

MAUI LEA TIME INTERVAL OWNERS ASSOCIATION  
BOARD OF DIRECTORS REGULAR MEETING  
April 24 & 25, 2019

I. Call to Order

President Bill Petro called the meeting to order at 4:30 p.m. on 4/24/19 at the California Hotel & Casino.

II. Establish Quorum

Members Present: Bill Petro, Dick Endean, Bob Jacalone, Loren Knott, CJ Law, Paul DiMarchi, Tim Ohm.

Maui Hill Board: Dick Endean, Loren Knott, Alex Cordas, CJ Law, Carl Carlson.

By Invitation: Frank Robar & Mike Robar Condominium Fiscal Management, Inc., Co-Plan Manager; Dennis Costa, General Manager; Ruth Okada, Co-Plan Manager.

III. Executive Session (Joint with Maui Hill)

**MOTION #1: Tim Ohm moved to go into executive session. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

The Board went into a joint executive session with AOA Maui Hill at 4:30 p.m. Upon coming out of executive session, the regular meeting resumed at 5:40 p.m. During the executive session, the Board discussed legal and personnel matters.

The meeting was recessed at 5:40 p.m. on 4/24/19 and resumed at 9:04 a.m. on 4/25/19.

IV. Establish Quorum

Members Present: Bill Petro, Dick Endean, Bob Jacalone, Loren Knott, CJ Law, Paul DiMarchi, Tim Ohm.

Maui Hill Board: Dick Endean, Loren Knott, Alex Cordas, CJ Law.

Owners Present: Spencer & Jean Lyon, Harry Durstine, Joe & Louise Brandner, Rosemary Jacalone, Todd & Michele Niehoff, Noble & Mary Ann Dawling, Fran Wermerskirchen, Bob & Alice Niderost, Mickey Masdeo, Susan Penrod, David Petrie, Madonna Petro, Maureen & Joe Neglia.

By Invitation: Nancy Benson, Owners Services; Frank Robar & Mike Robar Condominium Fiscal Management, Inc., Co-Plan Manager; Dennis Costa, General Manager; Ruth Okada, Co-Plan Manager.

Everyone introduced themselves. Dennis introduced his staff. Alani Malafu (grounds), Clarita Cacho (executive housekeeper), Joslyn Yadao (assistant executive housekeeper), Kristi Kahai (resort guest services).

V. Approval of Agenda

**MOTION #2: Dick Endean moved to approve the agenda with the addition of the following:**

- **New Business**
  - ✓ **D & O Insurance Renewals**
  - ✓ **Crime Insurance Renewals**
- **Move the budget discussion to after lunch**

**The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

VI. Approval of Minutes 1/28/19 Regular Meeting

**MOTION #3: Loren Knott moved to approve the minutes of the 1/28/19 regular meeting as circulated without changes. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

VII. Treasurer's Report

1. Financial Review – Tim Ohm reviewed the 3/31/19 financials.
2. CCDs Lease Extension – Ruth Okada explained the status of the CCDs. It was noted that individual interval deeds can be changed to reflect the extension in the lease during a sale.
3. Delinquencies & Collections – To be discussed in executive session
4. Investments – Frank Robar reported on the 2-year laddering of CDs noting the interest yields and the funds held in the money market account which is liquid.

VIII. Ad Hoc Committee

1. Energy Audit – Paul DiMarchi reviewing the alternative method to eliminate heat in the upper floor units noting that the committee has not yet selected a final solution. Some of the solutions being considered are: A) installing oversize fans in the upper floors and B) changing AC to slit system rather than window type. Ruth Okada also reminded that Board approval for AOAO is necessary if split systems are installed.
2. Solar Power for Timeshare Units – Alex Cordas reported on the status noting that Phase I of the solar project was completed except for the charging stations for the golf carts. Investigating solar for the Timeshare units. Ruth advised that AOAO attorney advised that 67% approval is required.

IX. Standing Committee

1. Contract Committee – Paul DiMarchi reported that the new contract with Aqua-Aston has been signed and is effective 4/1/19. There are no other contracts to review at this time.
2. Budget Committee – Deferred to after lunch.
3. Renovation Committee – Paul DiMarchi reported that mattresses have been replaced and the screen door project is still in process. No other renovations are planned at this time. Dennis is researching lamps with USB plugs and ones with better lighting for reading. Bill Petro noted that he prepared a renovation schedule which needs to be updated.
4. Association Interval Sales Committee – A new standing committee was established to assist with sales of Association weeks. Bill Petro and Loren Knott are co-chairs.

X. Manager's Report

Dennis Costa reviewed his manager's report and reported on the following.

1. Status
  - A. Dining Room Sets (Approved \$150,000) – Arrival estimated in June.
  - B. Mattresses (Approved \$181,000) – Completed and total cost less than the budget.
  - C. Screen Door Renovation – In process.
  - D. Higher Amperage Breakers – Reviewing higher amperage to allow hair dryer without tripping the breakers.
2. Owners' Needs – Reminded the owners to advise the staff the owner needs anything when on property.
3. Pool Towels – General discussion followed on the cost of the towels and the recommendation to purchase larger towels. If larger towels are purchased, the budget needs to be adjusted. Cards will be issued at check in and exchanged for towels at the front desk.

**MOTION #4: Bob Jacalone moved to approve \$14,000 to purchase new pool towels. The motion was seconded by Dick Endean and passed by unanimous consent.**

The meeting was recess at 10:15 a.m. and resumed at 10:30 a.m.

XI. Unfinished Business

1. Timeshare Resales – CJ Law and Nancy Benson reported on resales and distributed a report to the Board.
2. Marriott Vacation Worldwide (MVW) – Ruth Okada reported on the sale of ILG (Aqua-Aston's parent company) to MVW on 9/1/18. General discussion followed.
3. Electronic Mailing to Owners (Approved \$5,000 to update N. Benson's database) – Nancy Benson provided an update on the status of the upgrade noting that email testing will also be done. She is also working with Mike Robar to ensure that the owner's mailing and email addresses are correct. Electronic mailing will be used for the upcoming owners' annual meeting mailing.
4. Electronic Billing – Mike Robar reported on the status of their upgrade which should include electronic billing also. The transition to electronic billing should be completed in 9 to 12 months.
5. Declaration & Bylaws Restatement (Approved \$2,000) – Loren Knott and Bob Jacalone provided the Board with their recommended amendments which were also reviewed and finalized by legal counsel. Bob reviewed the amendments. The restatement of the documents was also sent to the Board.

**MOTION #5: Bob Jacalone moved to approve the restatement of the Declaration and Bylaws. The motion was seconded by Dick Endean and passed by unanimous consent.**

**MOTION #6: Bob Jacalone moved to approve the proposed amendments as drafted by Loren Knott and Bob Jacalone and finalized by the Association's legal counsel for mailing to the owners for approval at the next annual meeting. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

Ruth Okada will work with the Association's legal counsel to prepare the documents for mailing to the owners for the next annual meeting. It was also noted that the Board will have to work with the Developer also on these amendments.

The Board thanked Loren and Bob for their work on the amendments.

XII. New Business

1. AOA Affairs – Dick Endean reported on the following:
  - Still working on solar for the Timeshare units
  - Replacing wood for the unit entry landings and stairs throughout the property with synthetic material
  - Roofs are being reviewed as the felt has now deteriorated. Reroofing will be contingent upon the Timeshare adding solar as the panels will be installed on the roofs.
  - No smoking signage added to the lanai areas and the BBQ areas.
  - AOA approve a 4.35% increase for 7/1/19.
2. Ratify Crime Policy 4/8/19 to 4/8/20; \$1,109 annual premium (exp. \$1,109) + \$215 to extend to 7/1

**MOTION #7: Loren Knott moved to ratify the crime policy as follows:**

**Period: 4/8/19 to 4/8/20 with extension to 7/1/19  
Annual Premium: \$1, 109 plus \$215 for the extension**

**The motion was seconded by Tim Ohm and passed by unanimous consent.**

3. D & O 7/1 \$3 mil; \$5k retention; \$13,152 annual premium (exp. \$13,152)

**MOTION #8: CJ Law moved to approve the D & O policy as follows:**

**Period: 7/1/19 – 7/1/20  
Limit: \$3 million  
Retention: \$5,000  
Annual Premium: \$13,152**

**The motion was seconded by Bob Jacalone and passed by unanimous consent.**

4. Website – Ruth Okada stated that she has been working with Dick Endean and Nancy Benson on the website. She will obtain a quote for Maui Lea to change to FrontSteps (Website the AOA is using).

#### XIII. Next Meeting

1. Board
  - A. 9/25/19 Following Annual meeting
  - B. 1/22/20 tentative; 1/21/20 Executive Session
  - C. 4/23/20 Las Vegas
2. Annual 9/25/19 9:30 a.m. (Registration 9:00 a.m.)

The meeting was recessed at 11:26 a.m. and resumed at 12:58 p.m.

#### XIV. Standing Committee (cont.)

1. Budget Committee – The proposed budget was sent to the Board for review and reviewed at the meeting in detail. General discussion followed.

**MOTION #9: Paul DiMarchi moved to approve the budget for the FYE 6/30/20 as follows:**

- **Quarterly Fees**
  - 1 Bedroom - \$244 ZZ - \$419**
  - 2 Bedroom - \$272 ZZ - \$466**
  - 3 Bedroom - \$305 ZZ - \$523**
- **Monthly Revenues & Expenses - \$354,271**
- **Co-Plan Manager – Fiscal 3% 7/1/19**
- **Co-Plan Manager – Admin 1.5% 7/1/19**
- **Timeshare Services – 3% 4/1/20**
- **Wages – 3% 4/1/20**
- **Major Replacements - \$64,680 (annual) for the follows:**
  - ✓ **Air Conditioners**
  - ✓ **Bed, Mattresses, etc.**
  - ✓ **Carpet – Interior Rooms (re-stretch)**

- ✓ Carpet – Lanais
- ✓ Computer (Dennis)
- ✓ Dishwashers
- ✓ Draperies, Mini Blinds
- ✓ DVD & VCR Dual Deck
- ✓ Fans & Components
- ✓ Faucets & Showerheads
- ✓ Furniture – Other than Beds
- ✓ Guest CD Players
- ✓ Microwaves
- ✓ Painting
- ✓ Ranges
- ✓ Refrigerators
- ✓ Refurbish Lanai Tables & Chairs
- ✓ Televisions
- ✓ Vacuum Cleaners
- ✓ Washers & Dryers
- ✓ Water Heaters
- ✓ Golf Carts

**General Manager is authorized to proceed with Major Replacements projects without obtaining specific approval of each item.**

**The motion was seconded by Dick Endean and passed by unanimous consent.**

XV. Executive Session

**MOTION #10: Paul DiMarchi moved to go into executive session. The motion was seconded by Tim Ohm and passed by unanimous consent.**

The Board went into executive session at 1:20 p.m. Upon coming out of executive session, the regular meeting resumed at 2:59 p.m. During the executive session, the Board discussed legal matters.

XVI. Adjournment

**MOTION #11: Loren Knott moved to adjourn the meeting. The motion was seconded by Paul DiMarchi and passed by unanimous consent.**

The meeting was adjourned at 2:59 p.m.

Approved by: \_\_\_\_\_  
Loren Knott, Secretary  
Board of Directors

Ruth Okada  
Recording Secretary

Minutes approved on \_\_\_\_\_