

ASSOCIATION OF APARTMENT OWNERS  
MAUI HILL  
BOARD OF DIRECTORS REGULAR MEETING  
CONFERENCE CALL  
January 27, 2021

I. Call to Order

President Dick Endean called the meeting to order at 10:28 a.m. HST.

II. Establish Quorum

Members Present: Dick Endean, Loren Knott, CJ Law, Carl Carlson (disconnected early), Alex Cordas.

Maui Lea Board: Bill Petro, Loren Knott, CJ Law, Tim Ohm, Bob Jacalone.

By Invitation: Frank Robar & Mike Robar, Condominium Fiscal Management Inc., Maui Lea Co-Plan Manager; Nancy Benson, Maui Lea Owner's Services; Dennis Costa, General Manager; Bobbie Favela & Ruth Okada, Aqua-Aston Hospitality, Inc., Managing Agent.

III. Approval of Agenda

**MOTION #1: Carl Carlson moved to approve the agenda as circulated. The motion was seconded by Alex Cordas and passed by unanimous consent.**

IV. Board Meeting Minutes

1. Approval – 12/3/20 Regular & 12/30/20 Special Meetings

**MOTION #2: Loren Knott moved to approve the minutes of the 12/3/20 Regular meeting and the 12/30/20 Special meeting as circulated. The motion was seconded by Carl Carlson and passed by unanimous consent.**

2. Correction – 4/22/20 Meeting

**MOTION #3: CJ Law moved to approve the correction to the minutes of the 4/22/20 Regular meeting by deleting the incorrect collection policy and inserting the correct collection policy. The motion was seconded by Carl Carlson and passed by unanimous consent.**

V. Treasurer's Report

Carl Carlson reported on the following.

1. Financial

A. Review – Reviewed the 12/31/20 financials.

B. Accounting Standards Codification Topic 606 – Ruth Okada noted that they will advise the Board when the change is made.

2. Activities Desk – Dennis Costa reported that he received the 6<sup>th</sup> amendment.

**MOTION #4: Loren Knott moved to accept and approve the 6<sup>th</sup> amendment for the activities desk for the following general terms and conditions:**

- 2/1/21 – 6/1/21 – Rent: \$1,000 per month
- 7/1/21 – 1/31/22 – Rent \$3,500 per month

**The motion was seconded by CJ Law and passed by unanimous consent.**

3. Delinquencies/Collections
  - a. Delinquency Status – Remains nominal.
  - b. Collections – None.
4. Investments – Ruth Okada reported that she worked with Carl Carlson and moved all funds from Bank of Hawaii Trust to the Capital checking account until investment rates get better. This will help to offset checking account bank fees since Bank of Hawaii will no longer offer free banking.
5. Budget – Dick Endean stated that the following items should be included in the 2021 budget.
  - A. Termite Tenting – Recommended that tenting be included as a part of roof work that will be done with the PV system starting with Building L. Dennis will work with Nancy on relocating the owners for the tenting. Estimated cost is \$140,000. General discussion followed on funding of the capital reserves to remain at 50% funded for the reserve study.

**MOTION #5: Loren Knott moved to approve the termite tenting of all residential 12 buildings to coincide with the roof & solar installations over a 2-year period at a cost not to exceed \$175,000. The motion was seconded by Carl Carlson and passed by unanimous consent.**

It was noted that the burden on coordination will be Rising Sun responsibility.

- B. Evaluate Irrigation System – The 2-inch irrigation pipes are starting to deteriorate. Dennis will look for an irrigation specialist to evaluate the irrigation system to determine what has to be done to improve and correct the system including the pressure in the system. Once the quote is received, the Board will approve the hiring via email and ratify it at the next meeting.
- C. New Computer, Monitor & Camera for Dennis Costa – A desktop, laptop, monitor and all ancillary equipment should be ordered for Dennis. The cost will be shared between the Timeshare, Resort and the AOA. The quotes will be sent to the Board to approve. Bobbie Favela will advise Mark DeMello about this purchase.
- D. Stairs & Landings – The synthetic stairs that was installed at units #68 & #70 are not showing any signs of deterioration. Dennis noted that they synthetic material can be purchased for the stairs and the landings and in-house staff can install. This replacement is already in the reserve study. It was also noted that if we change to the synthetic, there is no maintenance (painting and repairing) and no termite issues. Dennis will do a comparison of using real wood and the synthetic product and present to the Board at the April meeting.

#### VI. Standing Committee

1. Unit Rental Interface Program – Carl Carlson reported on the following.
  - A. Reconsider Smoking Fining Policy – A copy of the approved smoking fining policy was sent to the Board. Carl stated that the Board should reconsider this policy as fining is not needed. The committee is 2 to 1 that wants to rescind the smoking fining policy and Dennis agrees to rescind.

#### **RESCIND POLICY**

**MOTION #6: Loren Knott moved to rescind Policy Motion #4 approved at the 12/3/20 meeting based on recommendations from the committee. The motion was seconded by Carl Carlson.**

Discussion: General discussion followed on whether this should be rescinded and what happens if the occupant does not comply.

**The motion passed by unanimous consent.**

- B. Unit Entry Door Locks & Registration at Front Desk – Defer to April meeting.
- C. House Rules Amendments – Defer to April meeting.

2. Architectural Review – CJ Law reported on the following.

A. Owner Renovations

- 1. 3 Maui Lea Split AC System Installation – CJ noted that the committee has no issues on the installation but is concerned on the repair of the hole from old AC in the wall. Dick noted that a water barrier will have to be installed to ensure that water does not get behind the wall. The new request is for all the upper floor units. It was noted that because the piping will run through the unit below, that approval of the unit below will have to be obtained. Nancy Benson and CJ Law confirmed that once approval of the lower unit is provided, it is that owner's responsibility to disclose to potential buyers. The Board asked CJ to contact Shannon (AOAO's legal counsel) to obtain a document that can be used for this installation and easement of the lower floor unit. It was noted that the AOAO should hire someone to determine how the hole in the wall from the old AC should be repaired to ensure that it is watertight. Bob Jacalone needs to change his request to the ARC and advise how the housing and hole is repaired & weatherproofed. CJ will provide to Bob a list of documents that he needs to provide with the revised application.

- B. Owner if any (for Board approval) – None.

VII. Ad Hoc Committee

- 1. Energy Conservation – Alex Cordas reported that Dick Endean gave update at the annual meeting. Permits are in line, MECO has agreed with the installation and Rising Sun has been making progress. 12 pallets of roof tile are on island for the roofing project. Loren Knott is still working with Shannon on the final PPA agreement.

**MOTION #7: Alex Cordas moved to authorize Dick Endean as President to sign the PPA once approved by Shannon Sheldon (legal counsel) and Loren Knott with final review by the Timeshare Board. The motion was seconded by CJ Law and passed by unanimous consent.**

RAM will work with Dennis on the roof project that is not under the PPA which is estimated to be \$75,000.

VIII. Manager's Report

Dennis Costa provided his report at the annual owners meeting and had nothing new to add.

IX. Unfinished Business

- 1. Zoning Impacting Maui Hill – Dick Endean discussed these topics at the annual owners meeting and had nothing to add.
- 2. Ruth Okada Assistance with FYE 2022 Budget – Ruth will assist.

X. New Business

- 1. Internet & TV Service (Spectrum contract expires May 2022) – Dennis Costa and Bobbie Favela will work on it and present alternatives to the Board.
- 2. Status of Security Camera System Upgrades – Dick Endean reported that there was a break-in in the maintenance building and gardening tools were taken. The monitors will be moved to the front desk from Kristi's desk. Dennis Costa noted that it will cost \$9,000 to upgrade the system for 6 total cameras. He will obtain another quote to present to the Board.

XI. Next Meeting

1. Board
  - A. 4/21/21 (Vegas or Maui) (*determine later that the meeting will either be on Maui or virtual*)
  - B. 9/15/21 (follow annual meeting)
  - C. 1/26/22 (tentative)
2. Annual 2021 – 9/15/21

Carl Carlson disconnected from the meeting at 12:45 p.m.

XII. Executive Session

**MOTION #8: CJ Law moved to go into executive session. The motion was seconded by Alex Cordas and passed by unanimous consent.**

The Board went into executive session at 12:45 p.m. Upon coming out of executive session, the regular meeting resumed at 1:05 p.m. HST. During the executive session, the Board discuss legal and personnel matters.

XIII. Adjournment

**MOTION #9: Loren Knott moved to adjourn the meeting. The motion was seconded by CJ Law and passed by unanimous consent.**

The meeting was adjourned at 1:05 p.m. HST.

Approved by: \_\_\_\_\_  
Alex Cordas, Secretary  
Board of Directors

Bobbie Favela  
Recording Secretary

Approved by the Board of Directors on \_\_\_\_\_.