular trimming schedule and contract at no extra cost. Both of these items were negotiated with Island Plant in October 2022 when they requested an inflationary increase over and above their contracted increase.
- Hau shrubs which will grow into a hedge have been planted for ease of maintenance and to improve aesthetics. The kayak/surfboard area is surrounded by a Hau hedge.
- Proposed plans to trim the bougainvillea that has overtaken the original vegetation that was planted are in progress.
- Exploring options for water conservation and improvements to aging irrigation system with Island Plant and Rainbird Irrigation.
- \$15,000 is budgeted for pool deck reseal and repair. Additional pool lounge chairs were purchased.
- The Association's website is being redesigned and will be updated with new features.
- 2023 Reserve projects are as follows: \$15,120 for the replacement of the electrical closet doors; \$12,000 for unit patio spalling repairs of which two (2) units have been completed; \$4,402 for a new golf cart; and \$15,073 for dryer vent cleaning and duct repair/replacement where necessary.
- Additional items to be explored this year, but that are not budgeted, will be an assessment of common area components such as sewer lines. Atlas Insurance recommends a high-risk component inspection process.
- The House Rules will be revised and updated.
- Plans to assess the condition of the underlayment of the roof in anticipation of the 2029 Roofing Project are in progress.

Site Manager's Report

Site Manager Steven Berger presented his report.

Landscaping and Irrigation

- The ground cover restoration project to remedy damage to the ground cover during the painting project is 80% complete.
- Mainline breaks and other irrigation repairs have been addressed as needed.
- Numerous landscaping upgrades throughout the property were made.

Property Enhancement and Additional Projects

- Painting Project was completed.
- New parking and trash signage was installed.
- One (1) additional surfboard rack was added to the Kayak/Board storage area.
- One-third of the pool and spa was drained as part of the annual pool maintenance to keep the saline system working at optimal levels
- The diffuser and two-way valve on the spa pump were replaced and sand in spa filter was changed.
- Repairs were made to the Building M water shutoff valve due to a leak.
- A new drain and dry well were installed in front of Building P and new drains were added at Buildings Q and W.
- The rodent bait boxes were inspected and 24 were replaced.

Mr. Berger recognized Drew for his hard work and dedication to Wailea Fairway Villas.

2023 Projects

- Dryer vent cleaning and duct replacement project.
- Replacement of the hemigraphis ground cover along Kalai Waa Street to be replaced with Purple Ruellia at a cost of \$2,100.

AUDITOR'S REPORT:

Shaun Thayer, CPA, has audited the books for the financial year ending December 31, 2022. A copy of the 2022 auditor's report was included in the owners' meeting packet.

ELECTION OF DIRECTORS:

Article II of Section 1 of the project By-Laws specifies that the affairs of the Association shall be governed by a Board of Directors composed of seven persons, each of whom shall be an owner, co-owner, vendee under an agreement of sale, or an officer of any corporate Owners of an Apartment.

There are four (4) vacancies on the Board, which must be filled. Three (3) vacancies are for a three-year term each and one (1) vacancy is for a one-year term which is the remainder of a three (3) year term as a result of a directors resignation. Remaining on the Board are Renee Stigers, Karen Frangipane and Douglas Hellstrom.

President Cook acknowledged L.A. Bannowsky, Rick Duguay and Mary Jurkonis for their service and valuable contributions to the Association.

Six (6) owners have expressed an interest to serve on the Board of Directors: Alan Cook, Rick Duguay, L.A. Bannowsky, Mary Jurkonis, Rueven Gitter and Charles Haase. Hearing no objection, these individuals are nominated.

President Cook called for further nominations. Hearing none, nominations were declared closed. Each candidate was provided with an opportunity to introduce themselves and give a brief synopsis of their background.

Joe O'Donnell (G201) and David Schiesser (K102) volunteered to be Inspectors of the Election.

The Election of Director(s) shall be by cumulative voting and by secret ballot. Cumulative voting and the voting procedures were explained.

RESULTS OF THE ELECTION:

The newly elected directors are:

Alan Cook	50.04%	<i>elected to a three-year term</i>
L.A. Bannowsky	45.59%	<i>elected to a three-year term</i>
Richard Duguay	41.96%	<i>elected to a three-year term</i>
Mary Jurkonis	31.95%	<i>elected to a one-year term</i>

There will be a brief Organizational Meeting following the Annual Meeting for the purpose of electing the officers for the ensuing year.

NEW BUSINESS

Tax Resolution

WHEREAS, The Association of Apartment Owners of Wailea Fairway Villas is a Not For Profit Corporation duly organized and existing under the laws of the State of Hawaii;

Whereas, the members desire that the Corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Services;

NOW THEREFORE, the members hereby adopt the following resolution by and behalf of the Association of Apartment Owners of Wailea Fairway Villas

RESOLVED, that any excess of membership income over membership expenses for the year ended December 31, 2023, shall be applied against

the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

Hearing no objection, the resolution is adopted.

Owners' Forum

Motion: *To include a 25-minute Owners' Forum as part of the Annual Meeting and to be included in the Annual Meeting Minutes.
(Gross/Dionizio)*

Motion **CARRIED.**

(By a show of hands 19 out of 35 registered owners voted In Favor.)

OWNERS' FORUM:

- Engberg (Y201) inquired what changes had been made in the Reserve Fund investments. President Cook explained that the Certificates of Deposit (CD) have varied maturing dates. When a CD is reinvested the interest rates are updated. Rates are currently between 3% and 5%.
- Beneventi (F103) inquired if the newly planted vegetation along Kalai Waa Street will consume less water than the previous plants. Mr. Berger confirmed that the newly planted Ruellia will consume less water than the Hemigraphis that is currently growing.
- Taylor (M101) questioned the process to remove boulders from the gulch given that a next storm might bring new boulders to the area. President Cook responded that the removal of boulders is done to retain the aesthetics of the property. The boulders will be used to reinforce the retaining wall. The contractor's proposal will be presented at the April 2023 Board Meeting.
- Dionizio (P102) commented that the communication about the closing of the car wash station was poor and that owner input should have been sought before a decision was made.
- Moore (W102) questioned the validity of the decision to close the car wash station at Building Was it was made during Executive Session.
- Tripp (N102) inquired of additional information on the Department of Justice case and noted that ADA officials were on property. President Cook explained that officials were taking measurements and gathering information as part of a lawsuit against the developers of the property. Wailea Fairway Villas is named as a Rule 19 Defendant in the case which means that there are no financial obligations from the association as the suit is against the developer of the property.
- Krakoff (L101) expressed his hope for the new website to be interactive and a better tool for communication between Owners and the Board. He also mentioned that a notice board would be a good tool for residents to communicate with each other about special interests etc.

- Krakoff (L101) inquired if a feasibility study of solar panels will be covered with the new Reserve Study. President Cook explained that the Board has applied for a grant of \$100,000 to install four (4) charging stations for electric vehicles and is exploring the possibility of solar panels on carports.
- Hailey (V202) asked if owners will be given an opportunity to provide input on the changes to the House Rules. Mr. Berger explained that the Board has the right to change or implement new House Rules but not without owner feedback and the process is defined in the Bylaws of the association.
- Tripp (N102) expressed concern about the root systems on the south side of Building A affecting the foundation of the building. President Cook stated that the Board will further investigate.
- Schiesser (K102) questioned the need for continued limited occupancy rules at the gym. President Cook stated that the matter will be further discussed at the next Board Meeting.
- Schiesser (K102) suggested the Board consider replacement of the full irrigation system rather than repairs to existing. President Cook explained that most repairs were related to main line breaks and faulty control valves and that replacing the whole irrigation system is not generally done. Replacing valves and controllers as proposed is fiscally responsible.

DATE OF NEXT ANNUAL MEETING:

The next Annual Meeting was scheduled for Saturday, March 16, 2024, at 9:00 a.m. HST.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned by unanimous consent at 10:59 a.m. HST.

Respectfully Submitted,

Ilse Menger
Aloha Office Services
Recording Secretary

**ASSOCIATION OF APARTMENT OWNERS OF
WAILEA FAIRWAY VILLAS
BOARD OF DIRECTORS ORGANIZATIONAL MEETING
Saturday, March 18, 2023**

CALL TO ORDER:

In the absence of an Account Executive from Destination Maui Inc., Mr. Steven Berger called the meeting to order at 11:14 a.m. Hawaii Standard Time on property.

INTRODUCTIONS:

Directors Present: Alan Cook, Rick Duguay, Karen Frangipane, Doug Hellstrom, L.A. Bannowsky, Renee Stigers and Mary Jurkonis.

Others Present: Steven Berger, Site Manager and Ilse Menger, Recording Secretary Aloha Office Services.

NOTICE OF MEETING:

A notice of meeting was sent to all owners of record in accordance with the Association governing documents, and it was posted on property in compliance with Hawaii State Law.

ELECTION OF OFFICERS:

Motion: *To elect Alan Cook as President. (Jurkonis/Stigers)*

CARRIED unanimously.

Motion: *To elect Mary Jurkonis as Vice -President. (Duguay/Cook)*

CARRIED unanimously.

Motion: *To elect L.A. Bannowsky as Treasurer. (Cook/Frangipane)*

Mr. Bannowsky respectfully declined the position.

Motion: *To elect Rick Duguay as Treasurer. (Bannowsky/Cook)*

Mr. Duguay respectfully declined the position.

For a lack of further nominations, the Treasurer's position will remain vacant.

Motion: *To elect Renee Stigers as Secretary. (Bannowsky/Frangipane)*

CARRIED unanimously.

BOARD OF DIRECTORS MEETING DATES:

Board of Directors Meetings were scheduled as follows:

- Friday, April 7, 2023 at 9:00 a.m. HST
- Friday, July 21, 2023 at 9:00 a.m. HST
- Friday, October 27, 2023 at 9:00 a.m. HST
- Friday, January 26, 2024 at 9:00 a.m. HST

The next Annual Meeting will be held on Saturday, March 16, 2024 at 9:00 a.m. HST.

ADJOURNMENT:

The meeting was adjourned at 11:20 a.m. HST by unanimous consent.

Respectfully Submitted,

Ilse Menger
Aloha Office Services
Recording Secretary